



REPORT TO: East Lothian IJB Audit & Risk Committee

MEETING DATE: 8 March 2023

BY: Chief Internal Auditor

SUBJECT: Internal Audit Report – Workforce Planning

1 PURPOSE

- 1.1 To inform the Audit and Risk Committee of the recently issued audit report on Workforce Planning.

2 RECOMMENDATIONS

- 2.1 The Audit & Risk Committee is asked to note the contents of the audit report.

3 BACKGROUND

- 3.1 An assurance review of Workforce Planning has been undertaken as part of the Audit Plan for 2022/23.
- 3.2 The main objective of the audit was to review the adequacy and effectiveness of the arrangements in place for Workforce Planning within the East Lothian IJB.
- 3.3 The main findings from our audit work are outlined in the attached report which has been graded Reasonable Assurance.

4 ENGAGEMENT

- 4.1 The findings from the review have been discussed with Management, but do not require wider engagement.

5 POLICY IMPLICATIONS

5.1 None

6 INTEGRATED IMPACT ASSESSMENT

6.1 The subject of this report does not affect the wellbeing of the community or have a significant impact on equality, the environment or economy.

7 DIRECTIONS

7.1 The subject of this report does not require any amendment to or creation of Directions.

8 RESOURCE IMPLICATIONS

8.1 Financial – None

8.2 Personnel – None

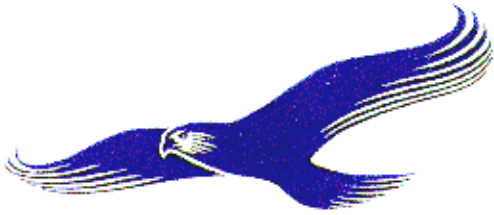
8.3 Other – None

9 BACKGROUND PAPERS

9.1 None.

Appendix 1: Internal Audit Report – Workforce Planning

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DATE	28 February 2022



East Lothian IJB Workforce Planning February 2023

Conclusion

Reasonable Assurance

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1 Executive Summary:

Conclusion: Reasonable Assurance

The East Lothian IJB has through the 2022-25 Strategic Workforce Development Plan introduced a reasonable framework for workforce planning across the HSCP. While the ELHSCP Workforce Planning and Organisational Development Steering Group is responsible for the operational delivery of the Workforce Plan, improvement opportunities have been identified around the monitoring of progress and Directions.

Background

In July 2015 East Lothian IJB (ELIJB) took on duties in the East Lothian Council area for development of integrated planning and delivery of health and social care services and criminal justice social work, as well as certain acute hospital services managed by NHS Lothian (NHSL). East Lothian Health and Social Care Partnership manages operational delivery of services in the county. Workforce planning is the ongoing process of analysing and forecasting employee supply and demand to ensure that organisational service delivery demands are effectively aligned with its available workforce, enabling organisations to deliver their strategic objectives and meet their legislative and statutory requirements. Workforce planning also involves identifying and addressing any potential gaps in workforce supply, that could potentially involve commissioning external service providers to support service delivery.

The ELIJB is not an employer, but is required by the Act, to put in place appropriate workforce plans to assure the availability of an appropriately trained workforce to deliver local health and social care services, including consideration of NHSL and Council workforce planning arrangements. The provision of adequate resources is recognised within the ELIJB strategic risk register as a high-level risk in that operational resources may be insufficient to deliver the Strategic Plan 2022-25. The 2022-25 ELHSCP Strategic Workforce Development Plan has been developed in partnership with local statutory, independent, voluntary, and third sector partners and Trade Unions. The Workforce Planning & Development Steering Group acts on behalf of the Senior Management Team in a high-level strategic oversight role. All General Managers within the Partnership have responded to the workforce plan for their area.

