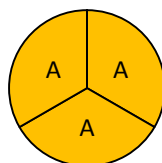


Internal Audit



Integration Joint Boards – Performance Management Framework

February 2016



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Introduction

The Public Bodies (Joint Working) Scotland Act 2014 aims to provide better connected and co-ordinated services through the integration of health and social care services provided by local authorities and health boards. Integration Joint Boards (IJBs) are tasked with developing strategic plans that will direct the provision of services in order to deliver the outcomes published by Scottish Government. IJBs are now in place for Edinburgh, East Lothian, West Lothian and Midlothian, with their functions being delegated to them on 1 April 2016.

Each IJB is required to have a strategic plan, which sets out how it will deliver services, and a related performance management framework to allow monitoring of performance against the plan. The performance management frameworks set out how the IJBs will measure performance against their strategic plans, identify areas where improvements are required, and demonstrate to stakeholders the benefits that are being delivered.

It is NHS Lothian's responsibility to provide the IJBs with information for their performance management framework, for those areas in which NHS Lothian is delivering services. It is therefore important that NHS Lothian has robust systems and processes in place for the efficient capture of data to allow reporting of required information to the IJBs.

Scope

We reviewed the arrangements in place for the provision of performance information by NHS Lothian to Integration Joint Boards.

Acknowledgements

We would like to thank all staff consulted during this review for their assistance and cooperation.

Executive Summary

Conclusion

The development of performance indicators and the decisions and methods of providing the information from NHS Lothian to the four IJBs continues to be a work in progress. The dataset will be formed of acute, social care, primary care and community care indicators; however, further work is required to define primary and community indicators. In addition supplementary indicators may be required by the IJBs once they have finalised their Strategic Plans. Action plans have not been created to record the additional work required to define the remaining indicators, obtain data or to record actions required to develop systems to be able to extract and report the data as required. Where indicators have been defined it was identified that the Lothian Integration Dataset Group has not kept a complete record of all key decisions being made.

Update

Since the audit fieldwork was completed in February 2016, the work performed to date on developing the common set of indicators has been suspended and a decision was taken to report strategic indicators based on the directions the IJBs give from their Strategic Plans. It will now be the decision of the IJBs whether other indicators, additional to the strategic directional indicators, will be required including primary and community indicators.

The Dataset Group has asked the IJBs which strategic indicators they need NHS Lothian to report in the interim. A meeting is due to be held by the Dataset Group to discuss and review the IJBs' interim requirements.

Summary of Findings

The table below summarises our assessment of the adequacy and effectiveness of the controls in place to meet each of the objectives agreed for this audit. Definitions of the ratings applied to each action are set out in Appendix 1.

No.	Control Objective	Control objective assessment	Number of actions by action rating			
			Critical	Significant	Important	Minor
1	NHS Lothian has determined the performance information each IJB requires, including the contents of performance and annual reports.	Amber		1	1	
2	The methods for obtaining the performance information have been determined, with a related action plan with timescales and named responsible staff in place.	Amber		1	1	

No.	Control Objective	Control objective assessment	Number of actions by action rating			
			Critical	Significant	Important	Minor
3	Systems are in place to provide the performance information completely, accurately, in a timely manner, and with the frequency required to each IJB.	Amber		1	1	

Control Objective Ratings

Action Ratings	Definition
Red	Fundamental absence or failure of controls requiring immediate attention (60 points and above)
Amber	Control objective not achieved - controls in place are inadequate or ineffective (21 – 59 points)
Green	Control objective achieved – no major weaknesses in controls but may be scope for improvement (20 points or less)

Main findings

The provision of performance information by NHS Lothian to the IJBs is a work in progress. Although not all indicator data will be ready or available to report by 1 April 2016, we have noted areas of good practice in the progress made to date by NHS Lothian.

There has been good collaboration between senior NHS Lothian staff and the four Integration Joint Boards (IJBs) within the Lothian area at the Lothian Integration Dataset Group (LIDG), who have been working together to identify a common set of potential performance measures of interest to the four IJBs. In addition the Chief Officer Interface Group (COIG), made up of the Chief Officers of the IJBs and Senior Members of NHS Lothian Strategic Planning, has met to discuss and note progress made at the LIDG.

Indicators will be reported in two groups: Operational Oversight indicators and Strategic Planning and Commissioning indicators. It was agreed that Operational Oversight indicators will be made available for weekly reporting from the IJBs' commencement on the 1 April 2016. Strategic Planning and Commissioning indicators will be reported less frequently, typically on a quarterly or annual basis.

