



# Western Isles Integration Joint Board

## Internal Audit Report 2022/23

### Strategic Planning

May 2023



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### Strategic Planning

Executive Summary	1
Management Action Plan	4
Appendix A – Definitions	15

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# Executive Summary

## Conclusion

**Western Isles IJB is in the process of developing a new strategic planning framework covering the period 2023-2026 and we confirmed that the draft document outlines a clear mission, vision, objectives and operating context for the Board. Furthermore we confirmed an environmental assessment has been undertaken with a PESTLE<sup>1</sup> analysis, which identified both internal and external factors that impacted the strategy.**

**We also identified areas for improvement including the need for a clear timeline for the strategic planning cycle including the Board approval stage to be developed, providing assurance to the Board that measures are sufficiently SMART and developing a communication and engagement plan, aligned with strategic plans development, which clearly identifies when and how stakeholders, both internal and external will be involved in the strategic planning process.**

## Background and scope

The Public Bodies (Joint Working) (Scotland) Act 2014 provides the legislative framework for the integration of health and social care services in Scotland.

The legislation requires NHS Western Isles and Comhairle Nan Eilean Siar to establish formal partnership arrangements to oversee the integration of services via the Integration Joint Board, which is designed to take decisions about how to invest resources and deliver services.

Ensuring there is a clear strategic plan in place outlining the strategic priorities of the IJB is fundamental to ensure activities are delivered and monitored.

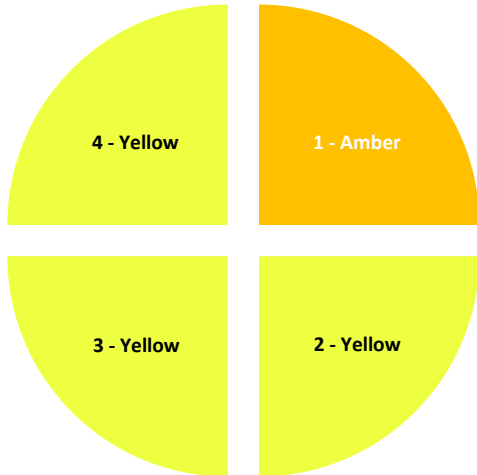
In accordance with the 2022/23 Internal Audit Plan we reviewed the strategic planning arrangements in place within the IJB to ensure plans are sufficiently clear, can be monitored and are informed by stakeholder engagement. We also considered whether roles and responsibilities for strategic planning are clearly defined and assigned to individuals.

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<sup>1</sup> Political, Economic, Sociological, Technological, Legal and Environmental

# Control assessment

- 1. The Strategic Plan clearly sets out the IJB's vision, objectives and operating environment.

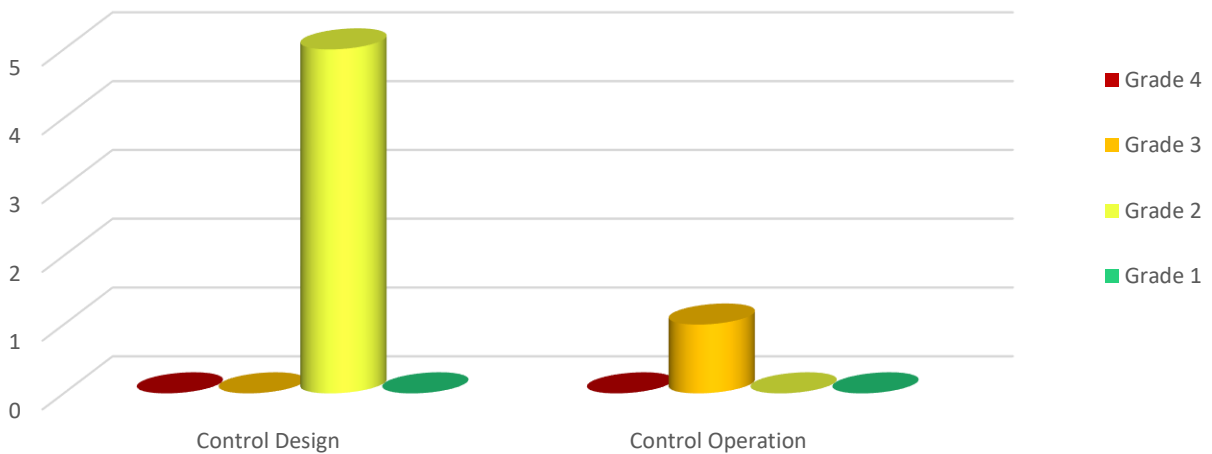


- 2. The strategic objectives are supported by outcomes and measures of success which are reported on to demonstrate the achievement of objectives.

