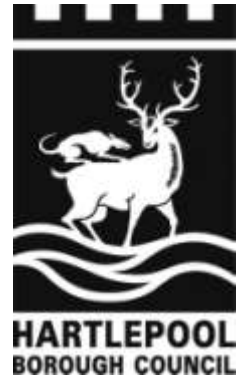


AUDIT AND GOVERNANCE COMMITTEE

AGENDA



Wednesday 6 December 2017

at 10.00 am

**in Committee Room B
Civic Centre, Hartlepool**

MEMBERS: AUDIT AND GOVERNANCE COMMITTEE

Councillors Belcher, Cook, Hall, Hamilton, Harrison, Martin-Wells and Tennant.

Standards Co-opted Members; Mr Stan Cronin, Mr Norman Rollo and Ms Clare Wilson.

1. APOLOGIES FOR ABSENCE

2. TO RECEIVE ANY DECLARATIONS OF INTEREST BY MEMBERS

3. MINUTES

3.1 To confirm the minutes of the meeting held on 15 November, 2017. (To Follow)

4. AUDIT ITEMS

- 4.1 Mazars Report – Audit Progress Report – *Assistant Director Finance and Customer Services*
- 4.2 Mazars Report – Annual Audit Letter – *Assistant Director Finance and Customer Services*
- 4.3 Internal Audit Plan 2017/18 Update – *Head of Audit and Governance*

5. STANDARDS ITEMS

None.



6. STATUTORY SCRUTINY ITEMS

- 6.1 Respite Opportunities and Short Breaks Consultation – Update – *Statutory Scrutiny Officer*
- 6.2 Care Quality Commission - Consultation on Reporting and Rating NHS Trusts' Use of Resources – *Statutory Scrutiny Officer*
- 6.3 Pharmaceutical Needs Assessment Review – Consultation – *Interim Director of Public Health*
- 6.4 Investigation into Elective Surgery at the University Hospital of Hartlepool Site and High Quality Maternity Services – *Statutory Scrutiny Officer*
- 6.5 Joint Health and Wellbeing Strategy 2018-2025 – *Interim Director of Public Health*
- 6.6 Hospital Shuttle Bus – Verbal Update – *Statutory Scrutiny Officer*

7. MINUTES FROM THE RECENT MEETING OF THE HEALTH AND WELLBEING BOARD

No items.

8. MINUTES FROM THE RECENT MEETING OF THE FINANCE AND POLICY COMMITTEE RELATING TO PUBLIC HEALTH

No items.

9. MINUTES FROM RECENT MEETING OF TEES VALLEY HEALTH SCRUTINY JOINT COMMITTEE

No items.

10. MINUTES FROM RECENT MEETING OF SAFER HARTLEPOOL PARTNERSHIP

- 10.1 To receive the minutes of the meeting held on 15 September 2017.

11. REGIONAL HEALTH SCRUTINY UPDATE

12. ANY OTHER BUSINESS WHICH THE CHAIR CONSIDERS URGENT

For information: -

Date and time of forthcoming meetings –

Wednesday 24 January, 2018 at 10.00 am
Wednesday 14 February, 2018 at 10.00 am
Wednesday 14 March, 2018 at 10.00 am
Wednesday 25 April, 2018 at 10.00 am



AUDIT AND GOVERNANCE COMMITTEE

MINUTES AND DECISION RECORD

15 NOVEMBER 2017

The meeting commenced at 10.00 am in the Civic Centre, Hartlepool.

Present:

Councillor: Ray Martin-Wells (In the Chair).

Councillors: Belcher, Cook, Hall, Hamilton, Harrison and Tennant.

Co-opted Members: Mr Stan Cronin, Mr Norman Rollo and Ms Clare Wilson.

Also Present: Philippa Walters,
Lindsey Robertson and Keith Wheldon, North Tees and Hartlepool
NHS Foundation Trust
Lynn Allison and Judith Gray, Hartlepool Healthwatch

Officers: Peter Devlin, Chief Solicitor and Monitoring Officer
Dr Paul Edmondson-Jones, Interim Director of Public Health
Esther Mireku, Public Health Specialist
Joan Stevens, Statutory Scrutiny Officer
David Cosgrove, Democratic Services Team

60. Apologies for Absence

None.

61. Declarations of Interest

None.

60. Minutes of the meeting held on 25 October, 2017

Confirmed.

61. Disqualification Criteria for Councillors and Mayors - Consultation *(Chief Solicitor and Monitoring Officer)*

The Committee had previously received a report which indicted that representations had been made to the Department of Communities and Local Government by Saddleworth Parish Council who had called for one of their members to resign following a conviction for downloading indecent

images. Whilst being convicted, the parish councillor had not “had passed on him a sentence of imprisonment (whether suspended or not) for a period of not less than 3 months without the option of a fine” (Section 80 (1)(d) of the Local Government Act, 1972) which meant he was not automatically disqualified.

Consequently, a delegation from the Parish Council together with the Local Member of Parliament met the Minister for Local Government to discuss potential changes to the governing legislation. That lobbying, has now led to the publication through the Department for Communities and Local Government a consultation document entitled ‘Disqualification Criteria for Councillors and Mayors’ (September 2017).

The Chief Solicitor reminded Members that the current disqualification criteria were as follows;

If the individual is/has -

- employed by the Local Authority;
- employed a company which is under the control of the Local Authority;
- subject to bankruptcy orders;
- within 5 years before being elected or any time since elected, been convicted in the UK, Channel Islands or Isle of Man of any offence and have received a sentence of imprisonment (suspended or not) for a period of not less than 3 months without the option of a fine;
- disqualified under Part 3 of the Representation of the People Act, 1983;
- employed under the direction of various Local Authority Committees, Boards or the Greater London Authority; or
- a teacher in a school maintained by the Local Authority.

The consultation looked at ‘updating the criteria’ in relation to the holding of office either as a Local Authority member or as a directly Elected Mayor or a member of the London Assembly. However, such disqualification would only extend whereby an individual was subject to;

- the notification requirements set out in the Sexual Offences Act, 2003 (commonly referred to as ‘being on the sex offender register’);
- a civil injunction granted under Section 1 of the Anti-Social Behaviour, Crime and Policing Act, 2014; or
- a Criminal Behaviour Order made under Section 22 of the Anti-Social Behaviour, Crime and Policing Act, 2014.

Any changes to be introduced would require amendment to primary legislation and any proposed change would not have retrospective effect. The consultation closes on Friday 8th December, 2017.

Members discussed the proposals set out in the consultation document and commented that orders under Section 22 of the Anti-Social Behaviour, Crime and Policing Act, 2014 could extend to people that had committed violence offences, such as domestic violence. Concern was expressed that

no specific reference was also made to offences involving vulnerable adults or child protection issues.

Members also commented that the length of sentence also seemed quite arbitrary and simply a guilty conviction under the stated offences should be sufficient; how could a six week sentence not result in disqualification but a three month sentence could. Members also commented that the criteria for disqualification should be extended to all in public office; Councillors, Elected Mayors, Police and Crime Commissioners and Members of Parliament. A Member of the public commented that it seemed that different levels of justice applied to those in public office than to ordinary members of the public, many of whom would lose their jobs if convicted of some of these offences.

The Chair in concluding the debate commented that there was often a public perception of corruption at every corner which could cause distress to those targeted in the press or social media. While the consultation document went some way towards providing some additional confidence, it was the Chair's view that the previous system of sanctions should have remained in place until a better one was ready to take its place.

Members authorised the Chief Solicitor to make an appropriate response to the Department for Communities and Local Government following consultation with the Chair and Vice-Chair.

Recommended

1. That the Committee noted the report, consultation document, the discussions and Members comments.
2. That delegated authority be given to the Chief Solicitor and Monitoring Officer (in consultation with the Chair and Vice Chair of the Audit and Governance Committee) to submit a formal response to the Department for Communities and Local Government before 8th December, 2017.

62. Pharmaceutical Needs Assessment Review – Consultation (*Interim Director of Public Health*)

The Interim Director of Public Health and Dr Philippa Walters, Pharmaceutical Needs Assessment Pharmacist Lead for the Hartlepool review, gave a presentation to the Committee outlining the background to the development of the new Pharmaceutical Needs Assessment (PNA) and its consultation processes and timetable. An updated version of the PNA had been circulated to Members in advance of the meeting though the Director commented that in light of the size of the document it would be appropriate to include the issue on the agenda for the next meeting to allow time for Members to consider the document.

Members commented that local pharmacies were essential in the

community and they would like to see more rather than fewer in Hartlepool. There were concerns expressed at the lack of a pharmacy in the Middle Warren area when the community had been led to believe one would be included in the shopping parade on Merlin Way. The Director did indicate that the provision of new pharmacies was constrained by legislation as one could not open which then forced another out of business. The Pharmacist Lead added that while there was no set distance criteria it had been suggested in a recently published paper that the majority of people should be no more than twenty minutes walk from a pharmacy.

A Member indicated that they understood the remuneration for pharmacies was to change. The Pharmacist Lead commented that the remuneration formula had already changed. The Pharmacist Lead also referred to a new initiative currently being piloted through the 111 service to refer people to their local pharmacy for late repeat prescription or for prescriptions when they were away from home.

The Pharmacist Lead also responded to a Member question on locum pharmacists indicating that some pharmacies, including those in supermarkets, could often be operated by locums. There was generally a good supply of qualified pharmacists and in the future people were likely to see prescribing pharmacists in GP surgeries as they expanded the range of services offered.

Recommended

That the report be noted and that the Pharmaceutical Needs Assessment Review be considered further at the meeting on 6 December, 2017.

63. North Tees and Hartlepool NHS Foundation Trust (NTHFT) – Quality Account Priorities 2018/19 *(Statutory Scrutiny Officer)*

Lindsey Robertson and Keith Wheldon, North Tees and Hartlepool NHS Foundation Trust, gave a presentation to the Committee outlining the process and identification of key priorities for the 2018-19 Quality Accounts.

The Chair commented that the Trust had been a 'significant outlier' in terms of the statistics for deaths in hospital care. The HSMR (Hospital Standardised Mortality Ratio) and SHMI (Summary Hospital-level Mortality Indicator) statistics last year for the Trust were some of the worst in the country and the Chair questioned what improvement had been made on the two indicators. The Trust representatives indicated that the most recent values for both measures had come down, near the national level for HSMR and 'in the right direction' for SHMI. The SHMI statistics did, however, have a significant time lag in their production but the Trust did expect that this measure would be close to the national average when next published.

The Trust representatives outlined the progress that had been made

against the Quality Account key priorities for 2017-18;

Patient Safety - Mortality, Dementia Care; Safeguarding (adults and children) and Infections.

Effectiveness of care – safety thermometer, discharge processes, safety, quality and infections dashboard and learning from deaths.

Patient experience – Palliative Care and care for the dying patient, is our care good (patient experience surveys) and Friends and Family recommendation.

The Trust representatives indicated that the Trust was awaiting its next announced CQC inspection. The previous inspection had resulted in a 'requires improvement' assessment, though the Trust was looking towards the next inspection returning a 'good' assessment.

The Chair referred to some recently publicity which showed that the Trust was one of the worst performing in the country in relation to treatment of stroke victims, particularly the delays in patients receiving scans. The Trust representatives stated that had no data on those issues but noted the Chair's comments.

A Member questioned if hospital acquired pneumonia was monitored separately. The Trust representatives indicated that it would be recorded if it was a contributor to a cause of death. In general terms the Trust's performance around pneumonia was not an area where it was an outlier on the performance statistics.

The meeting discussed at some length issues for consideration in the key priorities for 2018-19. Members raised and discussed issues around: -

Stroke care, particularly advocacy for those that did not have family members to advocate for them.

Mental health services to young people.

Training of agency staff.

Discharge procedures, particularly the time of day some patients were being discharged and the time patients were waiting for prescriptions immediately prior to discharge.

Staff frequently not carrying identification when on the ward.

Recruitment and retention of nurses both locally and internationally.

Implementation of the Healthwatch recommendations on communication with deaf patients.

Health inequalities and preventative work around the major health issues among Hartlepool residents.

In concluding the debate the Statutory Scrutiny Officer indicated that the recommended new areas for the 2018-19 key priorities would be; Outreach and Prevention, Mental Health and Stroke care. The continued priorities would be Dementia and Discharge Procedures.

Recommended

1. That the Trust representatives be thanked for their presentation and responses to Member questions.
2. That the Committee's recommended key priorities for the 2018-19 Quality Account are; -
 - Outreach and Prevention,
 - Mental Health, and
 - Stroke care.
 The recommended continued priorities would be; -
 - Dementia, and
 - Discharge Procedures.

64. **Investigation into Elective Surgery at the University Hospital of Hartlepool Site and High Quality Maternity Services** *(Statutory Scrutiny Officer)*

The Statutory Scrutiny Officer reported that representatives from Hartlepool and Stockton-on-Tees Clinical Commissioning Group and North Tees and Hartlepool NHS Foundation Trust attended the previous Committee meeting held on 25 October 2017 to provide a setting the scene presentation, which included usage figures for both elective surgery and maternity services.

The Committee, at its meeting held on 25 October 2017, requested additional information regarding elective surgery and day cases at the University Hospital of Hartlepool. The following information was requested and written response was submitted to the meeting:-

- (a) Why is there a decrease in day cases at Hartlepool?
- (b) How many people from Hartlepool (that could have used the Hartlepool day case services) went to North Tees hospital for the procedure and reasons for this?

Regarding maternity services, the Statutory Scrutiny Officer referred to a recently concluded two year study, conducted by the University of Nottingham, into midwifery led units. A summary of the study was submitted as an appendix to the report for the Committee's information. The Statutory Scrutiny Officer suggested that Committee may wish to invite the author of the report, to a future meeting of the Committee to discuss the study. This was supported by the Chair.

Recommended

1. That the evidence submitted by University Hospital of Hartlepool in relation to day-case patients be noted.
2. That Dr Denis Walsh, Associate Professor of Midwifery at Nottingham University, be invited to a future meeting of the Committee to discuss

the findings of his report into midwifery led maternity services.

65. Health Inequalities in Hartlepool (*Interim Director of Public Health*)

The Interim Director of Public Health gave a presentation to the Committee providing an update in terms of health inequalities in Hartlepool including Female Life Expectancy. The presentation highlighted the following key points –

- There were positives; not everything was about the deficit in health standards.
- Hartlepool was the 18th most deprived borough in the country and wealth and health were inextricably linked; improve the town's health by improving its economic situation.
- Hartlepool's female life expectancy at birth has increased from 78.1 years in 2005/07 to 81.3 years in 2013/15. The national average had increased to 83.1 but the gap between Hartlepool and England had reduced from 3.6 to 1.8 years.
- Healthy life expectancy had, however, decreased from 59.2 years in 2009/11 to 55.2 years in 2013-15. The national average had stayed static at 64.1 years which meant the gap between England and Hartlepool was now 8.9 years. Only Tower Hamlets in London was worse for healthy life expectancy for women than Hartlepool.
- The Under 75 mortality rates for cardiovascular disease, cancer and preventable respiratory diseases were all worse than the national averages. Much of this was simply due to the higher rates of drinking and smoking, though there was some industrial legacy element.
- Disparities existed across all Hartlepool wards with life expectancy figures closely mirroring deprivation.
- Ward health profiles had been circulated to all Councillors following a recent seminar on the Health and Wellbeing Strategy and the Director indicated that his team would look to working with Councillors on initiatives to tackle some of the ward specific issues.

The Chair considered that the key messages on health needed to get through to young people if there was any chance of improving the statistics reported in the presentation. Smoking was still a big issue in the town among school age children and young people. The Chair commented that he had made these points to the Health Trust. The messages on how detrimental smoking was to their health needed to be put across in schools and not just the long-term effects, but the short-term issues such as the effects on their teeth for example. The Chair considered that all agencies, the Council, the CCG and the NHS Trust needed to be together in getting these health messages into schools. Members supported the Chair's comments and suggested that the matter should be raised through the Schools Forum.

Members also commented that some of the health messages around diet and alcohol consumption needed to be reinforced through as many avenues as possible. The Director commented that it was difficult to get messages into schools consistently with the diversification into academies. In terms of the other health messages, the issues around smoking and obesity were huge with type 2 diabetes having a growing effect on healthy life expectancy.

A Member highlighted that mental health issues were not fully reflected in the ward profile information and there was a growing crisis in mental health issues among young people. Members also commented that there were some gaps in the ward profile information such as suicide rates and homelessness.

It was agreed that the presentation slides be circulated to Members following the meeting.

Recommended

That the information presented and the discussions be noted.

66. Minutes From The Recent Meeting Of The Health And Wellbeing Board

The minutes of the meeting of the Health and Wellbeing Board held on 4 September 2017 were received.

67. Minutes from Recent Meeting of Safer Hartlepool Partnership

The minutes of the meeting of the Safer Hartlepool Partnership held on 15 September 2017 were received.

68. Regional Health Scrutiny Update

The Chair advised Members that the next meeting of the Regional Joint Health Scrutiny Committee on 23 November 2017 had been cancelled. Therefore the next meeting would be on 15 February 2018.

69. Any Other Items which the Chairman Considers are Urgent

None.

The meeting concluded at 12.10 pm.

CHAIR

AUDIT AND GOVERNANCE COMMITTEE

6 December 2017



Report of: Assistant Director Finance and Customer Services

Subject: MAZARS REPORT- AUDIT PROGRESS REPORT

1. PURPOSE OF REPORT

- 1.1 To inform Members of the Audit and Governance Committee that arrangements have been made for representatives from Mazars to be in attendance at this meeting, to present the content of the report Audit Progress Report.

2. BACKGROUND

- 2.1 This report updates the Audit and Governance Committee on Mazars progress in meeting their responsibilities as the Councils external auditor. It also highlights key emerging issues and national reports which may be of interest to the Audit and Governance Committee.

3. FINDINGS OF MAZARS

- 3.1 Details of key messages are included in the main body of the report attached as Appendix 1.

4. RISK IMPLICATIONS

- 4.1 There is a risk that if Members of the Audit and Governance Committee do not receive the information needed to enable a full and comprehensive review of governance arrangements at the Council, this could lead to the Committee being unable to fulfil its remit.

5. FINANCIAL CONSIDERATIONS

- 5.1 There are no financial considerations.

6. LEGAL CONSIDERATIONS

6.1 There are no legal considerations.

7. CHILD AND FAMILY POVERTY CONSIDERATIONS

7.1 There are no child and family poverty considerations.

8. EQUALITY AND DIVERSITY CONSIDERATIONS

8.1 There are no equality and diversity considerations.

9. STAFF CONSIDERATIONS

9.1 There are no staff considerations.

10. ASSET MANAGEMENT CONSIDERATIONS

10.1 There are no asset management considerations.

11. RECOMMENDATIONS

11.1 That the Audit and Governance Committee:

i. Note the report of Mazars.

12. REASON FOR RECOMMENDATIONS

12.1 To ensure the Audit and Governance Committee is kept up to date with the work of our External Auditor.

13. BACKGROUND PAPERS

13.1 Mazars Update Report.

14. CONTACT OFFICER

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Audit Progress Report

Hartlepool Borough Council

November 2017



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Our reports are prepared in the context of the Public Sector Audit Appointment Limited's 'Statement of responsibilities of auditors and audited bodies'. Reports and letters prepared by appointed auditors and addressed to members or officers are prepared for the sole use of the Authority and we take no responsibility to any member or officer in their individual capacity or to any third party.

Mazars LLP is the UK firm of Mazars, an international advisory and accountancy group. Mazars LLP is registered by the Institute of Chartered Accountants in England and Wales.

Audit progress

Purpose of this report

The purpose of this paper is to provide the Audit and Governance Committee with a report on progress in delivering our responsibilities as your external auditors.

This paper also seeks to highlight key emerging national issues and developments which may be of interest to members of the Audit and Governance Committee.

If you require any additional information regarding the issues included within this briefing, please contact any member of your engagement team.

Finally, please note our website address (www.mazars.co.uk) which sets out the range of work Mazars carries out, both within the UK and abroad. It also details the existing work Mazars does in the public sector.

2016/17 Audit

The 2016/17 audit work was completed early this year, ahead of the statutory requirement to bring the timetable forward from next year.

Our audit opinion, VFM conclusion and certificate were issued on 22 September 2017.

This year our assurance statement that the whole of government accounts return was below the threshold set by the NAO was submitted on 22 September 2017.

We have now issued our Annual Audit Letter and this is a separate agenda item at this Committee meeting.

We have completed our certification of claims work in relation to housing benefits and the certified claim was submitted on 10 November in advance of the deadline of 30 November 2017.

We have completed our agreed upon procedures work on the Teachers' Pensions return and sent our finding on 26 October in advance of the deadline of 30 November 2017. The return was amended for two errors found in the sample of 34 teachers tested.

2017/18 Audit

In the next quarter, we will begin our planning work in relation to the 2017/18 audit.

We will discuss with officers the lessons learned from experience of bringing the accounts and audit timetable forward this year, and discuss ways in which we can make further improvements to streamline the process. This will include identifying ways of carrying out audit work earlier to reduce the pressure of work in the period between the preparation of your financial statements (by 31 May) and the audit deadline (31 July).

We will also discuss with officers the current risks in relation to our audit opinion and the VFM conclusion, and this will begin to shape our Audit Strategy Memorandum for the 2017/18 audit.

