



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

<b>DYDDIAD Y CYFARFOD: DATE OF MEETING:</b>	15 December 2020
<b>TEITL YR ADRODDIAD: TITLE OF REPORT:</b>	Outstanding recommendations from Audit Wales 2018 and 2019 Structured Assessment Reports
<b>CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:</b>	Steve Moore, Chief Executive Officer
<b>SWYDDOG ADRODD: REPORTING OFFICER:</b>	Joanne Wilson, Board Secretary

**Pwrpas yr Adroddiad (dewiswch fel yn addas)  
Purpose of the Report (select as appropriate)**

Er Sicrwydd/For Assurance

**ADRODDIAD SCAA  
SBAR REPORT**

**Sefyllfa / Situation**

Following the previous Audit and Risk Assurance Committee meeting, the outstanding recommendations from Structured Assessment 2018 and 2019 have been thoroughly reviewed with Audit Wales (AW) to establish if they were still appropriate given that the organisation is now working within a different context than when the recommendations were originally made.

**Cefndir / Background**

Structured assessment work undertaken by AW enables the Auditor General to discharge his statutory requirement under section 61 of the Public Audit (Wales) Act 2014 to be satisfied that NHS bodies have made robust arrangements to secure economy, efficiency and effectiveness in their use of resources.

The Structured Assessment 2019 resulted in 3 recommendations and considered that four previous recommendations from Structured Assessment 2018 were 'not yet complete'. To date, two recommendations from SA18 and one recommendation from SA19 have been implemented leaving four outstanding recommendations relating to the following areas:

- Performance management reviews and operational meetings (3 recommendations)
- Staff engagement (one recommendation)

**Asesiad / Assessment**

A meeting was held on 3<sup>rd</sup> December 2020 with the Audit Manager (Performance) from Audit Wales, the Board Secretary and the Head of Assurance and Risk at Hywel Dda University Health Board to discuss the outstanding recommendations which had been subject to a full review by the relevant Executive Lead prior to the meeting.

**Performance management and operational meetings**

The 3 outstanding recommendations are:

SA18 Rec 3a	To free up capacity for both executive and operational teams, and to enable a more joined up focus on the use of resources, the Health Board
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(Lead – Huw Thomas)	should streamline the number of holding to account (HTA) or performance review meetings with operational teams by: (a) reviewing the frequency and timing of these meetings;
R3c (SA18) (Lead – Phil Kloer)	To free up capacity for both executive and operational teams, and to enable a more joined up focus on the use of resources, the Health Board should streamline the number of holding to account (HTA) or performance review meetings with operational teams by: (b) aligning these meetings with management sessions contained within job plans for clinical directors to enable them to participate fully.
SA19 Rec 2 (Lead – Huw Thomas)	We found that the Executive Performance Reviews (EPRs) do not apply to corporate directorates, with the exception of Estates. The Health Board should apply EPRs to corporate directorates not already covered within the process.

It was recognised that these recommendations were issued when the Health Board was in escalated monitoring (Targeted Intervention) by Welsh Government. Holding to Account meetings are no longer in operation and the Turnaround Programme ceased in March 2020. In 2020/21, the Health Board was formally de-escalated by WG to an enhanced monitoring status. Formal performance management review meetings with the Executive Team were stood down during the first wave of the pandemic. Work has continued by the corporate teams to ensure Directorates still receive performance information, with a steering group in place to develop performance dashboards. The dashboards will have a significant positive impact on our managers by providing reliable performance data all in one place and in an easily accessible format (using Power BI).

The Board have also approved the following planning objective: 'From 1st April 2021 implement a revised approach to performance that is clear on expectations and accountability arrangements for all staff with managerial responsibilities. This will include regular, timely and individualised feedback on performance targets, provision of training, development, peer support and tools/ways of working to enable delivery. The focus will be to motivate and support staff at all levels of management to strive for excellence'. A Performance Excellence Steering Group has been established and the Executive Director of Finance is leading this work.

AW were in agreement that these recommendations no longer fit the context that the organisation is working within and agreed these could be closed. As performance management is a key component of governance, this will be assessed in future structured assessment reviews and AW will work with the organisation as it emerges from the pandemic.

#### Staff Engagement

The outstanding recommendation is:

R3 (SA19)	We found that there is scope to empower the wider workforce to contribute to the transformational change agenda. The Health Board should implement practical solutions to engage the wider workforce in the change programme, for example by identifying change champions within individual services.
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This recommendation was issued in respect of the previous transformation structure and was aimed to address the risk that the workforce would not be involved in the transformation change agenda.

AW agreed that throughout the pandemic, staff have driven the organisation's response and management of the pandemic. The organisation has maintained fluid engagement with staff over its strategic direction, e.g., senior leaders were involved in the Virtual Design Workshop and informing the Discover Report to the Board, and clinical leaders will be involved in the development of the Programme Business Case.

AW agreed that the Health Board have addressed this recommendation and can demonstrate that the wider workforce are helping to drive the transformation change agenda.

### **Argymhelliad / Recommendation**

The Audit and Risk Assurance Committee is asked to support the closure of the four outstanding recommendations from the Structured Assessment 2018 and 2019 and close both reports, recognising these areas will be reviewed by Audit Wales in future Structured Assessment reviews.

### **Amcanion: (rhaid cwblhau)**

### **Objectives: (must be completed)**

Committee ToR Reference Cyfeirnod Cylch Gorchwyl y Pwyllgor	5.3 In carrying out this work the Committee will primarily utilise the work of Internal Audit, Clinical Audit, External Audit and other assurance functions, but will not be limited to these audit functions. It will also seek reports and assurances from directors and managers as appropriate, concentrating on the overarching systems of good governance, risk management and internal control, together with indicators of their effectiveness.
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:	All Strategic Objectives are applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: <a href="#">Hyperlink to HDdUHB Well-being Statement</a>	Not Applicable

<b>Gwybodaeth Ychwanegol: Further Information:</b>	
Ar sail tystiolaeth: Evidence Base:	Structured Assessment 2019.
Rhestr Termau: Glossary of Terms:	Included in document.
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Archwilio a Sicrwydd Risg: Parties / Committees consulted prior to Audit and Risk Assurance Committee:	All relevant Executive Directors have been asked to contribute to the management response.

<b>Effaith: (rhaid cwblhau) Impact: (must be completed)</b>	
<b>Ariannol / Gwerth am Arian: Financial / Service:</b>	No direct impacts from this report.
<b>Ansawdd / Gofal Claf: Quality / Patient Care:</b>	No direct impacts from this report.
<b>Gweithlu: Workforce:</b>	No direct impacts from this report.
<b>Risg: Risk:</b>	No direct impacts from this report.
<b>Cyfreithiol: Legal:</b>	No direct impacts from this report.
<b>Enw Da: Reputational:</b>	No direct impacts from this report.
<b>Gyfrinachedd: Privacy:</b>	No direct impacts from this report.
<b>Cydraddoldeb: Equality:</b>	No direct impacts from this report.