Health and community care bulletin

AUDIT SCOTLAND

June 2009

Audit Scotland is a statutory body set up in April 2000 under the Public Finance and Accountability (Scotland) Act 2000. It provides services to the Auditor General for Scotland and the Accounts Commission. Together they ensure that the Scottish Government and public sector bodies in Scotland are held to account for the proper, efficient and effective use of public funds.

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Foreword

Welcome to the fourth issue of Audit Scotland's health and community care bulletin.

It summarises our national performance studies, particularly the issues of most relevance to health boards and councils. It also identifies issues that non-executive health board members and elected members of councils may wish to consider locally.

Since our last bulletin in July 2008, we have published six health reports on behalf of the Auditor General for Scotland (AGS); two joint reports on behalf of the AGS and the Accounts Commission; and a review of improving energy efficiency, a report that is relevant to all public bodies. We have included a summary of our findings in this bulletin and the full reports are available on Audit Scotland's website www.audit-scotland.gov.uk. Most reports include a self-assessment checklist for boards and a separate list of issues for non-executive directors to consider. These are available on our website or from the report contact. Each NHS body and council also receives an annual report from auditors appointed by the AGS or the Accounts Commission. These are available on our website.

In February this year, we published our programme of performance audits that we plan to carry out during 2009–11, including health and community care topics. These were agreed following a lengthy consultation process informed by discussions with executive and non-executive directors of health boards and with a variety of stakeholders from across the public sector. This bulletin includes a summary of the health-related topics in our programme. The full programme is available on our website. We have also included an update in this bulletin on our developing approach to auditing Best Value in the NHS.

If you would like any further information about any of our work, please get in touch. We also welcome feedback on the usefulness of this bulletin and our reports more generally.

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Overview of mental health services

Published May 2009 http://www.audit scotland.gov.uk/docs/health/2009/nr 090514 mental health.pdf

Key findings

- Mental health problems cause considerable poor health in Scotland. Rates of suicide in Scotland are higher than in England and Wales. Mental health problems can affect anyone but people who are likely to be socially excluded, such as people living in deprived areas, are at higher risk.

- Basic management information on waiting times, staffing levels, vacancies and caseloads is needed for agencies to plan and manage mental health services more effectively. In areas where we carried out fieldwork, we found evidence of children and adolescents waiting a long time to access services. This is likely to reflect the picture across Scotland.

- There have been significant developments in the way that mental health services are delivered, with a focus on shifting resources from hospitals to the community. Community services have developed in the last ten years, but there is insufficient information about how well resources are being used and what difference they are making to assess how well they are working.

- People with mental health problems often receive services from more than one agency. Strong partnership working is essential to plan and deliver effective mental health services. Different information systems are used by NHS boards and councils and this limits their ability to deliver joined-up, responsive services. Services out of hours and at times of crisis are not well developed in all areas.

- The wider costs of mental health problems are over £8 billion a year. The NHS spent £928 million on mental health services in Scotland in 2007/08, but this is likely to be an underestimate as there is limited information on the spend on mental health services in the community. The total amount spent by councils on mental health services is unknown.

Non-executive members of NHS boards and elected members of councils need to be assured that local partners:

- deliver services for people with mental health problems which are joined up and that appropriate services are provided on the basis of need

- identify and address any gaps in services, including services for children and young people, services for older people and the availability of psychological therapies

- continue to monitor and develop the move from hospital to community services, ensuring that the resources to support this change are transferred as necessary

- collect information about services in the community to enable better planning and development of services

- routinely collect data on waiting times for mental health services. Action should be taken to address services with long waiting times.

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Managing the use of medicines in hospitals: a follow-up review

Published April 2009 http://www.audit scotland.gov.uk/docs/health/2009/nr 090416 managing meds.pdf

Key findings

- The NHS in Scotland spent £222 million on medicines in acute hospitals in 2007/08, approximately six per cent of overall acute hospital running costs. Total hospital medicines expenditure reduced slightly in 2007/08, but high-cost medicines are a particular pressure on hospital budgets. The Scottish Medicines Consortium is providing boards with better information on the anticipated budget impact of new medicines to help with planning.

