



## **NHS Monthly Insight Report**

**March 2021**

360 Assurance is a member of The Internal Audit Network (TIAN) which comprises the 10 NHS internal audit consortiums and in house teams operating in England. These organisations collaborate across a number of areas to leverage their collective knowledge and expertise and drive efficiency and effectiveness. The monthly insight report highlights key publications and is intended as a useful update and reference tool. This report is produced by TIAN and shared by 360 Assurance.

# Monthly Insight Report

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### Introduction

The Internal Audit Network (TIAN) comprises the 10 NHS internal audit consortiums and in house teams operating in England. These organisations collaborate across a number of areas to leverage their collective knowledge and expertise and drive efficiency and effectiveness. The monthly Insight Report is produced by CW Audit on behalf of TIAN and is shared across TIAN members and their clients.

### Developments in the NHS

#### CQC Insight Report & Provider Collaboration Review

The Care Quality Commission has published two new reports: the most recent COVID-19 Insight report and findings from their latest provider collaboration review (PCR). These share findings from activity in urgent and emergency care over the pandemic. Local systems are starting to develop recovery plans and these reports can help them consider how to embed the best of the innovations developed in response to the pandemic. Lessons from this winter must be learnt and planning for next winter must start now to ensure these hard-learned lessons of the current crisis are not lost.

The CQC found that urgent and emergency care services continue to experience exceptional pressure. This is due to a combination of regular winter pressures and the pandemic. They have seen some good examples of how systems are working together to respond to this. However, they are continuing to find significant problems of access and capacity in these services, and whole systems need to work together to make further improvements if providers are to manage future pressures better. They are seeking for health and social care to work together to learn from the pandemic. This includes:

- sharing and reflecting on what has gone well
- understanding and learning from the experience of what hasn't
- identifying challenges and barriers, and how these have been overcome.

To support this vital learning, they have published the full findings of our provider collaboration reviews of urgent and emergency care in eight areas of England in October 2020. <https://www.cqc.org.uk/news/stories/latest-covid-19-insight-report-provider-collaboration-review-published>. Looking forward to next winter and beyond, the main challenges that they identified for systems are how to:

- Develop and build on relationships. Provider and system leaders across all health and care sectors must collaborate to meet the needs of their local populations.
- Share important information. Urgent and emergency care services will be able to help people most in need of care if they achieve lasting solutions for information sharing.
- Understand staffing. Workforce strategies should cover a local system/area, not just localised services. This will ensure the right numbers of people & skills.
- Understand inequality. Leaders must work hard to understand the inequalities that exist in their areas and further develop strategies to address them.
- Embrace technology. Rapid advancement of new ways of working have shown that often there is an opportunity to improve people's access to care and their experience.

This month's insight report supports the findings of the PCR report. It looks at inspections of acute hospital emergency departments which took place in winter 2020. The report identifies the key factors affecting services' ability to provide a good standard of care in emergency departments:

- Changes to the environment
- Onward capacity from the emergency department to other parts of the hospital
- Delayed transfer of care
- Staffing levels and absence
- Leadership and governance
- What systems were in place to mitigate risk.

The insight report also shares how chief pharmacists and medicines optimisation leaders in NHS trusts assured themselves of safe medicines practice during the pandemic.

