



RISK, AUDIT AND PERFORMANCE COMMITTEE

Date of Meeting	28/02/23
Report Title	Internal Audit Report – IJB Transformational Programme
Report Number	HSCP23.013
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Consultation Checklist Completed	Yes
Directions Required	No
Appendices	None

1. Purpose of the Report

- 1.1. The purpose of this report is to present the outcome from the planned audit of IJB Transformational Programme that was included in the Internal Audit Plan for Aberdeen City Integration Joint Board.

2. Recommendations

- 2.1. It is recommended that the Risk, Audit and Performance Committee review, discuss and comment on the issues raised within this report.

3. Summary of Key Information

Background

- 3.1. At its first meeting on 26 April 2016, the IJB agreed a Transformational and Strategic Commissioning Plan (Transformation Programme), detailing high level investment proposals for over £33m of mainstreamed funding for the 2016-19 period. This was to transform the way services are delivered



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through the partnership of Aberdeen City Council and NHS Grampian, in conjunction with Care Organisations in the independent and third sectors. The IJB's transformation agenda has continued through subsequent strategic plans, the most recent of which was approved for 2022-25 by the IJB on 7 June 2022.

Objective

- 3.2. The objective of this audit was to provide assurance that the IJB is continuing to make progress with delivery of its transformation agenda.

Assurance

- 3.3. Despite recruitment challenges and the impact of COVID-19, work is continuing to progress delivery of the IJB's transformation agenda.
- 3.4. The Aberdeen City Health and Social Care Partnership's (ACH&SCP) Delivery Plan detailed in the Strategic Plan for 2022-25 provides a comprehensive framework for progressing the partnership's priorities over the next three years in the run up to the establishment of the National Care Service, with projects allocated to responsible officers and deadlines established and savings allocated at a high level to Strategic Plan aims and enablers. A system of dashboard reporting is in place for Senior Leadership Team and the Risk, Audit and Performance Committee to monitor Delivery Plan progress. In addition, statutory annual performance reporting including progress delivering on national integration outcomes is taking place.
- 3.5. Transformation projects have progressed despite the unusual circumstances and challenges presented by COVID-19. Recommendations have been made to enhance controls over project management including formalising project management procedures and enhancing monitoring information available to groups responsible for project delivery, including project level workplans, operational risk logs and budget monitoring information.

Findings and Recommendations

- 3.6. The project management process applied by the Strategy and Transformational team has yet to be formalised. Key template documentation is available for use, covering the various stages of a project. However, it was noted that this was not always used with certain concluded transformation projects not having project close documentation to reflect on



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lessons learned and some ongoing Delivery Plan projects not having business cases. In the absence of a clear framework describing when project management documentation is and is not required, and the associated governance arrangements for this documentation, there is a greater risk projects will not be managed as intended and Best Value will not be achieved. A recommendation graded 'Significant within audited area' was raised for the Partnership to ensure that the project management process is formalised.

- 3.7. The IJB approved its budget for 2022/23 and Medium-Term Financial Framework (MTFF) in March 2022. The MTFF sets out the need to achieve £35.6m of saving through a programme of transformation and service efficiencies and allocates these savings across the seven financial years to 31 March 2029 at a high level by each Strategic Plan Strategic Aim; infrastructure enablers; and a full-service redesign. Whilst savings are clearly linked to the Strategic Plan for 2022-25 in the MTFF at a high level, savings have not been allocated to budget holders for later years. Where savings are not allocated to responsible officers and plans for their delivery established, there is a greater risk they will not be realised.
- 3.8. A sample of five former Transformation Programme projects carried forward into the Delivery Plan for 2022-25 was reviewed to ensure projects were progressing as required and are subject to adequate governance arrangements at a project level. Whilst projects have been allocated to responsible officers, the adequacy of governance arrangements varied.
- 3.9. Detailed workplans monitored by relevant delivery groups with tasks allocated to responsible officers and deadlines were in place for three projects (60%), including the Primary Care Improvement Plan (PCIP), hospital at home (H@H) and commissioning projects reviewed. However, this was not the case for two (40%) reviewed – the staff health and wellbeing and digital records projects. Work to digitise records had not been scoped beyond May 2022. On staff health and wellbeing, a draft Workforce Plan was considered by the IJB on 30 August 2022 describing aims and associated performance measures, high level leads, and deadlines. In addition, the Healthy Working Lives Group has been monitoring delivery of staff health and wellbeing initiatives. However, a detailed workplan of health and wellbeing initiatives was not established with responsible officers and deadlines allocated and an operational risk register / log was not in place.