- Boards need better information on how medicines are used in hospitals to help them monitor whether patients are getting the most appropriate medicines. Progress in developing information systems that would support medicines management and help improve patient safety in hospitals has been slow. A Hospital Electronic Prescribing and Medicines Administration system is unlikely to be in place in all hospitals in the short to medium term.

- The NHS in Scotland is making progress in promoting the safe and cost-effective use of medicines. Hospitals are taking part in a Scotland-wide Patient Safety Programme. All boards have joint formularies and antimicrobial policies or prescribing guidance, but not all of them are fully monitoring whether staff use medicines in line with the guidance.

- Hospital pharmacy staff increasingly work directly with patients and staff in wards and outpatient clinics. Workforce planning for hospital pharmacy staff is still not well developed and it is not clear if boards base their pharmacy workforce projections on local service needs. Other than two specific roles, there is no national framework for recognising or approving extended roles for pharmacy staff.

Non-executive members of NHS boards and the State Hospital need to be assured that the board is:

- working with the Scottish Government to complete the Agenda for Change assimilation and review process for pharmacy staff as a matter of urgency

- developing pharmacy workforce plans that are based on an assessment of need, which consider the appropriate numbers, skill mix and other resources such as automation, to meet future needs for dispensary, clinical and other work

- working with the Scottish Government and NHS National Education for Scotland (NHS NES) to develop a national framework for recognising and accrediting extended roles and setting training standards for pharmacy technicians

- working with NHS Quality Improvement Scotland (NHS QIS) to develop a system to share learning and action points from medication incidents and near misses across Scotland, supported by trend analysis and consistent local reporting.

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Drug and alcohol services in Scotland

Published March 2009 http://www.audit scotland.gov.uk/docs/health/2009/nr 090326 drugs alcohol.pdf

Key findings

- Scotland has high levels of drug and alcohol misuse compared to the rest of the UK. Drug and alcohol-related death rates are among the highest in Europe and have doubled in the last 15 years. Drug and alcohol misuse are found across society, but people who are likely to be excluded from society and those living in deprived areas are most affected.

- In 2007/08, the public sector spent £173 million on drug and alcohol services in Scotland, £84 million specifically on drug services and £30 million on alcohol services. The remainder was spent on joint drug and alcohol services. Funding arrangements are complex and projects can have a number of separate funding streams, each with different timescales and reporting criteria. This is an added difficulty for those planning and providing services.

- There is variation across Scotland in the range and accessibility of drug and alcohol services. The Scottish Government has not set out minimum standards in terms of range, choice and accessibility that service users and their families can expect to receive. Spending decisions are not always based on evidence of what works or on a full assessment of local need.

- Given the scale of drug and alcohol problems in Scotland and the range of agencies involved, clarity of roles and accountability is essential. It is important for the Scottish Government to set out the direction and the roles and responsibilities of partner agencies and how performance will be assessed.

Non-executive members of NHS boards and elected members of councils need to be assured that:

- all drug and alcohol services are based on an assessment of local need and that they are regularly evaluated to ensure value for money. This information should then be used to inform decision-making in the local area

- service specifications are in place for all drug and alcohol services and set out requirements relating to service activity and quality. Where services are contracted, this specification should be part of the formal contract

- their organisations set clear criteria of effectiveness and expected outcomes for the different services that they provide and undertake regular audits to ensure services adhere to expected standards.

