

FINAL INTERNAL AUDIT REPORT

2019/20

Swansea Bay University Health Board

**Nurse Staffing Levels (Wales) Act
(SBU-1920-041)**

Private and Confidential

NHS Wales Shared Services Partnership

Audit and Assurance Service



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| Auditor/s: | Dale Ilsley & Neil Thomas |



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NHS Wales Audit & Assurance Services would like to acknowledge the time and co-operation given by management and staff during the course of this review.

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1 EXECUTIVE SUMMARY

1.1 Introduction and Background

This assignment originates from the 2019/20 internal audit plan.

The Nurse Staffing Levels (Wales) Act 2016 (the 'Act') commenced in Wales in March 2017. Sections of the Act which came into force in April 2018 introduced a duty for Local Health Boards and NHS Trusts in Wales to calculate and take all reasonable steps to maintain nurse staffing levels and inform patients of the level.

The nurse staffing level is the number of nurses (registered nurses and others to whom the registered nurses delegate care tasks) appropriate to provide care to patients that meets all reasonable requirements in the relevant situation. The duty to calculate nurse staffing levels currently applies to adult acute medical inpatient wards and adult acute surgical inpatient wards (as defined within the statutory guidance) with all Health Boards and Trusts required to make arrangements to inform patients of the calculated nurse staffing level.

1.2 Scope and Objectives

The overall objective of this audit was to review arrangements in place to ensure that the Health Board has appropriate processes in place to ensure that it is complying with the requirements of the Nurse Staffing Levels (Wales) Act 2016.

The audit scope considered whether:

- The Health Board has agreed an appropriate operating framework and procedures and these are made accessible to all relevant staff;
- Nurse staffing levels are calculated, using the prescribed methodology, for all adult acute medical and surgical inpatient wards (as defined within the statutory guidance of the Act) and these levels are reviewed at least every six months, in accordance with the requirements of the Act;
- The Health Board has identified an appropriate Designated Person to calculate the nurse staffing levels, and this person formally presents the nurse staffing levels for every adult medical and surgical inpatient ward (as required by the Act) at least annually to the Board;
- Effective processes are in place to ensure that patients are informed of the nurse staffing levels, in accordance with the requirement of the Act;

- Arrangements are in place to monitor compliance and steps taken to enable wards to maintain nurse staffing at the calculated levels;
- Effective arrangements are in place for reporting to the Board on the extent to which levels have been maintained, the impact of any shortfall and action taken.

1.3 Associated Risks

The following inherent risks are associated with this subject area:

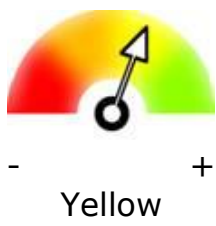
- Lack of awareness of the requirements of the Nurse Staffing Levels (Wales) Act;
- Harm to patients due to variation from the planned nurse staffing levels;
- Non-compliance with the requirements of the Nurse Staffing Levels (Wales) Act; and
- Issues relating to maintaining the nurse staffing levels are not effectively identified or addressed.

2 CONCLUSION

2.1 Overall Assurance Opinion

We are required to provide an opinion as to the adequacy and effectiveness of the system of internal control under review. The opinion is based on the work performed as set out in the scope and objectives within this report. An overall assurance rating is provided describing the effectiveness of the system of internal control in place to manage the identified risks associated with the objectives covered in this review.

The level of assurance given as to the effectiveness of the system of internal control in place to manage the risks is **Reasonable Assurance**.

| RATING | INDICATOR | DEFINITION |
|----------------------|---|--|
| Reasonable assurance |  | <p>The Board can take reasonable assurance that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Some matters require management attention in control design or compliance with low to moderate impact on residual risk exposure until resolved.</p> |

The overall level of assurance that can be assigned to a review is dependent on the severity of the findings as applied against the specific review objectives and should therefore be considered in that context.

3 KEY FINDINGS & RECOMMENDATIONS

3.1 Key Findings

Audit recognised that key decisions with respect to levels calculated for 2018/19 and options with respect to meeting them and funding implications were discussed and supported by the Board in June 2018.

The review identified two key findings for consideration as part of current and future calculation and reporting cycles:

- Whilst we were provided with an example of template documentation returned to Unit Nurse Directors in September 2018 setting out their calculated levels for 2018/19 following corporate scrutiny, and the Corporate Matron's covering email indicated that they were digitally signed by the former Director of Nursing & Patient Experience, the signature was just her name typed into a spreadsheet. There was no robust record of her approval of the ward levels calculated.
- The 2018/19 end-of-year report followed a format used across Wales, though the format allows flexibility in the narrative description and data individual bodies may choose to include. Within the content it did not present any data on the extent to which the calculated levels were achieved during the year. Discussion with the corporate nursing team indicates that reporting this information is a complex matter and subject to All Wales work. (A review of reports of four other organisations in Wales indicated only one that had provided any data in this respect.) This has been highlighted as a key area for improvement in future reporting cycles.