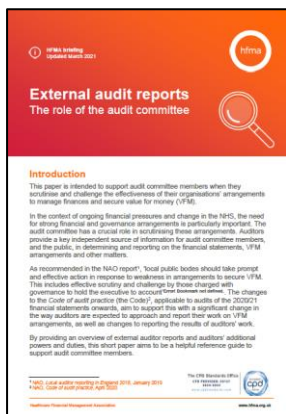
***For information***

## Developments in the NHS

<p>CQC Updated guidance on meeting the duty of candour</p>	<p>The CQC have updated their guidance for providers on Regulation 20 - the duty of candour. This is to make it clear what providers must do to meet the requirements of the regulation and the circumstances in which it must be applied.</p> <p>The duty of candour was introduced in 2014 in response to concerns raised following investigations into Mid Staffordshire NHS Foundation Trust. It also followed a tireless campaign by the parents of Robbie Powell who sadly died in 1990 and whose case highlighted the need for a statutory duty of candour. The regulation puts a legal duty on all health and social care providers to be open and transparent with people using services, and their families, in relation to their treatment and care. It also sets out some specific actions that providers must take when a notifiable safety incident occurs. These include:</p> <ul style="list-style-type: none"><li>• informing the people affected about the incident</li><li>• offering reasonable support</li><li>• providing truthful information and a timely apology</li></ul> <p>The revised guidance gives a more specific explanation of what is defined as a notifiable safety incident and examples covering a range of scenarios. And, it makes clear that the apology required to fulfil the duty of candour does not mean accepting liability and will not affect a provider's indemnity cover.</p> <p><a href="https://www.cqc.org.uk/news/stories/updated-guidance-meeting-duty-candour">https://www.cqc.org.uk/news/stories/updated-guidance-meeting-duty-candour</a></p> <p><b>For information</b></p>
<p>Guidance on finance and contracting arrangements for H1 2021/22</p>	<p>NHS England has issued guidance on the financial and contracting arrangements for the first half of 2021/22. It can be found here: <a href="https://www.england.nhs.uk/publication/guidance-on-finance-and-contracting-arrangements-for-h1-2021-22/">https://www.england.nhs.uk/publication/guidance-on-finance-and-contracting-arrangements-for-h1-2021-22/</a></p> <p>These arrangements are supported by an additional £8.1 billion of funding provided by government, of which £7.4 billion is available over the first half of 2021/22 to reflect the on-going impact of COVID-19.</p> <p>For information</p>
<p>2021/22 priorities and operational planning guidance and implementation guidance</p>	<p>The 2021/22 priorities and operational planning guidance sets the priorities for the year ahead, against a backdrop of the challenge to restore services, meet new care demands and reduce the care back logs that are a direct consequence of the pandemic, whilst supporting staff recovery and taking further steps to address inequalities in access, experience and outcomes.</p> <p>Plans should summarise how, as systems, the priorities set out in 2021/22 priorities and operational planning guidance will be delivered, with a focus on the six months to the end of September 2021 for most areas. This implementation guidance should be read alongside the Operational planning guidance and Guidance on finance and contracting arrangements for H1 2021/22.</p> <p>The guidance and implementation guidance can be found here: <a href="https://www.england.nhs.uk/publication/2021-22-priorities-and-operational-planning-guidance/">https://www.england.nhs.uk/publication/2021-22-priorities-and-operational-planning-guidance/</a> <a href="https://www.england.nhs.uk/publication/implementation-guidance/">https://www.england.nhs.uk/publication/implementation-guidance/</a></p> <p><b>For implementation by NHS bodies</b></p>

## Developments in the NHS

### HFMA briefing: External audit reports: the role of the audit committee



This short paper, updated in March 2021 to reflect the 2020 Code of audit practice, is intended to support audit committee members to easily understand the range of external audit reports and additional powers.

In the context of ongoing financial pressures and change in the NHS, the need for strong financial and governance arrangements are as vital as ever. Committee members must ensure that they fully understand external audit reports so that they are in a position to effectively scrutinise and challenge actions being taken to address issues being raised.

The briefing can be found here: <https://www.hfma.org.uk/publications/details/external-audit-reports-the-role-of-the-audit-committee>

#### For information

### HFMA briefing: The external audit: best practice in working well together



The annual external audit is not only a key statutory requirement for NHS organisations, but should provide important and valuable insight into the financial governance of the organisation. The audit process itself can be a challenging one for all involved with tight timelines, remote working challenges and complex issues to resolve.

Based on feedback from auditors, finance professionals and non-executive directors (NEDs), the most essential ingredient for a smooth external audit is seeing the audit as a joint effort with ongoing discussion of plans and issues. To deliver a quality audit to time, as well as ensuring the experience is as painless as possible for all involved, requires ongoing planning, continuous communication and understanding of the pressures faced by all.

As the current year-end approaches, it is helpful to reflect on previous years' experiences to plan for an audit that runs as smoothly as possible. This briefing, updated in March 2021, aims to support members by summarising the current audit context and sharing tips from those involved on what they have found to help the audit of the financial statements go as smoothly as possible.

It can be found here: <https://www.hfma.org.uk/publications/details/the-external-audit-best-practice-in-working-well-together>

#### For information

## Developments in the NHS

HFMA briefing: Summary of the 2021/22 priorities and operational planning guidance

NHS England and NHS Improvement issued the 2021/22 priorities and operational planning guidance on 25 March 2021. The guidance covers the first six months of the financial year (known as H1 or H1 2021/22). The guidance has been issued in several parts, with more to come.

This summary draws out the key points of the published guidance. The original documents should be referred to for the full detail.