National publications and other updates

National publications and other updates

1. Reality check: next steps in developing sustainability and transformation plans, CIPFA, April 2017
2. The levy, apprenticeships and the public sector, CIPFA, May 2017
3. Building financial resilience: managing financial stress in local authorities, CIPFA, June 2017
4. Procurement of audit services delivers outstanding results, Public Sector Audit Appointments Ltd, June 2017
5. Online Fraud, NAO, June 2017
6. Annual Regulatory Compliance and Quality Report 2016-17, Public Sector Audit Appointments Ltd, August 2017
7. Cyber security and information risk guidance for Audit Committees, NAO, September 2017
8. Homelessness, NAO, September 2017
9. Framework to review programmes, NAO, September 2017

4.1 Appendix 1

1. Reality check: next steps in developing sustainability and transformation plans, CIPFA, April 2017

CIPFA summarises this 'think piece' as follows:

The NHS planning guidance set out the notion of sustainability and transformation plans (STPs) in 2015. The plans aimed to bring together local leaders in health, local government and patient representation to plan how services would become sustainable between 2016 and 2021.

The STPs would facilitate health service providers and local authorities working together to ensure that services are delivered across the whole of the local health and care economy and not lead by any particular organisation's priorities. Forty four local areas were established and initial plans were to be submitted in February 2017.

The 44 STPs which form the basis for NHS planning in the coming years, and explicitly link it to social care, are all now public in their draft forms. What conditions are likely to be critical to success, and do the STPs suggest that those conditions are in place?

This Insight analyses the 44 STPs for the answer.

<http://www.cipfa.org/policy-and-guidance/reports/reality-check-next-steps-in-developing-sustainability-and-transformation-plans>

4.1 Appendix 1

2. **The levy, apprenticeships and the public sector, CIPFA, May 2017**

CIPFA summarises this 'think piece' as follows:

The arrival of the apprenticeship levy has been heralded with a mixture of eager anticipation, dread and a lot of discussion. It is likely to be a while before we see the levy running smoothly and guidance will inevitably need to be regularly updated as the system becomes embedded.

The introduction of the apprenticeships levy sees both opportunities and risks for the public sector and only time will tell how successful the system proves to be. There will be winners and losers and the targets to be achieved may prove a challenge, but the levy certainly can't be overlooked. Employers need to be aware of the options and ways to use the levy to develop a flexible and skilled workforce. CIPFA sees the levy as a further opportunity for widening access to the finance profession and providing a much needed platform to improve productivity in the economy.

This Insight provides background and introduction to what apprenticeships mean for the public sector.

<http://www.cipfa.org/policy-and-guidance/reports/the-levy-apprenticeships-and-the-public-sector>

3. **Building financial resilience: managing financial stress in local authorities, CIPFA, June 2017**

CIPFA summarises this 'think piece' as follows:

With health and social care finances under increasing pressure and little sign that the government can afford to pump in the additional resources which would be needed to maintain historic arrangements, the integration of health with social care has emerged as the great hope across all political parties.

However, local health and social care providers don't yet have a secure basis for medium-term planning, and without that there is a danger that the promising start represented by the Better Care Fund, devolution initiatives and pilots linked to the five-year forward plan for the NHS will be dissipated. This CIPFA Briefing looks at the conditions needed for integration to be successful.

<http://www.cipfa.org/policy-and-guidance/reports/building-financial-resilience-managing-financial-stress-in-local-authorities>

4.1 Appendix 1

4. Procurement of audit services delivers outstanding results, June 2017

In June 2017, Public Sector Audit Appointments Limited (PSAA) reported the outcome of its national procurement of audit contracts for local government and related bodies that will run for five years from the 2018/19 audits, with an option to extend by a further two years. The procurement applied to those bodies which opted to be part of it, which included Hartlepool Borough Council.

As part of the procurement, Mazars increased its national market share of this work from approximately 6% to 18%.

The other firms that were successful in winning market shares were Grant Thornton, EY, BDO and Deloitte.

The five current firms providing this work are Mazars, Grant Thornton, EY, BDO and KPMG.

PSAA estimated that the procurement pointed to a possible scale fee reduction of the order of 18% from 2018/19 audits. PSAA is currently consulting bodies on individual auditor appointments.

<http://www.psaa.co.uk/archive/press-release-procurement-of-audit-services-delivers-outstanding-results/>

5. Online Fraud, NAO, June 2017

Online fraud is now the most commonly experienced crime in England and Wales, but has been overlooked by government, law enforcement and industry.

<https://www.nao.org.uk/report/online-fraud/>

6. Annual Regulatory Compliance and Quality Report 2016-17, Public Sector Audit Appointments Ltd, August 2017

Public Sector Audit Appointments Limited (PSAA) monitors the performance of all its audit firms. The audit quality and regulatory compliance monitoring for 2016/17 incorporated a range of measurements and checks comprising:

- a review of each firm's latest published annual transparency reports;
- the results of reviewing a sample of each firm's audit internal quality monitoring;
- reviews (QMRs) of its financial statements, Value for Money (VFM) arrangements conclusion and housing benefit (HB COUNT) work. The review included assessing compliance with the HB COUNT guidance;
- an assessment as to whether PSAA could rely on the results of each firm's systems for quality control and monitoring;
- a review of the Financial Reporting Council's (FRC) published reports on the results of its inspection of audits in the private sector;

4.1 Appendix 1

- the results of PSAA's inspection of each firm by the FRC's Audit Quality Review team (AQRT) as part of a commissioned rolling inspection programme of financial statements and VFM work;
- the results of each firm's compliance with 15 key indicators relating to PSAA's Terms of Appointment requirements;
- a review of each firm's systems to ensure they comply with PSAA's regulatory and information assurance requirements; and
- a review of each firm's client satisfaction surveys for 2015/16 work.

The report concludes the following in respect of Mazars LLP:

"Mazars is meeting our standards for overall audit quality and our regulatory compliance requirements. We calculated the red, amber, green (RAG) indicator for overall audit quality and regulatory compliance using the principles detailed in Appendices 1 and 2. For 2016/17, Mazars' combined audit quality and regulatory compliance rating was green. The satisfaction survey results show that audited bodies are very satisfied with the performance of Mazars as their auditor. Mazars has maintained its performance against the regulatory compliance indicators since last year, with all of the 2016/17 indicators scored as green".

Figure 1: 2017 Comparative performance for audit quality and regulatory compliance

	BDO	EY	Deloitte	PwC	Grant Thornton	KPMG	Mazars
2017	Amber	Amber	n/a	n/a	Amber	Amber	Green
2016	Green	Green	Green	Amber	Amber	Amber	Green
2015	Amber	Green	Amber	Amber	Amber	Amber	Green

For comparison, we have added in the previous years to the figure above taken from the report.

<http://www.psaa.co.uk/audit-quality/contract-compliance-monitoring/principal-audits/mazars-audit-quality/>

7. Cyber security and information risk guidance for Audit Committees, NAO, September 2017

Audit committees should be scrutinising cyber security arrangements. To aid them, this guidance complements government advice by setting out high-level questions and issues for audit committees to consider.

<https://www.nao.org.uk/report/cyber-security-and-information-risk-guidance/>

4.1 Appendix 1

8. Homelessness, NAO, September 2017

Homelessness has increased across all measures since 2010, with many local authorities now seeing it as a risk to their financial sustainability.

<https://www.nao.org.uk/report/homelessness/>

9. Framework to review programmes, NAO, September 2017

The NAO has published about 100 reports on major projects and programmes since 2010. Based on this experience, the framework draws together the key questions the NAO ask when reviewing major programmes.

The framework was developed for the NAO's value-for-money auditors to use when reviewing programmes, but may be useful to local auditors when considering value for money arrangements issues in relation to major projects. The report may also be useful to audited bodies when embarking on major projects or conducting post-implementation reviews.

There are 18 key questions, each illustrated with examples of good practice and lessons learnt from the previous reports.

The questions are structured into four sections:

- Purpose: Is there a strategic need for the programme and is this the right programme to meet the business need?
- Value: Does the programme provide value for money?
- Programme set-up: Is the programme set up in accordance with good practice and are risks being well managed?
- Delivery and variation management: Are mechanisms in place to deliver the intended outcomes and respond to change, and is the programme progressing according to plan?

<https://www.nao.org.uk/report/framework-to-review-programmes/>

4.1 Appendix 1

Contact details

Please let us know if you would like further information on any items in this report.

www.mazars.co.uk

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AUDIT AND GOVERNANCE COMMITTEE

6 December 2017



Report of: Assistant Director Finance and Customer Services

Subject: MAZARS REPORT- ANNUAL AUDIT LETTER

1. PURPOSE OF REPORT

- 1.1 To inform Members of the Audit and Governance Committee that arrangements have been made for representatives from Mazars to be in attendance at this meeting, to present the content of the report Annual Audit Letter.

2. BACKGROUND

- 2.1 This report updates the Audit and Governance Committee on the key messages from the 2016/17 audit of Hartlepool Borough Council by Mazars. The audit was made up of two elements:
- Mazars audit of the financial statements; and
 - Mazars assessment of arrangements for achieving value for money in the use of resources.
- 2.2 The Annual Audit Letter was circulated to all members of the Council on 13.11.17 for information.

3. FINDINGS OF MAZARS

- 3.1 Details of key messages are included in the main body of the report attached as Appendix 1. It is a positive report which includes an unqualified opinion on the Council's financial statements and an unqualified Value for Money conclusion.

4. RISK IMPLICATIONS

- 4.1 There is a risk that if Members of the Audit and Governance Committee do not receive the information needed to enable a full and comprehensive review of governance arrangements at the Council; this may lead to the Committee being unable to fulfil its remit.

5. FINANCIAL CONSIDERATIONS

5.1 There are no financial considerations.

6. LEGAL CONSIDERATIONS

6.1 There are no legal considerations.

7. CHILD AND FAMILY POVERTY CONSIDERATIONS

7.1 There are no child and family poverty considerations.

8. EQUALITY AND DIVERSITY CONSIDERATIONS

8.1 There are no equality and diversity considerations.

9. STAFF CONSIDERATIONS

9.1 There are no staff considerations.

10. ASSET MANAGEMENT CONSIDERATIONS

10.1 There are no asset management considerations.

11. RECOMMENDATIONS

11.1 That the Audit and Governance Committee:

i. Note the report of Mazars.

12. REASON FOR RECOMMENDATIONS

12.1 To ensure the Audit and Governance Committee is kept up to date with the work of our External Auditor.

13. BACKGROUND PAPERS

13.1 Mazars Annual Audit Letter.

14. CONTACT OFFICER

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Annual Audit Letter

Hartlepool Borough Council



For the year ended 31 March 2017



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Our reports are prepared in the context of the 'Statement of responsibilities of auditors and audited bodies' issued by Public Sector Audit Appointments Ltd. Reports and letters prepared by appointed auditors and addressed to members or officers are prepared for the sole use of the Council and we take no responsibility to any member or officer in their individual capacity or to any third party.

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Executive summary

Purpose of this report

Our Annual Audit Letter summarises the work we have undertaken as the auditor for Hartlepool Borough Council ('the Council') for the year ended 31 March 2017. Although this letter is addressed to the Council, it is designed to be read by a wider audience including members of the public and other external stakeholders.

Our responsibilities are defined by the Local Audit and Accountability Act 2014 ('the 2014 Act') and the Code of Audit Practice issued by the National Audit Office ('the NAO'). The detailed sections of this letter provide details on those responsibilities, the work we have done to discharge them, and the key findings arising from our work. These are summarised below.

Area of work	Summary
Financial statements opinion	On 22 September 2017 we issued our opinion that the financial statements gave a true and fair view of the Council's financial position as at 31 March 2017 and of its financial performance for the year then ended.
Opinions on other matters	On 22 September 2017 we issued our opinion that the Narrative Report published with the financial statements, was consistent with those financial statements.
Value for Money conclusion	On 22 September 2017 we issued our conclusion that the Council had proper arrangements in place to secure economy, efficiency and effectiveness in its use of resources.
Whole of Government Accounts	In line with instructions issued by the NAO, on 22 September 2017 we issued our assurance certificate which confirmed that the Council is below the audit threshold set by the NAO.
Matters that we report by exception	<p>We did not identify any matters to report in relation to:</p> <ul style="list-style-type: none"> • whether the Annual Governance Statement is in line with our understanding of the Council and the requirements of the Delivering Good Governance in Local Government Framework 2016; • reports in the public interest or written recommendations made under s24 of the 2014 Act; • exercise of other powers under the 2014 Act.

As we have discharged all of our responsibilities under the 2014 Act for the 2016/17 audit, we certified the closure of the audit on 22 September 2017.

Audit of the financial statements

Financial statements opinion

Unqualified

The scope of our audit and the results of our work

The purpose of our audit is to provide reasonable assurance to users that the financial statements are free from material error. We do this by expressing an opinion on whether the statements are prepared, in all material respects, in line with the financial reporting framework applicable to the Council and whether they give a true and fair view of the Council's financial position as at 31 March 2017 and of its financial performance for the year then ended.

Our audit was conducted in accordance with the requirements of the Code of Audit Practice issued by the NAO, and International Standards on Auditing for the UK and Ireland (ISAs). These require us to consider whether:

- the accounting policies are appropriate to the Council's circumstances and have been consistently applied and adequately disclosed;
- the significant accounting estimates made by management in the preparation of the financial statements are reasonable; and
- the overall presentation of the financial statements provides a true and fair view.

Our approach to materiality

We apply the concept of materiality when planning and performing our audit, and when evaluating the effect of misstatements identified as part of our work. We consider the concept of materiality at numerous stages throughout the audit process, in particular when determining the nature, timing and extent of our audit procedures, and when evaluating the effect of uncorrected misstatements. An item is considered material if its misstatement or omission could reasonably be expected to influence the economic decisions of users of the financial statements.

Judgements about materiality are made in the light of surrounding circumstances and are affected by both qualitative and quantitative factors. As a result we have set materiality for the financial statements as a whole (financial statement materiality) and a lower level of materiality for specific items of account (specific materiality) due to the nature of these items or because they attract public interest. We also set a threshold for reporting identified misstatements to the Audit and Governance Committee. We call this our trivial threshold.

The table below provides details of the materiality levels applied in the audit of the financial statements for the year ended 31 March 2017:

Financial statement materiality	£4.526 million
Specific materiality	<p>We have applied a lower level of materiality to the following items of account:</p> <ul style="list-style-type: none"> • councillor's allowances and expenses; • officers' remuneration; and • termination benefits.
Trivial threshold	£136,000

4.2 Appendix 1

Our response to significant risks

As part of our continuous planning procedures we considered whether there were risks of material misstatement in the Council's financial statements that required special audit consideration. We reported significant risks identified at the planning stage to the Audit and Governance Committee within our Audit Strategy Memorandum and provided details of how we responded to those risks in our Audit Completion Report. The table below outlines the identified significant risks, the work we carried out on those risks and our conclusions.

Significant risk	How we addressed the risk	Audit conclusion
<p>Management override of control</p> <p>In all entities, management at various levels within an organisation are in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Due to the unpredictable way in which such overrides could occur, we consider there to be a risk of material misstatement due to fraud and thus a significant risk on all audits.</p>	<p>Our testing strategy included:</p> <ul style="list-style-type: none"> • review of material accounting estimates, which may be subject to management bias, included in the financial statements; • consideration and review of unusual or significant transactions outside the normal course of business; and • testing of journals recorded in the general ledger and other adjustments made in preparation of the financial statements. 	<p>Our work provided the assurance we sought and did not highlight any material issues to bring to your attention. We found no indication of management override of controls.</p>
<p>Revenue recognition</p> <p>In accordance with ISA 240 we presume there is a risk of fraud in respect of the recognition of revenue because of the potential for inappropriate recording of transactions in the wrong period. ISA 240 allows the presumption to be rebutted but, given the Council's range of revenue sources, we have concluded that there are insufficient grounds for rebuttal in 2016/17. This does not imply that we suspect actual or intended manipulation but that we continue to deliver our audit work with appropriate professional scepticism.</p>	<p>We evaluated the design and implementation of controls to mitigate the risk of income being recognised in the wrong period. In addition, we undertook a range of substantive procedures including:</p> <ul style="list-style-type: none"> • testing receipts in March, April and May 2017 to ensure they have been recognised in the right year; • testing material year end receivables; • testing adjustment journals; and • obtaining direct confirmation of year-end bank balances and testing the reconciliations to the ledger. 	<p>Our work provided the assurance we sought and did not highlight any material issues to bring to your attention. We did not find any evidence of revenue being recognised in the wrong year.</p>

4.2 Appendix 1

Significant risk	How we addressed the risk	Audit conclusion
Pensions estimates (IAS19) The financial statements contain material pension entries in respect of the retirement benefits. The calculation of these pension figures, both assets and liabilities, can be subject to significant volatility and includes estimates based upon a complex interaction of actuarial assumptions. This results in an increased risk of material misstatement.	<p>We discussed any significant changes to the pension estimates prior to the preparation of the financial statements. In addition to our standard programme of work in this area, we:</p> <ul style="list-style-type: none">• evaluated the management controls you have in place to assess the reasonableness of the figures provided by the Actuary;• requested assurance from the auditor of the Local Government Pension Fund; and• considered the reasonableness of the Actuary's output, referring to an expert's report on all actuaries nationally which is commissioned annually by the National Audit Office.	<p>Our work provided the assurance we sought and did not highlight any material issues to bring to your attention. We found no indication of material estimation error in respect of pensions</p>

Internal control recommendations

As part of our audit we considered the internal controls in place that are relevant to the preparation of the financial statements. We did this to design audit procedures that allow us to express our opinion on the financial statements, but this did not extend to us expressing an opinion on the effectiveness of internal controls. Our work this year did not identify any significant deficiencies.

Value for Money conclusion

Value for Money conclusion

Unqualified

Summary of our work

We are required to form a conclusion as to whether the Council made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The NAO issues guidance to auditors that underpins the work we are required to carry out in order to form our conclusion, and sets out the criterion and sub-criteria that we are required to consider.

The overall criterion is that, 'in all significant respects, the Council had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people.' To assist auditors in reaching a conclusion on this overall criterion, the following sub-criteria are set out by the NAO:

- Informed decision making.
- Sustainable resource deployment.
- Working with partners and other third parties.

The following table provides commentary of our findings in respect of each of the sub-criteria and an indication as to whether proper arrangements are in place.

Sub-criteria	Commentary	Arrangements in place?
Informed decision making	There are regular and appropriate reports to members on financial and operational performance. Other relevant information is updated regularly and is available on the Council's website, including the Council Plan, Constitution and medium term financial strategy.	Yes
Sustainable resource deployment	We identified a significant risk and undertook further work to address this risk as described overleaf. We were satisfied with the arrangements in place.	Yes
Working with partners and other third parties	Various policies and framework for partnership working are available on the external website. All service reviews include consideration of partnership working. The Council is developing social care services jointly with the CCG and is leading on some children's services locally and regionally. Further partnership work is expected in future within the combined authority and sustainability and transformation plans.	Yes

4.2 Appendix 1

Significant Value for Money risks

As part of our continuous planning processes, we carry out work to identify whether or not a risk to the VFM conclusion exists. In our Audit Strategy Memorandum, we reported that we had identified one significant VFM risk. The work we carried out in relation to this significant risk is outlined below.

Value for Money conclusion risk	Work undertaken	Conclusion
<p>Sustainable resource deployment</p> <p>Planning finances effectively to support the sustainable delivery of strategic priorities and maintain statutory functions</p> <p>The Council, like many local authorities, is facing significant budget challenges over the period of its Medium Term Financial Strategy (MTFS) due to ongoing reductions in funding. Failure to have appropriate arrangements in place to identify and deliver a programme of cost savings poses a significant risk to the Council's ability to deliver its strategic priorities and maintain statutory functions.</p>	<p>We undertook a programme of work to allow us to conclude whether the Council has arrangements in place to identify and deliver the required cost savings as set out in its MTFS. This programme of work included:</p> <ul style="list-style-type: none">• a review of the MTFS and the reasonableness of the assumptions that underpin it;• consideration of the arrangements in place to deliver to overall budget in 2016/17; and• a review of arrangements in place to identify, evaluate, risk assess and deliver savings plans in 2016/17 and future years.	<p>The Council is well aware of the risk in relation to the future funding gap and the need to transform service provision and is taking action aimed at addressing future pressures on spending, budgets and services.</p>

Other reporting responsibilities

Exercise of statutory reporting powers	No matters to report
Annual Governance Statement	No matters to report
Whole of Government Accounts consistency with the financial statements	Below the audit threshold
Other information published alongside the financial statements	Consistent

The NAO's Code of Audit Practice and the 2014 Act place wider reporting responsibilities on us, as the Council's external auditor. We set out below, the context of these reporting responsibilities and our findings for each.

Matters which we report by exception

The 2014 Act provides us with specific reporting powers where matters come to our attention that require reporting to parties other than the Council. We have the power to:

- report in the public interest; and
- make statutory recommendations to the Council, which must be responded to publicly.

In addition we must respond to any objections or questions on items contained within the accounts raised by a local government elector. We did not receive any such objections or questions.

We are also required to report if, in our opinion, the Annual Governance Statement does not comply with the guidance issued by CIPFA in 'Delivering Good Governance in Local Government; Framework 2016' or is inconsistent with our knowledge and understanding of the Council. We did not exercise any of our reporting powers during our 2016/17 audit and had no matters to report to the Council in relation to the Annual Governance Statement.

Reporting to the NAO in respect of Whole of Government Accounts

The NAO requires us to confirm to them that the Council is below the audit threshold for whole of government accounts. We have confirmed that the Council is below the audit threshold.

Other information published alongside the financial statements

The Code of Audit Practice requires us to consider whether information published alongside the financial statements is consistent with those statements and our knowledge and understanding of the Council. In our opinion, the information in the Narrative Report was consistent with the audited financial statements.

Our fees

Fees for work as the Council's appointed auditor

We reported our proposed fees for the delivery of our work in the Audit Strategy Memorandum, presented to Audit and Governance Committee in April 2017.

Having completed our work for the 2016/17 financial year, we can confirm that our final fees are as follows:

Area of work	2016/17 proposed fee	2016/17 final fee
Code audit work	£108,938	£108,938
Certification of Housing Benefit Subsidy Claim	£13,860	£13,860
Other non-Code work Teachers' Pensions	£2,500	£2,500

We confirm that these fees are in line with the scale fee set by Public Sector Audit Appointments Ltd.