Summary of findings & recommendations

The following key findings and recommendations are highlighted, which have all been **agreed by the Workforce Development Officer and the General Manager Planning and Performance – East Lothian Health and Social Care Partnership**:

- While it is noted that the 2022-23 Directions have been developed following a review of progress with existing Directions and engagement with each of the Change Boards regarding directions within their remit, they do not include specific reference to the Board's Workforce Plan. *Management have agreed to update the current Directions by 31 March 2023.*
- A comprehensive skills gap analysis has not yet been completed, therefore the Board cannot yet determine the upcoming workforce demands and develop the appropriate recruitment and training strategies to address current and future skills gaps within the workforce. *Management have agreed to conduct an exercise to identify the skills gaps and introduce appropriate measures by August 2023.*
- While some local workforce plans, such as the Planning and Performance Team plan and Operations plan have followed an identical format, recording for each action – Team, What, How, Completion Date and Update, the remaining plans do not follow this format and have not included a target completion dates. *Management have agreed to remind staff of their responsibilities in following the agreed format by 31 March 2023.*
- A process for the reporting of progress into East Lothian IJB or Committee has not yet been agreed. *Management have agreed to provide progress reports to the East Lothian IJB every six months by October 2023.*

Materiality

There are no reported resource implications from the 2022-25 Strategic Workforce Development Plan. Training and other related costs are likely to be covered within the current budget. Additionally, no further staffing is required, with the intention to address gaps using current workforce.

Recommendations Grade	High	Medium	Low	Total
Current Report	-	2	2	4
Prior report	N/A	N/A	N/A	N/A

2 Headlines

Objectives	Conclusion	Comment
<p>1. The workforce planning framework is in place, reflects the ELIJB's current strategic objectives and follows local or national guidance</p>	<p>Reasonable</p>	<p>The East Lothian Strategic Plan 2022-2025 has recorded as a key strategic enabler the delivery of the Board's Workforce Plan, with a number of workforce priorities reported at a strategic level. The East Lothian HSCP has developed its 2022-25 Strategic Workforce Development Plan, which is scheduled to be approved at the ELIJB meeting on the 23 February 2023. The Plan has been developed using the guidance contained within the National Workforce Strategy for Health and Social Care in Scotland. However, current Directions do not include specific reference to the Board's Workforce Plan.</p>
<p>2. Workforce Plans are in place within the IJB and partnership. Existing workforce requirements, including prioritise actions to address gaps in skills and numbers are identified</p>	<p>Reasonable</p>	<p>The development of the 2022-2025 Workforce Plans was overseen by the ELHSCP Workforce Planning and Organisational Development Steering Group, which includes as membership the relevant General Managers/Senior staff from NHS Lothian and East Lothian Council. Partnership Boards also understand the workforce requirements and have in place detailed workforce plans to support the ELIJB's strategic objectives. However, a comprehensive skills gap analysis has not yet been completed. Additionally, locally produced workforce plans are inconsistent in layout and management of targets.</p>
<p>3. Appropriate governance arrangements are in place to monitor and report progress against the workforce plan</p>	<p>Reasonable</p>	<p>Following East Lothian IJB's approval of the Strategic Workforce Development Plan 2022-25 in February 2023, the review of progress against the plan will be at the 6-weekly meetings of the Workforce Planning and Organisational Development Steering Group. The Steering Group will also receive updates on progress against the local service/team plans. However, a process for the reporting of progress into East Lothian IJB or Committee has not yet been agreed.</p>

3 Areas where expected controls are met/good practice.

No.	Areas of Positive Assurance
1.	The East Lothian Strategic Plan 2022-2025 has recorded as a key strategic enabler the delivery of the Board's Workforce Plan, with a number of workforce priorities reported at a strategic level, including undertaking a skills gap analysis and identifying developmental requirements and Integrating East Lothian Council and NHS Lothian workforce policies and practices as far as possible.
2.	The East Lothian HSCP has developed its 2022-25 Strategic Workforce Development Plan, which is scheduled to be approved at the ELIJB meeting on the 23 February 2023. The Plan has been developed using the guidance contained within the National Workforce Strategy for Health and Social Care in Scotland.
3.	The development of the 2022-2025 Workforce Plans was overseen by the ELHSCP Workforce Planning and Organisational Development Steering Group, which includes as membership the relevant General Managers/Senior staff from NHS Lothian and East Lothian Council. Partnership Boards also understand the workforce requirements and have in place detailed workforce plans to support the ELIJB's strategic objectives.
4.	Actions within the workforce plans are agreed and appropriate to sufficiently address any gaps identified including consideration of new ways of working or improvements in technology in future requirements. Controls are also in place for the review of progress against target by the ELHSCP Workforce Planning and Organisational Development Steering Group.
5.	All significant workforce planning risks have been identified and reflected in the ELIJB risk register, with controls in place for ongoing management, review and reporting.

