

**Sally Shaw (Chief Officer)**

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Agenda Item: 6.

## **Integration Joint Board – Audit Committee**

Date of Meeting: 18 March 2020.

Subject: Scott-Moncrieff Implementation of Integration Joint Board Strategy.

### **1. Summary**

1.1. This report introduces Scott-Moncrieff's Internal Audit Report on the Implementation of the Integration Joint Board (IJB) Strategy.

### **2. Purpose**

2.1. To present Scott-Moncrieff's Implementation of IJB Strategy audit report.

### **3. Recommendations**

The Integration Joint Board is invited to:

3.1. Note the internal audit report, prepared by Scott-Moncrieff attached as Appendix 1 to this report.

### **4. Background**

4.1. Legislation requiring integration of Health and Social Care came into effect in April 2016. Orkney IJB has responsibility for the strategic planning and oversight of the functions delegated to it, and for ensuring the delivery of these functions through the Chief Officer and locally agreed operational arrangements as set out within the Integration Scheme. Efficient governance and scrutiny are required by the Board to ensure continuous improvement against national outcomes, standards and corporate objectives.

4.2. The Integration Joint Board Audit Committee approved the 2019 to 2020 Internal Audit Plan on 29 August 2019. One of the audit areas was the implementation of the IJB strategy.

## 5. Audit Findings

5.1. The audit findings, attached as Appendix 1 to this report, provide assurances that the process to develop the IJB Strategy, is well designed and operating effectively in the areas reviewed. The strategic plan demonstrably aligns with national priorities, underpinned by a clear process to monitor the performance of the IJB regularly.

5.2. Areas of good practice are highlighted within the key findings of the internal audit report. It was noted that there are three areas for improvement, to enhance further the approach to implementation of the IJB strategy.

## 6. Contribution to quality

Please indicate which of the Council Plan 2018 to 2023 and 2020 vision/quality ambitions are supported in this report adding Yes or No to the relevant area(s):

<b>Promoting survival:</b> To support our communities.	No.
<b>Promoting sustainability:</b> To make sure economic, environmental and social factors are balanced.	No.
<b>Promoting equality:</b> To encourage services to provide equal opportunities for everyone.	No.
<b>Working together:</b> To overcome issues more effectively through partnership working.	Yes.
<b>Working with communities:</b> To involve community councils, community groups, voluntary groups and individuals in the process.	No.
<b>Working to provide better services:</b> To improve the planning and delivery of services.	Yes.
<b>Safe:</b> Avoiding injuries to patients from healthcare that is intended to help them.	Yes.
<b>Effective:</b> Providing services based on scientific knowledge.	Yes.
<b>Efficient:</b> Avoiding waste, including waste of equipment, supplies, ideas, and energy.	Yes.

## 7. Resource implications and identified source of funding

7.1. There are no resource implications associated directly with the recommendations to this report.

## 8. Risk and Equality assessment

8.1. There are no risk or equality implications associated with this report.

## 9. Direction Required

Please indicate if this report requires a direction to be passed to:

NHS Orkney.	No.
Orkney Islands Council.	No.
Both NHS Orkney and Orkney Islands Council.	No.

## 10. Escalation Required

Please indicate if this report requires escalated to:

NHS Orkney.	No.
Orkney Islands Council.	No.
Both NHS Orkney and Orkney Islands Council.	No.
Integration Joint Board.	Yes.