The briefing can be found here: <https://www.hfma.org.uk/publications/details/summary-of-the-2021-22-priorities-and-operational-planning-guidance>

### **For information**

HFMA briefing: 2020/21 year-end reminders for non-executive directors and lay members

Non-executive directors and lay members review and approve the annual report and accounts. They can bring their wider knowledge of the NHS body to this process but also need to be aware of the specific accounting and auditing issues that many NHS bodies are facing.

This paper is intended to provide non-executive directors and lay members with key reminders as they review their 2020/21 annual report and accounts. Pulling together items raised at the HFMA pre-accounts planning conference in February 2021 and the audit conference in March 2021, it sets out the main issues to be aware of for 2020/21 as well as key questions non-executive directors and lay-members should be asking. It includes coverage of submission deadlines, 2020/21 annual report and accounts and changes to the audit regime. It can be found here: <https://www.hfma.org.uk/publications/details/2020-21-year-end-reminders-for-non-executive-directors-and-lay-members>

### **For information**

HFMA briefing: Developing system finance and governance arrangements: key considerations for 2021/22



The need for collaborative system working is clear but the finance and governance arrangements to enable it can be complex. As recognised in the white paper, legislation is just one part of the change and much relies on having the right workforce, good leadership and getting the incentives and financial flows right.

While recognising that there is no one size fits all for an ICS, there are a number of common enablers, as well as challenges, in establishing agreed and effective system-wide finance and governance arrangements. Most importantly, the pre-requisites for any arrangement are a shared vision, trust and transparency.

Conversations are needed both within and across systems. As NHS systems, and their constituent organisations, formalise and develop arrangements for 2021/22, the aim of this paper is to provide material to feed into discussions. It focuses on:

- System approach: building collaborative relationships, the role of the ICS, shared vision and strategy and working with partners
- Financial framework: financial arrangements and sharing financial information
- System governance: governance framework and the role of non-executive directors (NEDs).

For each area, it includes a brief context; signposting of existing guidance; and shared experiences from across the country including challenges and suggestions of what might work well to address those challenges. The paper aims to provide a reference point for developing arrangements and it is expected that much more will be learnt over the coming year. The HFMA will continue to share lessons from across the country via events, webinars and briefings.

It can be found here: <https://www.hfma.org.uk/publications/details/developing-system-finance-and-governance-arrangements-key-considerations-for-2021-22>

### **For information**

## Developments in the NHS

Transforming the public health system (DHSC policy paper)

Following on from *The future of public health: the NIHP and other public health functions* in September 2020, this publication sets out more details on the government's plans for public health reform and invites you to share your insights and experience by 26 April 2021 to help us with the next stages of our work. Experiences of the coronavirus (COVID-19) pandemic show the need to be vigilant to external threats at all times, with the right skills and capabilities in place, and that government must go further to prevent the underlying health conditions that have a bearing on how vulnerable we are to those threats.

The health protection capabilities of PHE and NHS Test and Trace will combine into a new UK Health Security Agency. The UKHSA (previous working title of NIHP) will bring together our national public health science and response capabilities to protect against infectious diseases and external health threats – in bad times and in good. The current health improvement, prevention and healthcare public health functions of PHE will transfer to new homes within the health system, aligned to achieve clarity of purpose, accountability and impact. A new Office for Health Promotion will be created in the Department of Health and Social Care, under the professional leadership of the Chief Medical Officer.

As national capability is only part of the story, there is also need to strengthen the local response. This is vital, as so many of the conditions for good health and living well are determined locally. At the heart of proposals in the forthcoming Health and Care Bill is the concept of population health: using the collective resources and strengths of the local system, the NHS, local authorities, the voluntary sector and others to improve the health of their area. Alongside this, the DHSC are strengthening NHS England's focus on prevention and population health, transferring to it important national capabilities that will help drive and support improved health as a priority for the whole NHS. As the changes are implemented, PHE will close, and a new public health landscape will take shape during 2021. The paper can be found here: <https://www.gov.uk/government/publications/transforming-the-public-health-system>

### ***For information***

NHS Providers: A guide to building a digital strategy

This guide has been prepared jointly by NHS Providers and Public Digital as part of the Digital Boards programme. Through good practice sharing and peer learning, the programme aims to build board understanding of the potential and implications of the digital agenda and increase the confidence and capability of boards to harness the opportunities it provides. Digital Boards is being supported by Health Education England and NHSX as part of their Digital Readiness programme.

