



## PWYLLGOR ARCHWILIO A SICRWYDD RISG AUDIT AND RISK ASSURANCE COMMITTEE

<b>DYDDIAD Y CYFARFOD: DATE OF MEETING:</b>	05 May 2022
<b>TEITL YR ADRODDIAD: TITLE OF REPORT:</b>	Assurance Report on Board Effectiveness Assessment 2021/22
<b>CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:</b>	Joanne Wilson, Board Secretary
<b>SWYDDOG ADRODD: REPORTING OFFICER:</b>	Charlotte Beare, Assistant Director of Risk & Assurance

**Pwrpas yr Adroddiad (dewiswch fel yn addas)**

**Purpose of the Report (select as appropriate)**

Er Sicrwydd/For Assurance

### ADRODDIAD SCAA SBAR REPORT

#### Sefyllfa / Situation

To comply with Standing Orders, the Board should introduce a process of regular and rigorous self-assessment and evaluation of its own operations and performance and that of its Committees and Advisory Groups. This is one of the mandatory requirements set out within the Governance Statement (GS) that the Health Board prepares for Welsh Government. This report is to provide the Audit and Risk Assurance Committee (ARAC) with assurance of the process the Health Board has undertaken to review the effectiveness of the Board, recognising this has been discussed, with the level agreed, by the Board at the Board Seminar meeting held on 7<sup>th</sup> April 2022.

#### Cefndir / Background

Section 10.2.2 of Standing Orders states 'the Board shall introduce a process of regular and rigorous self-assessment and evaluation of its own operations and performance and that of its Committees and Advisory Groups. Where appropriate, the Board may determine that such evaluation may be independently facilitated'.

Prior to COVID-19, the Health Board had identified itself as one of two NHS Wales organisations to pilot a new approach to the annual assessment of Board effectiveness. This was developed through the all Wales NHS Deputy Board Secretaries' Forum, whose work is directed by the all Wales NHS Board Secretaries Network.

Over the previous two years, as the Board was focussed on its COVID-19 response, the Chair and Chief Executive undertook an assessment of the Board's effectiveness on behalf of the Board, and reported the Board's maturity level to ARAC and the Board.

This year, as the Board and Committees are operating as normal, the Board was asked in its seminar on 7<sup>th</sup> April 2022 to consider whether they agreed with the Chair and Chief Executive Officer's initial assessment of the Board's effectiveness during 2021/22. This assessment was based on the evidence provided from a range of external and internal assurances provided to the Health Board on how it has performed during the year.

## Asesiad / Assessment

During 2021/22, the Health Board has undertaken or engaged in a number of assessments that provide internal and external sources of assurances to support the review of its annual effectiveness. The Chair and Chief Executive have reviewed the following assurances as part of this assessment:

### **Internal Sources of Assurance:**

- The Health Board has completed a self-assessment against the Corporate Governance in Central Governance Departments: Code of Good Practice 2017. The Health Board used the “Comply” or “Explain” approach in relation to the Code of Good Practice. The Self-Assessment is available at Appendix 1.
- Annual Assessment against Health and Care Standard 1 – Governance, Accountability and Leadership. The assessment is available at Appendix 2.
- Board Committee Effectiveness – There is a programme in place to ensure the Committees delegated by the Board review or undertake the following activity on an annual basis:
  - Terms of Reference and Operating Arrangements
  - Committee Self-Assessment of Effectiveness Exercise & 6 month follow up review of agreed actions
  - Committee Cycle of Business/Work Plan
  - Annual Committee Report on Activity to the Board
  - Assurance Reports provided to ARAC on annual basis on whether Committees have discharged their Terms of Reference

### **External Sources of Assurance:**

- Joint Escalation and Intervention Arrangements status – The Health Board has remained in ‘enhanced monitoring’ status throughout 2021/22, following its de-escalation from ‘targeted intervention’ in 2020/21. Further reduction in escalation status to ‘routine monitoring’ will be dependent on the Health Board’s future financial plans, which are intrinsically linked to successful delivery of the clinical strategy. The letter from Welsh Government is available at Appendix 3A and the Health Board’s response at Appendix 3B.
- Audit Wales (AW) Structured Assessment 2021 – In 2021, AW Structured Assessment work was split into 2 phases of work, the first phase examined the operational planning arrangements within the UHB. This was presented to the Audit and Risk Assurance Committee (ARAC) in June 2021. The full report is available here: [Hywel Dda University Health Board – Structured Assessment 2021: Phase1 Operational Planning Arrangements \(audit.wales\)](#). The overall conclusion from Phase 1 was: *‘the Health Board’s arrangements for developing operational plans are generally effective, although it does not have the processes necessary to monitor and review progress in delivering its priorities’*. There were 4 recommendations

The Structured Assessment 2021 (Phase 2 – Corporate Governance and Financial Management Arrangements Report: Hywel Dda University Health Board) considered how corporate governance and financial management arrangements have adapted over the last 12 months. The key focus of the work was on the corporate arrangements for ensuring that resources were being used efficiently, effectively, and economically. AW also

considered how business deferred in 2020 was reinstated and how learning from the pandemic shaped future arrangements for ensuring good governance and delivering value for money. AW also sought to gain an overview of the Board's scrutiny of the development and delivery of the Health Board's 2021-22 Annual Recovery Plan. The overall conclusion from Phase 2 was that *'the Health Board has effective Board and committee arrangements, is committed to high quality services and staff wellbeing, and has well-developed plans which are now routinely monitored. A number of innovative approaches have been adopted to aid scrutiny and assurance, and although operational arrangements for risk and quality governance have posed some risks, improvement action is now underway.'* Some of the positive work acknowledged by AW in the report included that the Health Board:

- conducts its business in an open and transparent way and has maintained good governance arrangements and has made a number of positive changes to its committee structures.
- is laying the foundations to deliver its longer-term strategic intent and has good mechanisms in place to monitor and scrutinise delivery of its plans.
- has developed an innovative approach to enable effective scrutiny of strategic risks and outcomes is in place through the interactive Board Assurance Framework and performance dashboard.
- has maintained appropriate financial controls and monitoring and reporting is robust.
- continues to maintain appropriate financial controls and is working hard to strengthen financial management to support longer term sustainability.

The Health Board received a positive report with no new recommendations however several minor improvement opportunities were noted through the report which will be followed up as part of the 2022 review. The full report is available here: [Hywel Dda University Health Board - Structured Assessment 2021: Phase 2 Corporate Governance and Financial Management Arrangements](#).

- Audit Wales Review of Quality Governance Arrangements – HDdUHB – The audit examined whether the organisation's governance arrangements support delivery of high quality, safe and effective services. It tested the 'floor to Board' perspective by drawing on the findings from a previous local review of operational quality and safety arrangements, and focused on both the operational and corporate approach to quality governance, organisational culture and behaviours, strategy, structures and processes, information flows and reporting. Audit Wales overall conclusion was that *'the Health Board is committed to providing safe, high quality services and has aligned its strategy and plans with risk and quality improvement. While corporate structures and resources provide effective support for quality governance and improvement, inconsistencies in operational arrangements and weaknesses in operational risk management limit the provision of assurance. Monitoring and scrutiny of the quality and safety of services is being strengthened through increased use of quality outcome measures'*. The full report is available here: [Review of Quality Governance Arrangements - Hywel Dda University Health Board](#).
- Internal Audit Reports - Whilst there have been changes to the Audit Plan agreed for 2021/22, these will not affect the ability of the Head of Internal Audit to provide an annual opinion (to be presented to ARAC in June 2022). ARAC have approved adjustments to the plan and have scrutinised internal audit reports throughout the year, seeking assurance on behalf of the Board that management responses are robust and will reduce risk in the areas reviewed. As at the February 2022 ARAC meeting, the number of internal reviews reported from the IA Plan for 2021/22 were as follows:

- Limited Assurance – 3
  - Reasonable Assurance – 13
  - Still to be received in April/May ARAC – 15
- Internal Audit of Financial Planning, Monitoring and Reporting - The Internal Audit review evaluated the processes surrounding the management, co-ordination, monitoring and reporting of budgets. There were 3 medium priority matters which are being addressed by management. The overall rating of '**reasonable assurance**' was issued on the basis of the systems and process in place, whilst acknowledging the ongoing financial challenges. The full report is available here: [Final Internal Audit Report - Financial Planning, Monitoring and Reporting \(nhs.wales\)](#)
  - Internal Audit of Annual Recovery Plan / Planning Objectives - The purpose of the review was to evaluate and determine the adequacy of the systems and controls in place within the Health Board for the development and management of the Annual Recovery Plan and Planning Objectives. The audit provided 'reasonable assurance'. There were 2 medium and 1 low priority findings to further enhance the completeness and clarity of submitted documents and plans which are being addressed by management. The full report is available here: [Final Internal Audit Report - Annual Recovery Plan/Planning Objectives \(nhs.wales\)](#)
  - Internal Audit of Performance Reporting and Monitoring – Due April 2022.
  - Internal Audit of Risk Management – Due May 2022.
  - HSE Improvement Notices – During 2021/22, the Health and Safety Executive confirmed that the Health Board had complied with all the extended Improvement Notices and recognised the very significant improvement in the profile, understanding and leadership of health and safety management at senior level since their intervention in 2019.
  - Fire Enforcement Notices – The Health Board continues to address the 5 outstanding Enforcement Notices issued by the Mid and West Wales Fire and Rescue Service (MWWFRS). Two additional Enforcement Notices have had all works completed, with the MWWFRS invited to inspect the completed work, by the end of March 2022. Extensive fire safety improvement works are being undertaken at Withybush Hospital, Glangwili Hospital and at Bronglais Hospital from WG agreed funding, with regular progress updates reported to the HSC, which provides assurance to the Board on the work undertaken towards improving compliance.

The Chair and Chief Executive have considered the evidence set out above and agreed the overall level of maturity for the Health Board in respect of governance and Board effectiveness for 2021/22 is **Level 4** (no change from 2020/21). Whilst there are pockets of good practice and innovation being shared with others, the Health Board is still working to demonstrate sustainable improvement throughout the organisation, and recognises that there is further work required to maintain this level and to progress towards a level 5.

Assessment Matrix level Tick the matrix box that most accurately reflects how your service is doing with this standard	Level 1 We do not yet have a clear, agreed understanding of where we are (or how we are doing) and what / where we need to improve.	Level 2 We are aware of the improvements that need to be made and have prioritised them, but are not yet able to demonstrate meaningful action.	Level 3 We are developing plans and processes and can demonstrate progress with some of our key areas for improvement.	Level 4 We have well developed plans and processes and can demonstrate sustainable improvement throughout the service.	Level 5 We can demonstrate sustained good practice and innovation that is shared throughout the organisation and which others can learn from
				X	

The outcome of the above assessment will be included in the Governance Statement, and the Health Board will endeavour to address the areas of improvement and board development during 2022/23. The table below identifies what we are doing well, what we could improve and suggested Board training requirements.

