introduction to the AUDIT 2001/02

acute hospital portfolio
At a glance

This leaflet is written for NHS trust staff. The portfolio is a collection of audit topics that are regularly reviewed and maintained by the Audit Commission for use by auditors and trusts. During the 2001/2002 audit year trusts will be receiving tailored performance assessments from their auditors for Medical Staffing, Medicines Management, Radiology and Supplies and Procurement. They will also be collecting data on a further four topics. The purpose of this leaflet is to:

- introduce the portfolio;
- set out the topics that are included;
- discuss the stages in the portfolio audit;
- give a timetable for the work; and
- identify links with other Audit Commission audit work and the work of other organisations.

What is the portfolio?

The Acute Hospital Portfolio is a collection of audits covering key topics that are relevant to acute hospitals and important to patients and NHS trust managers. Each year up to four topics are selected for national survey at all relevant NHS trusts. Auditors then provide each trust with a performance assessment, based on the national comparative data that is collected, tailored to its individual circumstances. Further audit work may then be indicated, but only in a minority of trusts in line with the Commission’s policy of risk-based audit planning. The portfolio includes a commitment by the Commission to carry out the national surveys regularly so that progress can be monitored and topics updated at least every four years. Summaries of the results from the national surveys will be published.

The main aims of the portfolio are to improve the targeting and effectiveness of the Audit Commission’s ‘use-of-resources’ audit work, and to provide auditors and trusts with greater flexibility in the choice of local audit topics and in how audits are carried out. It also offers trusts and auditors other significant benefits (EXHIBIT 1). The concept arose from the Audit Commission’s recent review of its

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1 Audit Commission (2000), Code of Audit Practice
NHS audit work, which was carried out in consultation with NHS trusts and other NHS organisations. The portfolio work began last year and the Commission is currently surveying those trusts and auditors involved to identify any ways in which it can be improved.

EXHIBIT 1
The benefits of the Acute Hospital Portfolio

- Regular performance assessments in key service areas (including interpretation by auditors).
- Robust national comparative data, most of which is new and not currently available in the service.
- In-depth audit work on a particular topic to be targeted to trusts that demonstrably need it the most.
- Opportunities for comparisons across any selected group, which should aid benchmarking.
- Greater flexibility for auditors and trusts to allocate audit time in line with local priorities.
- Continuity of audit topics over several years that will enable auditors to develop greater expertise in particular fields.
- More scope to tailor audits according to local needs.
- Progress to be reviewed regularly to assess whether improvements are being achieved.
- Audits to be maintained and updated by the Audit Commission to reflect the experience gained and changes in practices.

Source: Audit Commission
What topics are currently included in the portfolio?

Eight topics are currently included in the portfolio and a further four topics are under development for inclusion in the 2001/2002 audit year. The eight topics cover a wide range of acute hospital services including:

- key areas of service delivery (A&E and Day Surgery);
- staffing (Ward Staffing and Medical Staffing);
- clinical support services (Radiology and Medicines Management); and
- other support services (Catering and Supplies and Procurement).

The intention is to include all the main aspects of acute hospital services and so to provide a comprehensive picture of acute hospital performance and practical audit tools that are applicable to most areas of acute care and support improvements. The topics adopt a ‘balanced scorecard’ approach to performance assessment covering quality as well as cost (BOX A).

**Box A**

Focus of topics that are currently included in the Acute Hospital Portfolio

A) **Topics included in 2000**  
(**Topic group 1**)  

**Accident and Emergency**  
- Patient waiting times  
- Case mix and staffing  
- Use of information systems  

**Catering**  
- Patient satisfaction and aspects of nutrition  
- Cost of the service and control of cost  
- Levels of food wastage on wards  

**Day Surgery**  
- Day surgery rates  
- Efficiency and operation of day surgery units  
- Barriers to increasing day surgery  

**Ward Staffing**  
- Overall costs of ward staff  
- Efficiency of staff usage  
- Clinical risk of care delivered

B) **Topics added in 2001**  
(**Topic group 2**)  

**Medical Staffing**  
- Utilisation and deployment of staff  
- Training and support for staff; and  
- Use and cost of locums

**Medicines Management**  
- Control over medicines expenditure  
- Uptake of specific processes in line with accepted good practices; and  
- Staffing levels, costs and activity

**Radiology**  
- Waiting times and turnaround times for examinations such as CT and MRI  
- Staffing  
- Equipment capacity and use  
- Process design

**Supplies and Procurement**  
- Senior management commitment  
- Quantity and types of goods/services  
- Mechanisms to achieve best prices  
- Supplier rationalisation and product standardisation
The third set of topics will include operating theatres, outpatients, inpatient beds and patient flows - including waiting times (EXHIBIT 2). All these were identified as being high priority in the results of consultation carried out by the Commission with chief executives of acute trusts last year. The precise content of the third set of topics is still under development by the Commission and trusts will be notified by auditors about this in due course.

