

3.3

Assurance Report on Board Effectiveness

Presenter: Joanne Wilson

SBAR Board Effectiveness Report ARAC 5 May 2020

SBAR Board Effectiveness Board Seminar April 2020

Appendix 1 - HDUHB Self-Assessment of Current Governance Arrangements Dec 2019

Appendix 2 - Corporate Governance Code of Practice 2017

Appendix 3 - GLA Assessment 2019-20

Appendix 4 - Hywel Dda Structured Assessment 2019 Report

Appendix 5 - Health and Care Standards Draft IA Report



PWYLLGOR ARCHWILIO A SICRWYDD RISG AUDIT AND RISK ASSURANCE COMMITTEE

DYDDIAD Y CYFARFOD: DATE OF MEETING:	05 May 2020
TEITL YR ADRODDIAD: TITLE OF REPORT:	Assurance Report on Board Effectiveness
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Joanne Wilson, Board Secretary
SWYDDOG ADRODD: REPORTING OFFICER:	Charlotte Beare, Head of Assurance and Risk

Pwrpas yr Adroddiad (dewiswch fel yn addas)

Purpose of the Report (select as appropriate)

Er Sicrwydd/For Assurance

ADRODDIAD SCAA SBAR REPORT

Sefyllfa / Situation

This report is to provide the Committee with assurance of the process the Health Board has undertaken to review the effectiveness of the Board. One of mandatory requirements of the Annual Governance Statement is that the Board undertakes an annual review of its effectiveness.

Cefndir / Background

At the time of preparing the Annual Governance Statement, the Health Board and the NHS in Wales is facing unprecedented and increasing pressure in planning and providing services to meet the needs of those who are affected by COVID-19. This has meant there have been changes in the way we work and this has affected some of the work that that is usually undertaken to support the year end requirements.

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.

As part of this work, it was envisaged that there would be a focused session at the April 2020 Board Seminar Session to reflect upon and discuss the internal and external assurances collated by the Health Board during 2019/20 and to agree its maturity level as a Board together with areas of improvement. However, the Board Seminar was cancelled and replaced with a formal Board meeting to discuss the Board's arrangements and decision-making in respect of COVID-19. Therefore, discussions were held with Chair and Chief Executive to agree a revised approach to complete this work for the Annual Governance statement 2019/20.

Asesiad / Assessment

The attached SBAR and appendices detail the assessments the Health Board has undertaken or engaged in during 2019/20. These have provided internal and external assurances to the Health Board and have been used to review the effectiveness of the Board.

Following the cancellation of the April Board Seminar, the Chair considered the evidence set out in the SBAR and appendices attached, and agreed, for the first time, the overall level of maturity for the Health Board in respect of governance and Board effectiveness for 2019/20 as Level 3, based on the following criteria:

Assessment Matrix level	Level 1	Level 2	Level 3	Level 4	Level 5
Tick the matrix box that most accurately reflects how your service is doing with this standard	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.	We are aware of the improvements that need to be made and have prioritised them, but are not yet able to demonstrate meaningful action.	We are developing plans and processes and can demonstrate progress with some of our key areas for improvement.	We have well developed plans and processes and can demonstrate sustainable improvement throughout the service.	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 AGS, and the Health Board will endeavour to address the areas of improvement and board development during 2020/21.

Argymhelliad / Recommendation

Whilst the process has not been as inclusive as planned due to COVID-19, the Committee is asked to take an assurance from the process that has been undertaken this year to review the Board's effectiveness.

Amcanion: (rhaid cwblhau)

Objectives: (must be completed)

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: Hyperlink to HDdUHB Well-being Objectives Annual Report 2018-2019	10. Not Applicable

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Internal and External sources of assurance listed in report
Rhestr Termau: Glossary of Terms:	Contained in the report.
Partïon / 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

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	No direct impacts.
Ansawdd / Gofal Claf: Quality / Patient Care:	No direct impacts.
Gweithlu: Workforce:	No direct impacts.
Risg: Risk:	No direct impacts.
Cyfreithiol: Legal:	No direct impacts.
Enw Da: Reputational:	Board effectiveness is a core component of good corporate governance and it is essential that the Board addresses any areas of weakness.
Gyfrinachedd: Privacy:	No direct impacts.
Cydraddoldeb: Equality:	No direct impacts.



CYFARFOD BWRDD PRIFYSGOL IECHYD UNIVERSITY HEALTH BOARD MEETING

DYDDIAD Y CYFARFOD: DATE OF MEETING:	Click here to enter a date.
TEITL YR ADRODDIAD: TITLE OF REPORT:	Annual Assessment of Board Effectiveness 2019-20
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Steve Moore, Chief Executive
SWYDDOG ADRODD: REPORTING OFFICER:	Joanne Wilson, Board Secretary

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

The Board is required to undertake an annual self-assessment of its effectiveness. The purpose of this report is to bring together the sources of assurance that support this assessment process.