<b>IN THE BOARD'S OPINION WHAT ARE WE DOING WELL?</b>	<ul style="list-style-type: none"> <li>• Corporate governance and management arrangements</li> <li>• Pandemic response and management</li> <li>• Strategic planning and monitoring arrangements of delivery of SOs/POs</li> <li>• Financial management arrangements</li> <li>• Workforce planning</li> <li>• Staff Well-being</li> </ul>
<b>IN THE BOARD'S OPINION WHAT COULD WE BE DOING BETTER?</b>	<ul style="list-style-type: none"> <li>• Implementing quality and safety governance arrangements</li> <li>• Strengthen the Regional Partnership Board governance arrangements</li> <li>• Managing the challenges in unscheduled care and discharge arrangements to improve performance</li> <li>• Performance management arrangements</li> <li>• Financial planning to demonstrate management within resources and to attain an approvable plan/IMTP.</li> </ul>
<b>ARE THERE BOARD TRAINING/ DEVELOPMENT NEEDS?</b>	<ul style="list-style-type: none"> <li>• Sessions have been planned on Behaviours, Systems and Governance with Baroness Rennie Fritchie, and on Incivility; Reflections and Next Steps with Dr Chris Turner for Independent Member (IM) development, Executive Director (ED) development and joint IM/ED development in 2022/23.</li> </ul>

### Argymhelliad / Recommendation

The Audit and Risk Assurance Committee is asked to take an assurance from the process that has been undertaken this year to review the Board's effectiveness, recognising this has been discussed by the Board at the Board Seminar meeting held on 7<sup>th</sup> April 2022.

<b>Amcanion: (rhaid cwblhau)</b> <b>Objectives: (must be completed)</b>	
Committee ToR Reference Cyfeirnod Cylch Gorchwyl y Pwyllgor	N/A
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	N/A
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	Governance, Leadership and Accountability
Amcanion Strategol y BIP: UHB Strategic Objectives:	Not Applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: <a href="#">Hyperlink to HDdUHB Well-being Objectives Annual Report 2018-2019</a>	10. Not Applicable

<b>Gwybodaeth Ychwanegol:</b> <b>Further Information:</b>	
Ar sail tystiolaeth: Evidence Base:	Internal and External sources of assurance listed in report
Rhestr Termiau: Glossary of Terms:	Contained in the report.
Partion / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Archwilio a Sicrwydd Risg: Parties / Committees consulted prior to Audit and Risk Assurance Committee:	Chair Chief Executive Chair of Audit and Risk Assurance Committee

<b>Effaith: (rhaid cwblhau)</b> <b>Impact: (must be completed)</b>	
<b>Ariannol / Gwerth am Arian:</b> <b>Financial / Service:</b>	No direct impacts.
<b>Ansawdd / Gofal Claf:</b> <b>Quality / Patient Care:</b>	No direct impacts.
<b>Gweithlu:</b> <b>Workforce:</b>	No direct impacts.

<b>Risg: Risk:</b>	No direct impacts.
<b>Cyfreithiol: Legal:</b>	No direct impacts.
<b>Enw Da: Reputational:</b>	Board effectiveness is a core component of good corporate governance and it is essential that the Board addresses any areas of weakness.
<b>Gyfrinachedd: Privacy:</b>	No direct impacts.
<b>Cydraddoldeb: Equality:</b>	No direct impacts.

## 2020/21 HYWEL DDA UNIVERSITY HEALTH BOARD SELF ASSESSMENT AGAINST THE CORPORATE GOVERNANCE – CODE OF PRACTICE 2017

REF	Corporate Governance Code Principles	Evidence of Internal Assurance / Supporting Narrative	External Assurance	Comply or Explain	Supporting documentation
<b>CGC 1</b>	Each organisation should have an effective board, which provides leadership for the business, helping it to operate in a business-like manner. The board should operate collectively, concentrating on advising on strategic and operational issues affecting the department's performance, as well as scrutinising and challenging departmental policies and performance, with a view to the long-term health and success of the Trust. (2.1 and 2.2)	<p>The Board is scheduled to meet every alternate month. During June 2021, 2 extraordinary Board meetings were held. One of these was to approve the Annual Report and Accounts for 2020/21 and the other was to approve the Health Board's Annual Recovery Plan for 2021/22.</p> <p>A Board Cycle of Business is in place. This is developed on an annual basis and updated throughout the year.</p> <p>The Board routinely receives information on strategic activity, risk and performance matters as standing agenda items.</p> <p>The Annual Plan is scrutinised by the Board and its Committees.</p> <p>Joint Executive Team meetings are held with Welsh Government colleagues.</p> <p>The Board collaborates with partners and key stakeholders as described in the Annual Plan.</p> <p>During 2021/22, there has been stability at Board level with limited changes made to the Executive Team and Independent Members.</p>	<p><b>Title:</b> AW Structured Assessment</p> <p><b>Reference Point:</b> Conducting Business Effectively – Paragraph 12-15.</p>	Comply	<p>Board and Committee Minutes – demonstrate scrutiny and support.</p> <p>Board Papers.</p> <p>Board Work Plan 2021/22.</p> <p>Joint Executive Letters.</p> <p>AW Structured Assessment report 2021 Phase 2.</p>
<b>CGC 2</b>	<p>The Board does not decide policy or exercise the powers of the ministers. The department's policy is decided by ministers alone on advice from officials. The Board advises on the operational implications and effectiveness of policy proposals. The Board will operate according to recognised precepts of good corporate governance in business:</p> <ul style="list-style-type: none"> <li>Leadership – articulating a clear vision for the department and giving clarity about how policy activities contribute to achieving this vision, including setting risk appetite and managing risk</li> <li>Effectiveness – bringing a wide range of relevant experience to bear, including through offering rigorous challenge and scrutinising performance</li> <li>Accountability – promoting transparency through clear and fair reporting.</li> <li>Sustainability – taking a long-term view about what the department is trying to achieve and what it is doing to get there.</li> </ul>	<p>Due to the continuation of the pandemic, WG requested an Annual Plan for 2021/22, rather than an IMTP. In March 2021, the Board approved its Draft Annual Recovery Plan 2021/22 which set out to the organisation and WG the priorities for 2021/22. The full plan was subsequently submitted to June 2021 Board for final approval and subsequently submitted to WG. The strategic objectives and planning objectives, approved by Board in September 2020, formed the foundations of the plan with the focus, first and foremost, on: how the Health Board continues to address, and recover from the COVID-19 pandemic; how it will support staff to recover after the challenges of the past year; and how it will lay the foundations to recover its system/services and support communities to thrive.</p> <p>The Health Board adopted its revised Standing Orders in January 2021. The Standing Orders and Standing Financial Instructions (SFIs) are designed to translate the statutory requirements set out in the National Health Service Trusts (Membership and Procedure) Regulations 1990 (S.I.1990/2024) into day to day operating practice, and, together with the adoption of a Schedule of Decisions reserved to the Board of Directors; a Scheme of Decisions to Officers and Others, they provide the regulatory framework for the business conduct of the Health Board. These documents form the basis upon which the Health Board's governance and accountability framework is developed and, together with the</p>	<p><b>Title:</b> AW Structured Assessment</p> <p><b>Reference Point:</b> Conducting Business Effectively – Paragraph 12-23</p> <p>Planning for Recovery – Paragraph 34-43.</p>	Comply	<p>Annual Plan 2021/22</p> <p>Annual Recovery Plan 2021/22</p> <p>Standing Orders and Standing Financial Instructions.</p> <p>AW Structured Assessment report 2021 Phase 2</p> <p>Well-being Statement.</p>

REF	Corporate Governance Code Principles	Evidence of Internal Assurance / Supporting Narrative	External Assurance	Comply or Explain	Supporting documentation
	(2.3)	<p>adoption of its Values and Behaviour Framework and Standards of Behaviour framework, is designed to ensure the achievement of the standards of good governance set for the NHS in Wales.</p> <p>The Annual Plan outlines how the Health Board engages and ensures that it considers the principles of citizen engagement, the Wellbeing of Future Generations Act and also the Health Boards Wellbeing Statement.</p>			
<b>CGC 4</b>	<p>The Board should meet on at least a quarterly basis; however, best practice is that boards should meet more frequently.</p> <p>The Board advises on five main areas:</p> <ul style="list-style-type: none"> <li>• Strategic Clarity</li> <li>• Commercial Sense</li> <li>• Talented People</li> <li>• Results focus</li> <li>• Management information</li> </ul> <p>(2.4 and 3.10)</p>	<p>The Board meets every alternate month. During June 2021, 2 extraordinary Board meetings were held. One of these was to approve the Annual Report and Accounts for 2020/21 and the other was to approve the Health Board's Annual Recovery Plan for 2021/22.</p> <p>There is a Board Cycle of Business in place, developed on an annual basis and updated throughout the year.</p> <p>Board agendas are divided into Good Governance, Quality and Safety, Delivering on our Purpose, Delivering our Recovery Plan 2021/22, Assurance and Working in Partnership.</p> <p>The Board routinely receives information on strategic activity, improving patient experience, risk and performance, financial activity, workforce planning matters as standing agenda items.</p>	<p><b>Title:</b> AW Structured Assessment</p> <p><b>Reference Point:</b> Conducting Business Effectively – Paragraph 12-23.</p>	Comply	<p>Standing Orders and Standing Financial Instructions.</p> <p>AW Structured Assessment report 2021 Phase 2</p>
<b>CGC 5</b>	<p>The Board also supports the accounting officer in the discharge of obligations set out in <i>Managing Public Money</i><sup>1</sup> for the proper conduct of business and maintenance of ethical standards.</p> <p>(2.7)</p>	<p>The Board approves the Accountability Report on an annual basis which includes the Statement by the Accountable Officer assuring the Board on the System of Internal Control.</p>	<p><b>Title:</b> AW Structured Assessment</p> <p><b>Reference Point:</b> Conducting Business Effectively – Paragraph 12-23.</p>	Comply	<p>Annual Accountability Report</p> <p>Board papers</p> <p>AW Structured Assessment report 2021 Phase 2</p>
<b>CGC 6</b>	<p>Where Board members have concerns, which cannot be resolved, about the running of the department or a proposed action, they should ensure that their concerns are recorded in the minutes.</p> <p>(2.12)</p>	<p>Any concerns raised at Board and Committee meetings will be formally recorded in the minutes.</p> <p>The role of the Board Secretary is to be responsible for ensuring these matters are effectively managed, recorded and resolved where possible.</p>	<p><b>Title:</b> AW Structured Assessment</p> <p><b>Reference Point:</b> Conducting Business Effectively – Paragraph 12-23.</p>	Comply	<p>Role of the Board Secretary</p> <p>AW Structured Assessment report 2021 Phase 2</p> <p>Board and Committee Minutes – available on the Health Board Internet site.</p>
<b>CGC 7</b>	<p>The Board should have a balance of skills and experience appropriate to fulfilling its responsibilities. The membership of the board should be balanced, diverse and manageable in size.</p> <p>(3.1, 3.11, 3.12 and 3.13)</p>	<p>Constitution is set out in the Organisation's Establishment Orders and the Health Board abides by this composition.</p> <p>Standing Orders also capture the composition of the Board.</p> <p>Executive Director skill mix is considered prior to recruitment to align with organisational objectives and required Executive Portfolios, and this is considered prior to new appointments. Recruitment process includes internal and external stakeholder panels.</p>	<p><b>Title:</b> AW Structured Assessment</p> <p><b>Reference Point:</b> Conducting Business Effectively – Paragraph 12-29.</p>	Comply	<p>Establishment Orders</p> <p>Standing Orders</p> <p>AW Structured Assessment report 2021 Phase 2</p>