EXHIBIT 2
Structure of the third group of topics to be included in the portfolio

How does the portfolio audit work?

Taking the four topics to be surveyed nationally each year, together with the commitment to re-survey all topics within four years, allows up to 16 topics to be included in the portfolio, each with a regular cycle of review. Once a topic has been added, the data and audit material are always available for use by auditors. However, the Audit Commission may decide to review topics more frequently than every four years and to change the topics in the portfolio to reflect changing national priorities.

The national surveys can be broken down into three distinct stages (EXHIBIT 3, overleaf). The first two stages, data collection and diagnostic audit, take place at all NHS trusts that provide relevant services. The in-depth audit work only takes place at trusts that need it, as indicated by the diagnostic.
The data collection is the foundation on which all the other work is based so auditors and trusts should treat it as high priority. Inaccurate or incomplete data will undermine the performance assessment. Wherever possible data already collected nationally are utilised, subject to validation checks with the trusts concerned, and standard national definitions are applied. The Commission provides data collection questionnaires for data not otherwise available. These are in Excel-based computer files and trusts are encouraged to enter the data in electronic format. This speeds up the return of comparative data to trusts and helps to improve its accuracy through validation checking as the data are entered. Auditors provide the link between the Commission and trusts in this process. They play a crucial role in checking the data, based on their knowledge of the topic and the trust, and resolving any queries with the trust before they pass on the data to the Commission for processing.

The comparative data are then used to generate performance indicators that feed into the second stage: the diagnostic audit. This is a performance assessment that is carried out by the auditor in discussion with the trust. It should take account of local issues underlying the data as well as the data themselves and will result in a presentation, report or other form of feedback of the results by the auditor to the trust.

The results of the diagnostic audit may lead to a recommendation by the auditor for in-depth audit work to be carried out at the trust. This work is designed to identify the problems that underlie the data and to suggest a way forward for improvement. It will focus on the most serious problems identified from the diagnostic. The extent of this work at a particular trust will depend on the priority of any other audit work and will be determined locally in discussion with the trust.
When does the portfolio audit work take place?

Data collection and diagnostic audit work for the first four topics is now complete. Nearly all trusts will have received their performance assessments in these topics. Data collection for the second group of topics to be surveyed nationally took place from April to July 2001 and diagnostic audit work on these will commence in November 2001. Any in-depth audit work required will follow according to local timetables. Work will commence on the data collection for the third group of topics in April 2002. The allocation of the work to audit years is summarised in Exhibit 4.

EXHIBIT 4
The timing of the portfolio audit work

<table>
<thead>
<tr>
<th>AUDIT YEAR</th>
<th>TOPIC GROUP 1</th>
<th>TOPIC GROUP 2</th>
<th>TOPIC GROUP 3</th>
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</thead>
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<tr>
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<td></td>
</tr>
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<td>2000/1</td>
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<td>DATA COLLECTION</td>
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<tr>
<td>2001/2</td>
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<td>DATA COLLECTION</td>
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</tr>
<tr>
<td>2002/3</td>
<td></td>
<td></td>
<td>DATA COLLECTION</td>
</tr>
</tbody>
</table>

Source: Audit Commission
How does the portfolio relate to other work?

Other audit work that complements the portfolio work and will be carried out by auditors at acute trusts in England (with similar work to follow for Wales) on behalf of the Audit Commission includes:

- reviewing the risks faced by trusts in delivering the significant change agenda set out in the NHS Implementation Plan; and
- reviewing the arrangements that trusts have in place to secure good quality data, particularly that which supports the NHS Performance Assessment Framework

The Audit Commission is also responsible, together with the Commission for Health Improvement (CHI), for commenting on NHS performance. High-level performance indicators that emerge from the portfolio, such as A&E waiting times and day surgery rates for selected surgical procedures, may be included in these commentaries.

Where possible the Commission has co-operated closely with other organisations in order to reduce the burden of data collection on trusts. Examples of this in the portfolio work include joint data collection with the NHS Purchasing and Supplies Agency for the Supplies and Procurement topic, and close links on the third group of topics with the NHS Modernisation Agency.

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