4 Detailed Recommendations

Workforce Planning Framework			
Objective: 1	Current Directions do not include specific reference to the Board’s workforce planning objectives	Grade	Recommendation
<p>In February 2022 The Chief Officer submitted a report to the East Lothian IJB presenting a set of recommendations to the IJB for updates to its Directions for 2020-21. The report also outlined proposals to revisit the approach taken to issuing, monitoring and reviewing Directions.</p> <p>A report also outlined the background to the review of Directions and their role in the delivery of the IJB’s Strategic Plan. Members were asked to approve the retention, revision or retirement of individual directions as recommended by the Change Boards.</p> <p>A review of current IJB Directions was scheduled to take place on the back of the publication of East Lothian IJB’s Strategic Plan for 2022-2025 (agreed at a meeting of the East Lothian IJB in September 2022). To support this, a new Directions Policy has been developed to support the planned review of the directions.</p> <p>However, while it is noted that the 2022-23 directions have been developed following a review of progress with existing directions and engagement with each of the Change Boards regarding directions within their remit, they do not include specific reference to the Board’s Workforce Plan. Furthermore, the planned review of the Directions has not been concluded.</p> <p>There is a risk that without a clear direction around workforce planning it cannot be concluded that that directions are issued in relation to any IJB decisions that have an impact on, or require specific action by, the delivery partners.</p>		<p>Low</p>	<p>1.1 Management should agree an appropriate direction for the ongoing management and delivery of the Board’s workforce planning objectives.</p> <p>Thereafter this should be incorporated in to the 2023-24 suite of Directions and communicated to partnership.</p>

Management response	Responsible officer & target date
<p>Agreed. Directions will be updated to include the ongoing management and delivery of the Board’s workforce planning objectives. Thereafter they will be presented for approval at the meeting of the Board on 23 March 2023 before being shared with Partnership.</p>	<p>Workforce Development Officer – East Lothian HSCP</p> <p>31 March 2023</p>

4 Detailed Recommendations

Workforce Requirements

Objective 2	A comprehensive skills gap analysis has not been completed	Grade	Recommendation
<p>In April 2022, national guidance for the development of 3-year workforce plans was published by the Scottish Government. This asked Boards and IJBs to:</p> <ul style="list-style-type: none"> Assess upcoming workforce demand and need in their 3-Year Workforce Plans. Provide information on their current workforce (undertaking a gap analysis comparing demand analysis with current workforce). Provide an assessment of workforce needs to fill the gap. <p>The ELHSCP Strategic Development Workforce Plan 2022/25, developed in line with the national guidance, has included a number of objectives, including:</p> <ul style="list-style-type: none"> Identify the skills gaps within the current workforce and provide support, training and development opportunities to upskill accordingly. Maximise opportunities to attract a new workforce to the Partnership to fill any skills gaps through various methods. <p>However a comprehensive skills gap analysis has not yet been completed, therefore the Board cannot yet determine the upcoming workforce demands and develop the appropriate recruitment and training strategies to address current and future skills gaps within the workforce.</p> <p>There is therefore a risk that there will be insufficient trained staff to deliver the HSCP services for East Lothian.</p>		Medium	<p>2.1 Management should schedule as soon as possible a comprehensive review of the future demand and need. Thereafter a gap analysis should be concluded to identify the skills gaps and introduce appropriate measures to address them.</p>