REF	Corporate Governance Code Principles	Evidence of Internal Assurance / Supporting Narrative	External Assurance	Comply or Explain	Supporting documentation
		<p>The Independent Member (IM) roles are appointed in areas of expertise to ensure appropriate skill mix. Gaps between outgoing and incoming independent members have been minimal, with no implications on attendance or continuity at Board and committee meetings.</p> <p>Public Bodies Unit support the process – set criteria within an IM Role. Maximum of 2 tenures of up to 8 years.</p> <p>IM membership on Board Committees is rotated at appropriate times to ensure there is a mix and balance of experience across all meetings.</p>			
<b>CGC 8</b>	The roles and responsibilities of all board members should be defined clearly in the department's board operating framework. (3.2)	<p>Constitution is set out in the Organisation's Establishment Orders and the Health Board abides by this composition.</p> <p>Standing Orders also outline the composition of the Board.</p>		Comply	<p>Establishment Orders</p> <p>Standing Orders</p>
<b>CGC 9</b>	The Finance Director should be professionally qualified. (3.3)	Executive Director of Finance is professionally qualified.	N/A	Comply	Recruitment and appointment documentation for the Executive Director of Finance
<b>CGC 10</b>	Independent Members will exercise their role through influence and advice, supporting as well as challenging the executive. (3.5)	<p>Annual Committee Self-Assessment process addresses the effectiveness of how Committees operate and conduct meetings, allowing debate and constructive challenge.</p> <p>Meeting principles adopted that support this constructive challenge.</p> <p>The WG IM training captures effective challenge and scrutiny role on the Board. There is also a local induction programme in place to advise Board Members on to discharge their role.</p> <p>Standing Orders outline the role of the Board Members.</p> <p>A meeting of the committee chairs has been established which is a forum to triangulate information from the Committees which also enables IMs to influence and advise.</p>	<p><b>Title:</b> AW Structured Assessment</p> <p><b>Reference Point:</b> Conducting Business Effectively – Paragraph 12-28</p>	Comply	<p>AW Structured Assessment report 2021 Phase 1</p> <p>Standing Orders</p>
<b>CGC 11</b>	The board should agree and document in its board operating framework a <i>de minimis</i> threshold and mechanism for board advice on the operation and delivery of policy proposals.	<p>Standing Orders detail how the Board regulates its proceedings and business.</p> <p>There is a Board Cycle of Business in place developed on an annual basis and updated throughout the year.</p> <p>The Terms of Reference Operating Arrangements for the Board Committees articulate their remit and the information that should be received. Committee Workplans are in place and updated throughout the year to support the flow of information through the Board Committees.</p> <p>The Scheme of Delegation outlines the information that should flow through to Board and its Committees as appropriate.</p>	<p><b>Title:</b> AW Structured Assessment</p> <p><b>Reference Point:</b> Conducting Business Effectively – Paragraph 12-28</p>	Comply	<p>AW Structured Assessment report 2021 Phase 2.</p> <p>Committee Terms of Reference and Operating Arrangements</p> <p>Board and Committee Cycles of Business.</p> <p>Standing Orders and Scheme of delegation</p> <p>Interactive Scheme of Delegation for Officers</p>

REF	Corporate Governance Code Principles	Evidence of Internal Assurance / Supporting Narrative	External Assurance	Comply or Explain	Supporting documentation
		Interactive Scheme of Delegation for Officers details 'top level' delegations and responsibilities within the Health Board.			
<b>CGC 12</b>	<p>The Board should ensure that arrangements are in place to enable it to discharge its responsibilities effectively, including:</p> <ol style="list-style-type: none"> <li>1. formal procedures for the appointment of new board members, tenure and succession planning for both board members and senior officials</li> <li>2. allowing sufficient time for the board to discharge its collective responsibilities effectively</li> <li>3. induction on joining the board, supplemented by regular updates to keep board members' skills and knowledge up-to-date</li> <li>4. timely provision of information in a form and of a quality that enables the board to discharge its duties effectively</li> <li>5. a mechanism for learning from past successes and failures within the departmental family and relevant external organisations</li> <li>6. a formal and rigorous annual evaluation of the board's performance and that of its committees, and of individual board members</li> <li>7. a dedicated secretariat with appropriate skills and experience (4.1)</li> </ol>	<p>IMs Terms of Office are monitored by the Board Secretary to ensure succession planning is timely and managed in conjunction with the Public Bodies Unit in WG.</p> <p>Agenda planning is managed by the Board Secretary in conjunction with the Chair and CEO to ensure adequate time is spent on the appropriate matters at Board meetings.</p> <p>The Health Board has a robust induction programme for Independent Members. This programme consists of the following areas to ensure that a robust and supportive induction plan is in place for all new Board appointments:</p> <ul style="list-style-type: none"> <li>- Attendance at the Mandatory Welsh Government Induction Training.</li> <li>- Provision of a detailed induction pack/manual which includes information about the role of each Board Committee, their role as a Trustee as well as an Independent Member</li> <li>- Core Induction Programme – planned within the first month, three months and six months. This includes meeting with Executive Directors, Directors and site visits</li> <li>- A mentoring / shadow arrangement with an existing/experienced Independent Member.</li> <li>- To further support IMs ongoing development, the Chair undertakes regular and robust Personal Appraisal and Development reviews in accordance with WG guidance.</li> <li>- The Health Board has a schedule of Board Development Sessions throughout the year to discuss topical issues.</li> </ul> <p>Committee Terms of Reference direct that agenda and papers are circulated to members at least 7 days prior to meeting.</p> <p>The Standard Operating Procedure for the Management of Board and Committees provides guidance in relation to Board and Committee arrangements and management of papers.</p> <p>Report templates are continually reviewed to ensure they support effective reports being received at the Board.</p> <p>Dedicated Committee Services Officers support the Board and Committee business to ensure high quality and consistency of papers.</p> <p>Annual Board effectiveness assessment and annual Committee Self-Assessment of Effectiveness process ensures Board and Committees remains fit-for-purpose and identifies areas of improvement.</p>	<p><b>Title:</b> AW Structured Assessment</p> <p><b>Reference Point:</b> Conducting Business Effectively – Paragraph 12-28</p>	Comply	<p>AW Structured Assessment report 2021 Phase 2</p> <p>Terms of Reference and Operating Arrangements</p> <p>Board and Committee Cycles of Business</p> <p>Standing Orders and Scheme of delegation</p> <p>Committee Terms of Reference</p> <p>Standing Operating Procedure for the Management of Board and Committees</p> <p>Board Effectiveness Assessment</p> <p>Committee Self-Assessment Reports</p>
<b>CGC 13</b>	The terms of reference for the nominations committee will include at	Remuneration and Terms of Service (RTSC) Committee Terms of Reference.		Comply	RTSC Terms of Reference and Operating Arrangements.

REF	Corporate Governance Code Principles	Evidence of Internal Assurance / Supporting Narrative	External Assurance	Comply or Explain	Supporting documentation
	<p>least the following three central elements:</p> <ul style="list-style-type: none"> <li>• scrutinising systems for identifying and developing leadership and high potential</li> <li>• scrutinising plans for orderly succession of appointments to the board and of senior management, in order to maintain an appropriate balance of skills and experience</li> <li>• scrutinising incentives and rewards for executive board members and senior officials, and advising on the extent to which these arrangements are effective at improving performance (4.5)</li> </ul>				<p>Board and Committee Cycles of Business</p> <p>Standing Orders and Scheme of delegation</p>
<b>CGC 14</b>	The attendance record of individual board members should be disclosed in the governance statement and cover meetings of the board and its committees held in the period to which the resource accounts relate. (4.6)	Board Members attendance record for Board and Committees is captured in the Accountability Report on annual basis.		Comply	Accountability Report
<b>CGC 15</b>	Where necessary, board members should seek clarification or amplification on board issues or board papers through the board secretary. The board secretary will consider how officials can best support the work of board members; this may include providing board members with direct access to officials where appropriate. (4.10)	<p>This is the relationship between the Board Secretary and the Board Members.</p> <p>The role of the Board Secretary is to act as principal advisor to the Board and the organisation as a whole on all aspects of governance....and ensure that it meets the standards of good governance set for the NHS in Wales.</p> <p>Regular IM meetings with Chair and Board Secretary.</p> <p>Fortnightly meetings held by the Chair and CEO with Board Members to discuss the ongoing COVID response and management.</p> <p>Chairs of committees have also retained a touchpoint meeting with the relevant lead executive officer between committee meetings.</p>	<p><b>Title:</b> AW Structured Assessment</p> <p><b>Reference Point:</b> Conducting Business Effectively – Paragraph 12-28</p>	Comply	<p>Board Secretary role description</p> <p>Standing Orders</p>
<b>CGC 16</b>	<p>An effective board secretary is essential for an effective board. Under the direction of the permanent secretary, the board secretary's responsibilities should include:</p> <ul style="list-style-type: none"> <li>• developing and agreeing the agenda for board meetings with the chair and lead non-executive board member, ensuring all relevant items are brought to the board's attention</li> <li>• ensuring good information flows within the board and its committees and between senior management and</li> </ul>	<p>Board Secretary works closely with the Chair and Chief Executive to agree Board agenda.</p> <p>Board Secretary attends Health Board Chairs and Vice-Chairs meeting prior to Board to discuss agenda and papers.</p> <p>All Board papers are reviewed by the Chair and Board Secretary</p> <p>Board Secretary ensures that all Board papers are issued in accordance with Standing Orders.</p> <p>Board Secretary ensures decision log is maintained.</p>		Comply	<p>Board Secretary role description</p> <p>Standing Orders</p> <p>Interactive IM Handbook</p>

REF	Corporate Governance Code Principles	Evidence of Internal Assurance / Supporting Narrative	External Assurance	Comply or Explain	Supporting documentation
	<p>non-executive board members, including:</p> <ul style="list-style-type: none"> <li>challenging and ensuring the quality of board papers and board information</li> <li>ensuring board papers are received by board members according to a timetable agreed by the board</li> <li>providing advice and support on governance matters and helping to implement improvements in the governance structure and arrangements</li> <li>ensuring the board follows due process</li> <li>providing assurance to the board that the department complies with government policy, as set out in the code</li> <li>adheres to the code's principles and supporting provisions on a comply or explain basis (which should form part of the report accompanying the resource accounts)</li> <li>acting as the focal point for interaction between non-executive board members and the department, including arranging detailed briefing for non-executive board members and meetings between non-executive board members and officials, as requested or appropriate</li> <li>recording board decisions accurately and ensuring action points are followed up</li> <li>arranging induction and professional development of board members (including ministers)</li> </ul> <p>4.11</p>	Board Secretary led on the development of interactive handbook for IMs.			
<b>CGC 17</b>	<p>Evaluations of the performance of individual board members should show whether each continues to contribute effectively and corporately and demonstrates commitment to the role (including commitment of time for board and committee meetings and other duties).</p> <p>4.14</p>	<p>Board Member Appraisal process in place.</p> <p>Committee Effectiveness Exercises.</p> <p>Attendance record reported in Accountability Report.</p>		Comply	<p>Accountability Report</p> <p>Appraisal Documentation and Process</p>
<b>CGC 18</b>	<p>All potential conflicts of interest for non-executive board members should be considered on a case by case basis. Where necessary, measures should be put in place to manage or resolve</p>	The Health Board has an agreed process in place for managing Declarations of Interest.	<p><b>Title:</b> AW Structured Assessment</p> <p><b>Reference Point:</b></p>	Comply	<p>Standards of Behaviour Framework Policy</p> <p>Accountability Report</p>

