



Department
of Health



Quality Accounts

Guidance for NHS Trusts on arrangements for
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Quality Accounts

Guidance for NHS Trusts on arrangements for external assurance 2014/15

Prepared by Helen Causley

Introduction

- 1.1. This guidance sets out recommended arrangements for NHS Trusts to obtain external assurance on their Quality Accounts for 2014/15.
- 1.2. This document deals with external assurance and supplements other guidance on Quality Accounts which can be found at: <http://www.nhs.uk/aboutNHSChoices/professionals/healthandcareprofessionals/quality-accounts/Pages/about-quality-accounts.aspx>. The previous guidance on external assurance (*Quality Accounts: 2011/12 audit guidance, Guidance for NHS trusts on additional reporting requirements to support external audit of Quality Accounts for the year 2011/12*) is revoked.
- 1.3. This guidance does not apply to Foundation Trusts, which should instead refer to Monitor's guidance for external assurance on quality reports.

Background

- 1.4. The Health Act 2009 requires all providers of NHS services in England (except those who have fewer than 50 full-time employees and provide under £130,000 of NHS services) to produce a Quality Account to provide information about the quality of those services.
- 1.5. A Quality Account is a report about the quality of services by an NHS healthcare provider. The reports are published annually by each provider, including the independent sector, and are available to the public.
- 1.6. Quality Accounts are an important way for local NHS services to report on quality and show improvements in the services they deliver to local communities and stakeholders. The quality of the services is measured by looking at patient safety, the effectiveness of treatments that patients receive and patient feedback about the care provided. The Department of Health requires providers to submit their final Quality Account to the Secretary of State by uploading it to the NHS Choices website by June 30 each year.
- 1.7. Requirements about the content of the Quality Account are set out in the Quality Accounts legislation (namely the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 (SI 2010/279), as amended by the National Health Service (Quality Accounts) Amendment Regulations 2012 (SI2012/3081)).
- 1.8. The National Quality Board recommended that from 2011/12 NHS Trusts should gain external audit assurance of their Quality Accounts.

- 1.9. The Department of Health continues to recommend that Quality Accounts be subject to external assurance. The Department recommends that such external assurance is carried out in line with this guidance.

Arrangements for external assurance 2014/15

Statement by senior employee

- 1.10. NHS Trusts have a responsibility to ensure that their Quality Account complies with the requirements set out in Quality Account legislation. A senior employee must sign the accounts to in order to verify the accuracy of the Quality Account. The recommended format for a statement confirming that the Quality Account meets requirements is set out in Annex A.
- 1.11. We also recommend that Trusts should also refer in their Annual Governance Statement to any steps taken to assure themselves that their Quality Account is accurate.

Signed limited assurance report

- 1.12. In addition, we recommend that auditors provide the Trusts' management with a signed limited assurance report by 29 June 2015. This should state whether anything has come to their attention that leads them to believe that the Quality Account has not been materially prepared in line with the quality accounts legislation.
- 1.13. NHS Trusts may use any auditor for this external assurance but it may be most appropriate to use the Trust's usual auditor. NHS Trusts may use any accounting firm eligible for appointment as an external auditor under the Local Audit and Accountability Act 2014 but it may be most appropriate to use the Trust's external auditor, given the overlap with other areas of the audit work such as that on the annual governance statement.
- 1.14. We recommend that Trusts include the signed limited assurance report as an annex to their Quality Account. They should then publish their Account, with the assurance report, on NHS Choices and submit it to the Secretary of State by 30 June 2015. Further guidance about publishing Quality Accounts is available in the Quality Accounts toolkit.

Annual Governance Statement

- 1.15. We also recommend that Trusts refer in their Annual Governance Statement to any steps taken to assure themselves that their Quality Account is accurate.

Part-year accounts

- 1.16. Where a NHS Trust has merged with another organisation (either a NHS Trust or a foundation trust) and is demised before 31 March, a quality account for the part period prior to the date the NHS Trust demised is not required. The successor body should include the activities of the services it has taken on from the point of transfer in its quality account for the year. In some circumstances it may be permissible for the successor entity to prepare a combined quality account to cover both organisations for the entire year if it so wishes. Any organisation in this position should contact the NHS Trust Development Authority or Monitor as appropriate
- 1.17. Where a NHS Trust has been authorised as a Foundation Trust during 2014-15, the Foundation Trust will produce a Quality Account covering the whole of 2014-15, including the pre-authorisation period. This Account will be subject to Monitor's requirements for audit assurance, and the reporting requirements set out in this guidance will not apply.

Timing

- 1.18. We recommend that external audit assurance, including the signed limited assurance report, should be completed by 29 June 2015. All Quality Accounts must be published on NHS Choices and submitted to the Secretary of State by 30 June 2015.

Annex A Statement by a senior employee in respect of the Quality Account

The directors are required under the Health Act 2009 to prepare a Quality Account for each financial year. The Department of Health has issued guidance on the form and content of annual Quality Accounts (in line with requirements set out in Quality Accounts legislation).

In preparing their Quality account, directors should take steps to assure themselves that:

The Quality Account presents a balanced picture of the trust’s performance over the reporting period

The performance information reported in the Quality Account is reliable and accurate

There are proper internal controls over the collection and reporting of the measures of performance included in the Quality Account, and these controls are subject to review to confirm they are working effectively in practice

The data underpinning the measure of performance reported in the Quality Account is robust and reliable, conforms to specified data quality standards and prescribed definitions, and is subject to appropriate scrutiny and review

The Quality Account has been prepared in accordance with any Department of Health guidance

The directors confirm to the best of their knowledge and belief that they have complied with the above requirements in preparing the Quality Account.

By order of the Board

NB: sign and date in any colour ink except black

.....Date.....Chair

.....Date.....Chief Executive