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Asset management in the NHS

Published January 2009 http://www.audit scotland.gov.uk/docs/health/2009/nr 090129 asset management nhs.pdf

Key findings

- Significant investment of £3 billion between 2003 and 2011 is allowing NHS bodies to undertake a major asset redesign and improvement programme.
- NHS bodies are beginning to manage their assets more strategically but need to demonstrate more clearly the links between clinical strategies and asset strategies. Most NHS bodies have some basic information on their assets but not all actively measure the performance of their assets.
- There is no complete picture of the quality of the NHS estate across Scotland. Information from 11 NHS bodies shows that the majority of the estate is of satisfactory quality although around a third will require major upgrading in coming years. NHS bodies spend differing amounts on maintenance and there is no link between the condition of the estate and maintenance budgets.
- In relation to assets, the Scottish Government Health Directorates (SGHD) are primarily responsible for developing policies and guidance, monitoring the implementation of these, and allocating and monitoring capital expenditure. The SGHD does not have policies and guidance for all assets and there is limited monitoring of the way NHS bodies are managing their assets. The SGHD assesses bids for capital investment but there could be stronger monitoring of outcomes.
- The NHS is beginning to work with other public bodies on joint approaches to estate management but there are a number of challenges to overcome. The SGHD needs to build on early work to encourage joint development of the estate. The new 'hub' initiative aims to stimulate joint working across the public sector.

Non-executive board members of NHS bodies need to be assured that their board:

- has strategies for each type of asset and then develops a corporate asset management strategy and plan, which links with their clinical strategies
- assesses estate condition, statutory compliance, functional suitability and space utilisation on a regular basis
- holds all information electronically
- reviews its performance management arrangements and, where required, develops performance measures and targets for assets
- considers whole-life costing for all investment decisions and that it budgets for maintenance throughout the life of the asset.

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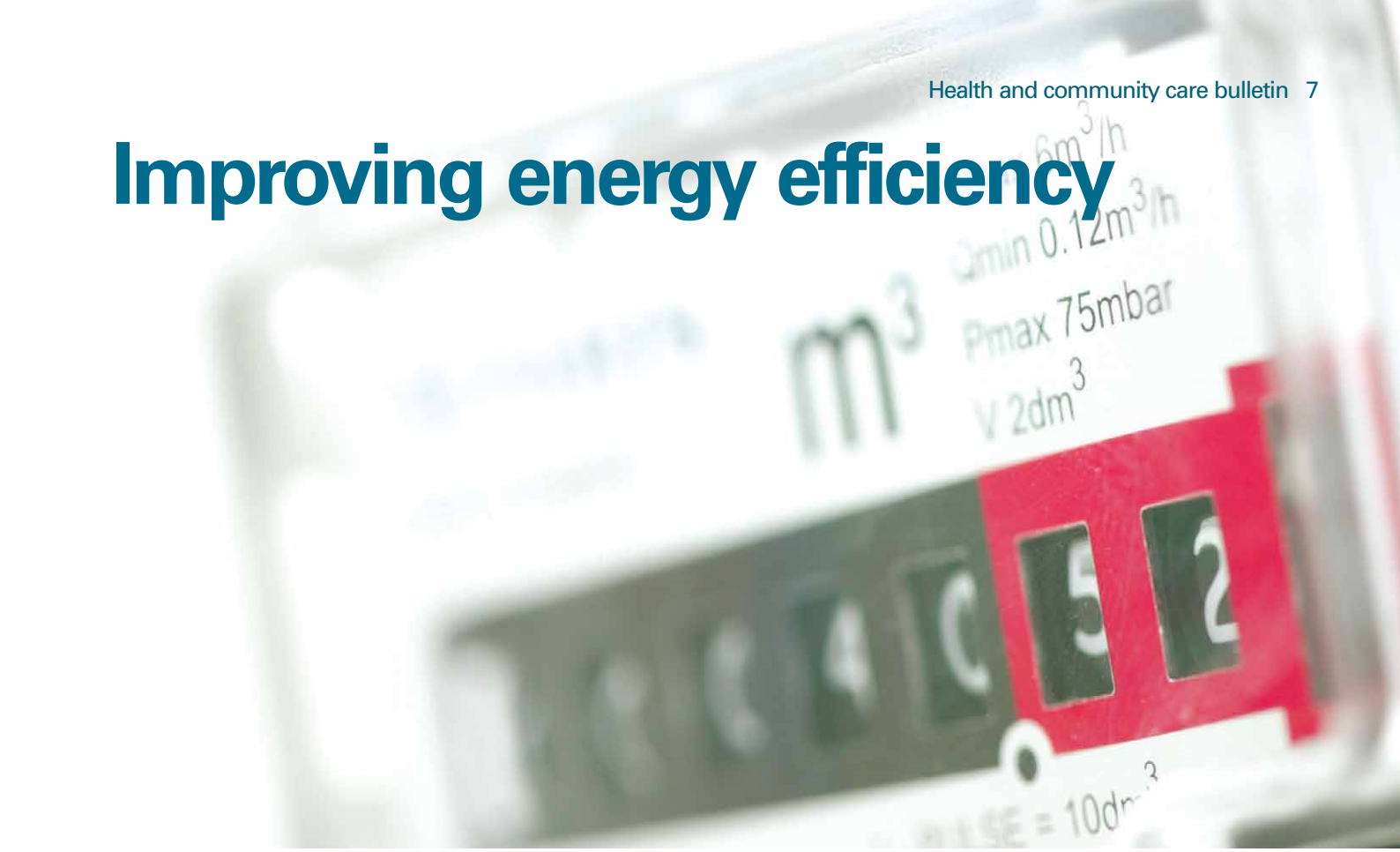
Improving energy efficiency