REF	Corporate Governance Code Principles	Evidence of Internal Assurance / Supporting Narrative	External Assurance	Comply or Explain	Supporting documentation
	potential conflicts. The board should agree and document an appropriate system to record and manage conflicts and potential conflicts of interest of board members. The board should publish, in its governance statement, all relevant interests of individual board members and how any identified conflicts, and potential conflicts, of interest of board members have been managed. 4.15	<p>All Board Members are asked to formally declare on an annual basis and advised of their responsibility to notify of any changes in year.</p> <p>Declarations of interest are captured on a register which is available for public inspection, a link to which is included in the Accountability Report.</p> <p>A report on Declarations of Interest is received by the Audit and Risk Assurance Committee on an annual basis.</p> <p>Declarations of Interest are captured at the start of each Board and Committee meeting.</p> <p>The Standards of Behaviour Policy details the responsibility under Declarations of Interest.</p> <p>Standing Orders also outlines the responsibilities for Declarations of Interest.</p> <p>The Declarations of Interest form includes how declarations and potential conflicts are managed and these are recorded on the register.</p>	Conducting Business Effectively – Paragraph 12-28		<p>Standing Orders</p> <p>Declarations of Interest Process and Register</p> <p>Annual Report of the Adequacy of Arrangements for Declaring, Registering and Handling Interests, gifts and Hospitality presented to Audit and Risk Assurance Committee</p> <p>Structured Assessment 2021 Phase 2</p>
<b>CGC 19</b>	<p>The board should ensure that there are effective arrangements for governance, risk management and internal control for the whole departmental family. Advice about and scrutiny of key risks is a matter for the board, not a committee. The board should be supported by:</p> <ul style="list-style-type: none"> <li>an audit and risk assurance committee, chaired by a suitably experienced non-executive board member</li> <li>an internal audit service operating to <i>Public Sector Internal Audit Standards</i><sup>1</sup></li> <li>sponsor teams of the department's key ALBs</li> </ul> <p>(5.1 and 5.8)</p>	<p>The Audit and Risk Assurance Committee is chaired by the Independent Member who is legally qualified, with a Vice-Chair with a financial background.</p> <p>NWSSP Internal Audit Services are appointed as the Health Board's Internal Auditors.</p>		Comply	<p>Terms of Reference &amp; Operating Arrangements for the Audit and risk Assurance Committee.</p> <p>Accountability Report</p>
<b>CGC 20</b>	<p>The board should take the lead on, and oversee the preparation of, the department's governance statement for publication with its resource accounts each year.</p> <p>The annual governance statement (which includes areas formerly covered by the statement on internal control) is published with the resource accounts each year. In preparing it, the board should assess the risks facing the</p>	The Annual Governance Statement is included within the Accountability Report which is received by the Audit and Risk Assurance Committee to endorse prior to approval formally by the Board in Quarter 1 of each year.	Audit Wales and Internal Audit receive and review the Accountability Report.	Comply	<p>Accountability Report</p> <p>Board and Committee Minutes</p> <p>Annual Report Timetable</p>

REF	Corporate Governance Code Principles	Evidence of Internal Assurance / Supporting Narrative	External Assurance	Comply or Explain	Supporting documentation
	department and ensure that the department's risk management and internal control systems are effective. The audit and risk assurance committee should normally lead this assessment for the board (5.2 and 5.13)				
<b>CGC 21</b>	The board's regular agenda should include scrutinising and advising on risk management (5.3 and 5.10)	<p>In 2021/22, the Health Board received the following key documents within the Health Board:</p> <ul style="list-style-type: none"> <li>Board Assurance Framework (every meeting)</li> <li>Corporate Risk Register (every other meeting)</li> </ul> <p>Risk Management Strategy and Risk Appetite are defined and approved by the Board.</p> <p>The Audit and Risk Assurance Committee provide assurance to the Board on the Risk and Assurance Framework.</p>	<p><b>Title:</b> AW Structured Assessment</p> <p><b>Reference Point:</b> Conducting Business Effectively – Paragraph 44-49</p>	Comply	<p>Board Cycle of Business</p> <p>AW Structured Assessment 2021 Phase 2</p> <p>Corporate Risk Register reports to Board and Committees</p> <p>Board Assurance Framework Reports to Board</p>
<b>CGC 22</b>	<p>The key responsibilities of non-executive board members include forming an audit and risk assurance committee.</p> <p>The board and accounting officer should be supported by an audit and risk assurance committee, comprising at least three members.</p> <p>An audit and risk assurance committee should not have any executive responsibilities or be charged with making or endorsing any decisions. It should take care to maintain its independence. The audit and risk assurance committee should be established and function in accordance with the <i>Audit and risk assurance committee handbook</i>.</p> <p>The board should ensure that there is adequate support for the audit and risk assurance committee, including a secretariat function.</p> <p>The terms of reference of the audit and risk assurance committee, including its role and the authority delegated to it by the board, should be made available publicly. The department should report annually on the work of the committee in discharging those responsibilities</p>	<p>Standing Orders are explicit that the Health Board as a minimum must establish Committees that cover certain aspects, one of which is the Audit and Risk Assurance Committee.</p> <p>Audit and Risk Assurance Committee established in 2010.</p> <p>The Terms of Reference and Operating Arrangements in respect of the Audit and Risk Assurance Committee are clear in relation to its authority and delegated responsibilities.</p> <p>Board Secretary is the lead officer for the Audit and Risk Assurance Committee, however only IMs are 'members'. Officer members are invited to attend for individual agenda items.</p> <p>Full secretariat function in place supporting the Audit and Risk Assurance Committee.</p> <p>The Audit and Risk Assurance Committee Terms of Reference are published as an appendix to the Standing Orders on the Health Board's website.</p> <p>The Audit and Risk Assurance Committee also has its own webpage which publishes the Terms of Reference and papers for each meeting.</p> <p>Audit and Risk Assurance Committee Annual Report produced and presented to Board.</p>		Comply	<p>Standing Orders</p> <p>Terms of Reference for the Audit and Risk Assurance Committee</p> <p>Internet Site: Board Papers, Standing Orders and Statutory Committees of the Board webpages</p> <p>Audit and Risk Assurance Annual Report</p>

REF	Corporate Governance Code Principles	Evidence of Internal Assurance / Supporting Narrative	External Assurance	Comply or Explain	Supporting documentation
	Boards should ensure the scrutiny of governance arrangements, whether at the board or at one of its subcommittees (such as the audit and risk assurance committee or a nominations committee). This will include advising on, and scrutinising the department's implementation of, corporate governance policy. (5.4 and 5.9, 5.11, 5.12 and 5.14 and 5.15)				
<b>CGC 22</b>	The head of internal audit (HIA) should periodically be invited to attend board meetings, where key issues are discussed relating to governance, risk management processes or controls across the department and its ALBs (5.5)	<p>The role of the HIA is clearly set out in Standing Orders.</p> <p>The HIA attends all Audit and Risk Assurance Committee meetings which report to Board.</p> <p>Audit and Risk Assurance Committee Terms of Reference state that the HIA has access to the Committee Chair.</p> <p>The HIA has a private meeting with members of the Audit and Risk Assurance Committee at least once a year.</p> <p>If there was anything specifically escalated to the Board then the HIA would be invited to attend.</p> <p>Board Secretary has fortnightly meetings with HIA.</p> <p>Regular meeting between Chair of Audit and Risk Committee, HIA and Board Secretary.</p>		Comply	<p>Standing Orders</p> <p>Terms of Reference for the Audit and Risk Assurance Committee</p> <p>Internet Site: Audit and Risk Assurance Committee webpage</p>
<b>CGC 23</b>	<p>The board should assure itself of the effectiveness of the department's risk management system and procedures and its internal controls. The board should give a clear steer on the desired risk appetite for the department and ensure that:</p> <ul style="list-style-type: none"> <li>there is a proper framework of prudent and effective controls, so that risks can be assessed, managed and taken prudently</li> <li>there is clear accountability for managing risks</li> <li>Departmental officials are equipped with the relevant skills and guidance to perform their assigned roles effectively and efficiently.</li> </ul> <p>The board should also ensure that the department's ALBs have appropriate and</p>	<p>The Health Board has a documented Risk Management Framework in place setting out the foundation and organisational arrangements for supporting the risk management process in Hywel Dda.</p> <p>The Risk Management Framework is based on the 3 lines of Defence model whereby management control is the first line of defence in managing risk, the various specialist functions such as Finance, Workforce, Quality, etc are the second line of defence, with the third line provided by independent assurance on effectiveness of the risk management framework.</p> <p>The Health Board has agreed and implemented its Risk Appetite and Tolerance levels.</p> <p>Managers take a lead on risk management and are responsible for role modelling a risk aware culture within their area. Managers receive training 121 training on the Health Board's Risk Information Management System.</p>	<p><b>Title:</b> AW Structured Assessment</p> <p><b>Reference Point:</b> Conducting Business Effectively – Paragraph 44-49</p>	Comply	<p>Risk Management Framework</p> <p>Internet Site: Board Papers, Standing Orders and Statutory Committees of the Board webpages</p> <p>Staff intranet: risk management webpage</p> <p>Terms of Reference for the Audit and Risk Assurance Committee</p>

REF	Corporate Governance Code Principles	Evidence of Internal Assurance / Supporting Narrative	External Assurance	Comply or Explain	Supporting documentation
	<p>effective risk management processes through the department's sponsor teams</p> <p>Advising on key risks is a role for the board. The audit and risk assurance committee should support the board in this role.</p> <p>(5.6, 5.7 and 5.10)</p>	<p>Tools, procedures and guides are available on the staff intranet site.</p> <p>Operational services are challenged on their risk management through the Executive operational Risk Reviews</p> <p>The Board receives the Board Assurance Framework at every meeting and the Corporate Risk Register 3 times a year. Each corporate risk is aligned to the Board's Committees who ensure that risks are being effectively managed on behalf of the Board. Each Committee provides an annual assurance report to the Audit and Risk Assurance Committee which includes providing assurance that risks are being managed.</p> <p>The Health Board's current Risk Management Strategy is currently under further review. This will be considered by the Audit and Risk Assurance Committee prior to approval by the Board.</p>			

## GOVERNANCE LEADERSHIP AND ACCOUNTABILITY STANDARD

As part of the Governance Statement, the Health Board is required to provide a summary of the steps it has taken to demonstrate that it operates in accordance with this governance standard and the wider standards framework.

Effective governance, leadership and accountability in keeping with the size and complexity of the health service is essential for the sustainable delivery of safe, effective person centred care.

