



NHS Monthly Insight Report

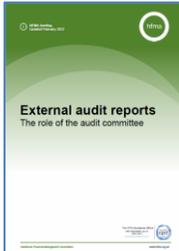
February 2022

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

February 2022

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Developments in the NHS	
<p>HFMA 2021/22 annual report and accounts checklist</p>	<p>This checklist is intended to be a simple way of identifying, on a line by line basis, the issues that are expected to have an impact on the 2021/22 annual report and accounts. Some of these will be as a result of the Covid-19 pandemic but others are as a result in changes to regulation and reporting requirements or based on feedback from previous years. The checklist will be updated and revised up to the earlier submission deadline in June.</p> <p>The checklist covers the issues to consider in relation to property, plant and equipment (PPE), provisions, income, stock/inventory and going concern. It includes links to the necessary guidance.</p> <p>It can be found here: https://www.hfma.org.uk/publications/details/2020-21-annual-report-and-accounts-checklist</p> <p>For information</p>
<p>External audit reports: the role of the audit committee (HFMA briefing)</p> 	<p>In the context of ongoing financial pressures and change in the NHS, the need for strong financial and governance arrangements is particularly important. Auditors provide a key source of information to audit committee members, and the public, in determining and reporting on the financial statements, VFM arrangements and other matters.</p> <p>The audit committee has a crucial role in scrutinising these arrangements. 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.</p> <p>This short paper, updated in February 2022, reflects the updated NAO auditor guidance notes on: VFM arrangements; NHS planning; and auditor reporting, as well as their supplementary guidance note on going concern. It can be found here: https://www.hfma.org.uk/publications/details/external-audit-reports-the-role-of-the-audit-committee</p> <p>For information</p>
<p>Head of internal audit opinion: key considerations for 2021/22 (HFMA briefing)</p>	<p>The HoIA opinion is an integral piece of an organisation's governance framework, providing assurance to inform the annual governance statement, and identifying improvement opportunities. It is informed by internal audit work throughout the year, as set out in the risk-based audit plan. Over recent years, the HoIA has needed to consider a number of significant changes, emerging risks and pressures. In 2021/22, the pressures placed on the NHS due to the Covid-19 pandemic have continued and as in 2020/21 will be a key feature of the considerations for the HoIA opinion. This paper looks at what the HoIA is; why it is important; the requirements for the HoIA; and key considerations for 2021/22. It will be of particular interest to internal auditors, finance directors and their teams, non-executive directors, lay members and directors of governance. It can be found here: https://www.hfma.org.uk/publications/details/head-of-internal-audit-opinion-key-considerations-for-2021-22</p> <p>For consideration by Audit Committees</p>

Developments in the NHS

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

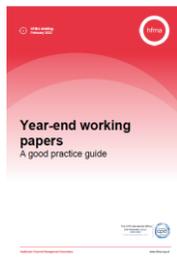
The annual external audit is not only a key statutory requirement for NHS organisations, but should provide important and valuable insight into the financial governance of the organisation. The audit process itself can be a challenging one for all involved with tight timelines, remote working challenges 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 February 2022, 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

Year-end working papers: a good practice guide (HFMA)



Good working papers are an essential part of the accounting records of NHS organisations. They are particularly important during the year-end process when they are relied upon by both NHS organisations and their external auditors. They reduce the likelihood of errors in the annual accounts, provide confidence in the underlying information, make high quality review easier and help maintain corporate memory. They also contribute to a smoother, more efficient external audit reducing the number of queries to resolve and enabling the auditor to focus their time more appropriately. To support finance teams and auditors, this briefing provides a reminder of what good year-end working papers look like; what arrangements need to be in place to enable staff to prepare them; and some key issues to consider for the 2021/22 year-end.

It can be found here: <https://www.hfma.org.uk/publications/details/year-end-working-papers-a-good-practice-guide>

For information

Summary of Joining up care for people, places and populations (HFMA briefing)

Joining up care for people, places and populations sets out a vision to join up planning, commissioning, and delivery across health and adult social care.

The white paper sets out a number of areas where improvements can be made, building on existing policies and plans in many cases. There is a strong focus on integrated working at a place level as it is thought that that is the scale at which joint action is most effective. It states that 'the truly radical possibilities in this agenda are much more likely to be identified and realised by local organisations than through central prescription.' This briefing summarises the key points in the white paper. It can be found here: <https://www.hfma.org.uk/publications/details/summary-of-joining-up-care-for-people-places-and-populations>

For information

HFMA Financial reporting watching brief 2021/22 and beyond

This briefing covers changes and developments in accounting standards, best practice in financial reporting and government reporting requirements. It covers the current financial year but also looks ahead to identify changes which will affect the NHS in the future. The briefing is produced for each accounting and standards committee meeting and is updated four times a year.