Published December 2008 http://www.audit scotland.gov.uk/docs/central/2008/nr 081211 energy efficiency.pdf

Key findings

- The Scottish Government has provided £24 million through the Central Energy Efficiency Fund (CEEF) to support improvements in energy efficiency within the public sector since 2004/05. It also provides annual funding to the Carbon Trust and Energy Saving Trust to carry out energy efficiency programmes in the public sector. In 2007/08, this funding was an estimated £4 million.
- Public bodies have allocated over £11.5 million of their own funds to invest in energy efficiency measures since 2004/05.
- Energy consumption in public buildings has fallen by 4.8 per cent in the three years to 2006/07 but spending on energy has increased by 46.7 per cent during this period due to significant rises in energy prices.
- Efforts to improve energy efficiency have been greatest in those sectors that spend the most on energy (councils and the NHS) and this is reflected in their performance.
- There is a need for stronger leadership by the Scottish Government and within public bodies to improve energy efficiency and ensure that the necessary cultural and behavioural changes are made. This is a challenge and more work is needed to achieve this.
- A robust strategy is central to the coordination of activities to improve energy efficiency, however, there are inconsistencies in the quality of strategies being implemented.
- The Scottish Government does not formally monitor and report progress by public bodies in improving energy efficiency. This makes it difficult to determine the extent to which the public sector is contributing to the achievement of national targets to reduce emissions.

Non-executive board members of NHS bodies and elected members of councils need to be assured that:

- effective strategies are in place to improve energy efficiency and reduce CO_2 emissions throughout all areas of public sector activity. These strategies should be supported by comprehensive plans detailing the actions to be taken to achieve agreed objectives and time-related targets
- senior staff play a key role in improving energy efficiency and reducing CO_2 emissions through leading on the implementation of strategies
- they identify and implement a coordinated programme to raise awareness of energy efficiency among staff. Public bodies should actively seek expert advice and input to design programmes which focus on encouraging changes in culture and staff behaviour

- staff with the necessary skills are made available to support implementation of energy efficiency activities. Formal reporting frameworks should be used to monitor progress against the aims, objectives and targets outlined in energy efficiency strategies

- they collect accurate and consistent data on energy consumption within all sites which they own or lease and in their transport use. Public bodies in multiple occupancy buildings need to work with landlords and other occupiers to establish procedures for identifying local consumption data

- energy efficiency is considered in the procurement of goods and services and in the planning and design of major capital projects.