We also confirm that we have not undertaken any non-audit services for the Council in the year.

Future challenges

Financial outlook

The Council's financial performance to date has left it well placed to address the challenges of the coming years. The Council is fully aware of the significant challenges that lie ahead and has a medium term financial strategy (MTFS) in place designed to achieve the efficiencies needed to balance its budget.

Operational challenges

As set out by the Council itself in its 2016/17 Annual Governance Statement, the key challenges facing it include delivery of the Council Plan, revised performance management framework and MTFS, sustainability of services and levels of performance.

These combined agendas will require organisational capacity, and continued strong governance, risk and project management arrangements.

How we will work with the Council

We will focus our 2017/18 audit on the risks that these challenges present to the Council's financial statements and its ability to maintain proper arrangements for securing value for money. We will also share with the Council relevant insights that we have as a national and international accounting and advisory firm with experience of working with other public sector and commercial service providers.

In terms of the technical challenges that officers face around the production of the statement of accounts, we will continue to work with them to share our knowledge of new accounting developments and we will be on hand to discuss any issues as and when they arise. A key focus in the coming year will be working with officers to prepare for the earlier accounts and audit timetable which will take effect from the 2017/18 financial year.

AUDIT AND GOVERNANCE COMMITTEE

06 December 2017



Report of: Head of Audit and Governance

Subject: INTERNAL AUDIT PLAN 2017/18 UPDATE

1. PURPOSE OF REPORT

- 1.1 To inform Members of the progress made to date completing the internal audit plan for 2017/18.

2. BACKGROUND

- 2.1 In order to ensure that the Audit and Governance Committee meets its remit, it is important that it is kept up to date with the ongoing progress of the Internal Audit section in completing its plan. Regular updates allow the Committee to form an opinion on the controls in operation within the Council. This in turn allows the Committee to fully review the Annual Governance Statement, which will be presented to a future meeting of the Committee, and after review, will form part of the statement of accounts of the Council.

3. PROPOSALS

- 3.1 That members consider the issues within the report in relation to their role in respect of the Councils governance arrangements.
- 3.2 In terms of reporting internally at HBC, Internal Audit produces a draft report which includes a list of risks currently faced by the client in the area audited. It is the responsibility of the client to complete an action plan that details the actions proposed to mitigate those risks identified. Once the action plan has been provided to Internal Audit, it is the responsibility of the client to provide Internal Audit with evidence that any action has been implemented by an agreed date. The level of outstanding risk in each area audited is then reported to the Audit and Governance Committee.
- 3.3 The benefits of this reporting arrangement are that ownership of both the internal audit report and any resulting actions lie with the client. This reflects the fact that it is the responsibility of management to ensure adequate procedures are in place to manage risk within their areas of operation,

making managers more risk aware in the performance of their duties. Greater assurance is gained that actions necessary to mitigate risk are implemented and less time is spent by both Internal Audit and management in ensuring audit reports are agreed. A greater breadth of assurance is given to management with the same Internal Audit resource and the approach to risk assessment mirrors the corporate approach to risk classification as recorded in covalent. Internal Audit can also demonstrate the benefit of the work it carries out in terms of the reduction of the risk faced by the Council.

- 3.4 Table 1 summarises the assurance placed on those audits completed with more detail regarding each audit and the risks identified and action plans agreed provided in Appendix A.

Table 1

Audit	Assurance Level
Salaries and Wages Year End Testing	Satisfactory
Loans and Investments	Satisfactory
Stores	Limited
Computer Audit Network Controls	Satisfactory
Middleton Grange Shopping Centre	Satisfactory
Direct Payments	Limited
Youth Employment Initiative Qtr 1 Claim	Satisfactory
Youth Employment Initiative Qtr 2 Claim	Satisfactory
Community Safety	Limited
Transport Grant	Satisfactory
Debtors	Satisfactory
Integra Application Controls	Satisfactory

For Members information, Table 2 below defines what the levels of assurance Internal Audit places on the audits they complete and what they mean in practice:

Table 2

Assurance Level	Meaning
Satisfactory Assurance	Controls are operating satisfactorily and risk is adequately mitigated.
Limited Assurance	A number of key controls are not operating as intended and need immediate action.
No Assurance	A complete breakdown in control has occurred needing immediate action.

As indicated in table 1 three 'limited assurance' audit reports have been issued and information on these areas is provided in paragraphs 3.5 to 3.7.

- 3.5 Stores has been assessed as limited assurance. This was due to the fact that one officer is currently responsible for managing all aspects of stock control including stock amendments, issues, additions, write offs and orders. This is a fundamental weakness in division of duties and it has been agreed

to introduce a write off record to show the details of items being written off which will also contain evidence of approval by the relevant manager which will then be regularly reconciled to the stores system.

- 3.6 Direct Payments has been assessed as limited assurance. This was due to the arrangements that were in place to reconcile direct payments made and also the fact that signed agreements were not available for review. Additional resources have now been provided to ensure all reconciliations are completed and training has been provided regarding the responsibilities of all parties involved in the Direct Payments process.
- 3.7 Community Safety accounting arrangements has been assessed as limited assurance. This was due to the fact that whilst compliance with associated legislative requirements and the overall governance arrangements including staffing arrangements and pre and post court processes are well controlled, the controls in place in relation to the Referral Panel, completion and retention of information sharing consent forms and the managing and monitoring of the issue of vouchers and gift cards required improvement. Actions have been agreed that mitigate the risks identified.
- 3.8 In order to ensure audits with a limited or no assurance level are monitored and reviewed adequately within Departments, a new procedure has been agreed by the Corporate Management Team where all such audits are reviewed at Director and relevant Assistant Director level, and progress in addressing these issues will be managed through Department Management Team meetings. All of the audits highlighted above will be subject to this process as well as normal internal audit follow up procedures.
- 3.9 As well as completing the audits previously mentioned, Internal Audit staff have been involved with the following working groups:
- Information Governance Group.
 - Performance and Risk Management Group.
- 3.10 Table 3 below details the audits that were ongoing at the time of compiling the report.

Table 3

Audit	Objectives
Gifts and Hospitalities	Ensure adequate procedures are in place to manage and monitor any payments made.
Contracts	Ensure adequate arrangements are in place to manage the three stages of contracts.
Serious and Organised Crime Procedure Review	Ensure recent pilot scheme proposal are addressed by HBC.
Disaster Recovery	Ensure adequate procedures are in place in case of unexpected events occurring.
Attendance Management	Ensure that adequate policies and procedures are in place in relation to reporting, recording and monitoring of sickness absence across departments.

Springwell School	Ensure school finance and governance arrangements are in line with best practice.
Procurement	In relation to purchase cards review policy and procedures, permitted usage, restrictions on types of purchases, application process, card distribution and safe custody of cards, transaction process, reconciliation of statements and authorisation controls.
Housing Benefit	Ensure that adequate policies/procedures are in place in relation to administration of the service, claims processing, arrangements for processing changes in claimant's circumstances, payments and the prevention / detection of fraud.
Local Council Tax Support Scheme	Ensure the scheme complies with legislation and that effective arrangements are in place for processing claims.
Rift House Primary	Ensure school finance and governance arrangements are in line with best practice.
St Teresa's Primary	Ensure school finance and governance arrangements are in line with best practice.
St Helens Primary	Ensure school finance and governance arrangements are in line with best practice.
Creditors	Ensure ordering, receiving and paying for goods/services are properly authorised and comply with the Authority's Financial Procedure Rules.
St Josephs Primary	Ensure school finance and governance arrangements are in line with best practice.
Salaries and Wages	Ensure controls are working appropriately and all legislative requirements are adhered to.
Budgetary Control	Roles and responsibilities of officers and members are clearly defined in relation to the budget setting and budget monitoring processes. Budgets are prepared within the time frame set out in the budget timetable. The timetable is laid out in accordance with statutory requirements / deadlines. An approved, medium /long term financial planning strategy is in place that has considered all potential issues.
Council Tax	Ensure adequate procedures are in place with regard to Valuation, Liability, Collection/Refunds and Write Offs.
Non Domestic Rates	Ensure adequate procedures are in place with regard to Liability – Valuation, Liability – Value, Billing, Collection/Refunds and Write Offs.
Main Accounting System	Ensure identified risks are managed at an acceptable level with regard to legislative and regulatory requirements and financial accounts are accurate and complete.

- 3.11 The work completed and currently ongoing is in line with expectations at this time of year, and audit coverage to date has allowed Mazars to place reliance on the scope and quality of work completed when meeting their requirements under the Audit Code of Practice.

4. RISK IMPLICATIONS

- 4.1 There is a risk that if Members of the Audit and Governance Committee do not receive the information needed to enable a full and comprehensive review of governance arrangements at the Council, this would lead to the Committee being unable to fulfil its remit.

5. FINANCIAL CONSIDERATIONS

- 5.1 There are no financial considerations.

6. LEGAL CONSIDERATIONS

6.1 There are no legal considerations.

7. CHILD AND FAMILY POVERTY CONSIDERATIONS

7.1 There are no child and family poverty considerations.

8. EQUALITY AND DIVERSITY CONSIDERATIONS

8.1 There are no equality and diversity considerations.

9. STAFF CONSIDERATIONS

9.1 There are no staff considerations.

10. ASSET MANAGEMENT CONSIDERATIONS

10.1 There are no asset management considerations.

11. RECOMMENDATIONS

11.1 It is recommended that Members note the contents of the report.

12. REASON FOR RECOMMENDATIONS

12.1 To ensure that the Audit and Governance Committee meets its remit, it is important that it is kept up to date with the ongoing progress of the Internal Audit section in completing its plan.

13. BACKGROUND PAPERS

13.1 Internal Audit Reports.

14. CONTACT OFFICER



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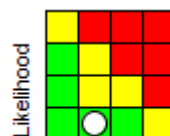
Audit	Objective			Assurance Level
Salaries and Wages Year End Testing	Overall arrangements for paying employees are adequate.			Satisfactory
Risk Identified		Risk Level prior to action implemented	Action Agreed	Risk Level after action implemented
No unmitigated risk identified.				

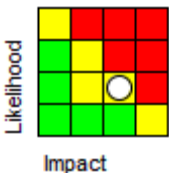
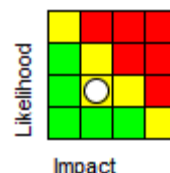
Audit	Objective			Assurance Level
Loans and Investments	Ensure overall arrangements for the Treasury Management function are working effectively and in accordance with the Treasury Management Code of Practice.			Satisfactory
Risk Identified		Risk Level prior to action implemented	Action Agreed	Risk Level after action implemented
No unmitigated risk identified.				

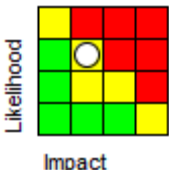

Audit	Objective			Assurance Level
Stores	Ensure a complete, accurate and up to date stock record is maintained and checked to physical stock by staff who are independent of the day to day management of stock as defined in the Authority's Rules of Procedure.			Limited
Risk Identified		Risk Level prior to action implemented	Action Agreed	Risk Level after action implemented
The value and quantity of Stores could be over or under stated. A complete, accurate and up to date stock record may not be maintained which agrees to physical stock held if regular independent stock checks are not performed.			A write off record template has been produced. This will give full details of any items or materials being written off. This information will be provided by operational supervisors and will be officially written off by the Head of Service.	





Audit	Objective			Assurance Level
Computer Audit Network Controls	A network strategy exists and standards and policies are in place to support its delivery.			Satisfactory
Risk Identified		Risk Level prior to action implemented	Action Agreed	Risk Level after action implemented
Effective arrangements may not be in place to disable accounts via the remote access facility, this may result in unauthorised access to the system resulting in inappropriate access to information that maybe used fraudulently or maliciously.			The ICT Support & Development Manager is liaising with Northgate regarding this issue and is currently awaiting a response.	

Audit	Objective			Assurance Level
Middleton Grange Shopping Centre	Ensure adequate procedures are in place to manage all contractual obligations.			Satisfactory
Risk Identified		Risk Level prior to action implemented	Action Agreed	Risk Level after action implemented
No unmitigated risk identified.				

Audit	Objective			Assurance Level
Direct Payments	The audit focused on the Direct Payments processes following assessment as well as the arrangements for monitoring use of funds so that the Authority is satisfied that the needs for which it is giving service users Direct Payments are being met.			Limited
Risk Identified		Risk Level prior to action implemented	Action Agreed	Risk Level after action implemented
Payments may be authorised by personnel with insufficient levels of seniority and go unnoticed.		 <p>Likelihood</p> <p>Impact</p>	<p>(1) MIT to produce an initial report to identify outstanding Care Package Line Items (CPLIs) for Direct Payments. Work to be undertaken to complete relevant authorisations and data cleanse where CPLIs need to be removed.</p> <p>(2) Regular monthly reports to be run following initial data cleanse, reports will identify detail of CPLi, worker, team and team manager. Reports will be sent to Team Managers and shared with SMT. There will be an acknowledgement that some CPLIs can remain unauthorised owing to breaks in care management/assessment cycles - reasons for this will need to be provided by Team Managers/workers by adding a note in Controcc.</p> <p>(3) MIT will complete an audit to identify who has authorised CPLIs within the system. The current DP process states that Assistant Director, Heads of Service and Team Managers can complete authorisations within the framework. A weekly</p>	 <p>Likelihood</p> <p>Impact</p>

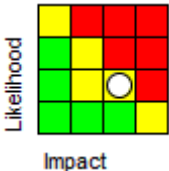
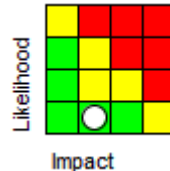
		<p>report will be created and run by MIT to identify if there is any deviation from this framework. If in exceptional circumstances an officer outside of this framework authorises a CPLI then MIT will be informed and a note must be recorded within Controcc by the authoriser. This report will be sent to Assistant Director and Heads of Service in the first instance. There will be occasions where members of MIT will carry out authorisations as part of more overarching requirements such as fee increases, notes will be added on Controcc as part of this process. (MIT officers have administration status within the overall operating framework and have no role in care management)</p> <p>(4) Functionality in CONTROCC has been checked and the system does allow the authorisation role to be limited to certain individuals. Following the above review (3) this functionality will be utilised. There will be a reminder sent to all staff regarding authorisation framework with advice that regular reports will be reviewed and relevant action taken.</p>	
Reconciliations including client user contributions may not be carried out as per agreed guidance leading to misuse of direct payment funding not being identified.		<p>Reconciliations undertaken are carried out in accordance with internal processes. By their nature DPs are deliberately not too prescriptive in order to ensure the client has sufficient flexibility to meet their needs. The financial reconciliation undertaken therefore has to reflect this hence a pragmatic and efficient approach is required. The financial reconciliation seeks to ensure that the funding is not being used incorrectly and is in line with the Support Plan. In the case identified by the auditor the payment amounts were in line with the support plan and for the same amount each month. No invoices were provided as evidence however a judgement call was made that care was being provided (or else the Social Worker would have expressed concerns). The fact no evidence was received was identified to the Social Worker in the follow-up e-mail and the social worker requested to remind the service user of the need to provide evidence of all future spend.</p>	

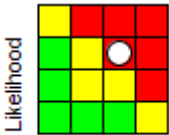

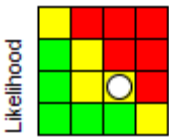

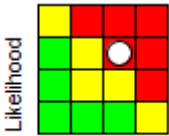

		<p>Finance does not have the relevant expertise to make recommendations to Social Workers on how the payment should be spent or what to do with existing funds etc. A template e-mail has been developed during Q4 16/17 and is now used by Finance to identify all 'observations' made from undertaking the reconciliation and to make 'suggestions' to the Social Worker regarding possible action. Ultimately, the social worker, although informed by the financial reconciliation, uses their professional judgement to identify any actions required.</p>	
<p>Responsibilities of parties involved may not be effectively communicated.</p>	 <p>Likelihood</p> <p>Impact</p>	<p>Steps have been taken to improve this area including:</p> <ul style="list-style-type: none"> • Briefings to staff re: importance of clarifying responsibilities of person holding Direct Payment/Council responsibilities. • The importance of having a signed agreement in place. • The need to have an identified 'authorised' person to manage the responsibilities of a Direct Payment (i.e. employment responsibilities, payment of invoices etc) where the service user lacks capacity to manage a Direct Payment. <p>Other actions taken include:</p> <ul style="list-style-type: none"> • New DP Agreements will streamline process and provide clarity around responsibilities. • Staff Guidance has been updated to reflect changes. • There will be regular updates from MIT/SED Team to feed into Senior Management Team. <p>MIT have undertaken a detailed check on all current Adult DP cases (position at beginning of June 2017) – this had 481 clients to be checked – to see if they had a DP agreement in place, was it signed, dated etc. This work is close to completion so analysis will be available by 21 July 2017.</p>	 <p>Likelihood</p> <p>Impact</p>

<p>Reconciliations including client user contributions are not carried out as per agreed guidance leading to misuse of direct payment funding not being identified.</p>		<p>Following the DP Reconciliation a detailed e-mail is sent to the social worker outlining all of the 'observations' made during the reconciliation, including where no evidence was provided. This allows the Social Worker 3 weeks to address any issues raised and to respond back to finance with their responses to the findings. Once the dedicated DP post is filled all e-mails not responded to within the 3 weeks timescale will be followed-up and escalated to managers where appropriate.</p>	
<p>Reconciliations including client user contributions are not carried out as per agreed guidance leading to misuse of direct payment funding not being identified.</p>		<p>Reconciliations are carried out as per agreed guidance. The information above regarding the number of reconciliations undertaken compared to the number requested is misleading as the initial requests were made ahead of the introduction of the new DP arrangements being fully implemented. It was decided, in association with the Department, to cease following-up the initial requests and instead move to a more efficient scenario whereby the social worker would automatically request a DP Rec ahead of them undertaking the client's annual review. At the end of April 2017, 37 full reconciliations have been undertaken in the year since April 2016. The currently vacant DP Post has delayed full implementation of the new DP reconciliation process. Once filled this will provide a dedicated resource to undertake full financial reconciliations for all non-managed accounts. This will include producing detailed Procedure Notes and liaison with social workers to ensure reconciliations are completed ahead of the annual review of care needs.</p>	

Audit	Objective			Assurance Level
Youth Employment Initiative Qtr 1 Claim	To provide assurance that grant conditions have been met and data submitted relating to the claim are accurate, have supporting evidence and are in accordance with grant conditions.			Satisfactory
Risk Identified		Risk Level prior to action implemented	Action Agreed	Risk Level after action implemented
No unmitigated risk identified.				



Audit	Objective			Assurance Level
Youth Employment Initiative Qtr 2 Claim	To provide assurance that grant conditions have been met and data submitted relating to the claim are accurate, have supporting evidence and are in accordance with grant conditions.			Satisfactory
Risk Identified		Risk Level prior to action implemented	Action Agreed	Risk Level after action implemented
No unmitigated risk identified.				

Audit	Objective			Assurance Level
Community Safety	There is an appropriate governance structure in place to effectively manage and deliver the youth offending service in line with legislative requirements and financial arrangements are within the scope of Youth Justice grants and other funding streams that are in place.			Limited
Risk Identified		Risk Level prior to action implemented	Action Agreed	Risk Level after action implemented
Procedures in place are ineffective which may result in the service provided not being consistent with national standards and guidance.			The Youth Justice Service Senior Business Officer has assumed responsibility for the administration and co-ordination of Referral Order panels and volunteers. Individual volunteer staff files have been established and a mandatory event has been planned for 3/10/17, in which all panel members will be required to attend and complete any necessary paperwork and provide documentation such as application forms. For those	

		volunteer panel members that cannot provide their original application forms (and for those longer serving panel members) they will have to re-submit one.	
Information may be shared with those not entitled to see it resulting in a breach of legal requirements.	 <p>Likelihood</p> <p>Impact</p>	A new form has been devised and implemented with immediate effect (September 2017). This form includes consent to share information and conditions /expectations of compliance. The YJS now has one standardised form across all pre and post court disposals, which is explained and signed by YJS staff, the young people and their parents/carers at the commencement of YJS involvement.	 <p>Likelihood</p> <p>Impact</p>
Without the appropriate reconciliations, cash and/or vouchers may go missing and inappropriate purchases may not be identified. Cash & vouchers may not be held securely.	 <p>Likelihood</p> <p>Impact</p>	All vouchers have been reconciled and a new monitoring form (incorporating running total) devised. All vouchers are now stored in one safe, rather than three separate safes. Business Support hold a spare key, to ensure accessibility at any time required, whilst YJS managers access the safe via a specific key. It is proposed to undertake bi-monthly reconciliations of vouchers as part of the regular meetings between the YJS Manager, Senior Business Officer and HBC Finance Officer.	 <p>Likelihood</p> <p>Impact</p>
Procedures in place are ineffective which may result in the service provided not being consistent with national standards and guidance.	 <p>Likelihood</p> <p>Impact</p>	The YJS Senior Business Officer has assumed responsibility for the administration and co-ordination of Referral Order panels and volunteers. Individual volunteer staff files have been established, alongside tracking spreadsheets and documents to monitor Disclosure and Barring Scheme (DBS) clearances, DBS renewal dates etc. All panel members with outstanding DBS' have been mandated to attend and provide renewed documents, alongside those who have been instructed to bring their DBS for viewing. Those that do not comply with the mandated timescale will not be offered further duties until they have complied with YJS requests for relevant documentation and/or evidence.	 <p>Likelihood</p> <p>Impact</p>

Audit	Objective			Assurance Level
Transport Grant	Ensure grant terms and conditions are met.			Satisfactory
Risk Identified		Risk Level prior to action implemented	Action Agreed	Risk Level after action implemented
No unmitigated risk identified.				

