

Report of: The Director of Public Health

Report to: The Corporate Governance and Audit Committee

Date: 25 June 2015

Subject: Office of the Director of Public Health Annual Governance Report

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. The Corporate Governance and Audit Committee agreed that an annual governance report of the Director of Public Health should be presented to members in order to provide them with continued assurance that the directorate has robust risk management and governance arrangements in place.
2. At its meeting on 10 July 2014, the Corporate Governance and Audit Committee received the last annual report. This informed members that following the first year of transferred commissioning responsibilities to the Local Authority, the Public Health Directorate was continuing to strengthen its risk management and governance arrangements.
3. This year's report provides continued assurance that Public Health has robust arrangements in place and has developed work further, particularly in relation to Serious Untoward Incident reporting, National Institute for Health and Care Excellence (NICE) guidance compliance and implementation of increased support for Information Governance (IG).
4. As comments were received from members at the 10 July 2014 meeting in terms of ensuring value for money was being achieved for commissioned services, this report also provides the Committee with assurance in this regard.

Recommendations

5. The Corporate Governance and Audit Committee is asked to:

- (a) receive the annual Governance report of the Office of the Director of Public Health;
- (b) note the assurance processes that the Office of the Director of Public Health has put in place since the last Annual Governance report.

1. Purpose of this report

- 1.1 This report provides the Corporate Governance and Audit Committee with an annual update on Public Health's Risk management and Governance arrangements, reporting on progress since the last report was presented to members on 10 July 2014.

2 Background information

- 2.1 The "main issues" section of the report provides assurance to the Committee that the Public Health Directorate has robust Risk Management and Governance arrangements in place, complying fully with the Council's own Risk Management Framework and Governance procedures.

3 Main issues

- 3.1 At its meeting on 10 July 2014, the Corporate Governance and Audit Committee received a report from the Director of Public Health which provided an update on Public Health's Risk management and Governance arrangements.
- 3.2 At that meeting, one key area of consideration was in relation to value for money being achieved for commissioned services and members requested that reference to this was explicit within the Terms of Reference of the Public Health Governance Group. Members are advised that the Terms of Reference was subsequently amended to reflect this request. The Committee is also asked to note the following two examples where value for money has been achieved through the recent re-commissioning of Public Health services.
- 3.3 Following approval at the Executive Board meeting held on 11 February 2015, the contract awarded to a consortium led by Developing Initiatives Supporting Communities (DISC) to deliver drug and alcohol treatment and recovery services will provide savings of £848,722 during the first full year of the contract, commencing on 1 July 2015. The new service will incur an increase in prescribing costs. In addition, the Council has to take on the costs of a new alcohol treatment mandated by the National Institute for Health and Care Excellence (NICE). All of this has been included within the agreed 2015/16 Public Health budget.
- 3.4 The Contract Award on Integrated Sexual Health Services (approved at the 11 February 2015 Executive Board meeting) also demonstrates value for money as the value for this contract award is £29,256,575.00 over a period of 5 years, offering an annual saving of £300,000. In addition, Leeds will finally have an integrated sexual health service, long requested by service users. The Local Government Association has just published a report using Leeds as a showcase example of commissioning sexual health services post transfer from the NHS. The details of both contract awards were also considered at the Scrutiny Board (Health and Wellbeing and Adult Social Care) meeting held on 24 February 2015.
- 3.5 The Corporate Governance and Audit Committee is also asked to note the following key areas of work which have been considered by the Public Health Governance Group over the past twelve months.

Public Health Governance Group

- 3.6 Since the last Public Health Annual Governance Report was presented to the Committee, four Governance Group meetings have been held, chaired by the Director of Public Health. Areas of focus by the group included the Review of the Public Health Risk Registers; NICE Guidance Compliance across the Local Authority; the management of Serious Untoward Incidents; Compliments and Complaints received by the Directorate; the findings and recommendations from the Public Health Internal Audit Report; the Review of the Director of Public Health's Sub-Delegation Scheme and Information Governance support for the directorate. Key priorities considered by the group are outlined in further detail below:

Public Health Risk Registers

- 3.7 Public Health works closely with the Risk Management Unit (a member of which attends Governance Group meetings) on its Risk Management processes. The Director of Public Health also ensures that the Elected Member for Health and Wellbeing is kept up to date on the directorate's Risk Register.
- 3.8 Public Health continues to use the risk management software in reviewing, monitoring and updating its Risk Registers. The Directorate, Programme/Major Project and Budget Risk Registers are reviewed as standing agenda items at each Governance Group meeting to ensure that its risk management arrangements continue to be strengthened and are aligned to the Council's own Risk Reporting processes.
- 3.9 Public Health currently has four risks on its Directorate Register which relate to the commissioning of Smoking Cessation Services; NHS Healthchecks; Weight Management Services and Information Governance (a key priority for the Local Authority). Appropriate actions are in place to mitigate each risk and are routinely reviewed by both the Governance Group and Risk Management Unit.
- 3.10 In terms of its Programme and Major Projects Risk Register, Public Health has two risks which relate to the commissioning of integrated sexual health services and delivery of the drug and alcohol treatment services (both rated green). In respect of Public Health's Service Level Risks, these are reviewed and monitored by each Consultant/Chief Officer leading on their individual service areas. Where a service level risk is deemed to be rated high or of a particularly contentious nature, this will be brought to the attention of the Governance Group by the Public Health Consultant for consideration as to whether this should be escalated to the Directorate Risk Register.
- 3.11 The key risks in the 2015/16 budget for the directorate are as follows:
- (a) Failure to realise sexual health and drugs and alcohol saving to meet the 15/16 drugs and alcohol budget and 16/17 recurrent saving requirement;
 - (b) Risk of increases in costs for prescribing and dispensing in relation to the new drugs and alcohol service;
 - (c) The NICE endorsed alcohol treatment provides a new treatment cost pressure for new drug nalmefene, this will be demand led where there is no previous history of cost so risk is based on demand/activity;

- (d) Public Health manages 20 contracts which are activity based. There is a potential risk of under/over trading on these contracts according to demand/activity some of which are determined by NHS tariff costs;
- (e) Risk of failure to recoup costs for genitourinary medicine (GUM) treatment for out of area provision; and
- (f) Risk of unanticipated emergency situation, such as a flu pandemic, in terms of costs that would have to be met by the council.

3.12 When Public Health transferred from the Primary Care Trust to Leeds City Council in April 2013, the Risk Management Unit undertook a risk workshop with the directorate's Leadership and Senior Management Team (consisting of 18 members of staff) later that year on 26 September 2013. The workshop provided an overview of the Council's risk management arrangements, the roles and responsibilities of elected members and council staff, and the various reporting arrangements. Given that Public Health is now fully embedded within the Local Authority, a further workshop will be facilitated for all 95 members of staff during 2015/16 in order to strengthen Public Health's current risk management arrangements and to remind staff of the current risks facing the directorate.

Business Resilience

- 3.13 The Resilience and Emergencies Team has completed work with the services and functions within Public Health, establishing a business impact analysis to identify the most critical services. Business continuity plans have been developed and implemented as part of Phase 1 of the Business Continuity Programme.
- 3.14 Work has also been completed to look at the business continuity requirements of services commissioned by Public Health. Business continuity requirements are requested during the procurement process and as part of on-going contract monitoring.
- 3.15 Led by the Emergency Planning Officer (Health Protection), a multi-agency Leeds Pandemic Influenza Task and Finish Group has been set up to ensure each partner organisation has the appropriate plans in place and to draw these together through the development of the overarching Leeds Pandemic Influenza Response Plan. The Resilience and Emergencies Team have subsequently facilitated an Exercise to test the plan and the final Response Plan incorporating the key outcomes from the Exercise which will be submitted to the Leeds Health Protection Board for approval and sign-off in Autumn 2015.
- 3.16 A Public Health Directorate Resilience Group has been formed, chaired by the Director of Public Health, which meets on a six monthly basis. The work of the Directorate Resilience Group is informed by the West Yorkshire Resilience Forum and the West Yorkshire Community Risk Register, ensuring that Public Health is aware of both internal and wider risks and ensuring they have the capability to respond to risks which may threaten Council, City and West Yorkshire resilience.

Serious Untoward Incident (SUI) Reporting

- 3.17 Within the NHS, there is an established Serious Incident Framework which outlines a systematic process for responding to serious incidents in NHS funded care. This framework gives Provider and Commissioning organisations details of

the process and procedures to be followed so that Serious Untoward Incidents are identified correctly, investigated thoroughly and learned from to prevent the likelihood of similar incidents happening again.