## 11. Author

11.1. Matthew Swann, Internal Auditor, Scott-Moncrieff.

11.2. Pat Robinson (Chief Finance Officer), Integration Joint Board.

## 12. Contact details

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## 13. Supporting documents

13.1. Appendix 1: Implementation of IJB Strategy.



# Orkney Health and Social Care Integration Joint Board Internal Audit Report 2019/20 Implementation of IJB Strategy

January 2020



Scott-Moncrieff  
business advisers and accountants



# Orkney Health and Social Care Integration Joint Board

## Internal Audit Report 2019/20

### Implementation of IJB Strategy

Executive Summary	<b>Error! Bookmark not defined.</b>
Management Action Plan	4
Appendix A – Definitions	10

<i>Audit Sponsor</i>	<i>Key Contacts</i>	<i>Audit team</i>
<i>Sally Shaw, Chief Officer</i>	<i>Sally Shaw, Chief Officer Pat Robinson, Chief Finance Officer</i>	<i>David Eardley, Director Matthew Swann, Associate Director Anshu Khandelwal, Audit Assistant Manager</i>

# Executive Summary

## Conclusion

We have gained assurance that the process to develop the IJB Strategy is well designed and operating effectively in the areas reviewed. The strategic plan demonstrably aligns with national priorities, underpinned by a clear process to monitor the performance of the IJB regularly.

We have identified three moderate risk opportunities for improvement, to enhance further the approach to the implementation of the IJB strategy.

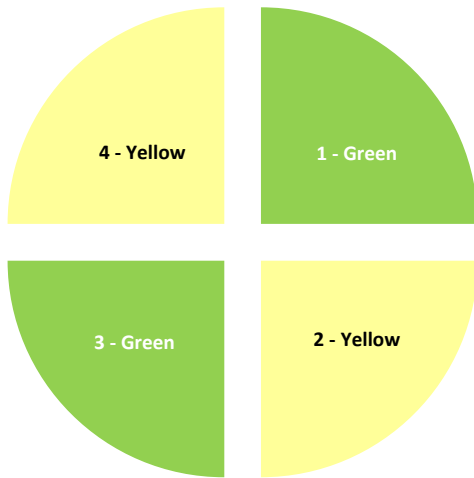
## Background and scope

Legislation requiring integration of Health and Social Care came into effect in April 2016. Orkney IJB has responsibility for the strategic planning and oversight of the functions delegated to it, and for ensuring the delivery of these functions through the Chief Officer and locally agreed operational arrangements as set out within the Integration Scheme. Efficient governance and scrutiny are required by the Board to ensure continuous improvement against national outcomes, standards and corporate objectives.

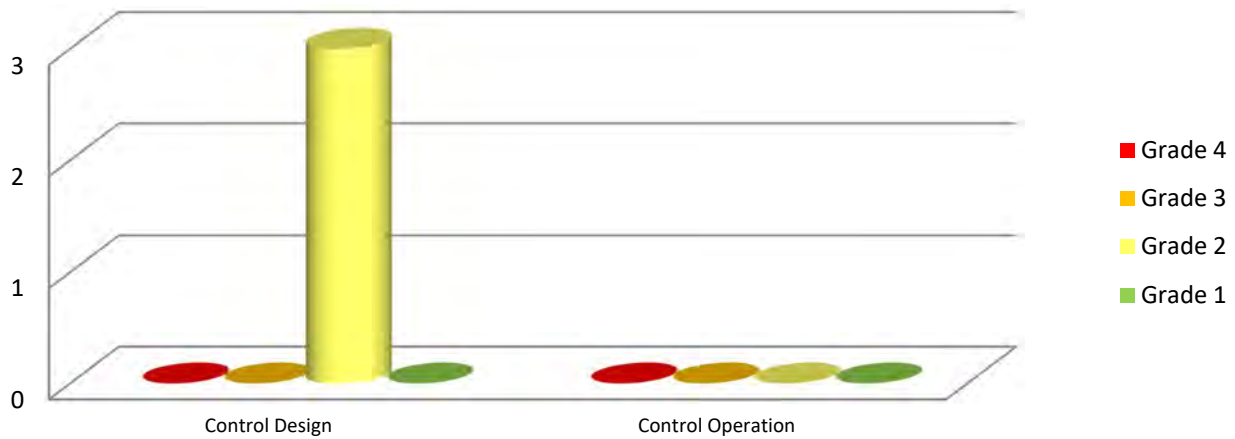
In line with the 2019-20 Internal Audit Plan, we reviewed strategic planning process considering changes to the IJB strategy.

