

- 4.2 WAO Structured Assessment 2018 - Progress to Date  
*Presenter: WAO/Joanne Wilson*  
SBAR SA2018 ARAC October 2019  
Appendix 1 - Mgmt Resp to SA2018 ARAC October 2019

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

<b>DYDDIAD Y CYFARFOD: DATE OF MEETING:</b>	22 October 2019
<b>TEITL YR ADRODDIAD: TITLE OF REPORT:</b>	Wales Audit Office Structured Assessment – Progress to date on Structured Assessment 2018
<b>CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:</b>	Joanne Wilson, Board Secretary
<b>SWYDDOG ADRODD: REPORTING OFFICER:</b>	Charlotte Beare, Head of Assurance and Risk

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

Ar Gyfer Trafodaeth/For Discussion

**ADRODDIAD SCAA  
SBAR REPORT**

**Sefyllfa / Situation**

This paper provides the Audit & Risk Assurance Committee with an update on progress against outstanding actions developed in response to the recommendations made by Wales Audit Office (WAO) in their Structured Assessment process for 2018.

**Cefndir / Background**

The Structured Assessment undertaken by Wales Audit Office examines the robustness of NHS bodies' arrangements for corporate governance and financial management, and the ability to meet key service performance targets in the context of on-going financial pressure. It reviews the progress made in addressing issues and concerns identified in previous years' structured assessments to help gauge the extent to which the NHS bodies can demonstrate the continued strengthening of its governance arrangements.

**Structured Assessment 2018**

WAO Structured Assessment work concluded that 'the Health Board continues to strengthen governance and management arrangements, but there is recognition that there remain some weaknesses in quality and safety governance arrangements, more needs to be done to streamline the organisational structure to support implementation of the new strategy, and the efficiency of both resources and assets in the short to medium term could be further improved'.

**Asesiad / Assessment**

**Structured Assessment 2018**

Appendix 1 reports the current progress against the agreed management response for 2018. Leads have been asked to respond to the points raised by Members at the last meeting in respect of 3a and b.

**Structured Assessment 2018 Recommendations Status Report**

Rec	Exec Lead	Date for implementation	RAG status as at 31/07/19
1	Board Secretary	Sep-19	Green
2	Board Secretary	Apr-19 Completed	Green
3a	Director of Planning, Performance & Commissioning	Action1 – Jun19 TBC Mar-20	*See below
		Action 2 - Mar-20	Amber
3b	Medical Director	Sep-19	Green
4	Director of Finance	Completed	Green
5	Director of Finance	Completed	Green

**RAG**

Red – Not completed/behind schedule

Amber – Not completed but on schedule

Green – Completed

**Update on Recommendations behind Schedule**

R3a (Action 1) – The action was related to ensuring that delivery of objectives is incorporated in to the performance management assurance framework. An Executive workshop took place in May 2019, where it was agreed that the Executive Team will be working towards a single goal with each director having a sub-set of objectives which support the overall goal. Delivery of these objectives will be reviewed through individual 1:1 meetings with the CEO and Executive Directors. With agreement from the Board, this will be worked through as a process over the coming months; and with the conclusion of the exercise, the outputs and supporting actions / enablers will also need to be incorporated into the Performance Management Assurance Framework going forward.

**Argymhelliad / Recommendation**

The Audit & Risk Assurance Committee is asked to discuss and consider progress made in respect of the recommendations from the Structured Assessment 2018.

**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:

Not applicable.

Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	Governance, Leadership and Accountability
Amcanion Strategol y BIP: UHB Strategic Objectives:	4. Improve the productivity and quality of our services using the principles of prudent health care and the opportunities to innovate and work with partners. 5. Deliver, as a minimum requirement, outcome and delivery framework work targets and specifically eliminate the need for unnecessary travel & waiting times, as well as return the organisation to a sound financial footing over the lifetime of this plan
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 2017 and 2018
Rhestr Termau: Glossary of Terms:	BPPAC – Business Planning & Performance Assurance Committee QSEAC – Quality, Safety & Experience Assurance Committee RTT – Referral to Treatment
Partion / 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>	There are no direct financial implications 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>	Not applicable.
<b>Enw Da: Reputational:</b>	No direct impacts from this report.
<b>Gyfrinachedd: Privacy:</b>	No direct impacts from this report.

