



Governance Arrangements during the Covid-19 Pandemic – Update Review

Advisory Review Final Report

2020/21

Hywel Dda University Health Board

Audit and Assurance Services

Private and Confidential

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Appendix 1 - Scope of the Review

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Please note:

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1. INTRODUCTION AND BACKGROUND

During the early stages of the pandemic a rapid advisory review of governance arrangement in place was undertaken during July and August 2020.

That review assessed the effectiveness of those arrangements established to maintain adequate governance during that period particularly with respect to compliance with Welsh Government guidance. The key objective of that review was to provide independent, timely feedback to enable changes to be made to temporary governance arrangements if they are to be used in the future.

The outcome of the rapid governance review was reported to the Health Board in September 2020 and the Audit & Risk Assurance Committee in October 2020. The report concluded that the Health Board's governance arrangements operated effectively during the peak of the pandemic and went on to make a number of suggestions as to how arrangements could be further strengthened for potential future peaks of the pandemic.

Following discussions with the Health Board it has been agreed that a subsequent review would be undertaken to provide an updated position as to the adequacy of the temporary governance arrangements currently in place during the second wave of the pandemic, including any lessons learned from the first wave and considerations made in the original rapid governance review.

The scope of this review assessed the adequacy and effectiveness governance arrangements in operation during the second wave of the Covid-19 outbreak, with particular focus on changes to operating practices made since in the original rapid governance review. As with the initial review of governance arrangements this is an advisory review, and as such the report is not allocated an assurance rating. Further detail regarding the scope of the review is included in the appendices to the report.

2. EXECUTIVE SUMMARY

Governance arrangements continued to operate effectively during the second and more challenging wave of the pandemic.

The Command and Control structure continued operating and evolved during the second wave to ensure it allowed for an effective response to the pandemic and timely decision making. A specific Bronze group was included in the structure to cover the delivery and monitoring of the mass vaccination programme.

Board and Committee meetings have continued to be held virtually and operated with revised arrangements at times, whilst still allowing for each to discharge their responsibilities appropriately. Board meetings have been live streamed for public accessibility, with recordings made available on the website.

The Board received regular papers setting out the revised operating and governance arrangement, as well as report covering the organisations response to the pandemic including Gold Group planning requirement and matters for ratification.

Effective risk management arrangements have also been maintained throughout the year, with evidence of corporate risk during the year.

Arrangements for Financial Governance were maintained during the second wave of the pandemic with regular reporting to the Finance Committee, including a breakdown of the latest financial position, with year to date variance by Directorate, Covid 19 costs per directorate, spend against key subjective and savings profiles.

The draft financial accounts for 2020/21, along with the draft Accountability Report including the Annual Governance Statement were prepared in Accordance with the stipulated timetables and presented to the Audit & Risk Assurance Committee.

The Health Board considers that the revised governance arrangements including the and command and control structure have been highly effective and has decided to embed the principles into its operating structure going forward, along with a revised committee structure and further development of the board assurance framework and risk management arrangements.

During the year Internal Audit have also undertaken reviews looking at various other aspects of the Health Board's response to Pandemic. These include Information Technology Response to Covid-19, Workforce Planning in response to Covid-19 and the Mass Vaccination Programme. The content of those reports should be considered alongside this report and the initial review of Governance arrangements during the pandemic. DETAILED REPORT

3.1 Strategic Governance

Our review identified the following:

- During the second more challenging wave of the pandemic the Health Board continued operating with revised working and governance arrangements, in order to ensure that the Board and key committees were able to function effectively and discharge their responsibilities.
- These revised arrangements and governance principles have built on those established in the first wave of pandemic and are set out in detail in papers to the Board on maintaining Good Governance, at each meeting. These papers set out arrangements for decision making, the Command and Control Structure, the principles and ways of working for the Board and key committees. The final Good Governance paper goes to the Board in May.
- The Good Governance papers have reported to the Board that the overall Scheme of delegation remained in place along with arrangements for Chair's actions if this was required. In respect of COVID 19, the decision making process has continued through the Command and Control Structure.
- The Chief Executive reported on the Health Board's Response to COVID-19 at each Board meeting. These reports have set out details on key aspects of the operational response including Gold Command planning requirements and matters for ratification.
- The Good Governance papers have also noted any required changes to standing orders during the period.
- The Health Board Chair has continued to maintain regular dialogue with the Chief Executive and fortnightly briefings with Independent Members.
- Meetings of the Board and Committees have continued to take place virtually, whilst still allow for each to operate effectively. Board Meetings are live streamed, with recordings also provided on the website to ensure that they are still accessible to the public. Board papers are available on the website in advance of the meetings.
- During our review a small number of committee papers could not be located on the UHB website, although it is noted that these were subsequently updated.