Management response	Responsible officer & target date
<p>Agreed. While there is monthly analysis of vacancies across the whole of the partnership, further work is required to agree future establishment requirements with the Chief Nurse. Once done, an exercise will be conducted to identify the skills gaps and introduce appropriate measures to address them.</p>	<p>Workforce Development Officer – East Lothian HSCP</p> <p>31 August 2023</p>

4 Detailed Recommendations

Actions and Objectives

Objective 2	Local workforce plans are inconsistent and do not support appropriate review	Grade	Recommendation
<p>The HSCP Strategic Development Workforce Plan 2022-23 has included an action plan, which has been summarised into an action plan outline, recording:</p> <ul style="list-style-type: none"> • Actions required • How to deliver them • Who is responsible • Review period <p>Additionally, all General Managers have developed local, service/team specific workforce plans for the following areas:</p> <ul style="list-style-type: none"> • Acute and Ongoing Care • Adult Social Work • East Lothian Rehabilitation Services • Learning Disability, Mental Health and Substance Abuse • Operations Directorate • Planning & Performance Team • Primary Care <p>However, while some plans, such as the Planning and Performance Team plan and Operations plan have followed an identical format, recording for each action – Team, What, How, Completion Date and Update, the remaining plans do not follow this format and have not included a target completion dates.</p> <p>There is a risk that actions recorded within some of the service/team plans will not be subject to appropriate review and scrutiny where a target date for completion has not been included.</p>		Medium	2.2 Management should ensure that the individual service/team plans have followed a consistent format and that target completion dates are clearly stated.
Management response		Responsible officer & target date	
<p>Agreed. While it should be noted that General Managers are responsible for their individual workforce plans, further instruction will be provided to remind staff of their responsibilities in following the agreed format.</p>		<p>Workforce Development Officer – East Lothian HSCP</p> <p>31 March 2023</p>	

4 Detailed Recommendations

Governance Arrangements

Objective 3	Arrangements for reporting into Board or Committee have not been agreed	Grade	Recommendation
	<p>The review sought to also ensure that the progress of delivery against set workforce planning objectives is monitored by management and the relevant East Lothian IJB governance forum.</p> <p>The development of the 2019-2022 and 2022-2025 Workforce Plans was through the ELHSCP Workforce Planning and Organisational Development Steering Group, which includes as membership the relevant General Managers/Senior staff from NHS Lothian and East Lothian Council.</p> <p>Following East Lothian IJB's approval of the Strategic Development Workforce Plan 2022-25 in February 2023, the review of progress against the plan will be at the 6-weekly meetings of the Workforce Planning and Organisational Development Steering Group. The Steering Group will also receive updates on progress against the local service/team plans.</p> <p>However, a process for the reporting of progress into East Lothian IJB or Committee has not yet been agreed.</p> <p>There is a risk that if the Board or nominated Committee is not routinely appraised of progress against the Workforce Plan, they will be unable to take action or issue instruction as necessary. They will also be unaware if the Board's strategic and workforce objectives are being addressed.</p>	Low	3.1 Management should agree with the East Lothian IJB the appropriate frequency and forum for the reporting of progress against the delivery of the 2022-25 Strategic Development Workforce Plan

Management response	Responsible officer & target date
<p>Agreed. Arrangements will be made to provide progress reports to the East Lothian IJB every six months. As part of these the Board will be asked to confirm that they are content with the reporting frequency.</p>	<p>Workforce Development Officer – East Lothian HSCP</p> <p>31 October 2023</p>

A Recommendation Grading/Overall opinion definitions

Recommendation	Definition
High	Recommendations relating to factors fundamental to the success of the control objectives of the system. The weaknesses may give rise to significant financial loss/misstatement or failure of business processes.
Medium	Recommendations which will improve the efficiency and effectiveness of the existing controls.
Low	Recommendations concerning minor issues that are not critical, but which may prevent attainment of best practice and/or operational efficiency.

Levels of Assurance	Definition
Substantial Assurance	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.
Reasonable Assurance	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.
Limited Assurance	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.
No Assurance	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.