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Financial overview of the NHS in Scotland 2007/08

Published December 2008 http://www.audit scotland.gov.uk/docs/health/2008/nr 081204 NHS financial overview.pdf

Key findings

- The financial position of the NHS in Scotland in 2007/08 was good, with an overall underspend of £24 million against its revenue budget and £2 million against its capital budget. The revenue underspend makes up less than 0.3 per cent of the overall budget of the NHS in Scotland. The overall revenue underspend was made up of underspends of around £50 million by NHS boards and £26 million by special boards, balanced by a planned overspend of £50 million by the SGHD. Only NHS Western Isles failed to meet one of its financial targets.

- Most NHS bodies were less reliant on non-recurring funding to achieve their financial targets than they were last year. In total, the underlying recurring deficit for NHS bodies reduced from just over £92 million to around £16 million between 2006/07 and 2007/08.

- Pay modernisation continues to be a significant cost to the NHS and boards have faced particular problems with implementing Agenda for Change. The NHS in Scotland is still unable to quantify the potential costs of equal pay claims. Boards faced other cost pressures in 2007/08 such as rising drugs, fuel and energy costs; reducing waiting times; and service redesign.

- Most NHS bodies have generally sound governance arrangements in place, but some issues arose in relation to senior staff appointments and associated governance arrangements at five NHS bodies. NHS Orkney and NHS Western Isles need to address governance and financial management issues raised by their auditors.

- During 2008/09 and beyond, NHS bodies will continue to face similar cost pressures as in 2007/08 as well as having to deal with other issues, such as the cost of achieving full compliance with the European Working Time Directive. NHS bodies will also face new challenges in meeting their financial targets such as the impact of lower growth in funding allocations.

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Review of NHS diagnostic services

Published November 2008 http://www.audit scotland.gov.uk/docs/health/2008/nr 081120 diagnostic services.pdf

Key findings

- NHS boards have reduced waiting times for eight key radiology and endoscopy diagnostic tests. They have achieved these reductions by doing additional work funded by waiting list money and by making changes in how they manage and deliver services. Making further sustainable improvements to achieve the new 18-week referral to treatment target will be challenging.
- NHS boards have taken action to improve the patient's experience of diagnostic services. The quality of care for patients having endoscopy procedures is improving and hospitals perform well in how quickly they carry out inpatient radiology scans. But the time it takes to report radiology and laboratory test results varies across hospitals. NHS boards could do more to offer patients choice of appointment date and time.
- The information available suggests there is variation in the efficiency of radiology, endoscopy and laboratory services which is not fully explained by the type of hospital, the complexity of the work it carries out, or differences in how hospitals record activity data. There is scope for more efficient use of resources.
- The NHS does not have some of the basic information it needs to ensure diagnostic services are provided efficiently. Where data do exist, they are not consistent. The NHS needs better information to manage these high-cost services and to compare efficiency across NHS boards.

Non-executive members of NHS boards need to be assured that the board:

- is developing clear referral protocols and increasing the range of diagnostic tests that GPs can refer patients for directly
- offers patients a choice of date and time for elective diagnostic appointments
- is including diagnostic services as a core component in planning for the new 18-week referral to treatment target
- is working with the Information Services Division of NHS National Services Scotland (ISD Scotland) to standardise the way diagnostic activity is counted and ensure data are recorded consistently
- is improving the collection and reporting of local information on the performance of diagnostic services
- uses benchmarking data to identify potential improvements in efficiency on an ongoing basis.

