



REPORT TO: MORAY INTEGRATION JOINT BOARD AUDIT, PERFORMANCE AND RISK COMMITTEE ON 27 SEPTEMBER 2018

SUBJECT: NHS GRAMPIAN INTERNAL AUDIT REPORT – INTEGRATION JOINT BOARD PERFORMANCE REPORTING AND KEY PERFORMANCE INDICATORS

BY: CHIEF FINANCIAL OFFICER

1. REASON FOR REPORT

1.1 To present the Committee with a summary of findings from a recent NHS Grampian internal audit review carried out by PricewaterhouseCoopers (PwC). The audit assessed the performance reporting and Key Performance Indicator (KPI) processes of the 3 Integration Joint Board's within the Grampian Health Board area.

2. RECOMMENDATION

2.1 It is recommended that the Audit, Performance and Risk Committee:

- i) considers and notes the findings from the audit, attached at APPENDIX 1; and**
- ii) notes the management responses to the audit recommendations and timescales outlined in the report at APPENDIX 1.**

3. BACKGROUND

3.1 Assurances for the Moray Integration Joint Board (MIJB) are drawn from audit work conducted by the internal auditors of both Moray Council and NHS Grampian. These assurances combined, then inform the overall annual opinion relative to controls assurance that is provided by the Chief Internal Auditor for inclusion with the MIJB's Annual Accounts.

3.2 PwC is contracted to provide internal audit services to NHS Grampian and is accountable solely to NHS Grampian for its work. Since the formation of the MIJB, agreement has been reached between the audited bodies (NHS Grampian, and Aberdeen City, Aberdeenshire and Moray Councils) and their relevant auditors that audit reports can be shared where relevant with the IJB's within the Grampian Health Board area.

4. KEY MATTERS RELEVANT TO RECOMMENDATION

- 4.1 The scope of the PwC review was to assess the design and operating effectiveness of the key controls within the KPI reporting process for performance reporting for the 3 IJB's with a focus on:
- Performance Indicators;
 - Data Gathering; and
 - Performance Reporting
- 4.2 The review concluded that current processes and controls were well designed and operating effectively and that the MIJB are meeting their reporting obligations. There was also recognition of the control improvement opportunities available to the MIJB, inherent in any new organisation. It was acknowledged that the MIJB is going through continuous development and that processes and controls will continue to progress.
- 4.3 The report highlights 3 low risk findings in relation to control improvement opportunities, these being:
- 'The survey data used to present National indicators are based on government survey. The population used for this survey is based on a random selection of the public. On reviewing the participants less than 1% are users of the service and therefore the results may not accurately reflect the performance of the IJB and there are no local indicators to accurately show the experiences of users in this format'.
 - 'Indicators do not have owners to drive improvement and offer explanation for underperformance'.
 - 'The format of the data presented does not accurately reflect performance and can lead to misinterpretation.'
- 4.4 The audit concluded that the performance reporting within the IJB's creates a low risk for NHS Grampian and acknowledgement was given to the development taking place within the IJB's.

5. SUMMARY OF IMPLICATIONS

(a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP)) and Moray Integration Joint Board Strategic Commissioning Plan 2016 – 2019

No implications arising directly from this report

(b) Policy and Legal

The work of internal audit aims to provide assurances in terms of good governance and the duty to secure best value in the use of public funds

(c) Financial implications

No implications arising directly from this report.

(d) Risk Implications and Mitigation

The audit highlights 3 low risk findings in relation to the control improvement opportunities. The management comment provided will assist the mitigation of the risks highlighted.

(e) Staffing Implications

No implications arising directly from this report.

(f) Property

No implications arising directly from this report.

(g) Equalities/Socio Economic Impact

No implications arising directly from this report

(h) Consultations

Consultation has taken place with the Chief Internal Auditor for the MIJB and Performance Officers within Health and Social Care Moray. Comments have been incorporated where appropriate.

6. CONCLUSION

6.1 The findings, recommendations and management responses to the audit carried out by PwC on the performance reporting of the MIJB is provided for consideration by the Audit, Performance and Risk Committee.

Author of Report: Tracey Abdy, Chief Financial Officer
Background Papers:
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