# Control assessment

- 1. The strategy been developed in line with guidance, considers the local context and is agreed by key stakeholders
- 2. The strategy includes key delivery targets that are measurable;
- 3. Regular reporting is undertaken to key strategic groups within the IJB and partner organisations
- 4. There are effective processes in place to ensure ongoing compliance with the Integration Scheme in the following areas: Finance, Participation and Engagement, Risk Management



## Improvement actions by type and priority



Three improvement actions have been identified from this review, all of which relate to design of controls. See Appendix A for definitions of colour coding.



# Key findings

## Good practice

The organisation's procedures reflect good practice in the following areas:

- The organisation has a strategic plan covering 2019 to 2022. The plan sets out the ambitions for health and social care in Orkney for those functions and services delegated to Orkney Health and Care by Orkney Islands Council and NHS Orkney. The strategy has been developed in line with national guidance, considers the local context, and is developed alongside with and is agreed by key stakeholders
- There is regular reporting to key strategic groups within the IJB and partner organisations. The annual report provides an overview of IJB performance.

## Areas for improvement

We have identified the following opportunities for improving the control framework:

- The organisation should ensure that the objectives set in the IJB strategy are supported by as SMART targets as possible.
- The organisation needs to approve the updated Communication & Engagement strategy as the 2018-19 Strategy expired in 2019 and make this available on the IJB section of the Council website.
- The organisation should capture when risks have most recently been updated and when they should next be subject to review.

# Impact on risk register

This review is linked to the following risks:

- Risk of failure of a key service provider including availability and constraint of provision.
- The need for transformational change not being effectively understood or communicated to all stakeholders with resulting lack of support for change.

We have not identified any control weaknesses that would indicate the above risks have not been scored appropriately.

# Acknowledgements

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

# Management Action Plan

Control Objective 1: The strategy been developed in line with guidance, considers the local context and is agreed by key stakeholders



Green

## No reportable weaknesses identified

The organisation has a strategic plan for the period 2019 to 2022. The plan lays out the ambitions for health and social care in Orkney for those functions and services delegated to the organisation by Orkney Islands Council and NHS Orkney. The plan considers the local context with clear reference to the services provided at the new Balfour Hospital and other functions that remain with NHS Orkney and Orkney Islands Council. Overt reference is made to national priorities including National Health and Wellbeing outcomes.

The plan is up-to-date and has been approved by IJB.

## Control Objective 2: The strategy includes key delivery targets that are measurable

Yellow

### 2.1 SMART targets

The organisation's first Strategic Plan was aligned to the Scottish Government's nine national health and wellbeing outcomes. The new three-year plan for the period 2019 to 2022 has been designed to be public facing and to better promote ease of use, including a greater utilisation of infographics. The following key areas are included:

- Values
- Priorities
- Approach
- Key Measures

The targets included within the strategy are in various cases not sufficiently SMART. (However, we understand this is an overarching document and management intend to further develop the Strategic Commissioning Implementation Plan to address this matter

#### Risk

There is a risk that the organisation will not fully and/or clearly achieve its objectives, as the key delivery targets are not sufficiently SMART.

#### Recommendation

Management should review and further develop the targets included in the strategy and how they are translated in to the Strategic Commissioning Implementation Plan using SMART methodology, to enable assessment of successful delivery of objectives.

#### Management Action

Grade 2  
(Design)

It is recognised that the targets in the overarching Strategic Plan are not SMART. The Strategic Planning Group will develop these further and are seeking to secure support in this from academic colleagues at Robert Gordon University.