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Staff health and wellbeing is recorded in the Strategic Risk Register as a mitigating factor to address the very high risk of potential loss of life and unmet health and social care needs due to insufficient staff. In the absence of a detailed workplan and operational risk register / log, monitored by a delivery group, there is a greater risk necessary improvement to staff health and wellbeing will not be achieved. Recommendations graded 'Significant within audited area' were raised for detailed Delivery Plan project level workplans and risk logs to be monitored for all Delivery Plan projects.

- 3.10. Budget monitoring information was available to project managers where relevant however the quality of information reported to groups responsible for oversight of project delivery varied. The PCIP project has been delayed due to the impact of COVID-19 and recruitment challenges resulting in underspent ring-fenced funding of £4.2m being carried forward from previous years. The budget monitoring information received by the PCIP group on a quarterly basis in relation to the PCIP fund is basic and whilst it breaks down the 2022/23 forecast into the relevant projects making up the PCIP, information is lacking for group members to scrutinise the forecasts, including spend to date and subjective analysis of forecasts. For the H@H delivery project, the budget had been allocated to where it needed to be spent however budget monitoring information for this project was not reported to the group responsible for delivery at all. In the absence of regular oversight of detailed budget monitoring information by the groups responsible for project delivery, there is a greater risk underspends (such as those relating to recruitment) or pressures will not be identified, subject to adequate scrutiny by the officers responsible for delivery and mitigated. A recommendation graded 'Significant within audited area' was raised with the Service for budget monitoring information to be improved at a project level to address this.

Management Response

- 3.11. Aberdeen City Health and Social Care Partnership (ACHSCP) accept the findings of this audit and welcome the recommendations as areas for improvement. Delivering transformation activity during the global pandemic was challenging and whilst some transformations, such as the implementation of digital solutions like 'Near Me' were accelerated, others were paused whilst officers were diverted to the pandemic response. During this time, it was not always feasible to follow robust project management processes. In addition, the Transformation Team were subject to



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amalgamation with two other ACHSCP teams and a subsequent restructure with resultant staff changes. As we move out of this phase, we look forward to a more stable environment within which we can continue to deliver on the transformation agenda improving processes and procedures as we go. In relation to the achievement of MTFE savings, this is being considered as part of the 2023/24 budget setting and MTFE refresh process, with engagement with relevant budget holders planned to ensure savings are appropriately allocated for delivery.

4. Implications for IJB

- 4.1. **Equalities** – An equality impact assessment is not required because the reason for this report is for the Risk, Audit and Performance Committee to discuss, review and comment on the contents of an Internal Audit report and there will be no differential impact, as a result of this report, on people with protected characteristics.
- 4.2. **Fairer Scotland Duty** – there are no direct implications arising from this report.
- 4.3. **Financial** – there are no direct implications arising from this report.
- 4.4. **Workforce** - there are no direct implications arising from this report.
- 4.5. **Legal** – there are no direct implications arising from this report.
- 4.6. Other - NA

5. Links to ACHSCP Strategic Plan

- 5.1. Ensuring effective performance reporting and use of Key Performance Indicators will help the IJB deliver on all strategic priorities as identified in its strategic plan.



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6. Management of Risk

- 6.1. **Identified risks(s):** The Internal Audit process considers risks involved in the areas subject to review. Any risk implications identified through the Internal Audit process are as detailed in the resultant report.
- 6.2. **Link to risks on strategic risk register:** There is a risk of financial failure, that demand outstrips budget and IJB cannot deliver on priorities, statutory work, and projects an overspend.
- 6.3. **How might the content of this report impact or mitigate these risks:** Where risks have been identified during the Internal Audit process, recommendations have been made to management to mitigate these risks.