- 3. The strategic planning process includes an analysis of internal and external factors, as well as stakeholder engagement.

- 4. Roles and responsibilities for strategic planning are clearly defined and assigned to individuals.

## Improvement actions by type and priority



Six improvement actions have been identified from this review, only one of which relates to compliance with existing procedures, rather than the design of controls themselves. See Appendix A for definitions of colour coding.

# Key findings

## Good practice

- A documented strategic planning framework has been developed (we note this is not yet approved).
- A clear mission, vision, objectives and operating context within the scope of the IJB's authorities has been identified.
- Outcomes and measures of success, at a high level, have been identified within the documented strategic planning framework.
- There are a range of plans underlying the IJB's objectives, to support a comprehensive and integrated approach to planning.
- The IJB have undertaken a needs assessment and reviewed both internal and external factors using a PESTLE analysis to determine its strategic challenges and objectives.

## Areas for improvement

We have identified a number of areas for improvement which, if addressed, would strengthen the IJB's control framework. These include:

- Providing a clear timeline for the strategic planning cycle, including the Board approval stage.
- Providing assurance to the Board that measures are sufficiently SMART.
- Developing a communication and engagement plan, aligned with strategic plans development, which clearly identifies when and how stakeholders, both internal and external will be involved in the strategic planning process.

These are further discussed in the Management Action Plan below.

# Impact on risk register

The IJB strategic risk register (dated March 2023) included the following risks relevant to this review:

- Risk IJBSR1: Failure to plan for strategic change.

The strategic planning process is not yet complete for the period 2023-2026 and we have in our report identified a number of issues which will impact on the assurance provided to the IJB on performance, and in particular compliance with statutory duties. Management should therefore consider whether risk IJBSR1 score remains appropriate.

# Acknowledgements

We would like to thank all staff consulted during this review for their assistance and co-operation.

# Management Action Plan

Control Objective 1: The Strategic Plan clearly sets out the IJB’s vision, objectives and operating environment.

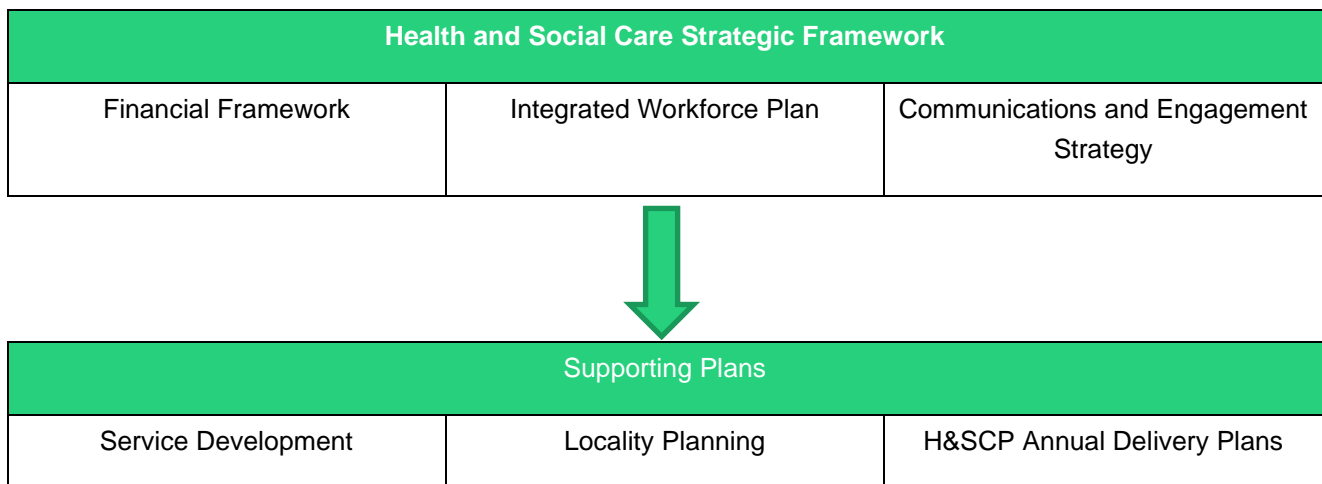


## 1.1 Strategic Planning

The last approved strategic plan covered the period 2020-2021. The new strategic plans covering the period 2023-2026<sup>2</sup> are not yet developed, with the supporting framework not yet formally approved.