**Cydraddoldeb:**  
**Equality:**

No direct impacts from this report.

## Management response to Structured Assessment 2018

**Report title:** Structured Assessment

**Completion date:** January 2019

**Document reference:** 1033A2018-19

Ref	Management response	Completion date	Progress as at 30 <sup>th</sup> September 2019
R1	<b>Recommendation - Board effectiveness</b>		
	To enable Independent Members to make well-informed decisions and to effectively scrutinise, the Board should agree the level and quality of information that it expects to receive, using the findings from the Board member survey to inform where improvements need to be made.		
	<b>Intended Outcome/Benefit - Shorter but more focused Board and committee papers</b>		
	<b>Responsible Officer – Board Secretary</b>		
	The key themes from the Board Members' Survey will be reviewed and an improvement plan drafted for discussion and agreement at a workshop with Independent Members. Feedback will also be incorporated within the existing Standard Operating Procedure for the Management of Board and Committees and training programmes to reinforce the agreed level and quality of papers expected by the Board and Committees.	Sep19	<p>Responses from the Board Members Survey have been reviewed and <b>identified under</b> key themes and <b>have now been</b> considered alongside the outcome from this year's Committee Self-Assessment exercise into one over-arching Action Plan to address any areas of improvement. There is also a new Independent Member induction process and a suite of Committee handbooks all of which will aid members' ability to scrutinise and to make informed decisions. <b>The following actions from the Action Plan have been identified to address this specific recommendation and intended outcome/benefit:</b></p> <ul style="list-style-type: none"> <li>• Review both the amount and the timeliness of the information presented to the Board and its Committee to ensure it is relevant and that the intelligence is consistent, whilst ensuring sufficient detail and narrative to enable efficient scrutiny and consideration at quality assurance stage</li> <li>• Ensure reports guide Board and Committee Members to consider the salient points through consideration of their focus and flow, and also provide the assurances required</li> <li>• Make use of hyperlinks, where appropriate, to reference reports and</li> </ul>

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			<ul style="list-style-type: none"> <li>• information to manage the size and length of Board and Committee papers</li> <li>• Where appropriate, share additional briefings/reports with Members outside of Board and Committee meetings, through use of the resource folders on the e-Board software, or via e-mail</li> <li>• Provide on-going guidance and support for report authors, including through feedback from quality assurance and the reflective summary of Committee meetings, to maintain the rigour of reporting and an awareness of the expectations required</li> <li>• Review the Standard Operating Procedure for the Management of Board and Committees to ensure this reinforces the agreed level and quality of papers expected by the Board and Committees</li> <li>• Roll out training on the standards required for report writing through current agreed mechanisms i.e. Managers Passport Plus, to other bespoke training as requested</li> </ul> <p>Responses from the Board Members Survey have been reviewed and pulled into key themes and will be considered alongside the outcome from this year's Committee Self-Assessment exercise into one over-arching Action Plan to address any areas of improvement. There is also a new Independent Member induction process and a suite of Committee handbooks all of which will aid members' ability to scrutinise and to make informed decisions.</p>
R3a	<p><b>Recommendation - Operational meetings</b></p> <p>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:</p> <ul style="list-style-type: none"> <li>• reviewing the frequency and timing of these meetings; (a)</li> <li>• reviewing the location of these meetings, to improve visibility of the executive team; (a) and</li> <li>• aligning these meetings with management sessions contained within job plans for clinical directors to enable them to participate fully (b).</li> </ul> <p><b>Intended Benefit/Outcome –</b></p> <ol style="list-style-type: none"> <li>1. Increased capacity for both executive and operational teams.</li> <li>2. Increased engagement from medical leads.</li> <li>3. Improved visibility of executive teams across the Health Board.</li> <li>4. A more streamlined focus on the use of resources.</li> </ol> <p><b>Responsible Officers – Director of Planning, Performance &amp; Commissioning/Turnaround Director</b></p>		