**Criteria 1: There are some excellent examples of how the Health Board demonstrates effective leadership by setting direction, igniting passion, pace and drive and developing people.**

- In November 2018, the Board approved its *Health and Care Strategy – A Healthier Mid and West Wales: Our future generations living well*, which was developed based on the 11 clinical recommendations that emerged from the University Health Board's (UHB) public consultation 'Our Big NHS Change'. The strategy describes the UHB's:
  - 20 year vision for the population health outcome for current and future generations; and
  - 10 year health and care strategy.
- Internal Audit undertook a review in February 2021 to establish if the Health Board has adequate procedures in place to monitor the effective utilisation of the standards to improve clinical quality and patient experience. This resulted in a 'substantial' assurance rating with the report concluding that further positive progress has been made since the previous review in 2019/20 and noted the maturity of the embedded Health and Care Standards within the organisation's governance framework has resulted in information for each standard being reported through to the Board and fully adopted into day-to-day practices.

In March 2021, the Board approved its Draft Annual Recovery Plan 2021/22 which set out to the organisation and WG the priorities for 2021/22. The full plan was subsequently submitted to June 2021 Board for final approval and subsequently submitted to WG. The strategic objectives and planning objectives, approved by Board in September 2020, formed the foundations of the plan with the focus, first and foremost, on how the Health Board continues to address, and recover from the COVID-19 pandemic; how it will support staff to recover after the challenges of the past year; and how it will lay the foundations to recover its system/services and support communities to thrive.

- The Board undertakes an annual review of its effectiveness and this has been reported through the Audit and Risk Assurance Committee and Public Board during the pandemic. The Board currently assesses itself as '*Level 4 - The Health Board has well developed plans and processes and can demonstrate sustainable improvement throughout the service*', with a plan in place to address areas of improvement.
- From the outset of the pandemic, the Chief Executive established the Command and Control structure which supported agile decision-making in the face of the

pandemic, with all Gold decisions ratified by Board, and Silver Tactical decisions reported to Assurance Committees. Whilst Gold set the direction and objectives, it was the role of Silver to develop and implement the tactical plan, empowering operational managers to develop and deliver solutions to the challenges of responding to the pandemic. Bronze groups implemented the plans. A number of cells were also established such PPE, social distancing, modelling, public health. Whilst the Board agreed to stand down the Command and Control structure from May 2021, it was re-established at specific points during 2021/22 to manage further waves of the pandemic. Its function and discipline, particularly in terms of its agile working, was retained as part of the underpinning arrangements for the new operational governance structure.

- The Health Board's interactive Scheme of Delegation remained in place during 2020/21, with both third and fourth deputy arrangements were put in place in the event that the Chair and Vice Chair were unavailable. Similar arrangements were adopted for the CEO. Normal business continuity arrangements were applied for the rest of the Executive team with the second level deputies utilised where absences occurred.
- Following Board ratification of Health Board's 6 strategic objective and the underpinning planning objectives in September 2020, Executive Directors and their teams developed detailed delivery plans for each of the planning objectives. The Planning Team continues to engage with operational teams about their detailed plans, as part of the Health Board's approach towards planning, where the development and implementation of planning objectives is a continuous process, informing the Health Board's planning cycle. Each of the planning objectives has been aligned to a Board Committee and progress on delivery of the planning objectives has been a standing agenda item on agendas.
- Since September 2021, the Board has received a refreshed Board Assurance Framework which provides the Board with a visual representation of the Health Board's progress against each strategic objective by showing: the current delivery against each planning objective aligned to the strategic objective; the current performance in respect of the agreed outcome measures for the strategic objective; the current principal risks identified which may affect achievement of the strategic objective; and the assurances in place to evidence the effectiveness of the management of principal risks which threaten the successful achievement of its objectives.
- The Health Board's has principal and corporate risks which tend to be identified, assessed and approved in a top down approach by Executive Directors, with operational risks identified and assessed by services and directorates. Principal risks are reported to the Board, corporate risks are reported to the Board and Committees, and directorate level risks over tolerance reported through the Board's Committees.
- In line with its Standing Orders, the Board has a formal Committee structure in place which undertakes specific functions on the Board's behalf or to provide advice and assurance to the Board in the exercise of its functions. The Board approved its revised governance arrangements and the Terms of Reference for

the Board's Assurance Committees in July 2021. Each Committee has a workplan setting out its annual business.

- The Audit and Risk Assurance Committee received an update on the Health Board's Clinical Audit Function, Programmes and plans for 2021/22 on October 2021. Due to the response to the COVID-19 pandemic, clinical teams have been less able to engage in audit activity. While many audit projects are being maintained, and new audits are underway, certain projects and audit reporting requirements have presented challenges. Welsh Government has recognised this and has accepted delays in reporting and audit outcomes, both from the national audit providers and from Health Boards. The Clinical Audit Department has resumed its programme of Whole Hospital Audit Meetings (WHAM) for 2021 to ensure learning is shared.
- The Health Board strives to be an employer of choice and the health and well-being of its staff is paramount. Hywel Dda has a Values and Behaviours Framework in place. The Values Framework underpins leadership and effective management at all levels and a suite of leadership and management development programmes have been developed to support the delivery of a values based, compassionate leadership culture. The programmes aim to develop leaders who engage staff and encourage innovation, and support the ongoing development of skilled effective leaders and managers who drive continual improvement through engagement. One of the Health Board's planning objectives (1G) in 2021/22 was to establish OD Relationship Managers to support the directorates in their day to day operations, as well as helping them to widen diversity and inclusion, develop their workforce, foster positive relationships and deliver successful and supportive home working arrangements for their teams. Culture, leadership and wellbeing have been at the forefront of the Board and Committees agenda recognising the significant importance of these areas.
- The Health Board's Standing Orders supported by the Standards of Behaviour Policy aims to ensure that arrangements are in place to support the workforce to act in a manner that upholds the code of conduct for the NHS. Part of this process is obtaining declarations in respect of Gifts, Hospitality, Honoraria, and Sponsorship etc. The Register and Declaration of Interests is the method by which the Board safeguards against conflict or potential conflict of interest where private interests and public duties of members of staff do not concur. The Board must be impartial and honest in the conduct of its business. An annual report is received by the Audit and Risk Assurance Committee in respect of declarations.
- As part of the revised governance arrangements approved by the Board in July 2021, a new People, Organisational Development and Culture Committee, was established to receive an assurance on all relevant Planning Objectives falling in the main under Strategic Objective 1 (Putting people at the heart of everything we do), 2 (Working together to be the best we can be) and 3 (Striving to deliver and develop excellent services) as set out in Health Board's Annual Plan. this Committee has a focus on education and development of staff, recruitment, retention and talent management, becoming an employer of choice, performance and quality management systems, business intelligence capabilities and

improvement training, patient experience, engagement and empowerment, HR policies, diversity and inclusion, carers support, regulatory and professional bodies compliance, arrangements to support on-going transformation and board assurance framework development, and research, development and innovation planning/delivery.

- Standing Orders, together with the adoption of a scheme of matters reserved to the Board; a Scheme of Delegation to officers and others; and Standing Financial Instructions, provide the regulatory framework for the business conduct of the Health Board and define - its 'ways of working'. These documents, together with the range of corporate policies set by the Board make up the Governance Framework. All corporate and employment policies are available on the Health Board's website.
- The organisational compliance rate for Performance Appraisal Development Review (PADR) is reported within the Integrated Performance Assurance Report. This measure provides assurance that all employees are having one performance conversation within 12 months as a minimum standard.
- The development of an Ethics Panel provided ethics input into Health Board policy and guidelines, supports health professionals with ethical issues arising within patient care and facilitates ethics education for health professionals and other Health Board staff. Due to the importance of the panel it has been agreed to retain this within the Board's governance structure moving forward.
- On behalf of the Board, the Chair has been visible and accessible to staff throughout the pandemic, and has led on staff support and wellbeing through the sponsoring of a multi-disciplinary group from the outset, which has created a flexible range of resources for staff wellbeing. The support for staff wellbeing provided by the Health Board is seen as an exemplar; an Audit Wales seminar shared this work across Wales.
- The Transformation Steering Group engagement events around "Joy at Work" reinforced the acceleration of certain aspects of the Health Board's ten year Workforce, Organisation Development and Education Strategy, including (1) creating a culture which treats employees as adults, consumers and human beings and moves away from a parent/child relationship; (2) supporting the health and wellbeing of all staff by treating employees as whole people with other 'life' responsibilities and events; and (3) creating an agile workforce optimising technology and working practices.
- Despite the suspension of the bespoke Executive Development Programme, the Executive Team has continued to develop and build stronger working relationships through working together to respond to the pandemic.
- From the Autumn of 2021, a new phase of development of the Board has begun with members coming together periodically to participate and to get to know each other at a deeper level given the recent addition of new members to the Board. The Board has already received sessions by Professor Michael West on Compassionate and Collective Leadership, and Associate Professor Stacy

Johnson on Reverse Mentorship Cultural Learning. Further sessions are planned on Behaviours, Systems and Governance with Baroness Rennie Fritchie, and on Incivility; Reflections and Next Steps with Dr Chris Turner.

- The Board as a whole has regular professional updates on key issues as part of its ongoing bi-monthly seminar series. In addition, both the Executives and Independent Members participate in Development Programmes, with the Executives focusing on enhancing relationship building, trust and team dynamics to create space for strategic through reflection on complex organisational changes, facilitated by the Assistant Director of Organisational Development.
- The internal coaching network grew during 2021/22, supporting and underpinning Hywel Dda's Leadership Development, Succession Planning & Talent Management provision. The network's vision is to have 100 internal qualified coaches and numbers steadily increased in 2021/22, with further cohorts planned in 2022. Coaching provided by our external and internal coaches exceeded 230 sessions, which shows the organisational demand for this support.
- The STAR Programme was created for Senior Sisters, as leaders who play a pivotal role in upholding standards of care and compassion, quality and performance of service delivery and stewardship of resources. The programme was designed around 4 modules of leadership development with full support through action learning and coaching. Two cohorts completed the programme in 2021/22. The programme had a fantastic following with participants really feeling part of a leadership community.
- A new Consultant Development Programme was launched in November 2021, with 16 new consultants from varying sites and specialities across the Health Board. The programme was created in collaboration with the senior medical body in response to the medical recruitment and retention challenges. This 7-day New Consultant Development Programme is delivered over a 12-month period, exploring a range of topics including Strategy, Culture, Performance, Wellbeing, Research and Innovation, Education, CPD and more. Participation in this programme will enable new consultants to learn more about the Health Board as an organisation, while simultaneously establishing themselves as a consultant. Feedback was extremely positive.
- The Board welcomed 3 new Independent Members for finance, local authority and third sector to the Board at the start of 2021/22. This has ensured that the Health Board maintains stability and has enabled the Health Board to inject fresh thinking going forward, which will be particularly important as we progress our strategy.