We have however confirmed that the Health and Social Care Strategic Framework 2023-2026 does include a clear mission, vision and objectives. The document also provides high level data on the operational environment, e.g. population needs.

The Chief Officer has noted that setting out a detailed strategic plan for three years will unlikely deliver the impacts required given the operating environment the IJB is currently working in, as such the strategic framework has been created to allow more flexibility to adapt to the changing environment not afforded under a strategic plan. The visualisation of the framework is as follows:



In the absence of fully formed and approved supporting strategic plans and annual plans, delivery continues against the extant 2020-2021 plan. Management noted that whilst there will be some changes required following the development of the new plans the majority of activity and services are likely to continue in some form.

Whilst only two months into the 2023 financial year, there is currently no clear timeframe for approval of the strategic framework and the creation of the supporting plans.

<sup>2</sup> Note that a single plan will not be developed but will comprise a number of existing plans including those of the IJB annual plan, partner bodies, locality plans, improvement plans etc.

## Risk

There is a risk that a formal strategic planning framework is not in place, as a clear timeframe for development and approval is not identified, leading to a lack of clarity, ineffective use of resources and objectives not being achieved.

## Recommendation

Management should provide a clear timeline to complete the strategic planning cycle, including Board approval.

### Management Action

Grade 3  
(Operation)

There is an annual cycle of commissioning that will be guided by the Strategic Framework. The further development of the framework and wider consultation through both the Strategic Planning Group and LPGs will be undertaken by the close of Q3.

**Action owner:** Chief Officer

**Due date:** 31 December 2023

## 1.2 Medium to longer term strategy

The Public Bodies (Joint Working) (Integration Scheme) (Scotland) Regulations 2014 states that local arrangements must support the preparation of a strategic plan. In addition, the plan should cover a three-year period, i.e. the medium term.

The premise of the Health and Social Care Strategic Framework 2023-2026 is to allow flexibility within the arrangements, by providing direction to the relevant partners so that the measures taken to achieve the objectives and outcomes can be suited to the needs of the communities. Therefore, the underlying plans (service development, locality planning and H&SCP Annual Delivery Plans (Local Authority Plan and the NHS Annual Delivery Plan)) equate to a strategic plan. These will be summarised by the IJB in an annual plan. We have confirmed that the NHS Annual Delivery Plan for 2022/23 is in place, however we have not been provided with the Local Authority Plan, locality plans, and we could not find these on the Comhairle nan Eilean Siar/IJB websites.

As such we have been unable to confirm whether the medium to longer term<sup>3</sup> has adequately been addressed. We have no clear timeframe for the publication of these documents (MAP 1.1) nor how those already published i.e. NHS Western Isles Annual Delivery Plan will be retrospectively aligned to the approved strategic objectives and outcomes.

Whilst supportive of the approach, especially as the Health and Social Care Strategic Framework 2023-2026 document sets out the mission, vision, objectives and operating environment, which are normally included within a strategic plan, we feel there is lack of clarity regarding how the IJB will receive assurance over the medium to longer term strategic delivery through the annual plan.

### **Risk**

There is a risk that strategic plans are not in place or sufficiently detailed, due to the strategic planning framework not being adequately considered or timebound, resulting in incomplete reporting, inappropriate use of resources and objectives not being achieved.

### **Recommendation**

Management should ensure that the IJB Board is provided with a timescale outlining when underlying plans should be produced. In addition strategic plans should address medium- and long-term activities.

The Health and Social Care Strategic Framework 2023-2026 document should address how it will ensure alignment with strategic vision and objectives of underlying plans.

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<sup>33</sup> We consider medium to long term objectives are those planned for up to 3 years and 5 years, respectively.



Grade 2  
(Design)

### Management Action

A framework approach has deliberately been adopted to guide the development of delivery plans. Both partner organisations have an annual cycle of delivery planning. Performance is reported to the IJB by way of Performance Reporting metrics.

**Action owner:** Chief Officer

**Due date:** 30 September 2023

## Control Objective 2: The Strategic Objectives are supported by outcomes and measures of success which are reported on to demonstrate the achievement of objectives.