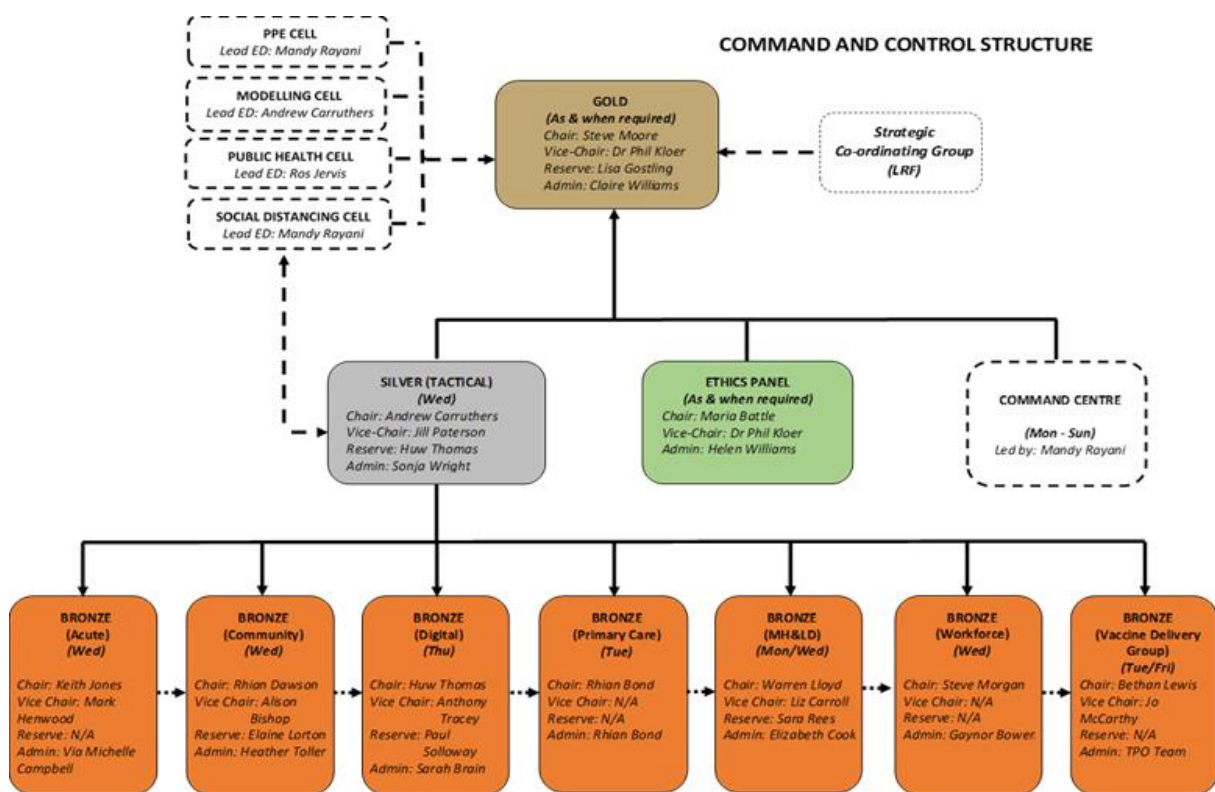
- The Health Board has reviewed its committee structure taking into account of learning over the last year, along with its board assurance framework and risk management arrangements. A revised structure is being implemented which will also embed the principles of the command and control arrangements into its operating structure going forward.
- The Health Board's recommendation tracking process has continued during 2020/21, although as reported to the Board and the Audit & Risk Assurance Committee (ARAC) that as a result of the pandemic, focus was given to high priority and certain regulatory compliance recommendations. In order to manage the level of outstanding recommendations an assessment was undertaken of which of these can be closed. ARAC have been updated during the year about the ongoing position with the level of recommendations outstanding.
- The Draft Annual Governance Statement and Accountability Report has been prepared and presented to ARAC at its May 2021 meeting
- Since the previous review the Board and Committee Standard Operating Procedure has been subject to review and includes a guide on etiquette for Virtual Meetings. The procedure however hadn't yet been updated to include details as how to adapt meeting arrangements in the event of a future emergency response.

3.2 Command and Control Structure

- The Health Board established a temporary hierarchy of command and control at the initial onset of the pandemic to allow for timely and effective decision making and has as continued to operate with these arrangements in place throughout the pandemic.
- The command and control structure has continued to evolve, and the latest version of the structure is shown the diagram below. The ongoing changes to the command and control structure, have been reported to the Board at each meeting. It was decided that the Gold Command Group would move to a meet on a request basis, in order to allow the Tactical Group and the various Bronze groups the time to deliver the required planning instructions from Gold.
- In January 2021, governance arrangements were strengthened for the mass vaccination with the establishment of a dedicated the Bronze Vaccination Delivery Group within the Command and Control structure

to ensure the planning, monitoring and delivery of the mass vaccination programme.

- Decision logs are maintained for the Strategic and Tactical Groups and are made available via the electronic papers system.
- The Health Board considers that the command and control arrangements have proven to be highly effectively and has decided to embed the principles into its operating and committee structure going forward.