SMART objectives will go to IJB for ratification end 2020

**Action owner:** Strategic Planning Group

**Due date:** December 2020

## Control Objective 3: Regular reporting is undertaken to key strategic groups within the IJB and partner organisations



Green

### **No reportable weaknesses identified**

The Board receives and reviews regular performance reports throughout the year. Relevant information is provided to the Orkney Islands Council Orkney Health and Care Committee for the service delivery elements that relate to services the Integration Joint Board commissions from the Council.

We reviewed the annual performance report for 2018/19 and noted that the reporting format is sufficiently developed to enable effective scrutiny. The annual report provides a graphical representation of IJB performance that is clear and readily understandable. The annual report is considered by the Board, Orkney Island Council and NHS Orkney. It is also available to the public on the IJB section of the Council website.

## Control Objective 4: There are effective processes in place to ensure ongoing compliance with the Integration Scheme in the following areas: Finance Participation and Engagement, Risk Management

Yellow

### 4.1 Draft Communication & Engagement Strategy

A Communications and Engagement Strategy was first adopted by the IJB in March 2016. The was presented and approved in December 2017 for 2018-19. We have reviewed the updated draft for 2020 which has not yet been uploaded on the IJB section of the Council website. The Strategy reflects the way the organisation's approach to communication is evolving to meet changing needs and expectations, including how engagement will work with key stakeholders such as Orkney Islands Council, NHS Orkney, localities, and wider community planning partners.

#### Risk

There is a risk that the IJB and/or stakeholders are unclear how to engage with each other in an effective manner.

#### Recommendation

The organisation should finalise the draft strategy for 2020 and make this available to key stakeholders.

#### Management Action

This is will be reviewed and updated by the Strategic Planning Group and submitted to the IJB for ratification.

Grade 2  
(Design)

**Action owner:** Strategic Planning Group

**Due date:** December 2020

## 4.2 Risk register

The Risk Management Strategy has been developed, drawing on the NHS Orkney and the Orkney Islands Council strategies. It aims to build on already established practice, so that a robust and effective framework is in place for the management of risk. The organisational Risk Register has been approved by Board, considering risks relevant to its activities, and in the services it commissions with Orkney Islands Council and NHS Orkney. The latest risk register was presented in December and the covering report stated that the risk register will need to reflect the approved Strategic Commissioning Implementation Plan so that the risks identify directly with the plan.

Despite the above, it is not clear when the register had last been subject to detailed review and on further action planned against specific risks.

### Risk

Risks may not be subject to regular review, to enable them to be effectively managed.

### Recommendation

The organisation should capture when risks have most recently been updated and when they should next be subject to review.

#### Management Action

It was recognised that potentially once the Strategic Commissioning Implementation Plan (SCIP) was developed and approved, the risk register would become based on the risks attached to the objectives, whilst the partners would address the risks of being able to deliver the commissioned services.

Members agreed at the IJB development session on 31 July 2019 that it would be beneficial to request both partner organisations to provide quarterly reports to the IJB which includes performance, finance and risk updates on the services that are commissioned from the IJB. This will commence once the SCIP is approved