Yellow

### 2.1 SMART<sup>4</sup> outcomes

The Public Bodies (Joint Working) (Integration Scheme) (Scotland) Regulations 2014 indicates that measures and targets need to be considered at the time of developing the strategic plan:

- The process used to prepare a list of all targets and measures should include a statement on the extent to which responsibility for each target, measure or arrangement has been transferred to each party to the agreement.
- The timescale within which the list of targets and measures is to be prepared.
- The targets and measures are to be taken account of by the integration authority when it is preparing a strategic plan.

As indicated in MAP 1.1 the new strategic plans for 2023-2026 are not yet in place. The draft Health and Social Care Strategic Framework 2023-2026 identifies a vision and operating environment but provides insufficient detail on the outcomes.

We also reviewed the agreed Scottish Government Outcome Measures utilised as measures within the strategic framework and identified that these were not consistently SMART:

- Achievable – Whilst some of the outcomes seem to be attainable e.g. 95% Adults able to look after their health very well or quite well (currently 93%), some seem very stretching for example 70% Carers who felt supported to continue in their caring role (currently 41%). From our review only three of the nine outcomes would be considered to be readily attainable.
- Realistic - We do not deem all of the goals as realistic, as some are expecting a high percentage of improvement and there is a lack of clear statement of how these will be accomplished. Again only three of the nine outcomes would be considered as realistic.
- Timebound - The outcomes do not have a specific timeframe, while it can be assumed that the outcomes will be expected to be achieved at the end of the three-year framework, this would require further justification. Moreover, there is no sense of measurements of the outcomes over time, and whether these are the end outcomes for the three years.

Whilst we recognise there is limited opportunity for the IJB to amend these specific measures, providing additional context to demonstrate to readers how these fit within the Western Isles operating environment would be beneficial, including the identification of SMART actions.

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<sup>4</sup> Specific, Measurable, Achievable, Realistic, Timebound

## Risk

There is a risk the organisation is not aware of when objectives have been achieved, as measures of success and outcomes are not in place or adequately described, leading to objectives not being delivered or inefficient use of resources.

## Recommendation

Management should ensure that actions within the strategic framework and plans are sufficiently SMART, where these actions are derived from national outcomes additional context and supporting SMART actions should be documented.

In addition they should also ensure the Health and Social Care Strategic Framework 2023-2026 document complies with the legislative requirements.

### Management Action

Grade 2  
(Design)

The planned consultation process aligned to annual delivery plans will ensure that delivery plans for the two parent bodies are developed in line with the Strategic Framework and supported by the current performance metrics.

**Action owner:** Chief Officer

**Due date:** 31 December 2023

## 2.2 Gaps in Strategic Context

The Health and Social Care Strategic Framework 2023-2026 documents the strategic issues, objectives and ways of working:

<b>Strategic Issues</b>	Insufficient working age population to meet the workforce requirements	Significant financial constraints	Good in fire fight, less so in anticipation and prevention	Unpaid carers to be better supported	Growth in waiting lists/times increasing demand	Poverty and inequity likely to worsen
<b>Our Vision is to “Empower the people of the Western Isles to live independently at home or in community settings by developing and nurturing community asset-based approaches”</b>						
<b>Objectives</b>	Develop innovative solutions to workforce challenges across the Partnership	Identify efficiencies and shift to a locality-based funding model	Focus on early intervention and prevention	Support unpaid carers	Improve access to services and reduce delays	Reduce inequities of services
<b>Ways of working</b>	Positive agile multidisciplinary working. Seek innovation (trojan mouse approach)	Openness, compassion and transparency	Deliver high quality seamless integrated services	Dignity, compassion and respect	Place individuals at the heart of what we do	Inclusive, co-production  Develop community assets

We reviewed these against the operating context, challenges and needs identified within the document, as these direct the IJB to the areas to be covered in its strategy. We found all but two areas (ways of working) were adequately explained and considered for inclusion: Openness, compassion and transparency, and Dignity, compassion and respect. While these could be considered as values and therefore intrinsic to all ways of working, it isn't clear where these came from or what supported their inclusion within the table.

### Risk

There is a risk that the organisation has not adequately communicated its strategic intent, as issues, objectives and ways of working are not adequately explained, leading to objectives not resources being used to address non-essential activity.

### Recommendation

Management should ensure that the strategic context is adequately addressed in the Health and Social Care Strategic Framework 2023-2026 document.

Grade 2  
(Design)

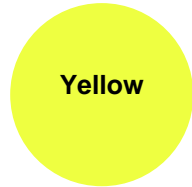
### **Management Action**

The planned consultation & forward development of the Strategic Framework together with formal publication/workshops is intended to ensure the strategic context is clearly communicated.