For 2019/20, Hywel Dda University Health Board 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.

As part of this work, it was envisaged that there would be a focused session at the April 2020 Board Seminar Session to reflect upon and discuss the internal and external assurances collated by the Health Board during 2019/20 and to agree its maturity level as a Board together with areas of improvement. However, as the Health Board is in unprecedented times due to current Covid-19 pandemic, the Board Seminar was cancelled and replaced with a formal Board meeting to discuss the Board's arrangements and decision-making in respect of COVID-19. Therefore, discussions were held with Chair and Chief Executive to agree a revised approach to complete this work for the Annual Governance statement 2019/20.

The following maturity level has been proposed, with suggested areas of improvement that will be taken forward when the Health Board returns to normal business.

Level 3 - We are developing plans and processes and can demonstrate progress with some of our key areas for improvement.

Cefndir / Background

During 2019/20, the Health Board has undertaken or engaged in a number of assessments that would provide internal and external sources of assurances to support the Board in undertaking its annual effectiveness assessment, and these are outlined below:

Internal Sources of Assurance:

- The Health Board has completed the Welsh Government “All Wales Self-Assessment of Current Quality Governance Arrangements”, an assessment against the recommendations within the Healthcare Inspectorate Wales (HIW) and Audit Wales (AW) Review into Cwm Taf Morgannwg University Health Board (CTMUHB) at the request of the Minister for Health and Social Services. This was included in the Chair’s Report to the Board in January 2020. The Self-Assessment is attached at Appendix 1.
- The Health Board 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 attached at Appendix 2.
- Annual Assessment against Health and Care Standard 1 – Governance, Accountability and Leadership. This assessment is attached at Appendix 3.
- 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:
 - Governance Review undertaken by the Chair
 - Terms of Reference and Operating Arrangements
 - Committee Self-Assessment of Effectiveness Exercise
 - Committee Cycle of Business/Work Plan
 - Annual Committee Report on Activity to the Board

External Sources of Assurance:

- Joint Executive Team (JET) - at the most recent JET meeting in November 2019, WG recognised that the Health Board is an organisation trying to improve and mature in a challenging environment. Acknowledgement was made that the Health Board had a good public health ‘umbrella’ and was showing greater confidence in terms of quality. There were areas that still required improvement, such as aligning primary care objectives with health prevention, and unscheduled care in respect of emergency departments and ambulance handovers. The Health Board’s financial position remained a significant concern and it must demonstrate that it can manage within its resources which will enable the organisation to have an approvable Integrated Medium Term Plan.
- Joint Escalation and Intervention Arrangements status – the Health Board has remained in ‘targeted intervention’ during 2019/20. Whilst WG de-escalated monitoring of performance activity in September 2019, the Health Board remained in heightened escalation for the areas of finance and planning. At the latest Targeted Intervention meeting on 18 December 2019, pressures from increased demand across unscheduled care were acknowledged, as was a slight dip in performance to meet the referral to treatment time target (RTT). On the more positive side, there was an improvement in reducing waiting times for diagnostics and therapies, and the improvement in complaints performance was welcomed. WG expressed disappointment that the Health Board was not in the financial position it had hoped it would be at this point in the financial year, and asked for assurance on the actions it was planning to take to meet the Control Total for 2019/20 and planning for 2020/21. In respect of planning, WG requested assurance from the Health Board that it had a financial strategy working alongside its planning process to provide confidence that the strategic objectives would be delivered in 2020/21. Progress reports from these meetings have been reported to the Audit and Risk Assurance Committee (ARAC).

- Wales Audit Office Structured Assessment – this was undertaken during 2019 and the full report and management response is attached at Appendix 4. The overall conclusion from this 2019 structured assessment work is that ‘the Health Board continues to strengthen governance and management arrangements. It has a clear strategic direction and is developing the infrastructure to support delivery of strategic plans. There are improvements in performance but challenges in relation to finance and unscheduled care remain. Finally, oversight and scrutiny of planning needs clarifying’. The recommendations are monitored via ARAC through to completion.
- Internal Audit of Health and Care Standards (HCS) – Internal Audit reviewed the Health Board’s self-assessment against the HCS and awarded a ‘reasonable’ assurance rating and confirmed that the Health Board had fully developed its processes to assess the utilisation of HCS to improve the quality and safety of services through the use of the assurance and scrutiny framework, and added that the HCS were fully embedded into day-to-day practices, with the HCS assurance matrices providing a consistent approach for capturing evidence of the HCS being embedded across service area. The report is at Appendix 5.