- 3.18 Prior to Public Health transferring over to the Local Authority, the reporting of Serious Untoward Incidents within commissioned services was managed and monitored by the Primary Care Trust. Following its transfer in April 2013, the Council, via Public Health has new commissioning responsibilities for NHS services and therefore has to comply with the national framework outlined above.
- 3.19 During the past twelve months, the Public Health Governance Group has reviewed how the Directorate is made aware of and responds to Serious Untoward Incidents (SUIs) within those Public Health services commissioned by Leeds City Council.
- 3.20 Within the Council, the management of SUIs is included as part of the service specifications held by NHS providers and Voluntary and Community Sector Forum services. Providers are aware that serious and untoward incidents should be reported to the Commissioner, i.e. Leeds City Council within two working days.
- 3.21 The Governance Group has ensured that a formal reporting procedure is incorporated into all service contracts so that, following the transfer of the Public Health function to the Local Authority, providers are explicitly aware of the approach for reporting incidents. This would also help to ensure that the requirements of NHS England's Serious Incident Framework would be met.
- 3.22 As NHS Leeds West Clinical Commissioning Group (CCG) has access to the Strategic Executive Information System (STEIS) database (please note that the Local Authority does not have the authority to access this information) where Serious Untoward Incidents are formally reported by the provider, Public Health developed a Serious Incident Reporting Procedure in conjunction with the CCG to ensure that a seamless process is in place for the reporting and subsequent management of SUIs. This procedure was approved by the Governance Group at its meeting on 8 April 2015.
- 3.23 As the Strategy and Commissioning Team transferred over to Public Health in April 2014 from Environments and Housing which has its own procedure for the reporting of serious incidents, the Governance Group agreed that the two procedures should be kept separate as they are quite different in terms of their approach in responding to/the definitions used in order to identify a Serious Untoward Incident.
- 3.24 An internal Public Health Serious Incident Review Panel has also been established to consider investigation reports submitted by providers when a serious incident occurs. The Panel works closely with Leeds West CCG, reporting to the Public Health Governance Group. Full details of all Serious Incidents relating to Public Health commissioned services are shared with the Executive Member for Health, Wellbeing and Adults. The Communications team is also informed in order to manage any potential press coverage which may arise from the reported incident.

- 3.25 Members are asked to note that since transferring over to Leeds City Council, one Serious Untoward Incident has been formally reported to the Director of Public Health (in September 2014). An investigation report was received from the provider and the Public Health Serious Incident Review Panel was satisfied that lessons had been learned, appropriate steps had been taken to ensure that a similar incident would not occur, and subsequent action plans had been established by the provider. A rigorous and robust process was followed by both the Office of the Director of Public Health and Leeds West CCG. Members can therefore be assured that the Public Health Serious Incident Reporting Procedure was fully complied with in the management and formal closure of this Serious Untoward Incident. A robust reporting process is therefore in place to respond to any future Serious Untoward Incidents which may occur.

NICE Guidance Compliance

- 3.26 As members are aware, NICE Public Health guidance makes recommendations for populations and individuals on activities, policies and strategies that can help prevent disease or improve health. The Public Health Governance Group recognised the importance of effectively disseminating new NICE Public Health guidance, ensuring that it was effectively implemented by Providers, members of Public Health staff and communicated to Leeds City Council colleagues.
- 3.27 The Public Health Directorate ensures that its providers adhere to the guidance through quarterly commissioning meetings and identify the necessary service developments to ensure that services are operating in line with the most recent evidence and guidance.
- 3.28 However, further work is being undertaken to review Public Health Guidance which is pertinent to the work of the teams within the directorate. Of those which are relevant, evidence is being gathered to confirm which elements of the guidance have been complied with and how the directorate is demonstrating improvements through compliance with the guidance.
- 3.29 Details of new NICE Guidance are communicated to the lead Consultant/Chief Officer and also communicated more widely as part of a general newsletter to Public Health staff.

Public Health Compliments and Complaints

- 3.30 Services commissioned by Public Health follow their own provider organisational complaints policy in line with Council and Contract requirements. Providers have a duty through their contractual arrangements to report complaints and these would be discussed at quarterly contract meetings. Public Health recognises the importance of its providers maintaining high quality and effective services, whilst continuing to demonstrate good value for money. Providers would therefore be expected to comply with their contractual obligations and share details of complaints they have received at the contract meetings.
- 3.31 The Corporate Governance and Audit Committee is asked to note that the Directorate continues to adhere to the Council's Compliments and Complaints Policy for all other complaints which are received (non-commissioned activity).

- 3.32 As previously confirmed to members, the Public Health Governance Manager is the Directorate's Departmental Customer Relations Officer and all members of staff are aware of what procedure should be followed, along with the timescales involved in receiving and responding to either a compliment or complaint. Within the 2014/15 financial year, a total of fourteen compliments and two complaints were received and responded to. Both complaints were dealt with within the Council's specified deadline of 15 working days (from receipt).
- 3.33 An update on all compliments and complaints received by Public Health is presented to the Governance Group as a standing agenda item, one of the reasons for this being that members can monitor emerging themes/concerns within the directorate.