3.3 Committees

- The Quality, Safety and Experience Assurance Committee (QSEAC) continued to meet throughout the year, with additional meetings in November and January to cover Covid related matters, including papers on the Impact on Essential Services, Hospital Outbreaks, Vaccination Prioritisation and Risk Assessments on Activity. Meeting agendas and reporting styles were also adjusted to allow for a timely focus on key areas.

- The People, Planning and Performance Assurance Committee continued to meet throughout the year with an additional extraordinary meeting in February to consider Covid related business particularly the Mass Vaccination Programme Delivery Plan.
- The Audit and Risk Assurance Committee continued to meet throughout the year and maintained coverage of key business.
- The Finance Committee maintained a schedule of monthly meetings throughout the year to maintain oversight of financial governance and the financial position.
- The Health and Safety Assurance Committee was established at the start of the 20/21 year and has met regularly during the year. Its meeting schedule and agendas were adjusted during the year to taking into account pressures on the organisation.
- After being stood down at the start of the year, the Mental Health Legislation Assurance Committee met in September and March, however, was stood down again between those meetings due to the ongoing pressures with the Health Board. Arrangements were put in place for business to progress outside of the committee during this period and report direct to Board if required.

3.4 Risk Management

- Updates regarding the Health Board's ongoing approach for managing risks during the pandemic have been clearly set out in regular papers to the Board. The risk management process has continued through the pandemic, covering both corporate and operational level risks. The ongoing approach taken has been pragmatic recognising pressures on the organisation.
- From a review of the papers to the Board and the Corporate Risk Register through the year, there was evidence of a regular review and updating of existing corporate risks. Work has also continued with Executive Directors and service areas to review risks on a regular basis.
- There was also evidence of the assessment and inclusion in the corporate risk register of new and emerging risks associated with the pandemic. These risks include Test Trace & Protect, Social Distancing and the Mass Vaccination Programme.

- From our review of papers to key Committees there was evidence of the consideration of their relevant risks assigned to each and also specific papers on a number of key risks areas.
- From a review of the Tactical Group papers and minutes it was evident that key risks were being considered.

3.5 Financial Governance

- The Finance Committee received a report covering the financial position at each monthly meeting. The reports provide a detailed commentary and breakdown of the latest position, with year to date variance by Directorate, Covid 19 costs per directorate, spend against key subjective and savings profiles.
- These reports have highlighted the deficit in the current financial position, a shortfall in the delivery of savings targets and the financial outlook heading in to 21/22 year.
- A Financial Assurance report is presented to each ARAC meeting. This report includes the use of Single Tender Actions (STAs), with reports identifying a number in respect of Covid-19 activity during the year. The Committee has however raised several questions in relation to the use of STA's and this will be covered in more detail within a specific Internal Audit.
- Losses are report to ARAC within the Financial Assurance report and have include a request to approve the loss in relation to £50k of expenditure in relation to beds purchased for the field hospitals that would not be suitable for use in acute settings.
- During the year reports have been submitted to the Finance Committee in relation to costs and leases associated with the field hospital arrangements.
- The Finance Committee has received and discussed reports in respect of corporate and operational financial risks.
- Financial Control Procedures (FCPs) within the Health Board are reviewed and updated as part of an ongoing rolling programme. Any system updates as a result of changes implemented during the pandemic would be included in this process. A report of updated to FCP's in provided to the Finance Committee.

- The previous review on Governance during Covid-19 noted the absence of documented business continuity plan for the Finance Directorate. Since that review a Business Impact Analysis and Risk Assessment has been undertaken and a plan developed.
- The Draft Financial Accounts have been prepared in line with the required timetable and presented to ARAC at its May 2021 meeting.
- Counter fraud activity has continued throughout the period of the pandemic, with regular updates reported to each meeting of ARAC. The Counter Fraud Annual Report for 2020/21 was presented to the April ARAC meeting and this noted the work undertaken to deliver the service during the pandemic and work undertaken to raise staff awareness of specific fraud risks that had emerged during the pandemic.

Appendix One –Scope of the Review

The scope of the review assessed the adequacy and effectiveness of governance arrangements in operation during the second wave of the Covid-19 outbreak, with particular focus on changes to operating practices made since in the original rapid governance review. As with the initial review of governance arrangements this is an advisory review, and as such the assignment is not allocated an assurance rating.

This review focused on the following principles:

- governance and risk management;
- delegation and escalation; and
- departures from existing policies and processes.

In particular, the work which included a review of documentation and a small number of interviews covered the following areas looked at the adequacy of arrangements established:

- to ensure that appropriate key decisions are made through the revised management arrangements, with risk, impact and value for money adequately assessed;
- to confirm that the (revised) Scheme of Delegation and escalation requirements are adhered to;
- to ensure appropriate oversight and scrutiny remains by the Board over applicable matters – for example, the risk appetite level set;
- to ensure that departures from existing standards, frameworks, policies and procedures are appropriately documented and reviewed regularly, but still in accordance with the Principles; and
- to determine if the command and control structure established is appropriate – for example, achieving the Principles set out by the Welsh Government.

As with the initial review of governance arrangements this is an advisory review, and as the assignment is not allocated an assurance rating.

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