Audit	Objective			Assurance Level
Debtors	Debtor records are bona fide, complete and accurate.			Satisfactory
Risk Identified		Risk Level prior to action implemented	Action Agreed	Risk Level after action implemented
No unmitigated risk identified.				

Audit	Objective			Assurance Level
Integra Application Controls	Ensure adequate controls operate in respect of the management and maintenance of the system.			Satisfactory
Risk Identified		Risk Level prior to action implemented	Action Agreed	Risk Level after action implemented
Data may be lost or corrupted or made available to unauthorised people.		 <p>Likelihood</p> <p>Impact</p>	Retention strategy to be reviewed for all areas on Integra. Data to be identified for archiving and deletion as appropriate and to meet criteria recommended by the Corporate Information Governance Group.	 <p>Likelihood</p> <p>Impact</p>

AUDIT AND GOVERNANCE COMMITTEE

6 December 2017



Report of: Statutory Scrutiny Officer

Subject: RESPITE OPPORTUNITIES AND SHORT BREAKS
CONSULTATION - UPDATE

1. PURPOSE OF REPORT

- 1.1 To update the Audit and Governance Committee in relation to the Respite Opportunities and Short Breaks Consultation.

2. BACKGROUND INFORMATION

- 2.1 The Committee at its meeting held on 20 September 2017 were informed about the Consultation and agreed that, should a Regional Joint Health Scrutiny Committee be formed to respond to the consultation, Councillors Hamilton and Harrison be appointed as Hartlepool's representatives on the Joint Committee.
- 2.2 A Respite Opportunities and Short Breaks Joint Health Scrutiny Committee was established and has met on 11 October 2017 and 20 November 2017 to consider the proposals. The consultation documents and Joint Committee documentation can be viewed at:-
- <http://www.egenda.stockton.gov.uk/aksstockton/users/public/admin/kab71.pl?cmte=RSB>.
- 2.3 An update will be provided at today's meeting on the issues discussed to date, including the timescales, to facilitate our representatives participation in the formulation of a response to the consultation. The Adult Services Committee at its meeting on 5 October 2017 agreed their response to the consultation and the minutes of this meeting are attached as **Appendix A**. An invitation to this meeting has been extended to the Chair of Adult Services Policy Committee.
- 2.4 The public consultation ended on 10 November 2017 and the draft public consultation results will be made available to the Joint Committee on 11 December 2017. The next meeting of the Joint committee will be held in the week commencing 11 December 2017 (date to be confirmed), to consider the public consultation results and agree the main themes for the Committees response. The deadline for submission of the response is the 11 January 2018.

- 2.5 The Audit and Governance Committee's next meeting will be held on the 24 January 2018. In order to provide Members with an opportunity to comment on the Joint Committee's response, ahead of the deadline, it is proposed that:
- The response be circulated to the Committee for views /comments to be fed back to the Chair; and
 - Authority be delegated to the Chair to ensure that Hartlepool's views are reflected in the Joint Committee's response, prior to its submission on the 11 January 2018.

3. RECOMMENDATIONS

- 3.1 That the Audit and Governance Committee:-
- (a) Consider the update regarding the consultation and seek clarification where necessary;
 - (b) Provide initial views on the respite care proposals in order for the Committee's representatives to feed these into the response being formulated by the Joint Committee;
 - (c) Agree that the Joint Committee's response, be circulated to the Committee for views /comments to be fed back to the Chair; and
 - (d) Delegate authority to the Chair to ensure that Hartlepool's views are reflected in the Joint Committee's response, prior to its submission on the 11 January 2018.

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 Email: joan.stevens@hartlepool.gov.uk

BACKGROUND PAPERS

The following background paper was used in the preparation of this report:-

- (a) Consultation documentation - <http://www.egenda.stockton.gov.uk/aksstockton/users/public/admin/kab71.pl?cmte=RSB>.
- (b) Minutes of the Adult Services Committee meeting held on 5 October 2017 - https://www.hartlepool.gov.uk/meetings/meeting/3607/adult_services_committee

EXTRACT**34. Public Consultation on Health Respite Care for Adults with Learning Disabilities** *(Director of Adult and Community Based Services)***Type of decision**

Non key.

Purpose of report

To provide the Committee with an update regarding a public consultation on health respite care for adults with learning disabilities which is being undertaken by NHS Hartlepool and Stockton on Tees Clinical Commissioning Group (CCG) as commissioner of the service. This includes an update on the outcome of previous stakeholder engagement activities, as well as proposed service options.

Issue(s) for consideration

A video produced by the CCG was shown to the Committee regarding the public consultation on Health Respite Care for Adults with Learning Disabilities. It was noted that currently, NHS commissioned bed based respite provision was provided to the Hartlepool and Stockton on Tees CCG population by Tees Esk and Wear Valley NHS Foundation Trust at Aysgarth, Stockton and 2 Bankfields Court, Middlesbrough. Work had been undertaken to map the respite services currently available and an analysis of capacity and activity, as well as individual assessed needs. A market engagement exercise had been undertaken with further more detailed market engagement planned through Inclusion North. In addition to this, stakeholder engagement activities had been undertaken by local Voluntary and Community Sector Organisations with views and involvement sought from approximately 120 individuals across Tees. It was noted that it was expected to have enhanced services for people with learning disabilities and complex needs available by September 2018.

There were two options developed that were considered to best meet the priorities identified by the people who participated in the engagement and by the CCGs and these were outlined in the report. It was noted that the Council's Audit and Governance Committee as well as the Regional Health Scrutiny Committee would also be included within this engagement process as the proposals were considered a significant change to service delivery.

It was highlighted by the Director of Adult and Community Based Services that, at the present time, there were no beds available in community settings within Hartlepool that could meet the potentially complex health needs of the individuals concerned. While it was recognised that market engagement had taken place, with further activity planned, Members felt that it was essential to ensure that there were a range of choices available for Hartlepool residents that were accessible and provided by organisations with the appropriate skills and infrastructure to meet their

EXTRACT

needs. The representative from the CCG indicated that an update would be provided for the Committee after the mid-point review of the engagement process which was due to be undertaken.

The second issue raised by the Committee related to the financial envelope available for the service, which was identified as being £1.5m per annum across the four Tees Local Authority areas. While recognising the financial challenges faced across the public sector and the need to deliver services as efficiently and cost effectively as possible, the Committee was concerned that this level of funding may be insufficient to meet future need given the increasing number of people with complex needs moving into adulthood and the implications of the Transforming Care Programme, which will see more people with complex needs supported within local communities. The Committee requested that the financial commitment to this service provision be reviewed on a regular basis to ensure that it continued to be adequate to meet identified need.

The Chair noted that while the above concerns of Members should be recognised, the Committee expressed support for Option 1 which involved commissioning a range of beds in community settings instead of the beds within 2 Bankfields Court, Middlesbrough and Aysgarth in Stockton. The Committee also noted that this was the favoured option during the recent public consultation event held in Hartlepool.

The Director of Adult and Community Based Services commented that the term 'respite' can be perceived very negatively and the CCG was asked to consider using the term 'short break care', or something similar, as an alternative, to reflect that this type of care was usually planned as part of a wider care package and can be very positive for both the individual and their family and/or carer(s).

Decision

- (1) The progress of the review was noted.
- (2) The proposed further co-development of the service options was noted.
- (3) The Committee expressed support for Option 1 as noted above with the caveat that the concerns expressed by Members in relation to ensuring that the range of choices made available to Hartlepool residents were accessible and provided by organisations with the appropriate skills and infrastructure to meet their needs, along with a request to ensure that the financial commitment to this service provision be reviewed on a regular basis to ensure that it continues to be adequate to meet identified need and these comments be fed back through the consultation process.

P J DEVLIN**CHIEF SOLICITOR****PUBLICATION DATE: 12 OCTOBER 2017**

AUDIT AND GOVERNANCE COMMITTEE

6 December 2017



Report of: Statutory Scrutiny Officer

Subject: **CARE QUALITY COMMISSION - CONSULTATION ON REPORTING AND RATING NHS TRUSTS' USE OF RESOURCES**

1. PURPOSE OF REPORT

- 1.1 To provide information on the Care Quality Commission's (CQC) consultation regarding Reporting and Rating NHS Trusts' Use of Resources.

2. BACKGROUND INFORMATION

- 2.1 The Care Quality Commission (CQC) is the independent regulator of all health and social care services in England. The CQC register, monitor and inspect services to make sure they provide safe, effective, compassionate, high quality care, and they encourage them to improve.
- 2.2 Together with NHS Improvement the CQC have started consulting on plans to fully implement the process that both organisations will use to report on how NHS non-specialist acute trusts are using their resources to provide high quality, efficient and sustainable care.
- 2.3 The CQC are asking for views on their proposed approach to working with NHS Improvement to reflect their assessment of trusts' use of resources in published CQC inspection reports and trust-level ratings.
- 2.4 The CQC are also seeking feedback on how they can best combine the rating that will be awarded for use of resources with CQC's five trust-level quality ratings, and how they will generate new combined ratings at the trust level.
- 2.5 NHS Improvement began its use of resources assessments at non-specialist acute trusts in October 2017 using the use of resources assessment framework and methodology which was developed following public and stakeholder feedback and testing at a number of acute trusts earlier this year. The CQC are currently piloting how they will work with NHS Improvement to incorporate the findings of their assessments with their judgements on quality.

- 2.6 Effective use of resources is fundamental to enable health and care providers to deliver and sustain safe high-quality services for patients. The responses from this consultation will be used together with feedback from trusts during the current pilot phase to shape the final agreed approach.
- 2.7 This work is part of the wider changes the CQC are making to the way they monitor, inspect and rate NHS trusts, which includes more inspections of the specific core services that individual trusts provide and fewer comprehensive inspections of whole trusts, as well as working more closely with partners to agree a 'shared view of quality'.
- 2.8 The consultation will run from 8 November 2017 to 10 January 2018. The Consultation document is attached at **Appendix A** and the consultation questions area as follows:-

- Q1a.** Do you agree with the proposals for CQC's process to develop and award final ratings for use of resources and publishing reports?
- Q1b.** Please tell us the reasons for your answer.
- Q2.** Do you have any suggestions for making this process work better?
- Q3a.** Do you agree with our proposed approach to combining the use of resources rating with CQC's existing quality ratings?
- Q3b.** Please tell us the reasons for your answer.
- Q4.** Do you have any suggested alternatives for achieving a combined rating?
- Q5a.** We propose that (other than the rule change proposed below) CQC will use its standard aggregation rules and limiters to determine the new combined rating at the trust level, when combining the use of resources rating with CQC's existing five trust-level key question ratings.
Do you agree with this proposal?
- Q5b.** Please tell us the reasons for your answer.
- Q6a.** For the combined rating at the trust level, we propose that CQC changes the principle in its current standard aggregation rules that determines the number of requires improvement ratings at the trust level that would limit the combined rating to requires improvement.
Instead of the current rule, CQC proposes that "The aggregated rating will normally be limited to requires improvement where at least **three** of the underlying ratings are requires improvement".
Do you agree with this proposed change?
- Q6b.** Please tell us the reasons for your answer.

3. RECOMMENDATIONS

- 3.1 That the Audit and Governance Committee consider the consultation document and questions and formulate a response to the consultation.

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BACKGROUND PAPERS

The following background paper was used in the preparation of this report:-

- 1) Care Quality Commission – Use of Resources Consultation
<http://www.cqc.org.uk/get-involved/consultations/consultation-reporting-rating-nhs-trusts-use-resources>



Consultation:

Reporting and rating NHS trusts' use of resources

Published: 8 November 2017

Deadline to return responses: 10 January 2018

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1. Introduction

1. NHS services are facing increasing challenges. Hospitals have seen substantial rises in the last five years in attendance at A&E departments and overall numbers of emergency and elective admissions, and with fewer available beds in hospitals, people are waiting longer for treatment. Although the NHS continues to provide many high-quality services, this situation is not sustainable. As set out in [Implementing the Forward View: Supporting providers to deliver](#), these challenges require strong and inclusive leadership, engaging staff to maximise their contribution, stabilising finances and improving efficiency. They also require the national oversight and regulatory bodies to play their part by reducing burdens on providers and behaving more consistently.
2. CQC and NHS Improvement are committed to working together to recognise the fact that effective use of resources is fundamental to enable health and care providers to deliver and sustain high-quality care for patients. The Health and Social Care Act 2008 recognises the relationship between the quality of care and the efficient and effective use of resources, and requires the Care Quality Commission (CQC) to have regard to the latter within its overall purpose as a quality regulator. One of CQC's four priorities in [Shaping the future](#), CQC's strategy for 2016-2021, is to encourage improvement, innovation and sustainability in care. NHS Improvement offers the support providers need to give patients consistently safe, high-quality, compassionate care within local health systems that are financially sustainable.
3. CQC and NHS Improvement have therefore been working together closely to develop, test and implement an approach to assessing, reporting on and rating how efficiently and effectively NHS trusts and NHS foundation trusts (referred to as 'trusts') are using their resources to provide high-quality care for patients.
4. In December 2016, NHS Improvement and CQC jointly published a [consultation on the proposed methodology and framework for assessing use of resources](#) in trusts. Since then, NHS Improvement has tested the approach in a number of trusts and refined its assessment. In August 2017, we jointly published the [final assessment framework and methodology](#) for the assessments alongside a [joint response to the consultation](#). NHS Improvement began assessments of non-specialist acute trusts in October 2017.
5. This consultation covers the final steps in the full implementation of the process that CQC and NHS Improvement will use to report on and rate trusts' use of resources. We are asking for views on our proposed approach to how CQC will award a final rating for a trust's use of resources after NHS Improvement has assessed this and proposed a rating and draft report. We are also asking for views on how the use of resources rating should be combined with CQC's existing trust-level quality ratings, and how those combined ratings should be displayed on CQC's website.

1.1 How CQC and NHS Improvement work together

6. CQC's purpose is to make sure health and social care services provide people with safe, effective, compassionate, high-quality care, and to encourage care services to improve. CQC's role is to monitor, inspect and regulate services to make sure they meet fundamental standards of quality and safety and to publish the findings, including performance ratings to help people choose care.
7. NHS Improvement is responsible for overseeing NHS foundation trusts, NHS trusts and some independent providers. It oversees trusts, forming views of their support needs in areas including quality, operational performance, finance and use of resources, leadership and improvement capability, and strategic change. By holding providers to account and, where necessary, intervening, it helps the NHS to meet its short-term challenges and secure its future.
8. CQC and NHS Improvement remain separate organisations with distinct legal duties. In particular, CQC carries the power to provide ratings of trusts, and decisions on all final judgements about ratings for the use of resources remain with CQC.
9. As described in the December 2016 consultation on the well-led framework and in CQC's consultation on its updated [guidance for trusts](#), CQC has worked with NHS Improvement to strengthen the emphasis on sustainability and good financial governance in its assessments under the well-led key question. CQC will be working jointly with NHS Improvement to assess financial and resource governance aspects in its trust-level inspections of the well-led key question. The increased focus on financial management and sustainability in these assessments will complement the Use of Resources assessment, and ensure that we take a rounded approach to assessing trusts' performance and leadership.
10. CQC and NHS Improvement will operate according to the following principles, in line with our duty to cooperate:
 - **working together** in the effective discharge of our respective functions,* while recognising that each organisation is legally and operationally **independent**
 - greater **alignment** between our organisations so that our definitions, measurement and operations are based on a single shared view of quality
 - working to remove **duplication** between our organisations

* The references to 'we' throughout refer to the respective functions of both CQC and NHS Improvement.

- focusing on **quality**, and demonstrating that it should and can be maintained and improved alongside **financial sustainability**.

1.2 Our previous consultation on the approach to assessing use of resources

11. On 20 December 2016, NHS Improvement and CQC jointly published a [consultation on the proposed methodology and framework to assessing use of resources in NHS trusts](#). The consultation ran until 14 February 2017.
12. That consultation focused on the approach to the assessment of a trust's use of resources, including the indicative metrics, key lines of enquiry (KLOEs) and ratings characteristics for the assessment. We also asked for general views on whether a rating for use of resources should, in future, be combined with existing CQC quality ratings.
13. On 8 August 2017, we published our [joint summary and response to the consultation](#), which described the feedback on our proposals, the work carried out to test and further refine the approach, and our plans to take the work forward. Feedback from the consultation is discussed in section 4.2 below.

1.3 NHS Improvement's Use of Resources assessments

14. On 8 August 2017, we also published the full [assessment framework and methodology](#) to be used when NHS Improvement assesses trusts' use of resources. This describes the assessment process, with the KLOEs and prompts, as well as the initial metrics and the rationale for including them.
15. NHS Improvement began using the use of resources framework and methodology to assess non-specialist acute trusts' use of resources in October 2017. It has published a [brief guide for non-specialist acute trusts](#) on how these assessments are being carried out. The findings from the Use of Resources assessment will feed into NHS Improvement's considerations of improvement support needs, as part of the Single Oversight Framework (SOF).
16. Until our approach is finalised, based on this consultation, CQC will be piloting how it integrates the Use of Resources assessments with its inspection, reporting and rating processes.

2. This consultation

17. This consultation builds on our earlier consultation on assessing trusts' use of resources, and the findings of the initial testing work that has been undertaken in the first half of 2017. We are now asking for your views on:
 - Our proposed approach for how CQC will reflect NHS Improvement's assessment of trusts' use of resources in published CQC inspection reports and trust-level ratings.
 - How the new use of resources rating can be combined with CQC's existing five quality ratings, to generate new combined trust-level ratings.
18. We ask specific questions on our proposed approach throughout this consultation document with a full list at the end of the document. All questions are also on the online webform: www.cqc.org.uk/useofresources for this survey.
19. We will use the responses from this consultation to shape our final approach to rating use of resources, as well as the feedback from engagement events, the results of the current CQC piloting period, and the feedback we receive on any reports and shadow ratings published during this period.

2.1. How to respond to the consultation

20. We look forward to receiving the views of providers and other stakeholders on our proposals. Please respond by **5pm on 10 January 2018** through our online consultation webpage: www.cqc.org.uk/useofresources – this is the easiest way to respond. Please email hospitalsconsultation@ccq.org.uk if you have any difficulty accessing the consultation.

2.2. Confidentiality

21. Please let us know if all or part of your response is confidential or if you wish to remain anonymous, so that we do not include this in our published summary of responses. We will do our best to meet all requests for confidentiality, but because NHS Improvement and CQC are public bodies subject to freedom of information legislation, we cannot guarantee that we will not be obliged to release your response (including, potentially, your identity) or part of it even if you say it is confidential.

3. Developing and publishing use of resources reports and ratings

3.1 Introduction

22. To enhance its ongoing oversight of trusts, NHS Improvement has started to carry out assessments to determine how effectively they are using their resources to deliver high-quality, safe, efficient and sustainable care for patients. As set out in the published [framework](#), Use of Resources assessments will focus on delivery and performance at trust level currently, and over the previous 12 months in the context of five key lines of enquiry: clinical services; people; clinical support services; corporate services, procurement, estates and facilities; and finance.
23. NHS Improvement will draw on a wide range of evidence that will include: a basket of initial use of resources metrics, which includes the finance metrics from the Single Oversight Framework (SOF) and productivity metrics from the Model Hospital; additional data or information collected by NHS Improvement and shared by trusts; local intelligence from its day-to-day interactions with the trust; and evidence gathered on a structured on-site assessment.
24. NHS Improvement will use the evidence from its assessment and from the resulting report and proposed rating for use of resources, alongside the more frequent data and insight it considers under the SOF, to determine the provider's support needs.

3.2 Trusts that will receive a Use of Resources assessment

25. As set out in our previous consultation and response, the Use of resources Assessment will initially only be carried out at non-specialist acute trusts.
26. Trusts currently classed as non-acute that deliver some acute services are currently out of the scope of the assessment. This is because the availability and quality of productivity metrics for non-acute trusts is currently not sufficient to support a robust assessment of a trust's use of resources. NHS Improvement is undertaking a significant programme of work to understand the productivity of non-acute trusts, and emerging metrics and benchmarking in these areas will be published on the Model Hospital portal in due course.
27. Information gathered during the assessments will help to inform the future approach for other trusts and the assessment approach and process will be revised as needed, for example, when new organisational forms emerge.

28. NHS Improvement will start working with community and mental health trusts in the coming months to better understand how the use of resources framework can best be applied to these organisations.

3.3 Scheduling Use of Resources assessments

29. Through our regular engagement and monitoring work, CQC and NHS Improvement will work together to agree the appropriate timing of Use of Resources assessments for each trust.
30. Under CQC's next phase of regulation, which began in June 2017, we intend that all trusts will have received at least one inspection of the well-led key question at the trust level by spring 2019, along with an inspection of at least one core service.
31. The Use of Resources assessments will, in future, be aligned with the regular scheduling of CQC inspections of the well-led key question at the trust level. Once the schedules are aligned, non-specialist acute trusts for which CQC is planning a well-led inspection will also receive a Use of Resources assessment from NHS Improvement.
32. Use of Resources assessments will normally be carried out before CQC's scheduled well-led inspection takes place. This is so that information from the Use of Resources assessment can inform CQC's discussions with the trust as part of the inspection of the well-led key question, and to enable the report and rating for use of resources to be reviewed and published as part of CQC's post-inspection processes. NHS Improvement's regional teams will work with trusts to determine the date of the on-site component of the Use of Resources assessment.
33. CQC and NHS Improvement's regional teams will continue to work closely together to share information about providers in their areas. Where NHS Improvement or CQC has concerns about the finances, financial governance or operational productivity of a trust, this could result in bringing forward the planned date of the scheduled well-led inspection and Use of Resources assessment.

3.4 Developing a use of resources report

34. After carrying out the in-depth Use of Resources assessment, NHS Improvement will write a brief report about the information gathered in the assessment.
35. As with CQC's reports on its inspections of the quality of services, the use of resources report will consist of a summary of the trust's overall performance, along with evidence presented against each of the key lines of enquiry in the Use of Resources assessment framework.