**Criteria 2: There are some excellent examples of how the Board sets strategy with a focus on outcomes, and choices based on evidence and people insight. The approach is through collaboration building on common purpose.**

- The UHB's health and care strategy was approved by board in November 2018. It set out for the first time a strategic vision for services that are safe, sustainable, accessible and kind for current and future generations across Hywel Dda. The strategy is based on the implementation of an integrated social model of health. It signals a shift from our current focus on hospital-based care and treatment, toward a focus on prevention and building the resilience of people and communities, as described above, and establishes a parity of esteem between physical health, mental health and learning disabilities across the age span.
- The aim of the Annual Recovery Plan 2020/21 was to set out how the Health Board would recover from the pandemic. This focussed on supporting staff to recover and laying down the foundations to recover services and support communities. The Plan responds to the 5 ministerial priorities, within the context of both COVID-19 and non-COVID-19:
  - Reducing health inequalities;
  - Prevention;
  - Timely access to care;
  - Primary and community care;
  - Mental health and well-being.
- The Health Board Value Based Healthcare Programme (VBHC) has been set up to help transform pathways by understanding the outcomes that matter to our patients and to align our resources to deliver better outcomes. This work builds upon the principles of Prudent Healthcare and will routinely engage with patients to capture the outcomes that that matter to them and to use this information to guide how our resources are used. It is this patient focused and data driven approach that forms the fundamental premise of Value Based Healthcare. The Health Board's approach to VBHC goes further than some other organisations by ensuring that there is a strong research and education foundation for the programme, operating alongside the work that many organisations do around using patient outcomes to inform pathway improvements. The approach also looks to lever the benefits associated with being a population health organisation, seeing to lever the wider societal, including economic, benefits associated with VBHC. This approach is paying dividends. Progress has been recognised by the Welsh Government, which has recently made a further significant investment in the programme, which will enable a rapid acceleration and ensure the principles of VBHC underpin every aspect of the Healthier Mid and West Wales strategic plan.
- In January 2022, the Board approved Programme Business Case (PBC) in support of the implementation of the Health Board's Health & Care Strategy, 'A Healthier Mid and West Wales: Our future generations living well'.
- The West Wales Regional Partnership Board (RPB) has continued to drive the integration of health and social services to plan and ensure the delivery of integrated, innovative services to best meet the needs of people with needs for care and support. The Integrated Executive Group (IEG) sits under the RPB and has monitored the delivery of following key programmes:

- ✓ The Healthier West Wales programme – funded through the Welsh Government's Transformation Fund and comprising three ambitious programmes aimed at helping people to stay active, well and independent within their communities whilst providing targeted support where necessary. Transitional funding of £6m has been awarded to support these programmes in 2021/22, building on nearly £12m investment over the past two years. West Wales Care Partnership was awarded £774,000 as part of this fund for the financial year ending 31<sup>st</sup> March 2022.
- ✓ The Transformation Fund (TF) also supports the West Wales Research, Innovation and Improvement Coordination Hub (RIICH), hosted by the UHB and charged with working across all partner agencies to (1) promote the use of research, knowledge and information to understand what works; (2) support shared learning; (3) and use innovation and improvement to develop and evaluate better tools and ways of working.
- ✓ The Integrated Care Fund (ICF) – bringing £12m revenue and £5m Capital transitional funding to the region in 2021/22 and supporting a wide range of programmes which bring services together, support independence and aim to significantly reduce the need for long term care. ICF investment spans all population groups, with focused allocations for older people, people with dementia, children and families, learning disabilities, unpaid carers and autism.

Welsh Government have confirmed that the Health and Social Care Regional Integration Fund (the RIF) will replace and build upon the progress made under the previous ICF and TF. The RIF totals £18.5m and is a 5 year fund to deliver a programme of change from April 2022 to March 2027 and will seek to create sustainable system change through the integration of health and social care services.

- Strong partnership working with its Public Services Boards has continued through the pandemic.
- The publication of a PSB Well-being Assessment and RPB Population Needs Assessment are requirements of the Well-being of Future Generations (Wales) Act 2015, and Social Services and Well-being (Wales) Act 2014, respectively. The three PSBs and the RPB have worked collaboratively on the Well-being Assessment and Population Assessments, using a Regional Engagement and Consultation Framework to provide a standardised approach to conducting the engagement and consultation activity. An Executive Summary of the Population Assessment which is nearing completion was presented to the Strategic Development and Operational Delivery Committee on 24<sup>th</sup> February 2022. This presented an overview of the key findings for defined population groups, namely: Learning Disability; Sensory Impairment; Older People; Unpaid Carers; Disability; Mental Health; Dementia; and Children and Young People. A final version of the full population needs assessment was presented to Board for approval on 31<sup>st</sup> March 2022.
- The Health Board has maintained strong partnership working with its neighbouring health boards throughout the pandemic with Swansea Bay

University Health Board, and its leadership of the Mid Wales Health and Care Committee with Powys Teaching and Betsi Cadwaladr University Health Boards.

- The Health Board has approved a clinical strategy for Bronglais General Hospital (BGH): Delivering Excellent Rural Acute Care in November 2019 which sets out a vision for future services at BGH, as part of the whole system plan for health and care in Ceredigion and surrounding areas. The development of this strategy was clinically led as part of Hywel Dda's strategic development programme and addresses the challenges of providing high quality care to remote urban and rural populations.
- During the pandemic, the Health Board has met with the three local authority leaders and their CEOs to work together to ensure our population was kept as safe as possible. It allowed the community to respond to the pandemic together, resolving challenges, planning and sharing intelligence.
- From a quality and safety perspective, detailed discussions on COVID-19 and winter planning took place in December 2021 at the Quality, Safety and Experience Committee. The West Wales Regional Partnership Board (RPB) received funding of £1.253m to assist in the delivery of this winter plan at a regional level. The Board received assurance on development of the Regional Plan for Winter 2021/22, at the Board on 25<sup>th</sup> November 2021.
- The Strategic Discovery Report, brought together our learning and innovation across the local health and care system to ensure that we apply the initial learning from our pandemic response to the delivery of our health and care strategy. This was done by
  - ✓ “Looking Back” at the history of previous pandemic responses and presenting some of the findings from our research about previous pandemics
  - ✓ “Looking Out” at global learning and research, and the Welsh context; and taking a deep dive of recognised thought leaders in the field of health and care, and related policy areas.
  - ✓ “Looking in” at our system responses, changes and learning as a Health and Care partnership, which has included findings from our Health Board engagement with around 100 clinical, operational and corporate leaders across the organisation. The purpose of this engagement was to discover more about the changes to Health Board services due to COVID-19, and their impact and triangulate the findings with relevant performance data, detailed information about service changes, and wider learning about COVID-19 in order to inform the outputs of this report.
- The Health Board's Annual Recovery Plan 2021/22 was driven by its six strategic objectives and the underpinning planning objectives. It also included a number of regional plans. For example, one priority area is our regional approach to cataract surgery. Both Health Boards have historically had significant gaps in capacity and demand for cataract surgery, previously managed through high levels of outsourcing to private sector organisations.
- During 2021/22, the Health Board developed a refreshed Board Assurance Framework which provides a visual representation of the current delivery against

each planning objective aligned to the strategic objective; and the current performance in respect of the agreed outcome measures for the strategic objective.

- The Health Board's collaborative model and approach, as outlined in the Annual Plan 2021/22, is informed by A Healthier Wales, A Healthier Mid and West Wales, the Primary Care Model for Wales, the Regional Partnership Board and its West Wales Area Plan, the three Public Service Board's Wellbeing objectives and the priorities articulated by the 7 Primary and Community Cluster Plans.
- Improved communications across the HB including the CEO and Chair holding ~~virtual staff meetings~~, fortnightly meetings with independent members, weekly catch-up local politicians/MS/MP on operational and strategic planning.

**Criteria 3: There are some excellent examples of how the Board is innovative and improves delivery, plan resources and prioritises, develops clear roles, responsibilities and delivery models and manages performance and value for money.**

- Subsequent to phase one of the COVID-19 pandemic, the Health Board) commissioned a Discovery report into the changes and innovations that had been made in response to the pandemic to enable us to respond to our patient and public needs. Rich evidence of service changes and innovations emerged with extensive changes undertaken across many areas, including working practices, workforce agility, and use of technology. This was important learning in order to support the recovery of services across HDdUHB, to build upon what worked well, and to work towards a 'new normal'. A further discovery report was commissioned by the Chair and Chief Executive to capture the experiences of staff working during the pandemic to inform the Health Board of what is important to staff, how they think we should approach their rest, recovery and recuperation and the 'thank you offering'.
- In 2021/22, the Health Board launched a monthly staff survey. Every month, this survey is sent to 1000 staff to complete to gain a greater understanding of the experiences of working in Hywel Dda and how the organisational culture is developing.
- The Health and Care Strategy was developed as a result of the comprehensive clinically-led engagement and consultation which concluded in 2018. In the consultation, alternative proposals were presented to the public and, following analysis and consideration of the consultation feedback with some amendments, formed the basis for the strategy and particularly the infrastructure requirements to support the full implementation of the strategy.
- In November 2021, the Board approved the Programme Business Case in support of the implementation of the UHB Health & Care Strategy, 'A Healthier Mid and West Wales (AHMWW): Our future generations living well', for submission to the Welsh Government. An enabling governance structure is in place to support the AHMWW Programme, with workstreams covering land,

Finance and Workforce, Digital, Transport, Communications and Engagement and Clinical/Non-clinical modelling.

- During the pandemic, the Health Board developed a robust Local Testing Delivery Plan, a mass vaccination programme Delivery Plan in accordance with the latest Welsh Government requirements, and maintained an efficient and sustainable plan to predict, source, organise and distribute PPE to health and care services (including domiciliary care, care homes and residential homes).
- A Command Centre was established to manage all COVID related enquiries, coordinate COVID related policy and guidance from national bodies, regulators and advisors, manage local access to antigen and antibody testing, and roll out a process to maintain personalised contact with all patients currently waiting for elective care (single point of contact). This model is being further developed as part of planning objective 1B to provide a single telephone and point of contact – the 'Hywel Dda Health Hub'.
- In Structured Assessment 2021: Phase 1 Operational Planning Arrangements, Audit Wales found that 'the Health Board's arrangements for developing operational plans are generally effective although it does not have the processes necessary to monitor and review progress in delivering its priorities'. An action plan was developed to address areas of improvement and progress is overseen by the Audit and Risk Assurance Committee.
- The Health Board set and achieved an ambitious plan for 2021/22 to deliver a reduced forecast deficit of £25 million, after savings of £16.1m. In Structured Assessment 2021: Phase 2 Corporate Governance and Financial Management Arrangements, Audit Wales found that 'while the Health Board continues to face significant financial challenges, it has maintained appropriate financial controls and monitoring and reporting is robust. The Health Board is working hard to achieve financial recovery but is managing a number of risks and delivery is being hindered by operational capacity to develop recurring saving schemes'.
- A new opportunities framework had also been implemented which draws on efficiency data such as the Finance Delivery Unit efficiency framework to identify opportunities to make efficiency savings, as well as draw on good practice and opportunities to streamline the allocation of resources.
- The finance business partnering model has now become fully established within the Health Board with business partners allocated to all directorates, and through the accountability agreements, clear delegated budgetary responsibility remains in place.
- In 2019, Hywel Dda University Health Board's (HDdUHB) ten year Workforce, Organisation Development and Education Strategy was agreed and it was recognised that a rightsizing investment would be required to facilitate strategy implementation through the development of new roles within the function.
- During 2021/22, the Integrated Performance Assurance Report (IPAR) has been strengthened to improve our understanding and interpretation of the data by

incorporating the Making Data Count approach developed by NHS Improvement England. This approach is focused on the use of statistical process control (SPC) charts. The IPAR is reported to every Board, with the People, Organisational Development and Culture Committee, the Strategic Development and Operational Delivery Committee or the Sustainable Resources Committee receiving also receiving reports on performance measures aligned to their Committees.