**Action owner:** H&SCP Senior Leadership Team

**Due date:** 31 December 2023

# Control Objective 3: The strategic planning process includes an analysis of internal and external factors, as well as stakeholder engagement.



## 3.1 Stakeholder engagement

The Health and Social Care Strategic Framework 2023-2026 process included an environmental assessment, with a PESTLE<sup>5</sup> analysis undertaken. The analysis identified both internal and external factors that impacted the strategy.

The Health and Social Care Outcomes were considered as part of the development of the Health and Social Framework. We confirmed the outcomes are based on stakeholder engagement as part of the Health and Care Experience Survey, which is run every two years. This is a survey that is sent to a random selection of people who have used GP Services within the 12 months prior to the survey questions being sent out.

Further stakeholder engagement is planned as part of the approval process and developing the underlying plans. In addition, engagement with a range of partnerships will be engaged as part of ongoing engagement and partnership activities identified as a result of delivering the agreed plans. As yet there is no set timescale for these activities to conclude.

### Risk

There is a risk the strategic plan does not adequately consider stakeholder input, because the stakeholders are not identified or aware of the process/timeline, leading to a strategic plan which is not fit-for-purpose.

### Recommendation

Management should develop an outline communication and engagement plan, aligned with strategic plans development (MAP 1.1) which clearly identifies when and how stakeholders, both internal and external will be involved in the strategic planning process.

#### Management Action

Grade 2  
(Design)

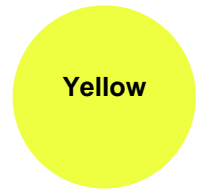
A communications and engagement plan will be developed in partnership with the 2 parent bodies. The Strategic Planning Group is the vehicle to ensure stakeholder engagement alongside LPGs.

**Action owner:** Chief Officer

**Due date:** 31 December 2023

<sup>5</sup> Political, Economic, Sociological, Technological, Legal and Environmental

# Control Objective 4: Roles and responsibilities for strategic planning are clearly defined and assigned to individuals.



## 4.1 Roles and Responsibilities

We confirmed the Chief Officer, Integrated Joint Board developed the Health and Social Care Strategic Framework 2023-2026 . He received support from the Strategic Planning and Development Officer at NHS Western Isles, amongst other staff in partner bodies, to develop the document and to provide public health intelligence information used to set the operating context.

The underlying plans (service development, locality planning and H&SCP Annual Delivery Plans) will be provided by the relevant partner organisations and Locality Planning Groups.

The terms of reference of the Strategic Planning Group states that '*The role of the Strategic Planning Group is to develop and finalise the strategic commissioning plan.*' However, given the approach being taken, we are unclear where the group fits within this and how they will be able to confirm they have discharged their duties as the strategic framework has been developed by the Chief Officer, and the intention that a formal strategic commissioning plan will not be developed, it appears this group has a limited role in developing strategic plans.

The Public Bodies (Joint Working) (Integration Scheme) (Scotland) Regulations 2014 also provides a clear process for preparation of the strategic plan:

- Draft plan prepared and Strategic Planning Group comment on proposals.
- Revised draft plan considered and commented on by the Strategic Planning Group.
- Revised draft plan shared with constituent bodies and other defined groups or persons having an interest in commenting.
- Finalise plan taking account of all comments received.

From the evidence provided, we are unable to confirm and provide assurance that the above process has been followed.

### Risk

There is a risk of lack of clarity over roles, as they are not formally defined or comply with legislation, leading to duplication of effort and/or gaps and an ineffective and non-compliant strategic planning process, increasing the risk of reputational damage.

### Recommendation

Management should clarify the roles and responsibilities for strategic planning with the planning framework document, ensuring that this complies with the integration legislation. In addition any terms of reference or job descriptions should be updated accordingly.

Management should also ensure the Integration Joint Board is provided with assurance that the strategic plan develop process complies with legislation.

### **Management Action**

Grade 2  
(Design)

Roles and responsibilities are the preserve of the parent bodies. The IJB will define what is required through the development of Directions to adequately support the ongoing strategic planning.