We identified three significant issues during this review in relation to the remaining progress required by NHS Lothian to provide performance information to the IJBs:

- At the time of the audit the dataset was still being developed. Work has focused on integration and acute indicators, which has meant that both primary and community data requirements have not yet been defined. Furthermore, there may be additional indicators identified as part of the performance aspirations documented in the IJBs' Strategic Plans; however, these plans are still to be finalised;
- There is no action plan in place to capture the work still required in order to meet the performance information requirements agreed to date; nor has the work required to obtain primary and community care data been formally documented in a work plan; and
- Some development work requires to be performed on electronic systems in order to extract information and split the data for reporting. In addition some further work will need to be performed to create data sharing arrangements. However, there is no defined action plan in place to identify the actions which will be taken to address these issues.

Further details of these points, in addition to three important points, are set out in the Management Action Plan.

Management Action Plan

Control objective 1: NHS Lothian has determined the performance information each IJB requires, including the contents of performance and annual reports.	
1.1: The performance information each IJB requires has not yet been completely defined.	Significant
<p>Observation and Risk:</p> <p>The Lothian Integration Dataset group (LIDG), which has members from NHS Lothian and the four Integration Joint Boards (IJBs) within the Lothian area, has been working to identify a shared dataset for use by the four IJBs, which can be augmented with local measures for each IJB. There are four quadrants to the dataset: acute, social care, primary care and community data. The dataset is still being developed and, at the time of the audit, had 85 indicators which covered integration indicators (Scottish Government's national core indicators), Local Delivery Planning (LDP) indicators, additional hospital indicators and social care measures.</p> <p>There has been a lack of focus on the primary care and community indicators and as such data requirements have not yet been defined. It was noted that the LIDG agreed in December 2015 that primary care indicators would not be included in the Integration Dataset before April 2016. Furthermore, there may be additional indicators identified as part of the performance aspirations documented in the IJBs' Strategic Plans; however, these plans are still to be finalised.</p> <p>Where a complete dataset has not been fully defined there is a risk that an indicator required to be measured from the 1 April has not been identified, even if the indicator does not require to be reported until the year-end. This could result in incomplete performance data being available to monitor and report progress.</p>	
<p>Recommendation:</p> <p>A complete dataset covering all four quadrants: acute, social care, primary care and community data should be defined prior to the 1 April 2016. The LIDG should obtain any further performance measures required from the IJBs on the finalisation of their Strategic Plans.</p>	
<p>Management Response:</p> <p>The pace of progress of developing indicators in the dataset reflects both the evolution in thinking on the role of IJBs, the delays in the development of IJB directions and the lack of definition nationally on some of the measures of interest to the IJB.</p> <p>The information needs of the IJBs were divided into two, as outlined to the Strategic Planning Committee in December 2015, operational and strategic. The operational measures have been articulated in partnership with IJB representatives and being provided weekly since April 2016.</p>	

As agreed at the Strategic Planning Committee, strategic measures are intended to be able to assess progress on IJBs' strategic plan, especially as articulated through the directions they issue. Having been developed in advance of the strategic plan and with directions still being finalised, the dataset, when reviewed, did not reflect these needs.

It was therefore agreed at March's dataset group, that the dataset as articulated to that point would be suspended, and the IJBs were to consider those measures which they would require in preparation for the 2016/17 strategic plan and articulate those in advance of May 2016 dataset meeting. This would be further informed by the workshop being planned on directions, proposed at the March 2016 meeting with Chief Officers.

Primary and community indicators will only be developed on request from the IJBs as a performance measurement requirement.

Management Action

1. IJBs to articulate interim strategic measures required during May 2016.
2. Chief Officers' Workshop on Directions due to be scheduled to define directions. After which, the IJBs will provide performance measurement requirements in line with the directions for monitoring.