- The 'Improving Together' framework aligns team vision to strategy and empowers teams to set key improvement measures aligned to their team vision. Visualisation of key data sets including improvement measures and regular team huddles helps drive decision-making. The approach embraces coaching discussions and supports staff to develop solutions, embedding the principles of continuous improvement. The framework will offer a common approach to how we can adapt, adopt and spread good practice in a systematic way. Improving Together will embrace and embed some of the positive lessons learnt through the pandemic. It brings a number of key planning objectives across directorates into one scalable framework for growing and co-ordinating improvement activities aligned to organisational goals. Outcome measures are now a part of our Board Assurance Framework and these will be reviewed regularly to ensure they align to our ambition and have key milestones identified. Work is currently being undertaken to develop Executive Performance Dashboards.
- The Health Board's Healthcare Apprenticeship Academy includes apprenticeship programmes in healthcare, corporate governance, digital services, patient experience, mechanical engineering, electrical engineering, plumbing and workforce development. This 'grow your own' workforce scheme is an innovative way of building our future workforce and creating jobs within our communities.
- The Health Board has an approved Research & Innovation Strategy 2021-2024.
- TriTech Institute is a Hywel Dda University Health Board innovation, established in September 2020. TriTech offer a unique support service to clinical, academic and commercial health tech developers to support technology adoption within the NHS.
- Additional positive impacts providing innovative digital solutions at pace include:
  - ✓ The Health Board purchased a system, which allowed the delivery of a scheduling tool that can maximise the response of the Community Services.
  - ✓ Electronic Nursing Documentation was delayed due to COVID pressures, but in March 2021, it will be introduced into South Pembrokeshire Hospital to provide a lesson learned approach before the wider release in a larger site.
  - ✓ The Digital Team has rolled out upwards of 4,000 pieces of digital equipment to Health Board staff. This rapid deployment of equipment has enabled staff to continue to provide services to patients.
  - ✓ From April 2021, District and School Nurses will be issued with suitable equipment to accelerate the adoption of the Welsh Community Care System (WCCIS).
  - ✓ The fast track implementation of Microsoft Office 365 has revolutionised new ways of working within the Health Board. It has allowed more people to work

from home and improved the way colleagues communicate. This includes a Digital Champions Network, where staff can be kept informed of new developments, communicate in an open way with the digital team, express concerns and have access to improved learning facilities. To date, we have engaged with over 300 digital champions.

**Criteria 4: There are some excellent examples of how the Board fosters a culture of learning and self-awareness, and personal and professional integrity.**

*Learning and Self Awareness:*

- The All Wales Raising a Concern (whistleblowing) policy outlines how the Health Board engages with staff and volunteers on how to raise a concern. The Health Board has also established a 'speaking up safely process' to enable staff to discuss any concerns they have in a confidential environment and be supported in doing so.
- The Charter for Improving Patient Experience, co-produced with patients and communities, clearly sets out what patients, families and carers can expect when receiving services from the Health Board. The Charter will inform the Health Board's patient experience programme, individual service plans for patient experience, and integration of patient experience feedback into service planning and improvement.
- Following the first wave of the pandemic the Health Board engaged with over 100 key leaders across clinical, operational, and corporate functions. The pandemic had forced many clinical services and corporate functions to work in radically different ways; we wanted to find out about these changes and innovations, and apply this learning to expediting our strategy, 'A Healthier Mid and West Wales'. We also wanted to understand how the lockdown and new ways of working (such as reduced car journeys, exercise and local sourcing) impact on our ability to deliver our wellbeing objectives, in line with the Well-being of Future Generations (Wales) Act 2015. Here is a summary of our learning.
  - ✓ **Technology enabled care:** Technology has been used to introduce virtual consultations with patients. Assessments and clinics have taken place through smartphones and patient platforms such as Attend Anywhere.
  - ✓ **Common vision and shared goals:** People told us how powerful it had been for teams and departments to work towards one clear goal: to prepare for and manage our response to the pandemic. Although in reality teams have many different objectives, we learnt that we needed a smaller number of clear goals for the organisation in future, to continue to mobilise change.
  - ✓ **Working digitally:** The introduction of Microsoft Teams had changed our ways of working. People told us that this enables remote working, with less paper and less travel. It facilitates collaboration, with people connecting across sectors, and jointly working on documents.
  - ✓ **Empowerment and autonomy to act:** People valued having the autonomy and freedom to make decisions within the framework of the command structure, and this led to efficient and effective decision making. The people that we interviewed told us that decisions about services were 'clinically led

and need-driven', and benefited from having a lighter touch governance structure in place, without the need to submit detailed reports and wait for decisions to be approved. Decisions were made quickly through having regular, short, focused meetings, and through an increased multi-disciplinary approach to decision making. They told us that 'local decisions were made by local teams', and that they felt empowered to 'get on and do'.

- ✓ **Workforce flexibility and 'can do' culture:** We heard many positive examples of staff flexibility and adaptability in response to the pandemic; of people's willingness to work outside traditional role boundaries, take on additional responsibilities, and support changes to services and rotas.
  - ✓ **Camaraderie:** This was the word used most to describe the working culture during the pandemic.
  - ✓ **Restructured services and pathways:** We heard countless examples of how services had been restructured in terms of where and how they are delivered to patients. Some examples involved a shift to delivering services in community settings, and changes to staff rotas. We also heard examples of how restructured pathways led to admission avoidance and early supported discharge from hospital and all hospitals divided into red and green zones.
  - ✓ **Integrated, collaborative partnership working:** Many pathways between primary, community (including local authority), and acute care have been streamlined. Staff have been working across traditional boundaries and sectors, breaking down silos. These examples of partnership and integrated working are relevant to our ambition to take a whole system approach to transforming health and care.
  - ✓ **The shift to virtual consultations and virtual outpatient services:** Out of necessity and to enable safe and sustainable outpatient services has come one of the most profound transformations to the way the Health Board provides treatment.
- The Health Board conducted an engagement exercise ('Building a healthier future after COVID-19') from 10<sup>th</sup> May to 21<sup>st</sup> June 2021, as an opportunity to check in with staff, patients and their families, and the wider public, to establish how their lives had been impacted by the global pandemic. This was to learn more about how the pandemic has affected people's health and care, and their access to it, as well as the implications of these experiences for our long term health and care strategy, 'A Healthier Mid and West Wales: Our Future Generations Living Well'.
  - In September 2021, the Board received the Discovery Report: Understanding the Staff Experience in Hywel Dda University Health Board During 2020-21 COVID-19 Pandemic. The report captured the experiences of staff across Hywel Dda to inform the Health Board's recovery plan and culture moving forward.
  - The People, OD and Culture Committee received the "Performance Appraisal Development Review (PADR): How do we Manage and Raise Performance in HDdUHB", providing Members with a deeper understanding of the performance management agenda within HDdUHB. The Committee supported the outlined direction of travel to enable the growth of an employee led performance management culture within HDdUHB, anticipating that this would have a positive impact upon the compliance rate moving forward.

- A Listening and Learning sub-committee was established at the start of the pandemic, which includes clinicians from across the Health Board and provides a forum to share and scrutinise learning from concerns, and to share innovation and good practice, promotes changes and innovations to service delivery and ensure best practices is shared. It is also responsible for triangulating data and identifying emerging themes/trends, identifying learning points and changes to practice evolving from investigation and review of concerns, and identifying areas to inform the quality improvement programme.
- A Patient Experience Report is also presented to each Board meeting. The intelligence within this report has grown and improved and gives real insight to the Board of family and service user experience, and the current position in relation to feedback, including complaints. Patient and service user feedback is received into the Health Board through a variety of routes: Friend and Family Test; compliments (formal letters received by the Chief Executive, Chair and the Big Thank You initiative); concerns and complaints, Patient Advice and Liaison Service (PALS) feedback; local surveys; the all Wales NHS survey and via social media.
- During COVID, the Chair increased the Chairs awards, which enabled her to meet many teams and employees nominated by their peers to thank them and award them, whilst also providing the opportunity to listen to many front line staff about their experiences and to thank them for their kindness and their care for patients, their resilience and creativity and their dedication to duty and service.
- Reverse mentoring by the Board enables more Board visibility throughout the organisation and ensures that the Board continues to listen to and learn from front line staff experience.
- The development of the Black, Asian and Minority Ethnic (BAME) Advisory Group, Chaired by the Health Board Chair, during COVID-19 demonstrated Board level leadership and commitment to addressing inequalities experienced by HDdUHB staff. The Advisory Group advises the Health Board on mainstreaming equality, diversity and inclusion for its workforce and to provide a forum to raise concerns in a safe and confidential environment. During 2021/22, The Group commissioned a review of all dismissals relating to a member of the workforce from a BAME staff group to be reviewed over a 10 year period. Whilst there was no evidence of disproportionate impact based on the quantitative review of data, a number of recommendations were made to ensure more positive action can be taken to support staff going through the disciplinary process.
- During 2021/22, the Health Board embarked on a programme of culture change across the Health Board. A new team of Organisation Development Relationship Managers (ODRMs) work as conduits to link the Workforce and Organisation Development teams to our services. They are working with services to create People Culture Plans to really drive the culture change from the ground. The focus is to build trusting relationships with leaders, staff side and staff.
- A staff psychological wellbeing plan based on a phased approach that covers four areas (Throughout, Preparation, Sustained Acute (multiple waves), Longer Term Recovery) was developed and updated monthly based on a thematic analysis from

multiple staff sources such as counselling sessions; coaching themes; and Facebook and media comments. It also responds to changes in guidance and advice from Welsh Government services, which may directly affect staff experience at work. There is a stepped model of care in place:

- ✓ System support and Team Facilitation
  - ✓ Rest and Recovery for staff
  - ✓ Wide range of psychological wellbeing resources
  - ✓ Staff Wellbeing Information Line (Launched in November 2021)
  - ✓ Contributing to the Wellbeing
  - ✓ Champion Network
  - ✓ Psychoeducation Programme
  - ✓ Provision of 121 psychological interventions & support
  - ✓ Trauma referral pathway
  - ✓ Ecotherapy Programme for staff to support staff at risk of burnout or on sick leave due to work stress
- The Health Board, in conjunction with partner organisations, are piloting the Engagement HQ platform, developed by Bang the Table, to encourage an ethos of two-way communication to improve staff engagement. The Patient & Public Engagement Team have been working with the Organisational Development Team to design two project pages within the platform.
    - Valuing Your Voice - This is designed to encourage staff to share their stories and to voice ideas, solutions or simply wonderful work, how their experiences affected them, and what staff think the Health Board can learn to improve the organisation for all staff. This project page will offer staff an opportunity to be heard.
    - Praise for Peers - This page offers the chance for staff to tell a peer how much their kindness has meant to them by leaving a message in the guestbook about how a colleague has demonstrated kindness, caring or compassion for them, or just recognising someone for doing an outstanding job.
  - The Health Board retained its 'University Status' following a review by an assessment panel involving WG, Health and Care Research Wales, and Health Education and Improvement Wales on 16 April 2021. The WG awards 'University Status' to Health Boards able to evidence strong partnerships with Higher Education Institutions in relation to learning and teaching, research and development, and innovation. The achievements include significant partnership activity in support of the Health Board's University status:
    - ✓ Workforce strategy, in areas including the 'grow your own – train, work, live' initiative, developing skills and education (e.g. new role creation, degree apprenticeships, and widening access to courses), supporting high quality placements, and continuing professional development;
    - ✓ Research strategy, including jointly supported portfolio studies, research time awards, honorary and jointly funded posts, securing grants from significant research funding bodies and commercial organisations, and maturing formal associations including the West Wales Academic Health Collaborative;

- ✓ Innovation approach, both demand and supply side, including several joint projects supported through the efficiency through technology fund, meaningful partnerships with the Life Science Hub Wales (e.g. the Accelerate initiative), and significant engagement with the Bevan Commission's programmes, evidenced by the number of Exemplar projects supported.
- A National Staff Survey was conducted during November 2020 had more emphasis upon staff experience and reduced quantitative measures. The format and engagement process for the staff survey was changed to simplify the questionnaire around key topics and to follow up results with conversations to address the emerging issues on a local basis. A report was presented to the People, Planning and Performance Assurance Committee in April 2021 and set out the way forward.