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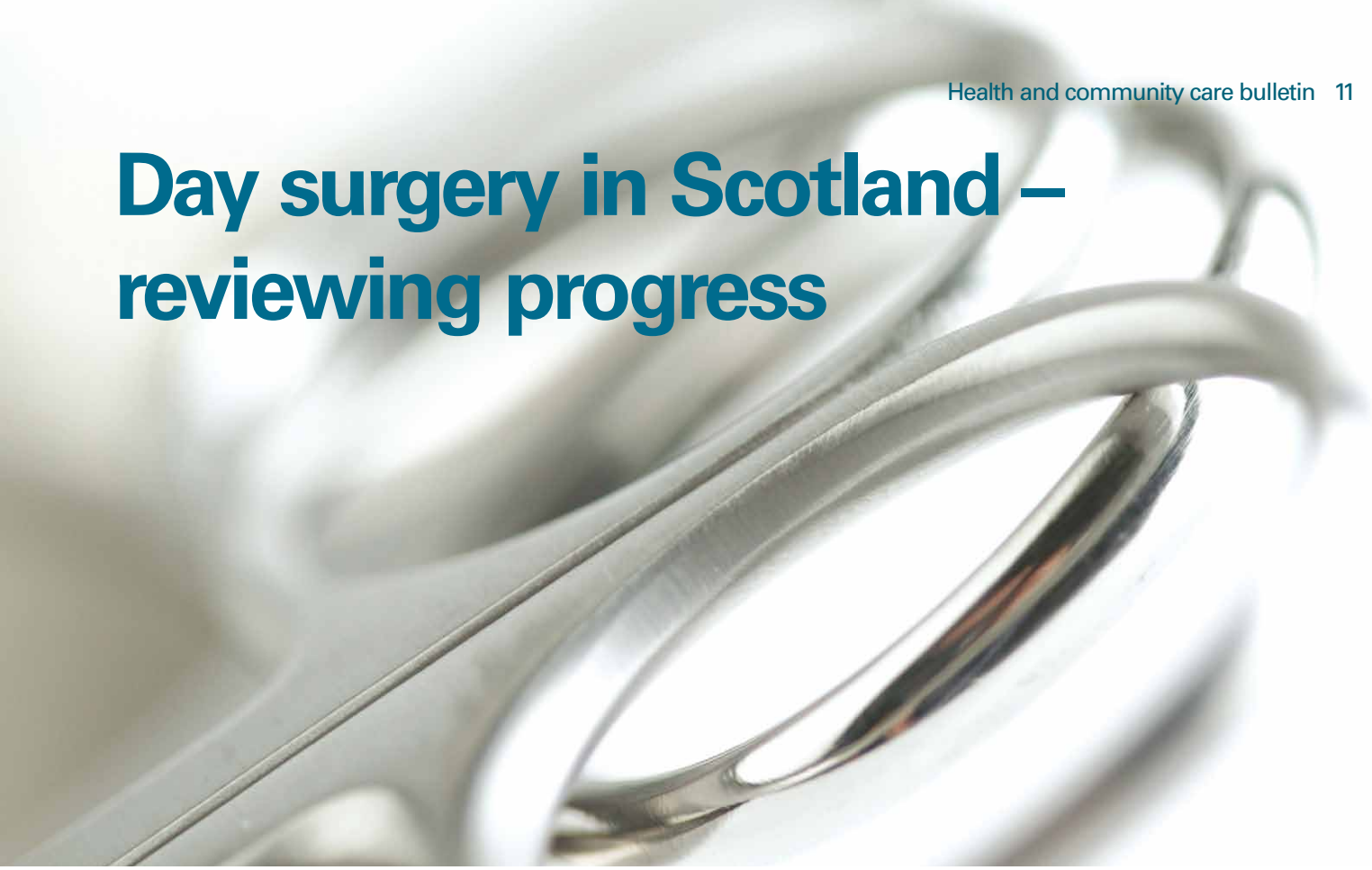
Day surgery in Scotland – reviewing progress



Published September 2008 http://www.audit scotland.gov.uk/docs/health/2008/nr 080904 day surgery.pdf