3.2 Design of System / Controls

The findings from the review have highlighted two issues that are classified as weaknesses in the system/control. These are identified by "D" in the management action plan at Appendix C.

3.3 Operation of System / Controls

The findings from the review has highlighted two issues that are classified as weaknesses in the operation of the designed system/control. These are identified by "O" in the management action plan at Appendix C.

3.4 Summary of Recommendations

The audit findings and recommendations are detailed in Appendix C together with the management action plan and implementation timetable.

A summary of these recommendations by priority is outlined below.

| Priority | H | M | L | Total |
|---------------------------|---|---|---|-------|
| Number of recommendations | 1 | 3 | 0 | 4 |

4 AUDIT FINDINGS

Audit findings are reported below. Issues with associated improvement recommendations are provided in Appendix C.

4.1 OPERATING FRAMEWORK

4.1.1 Health Board Operating Framework

The Health Board's Nurse Staffing Act Steering Group has agreed an *Operating Framework*. It is published on COIN (the *Clinical Online Information Network*) so is accessible to staff via the Intranet. It was also circulated to Unit Nurse Directors for further dissemination as appropriate.

The Framework indicates roles & responsibilities, and bullets the responsibilities of the designated person, though one has to look to a process diagram further down the document to note this role is occupied by the Director of Nursing & Patient Experience (DON&PE). Whilst this is the case a paper to the Board in June 2018 identified the DON&PE as the Health Board *designated person* responsible for calculating nurse staffing levels.

The Framework also refers to an *Assistant Director of Operational Nursing & Quality* and a *Head of Nursing*. We discussed these with the Corporate Head of Nursing and noted that the first of these was not the name of a post in the SBU structure, but it was understood to be performed by the *Interim Assistant Director of Nursing & Patient Experience*. In respect of the latter we considered that there would merit in clarifying whether the Head of Nursing role related to those in post within Units or corporately, recognising that each would have different responsibilities in respect of this area.

Lastly, the Framework is silent on the role of the *Corporate Matron* – a key member of staff supporting the process (and key contact during audit work).

We would recommend that the roles & responsibilities of these posts be reviewed and clarified.

See Finding 1 at Appendix C

4.2 CALCULATED LEVELS

4.2.1 Records of Approved Calculated Levels

The *Designated Person* role within SBU is performed by the DON&PE. The Health Board's process for arriving at final calculated levels has included the submission of a template of data and proposed levels to a scrutiny panel comprising the DON&PE, the Director of Finance and

Director of Workforce & OD, with Unit Nurse Directors attending to discuss their wards – the responsibility for the final calculation rests with the DON&PE, as designated person. A paper updating the Executive Board in May 2019 confirmed that meetings have taken place for the most recent round of calculations which is still ongoing. Whilst this is the case there were no records (minutes/attendance) for those meetings held in the previous round following which decisions were made by the Board on the approach to funding 2018/19 year levels.

We sought to confirm the figures for the individual wards comprising the overall position for last year as reported to the Board in June 2018. Whilst we were provided with an example of template documentation returned to Unit Nurse Directors in September 2018 setting out their calculated levels following corporate scrutiny, and the Corporate Matron's covering email indicated that they were digitally signed by the former Director of Nursing & Patient Experience (the designated person), the 'signature' was just her name typed into a spreadsheet. There was no robust record of approval for ward levels calculated. We would note that during 2018/19 there has been a change in occupant of this role which may have impacted on record-keeping arrangements.

This was discussed with the Corporate Matron who has indicated it will be addressed for future calculation cycles. Noting that the 2019/20 cycle was still in progress during fieldwork, a recommendation has been made to ensure a clear trail of approval by the designated person is retained for calculated ward levels for 2019/20.

See Finding 2 at Appendix C

4.2.2 Data Collection & Calculation

Data to inform the calculation of staffing levels is collected over the course of a month. Ward staff input data on staffing and patient acuity onto the All Wales *Health Care Monitoring System* ("HCMS") via electronic tablets. There is guidance on how to do this.

Data collected in this way is then summarised onto *Ward Reporting Templates* ("Templates"). Additional quality & safety indicator data for the ward is added, including the incidence of pressure ulcers, falls and medication administration errors. We understand that improvements are continuing to be made to this element of the data collection and we were shown a module developed within Datix in order to record qualitative data for triangulation with variations from agreed staffing levels.