Ref	Management response	Completion date	Progress as at 30 <sup>th</sup> September 2019
	<p>Agreed to review the PMAF and how this fulfils the wider organisational objectives, not just NHS outcomes.</p> <p>At this stage, the Health Board is unlikely to step down the HTA process as financial discussions/ plans do require more time than current performance management meetings allow. This aspect will be reviewed at the end of 2019/20.</p>	<p>Jun19 TBC Mar20</p> <p>Mar20</p>	<p><del>A workshop has been arranged by the Chief Executive Officer for 23<sup>rd</sup> &amp; 24<sup>th</sup> May to determine our organisational goals. When these have been agreed, an updated timescale will be provided for reviewing the PMAF. An Executive workshop took place in May19 however Director of Planning, Performance and Commissioning will be meeting the Chief Executive on 25<sup>th</sup> June to discuss the enhancement of the PMAF.</del> An Executive Workshop, arranged by the CEO, took place in May19, where it was agreed that the Executive Team will be working towards a single goal with each director having a subset of objectives which support the overall goal. Delivery of these objectives will be reviewed through individual 1:1 meetings with the CEO and Executive Directors. With agreement from the Board, this will be worked through as a process over coming months, and with the conclusion of the exercise, the outputs and supporting actions / enablers will also need to be incorporated into the PMAF going forward.</p> <p><del>However,</del> In the interim, the WAO recommendations have been taken on board in respect of the need for 'quality' to feature higher up in Executive Team Performance Reviews and for progress against in-year planning objectives, as per the 2019/20 Annual Plan, to be part of performance management. As requested by the Board, run-charts and Statistical Process Control (SPC) have been incorporated into Board reporting.</p> <p>The Executive Team have agreed to review the current Holding To Account and Executive Team Performance Review processes with a view to merging these into a single governance meeting. The review will be supported by the Principal Project Manager for Turnaround and the Performance Manager. When establishing a schedule for the new meetings, consideration will also be given to the location of the meetings to potentially improve visibility of the Executive Team and to the job plans of the clinical triumvirate leads (or nominated deputy) to enable them to participate fully. The new combined meeting format will be implemented from April 2020.</p>
R3b	<p><b>Recommendation - Operational meetings</b></p> <p><b>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></p>		



Ref	Management response	Completion date	Progress as at 30 <sup>th</sup> September 2019
	<ul style="list-style-type: none"> <li>aligning these meetings with management sessions contained within job plans for clinical directors to enable them to participate fully.</li> </ul> <p><b>Intended Benefit/Outcome –</b></p> <ol style="list-style-type: none"> <li>Increased capacity for both executive and operational teams.</li> <li>Increased engagement from medical leads.</li> <li>Improved visibility of executive teams across the Health Board.</li> <li>A more streamlined focus on the use of resources.</li> </ol> <p><b>Responsible Officers – Medical Director</b></p> <p>As much as possible the UHB aligns job plans and arrange operational meetings at times convenient for clinical leaders, the UHB also recognise that clinicians' leadership roles are normally on top of almost full-time important, productive clinical roles, and it is sometimes difficult to completely align all medical leadership sessions across the UHB. Therefore the interaction with and support of other members of the triumvirate (manager and nurse) who are normally in full-time positions is key to allowing the medical leaders to be effective. The operational and medical leadership structure is being reviewed and expected to be implemented in Q1 /Q2 of 2019/20.</p>	Sep19	<p>The need for the UHB to align job plans to allow for clinical leadership roles to be optimised without the expense of lost clinical time has been relayed to the General Managers and Service Delivery Managers through the job planning process. The alignment of performance management meetings into one session and the ring-fencing of Monday's (where there is high unscheduled care demand) has also improved the effectiveness and efficiency of clinical time of both Clinical Leads and Hospital Directors. <del>The medical leadership structure has been shared with the Executive team and is currently out for consultation within the Medical Directorate.</del> <b>The new Deputy Director of Acute Hospital services will work with Clinical leaders to align their leadership sessions with each other, and also with GP lead sessions as much as possible through job planning.</b></p> <p><b>The senior posts in the medical leadership structure have been recruited to including the Deputy Medical Director for Primary and Community Services, the Deputy Medical Director for Acute Hospital Services, the Associate Medical Director for Quality &amp; Safety, and the Associate Medical Director for Transformation and Value Based Healthcare. Therefore all the direct reporting posts to the Medical Director have been recruited to. Other posts in the structure will be recruited to by the relevant AMD who they report to in due course in accordance with the OCP.</b></p>