Across the provider sector, trust boards are reappraising their digital ambitions in light of the rapid changes made as a result of the COVID-19 pandemic. For many, this will involve refreshing or renewing their digital strategies, while others are starting afresh. Some trusts have been fortunate enough to have secured funding for these plans - perhaps following several years of underinvestment - while others are having to manage within existing budgets. NHS Providers has designed this guide for all board leaders: from those directly involved in digital transformation, to others who have an oversight role and will review and approve digital strategies. All executive and non-executive board members should take responsibility for the digital strategy. They recommend all board leaders read the first two parts of this guide: *What makes a successful digital strategy?* and *Questions for boards*.

For those who want to understand the details, they've broken down each step of building a digital strategy into a standalone section. The guide can be found here: <https://nhsproviders.org/building-a-digital-strategy>

### ***For information***

## Developments in the NHS

NHS Confederation Member briefing: Fourth phase of the NHS response to COVID-19

On 25 March, NHS England and NHS Improvement (NHSEI) chief executive Sir Simon Stevens and chief operating officer Amanda Pritchard wrote to NHS organisations to outline the fourth phase of the response to COVID-19 and the NHS's priorities from 1 April 2021. The focus for this phase is on recovering NHS services through enhanced system working. Implementation guidance has also been published.

Since the phase 3 planning guidance was published in July last year, the NHS Confederation has been facilitating conversations between members and NHSEI leaders on key issues, as part of their NHS Reset campaign. In February the campaign entered a new phase, looking beyond the pandemic to recovery of both staff and services, in the context of ongoing COVID-19 pressures. Various reports, briefings and thought-leadership pieces have been published as part of this ongoing campaign.

This briefing sets out their view on the guidance and how NHS Confederation plans to support members and summarises some of the key issues within the guidance:

- The priority given to workforce wellbeing and recovery within the guidance, as well as the commitment to invest in and expand mental health hubs, is very welcome. However, the guidance does not go far enough in supporting the workforce, and the ambitious elective recovery targets may undermine these initiatives.
- The guidance's phased approach to restoring services is welcome. However, the use of incentives must not disadvantage areas that happen to have been more greatly impacted by COVID-19, nor systems that are in their infancy.
- While they broadly support the prioritisation of restoring elective work and the focus on clinical prioritisation in the guidance, there needs to be clear, consistent and honest communication to the public about what they can expect from NHS staff and organisations and how their care will be managed. NHS Confederation members need access to capital now to start addressing the elective backlog.
- They are glad to see that the guidance is underpinned by system working, but the ongoing role of clinical commissioning groups (CCGs) is overlooked and there must be an acknowledgement that not all systems are at the same stage of development. ICS members have concerns about having to take on wider primary care commissioning responsibilities from NHSEI once they become statutory and some will also find it challenging to align their boundaries with upper-tier local authorities by April 2022.
- They welcome the commitment to tackle health inequalities. The focus at integrated care system (ICS) level should be on empowering local communities and primary care networks (PCNs) to work with residents and address their priorities.
- They expect the government to provide clarity on how the direct COVID-19 costs for the second half of the year will be funded.

The briefing can be found here: <https://www.nhsconfed.org/resources/2021/03/phase-four-guidance-covid19>

***For information***

## Developments in the NHS

Putting people first: supporting NHS staff in the aftermath of COVID-19 (NHS Confederation report)



For health and care staff, the last 12 months have been likened to sprinting a marathon, with concerns raised over the impact on health and wellbeing. As the NHS explores how best to support staff after a gruelling year, it will be important to ensure that a focus on all its people sits at the heart of recovery and reset planning. Such an approach will need to apply equally to the legislative, policy and structural changes to the NHS in England, as structural and organisational change can have a negative impact on staff (and can exacerbate existing inequalities).

Ensuring that the health service is able to support and nurture its most valuable resource – its people – must be the linchpin of the next phase and longer-term planning. To fully address the wellbeing of staff for the long term, the healthcare sector will also need to address long-standing vacancies, deal with the underlying causes of staff distress (including systemic workplace discrimination), which were prevalent pre-COVID-19. It will also need to create the capacity and environment for staff to think, innovate and deliver change. This report, part of the NHS Reset campaign, considers the five key factors needed for the NHS to provide the most effective environment to retain – and sustain – staff over the weeks and months ahead.

It can be found here: <https://www.nhsconfed.org/resources/2021/03/putting-people-first-nhs-staff-aftermath-covid19>

***For consideration***

**Disclaimer: This briefing paper is intended to highlight recent developments and issues within the NHS that may be of interest to non-executive directors, lay members and NHS managers. It is not exhaustive and TIAN cannot be held responsible for any omission.**