The Templates set out current roster patterns and staff levels and those proposed following an analysis of needs within the Unit. The latter is supported by comments presenting the professional judgments of the unit staff and management for consideration by the Designated Person (and Panel).

A calculation is performed considering the required shift patterns, shift lengths, and headroom uplift (to cover expected leave) and the separate resource allocated to the ward manager, to arrive at the required numbers of registered and unregistered whole time equivalent staff (WTE).

As noted earlier, there were no records of approval of Templates used for calculating individual ward levels set for 2018/19, so we have not tested the 2018/19 process. The process for agreeing 2019/20 calculations was still ongoing at the time of audit, so final figures signed-off by the designated person were not yet available to test.

Whilst this was the case, for the current process we tested the Templates for a limited sample of two wards (one from Morriston and one from Singleton) to verify the calculation approach to arriving at WTE figures, based on the proposed shift patterns submitted for consideration. Totals presented in the templates for the wards sampled were consistent with our calculations.

No further matters arising.

4.3 PATIENT INFORMATION

4.3.1 Ward Posters

Visits to wards undertaken as part of our review of our *Patient Environment* audit have noted examples of poster displayed at ward level to inform the public of the staffing levels agreed at the beginning 2018/19.

Noting earlier points in respect of the audit trail of approval of levels, we have not tested the information presented any further.

No matters arising.

4.4 MONITORING & STEPS TO MAINTAIN LEVELS

4.4.1 Nurse Staffing Act Steering Group

The Health Board established a Nurse Staffing Act Steering Group in 2017 to manage and monitor the Health Boards' requirements and implementation of the Nurse Staffing (Wales) Act. It is chaired by the Deputy Director of Nursing & Patient Experience, with membership including Unit Nurse Directors. The group meets monthly and its

meetings are minuted. Review of minutes indicated that the group has received regular progress on the implementation of the Act and issues raised as part of the risk register updates from Units and general discussions.

No matters arising.

4.4.2 Increased Establishment

Whilst operational management of nursing rosters is required to maintain adequate levels once established, at the beginning of 2018/19 the key issue facing the Health Board was the shortfall in the overall nursing establishment to meet the calculated needs.

Options to Address Establishment Shortfall

In June 2018, the Board received a report indicating the resources needed to meet the calculated staffing levels at that time. To meet a calculated total level of 484.65 WTE Registered Nursing (RN) staff and 331.29 WTE Health Care Support Workers (HCSW), an increase of 52.26 WTE RN and 135.61 HCSW at an additional cost of £5.4M was required. Options were presented for consideration by the Board:

- 1) Fully fund the (re)calculated nurse staffing levels at the levels calculated and develop a recruitment strategy to attempt to recruit to all registered and support worker posts as soon as possible. Acknowledge that these staffing levels may require revision during subsequent 6 monthly (re)calculation cycles as further evidence and outcomes become available.
- 2) Fund none of the (re)calculated nurse staffing levels/required establishments advised by the Interim Director of Nursing and Patient Experience (designated person) and reconfigure wards to fit the number of registered nurses available to meet patient care needs across all Service Delivery Units.
- 3) During 2018/19, undertake a risk assessed, prioritised implementation of the uplift required (in both financial and staffing numbers) identified through the nurse staffing levels review process, investing the resource (financial and workforce) into 'Hot Spot' wards where the thematic analysis has identified areas of care quality concern and/or risks to patient outcomes.

Considerations included the Act's requirement to "take all reasonable steps"; duty of care to patients; financial position; operational performance; staff wellbeing; and the feasibility of achieving the expected benefits of funding.

The Board supported progression with the third option above.

Progress in Addressing Shortfall

Prior to receiving the 2018/19 end-of-year report in May 2019, the Board received an update on the Nurse Staffing Act in March 2019.

For each of the wards in each of the Units it indicated a figure for the original establishment, the 2018 calculated levels and the establishment levels that would be funded from April 2019 onwards.

Whilst the above is noted, Audit review of figures indicated that the WTE totals per Unit (and for the Health Board overall) did not match the calculated levels presented to the Board back in June 2018.

For instance, for Morriston the papers indicated:

| Board paper | 2018 NSA RN Calculated level | 2018 NSA HCSW Calculated level | Total Calculated level |
|-------------------|------------------------------|--------------------------------|------------------------|
| Jun 2018 | 484.65 | 331.29 | 815.94 |
| Mar 2019 | 472.70 | 324.20 | 796.90 |
| Difference | -11.95 | -7.09 | -19.04 |

Whilst the calculated levels as recorded in the March 2019 paper are indicated as funded from April 2019, it is not clear from the paper how the numbers have been amended from the original calculated levels figures presented to the Board in June 2018.