Key findings

- The percentage of surgery undertaken as same-day care continues to rise. In 2006/07, the 1998 targets were achieved for ten of the basket of 19 procedures across Scotland. This is an improvement on the 2004 figures.
- The percentage of surgical procedures carried out as same-day care varies considerably among NHS boards and is not explained by differences in location or in patients' circumstances. There is also considerable variation within NHS boards in the performance of different procedures.
- In general, Scotland continues to have lower rates of same-day care than England. If the Scottish target of 75 per cent of surgical procedures being carried out as same-day care procedures was achieved, we estimate that over 34,000 extra same-day procedures would be carried out, freeing up around £8 million per year.
- Over the last two years the SGHD has taken a more active approach to encouraging NHS boards to increase same-day care. It has adopted the British Association of Day Surgery (BADS) Directory of Procedures suitable for day surgery and produced an information system to allow benchmarking. With the introduction of same-day care as the main measure there is an urgent need for NHS boards to improve their recording of outpatient activity.

The report recommends that:

- the SGHD, NHS boards and ISD Scotland agree how best to ensure accurate and complete recording of surgical procedures undertaken in an outpatient setting
- NHS boards adopt the BADS Information System.

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Review of palliative care services in Scotland

Published August 2008 http://www.audit scotland.gov.uk/docs/health/2008/nr 080821 palliative care.pdf

Key findings

- There is significant variation across Scotland in the availability of specialist palliative care services and how easily patients with complex needs can access these. People with a range of conditions need specialist palliative care but services remain primarily cancer-focused.
- Most palliative care is provided by generalist staff in hospitals, care homes or patients' own homes. But palliative care needs are not always recognised or well supported. Generalists need increased skills, confidence and support from specialists to improve the palliative care they give to patients and their families.
- Palliative care needs to be better joined up, particularly at night and weekends. Family and friends caring for someone with palliative care needs also need support but this is not widely available.
- In 2006/07, £59 million was spent on specialist palliative care. Almost half of this came from the voluntary sector. It is not possible to say how much is spent on general palliative care. NHS boards and their partners need to plan now to meet the predicted increase in demand from an ageing population.

Non-executive members of NHS boards need to be assured that the board:

- has an up-to-date strategy for delivering specialist and generalist palliative care for people with all conditions and for all demographic groups, based on an assessment of the current and future needs of their local populations
- is working with the voluntary sector to develop and agree protocols for primary care staff and non-specialist hospital staff to refer patients to specialist palliative care services
- applies service improvements such as the Gold Standards Framework Scotland, Liverpool Care Pathway and Do Not Attempt Resuscitation policies in all care settings and ensures these are used appropriately.

Non-executive members of NHS boards and elected members of councils need to be assured that Community Health Partnerships (CHPs), including council partners:

- work with palliative care networks to ensure that there are clear management arrangements for palliative care across each CHP and develop a palliative care action plan to coordinate the involvement of NHS, voluntary sector and council partners in planning and delivering palliative care.

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Forthcoming reports

Our current work programme includes the following studies scheduled for publication in 2009-10 which will cover health and community care.

Improving public sector purchasing in Scotland
Publication planned for July 2009

The report will provide a high-level review of the Public Procurement Reform Programme. It will examine the progress of the programme from 2006/07 to 2008/09, concentrating on the national picture including savings and the wider benefits secured. It will make recommendations to help maximise the potential benefits from the programme and, more widely, to encourage public bodies to be able to demonstrate Best Value in purchasing.

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Civil contingency planning
Publication planned for August 2009

We will examine how well the arrangements to plan for, respond to, and recover from emergencies are working. More specifically, we will look at the requirements under the Civil Contingencies Act 2004 for organisations to work together in the key areas of risk assessment, emergency and business continuity planning, training and exercising and learning lessons, and also the resources that underpin these activities.

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Delivering efficiencies
Publication planned for November 2009

The Efficient Government Initiative was launched in June 2004. In April 2008, the Scottish Government published its Efficient Government Programme for 2008-11, which set portfolios a target of two per cent cash-releasing savings for each of the three financial years. This study will consider what savings were made in the 2005-08 programme, the extent to which public bodies are set up to deliver year-on-year efficiency savings and highlight good practice and areas for improvement.