**Completed Recommendations**

Ref	Management response	Completion date	Progress as at end of September 2019
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R2	<p><b>Recommendation - Board effectiveness</b> To improve the effectiveness of committees, the Health Board should consider including time on committee agendas to reflect on the administration and conduct of the meeting, and the quality of information provided for scrutiny and assurance.</p>		
<p><b>Intended Benefit/Outcome –</b> 1. Increased opportunities to review and reflect during the year, and to make any appropriate changes. 2. To reduce reliance on external agencies for providing these skills.</p>			
<p><b>Responsible Officer – Board Secretary</b></p>			
<p>A 'reflective summary of the meeting' is already included at the end of the agenda template for ARAC, BPPAC and QSEAC on ibabs. The minutes capture these reflections and any actions are taken forward and considered for shared learning. The following actions will be undertaken:</p> <ul style="list-style-type: none"> <li>• Extend reflective summary to include time for a reflection on the administration and conduct of the meeting.</li>   <li>• Ensure all Board level committees have a reflective summary on agendas and understand the purpose of this requirement.</li> </ul>		<p>Completed</p>         <p>Completed</p>	<p>Currently, a reflective summary of the discussions held is captured with the purpose of highlighting and escalating any areas of concern to form the basis of the Committee Update Report to Board. The minutes capture these reflections, ensuring any actions are taken forward including those considered appropriate for shared learning.</p> <ul style="list-style-type: none"> <li>• From April 2019, a separate reflection session will be held on conclusion of the meeting between the Independent Members of the Committee and members of the Corporate Governance Team to consider the administration and conduct of the meeting, and the quality of information provided for scrutiny and assurance. Once this process is embedded it is intended that this separate session will become part of the reflective summary held as part of the meeting. The collective knowledge from this exercise will be brought together by the Corporate Governance Team with Lead Directors and Chairs/Vice-Chairs of Committees.</li> <li>• Executive Directors will have the opportunity to undertake a similar exercise at Executive Team.</li> </ul> <p>The current reflective summary arrangements in place for Audit and Risk Assurance Committee, Business Planning and Performance Assurance Committee and Quality, Safety and Experience Assurance Committee will be extended to Charitable Funds Committee, Finance Committee, Mental Health Legislation Assurance Committee and Primary Care Applications Committee from April 2019. These arrangements will not be extended to University Partnership Board and Remuneration and Terms of Service Committee.</p>
R4	<p><b>Recommendation - Strategic planning</b> To ensure the delivery of its health and care strategy, the Health Board should seek to resolve the outstanding request for funding from the Welsh Government to support the capacity needed to implement the strategy with the intended timescales.</p>		

	<p><b>Intended Outcome/benefit –</b></p> <p>1. Increased capacity to implement the Health and Care Strategy.</p> <p>2. Reduced risk of delays to implementing the strategy.</p>	
	<p><b>Responsible Officer – Director of Finance</b></p>	
	<p>Funding has been agreed for the Health Board by Welsh Government for the 2018/19 financial year; and this allocation has been provided in Month 10.</p>	Completed
R5	<p><b>Recommendation - Financial sustainability</b></p> <p>To support its longer-term financial position, the Health Board should ensure that the Finance Committee continues to develop its role and to provide increasing scrutiny and challenge on the plans to achieve efficiency savings in the medium to long term.</p>	
	<p><b>Intended Benefit/Outcome - Improved financial position in the medium to long-term, which will help the Health Board gain approval of the three-year IMTP.</b></p>	
	<p><b>Responsible Officer – Director of Finance</b></p>	
	<p>One of the key operational objectives of the Finance Committee is to undertake detailed scrutiny of the organisation's overall performance against savings delivery and the cost improvement programme. It receives updates at each meeting on delivery and challenges progress. More detailed work regarding savings strategy for 2019/20 and beyond is being presented to the Committee for scrutiny and will continue to be on a regular basis.</p>	Completed