Responsibility: Chief Officers, IJBs

Target date:

1. 31st July 2016
2. 30th September 2016

1.2: The contents of performance reports are still under development.	Important
<p>Observation and Risk:</p> <p>Due to the volume of indicators identified by the LIDG the decision was taken to split the indicators into two groups: those for Operational Oversight and those for Strategic Planning and Commissioning. The former will be available for monthly reporting from the 1 April 2016 and the latter potentially on an annual basis. In February 2016 the IJB Chief Officers were consulted on the content of the Operational Oversight Report. The format of the report is due to be signed off by the Chief Officers' Group/LIDG meeting on the 22 March 2016.</p> <p>Once the IJBs' Strategic Plans have been finalised, further work will be required to confirm the content and format of the Strategic Planning and Commissioning performance reports and how often these will be reported.</p> <p>Due to the proximity of the 1 April 2016 deadline, there is a risk that the format of the Operational Oversight Report is not agreed prior to the start of the IJBs' operations. Where sign off on the content and format of the Strategic Planning and Commissioning reports has still to be obtained there is a risk that NHS Lothian will not be able to provide the relevant reports within the timescales required by the IJBs.</p>	
<p>Recommendation:</p> <p>NHS Lothian should request formal approval of the style and content of the Operational Performance Report from the IJB Chief Officers for reporting from the 1 April 2016, including confirmation that all the required measures are included within the report. NHS Lothian should agree the timelines for reporting the strategic planning and commissioning indicators with the IJBs and the style of reporting they require.</p>	
<p>Management Response:</p> <p>The format of the operational report was agreed at IJB representatives on 22nd March. A survey-monkey poll on the format and content of the report was distributed to all end users in May 2016 to determine if any further refinement was required. As indicated in the response to objective 1, IJBs have been asked to specify during May 2016 their requirements for strategic measures. Once these have been received consideration will be given to the reporting style required.</p> <p>Management Action:</p> <ol style="list-style-type: none"> 1. Surveymonkey poll to be completed and results considered at May 2016 Dataset meeting. 2. IJBs to articulate interim strategic measures required during May 2016 and strategic direction performance measures thereafter. 	
<p>Responsibility: Chief Officers and Dataset Group</p>	<p>Target date: 1. 31st May 2016; 2. a) Interim Measures- 31st July 2016; 2.b) Directional Measures- 30th Sept 2016</p>

Control objective 2: The methods for obtaining the performance information have been determined, with a related action plan with timescales and named responsible staff in place.

2.1: No action plan is in place to record the work still required

Significant

Observation and Risk:

There is no action plan in place to capture the work still required in order to meet the performance information requirements agreed to date. In addition the work required for defining and obtaining primary and community care data with responsibilities and timescales for completion has not been formally documented.

There is a risk that an action or task required to obtain the performance information is missed where a detailed action plan does not exist.

Recommendation:

An action plan should be developed to document the work required in order to define and obtain performance measures for those areas which have not yet been agreed i.e. primary and community care data. The action plan should include action owners and planned timelines for completion.

Any issues in obtaining performance information should be logged within an issue log with relevant action plans created.

Management Response:

As indicated previously, the previous dataset measures are to be superseded by the strategic measures articulated by IJBs. Once the measures have been communicated by the IJBs an action plan will be developed to document the work required to obtain the data required.

Management Action:

1. IJBs to articulate interim strategic measures required during May 2016 and strategic direction performance measures thereafter.
2. An action plan will be created once measures are requested documenting the work required to develop the indicators, the action owner and timescales.

Responsibility: Chief Officers and Dataset Group

Target date: 1. Interim Measures- 31st July 2016
2. Directional Measures- 30th Sept 2016

2.2 The working LIDG spreadsheet is not a complete record of all the decisions being made	Important
<p>Observation and Risk:</p> <p>A spreadsheet is held by the LIDG which records the 85 performance indicators identified by the Group. The spreadsheet is essentially a working document and captures the frequency that the indicator may be reported, the national and local data source if available, the feasibility of obtaining the source data and the responsibility and mechanism of providing the information to the IJBs.</p> <p>Inspection of LIDG spreadsheet identified that not all the information for each indicator had been captured, nor does it document a complete record of all decisions made to date. For example the reporting output i.e. whether the indicator is for strategic commissioning or operational performing reporting has not been completed for any indicator within the spreadsheet. In addition we were informed that a decision was taken to use national data for all strategic indicators and local for operational; however, there is no evidence of this decision recorded within the spreadsheet.</p> <p>Where a detailed audit trail/action plan has not been created to document in full the agreed measures, the data source, responsibility and mechanism of providing the data there is a risk that the measures reported may not be complete or sufficiently accurate or relevant to meet the needs of the IJB. In the event of dispute in the future, the lack of an audit trail could also hamper resolution of the dispute.</p>	
<p>Recommendation:</p> <p>The LIDG should ensure an auditable trail exists for the decisions made on the development of indicators by completing the working spreadsheet for all indicators to identify the frequency, the defined source, the feasibility, responsibility, and reporting output once these decisions have been made.</p>	
<p>Management Response:</p> <p>Once the strategic indicators have been articulated by IJB representatives and considered by the Dataset group, the metadata behind those metrics will be developed.</p> <p>Management Action:</p> <ol style="list-style-type: none"> 1. IJBs to articulate interim strategic measures required during May 2016 and strategic direction performance measures thereafter. 2. An action plan will be created as referenced at CO 2.1, which will also contain the metadata behind the performance measures requested. This will include the frequency, source, feasibility; responsibility and reporting output (see CO 1.2). 	
<p>Responsibility: Associate Director, Information Services</p>	<p>Target date: 1. Interim Measures - 31st July 2016; 2. Directional Measures- 30th Sept 2016</p>