36. The report and proposed rating will be subject to an internal quality assurance and calibration process at NHS Improvement, involving moderation at both regional and national level.
37. NHS Improvement will provide the draft report, along with a proposed rating (see Section 3.5), to CQC's inspection team that is responsible for inspecting the well-led key question for that trust.

3.5 Determining a use of resources rating

38. Trusts will be awarded a rating for their use of resources at the overall trust level, using CQC's four ratings levels of: outstanding, good, requires improvement or inadequate. Use of resources ratings will not apply at service or location level.
39. This rating will be proposed by the NHS Improvement team that conducted the in-depth Use of Resources assessment. The proposed rating will be generated by comparing the evidence gathered in the assessment against the published characteristics for the four ratings levels, using judgement and taking into account good practice and recognised guidelines. The ratings characteristics are included as part of the [Use of Resources assessment framework](#).
40. CQC will determine the final use of resources rating, in line with its legal powers to award ratings to services. In determining the rating, CQC will confirm that the Use of Resources assessment was conducted according to the published framework and that the evidence in the use of resources report supports the rating.
41. The final use of resources rating will be decided at a CQC Ratings Approval Meeting, chaired by CQC's Chief Inspector of Hospitals or a Deputy Chief Inspector. Information on how CQC awards ratings is available on the CQC website [here](#).
42. Members of the NHS Improvement team that carried out the Use of Resources assessment may attend the Ratings Approval Meeting to discuss the evidence and proposed use of resources rating. The decision on the final rating will legally remain with CQC.

3.6 Factual accuracy checks of the use of resources report

43. The report for use of resources will be sent to the trust for comment before it is finalised. This will normally be sent as part of the CQC inspection report for the trust, following the inspection of the well-led question. Trusts can challenge the accuracy and completeness of the evidence used to reach the findings and decide the proposed rating. This is consistent with the approach CQC is already taking for its quality assessments and reports.

44. NHS Improvement staff will review any factual accuracy comments that CQC receives about the use of resources report. If a trust challenges evidence relating to the Use of Resources assessment, NHS Improvement will review the evidence in light of the trust's comments, working with CQC.
45. We may make changes to the proposed rating for use of resources as a result of factual accuracy comments from the trust. In these circumstances, a further Ratings Approval Meeting may be required to consider the updated evidence and agree the new rating before the report is published. We will explain how any factual accuracy comments received from the trust have been addressed, including how these have affected ratings decisions.
46. Further information on CQC's factual accuracy checking process for trusts is available on the CQC website [here](#).

3.7 Requests to review the use of resources rating after publication

47. As with CQC's ratings of quality, trusts will have the opportunity to request a review of the use of resources rating after their full inspection report is published. Trusts have five working days after publication of the report to inform CQC of their intention to request a review of a rating.
48. Trusts may request a review of the use of resources rating on the basis that CQC did not follow the correct process for making ratings decisions. Rating reviews cannot be requested solely on the basis of a disagreement with the judgements or the evidence presented in the report – this is dealt with at the factual accuracy stage.
49. Where CQC receives a request to review the use of resources rating, it will first assess whether the request for a review falls within the permitted grounds (i.e. that the correct process was not followed). The provider's profile page on CQC's website will show that a rating review has been requested.
50. Where the request for a rating review relates to the use of resources rating, CQC will work with NHS Improvement using a process consistent with CQC's wider rating review processes. The request for a review will be handled by NHS Improvement staff who were not involved in the original Use of Resources assessment, and they will have access to an independent reviewer.
51. CQC's Chief Inspector of Hospitals makes the final decision on each rating review. Where a rating is changed following a review, the report and ratings will be updated on CQC's website as soon as possible. Ratings can go down as well as up as part of the ratings review process.

- 52. Full information on the rating review process is available on CQC's website [here](#).
- 53. The rating review is the final CQC process for challenging a rating. However, trusts can challenge the ratings elsewhere, such as by applying for a judicial review.

3.8 Enforcement and improvement action following the assessment

- 54. NHS Improvement uses the finance and use of resources theme of the SOF to help identify a trust's potential support needs in relation to improving financial sustainability, efficiency and compliance with sector controls such as agency staffing and capital expenditure (see Figure 1 for metrics). The Use of Resources assessment will feed into this.
- 55. The SOF already provides the flexibility to take into account qualitative evidence to assess how trusts may be supported to improve. Where there are triggers of concern, NHS Improvement considers the relevant circumstances, including the provider's local context, the credibility of its plans, and its capacity and capability for improvement, to decide whether to offer targeted support on a voluntary basis or whether to take regulatory action to mandate support.*
- 56. NHS Improvement has a further set of criteria that it uses to determine if a trust should be placed in special measures for finance.** NHS Improvement and CQC are considering whether changes are needed to special measures, given the evolution of our respective oversight and regulatory approaches.

Consultation questions

- Q1a.** Do you agree with the proposals for CQC's process to develop and award final ratings for use of resources and publishing reports?
- Q1b.** Please tell us the reasons for your answer.
- Q2.** Do you have any suggestions for making this process work better?

* Support is mandated where there is actual or suspected breach of the provider licence and formal enforcement action, ie mandated support, is considered appropriate.

** See [Strengthening financial performance and accountability in 2016/17](#).

4. Combining the use of resources rating with CQC's existing quality ratings

4.1 Introduction

57. CQC awards all trusts an overall rating of the quality of their services, based on the results of its assessments. The overall quality rating is awarded by aggregating the trust-level ratings of CQC's five key questions on the quality of care:
- Are they safe?
 - Are they effective?
 - Are they caring?
 - Are they responsive to people's needs?
 - Are they well-led?
58. By law, care providers have to display these ratings. They must display them in the places where they provide care, somewhere that people who use their services can easily see them. They must also show their ratings on their website, if they have one.
59. CQC provides information on its approach to rating trusts on its [website](#). This includes the principles and detailed aggregation rules and limiters that are used in generating ratings at different levels of the organisation, from the core services up to the overall trust rating.
60. Based on this consultation, CQC and NHS Improvement are introducing an approach for trusts to receive a rating for their use of resources, which will be published alongside CQC's rating of quality. Once we have fully introduced this approach, CQC intends to introduce a new combined rating for trusts that receive a rating for both their quality and their use of resources.
61. We are seeking views in this section on how we should combine the use of resources rating with CQC's existing quality ratings at the trust level, to form this new combined rating.

4.2 Feedback from our previous consultation

62. In our consultation published in December 2016 on the Use of Resources assessment approach, we asked for views on how the use of resources rating might, over time, be combined with CQC's trust quality ratings. We gave some illustrative examples of how the ratings might be combined, but did not consult on specific options or proposed rules for combining the ratings.

63. As set out in our [summary and response to the consultation](#), published on 8 August 2017, 65% of respondents agreed that the ratings should be combined over time.
64. Respondents noted that combining ratings could help to increase alignment between the work of CQC and NHS Improvement, by creating a holistic and comprehensive view of the quality and sustainability of services.
65. Some respondents also highlighted concerns about combining ratings. These included:
- The risk that the quality rating would be diluted by adding use of resources and the risk of masking poor quality. It was argued that CQC ratings should continue to be about the quality of care as experienced by people who use services.
 - The risk of increasing the complexity of ratings.
 - The risk that the use of resources rating would result in more trusts receiving less positive ratings due to the current financial challenges in the sector.
66. This feedback, and the results of other engagement work, has shaped the approach presented in this consultation.

4.3 Why we should combine the use of resources rating with CQC's existing quality ratings

67. Good quality care must be person-centred, cost-effective and sustainable. Rating hospitals on the quality of their services has had a significant impact in focusing attention on quality, right across the NHS. Including the use of resources rating in CQC's approach to awarding overall trust ratings will provide a more complete picture, to ensure that our health services can continue to deliver high-quality, safe care in a sustainable way.
68. Adding use of resources into a combined trust rating will encourage trusts to consider resources and quality together, and to demonstrate their performance on both counts. The Health and Social Care Act 2008 already recognises the relationship between quality of care and the efficient and effective use of resources, and requires CQC to have regard to the latter within its overall purpose as a quality regulator.
69. We know that ratings have different functions for different audiences, which include people who use services, the general public, commissioners, providers and national bodies. In combining the ratings, CQC must ensure that they remain meaningful to all these groups.

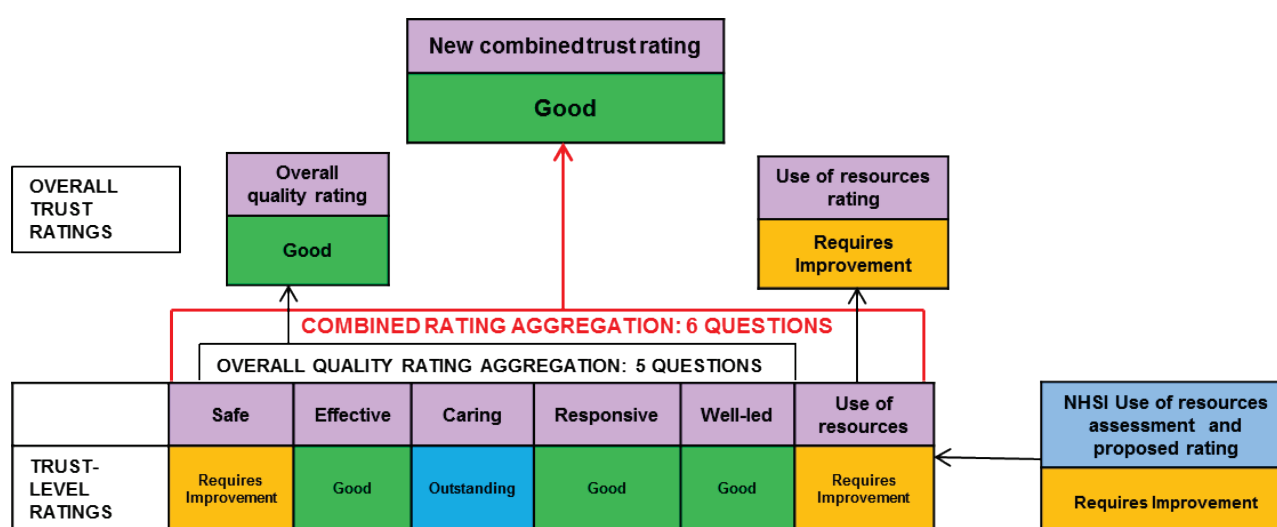
4.4 Principles for balancing quality and use of resources in a combined trust-level rating

70. Drawing on the feedback received in our earlier consultation and engagement work, we have been guided by the following principles in developing our approach to a combined rating at the trust level:
- Any new combined rating must be clear, meaningful and relevant for people who use services and the public, as well as useful for providers, NHS Improvement and CQC.
 - Both quality and resources considerations should carry appropriate weight in the methodology for generating a combined rating.
 - The combined rating should avoid any unintended effects, such as undermining incentives for providers to strive to continue to improve quality.

4.5 Proposed approach to combining the use of resources rating with CQC's existing quality ratings

71. We propose that, where a Use of Resources assessment is conducted, the new use of resources rating would be added to CQC's current key questions at the trust level. The resulting six key questions would be weighted equally in generating the new combined rating for that trust. This means that at the overall trust level, CQC will award an overall quality rating, a use of resources rating, and a combined rating generated from across the six key questions. This approach is illustrated in the figure below.

Figure 1: Overview of proposed approach to combining the use of resources and quality ratings



72. This approach to generating a combined trust-level rating is based on a principle that efficient use of resources is one dimension of overall trust performance, of equal importance as other dimensions such as the safety, effectiveness and responsiveness of those services, and whether they are delivered in a caring and well-led manner. It would ensure that CQC's overall ratings judgements maintain a strong focus on the overall quality and safety of service delivery.
73. The approach to incorporating the use of resources rating would be consistent with CQC's current approach to generating overall trust ratings, and should be straightforward for providers and the public to understand. It would also ensure that there was as little difference as possible in the approach to awarding overall trust ratings between non-specialist acute trusts that receive a Use of Resources assessment, and those other providers that currently do not.

Consultation questions

- Q3a.** Do you agree with our proposed approach to combining the use of resources rating with CQC's existing quality ratings?
- Q3b.** Please tell us the reasons for your answer.
- Q4.** Do you have any suggested alternatives for achieving a combined rating?

4.6 Current rules for combining the use of resources and quality ratings

74. CQC has an existing set of rules to guide inspectors when awarding ratings. Under these rules, all five key questions are treated equally, but the rules vary according to the number of service, location or trust-level ratings being combined. Where the aggregation rules do not apply, ratings are awarded based on the averaging of the ratings. CQC also applies ratings limiters to overall quality ratings for trusts, to ensure that the overall quality ratings reflect key organisational requirements.
75. CQC's current [ratings principles](#) already include limiters on overall trust ratings where NHS Improvement has concerns that need to be investigated or where it is already taking formal action against a trust.
76. [Appendix 1](#) provides the full set of aggregation principles that apply when CQC combines ratings. In considering how the use of resources rating should be combined with CQC's existing quality ratings to form the new combined rating, our starting point would be to use these existing CQC aggregation rules.

77. Under this approach, the new combined trust-level rating would be generated by combining the use of resources ratings with CQC's existing five trust-level quality ratings), using the relevant aggregation principles in [Appendix 1](#).
78. We believe that in principle this would be the simplest and clearest approach to generating the new combined rating, and would be the most consistent with how CQC generates the overall quality rating.
79. There is a potential risk that, under CQC's existing aggregation rules, adding the sixth key question at the trust level may make it disproportionately difficult for trusts to achieve a combined rating of good.
80. Under our existing aggregation rules, the overall quality rating for a trust is limited to requires improvement where two or more of the key question ratings are requires improvement (under principle 7 in [Appendix 1](#)). Applying these same rules when there are six trust-level ratings being aggregated into the combined rating might be seen as setting the bar too high to achieve a rating of good. It could be argued that a trust with, for example, four good ratings and two requires improvement ratings at the trust level should normally receive a combined rating of good rather than requires improvement.

4.7 Proposed change to CQC's aggregation rules for the new combined rating

81. Reflecting on the principles explained in Section 4.4 and in light of the issues raised above, CQC is therefore proposing an alternative to using its standard existing aggregation rules to generate the new combined rating.
82. For the combined rating, CQC proposes to make a change to the principle in the current aggregation rules (principle 7 in [Appendix 1](#)) that determines the number of requires improvement ratings at the trust level that would limit the combined rating to requires improvement. When six ratings are being combined, the current CQC rule is:

"The aggregated rating will normally be limited to requires improvement where at least two of the underlying ratings are requires improvement".

Figure 2: Illustration of current principle for CQC requires improvement ratings



Instead of the current rule, CQC would use the following new rule to determine the combined rating at the trust level when the use of resources rating is combined with the existing five trust-level key question ratings:

“The aggregated rating will normally be limited to requires improvement where at least **three** of the underlying ratings are requires improvement”.

Figure 3: Illustration of proposed change to principle for CQC requires improvement ratings



83. This change would make it more likely that a trust that receives two ratings of requires improvement from among the six key questions, would still receive a combined rating of good (as long as the other key questions are rated as good or outstanding). In all cases, we apply professional judgement in awarding the final rating.
84. This proposed change to CQC’s aggregation rules would only apply to the generation of the new combined rating from the use of resources rating and the trust-level quality ratings. CQC’s aggregation rules would be unchanged when generating ratings in other sectors or levels of the ratings framework.
85. Other than this change, CQC proposes to use its normal aggregation rules and limiters when generating the new combined rating.
86. Aggregating six ratings for the new combined rating under CQC’s normal aggregation rules has some implications:
 - It may be slightly more challenging for trusts to achieve a rating of outstanding when the six trust level ratings are aggregated into the new combined rating, compared with when CQC’s existing five key question ratings are aggregated into the overall CQC quality rating. This is because to be rated as outstanding, all the trust-level ratings must be rated as good or outstanding (with at least two of these being outstanding).
 - It may be slightly easier for trusts to be awarded a rating of inadequate when the six trust level ratings are aggregated into the new combined rating, compared with when CQC’s existing five key question ratings are aggregated into the overall CQC quality rating. This is because any two or more ratings of inadequate among the six trust-level ratings would normally result in an overall combined rating of inadequate (as opposed to two of five). This is regardless of the combination of the other ratings.

87. CQC believes that these effects on ratings of inadequate and outstanding are relatively minor, and we do not expect them to have a disproportionate impact on the distribution of trust ratings across the country. CQC therefore believes that no additional changes are required to the existing set of aggregation rules for generating the new combined rating, other than the change proposed above.

Consultation questions

Q5a. We propose that (other than the rule change proposed below) CQC will use its standard aggregation rules and limiters to determine the new combined rating at the trust level, when combining the use of resources rating with CQC's existing five trust-level key question ratings.

Do you agree with this proposal?

Q5b. Please tell us the reasons for your answer.

Q6a. For the combined rating at the trust level, we propose that CQC changes the principle in its current standard aggregation rules that determines the number of requires improvement ratings at the trust level that would limit the combined rating to requires improvement.

Instead of the current rule, CQC proposes that "The aggregated rating will normally be limited to requires improvement where at least **three** of the underlying ratings are requires improvement".

Do you agree with this proposed change?

Q6b. Please tell us the reasons for your answer.

4.8 Displaying use of resources and combined ratings

88. The public has a right to know how care services are performing. To help them to do this, the Government has introduced a [requirement for providers to display CQC ratings](#). The ratings are designed to improve transparency by providing people who use the services, and the public, with a clear statement about the quality and safety of care provided. The ratings tell the public whether a service has been rated as outstanding, good, requires improvement or inadequate.
89. These requirements will also apply to the use of resources rating and the new combined rating, once those ratings are introduced.
90. CQC will update its [ratings display toolkit](#) to help trusts in displaying these ratings, when updated provider guidance is published early in 2018.

91. CQC also displays the ratings for all providers on its website. Each provider has a dedicated profile page on CQC's website, which displays the current ratings for that provider and includes information about the registered services provided, links to full CQC inspection reports, and other information. Once the use of resources and combined ratings take effect, CQC will also update these web pages to display those ratings on each trust's profile page as those ratings are awarded.
92. CQC intends to continue to publish its existing trust-level quality ratings for trusts alongside the new use of resources and combined trust ratings (when these are introduced). CQC's existing quality ratings consist of the five trust-level key question ratings of safe, effective, caring, responsive and well-led, as well as its overall quality rating for the trust. CQC believes that it is important to continue to publish these ratings both to preserve the consistency of the approach to rating non-specialist acute trusts and other providers, and to maintain the ability for trusts and the public to compare ratings over time.
93. CQC is considering a number of options for how the new use of resources ratings and combined ratings for trusts could be displayed on trusts' profile pages on CQC's website. Three possible formats for displaying the new ratings on the web pages are illustrated in [Appendix 2](#).
94. The designs in Appendix 2 are included only to illustrate CQC's proposals. CQC will follow Government Digital Service development and governance processes to develop the final design for use on its website. CQC will also carry out more user research and testing before reaching a final design as part of engagement activity during this consultation period.

5. Next steps

5.1. Piloting quality assurance processes and shadow rating use of resources

- 95. NHS Improvement started to carry out Use of Resources assessments in October 2017. CQC will begin to incorporate the use of resources reports and ratings into its current regulatory approach with a period of extended piloting.
- 96. Until our approach is finalised based on this consultation, CQC will be piloting how we integrate NHS Improvement's Use of Resources assessments with CQC's inspection, reporting and rating processes. As we pilot these processes, we also aim to pilot the publication of the reports of some of these initial Use of Resources assessments alongside CQC's existing inspection reports, including indicative or 'shadow' ratings, with the agreement of the trusts involved.
- 97. NHS Improvement's Use of Resources assessments will proceed as usual during this piloting phase, and will be used by NHS Improvement as part of the SOF.

5.2. Full implementation of CQC's use of resources reports and ratings

- 98. CQC will introduce the final approach for assessing, reporting on and rating use of resources following the conclusion of the consultation and piloting period.
- 99. We will publish a summary and response to this consultation in early 2018, setting out the feedback we have received and what we have learned from the piloting and shadow rating of use of resources. CQC will also publish updated guidance for providers and the public, which will include information on how it will award use of resources ratings.
- 100. Once this final approach is published, CQC will start to publish formal ratings for use of resources alongside its existing quality ratings, for non-specialist acute trusts. When we publish ratings, we will include the date when each rating was awarded.
- 101. At the same time, NHS Improvement and CQC are working to align the schedule for Use of Resources assessments with CQC's inspection schedule for non-specialist acute trusts. As described in this consultation, this will mean that, as soon as practicably possible, NHS Improvement will normally conduct a Use of Resources assessment for all non-specialist acute trusts where CQC will be carrying out a scheduled inspection of the well-led key question; the Use of Resources assessment will take place in advance of this inspection and will inform it.
- 102. Once the Use of Resources assessment schedule is aligned with CQC's inspection schedule in this way, CQC will introduce the additional combined ratings at the trust level, based on aggregating the use of resources rating and its existing trust-level quality ratings. At that point, CQC will update its published guidance to explain the approach and rules for generating the combined ratings and advise the date from when those combined ratings will start to be awarded.