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Environment overview
Publication planned for December 2009

This study will evaluate the effectiveness of the Scottish public sector in promoting and improving the environment. It will assess how effectively public bodies and their partners are working together to meet environmental objectives and targets, and how much money is being spent on meeting them.

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NHS performance overview 2008/09
Publication planned for December 2009

The annual NHS overview report will comment on the finance and performance of the NHS in Scotland for 2008/09. It will cover the main issues arising from the year's NHS audit work.

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New waiting times arrangements
Publication planned for spring 2010

New Ways is a new approach to defining, recording and measuring waiting times for patients in Scotland. It was first announced by the former Scottish Executive Health Department in 2004 and came into effect on 1 January 2008. The study will include systems testing of patients' records to ensure that the guidance is being applied as intended.

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Specialty efficiency: orthopaedics
Publication planned for spring 2010

Orthopaedics is a large and complex specialty with a high volume of inpatients, outpatients and day cases. NHS boards' total expenditure on the orthopaedics specialty in 2006/07 was around £333 million, the third highest cost specialty. The study will examine how well services are managed, productivity, efficiency and effectiveness, demand and capacity, accessibility and waiting times.

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The role of boards
Publication planned for spring 2010

Boards play a crucial role in ensuring that governance standards are maintained in public sector organisations. There are recent examples of the failure of public sector organisations to establish an adequate board. We will assess how board members are selected and whether the membership of boards is appropriate. In this study we will also review how the performance of boards is measured and the arrangements for induction and training for non-executive members.

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Emergency care
Publication planned for autumn 2010

The efficient and effective delivery of emergency healthcare is crucial to ensure that patients receive the right treatment in the most appropriate setting as quickly as possible. This study will centre on Emergency Departments, but will have a strong focus on how these services work with the ambulance service and NHS 24 to deliver coordinated care to patients. It will also look at how well the NHS is addressing increasing demand and meeting relevant HEAT targets, and it will report on the patient's experience of these services.

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Other information

Forward study programme

Audit Scotland has published its programme of performance audits for the next two years. The programme sets out the national reports which will be produced for the Auditor General, the Accounts Commission and a number of joint reports. It was prepared after a consultation that attracted views from the Scottish Parliament, the Scottish Government, NHS bodies, councils and other organisations and people that we work with. As well as outlining new projects, a series of follow-up studies are included in the programme. They will help us to monitor progress and assess whether our previous recommendations have been implemented. The full programme of studies is available on our website.

If you would like more information about our forward work programme, please contact Angela Canning acanning@audit-scotland.gov.uk

Audit Scotland and NHS QIS operational protocol

In January this year, we published a joint operational protocol between Audit Scotland and NHS Quality Improvement Scotland (NHS QIS). This supplements our Memorandum of Understanding (July 2005) by providing operational guidance on joint working between the two organisations, specifically in terms of sharing information and intelligence and avoiding duplication of work. The earlier Memorandum related specifically to Audit Scotland's national reporting work and the new operational protocol relates to both national reporting and local audit work. Both documents are available on our website.

If you would like more information about the joint protocol, please contact Tricia Meldrum tmeldrum@audit-scotland.gov.uk

Auditing Best Value in the NHS

Over the last year, we have been developing our approach to auditing Best Value (BV) in the NHS in Scotland. We have adopted a generic framework for auditing BV across all public bodies but we will apply this to the NHS in ways that reflect the different accountability arrangements in the health service compared with other parts of the public sector. This means we will take account of the ways in which NHS bodies are already held to account for their performance and build on this. We have published a leaflet which provides more detail on our developing approach to auditing BV in the NHS. This is available on our website.

As we continue to develop our approach we are keen to involve the NHS and take account of your views. If you have any comments, either on our approach as outlined in this bulletin or additional areas which we should cover, please talk to your external auditor or email us at nhsbestvalue@audit-scotland.gov.uk

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If you require this publication in an alternative format and/or language, please contact us to discuss your needs.

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