Control objective 3: Systems are in place to provide the performance information completely, accurately, in a timely manner, and with the frequency required to each IJB.	
3.1 The information required for each IJB cannot easily be extracted for systems in their current state.	Significant
<p>Observation and Risk:</p> <p>A review of minutes and discussions with senior staff involved in the development of performance indicators for the IJBs revealed that some development work requires to be performed on electronic systems in order to extract information and split the data for reporting. For example, LIDG meetings have stated that there have been difficulties in extracting information from ISD's Discovery system, in reporting on community nursing activity in TrakCare, and in splitting data between localities.</p> <p>We were also informed that some additional work will need to be performed to create data sharing arrangements, particularly with regard to primary care information. However, there is no defined action plan in place to identify the actions which will be taken to address these issues.</p> <p>Where system issues have not been documented within an action plan there is a risk that NHS Lothian will not be able to provide the relevant data within the timescales required. There is also a risk that financial implications regarding system development work have not been considered.</p>	
<p>Recommendation:</p> <p>Any development work required to be undertaken to allow data to be extracted in the correct format should be captured within an action plan with timescales documented for completion.</p> <p>Where system development work is required the work should be assessed for the financial implications and approved by the appropriate management approval process.</p>	
<p>Management Response:</p> <p>This will be dependent following the articulation of performance measurement needs by the IJBs, which will supersede the indicators considered in this audit.</p> <p>Management Action:</p> <p>Dependencies will be considered in the next steps agreed following receipt of strategic performance measurements from the IJBs.</p>	
Responsibility: Associate Director, Information Services	<p>Target date: 1. Interim Measures- 31st July 2016</p> <p>2. Directional Measures- 30th September 2016</p>

3.2 The systems required to obtain data have not been determined for all indicators identified.		Important
<p>Observation and Risk:</p> <p>The LIDG spreadsheet identifies the source of the data for the majority of the indicators. However, inspection of the LIDG spreadsheet identified three indicators for which neither local or source data had been defined. These three indicators related to additional hospital indicators: delayed discharge; medical readmission rate within 28 days; and A&E activity (no. and rate per 100,000).</p> <p>Given the focus on acute indicators to be ready for reporting from 1 April 2016 there is a risk that if source data has not been identified then the performance measures will not be ready for reporting as required.</p>		
<p>Recommendation:</p> <p>The LIDG should identify and state the data sources for all of the indicators listed in the LIDG spreadsheet.</p>		
<p>Management Response:</p> <p>This action will be necessary for the performance measures which supersede the indicators examined during this audit.</p> <p>Management Action:</p> <p>Sources will be specified by the Dataset group on receipt of specification of strategic performance measures requested by the IJBs.</p>		
<p>Responsibility:</p> <p>Associate Director, Information Services</p>	<p>Target date: 1. Interim Measures- 31st July 2016</p> <p>2. Directional Measures- 30th September 2016</p>	

Appendix 1 - Definition of Ratings

Management Action Ratings

Action Ratings	Definition
Critical	The issue has a material effect upon the wider organisation – 60 points
Significant	The issue is material for the subject under review – 20 points
Important	The issue is relevant for the subject under review – 10 points
Minor	This issue is a housekeeping point for the subject under review – 5 points

Control Objective Ratings

Action Ratings	Definition
Red	Fundamental absence or failure of controls requiring immediate attention (60 points and above)
Amber	Control objective not achieved - controls in place are inadequate or ineffective (21 – 59 points)
Green	Control objective achieved – no major weaknesses in controls but may be scope for improvement (20 points or less)