Consultation questions

- Q1a.** Do you agree with the proposals for CQC’s process to develop and award final ratings for use of resources and publishing reports?
- Q1b.** Please tell us the reasons for your answer.
- Q2.** Do you have any suggestions for making this process work better?
- Q3a.** Do you agree with our proposed approach to combining the use of resources rating with CQC’s existing quality ratings?
- Q3b.** Please tell us the reasons for your answer.
- Q4.** Do you have any suggested alternatives for achieving a combined rating?
- Q5a.** We propose that (other than the rule change proposed below) CQC will use its standard aggregation rules and limiters to determine the new combined rating at the trust level, when combining the use of resources rating with CQC’s existing five trust-level key question ratings.
- Do you agree with this proposal?
- Q5b.** Please tell us the reasons for your answer.
- Q6a.** For the combined rating at the trust level, we propose that CQC changes the principle in its current standard aggregation rules that determines the number of requires improvement ratings at the trust level that would limit the combined rating to requires improvement.
- Instead of the current rule, CQC proposes that “The aggregated rating will normally be limited to requires improvement where at least **three** of the underlying ratings are requires improvement”.
- Do you agree with this proposed change?
- Q6b.** Please tell us the reasons for your answer.

Thank you for considering the proposals in this consultation - we look forward to receiving your views. Please respond by:

5pm on 10 January 2017

The easiest way to respond is online: www.cqc.org.uk/useofresources.

Please email hospitalsconsultation@cqc.org.uk if you have difficulty accessing the consultation.

Appendix 1: CQC's aggregation principles

We follow these principles to determine how we aggregate and combine ratings, and in some circumstances, how we put a limit on ratings.

Reflecting enforcement action in our ratings

Where we are taking enforcement action, we will reflect this in the ratings at the lowest level (key question at individual core service level).

1. Where we have identified a breach of a regulation and we issue a Requirement Notice, the rating linked to the area of the breach will normally be limited to 'requires improvement' at best.
2. Where we have identified a breach of a regulation and we take action under our enforcement powers, such as issuing a Warning Notice or imposing a condition of registration, the rating linked to the area of the breach will normally be 'inadequate'.

Overarching aggregation principles

The following principles apply when we are aggregating ratings.

3. The five key questions are all equally important and should be weighted equally when aggregating.
4. The core services are all equally important and should be weighted equally, except where they are significantly small.
5. All ratings will be treated equally when aggregating unless one of the other principles below applies. **Please note:** We can adjust the following principles for combinations where it is not appropriate to treat ratings equally.

Aggregating ratings

We use the following principles as the basis of the aggregation and use our professional judgement to apply them to the specific combination of underlying ratings.

6. The aggregated rating will normally be 'outstanding' where at least X number of the underlying ratings are 'outstanding' and the other underlying ratings are 'good'.

Number of underlying ratings	Number (X) of underlying outstanding ratings
1 – 3	1 or more
4 – 8	2 or more
9+	3 or more

7. The aggregated rating will normally be limited to 'requires improvement' where at least X number of the underlying ratings are 'requires improvement'.

Number of underlying ratings	Number (X) of underlying requires improvement ratings
1 – 3	1 or more
4 – 8	2 or more
9+	3 or more

8. The aggregated rating will normally be limited to 'requires improvement' at best where X number of the underlying ratings are 'inadequate'.

9. The aggregated rating will normally be limited to 'inadequate' where at least Y number of the underlying ratings are 'inadequate'.

Number of underlying ratings	Principle 8	Principle 9
	Limited to requires improvement where there are (X) number of underlying inadequate ratings	Limited to inadequate where there are (Y) number of underlying inadequate ratings
1 – 3	Not applicable	1 or more
4 – 8	1	2 or more
9+	2	3 or more

Aggregating the overall location or trust levels

We apply additional principles when aggregating to the higher ratings levels (location level and trust level ratings).

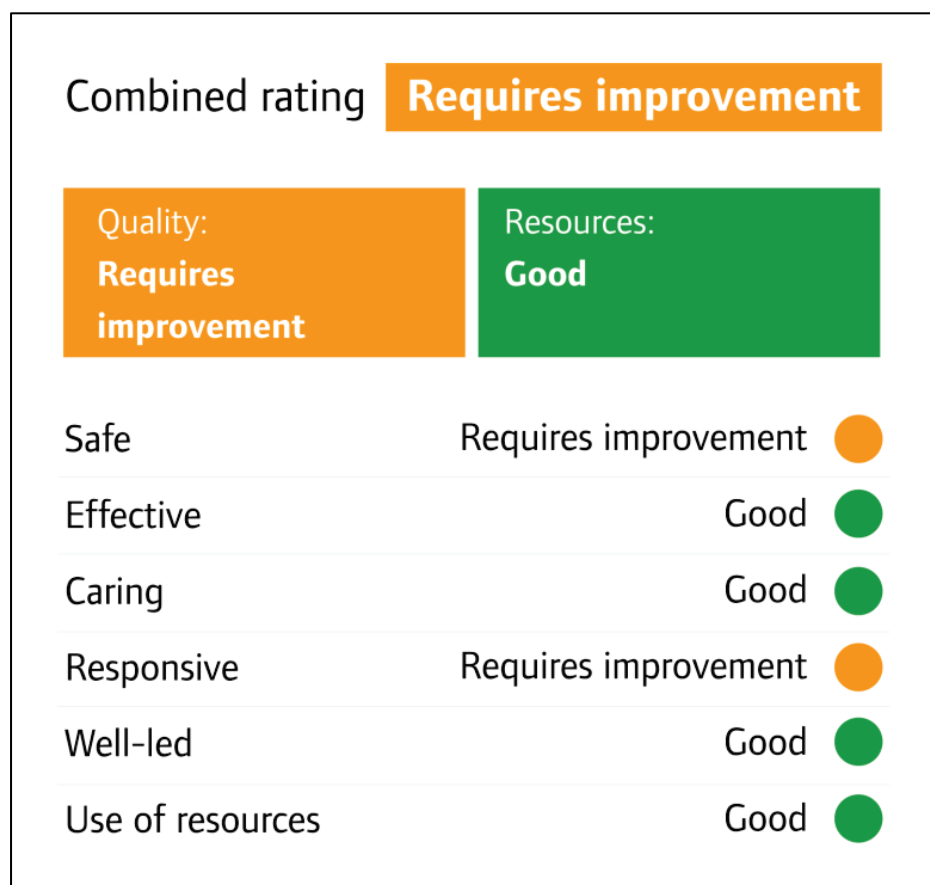
10. For each of the key questions of safe, effective, caring, responsive and well-led, the aggregated rating should consist of both:
 - An aggregation of the underlying service ratings
 - An assessment of any relevant hospital or trust level evidence.
11. For foundation trusts only, where NHS Improvement finds a failure to comply with licence conditions or is taking regulatory action, the overall trust rating will normally be limited to 'requires improvement' at best.
12. For foundation trusts only, where NHS Improvement puts a trust 'under investigation', the overall trust rating will normally not be 'outstanding'.
13. For non-foundation trusts, where NHS Improvement finds material issues with a trust or where formal action is required, the overall trust rating will normally be limited to 'requires improvement' at best.
14. For non-foundation trusts, where NHS Improvement finds concerns requiring investigation, the overall trust rating will normally not be 'outstanding'.
15. An overall trust rating will not normally be 'outstanding' unless its score in the most recent national inpatient survey (question relating to overall experience) is higher than the median for the country.
16. An overall trust rating will not normally be 'outstanding' unless, in the most recent NHS Staff Survey, the percentage of staff who would recommend the trust as a place to work or receive treatment is higher than the median for the country.

Appendix 2: Example rating display designs

Ratings design image 1



Ratings design image 2



Ratings design image 3

Combined rating		Requires improvement
Safe	Requires improvement	●
Effective	Good	●
Caring	Good	●
Responsive	Requires improvement	●
Well-led	Good	●
Use of resources	Good	●
Quality rating:		Requires improvement



Improvement

Contact us:

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Tel: 03000 616161

Email: enquiries@cqc.org.uk

Web: www.cqc.org.uk

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London
SE1 8UG

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Web: improvement.nhs.uk

Please contact CQC if you would like a summary of this consultation in another language or format.

CQC-395-112017



AUDIT AND GOVERNANCE COMMITTEE

6 December 2017



Report of: Interim Director of Public Health

Subject: PHARMACEUTICAL NEEDS ASSESSMENT
REVIEW - CONSULTATION

1. PURPOSE OF REPORT

- 1.1 To seek the Committee's views on the updated draft Pharmaceutical Needs Assessment (PNA) for Hartlepool, as part of the formal consultation period.
- 1.2 To advise the Committee of public views and responses received to date, as part of the consultation period.

2. BACKGROUND

- 2.1 The National Health Service (NHS) (Pharmaceutical and Local Pharmaceutical Services) Regulations 2013 ("the Regulations"), as amended, set out the minimum requirements for the Hartlepool Health and Wellbeing Board PNA, produced under this duty, and these include such things as data on the health needs of the population, current provision of pharmaceutical services, and gaps in current provision. The PNA also:
 - Considers the potential need for future provision of pharmaceutical services.
 - Is used by NHS England to guide the commissioning of pharmaceutical services in the area. (i.e. consideration of applications for new pharmacies, changes to opening hours of existing pharmacies and arrangements for pharmacies to open on Bank Holidays).
 - Is used to inform the commissioning (either directly or under sub-contracted arrangements) of some local services from pharmacies by Hartlepool Borough Council and NHS Hartlepool and Stockton on Tees Clinical Commissioning Group.
- 2.2 The HWB is required to keep the PNA up to date by:
 - Maintaining the map of pharmaceutical services,
 - Assessing any on-going changes which might impact pharmaceutical need or require publication of a Supplementary Statement, and

- Publishing a full revised assessment before the 25 March 2018.
- Consider 'Supplementary Statements' when changes take place to provide updates to the PNA (only in relation to changes in the availability of pharmaceutical services and.
- Review the PNA where there are updates in pharmaceutical need.

2.3 Details of actions required to maintain the current PNA and the planning process for the publication of a fully reviewed PNA are outlined **Appendix A** of this report:

3. HARTLEPOOL'S PNA

3.1 Hartlepool HWB published its first PNA on the 25 March 2015, in accordance with statutory requirements. The 2013 Regulations also set out the basis for the updating of PNA's, including the duty of HWB's to 'publish a statement of its revised assessment within 3 years of its previous publication of a PNA'¹.

3.2 The timetable for revision of the PNA is outlined below in **Table 1**.

Table 1

Date	Action
Jun – Jul 2017	Engage with and gather data and evidence from a wide range of stakeholders, including (but not limited to) those included in the required Statutory Consultation, patients and the public, commissioners, providers and their representatives to contribute to the revised Needs Assessment.
23 Aug 2017 - 18 Sep 2017	Consultation 1 - Public / Patients / Stakeholders - To gain an understanding of patient experience and public views of pharmacy services. Details of results are outlined in PNA (In summary 19 stakeholders and 338 on the patients)
26 Jun 2017	Health and Wellbeing Board
Aug - Sep 2017	Produce a draft PNA 2018
Nov - Dec 2017	Consultation including Statutory consultees for a minimum of 60 days* Full consultation on the draft PNA. *A&G included as a consultee on the basis of its health scrutiny responsibilities.
Jan 2018	Revise and update following consultation.
12 Feb 2018	Finance and Policy Committee
19 Mar 2018	HWB for approval
Publication before the due date of the 25 March 2018.	

¹ The National Health Service (Pharmaceutical and Local Pharmaceutical Services) Regulations 2013 (Regulation 6(1))

- 3.3 In accordance with the agreed process, the Committee is asked to consider the draft revised PNA. The Committees views and comments will then be fed in to preparation of the finalised PNA for consideration / approval by the Health and Wellbeing Board on the 19 March 2018.
- 3.4 The complexity of the PNA, alongside the need to incorporate earlier consultation results / data updates, and meet Access to Information requirements, resulted in the circulation of the document ‘to follow’ for the Audit and Governance Committee on the 6 December 2017. In recognition of the size and complexity of the document, the Committee agreed at its meeting on the 6 December 2017 to:
- Defer consideration of the document to allow members additional time to consider its content and identify any potential views or comments, for inclusion in the consultation response; and
 - Receive an interim update on the results of the ongoing 60 day consultation to help inform its consideration of the Draft PNA (to be circulated to follow, to allow the maximum number of responses to be included).
- 3.5 In accordance with the wishes of the Committee, Members are asked, at today’s meeting, to consider the draft revised PNA and in doing outline any views / comments they wish to be incorporated in to the formal consultation process. Copies of the draft PNA can be accessed via the below link and will be available at the meeting. In addition to this, should a paper copy of the Draft PNA be required, please contact Joan Stevens (email: joan.stevens@hartlepool.gov.uk or telephone: 01429 284142).

Link to PNA and consultation - [Pharmaceutical Needs Assessment | Help shape pharmacy services | Hartlepool Borough Council](#).

4. RECOMMENDATIONS

- 4.1 That the Committee:
- i) Notes the interim results of the ongoing 60 day consultation (link to consultation outlined above); and
 - ii) Considers the draft revised PNA, identifying any views / comments that it wishes to be incorporated in to its consultation response.

5. BACKGROUND PAPERS

National Health Service (NHS) (Pharmaceutical and Local Pharmaceutical Services) Regulations 2013 SI 2013/349

The Hartlepool PNA published 25 March 2015

The National Health Service (Pharmaceutical Services, Changes and Prescribing)(Amendment) Regulations 2016

6. CONTACT OFFICER

Dr Paul Edmondson-Jones, Interim Director of Public Health,
Hartlepool Borough Council
paul.edmondson-jones@hartlepool.gov.uk

Dr P Walters,
Adviser on Pharmaceutical Public Health
Via. Joan.Stevens@hartlepool.gov.uk

Appendix A**ACTIONS REQUIRED TO MAINTAIN AND MONITOR THE CURRENT PNA**

The requirement to assess any change which might impact on pharmaceutical need and the assessment thereof is acknowledged. If the Hartlepool HWB identifies changes to the need for pharmaceutical services which are of a significant extent then it must publish a revised assessment (PNA) as soon as reasonably practicable after identifying these changes, unless it is satisfied that making a revised assessment would be a disproportionate response to those changes.

In making an assessment of changes to need in its area, the HWB will have regard in particular to changes to the:

- Number of people in its area who require pharmaceutical services;
- Demography of its area; and
- Risks to the health or well-being of people in its area.

On 1st June 2017, under delegated authority, the Interim DPH in conjunction with the Chair, authorised publication of a statement to confirm that the Hartlepool HWB had commenced the process towards publication of its next PNA by 25th March 2018.

In accordance with the Regulations, as the HWB is now in the course of making its revised assessment for 2018, it will need to continue to monitor any changes to availability of pharmaceutical services. The HWB will publish a Supplementary Statement on the changes (to availability) where it is satisfied that immediate modification of its PNA is essential in order to prevent significant detriment to the pharmaceutical services in its area.

In support of on-going maintenance and use of the PNA, it is noted that authority should continue to be delegated to the current Interim Director of Public Health, in conjunction with the Chair of the HWB, to approve as required:

- Publication of minor errata/ service updates as on-going notifications that fall short of formal Supplementary Statements to the PNA (for example changes of ownership, minor relocations of pharmacies, minor adjustments to opening hours or locally commissioned services that would impact neither market entry nor pharmaceutical need);
- Any response on behalf of the Hartlepool HWB to NHS England (42 day) consultation on applications to provide new or amended pharmaceutical services, based on the PNA;
- Any initial determination with respect to the potential for either a Supplementary Statement or need for full review. Where required, any consequent Supplementary Statements to be ratified for publication by the HWB on a periodic basis, not less than annual; and
- Approval for publication of the Consultation Draft version of the PNA for Hartlepool 2018 (a new delegation).

National funding for community pharmacy was recently reduced by 6% and it is anticipated that some pharmacies might close as a result. To encourage mergers or **consolidations** of closely located, “surplus” pharmacies, some new amendments to the Regulations² were introduced in December 2016. This would allow two pharmacies to make an application to merge and provide services from one of the two current premises.

HWB's have now been given two new statutory duties:

- When NHS England notifies a HWB about an application to consolidate two pharmacies, the HWB must respond and make a statement or representation to NHS England within 45 days stating whether the consolidation would or would not create a gap in pharmaceutical services provision NHS England will then convene a panel to consider the application to consolidate the two pharmacies, taking into account the representation made by the HWB.
- Once NHS England has made a determination on the application to consolidate two pharmacies, it will inform the HWB. The HWB must then:
 - Publish a supplementary statement³ reporting that removal of the pharmacy which is to close from the Pharmaceutical List will not create a gap in pharmaceutical services; and then
 - Update the map of premises where pharmaceutical services are provided (Regulation 4(2)).

PLANNING FOR THE PUBLICATION OF A FULL REVISED PNA IN 2018

Planning for publication of a full review of the PNA should be in good time ahead of the statutory due date, which is 3 years since the publication of the current PNA (i.e. by 25 March 2018). It is widely acknowledged that the process towards a revised assessment will usually take no less than 12 months to complete, not least because there are statutory requirements for extensive consultation on a draft assessment, at least once and for a minimum of 60 days.

It is therefore recommended that the HWB now acknowledge initiation of the process towards publication of its next revised assessment. As the PNA is used by providers and others (including NHS England), in accordance with delegations agreed at the HWB meeting on the 2 March 2015, a Statement of Intent reporting this, has been published on the Hartlepool Borough Council website as follows:

“Hartlepool Health and Wellbeing Board understands its statutory duties in relation to the Pharmaceutical Needs Assessment (PNA) and intends to publish its full review of the current PNA within the required timeframe. Notwithstanding any changes to pharmaceutical services and related NHS services that have taken place since first

² The National Health Service (Pharmaceutical Services, Changes and Prescribing)(Amendment) Regulations 2016

publication and without prejudice to the assessment of needs described in the existing PNA, the HWB for Hartlepool formally reports that the Pharmaceutical Needs Assessment for 2015 is under review. Hartlepool HWB has commenced its process leading to publication of a revised assessment / second PNA, with a publication date before 25 March 2018.”

A provisional plan for this substantial re-assessment is shown in Table 1 (over the page).

In the intervening period, the HWB is still required to:

- Respond to any consultation request from NHS England for representations in respect of pharmacy applications;
- Undertake the decision-making required in relation to the publishing of any associated Supplementary Statement and maintain and publish an up to date map as required; and
- Respond, when consulted by a neighbouring HWB on a draft of their PNA. In doing this, the HWB is required to consult with the Local Pharmaceutical Committee (LPC) and Local Medical Committee (LMC) for its area (unless the areas are served by the same LPC and/or LMC) and have regard for the representations from these committee(s) before making its own response to the consultation.

RISK IMPLICATIONS / LEGAL CONSIDERATIONS.

PNAs are used by NHS England for the purpose of determining applications for new premises. It is anticipated that many decisions made will continue to be appealed and that eventually there will be judicial reviews of decisions made by the NHS Litigation Authority's Family Health Services Appeal Unit. It is therefore important that PNAs comply with the requirements of the regulations, due process is followed in their development and that they are kept up-to-date.

Audit and Governance Committee

15 November 2017



Report of: Statutory Scrutiny Officer

Subject: INVESTIGATION INTO ELECTIVE SURGERY AT
THE UNIVERSITY HOSPITAL OF HARTLEPOOL
SITE AND HIGH QUALITY MATERNITY SERVICES

1. PURPOSE OF REPORT

- 1.1 To inform Members that written information has been received from North Tees and Hartlepool NHS Foundation Trust in response to questions raised at the Audit and Governance Committee meeting held on 25 October 2017 regarding Elective Surgery at the University Hospital of Hartlepool.

2. BACKGROUND INFORMATION

- 2.1 Members will recall that at the meeting of this Committee on 20 September 2017, Members agreed the Scope and Terms of Reference for their forthcoming investigation.
- 2.2 Subsequently, representatives from Hartlepool and Stockton-on-Tees Clinical Commissioning Group and North Tees and Hartlepool NHS Foundation Trust attended the previous Committee meeting held on 25 October 2017 to provide a setting the scene presentation, which included usage figures for both elective surgery and maternity services.
- 2.3 The Committee, at its meeting held on 25 October 2017, requested additional information regarding elective surgery and day cases at the University Hospital of Hartlepool. The following information was requested and a written response is attached at **Appendix A:-**
- (a) Why is there a decrease in day cases at Hartlepool?
 - (b) How many people from Hartlepool (that could have used the Hartlepool day case services) went to North Tees hospital for the procedure and reasons for this

3. RECOMMENDATION

- 3.1 It is recommended that the Members of the Audit and Governance Committee consider the written evidence presented and seek clarification on any relevant issues where required

Contact Officer:- Joan Stevens – Statutory Scrutiny Officer
Chief Executive's Department – Legal Services
Hartlepool Borough Council
Tel: 01429 284142
Email: joan.stevens@hartlepool.gov.uk

BACKGROUND PAPERS

The following background papers were used in the preparation of this report:-

- (i) Report of the Statutory Scrutiny Officer entitled 'Investigation into Elective Surgery at the University Hospital of Hartlepool Site and High Quality Maternity Services' Presented to the Audit and Governance Committee on 20 September 2017
- (ii) Report of the Statutory Scrutiny Officer entitled 'Investigation into Elective Surgery at the University Hospital of Hartlepool Site and High Quality Maternity Services – Setting the Scene Presentation' Presented to the Audit and Governance Committee on 25 October 2017

(a) Why is there a decrease in day cases at Hartlepool?

The overall Day case activity at Hartlepool has shown a decrease (9.53%), which has been offset by an increase in Inpatient elective surgery on the Hartlepool site (18.77%).

However, there has only been slight decrease in the number of Hartlepool residents treated as a Day Case on the Hartlepool site compared to 2015/16, equating to an overall 2.9% reduction in Day Case activity, with approximately 72% (7500) of Hartlepool patients still receiving their Day Case treatments/diagnostics on the Hartlepool site.

The reduction in Day case activity is reflective of the shift of additional Inpatient elective procedures to the Hartlepool site from the North Tees site, which has resulted in approximately 36% of Hartlepool patients receiving their elective Inpatient surgery at Hartlepool, a 6% increase in comparison to 2015/16. This includes, as examples, Hip and Knee replacements and Breast Cancer surgery.

