



Delivering system wide sustainability

Managing risk in healthcare transformation

Health industries
April 2017

Tomorrow's healthcare today

Healthcare matters to us and it matters to our clients. We all want better healthcare, sooner and the potential is there to make it happen. New technology, new breakthroughs, new ideas. But while there are opportunities, there are challenges too: constrained budgets, an ageing population and an increase in chronic conditions. At PwC we're working with clients to steer a course to success in this new health economy so we help improve healthcare for all. We're working with the NHS, nationally and locally, as well as the private sector and the pharmaceutical and life sciences sector to deliver real, workable solutions to today's challenges. We're delivering transformation and integration projects with patient outcomes at their heart. And we're supporting organisations through testing financial times, often developing bespoke operational and digital systems. We give strategic support to organisations across healthcare and pride ourselves on convening different parts of the system to solve problems. We also bring insight and expertise to healthcare as well as engaging in the public policy debate.

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Facing the challenge of transformational change



Transformation is firmly on the agenda for leadership teams with the development of STPs providing a focus for system reform. Working together as a system has the opportunity to not only improve the health and well-being of local populations through delivering genuine patient centred care but could also deliver efficiencies and reduce costs.

Delivering transformational change across multiple organisations, with multiple stakeholders is not without its challenges or risks. It is vital that these challenges and risks are managed so that the benefits of transformation can be truly delivered. Whatever the method of delivery – alliance, partnership, ACS or ACO – organisations will need to ensure plans are robust, transparent and flexible to withstand the depth of change and to deliver the required outcomes.

Through our experience of supporting a number of organisations on their journey to implementing this type of transformational change we know that assurance plays a vital role and there are key considerations to be made:

Are you demonstrating the right leadership behaviours across the system?

Any successful transformation needs to be underpinned by strong leadership, collective and engaging decision making, and a focus on the outcomes as much as the process itself.

How can you be sure you are going to deliver on your commitments?

With the cost of failure being so high there is a need to ensure plans are credible and robust.

Are you set up for the best chance of success?

Transformation programmes are highly complex. It is critical to have ongoing monitoring and a continually updated view of how they are performing against overall expected outcomes.

Does your team have the right capacity and capability?

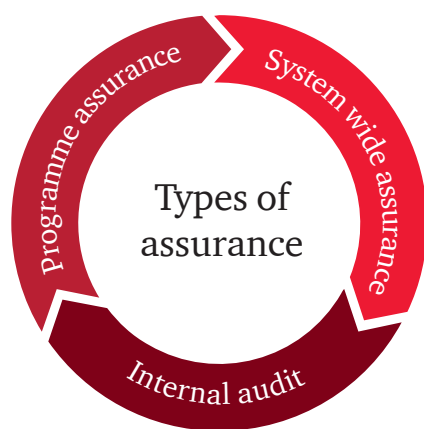
As well as effective systems, the team delivering the change have to have the right combined skills and the time and resources to allow them to do an effective job.

How do you know your data is accurate?

Data is key to determining if plans are on track. As progress is made the need for shared analytics will be greater and the need to be sure of the accuracy of the data is critical.

Is your assurance more than internal audit?



The role of internal audit needs to be challenged and an assessment made of whether they have the skills, scale and resources to deliver in this new environment.