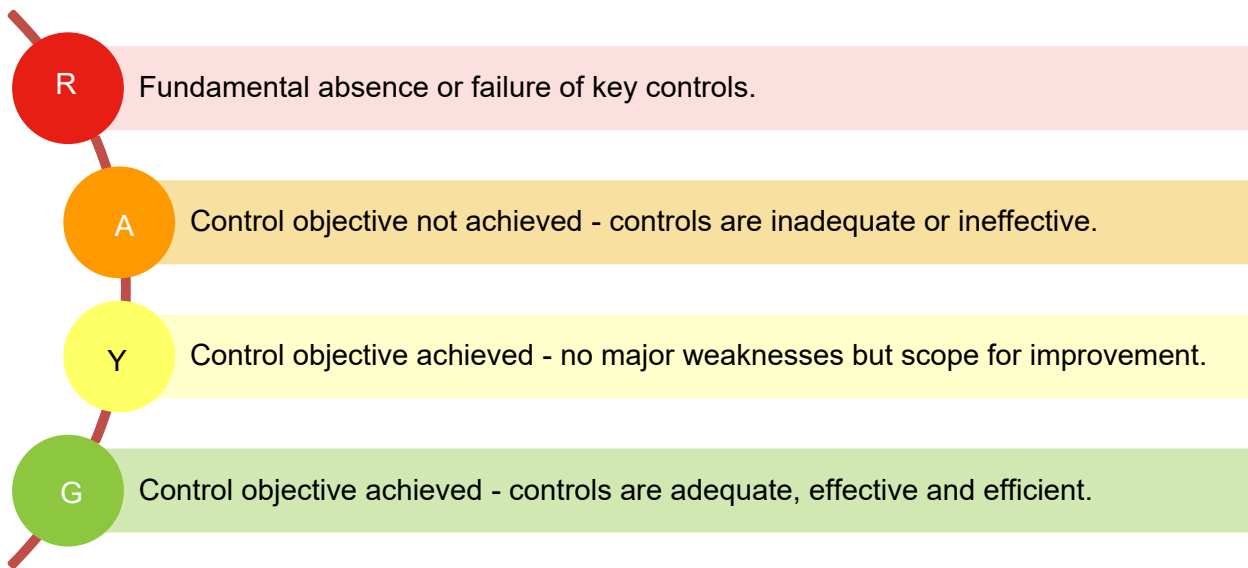
Grade 2  
(Design)

**Action owner:** Chief Finance Officer

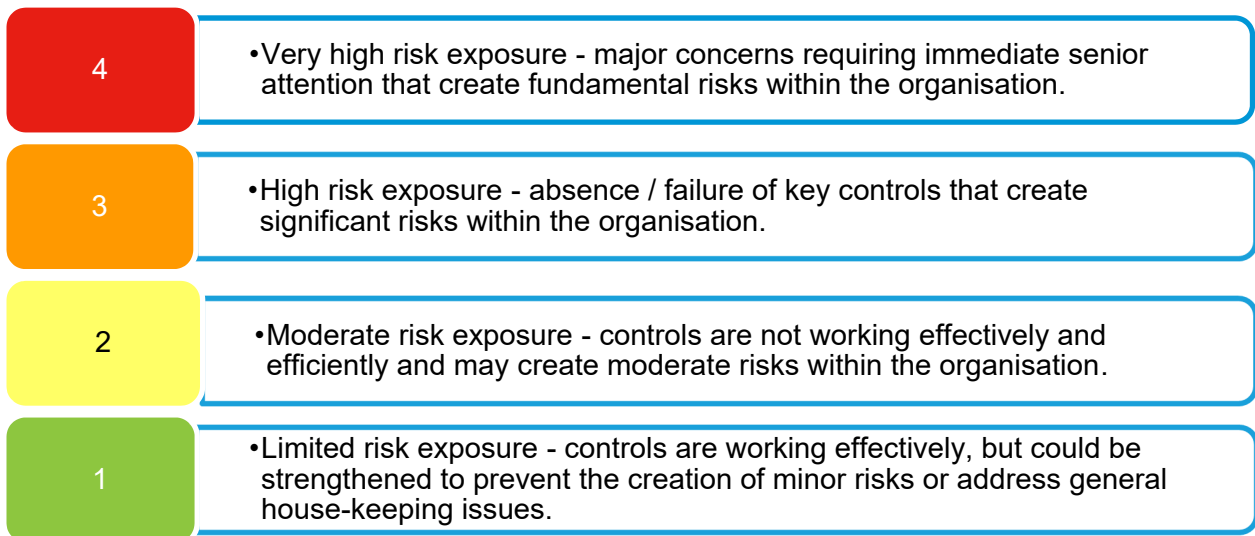
**Due date:** December 2020

# Appendix A – Definitions

## Control assessments



## Management action grades



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