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	<p>It can be found here: https://www.hfma.org.uk/publications/details/financial-reporting-watching-brief-2021-22-and-beyond-(october-2021update)</p> <p><i>For information</i></p>
<p>Flexible working: Raising the standards for the NHS</p>	<p>NHS England and NHS Improvement has published a flexible working definition and set of principles. The definition supports a shared understanding of what flexible working means and the principles guide the ethos and values we want the NHS to aspire to when it comes to flexible working.</p> <p>It can be found here: https://www.england.nhs.uk/publication/flexible-working-raising-the-standards-for-the-nhs/</p> <p><i>For information</i></p>
<p>Health and social care integration: joining up care for people, places and populations</p>	<p>This white paper is part of the government's commitment to transform the delivery of care in England following the Prime Minister's announcement on reforms for health and social care through the Build Back Better: Our Plan for Health and Social Care. It sets out plans to join up care for:</p> <ul style="list-style-type: none">• patients and service users• staff looking for ways to better support increasing numbers of people with care needs• organisations delivering these services to the local population <p>This white paper is part of a wider set of mutually reinforcing reforms:</p> <ul style="list-style-type: none">• the adult social care reform white paper• the Health and Care Bill, and reforms to the health and care system <p>It sets out measures needed to make integrated health and social care a universal reality for everyone across England regardless of their condition and to level up regardless of where they live. Over the next few years, work will continue with national and local partners to deliver the best outcomes on joined-up health and care for people. Alongside concerted action at a place level, this package of initiatives will help to improve integration between the health and social care workforce, leading to improved outcomes and better person-centred care.</p> <p>The white paper can be found here: https://www.gov.uk/government/publications/health-and-social-care-integration-joining-up-care-for-people-places-and-populations</p> <p><i>For information</i></p>
<p>NHS Providers' briefing - health and social care integration white paper</p>	<p>The government published the health and social care integration white paper, Joining up care for people, places and populations, on 9 February 2022. This briefing summarises its proposals for a single accountable person, shared outcomes, and increasingly pooled NHS and social care budgets at place level. It also sets out an initial analysis of the implications for trusts.</p> <p>It can be found here: https://nhsproviders.org/resource-library/briefings/nhs-providers-next-day-briefing-health-and-social-care-integration-white-paper</p> <p><i>For information</i></p>

Developments in the NHS

NHS Providers' briefing -
Levelling Up White Paper

The Department for Levelling Up, Housing and Communities published its White Paper, Levelling Up the United Kingdom, setting out how the government intends to spread opportunity more equally across the UK. It provides an economic analysis of the drivers of geographical disparities across the UK and sets out the policy reforms intended to level up 'left behind' regions of the UK. It sets out medium-term 'missions' to be achieved collaboratively across government and key stakeholders at a national and local level. This briefing summarises key elements of the white paper relating to health as well as NHS Providers' initial analysis of the proposals most relevant to trusts and wider health and social care partners. It can be found here:

<https://nhsproviders.org/resource-library/briefings/next-day-briefing-levelling-up-white-paper>

For information

NHS providers' briefing: NHS
delivery plan for tackling the
backlog of elective care

NHS England and NHS Improvement (NHSE/I) have published their delivery plan for elective care recovery. This sets out ambitions to restore activity and performance to pre-pandemic levels, including expanding capacity, a reduction in waiting times, and transforming the delivery of care to reduce the elective backlog. This briefing provides a summary of the document and includes NHS Providers' view.

It can be found here: <https://nhsproviders.org/resource-library/briefings/on-the-day-briefing-delivery-plan-for-tackling-the-backlog-of-elective-care>

For information

The state of Integrated Care
Systems 2021/22 (NHS
Confederation report)



Though they have been in operation for several years in many parts of the country, integrated care systems (ICSs) across England are set to become new statutory bodies from July 2022. This will represent a significant shift in how health and care services are planned and delivered – away from the model of fragmentation and competition followed in previous decades (and reinforced through the Health and Social Care Act 2012), and towards one of collaboration between services.

There is broad support across the health and care sector for ICSs. Prior to the introduction of the health and care bill, the NHS Confederation was the first organisation to note the growing appetite across the health service for systems to be given more formal powers to deliver integration. NHS England consulted widely across the health and care sector on its original proposals for integrated care, many of which are now included in the bill. This helps to explain why the legislation has largely been welcomed by health leaders.

However, there is a need for realism on the challenges ahead. Despite the broad support for moves towards more integrated care, analysis of integration reforms internationally shows a mixed picture in terms of outcomes. Within England, the new care model vanguards (which paved the way for sustainability and transformation partnerships (STPs) and subsequently ICSs) have delivered limited success in areas such as reducing emergency hospital admissions, but results have only been observed after several (five to six) years. ICSs will not, therefore, be a silver bullet for tackling the significant challenges facing the health and care system.

The new legal framework will act as an enabler for local health and care leaders, encouraging rather than obstructing flexible integration models in future. However, ultimately the success of systems (as with many healthcare reforms) will rely most on the kind of culture that develops between partners in each ICS. While in many areas of the country fostering a culture of collaboration – incorporating leadership, shared values and trusting relationships – will take time, good progress has been made across ICSs so far.

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	<p>This report seeks to assess this progress in ICS development. It presents the views of system leaders in autumn 2021, both on where they feel they have progressed well and where improvements are needed. It also assesses the prospect of further progression over the coming years, outlining where system leaders believe there are opportunities and identifying key barriers to the success of systems in future.</p> <p>It can be found here: https://www.nhsconfed.org/publications/state-integrated-care-systems-202122</p> <p><i>For information</i></p>
<p>Governing the health and care system in England: creating the conditions for success (NHS Confederation report)</p> 	<p>In this report, commissioned by the NHS Confederation and supported by Palantir, Professor Sir Chris Ham outlines the changes needed to create the conditions in which ICSs can improve outcomes for patients and the public, and outlines rules to guide those leading the reform programme.</p> <p>The report can be found here: https://www.nhsconfed.org/publications/governing-health-and-care-system-england</p> <p><i>For information</i></p>

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.