See Finding 3 at Appendix C

Budgetary Allocation

We have reviewed the budgets allocated in 2019/20 to the wards to which the Act applies. The total levels for each Unit calculated in 2018, as recorded in the March 2019 Board paper, have been addressed substantially, recognising that the management of staff deployment across ward areas would be required by Units to address individual ward needs. There remained a small shortfall of 1.57 WTE Registered Nurses within the budget allocation for Morriston.

Whilst the numbers in the March report are substantially provided for in Budgets, noting the differences in total figures reported to the Board in June 2018 recorded above, a comparison of budgeted figures against the calculated figures for Morriston reported originally indicates a shortfall of 13.52 RNs and 6.94 HCSWs.

Recognising that a more recent cycle of panels is concluding currently to arrive at more up to date calculations, this is noted for management information and action as appropriate as part of the current process.

No further matters arising.

4.5 BOARD REPORTING

4.5.1 Provision of an Annual Report

A report is scheduled within the Board business cycle for receipt once a year in May. This requirement was met with the receipt in May 2019 of the end of year report for 2018/19, presented by the Director of Nursing & Patient Experience. Prior to this papers were presented in June 2018 and March 2019.

No matters arising.

4.5.2 Assurance Reported

The Act requires that the Health Board must submit a nurse staffing levels report which sets out the extent to which nurse staffing levels have been maintained for the reporting period.

The report is presented within a national template though there is scope for variation in respect of the detail and depth of content within the sections.

The Health Board's end of year report for 2018/19 presented the assurance that *"All establishment changes have been initiated resulting in full Nurse Staffing Act Wales compliance based on the 2018-2019 calculations"*.

Whilst this statement of compliance with the Act has been made and the report sets out the Health Board's actions against the expectations of the Act to take "all reasonable steps", the report does not present any data to support the extent to which the levels have been achieved within the report period (01/04/2018-31/03/2019) ie the degree to which sufficient staff were present on wards during the period.

Discussion with the corporate nursing team indicates that reporting this information is a complex matter and subject to All Wales project work. A review of reports of four other organisations in Wales indicated only one that had provided any data in this respect.

See Finding 4 at Appendix C

Audit Assurance Ratings



Substantial assurance - The Board can take **substantial assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Few matters require attention and are compliance or advisory in nature with **low impact on residual risk** exposure.



Reasonable assurance - The Board can take **reasonable assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Some matters require management attention in control design or compliance with low to **moderate impact on residual risk** exposure until resolved.



Limited assurance - The Board can take **limited assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. More significant matters require management attention with **moderate impact on residual risk** exposure until resolved.



No Assurance - The Board has **no assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Action is required to address the whole control framework in this area with **high impact on residual risk** exposure until resolved

Prioritisation of Recommendations

In order to assist management in using our reports, we categorise our recommendations according to their level of priority as follows.

| Priority Level | Explanation | Management action |
|----------------|---|----------------------|
| High | Poor key control design OR widespread non-compliance with key controls. PLUS Significant risk to achievement of a system objective OR evidence present of material loss, error or misstatement. | Immediate* |
| Medium | Minor weakness in control design OR limited non-compliance with established controls. PLUS Some risk to achievement of a system objective. | Within One Month* |
| Low | Potential to enhance system design to improve efficiency or effectiveness of controls. These are generally issues of good practice for management consideration. | Within Three Months* |

* Unless a more appropriate timescale is identified/agreed at the assignment.

Confidentiality

This report is supplied on the understanding that it is for the sole use of the persons to whom it is addressed and for the purposes set out herein. No persons other than those to whom it is addressed may rely on it for any purposes whatsoever.

Audit

The audit was undertaken using a risk-based auditing methodology. An evaluation was undertaken in relation to priority areas established after discussion and agreement with the Health Board.

Internal control, no matter how well designed and operated, can provide only reasonable and not absolute assurance regarding the achievement of an organisation's objectives. The likelihood of achievement is affected by limitations inherent in all internal control systems. These include the possibility of poor judgement in decision-making, human error, control processes being deliberately circumvented by employees and others, management overriding controls and the occurrence of unforeseeable circumstances.

A basic aim is to provide proactive advice, identifying good practice and any systems weaknesses for management consideration.

Responsibilities

Responsibilities of management and internal auditors:

It is management's responsibility to develop and maintain sound systems of risk management, internal control and governance and for the prevention and detection of irregularities and fraud. Internal audit work should not be seen as a substitute for management's responsibilities for the design and operation of these systems.

We plan our work so that we have a reasonable expectation of detecting significant control weaknesses and, if detected, we may carry out additional work directed towards identification of fraud or other irregularities. However, internal audit procedures alone, even when carried out with due professional care, cannot ensure fraud will be detected. The organisation's Local Counter Fraud Officer should provide support for these processes.