Public Health Information Governance Support

- 3.34 Information Governance support has been provided by the Public Health Intelligence team. As part of a Council wide review of Information Governance and in conjunction with the central and corporate team, work has been carried out to scope out both business requirements and demand management looking to the future. Central and corporate has identified the need for an Information Compliance Officer role and a records management role for Public Health. These roles have been agreed and aligned with the IM&T reviews happening across central and corporate areas.
- 3.35 Public Health has worked closely with the central and corporate team to ensure relevant IG clauses are included in new contracts and existing Public Health contracts have been reviewed to ensure all providers are clear on their data controller/data processor status.
- 3.36 Freedom of Information (FOI) / Subject Access Requests (SARs) are handled by the Public Health Intelligence team who have achieved 100% compliance with all FOIs and SARs dealt with within the Information Commissioners Office timescale standards.

Public Health Internal Audit Report

- 3.37 In August 2014, an Internal Audit review of Public Health was undertaken. The findings of that review were finalised in January 2015 and a summary is provided for members below.

Internal Audit Opinion	Control Environment	Acceptable Assurance
	Compliance	Good Assurance
	Organisational Impact	Moderate

- 3.38 The review found that there were effective processes in place within the directorate for identifying, recording and communicating principal statutory requirements. All service plans had links to the Joint Health and Wellbeing

Strategy and Council priorities. The review found that there were a number of key controls in place for the directorate which included effective budget monitoring/performance management arrangements, close working relationships with relevant elected members and specialist areas within the Council (e.g. Financial Management, Human Resources, Legal Services and the Risk Management Unit). There was also clear evidence that Public Health complied with the “risk management vision” set out in the Corporate Risk Management Policy.

3.39 The Public Health Leadership Team will ensure that all recommendations made as a result of the Internal Audit opinion will be progressed accordingly.

3.40 Given that Public Health had been integrated into the Council for 18 months when this internal audit review commenced, the Director of Public Health is satisfied that the directorate has sound corporate governance processes and principles and is content with the observations and recommendations made within the Internal Audit report.

4 Corporate Considerations

4.1 Consultation and Engagement

4.1.1 The Public Health Governance Group and Risk Management Unit have been fully engaged in the preparation of this report.

4.2 Equality and Diversity / Cohesion and Integration

4.2.1 This is an assurance report and not a decision so due regard is not directly relevant.

4.3 Council policies and Best Council Plan

4.3.1 Under principle 4 of the Council’s Code of Corporate Governance, the authority should take “informed and transparent decisions which are subject to effective scrutiny and risk management”. Public Health’s commitment to comply with the Council’s Risk Management Framework supports this principle.

4.4 Resources and value For money

4.4.1 These arrangements are resourced through existing teams across the Council and therefore have no specific resource implications.

4.5 Legal Implications, Access to Information and Call In

4.5.1 Without robust risk management arrangements in place, the Council could be in breach of the Accounts and Audit Regulations 2015 which require us to have a “sound system of internal control which facilitates the effective exercise of its functions and the achievement of its aims and objectives”. The regulations also require effective arrangements in place for the management of risk. The Public Health directorate therefore has a duty to ensure that the Council is fully compliant in this area by agreeing its key risks, agreeing actions to mitigate against those

risks and ensuring that a robust process is in place for regularly reviewing/updating those risks.

4.6 Risk Management

- 4.6.1 Without robust internal risk management arrangements, there is a danger that the most significant risks and issues that could impact upon the Council and the Best Council Plan objectives are not appropriately identified and managed accordingly.

5 Conclusions

- 5.1 The Office of the Director of Public Health continues to strengthen its robust governance arrangements in respect of its budget management, contract management/business planning and commissioning responsibilities. As outlined above, work is ongoing to build upon the Directorate's current arrangements for Serious Untoward Incidents and dissemination/implementation of new NICE guidance. With continued support from the Risk Management Unit, the Directorate continues to monitor and update its Risk Registers in line with the Council's formal reporting arrangements. The Directorate also adheres to the principles outlined in the Council's policy on Compliments and Complaints and works with the Customer relations Department to ensure full compliance with Council procedures.

6 Recommendations

- 6.1 The Corporate Governance and Audit Committee is asked to:

- (a) receive the annual Governance report of the Office of the Director of Public Health; and
- (b) note the assurance processes that the Office of the Director of Public Health has put in place since the last Annual Governance report.

7 Background documents¹

- 7.1 None.

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.