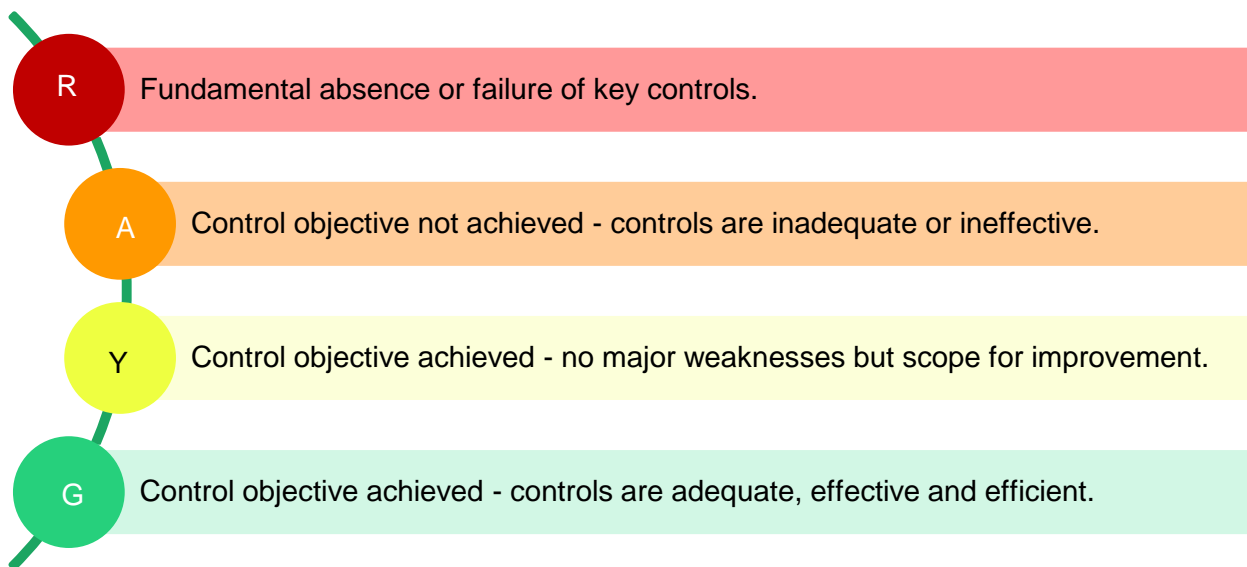
**Action owner:** Chief Officer

**Due date:** 31 March 2024

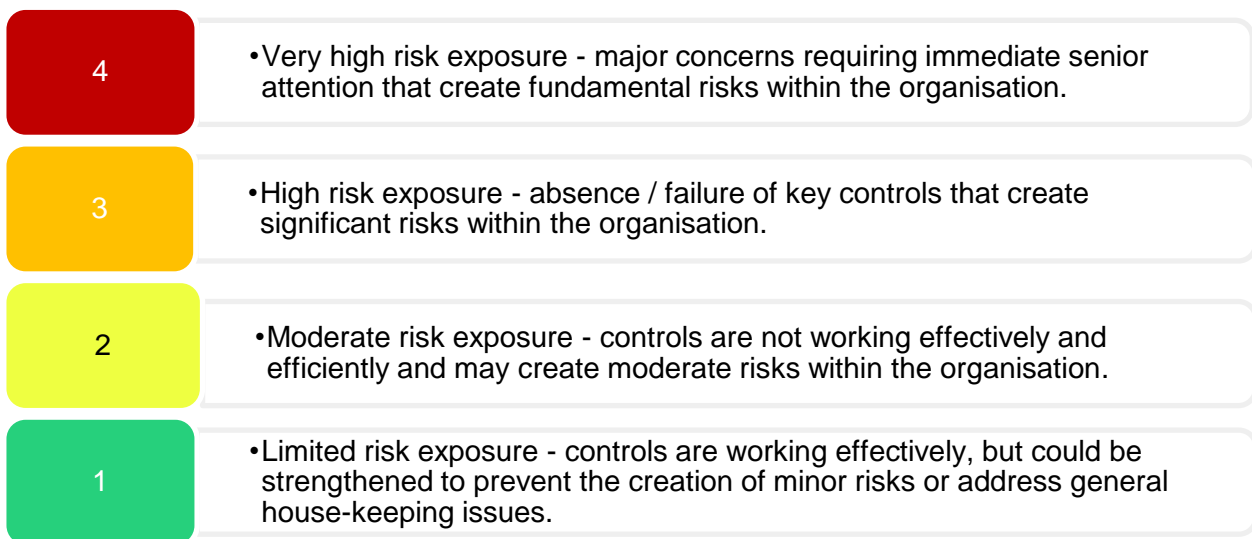


# Appendix A – Definitions

## Control assessments



## Management action grades



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