(b) How many people from Hartlepool (that could have used the Hartlepool day case services) went to North Tees hospital for the procedure and reasons for this

Approximately 2800 Hartlepool residents received their Day Case treatment/diagnostics on the North Tees site in 2016/17, which can be for a number of reasons including patient choice i.e. if an earlier date is available, or Day Case surgery which could potentially require intensive post-operative support due to the complexity of the individual patients.

The Trust continues to deliver outpatient, diagnostics and routine elective treatments on the Hartlepool site, with patients with more complex needs treated on the North Tees site, where full Intensive Care support is available.

AUDIT AND GOVERNANCE COMMITTEE

6 December 2017



Report of: Interim Director of Public Health

Subject: JOINT HEALTH AND WELLBEING STRATEGY
(2018 - 2025)

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to present to the Audit and Governance Committee the final draft of the joint Hartlepool Health and Wellbeing Strategy (JHWS) for comment.

2. BACKGROUND

- 2.1 As previously indicated, the Health and Social Care Act 2012 requires the Local Authority, with partner agencies including the NHS, to develop a JHWS based on the Joint Strategic Needs Assessment (JSNA). Hartlepool's JHWS (2013-2018) was developed in 2012-2013 and the deadline for its refresh is March 2018.

- 2.2 In complying with the requirements of the Health and Social Care Act 2012, and in order to ensure that the Strategy is fit for purpose / effectively reflects local priorities, the Health and Wellbeing Board (HWB) approved:-

i) The refresh of the JHWS and creation of a detailed Project Plan / Timetable to enable its completion by the required deadline; and

ii) Priority areas to be used as the focus for the strategy / consultation:

- Starting Well - maternal health, children and young people;
- Working Well - workplace health, getting into work, poverty;
- Ageing Well - isolation, dementia, long term conditions, older people;
- Living Well - lifestyle issues, mental health, prevention; and
- Dying Well (added following consultations).

- 2.3 In accordance with the process contained within the Council's Constitution, the Audit and Governance Committee, as the Council's statutory scrutiny body, has a key role in the development of Budget and Policy Framework documents. In fulfilling its Constitutional role, the Audit and Governance Committee at its meeting on the 20 September 2017 considered the results of the initial consultation exercise and approved the draft Strategy for further consultation in October / November 2017.

2.4 The results of these consultations have now been incorporated in to the final draft of the JHWS (copy attached at **Appendix A**), and as part of the final stage of the process, detailed in Table 1 below, the Audit and Governance Committee is now requested to:

- Comment on the final version of the Hartlepool JHWS and the implementation plan contained within it; and
- Note that the strategy and implementation plan will be presented to Council on the 15 March 2017.

Table 1

Approval of Final Strategy - December 2017 – March 2018		
Where	Description	Date of Meeting
HWB Board	Consideration of Final Strategy for approval	4 December 2017
Audit and Governance Committee	Consideration of Final Strategy for approval	6 December 2017
Hartlepool and Stockton CCG – Governing Body	Consideration of Final Strategy for approval	30 January 2018
Finance and Policy Committee	Consideration of Final Strategy for approval	12 February 2018
Council	Final Approval	15 March 2018
Hartlepool and Stockton CCG – Governing Body	Final Approval	27 March 2018

2.5 It is recognised that responsibility for the monitoring of the implementation of the JHWS sits within the remit of the HWB. However, given the Committee role as the Council's statutory health scrutiny body, Members are asked to consider if they feel it would be beneficial to receive an update report on the implementation of the strategy on a regular basis.

3. RECOMMENDATIONS

3.1 That the Audit and Governance Committee:

- i) Consider the finalised version of the Hartlepool JHWS (2018-2025);
- ii) Note that the strategy, and implementation plan, contained within it will be presented to Council on the 27 March 2018; and
- iii) Agree that an update report in relation to the implementation of the JHWS (2018-2015) will be submitted for Members consideration on a 6 monthly basis.

4. BACKGROUND PAPERS

Health and Social Care Act 2012

HWB - 13 March 2017, 26 June 2017 and 4 September 2017 (reports and minutes)

5. CONTACT OFFICER

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Hartlepool Borough Council
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Dr Esther Mireku
Acting Consultant in Public Health
Hartlepool Borough Council
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Hartlepool Joint Health and Wellbeing Strategy 2018 - 2025

Our Vision and Ambition

Our vision is that Hartlepool will develop a culture and environment that promotes and supports health and wellbeing for all.

Our ambition is to improve health and wellbeing outcomes and reduce inequalities for our population.

Our Purpose

Why do we need a strategy?

The Health and Social Care Act (2012) establishes Health and Wellbeing Boards as statutory bodies responsible for encouraging integrated working and developing a Joint Strategic Needs Assessment (JSNA) and Joint Health and Wellbeing Strategy (JHWS) for their area. Hartlepool Health and Wellbeing Board (HWB) is a committee of the Council with the mandate to address the health and wellbeing needs of Hartlepool and help reduce health inequalities. The JHWS is a strategic document outlining how Hartlepool Borough Council (HBC), NHS Hartlepool and Stockton Clinical Commissioning Group (HAST CCG) and other partners, through the HWB, will fulfil this mandate. The strategy is underpinned by the JSNA and views of our communities and will provide a foundation for strategic, evidence-based, outcomes-focused commissioning and planning for Hartlepool.

About Hartlepool

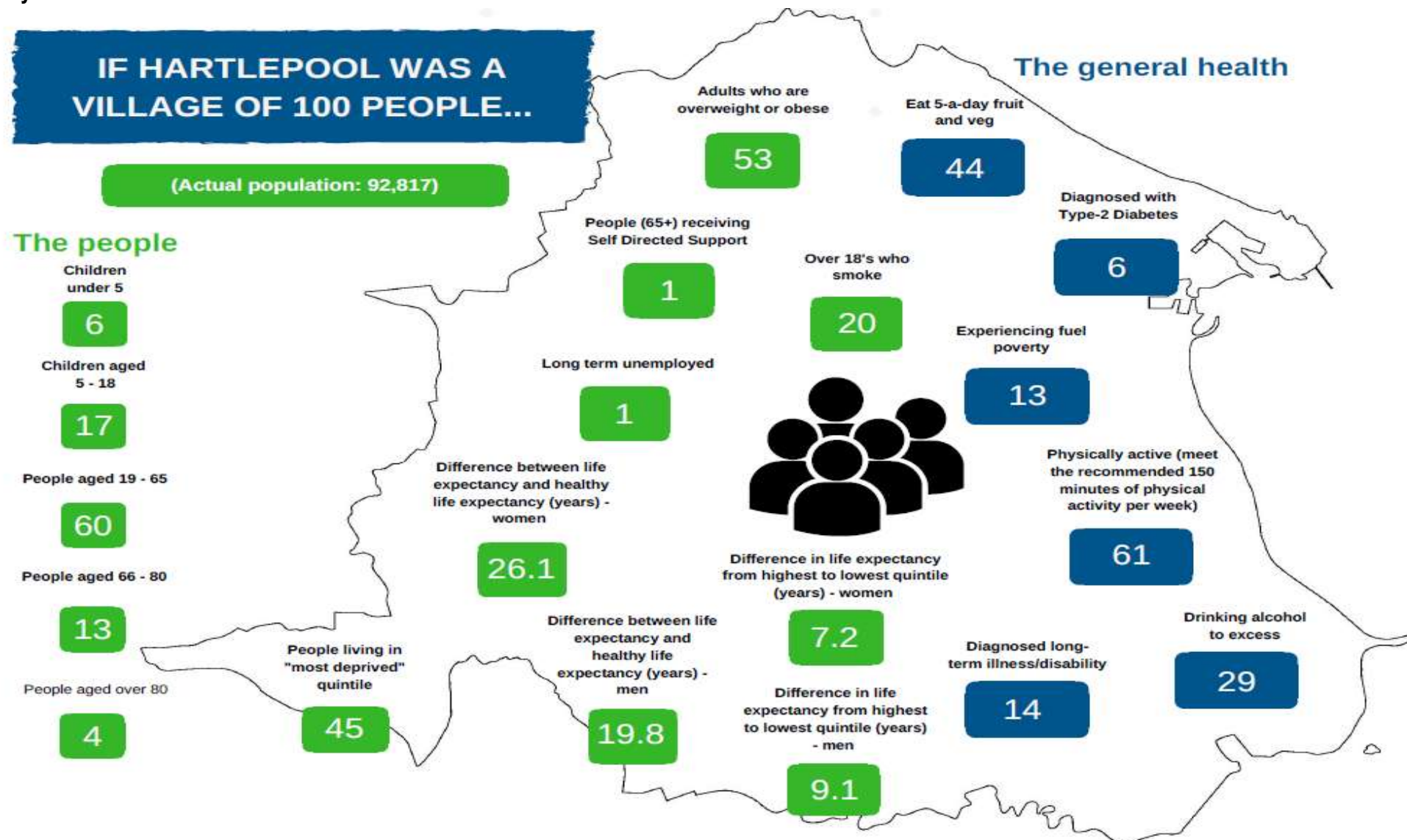
Background and Context

Hartlepool HWB is committed to working together with the people of Hartlepool to improve health and wellbeing of residents. At a time of increasing demand on services and pressures on funding, it is even more important to make sure we are a healthy Borough by supporting people to take responsibility for their health, and that services are delivered efficiently, targeting them towards those who need the most help. In Hartlepool, the areas where the most vulnerable members of our population live reflect the areas with the highest deprivation.

The HWB has previously had a JHWS that was jointly implemented by the partners and runs to an end in March 2018. The previous strategy was based upon the principles of the Marmot Review (2010) and focused on protecting and improving the health of the population through a range of evidence based interventions. In order to ensure that the strategy is fit for purpose and effectively reflects local priorities, the Board took the decision to revise the strategy. The Board intends to focus on a few key priorities that will make a difference to the lives of the people who live and work in the Borough, over the next seven years, in order to get it right for our population.

Hartlepool also has other key ongoing programmes such as 'Hartlepool Matters' and the 'Sustainability and Transformation Partnership (STP)' that are concurrently shaping the future of health and wellbeing in our Borough. The implementation of this revised strategy, together with these ongoing programmes and other projects that are led by the Voluntary and Community Sector (VCS) will contribute to achieve the priorities outlined in this strategy. However, we are mindful that our residents are our greatest assets and we will work in collaboration with our communities to make maximum use of our community assets and to help shape our local policies and planning levers to achieve improved health outcomes in the Borough.

Key Facts



Our residents

What do they say?

In developing this strategy, steps were taken to ensure that the strategy focuses on the issues that residents consider to be of importance to them. Findings from an online survey together with face to face workshops held in community venues and with bespoke groups were used to determine the actions that will be delivered through the strategy. We were keen to include the voice of marginal groups in our population. Separate workshops were therefore held with Asylum seekers, VCS organisations and members of the youth council to seek their views. In addition consideration was given to findings from various other pieces of work across the local authority and its partners. Examples of this work include:

- The Young Future's Project, undertaken by the Youth Parliament and Hartlepool Healthwatch in partnership with York University, that engaged with young people around their experiences of health and social care and to understand their experiences and expectations for ongoing development of services. The project focused on mental health and emotional wellbeing;
- Healthwatch Hartlepool survey (2017) on access to services for people with impaired hearing;
- A Consultation Workshop on 'Future in Mind', led by the Children's Strategic Partnership. The aim of the workshop was to develop an integrated mental health offer for children and young people that incorporate the five ways to wellbeing; and
- Asylum seeker and refugee consultation undertaken by Healthwatch Hartlepool (2015).

There was an acknowledgement by residents of the need to ensure that longer term and sustained prevention programmes are put in place and that collective action by residents, voluntary and community, private and public sector organisations should be promoted to implement the strategy. They also highlighted the importance to identify and target vulnerable and at risk groups in order to reduce inequalities and to use our current community assets for health, care and wellbeing to facilitate implementation.

A summary of responses from the community consultations can be access through the links below:

1. Online survey report ([Online Survey results summary.docx](#))
2. Summary report from community workshops ([Summary of comments from Community Consultation Workshops.docx](#))
3. Summary report of comments from the delivery plan development consultations ([JHWS delivery plan development consultations.docx](#))

Our Priorities

What we want to achieve and why?

The HWB considered our achievements from the previous strategy, findings from the JSNA and local intelligence from partners and agreed four main priority areas to focus on during the lifetime of this strategy – **Starting, Working, Ageing and Living Well**. After our consultation with the general public we have added an additional priority – **Dying Well**.

Starting Well – All Children and young people living in Hartlepool have the best start in life.

Children who grow up in loving and supportive families are most likely to be happy, healthy and safe. Life experiences involve critical transitions - emotional and physical changes in early childhood; moving from primary to secondary and tertiary education; starting work; leaving home and starting a family; and retirement. Each transition stage can affect health and wellbeing by pushing people into more or less disadvantaged paths. Children and young people who have been disadvantaged in the past are at the greatest risk and their children are more likely to be also disadvantaged. We want to ensure access to high quality universal services such as health care and education; early intervention when needed, and targeted support for those who are in difficulties. We want to prevent children and young people from developing emotional problems; having to live in poverty, or are affected by abuse, violence or misuse of substances, so that we prevent problems being passed from generation to generation.

Working Well - Workplaces in Hartlepool Borough promote and support healthy living.

Access to fulfilling work has an impact on people's wellbeing. Economically, fulfilling work provides a secure income and can offer a sense of purpose and social connection. People who are economically less well-off have substantially shorter life expectancy and more illnesses than those in meaningful employment. In addition, supporting those who work to be healthy and well means they are able to better support and care for their dependents (children and/or the elderly). We want workplaces in Hartlepool to be healthy places with supportive practices and environments that enable employees to sustain healthy lifestyle choices. Hartlepool has a higher than average number of

people with learning disabilities in employment. We want to sustain this achievement and we also want to work with our communities to support young people and people with limiting ill-health into fulfilling employment for positive health and wellbeing gains.

Ageing Well – Older People in Hartlepool live active and independent lives and are supported to manage their own health and wellbeing.

Similar to most areas in England, the proportion of older people in Hartlepool is increasing. For instance, the number of people who were aged 85 years or more in 2005 was 1,400; this increased to 2,100 by 2015 and will continue to increase to 3,330 by 2025 and to 4,700 by 2035. Although most people are living longer, the majority of their latter years (approximately 20 years for males; and 26 years for females) are lived with poor health and wellbeing. We want to support people to develop and maintain health and independence as long as possible. When people start to develop a long-term health problem, we want to focus on preventing them from developing further health and social problems. We want to see local services focused on those who have the greatest need, to reduce health inequality and to enable a greater focus on prevention of ill health.

Living Well –Hartlepool is a safe and healthy place to live with strong communities.

Enabling those who live in Hartlepool to be healthy and well for a lifetime involves much more than good health and social care services. Many different things impact on health and wellbeing – housing, jobs, leisure, sport & access to open spaces, education, health services and transport. We want Hartlepool to be a healthy place with supportive neighbourhoods and communities which are strong and resourceful, making best use of their community assets. We want to support people in Hartlepool to take steps to avoid premature deaths.

Dying Well – People in Hartlepool are supported for a good death.

Despite the fact that all of us will die one day, some of us will experience death suddenly or prematurely; others will die after a period of illness or frailty, which can sometimes be protracted over time. We want to engage our communities so that people from Hartlepool are supported to die with dignity, compassion and that relevant support is available to carers to deal with dying and death.

OUR STORY: WHAT DO WE NEED TO BE MINDFUL OF?

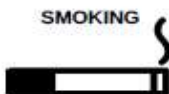
Green = progress | Blue = requires improvement

Living well



1 out of every 2 mothers initiate breastfeeding - up 6%

44 out of every 100 people eat five portions of fruit and veg a day - lower than the national average



1,922 per 100,000 successful quitters at 4 weeks in Hartlepool

1 out of every 5 adults over 18 smoke - higher than the national average



30 per 100,000 children killed or seriously injured in road traffic accidents



In 2015/16, 61 out of every 100 adults completed 150+ minutes of exercise per week

27 out of every 100 adults is physically inactive

TYPE 2 DIABETES



6 out of every 100 adults in Hartlepool has diabetes

1,700 Hartlepool people estimated to be living with diabetes, but remain undiagnosed

CARDIOVASCULAR DISEASE



8,411 eligible people aged 40 - 74 received an NHS Health Check in 2013-16

An average of 221 people in Hartlepool aged under 75 die each year due to cardiovascular disease



Just 1 person per 1,000 homeless



1,900 successful lung health checks completed

1,250 people estimated to be living with COPD without knowing

ALCOHOL MISUSE



36 per 100,000 under 18s admitted to hospital for alcohol specific conditions

62 per 100,000 alcohol-related mortality amongst Hartlepool residents

Starting well

SCHOOL READINESS



7 out of every 10 children achieve a good level of development by the end of reception

97 out of 200 pupils achieve 5 A* - C at GCSE - lower than the national average

SEXUAL HEALTH



The number of conceptions has reduced significantly since 2010

The rate of under 16 conceptions in Hartlepool is 5.9 per 100,000 - above the national average

Working well

EMPLOYMENT



32 out of every 200 adults with learning disabilities are in employment

5 out of every 100 of Hartlepool's 16-18 year olds not in education, employment or training

INCOME



8,700 households do not have a working adult

24 out of every 100 adults in Hartlepool experiencing income deprivation

Ageing well

VACCINATIONS



7 out of 10 adults over 65 receive the flu vaccination annually

6 out of 10 eligible people receive the pneumonia vaccination annually

INJURIES



321 emergency hospital admissions due to falls in people aged 65 and over - below the national average

Dying well

DEATHS



Excess winter deaths index = 25.9 compared to 24.6 in England

4 out of 10 deaths occur at home - lower than the national average

DEATHS FROM CANCER



1345 per 100,000 rate of deaths from cancer aged 65+

784 per 100,000 rate of deaths from respiratory disease aged 65+

Our plan for delivery – Current and ongoing

Majority of the priority actions identified by our residents are already being worked on by partners and is inter-dependent on the delivery of a number of town wide/Tees/regional strategies, policies and plans. We will continue to align our business with implementation of these strategies, policies and action plans.

Priority Outcomes	Actions already in Progress		
	Improving Health and Care Services	Improving Health & Wellbeing	Protecting Health
Starting Well	*Improve access for emotional wellbeing and Child and Adolescent Mental Health Services (CAMHS)	*Implement programmes that promote emotional wellbeing and resilience *Improve school readiness, educational attainment and aspirations for children and young people *Implement parenting programmes	*Promote healthy relationships through education, early help and support *Promote uptake of childhood immunisations in deprived wards
Working Well	*Implement workplace based screening programmes to improve health and wellbeing and improve access to health services *Implement workplace wellbeing accreditation and charter schemes for businesses and organisations	*Improve training and employment for people with disability/mental health/long-term conditions *Provide training and employment for young people *Implement programmes to reduce poverty	*Promote uptake of vaccinations for at risk professional groups e.g. health and social care *Promote uptake of vaccinations for people with long-term conditions
Ageing Well	*Provide integrated health, care and wellbeing packages *Improve access to health, care, mental health and wellbeing services	*Implement networking initiatives to reduce social isolation and loneliness *Implement and strengthen programmes that provide support for carers	*Promote safer neighbourhoods and reduce crime and anti-social behaviour
Living Well	*Provide integrated care packages and to include prevention *Deliver the right care, at the right time, in the right place by working as locally as possible and shifting the balance of care out of hospital to community providers including Housing and VCS organisations	*Implement programmes to reduce drugs and alcohol harm *Implement programmes to reduce tobacco harm *Implement programmes to promote physical activity, improve diets and reduce excess weight *Implement programmes to improve emotional wellbeing and mental health	*Implement programmes to reduce impact of drugs and alcohol misuse on children and young people *Implement programmes to reduce tobacco harm in children and young people
Dying Well	*Implement evidence based end of life care packages in appropriate settings	*Implement bereavement and counselling services	*Promote uptake of 65+ flu vaccinations *Promote screening and early identification for preventable ill-health



Our plan for delivery – Looking ahead

In addition, we want to do some things very differently from the way we have previously operated. This means that we will invest in the health and wellbeing assets in our communities to enable our residents to facilitate the desired cultural changes that will improve the health and wellbeing of our local area. The Board will also focus on a few deep dive projects across the life course and ensure that together with our wider community partners, we collectively deliver over the lifespan of this strategy to get it right for our population.



The detailed implementation plan for the deep dive projects is attached as appendix 1 of this strategy.

Our principles and values



The Health and Wellbeing Board operates within a set of principles and values. The Joint Health and Wellbeing Strategy implementation provides the opportunity to maximise partnerships and evidence base, generating new ways of tackling health and wellbeing challenges. This includes recognising and mobilising the talents, skills and assets of local communities to maximise health and wellbeing outcomes.

Our governance arrangements

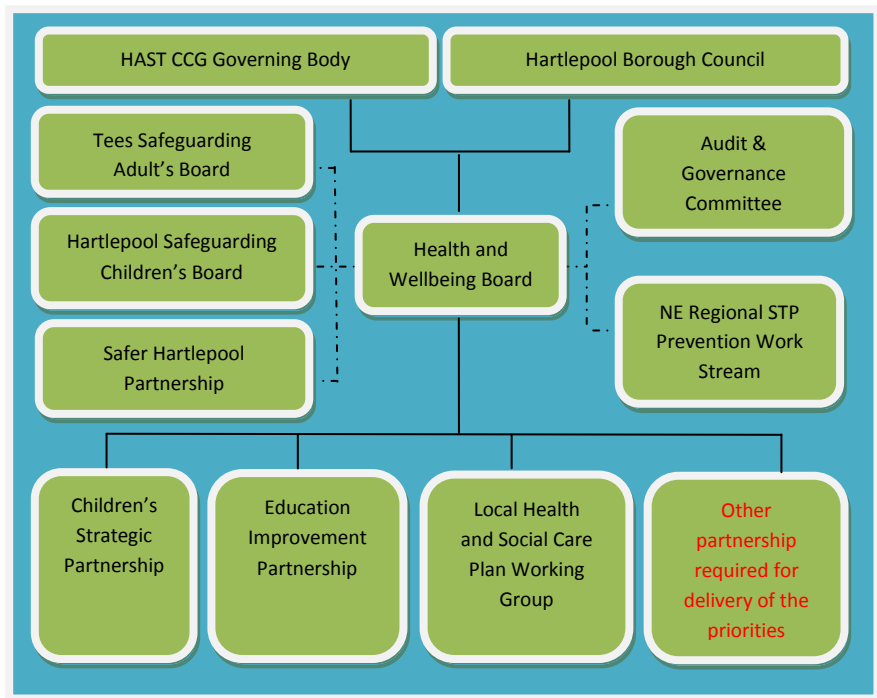
Who will hold us accountable?