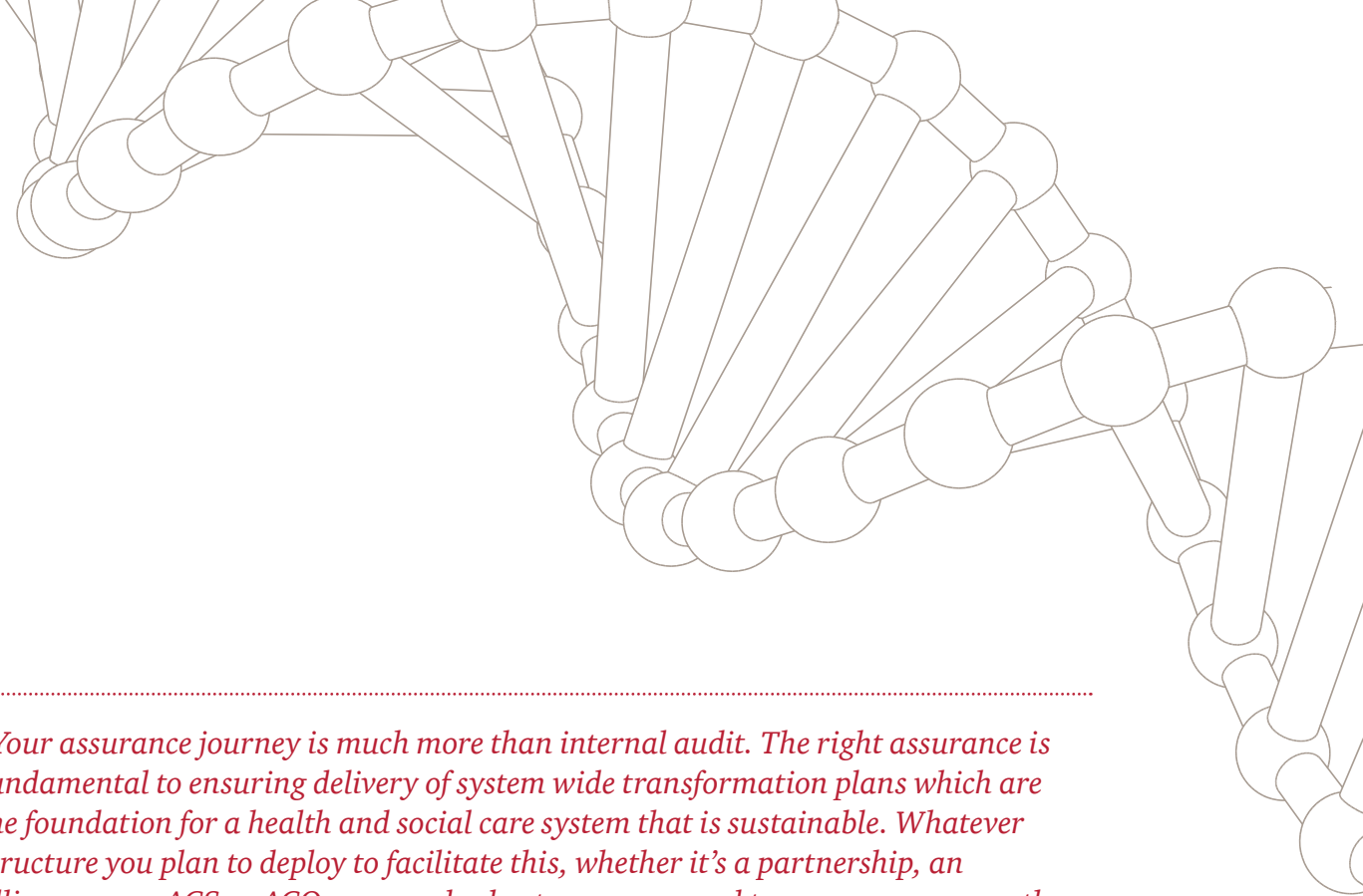


What does system wide assurance look like?

STPs are just starting on their journey. Through our experience of working directly with healthcare organisations over many years we believe there are three specific areas that need to be considered and where we can help:


- Programme assurance
- System wide assurance
- Internal audit

	<i>The assurance need</i>	<i>What you want to achieve</i>	<i>How we can help</i>
Programme assurance 	<p>Assurance on the deliverability of each of the transformation plans to ensure that everybody is fulfilling their commitments. This should include consideration of:</p> <ul style="list-style-type: none">• planning and execution• effectiveness of functions and process• ongoing management of the programme• early warning systems• delivery capacity and capability.	<p>Effective decision making supported by good programme governance and clear and actionable project goals that are understood by all stakeholders and monitored. Key to this is:</p> <ul style="list-style-type: none">• clear project organisation and escalation channels• defined roles and responsibilities• effective status reporting and identification of issues• management of risks and mitigations• clear critical roadmap• milestones, checkpoints and stages• monitoring against plans including whether benefits are being realised• controlled change processes.	<p>Our aim is to ensure you have a robust plan that keeps you on track and gives you early notice of any risks or issues. We can work with you to do this through:</p> <ul style="list-style-type: none">• advice and input on programme governance, structures and accountabilities• targeted assurance reviews, using specialists if required, focused on key risks such as benefits realisation and data quality• regular updates and an objective assessment of whether your plan is delivering• identified actions with input on progress made.
System wide assurance 	<p>Health and care systems will be making decisions based on data and information from a number of organisations. Assurance on the governance in place around this information is critical as is risk management and data quality. As the health and care system develops and moves towards shared back office functions, there will be greater need for shared analytics and assurance. A system wide assurance data dashboard can evolve alongside this. You will need to understand the culture and behaviours across the system.</p>	<p>An agreed picture of how partner organisations compare and align in key areas. This can be achieved by:</p> <ul style="list-style-type: none">• understanding where key data has come from and how reliable and accurate it is• information sharing agreements in place with all partners• measuring success using agreed KPIs monitored using a data assurance dashboard.• A shared vision underpinned by a strong culture demonstrating the desired behaviours.	<p>We can work with you to develop a clear understanding of your key areas of governance and risk and provide the assurance required to manage them effectively.</p> <p>We can help you create a user friendly and interactive data assurance dashboard which can be used to monitor success and drill down into the detail of the data.</p> <p>We can provide an independent view across the system and multiple organisations.</p>



“Your assurance journey is much more than internal audit. The right assurance is fundamental to ensuring delivery of system wide transformation plans which are the foundation for a health and social care system that is sustainable. Whatever structure you plan to deploy to facilitate this, whether it’s a partnership, an alliance or an ACS or ACO, you need robust assurance and transparency across the whole system to ensure you deliver your vision for your local population.”

Anna Blackman,
Health Risk Assurance Leader

	<i>The assurance need</i>	<i>What you want to achieve</i>	<i>How we can help</i>
Internal audit 	<p>Each partner within the health and care system has a statutory requirement to obtain an annual Head of Internal Audit Opinion. There is an opportunity to align this provision between partners to make the most efficient use of internal audit resource.</p> <p>Internal audit should go beyond the statutory minimum to provide further reaching input on a greater variety of areas on the health and care systems agenda. Rather than just focusing on the “must do” audits in order to obtain a compliant annual Head of Internal Audit Opinion, a programme of broader audits should be completed to get more meaningful and further reaching assurance.</p>	<ul style="list-style-type: none">• A well thought out and realistic programme to move from multiple individual internal auditors to a single assurance provider for the shared back office functions as well as the “must do” audits at individual organisations to meet their statutory requirements.• An appetite for improvement so organisations are encouraged to seek assurance on the biggest areas of risk and challenge.• A shift from numerous reviews of limited time and scope to bigger and more far reaching reviews to properly get under the skin of the organisations.• A more effective use of audit resource.	<p>Working with you we can help develop an evolving, seamless and flexible function that works across the health economy, maximises your resources, at a pace that suits you and is totally focussed on delivering your outcomes. This includes:</p> <ul style="list-style-type: none">• an approach unique to you and your risks based on our experience of having worked with providers, commissioners and regulators from across the country• best practice through our subject matter experts who have detailed experience in all areas of internal audit.

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Please get in touch if you would like to discuss your assurance journey or other issues you're facing and how we can help

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