*Personal and Professional Integrity:*

- The Board's Standards of Behaviour Policy was reviewed in 2019. This policy outlines how the Board is committed to ensuring that its employees and Independent Members practice the highest standards of conduct and behaviour. An Internal Audit review in 2020/21 provided 'reasonable' assurance. The Audit and Risk Assurance Committee will review and report to the Board upon the adequacy of the arrangements for declaring, registering and handling interests, gifts, hospitality, honoraria and sponsorship at least annually.
- The Health Board's Standing Orders supported by the Standards of Behaviour Policy aims to ensure that arrangements are in place to support the workforce to act in a manner that upholds the code of conduct for the NHS. Part of this process is obtaining declarations in respect of Gifts, Hospitality, Honoraria, and Sponsorship etc. The Register and Declaration of Interests is the method by which the Board safeguards against conflict or potential conflict of interest where private interests and public duties of members of staff do not concur. The Board must be impartial and honest in the conduct of its business. An annual report is received by the Audit and Risk Assurance Committee in respect of declarations.
- The introduction of the Healthy Working Relationships Programme and the new Respect and Resolution Policy across Wales in October 2020, will provide a great opportunity to do things differently in partnership. The Health Board will work with Trade Union partners to put trust at the heart of how dignity at work is managed, grievance issues and to encourage managers to do the right thing in resolving issues by treating each matter individually and each member of staff as an adult. Our Trade Union chairs are keen to work with us to develop pledges to ensure we achieve and monitor success of this new approach, putting people at the heart of it.

**Recommendations**

1. Continue to work towards development and approval of a 3 year Integrated Medium Term Plan.

2. Review the Risk Management Strategy in 2022/23 and update the Risk Management Framework to reflect new risk reporting arrangements in the Health Board approval of the Annual Plan.
3. Reinvigorate its commitment to Board development during 2022/23 under the leadership of the Chair.
4. Encourage more Board visibility throughout the organisation and to ensure that the Board continues to listen to and learn from front line staff experience.
5. Recommence the Executive development programme to strengthen team cohesion, effectiveness and performance.
6. Improve governance of RPB in order that statutory bodies receive assurance on the work being progressed.
7. Strengthen operational quality governance arrangements, in response to the AW follow up review of quality governance in 2021.

Cyfarwyddwr Cyffredinol Iechyd a Gwasanaethau Cymdeithasol/  
Prif Weithredwr GIG Cymru  
Grŵp Iechyd a Gwasanaethau Cymdeithasol

Director General Health and Social Services/  
NHS Wales Chief Executive  
Health and Social Services Group



Llywodraeth Cymru  
Welsh Government

Mr Steve Moore  
Chief Executive  
Hywel Dda University Health Board  
Corporate Offices  
Ystwyth Building  
Hafen Derwen  
St David's Park  
Job's Well Road  
Carmarthen  
SA31 3BB

Our Ref: JP/MR/SB

3 March 2022

Dear Steve

### **Joint Escalation and Intervention Arrangements**

Under the Joint Escalation and Intervention Arrangements, the Welsh Government meets with Audit Wales and Healthcare Inspectorate Wales twice a year to discuss the overall assessment of each Health Board, Trust and Special Health Authority in relation to the arrangements.

A tripartite meeting has recently taken place and I write now to let you know your health board's status.

On the basis of the tripartite group discussion, Welsh Government officials will be recommending to the Minister that the escalation status of Hywel Dda University Health Board remains at 'enhanced monitoring'.

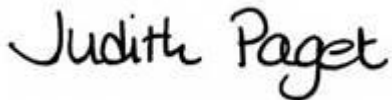
The group acknowledged the good leadership within the organisation. Whilst the escalation level remains unchanged since the last meeting, an issue was raised by the group for you to consider, namely:

- There is a need to address the current financial position and financial strategy linked to future service and workforce plans;

- There is concern around the urgent and emergency care position across the health board, with all four acute sites often at high levels of escalation every day;
- The continued workforce challenges within the health board.

In the meantime, Welsh Government colleagues will continue to provide the necessary specialised support and advice to address issues raised. We will continue to have regular JET and IQPD meetings with subject specific discussions as and when considered necessary.

Yours sincerely

A handwritten signature in black ink that reads "Judith Paget". The script is cursive and fluid, with the first letters of each word being capitalized and prominent.

**Judith Paget CBE**



GIG  
CYMRU  
NHS  
WALES

Bwrdd Iechyd Prifysgol  
Hywel Dda  
University Health Board

Ein cyf/Our ref: CEO

Gofynnwch am/Please ask for: Alex Harries

Rhif Ffôn /Telephone: 01267 239588

Dyddiad/Date: 24<sup>th</sup> March 2022

Swyddfeydd Corfforaethol, Adeilad Ystwyth  
Hafan Derwen, Parc Dewi Sant, Heol Ffynnon Job  
Caerfyrddin, Sir Gaerfyrddin, SA31 3BB

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Judith Paget  
Director General Health & Social Services /  
NHS Wales Chief Executive  
Health and Social Services Group  
Welsh Government  
Cathays Park  
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CF10 3NQ

By email to [judith.paget001@gov.wales](mailto:judith.paget001@gov.wales)

Dear Judith

## RE: Joint Escalation and Intervention Arrangements

I write in response to your letter of 3<sup>rd</sup> March 2022 confirming the escalation status for Hywel Dda Health Board. Our ambition is to return to routine monitoring status, recognising that this will depend on delivering an approvable Integrated Medium Term Plan. It is, however, encouraging to see that despite the unprecedented challenges we have faced in the last 2 years – exacerbated by our hospital configuration and relatively poor infrastructure – we have been able to consolidate our de-escalation from targeted intervention status.

I note the issues you have raised that require resolution if we are to realise our ambition to return to routine monitoring. In relation to our financial position and financial strategy, we are working closely with colleagues in the Finance Delivery Unit as well as with our operational and corporate teams to finalise our financial route map to recovery. This will set out our trajectory to achieve financial balance, linked ultimately to the hospital reconfiguration and wider aims of *A Healthier Mid & West Wales (AHMWW)* and, with Welsh Government support will enable us to deliver an approvable 3 year plan setting out the detailed steps we will be taking in the short to medium term. Securing this support and delivering our strategy will put West Wales on a stable and sustainable financial footing for the first time in Hywel Dda health Boards history.

In relation to urgent and emergency care, we share your concerns and have been actively addressing the wide range of challenging issues that underlie this. Prior to the pandemic, Hywel Dda achieved levels of performance in both Planned and Unplanned Care that were

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Swyddfeydd Corfforaethol, Adeilad Ystwyth,  
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Cadeirydd /Chair  
**Miss Maria Battle**  
Prif Weithredwr/Chief Executive  
**Mr Steve Moore**

Bwrdd Iechyd Prifysgol Hywel Dda yw enw gweithredol Bwrdd Iechyd Lleol Prifysgol Hywel Dda  
Hywel Dda University Health Board is the operational name of Hywel Dda University Local Health Board

Mae Bwrdd Iechyd Prifysgol Hywel Dda yn amgylchedd di-fwg Hywel Dda University Health Board operates a smoke free environment

amongst the best in Wales (although, I acknowledge in the case of emergency care, this still fell short of Welsh Government targets for waiting times). The pandemic has left us with a difficult legacy relating to the impact of lockdowns, staff exhaustion and demand backlogs which will take us time to address but this Health Board has had a strong track record in sustained waiting time performance and I am confident that we will return to this as we work through the consequences of the last two, unprecedented years.

On your final point, I recognise that as a Health Board we have some of the biggest challenges regarding workforce vacancies and rota gaps. Indeed, a recent analysis by the Workforce and OD Directors Peer Group showed that Hywel Dda Health Board has the highest overall vacancy rate of any health organisation running acute hospitals in Wales. There are a range of factors contributing to this and we are taking innovative, often ground breaking action to address them. We have one of the largest, most successful apprenticeship schemes (which continues to grow), are quickly developing our “team around the patient” model (learning from the very positive experiences of patients and staff in our Field Hospitals) and have the most developed workforce modelling tool in NHS Wales. This tool is now being adopted nationally and we are working closely with both the peer group and HEIW to offer our expertise in this area. Whilst our workforce challenges are largely not of our making, I am confident that these efforts, plus developments such as the Aberystwyth School of Nursing opening this year, will provide a clear workforce route map, linked to finances and our AHMWW Strategy to create a sustainable and stable NHS workforce for West Wales.

We continue to work closely with our regulators who, I am aware, form part of the decision making process that determines Health Board escalation levels in Wales. I believe their confidence in us continues to grow, with the last 2 Structured Assessments for Hywel Dda from Audit Wales of particular note as they complemented our approach and achievements, making no recommendations for improvement. We also regularly discuss our escalation levels with our Audit and Risk Assurance Committee as well as including details in my report to our public Board meetings. This provides assurance to Board on the actions we are taking and transparency for the public we serve.

I hope the above provides reassurance that we are clear about the challenges we face and have been actively addressing them over the last year, despite the on-going challenges of managing the pandemic. We will continue to work closely with Welsh Government colleagues to share our work and build confidence that we can be sustainably returned to routine monitoring status and would welcome a discussion on the criteria you require us to achieve in order to meet this aim.

Yours Sincerely



Steve Moore  
Chief Executive

Cc

Maria Battle, Chair, Hywel Dda University Health Board  
Dr Phil Kloer, Deputy Chief Executive, Hywel Dda University Health Board  
Andrew Carruthers, Director of Operations, Hywel Dda University Health Board  
Huw Thomas, Director of Finance, Hywel Dda University Health Board  
Mandy Rayani, Director of Nursing, Quality and Patient Experience, Hywel Dda University Health Board

Lisa Gostling, Director of Workforce & Organisational Development, Hywel Dda University Health Board  
Alison Shakeshaft, Director of Therapies & Health Science, Hywel Dda University Health Board  
Jill Paterson, Director of Primary Care, Community and Long-Term Care, Hywel Dda University Health Board  
Joanne Wilson, Board Secretary, Hywel Dda University Health Board  
Lee Davies, Director of Strategic Development and Operational Planning, Hywel Dda University Health Board