This Strategy is owned by the Health and Wellbeing Board and will be reviewed by the Board every 3 years to ensure that it remains relevant and continues to reflect local priorities.

Each year the Board will agree an action plan setting out how the Strategy will be delivered. The action plan will set out agreed timescales for delivery and clear ownership for the actions. The action plan will also include a number of performance indicators which will be used to assess the progress being made.

The key risks for implementing the Strategy will also be identified.

The Audit and Governance Committee of the Council will hold the Board accountable for implementing the Strategy. In addition there will be other Council/Borough-wide/regional partnerships whose work will help to deliver the Strategy.



Monitoring and evaluation

How will we know we have been successful?

In order to measure success, the Board will monitor progress through quarterly performance reports and seek to maximise resources and secure external resources into the Borough. We will embed a culture of evaluation by working better with the academic institutions to utilise an action research approach that will help test new models of delivery and embed a continuous improvement ethos. Below are the outline indicators that will be monitored for each priority theme.

Priority	Measures	
	What we hope to achieve (outcome of interest)	How we will know we are on the right path (process/output indicators)
Overarching	VCS is driving prevention programmes in communities.	<ul style="list-style-type: none"> ✓ MECC training offer that includes brief intervention skills is produced with library service and delivered to staff of local agencies ✓ Comprehensive local directory of community assets and services is produced ✓ Hartlepool multi-agency health, care and wellbeing prevention model is developed and implemented
Starting Well	Number of children affected by inter-generational cycle of vulnerability e.g. poverty, domestic abuse, drugs and alcohol is decreasing.	<ul style="list-style-type: none"> ✓ Reducing trend in LAC/child protection cases that result from domestic abuse/substance misuse is observed ✓ Increasing proportion of children on FSM achieving 5+ GCSEs (including Maths and English) is observed ✓ Increasing proportion of 11-16 year olds are offered opportunities for work experience or apprenticeship
Working Well	Number of people from Hartlepool with a disability/long-term illness in employment is increasing. Number of young people from Hartlepool in employment is increasing.	<ul style="list-style-type: none"> ✓ Increasing trend in % of people aged 16-64 in employment is observed ✓ Health-led employment initiative is piloted, evaluated and fully implemented ✓ Reducing trend in gap in employment rate between those with a long-term health condition/learning disability/mental health and the overall employment rate is observed
Ageing Well	Majority of older people in Hartlepool are independent and not socially isolated.	<ul style="list-style-type: none"> ✓ Community peer support and networking model is developed and implemented ✓ Increasing trend in the % of adult carers who have as much social contact as they would like is observed ✓ Increasing trend in the % of adult social care users who have as much social contact as they would like is observed
Living Well	Hartlepool Borough provides an enabling environment that supports residents to take up and sustain a healthy lifestyle.	<ul style="list-style-type: none"> ✓ Healthy Borough status is achieved ✓ Social value charter is developed and adopted for the Borough ✓ Increasing trend in % of people utilising outdoor space for exercise/health reasons is observed
Dying Well	Residents of Hartlepool and their carers/families are provided with appropriate support to deal with dying and death.	<ul style="list-style-type: none"> ✓ Compassionate Borough status is achieved ✓ Dying Well community charter is developed and adopted by the Borough ✓ Integrated multi-agency support pathway for dying well is developed and implemented

Appendix 1: Joint Health and Wellbeing Implementation plan (2018 -2025)

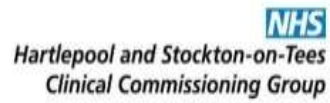
Joint Health and Wellbeing Strategy (2018 - 2025) Delivery plan												
What	Lead	Timescale							Outcome/Output measures	RAG	Risks/Barriers to delivery	
		Year										
		1	2	3	4	5	6	7				
1. Overarching programmes												
VCS sector improvement <ul style="list-style-type: none">Develop virtual network of local VCS organisations with appropriate coordination to avoid duplication and coordinate provisionUtilise VCS organisations to facilitate targeted consultations/strategy and service development to relevant groups – place and person; and to secure insight into community specific issuesWork in partnership to secure inward investment through external bids. Communicate information on grants through newsletter /support to smaller organisations on bid writing.	Safer Hartlepool Partnership (SHP) - Community engagement lead, HBC	√	√	√					<ul style="list-style-type: none">Virtual network of VCS organisations developedVCS leading community development and engagement activities			
Community development and Directory of community activities <ul style="list-style-type: none">Develop further ‘Hartlepool Now’ to produce comprehensive local directory of community activities to help raise awareness – provide group specific segments e.g. CYP, Family, free activities, place specificProvide information and support to elected members to advocate for and champion bespoke health improvement initiatives in their wards	Hartlepool Matters working group	√	√	√					<ul style="list-style-type: none">Directory of multi-agency services in the community developedAnnual ward profiles produced for elected membersElected members leading on ward specific health improvement initiatives			
	Public health lead	√	√	√	√	√	√	√				

2. Improve Mental Health & Emotional Wellbeing											
Access to mental health services											
<ul style="list-style-type: none"> Redesign care pathways to improve access to interventions for those people who fall below the specialist services threshold but require interventions other than universal programmes 	Hartlepool Matters working group	√	√	√	√	√	√	√	√	<ul style="list-style-type: none"> Improved public perception on accessibility of mental health services 	
Children and Young People's health											
<ul style="list-style-type: none"> Develop local CYP workforce (to help make every contact count) to identify emotional health issues and intervene early Continue to develop and implement a multi-agency intervention model that incorporates the five ways to wellbeing 	Children's Strategic Partnership (CSP)	√	√	√						<ul style="list-style-type: none"> CYP workforce development plan Five ways to wellbeing model developed and implemented 	
Employee health											
<ul style="list-style-type: none"> Utilise the North East Better Health at Work Award to facilitate improved employer support for emotional wellbeing of employees 	Public Health lead	√	√	√	√	√	√	√	√	<ul style="list-style-type: none"> Checklist for promoting EWB in the workplace is adopted and shared with local employers Mental health and wellbeing is addressed at each stage of the regional award scheme 	
Older people's health											
<ul style="list-style-type: none"> Establish peer networks to facilitate improved access to community based activities in order to reduce isolation 	SHP - Community engagement lead	√	√	√	√	√				<ul style="list-style-type: none"> Community peer network programme launched 	
Promoting emotional wellbeing											
<ul style="list-style-type: none"> Implement community cohesion programmes to facilitate mutual acceptance and tolerance of people from different backgrounds Improve access to ESOL classes to help reduce communication barriers and therefore help with better networking and engagement by asylum seekers Raise awareness of and implement multiple interventions to improve access and facilitate increased uptake of physical activity to improve emotional wellbeing Design and implement a social marketing 	(SHP) – Safer neighbourhoods group Adult learning and skills lead Healthy weight healthy lives strategy group Public	√	√	√						<ul style="list-style-type: none"> Community cohesion strategy fully implemented Observed increasing trend in number of people who use outdoor space for physical activity EWB social marketing campaign launched 	

campaign to help improve awareness and reduce stigma on mental health	Health/Com ms lead (s)	√	√									
3. Reduce Drug and Alcohol harm												
Understanding needs and demand <ul style="list-style-type: none">Utilise multi-agency data, information and demographics across Hartlepool to provide a better overview of need to help redirect action through the JSNA.Map current activity to help re-direct action to areas of most need through the development and implementation of a delivery framework and to improve access to interventions	SHP- Substance misuse group	√	√							<ul style="list-style-type: none">Multi-agency Drugs and Alcohol delivery framework developed and implemented		
Targeted awareness and social marketing <ul style="list-style-type: none">Design and launch a ‘Hartlepool big conversation’ programme that will support multi-agency and town wide social marketing on drugs and alcohol harm (to include medicines waste) – use sport as an engagement tool for prevention and recovery	SHP- Substance misuse group	√	√	√	√	√	√	√	√	<ul style="list-style-type: none">Drugs and alcohol marketing campaign launched		
Promoting behaviour change <ul style="list-style-type: none">Pilot a behaviour insight project to help understand behavioural barriers to assessing interventions and implement appropriate ethnographic interventions in response in order to improve uptake of services	SHP- Substance misuse group	√	√	√	√	√	√	√	√	<ul style="list-style-type: none">Increasing trend in uptake of support by community based services		
Children and Young People’s health <ul style="list-style-type: none">Design and implement a multi-agency model that will support early identification of ‘hidden harm’ and intervention in order to minimise the impact of drugs and alcohol on children and young peopleBuild and provide multi-agency integrated early help services for ‘hidden harm’.	Children’s Strategic Partnership (CSP)	√	√							<ul style="list-style-type: none">Hidden harm identification framework developed and implementedIntegrated early help services support pathway for ‘hidden harm’ commissioned		
4. Reduce Health Inequalities												
Asylum seeker incl BME communities' health <ul style="list-style-type: none">Implement peer educator training for asylum seekers to raise awareness of	SHP - Public Health lead/CCG	√	√	√	√	√	√	√	√	<ul style="list-style-type: none">Peer educator programme for asylum seekers implemented		

<p>education/information on health care systems/services/childhood communicable diseases and other community health and care services and how to access them</p> <ul style="list-style-type: none"> • Provide health and care leaflets with different translations in order to reduce language barrier • Provide presentations on health, care and wellbeing initiatives to bespoke BME groups e.g. Chinese association in order to improve awareness. 	lead/ HBC Community engagement lead											
<p>Interpreter service</p> <ul style="list-style-type: none"> • Implement the recommendations from the Health watch (2017) survey in order to help reduce barriers to accessing health and care services for vulnerable groups e.g. deaf, asylum seekers 	GP Federation/ TEWV/NTHF T	√	√							<ul style="list-style-type: none"> • Improved access to healthcare for those who require interpreter services 		
<p>Children and Young People's health</p> <ul style="list-style-type: none"> • Provide awareness sessions to young people on their rights to access health care services independently e.g. contraception, alcohol etc; and interventions available in the Borough • Design and implement a multi-agency support model to help reduce the number of children who are excluded from school • Design and facilitate an awareness and social marketing approach on tobacco harm to be implemented by schools and colleges 	Children's Strategic Partnership (CSP)	√	√	√						<ul style="list-style-type: none"> • Improved awareness among young people on their rights to access services independently • Tobacco harm social marketing campaign in schools launched • Reducing trend in number of CYP who are excluded from school 		
<p>Health of the Armed Forces Community</p> <ul style="list-style-type: none"> • Continue to implement actions to address the health and care needs of service and ex-service personnel as outlined in the Armed Forces Community Covenant 	Hartlepool Armed Forces liaison group	√	√	√	√	√	√	√		<ul style="list-style-type: none"> • Health and Care needs of the Armed Forces community is considered in service design and implementation 		
<p>Financial improvement</p> <ul style="list-style-type: none"> • Build on the work of the financial inclusion partnership and the Hartlepool action lab to improve income for disadvantaged groups 	Financial inclusion partnership/ Hartlepool	√	√	√	√	√	√	√		<ul style="list-style-type: none"> • Increasing trend in rate of people with LTC/disability who are in employment 		

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SAFER HARTLEPOOL PARTNERSHIP MINUTES AND DECISION RECORD

15th September 2017

The meeting commenced at 10.00am in the Civic Centre, Hartlepool

Present:

Chief Superintendent Alastair Simpson, Cleveland Police (In the Chair)

Councillor: Steve Thomas
Denise Ogden, Director of Regeneration and Neighbourhoods
Chief Inspector Nigel Burnell, Chair of Youth Offending Board

Libby Griffiths was in attendance as substitute for Kay Glew (Thirteen Group),

Trina Holdcroft was in attendance as substitute for Jean Golightly (Hartlepool and Stockton on Tees Clinical Commissioning Group),

Rachelle Kipling was in attendance as substitute for Barry Coppinger (Office of Police and Crime Commissioner for Cleveland),

Andy Robinson was in attendance as substitute for Steve Johnson (Cleveland Fire Authority),

Danielle Swainston was in attendance as substitute for Sally Robinson (Director of Children's and Joint Commissioning Services)

Officers: Rachel Parker, Community Safety Team Leader
Jo Stubbs, Democratic Services Officer

22. Apologies for Absence

Apologies were submitted by Councillor Christopher Akers-Belcher, John Bentley (Safe in Tees Valley), Barry Coppinger (Police and Crime Commissioner), Clare Clark (Head of Community Safety and Engagement), Kay Glew (Thirteen Group), Jean Golightly (NHS Hartlepool and Stockton on Tees CCG), John Graham (Durham Tees Valley Community Rehabilitation Company), Steve Johnson (Cleveland Fire Authority) and Sally Robinson (Director of Children's Services)

23. Declarations of Interest

None

24. Minutes of the meeting held on 11th August 2017

Minutes approved. The Director of Regeneration and Neighbourhoods advised members that the performance report presented at the last meeting had resulted in some media interest. She suggested that in the future members and officers should be more prepared to respond to media enquiries following meetings. The Chair asked that a statement be prepared in advance of the reporting of performance statistics to future meetings. The Director also highlighted some misreporting of the statistics specifically that the increase had been annual rather than over a 2 month period. She had also noted that this had included the reporting of hate crime which could be seen as a positive.

25. Youth Justice Strategic Plan 2017-2019 *(Director of Children's and Joint Commissioning Services)*

Purpose of report

To consult with members on the Youth Justice Strategic Plan and provide recommendations to go to Council in October.

Issue(s) for consideration

The report provided background information regarding the purpose of the Youth Justice System together with details of the role and functions of the Youth Offending Services.

Members were advised of the following key strategic objectives that the Youth Offending Service and broader Youth Justice Partnership would focus on during 2017-2019:-

- Re-offending
- Early Intervention and Prevention
- Remand and Custody
- Risk and Safety & Wellbeing (ASSETplus)
- Restorative Justice
- Effective Governance
- Voice of the young people
- Extremism and PREVENT Strategy

Key risks had also been identified including secure remand costs and implementation of ASSETplus. It was also highlighted that the Youth Justice Board Grant had been reduced over the last few years and further cuts would leave the service unsustainable.

Councillor Thomas highlighted problems with anti-social behaviour in the De Bruce Ward caused by a small group of young people. In these

situations home life was often a factor and he stressed the importance of agencies working together to address these issues at the earliest possible opportunity in order to prevent problems escalating in later years. The Assistant Director (Childrens) concurred with this, saying school heads shared these concerns. A pilot scheme aimed at improving locality partnerships was due to start in the North Area with schools keen to become involved as soon as possible. The representative of the Police and Crime Commissioner asked that they be involved as a financial contributor. The Director asked the Community Safety Team Leader to provide information on the various ward issues to the Assistant Director.

The Representative for Hartlepool and Stockton on Tees CCG requested that child sex exploitation figures be broken down into male and female victims saying that a lot of male victims would prefer to be seen as offenders due to embarrassment. The Assistant Director advised that this was covered in ASSETplus.

The Cleveland Fire Authority representative referred to a presentation on car crime and driving dangerously and suggested this could be modified for young people. The Assistant Director agreed that this could be utilised when looking at anti-social car crime.

The Chair was interested in needs assessment specifically an analytical approach looking at causes and attempting to identify children who might be at risk of offending in later years as early as possible. The Assistant Director confirmed that this type of work was already underway and would be discussed with the town's heads in October. The Chair indicated he would be happy to take part in any discussions in terms of identifying the current needs assessment.

The Chair referred to increases in re-offending. The Assistant Director accepted the need to stop young people offending at all in order to break this cycle and suggested a future Youth Justice Board meeting be themed around this issue. The Chair also requested that data on the court system, including first time entrants, re-offenders and court disposals, be separated for ease of reference.

Members recommended the following amendments or additions to the Plan:

- That the level of discussion and interaction between the Young Offending Service, Police and Crime Commissioner and young people be explored
- That the possibility of a joint SNA be explored
- That data be presented in such a way as to increase understanding
- That work be undertaken utilising facebook and other social media

The Chair queried whether agencies were sharing intelligence correctly in

order to intervene as early as possible. The Assistant Director felt this was something which fell under the remit of the Children's Strategic Partnership which was due to consider the Children and Young People's Plan the following week. The Chair suggested that the instances of anti-social behaviour previously raised by Councillor Thomas be used as a case study. The Community Safety Team Leader advised that these specific issues had been raised at a focus meeting the previous week and anti-social behaviour officers were actively seeking to engage with the young people involved. She would speak to the officers involved and provide the chair with an update. Councillor Thomas indicated that a residents meeting was scheduled for the following week, the Assistant Director confirmed that a representative would be happy to attend albeit information on specific young people would not be shared. The Chair acknowledged this and asked the Chair of the Youth Offending Board to liaise with the Assistant Director regarding who should be involved from her perspective. Councillor Thomas indicated residents were more interested in how anti-social behaviour was addressed strategically rather than on an operational level.

Decision

That the concerns around anti-social behaviour in North Hartlepool be the subject of a case study to assess joint working between Children's social care, Youth Offending Service, Community Safety services and local residents (and their representatives).

That the following additions or amendments to the Youth Justice Strategic Plan be presented to Children's Services Committee:

- The level of discussion and interaction between the Young Offending Service, Police and Crime Commissioner and young people be explored
- The possibility of a joint SNA be explored
- Increasing re-offending rates be presented as an area of risk, to be the subject of specific action by the Youth Offending Service Board with feedback to the Children's Strategic Partnership
- Data presentation be amended to increase understanding, specifically by inclusion of pre-CJ disclosure outcomes alongside FTE and Re-offending data.
- Work be undertaken utilising facebook and other social media

26. Community Safety Strategy 2017-2020 (Final Draft) (Director of Regeneration and Neighbourhoods)

Purpose of report

To present and seek approval of the final draft of the Community Safety Plan 2017-2020.

Issue(s) for consideration

The report set out the background to the statutory responsibility of Community Safety Partnership's to develop and implement a three year Community Safety Strategy setting out how it intended to address crime and disorder, substance misuse and re-offending issues in Hartlepool. In June members had approved the draft strategy for consultation. This had subsequently taken place with over 250 residents as part of the Safer Hartlepool Partnership 'Face the Public' activities held during October/November 2016. Further discussions had also taken place at the recent Safer Hartlepool Partnership development day and the draft plan had also been considered by the Audit and Governance Committee, Finance and Policy Committee and Community Forums.

The Strategic objectives for the 3 years were included as were the annual priorities for 2017-2018. Consultation showed that the public wanted the Partnership to focus on activities to address anti-social behaviour, improvements in community engagement and crime prevention. The Community Forums had also emphasised the need to concentrate on crime prevention, suggesting that community safety events take place as "pop up shops" in high footfall areas such as the Middleton Grange Shopping Centre.

Progress made against the plan would be managed and monitored by the Partnership through monitoring of Sub-Group Actions Plans.

The Assistant Director (Childrens) queried the inclusion of the Youth Justice Board Chair on the membership of the Partnership contained within the Plan. The Director of Regeneration and Neighbourhoods advised that this was an error and confirmed that the membership details would be re-checked.

Decision

That the final draft of the Community Safety Plan be approved subject to any necessary amendments to the membership of the Safer Hartlepool Partnership contained within it.

27. Your Say, Our Future: Community Safety *(Director of Regeneration and Neighbourhoods)*

Purpose of report

To consider the Safer Hartlepool Partnership annual Strategic Assessment and 'Face the Public Event' in developing year 2 of the Community Safety Plan (2017-2020)

To consider rebranding the Safer Hartlepool Partnership's 'Face the Public' event under the Council's 'Your Say, Our Future' programme from 2018 onwards.

Issue(s) for consideration

Since their introduction in 1998 by the Crime and Disorder Act Community Safety Partnerships have a statutory responsibility to develop and implement a three year Community Safety Plan setting out how they intend to address crime and disorder, substance misuse and re-offending issues. Community Safety Partnerships are made up of representatives from the six responsible authorities including the Local Authority, Police, Fire Brigade and National Probation Service. One of their statutory duties is to consult with local residents and organisations on community safety priorities including an annual 'Face the Public' event. This had traditionally been held in October or November of each year however as the final draft of the Community Safety Plan was only being considered by the Partnership at this meeting, and given the level of public involvement in the consultation, it was suggested that the annual event be pushed back to February 2018. This would coincide with the launch of the 'Integrated Hartlepool Community Safety Team'. It was also proposed that in future this event become part of the Council's 'Your Say, Our Future' programme thereby enabling a two-way conversation with the local community and better communication.

Decision

1. That the proposed timescale and arrangements for developing the strategic assessment in relation to year 2 of the Community Safety Plan 2017-2020.
2. That the Face the Public Event form part of the Council's Your Say Our Future programme from 2018 onwards.

28. Substance misuse sub-group update (*Interim Director of Public Health*)

The Chair noted that nobody was present from Public Health. He asked that the report be deferred and the Chair be advised as to the reason for non-attendance.

Decision

That the item be deferred and the Chair contacted regarding the reason for non-attendance.

The meeting concluded at 10:55.

CHAIR