Asesiad / Assessment

Following due consideration of the summary of evidence set out in the section above, and a revisit of the supporting appendices, the Board is asked to consider and agree its assessment of the overall level of maturity for the Health Board in respect of governance and Board effectiveness for 2019/20 as Level 3, based on the following criteria:

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

This is the first year the Health Board will have awarded itself a maturity level and the intention will be for the Board to develop a plan that would enable it to develop and evidence its maturity going forward.

The above assessment will be reported in the Health Board's Accountability Report.

In concluding this process and in demonstrating continued self-reflection and an appetite for continuous improvement, the table below identifies what we are doing well, what we could improve and suggested Board training requirements.

IN THE BOARD'S OPINION WHAT ARE WE DOING WELL?	<ul style="list-style-type: none"> • Corporate governance and management arrangements • Strategic planning • Financial management arrangements • Workforce performance against key metrics • Organisational development
IN THE BOARD'S OPINION WHAT COULD WE DOING BETTER?	<ul style="list-style-type: none"> • Improve quality and safety governance arrangements • Strengthen the Regional Partnership Board governance arrangements • Clarify arrangements for monitoring delivery against the Plan • Engage wider workforce in the change agenda • Review capacity in corporate functions to enable business partnering model • Managing the challenges in unscheduled care to improve performance • Introduce performance management for corporate functions • Financial planning to demonstrate management within resources and to attain an approvable plan. • Align the Board Assurance Framework to support implementation of the Health Board's strategy. • Embed the new board and committee structure.
IS THERE ARE BOARD TRAINING/ DEVELOPMENT NEEDS?	<ul style="list-style-type: none"> • Continue Independent Member (IM) development, Executive Director (ED) development and joint IM/ED development in 2020/21 • Tailored local induction and attendance at national induction for new independent members in 2020/21. • Review board training requirements when normal business resumes

Argymhelliad / Recommendation

The Board is asked to discuss and consider the proposed level of maturity in respect of its effectiveness and agree the areas of improvement to be taken forward when the Board returns to normal business following Covid-19.

Amcanion: (rhaid cwblhau)

Objectives: (must be completed)

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): Hyperlink to NHS Wales Health & Care Standards	Governance, Leadership and Accountability
Amcanion Strategol y BIP: UHB Strategic Objectives: Hyperlink to HDdUHB Strategic Objectives	All Strategic Objectives are applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Statement	Not Applicable

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Internal and External sources of assurance listed in report
Rhestr Termiau: Glossary of Terms:	Contained in the report.
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Cyfarfod Bwrdd Iechyd Prifysgol: Parties / Committees consulted prior to University Health Board:	Chair Chief Executive Chair of Audit and Risk Assurance Committee

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	No direct impacts.
Ansawdd / Gofal Claf: Quality / Patient Care:	No direct impacts.
Gweithlu: Workforce:	No direct impacts.
Risg: Risk:	No direct impacts.
Cyfreithiol: Legal:	No direct impacts.
Enw Da: Reputational:	Board effectiveness is a core component of good corporate governance and it is essential that the Board addresses any areas of weakness.
Gyfrinachedd: Privacy:	No direct impacts.
Cydraddoldeb: Equality:	No direct impacts.

All-Wales Self-Assessments of Current Quality Governance Arrangements

Following publication of the Healthcare Inspectorate Wales and the Wales Audit Office report titled '*A review of quality governance arrangements at Cwm Taf Morgannwg University Health Board*', the Minister for Health and Social Services has requested that all health boards and NHS Trusts in Wales assess themselves against the recommendations of the review and provide plans for future review of their arrangements and/or the necessary action to be undertaken. The self-assessment should include a narrative of current arrangements and the current level of assurance: **high, medium or low**. Whilst reference is made to specific documents in the main report and in the recommendations listed below, each organisation should demonstrate how they are discharging the requirements rather than adhering rigidly to the need to have documentation with the same titles.

Completed pro forms should be submitted to [Janet Davies](#) no later than **7 January 2020**. If you have queries do get in touch.

Recommendations	Self-Assessment	Plan for future action/review
<i>Strategic focus on quality, patient safety and risk</i>		
1. Organisational quality priorities and outcomes to support quality and patient safety are agreed and reflected within an updated version of the Health Board's Quality Strategy/Plan.	<p>1.1 The Health Board has a number of frameworks/policies to support quality and patient safety agenda.</p> <p>1.2 A draft patient experience charter has been developed in consultation with staff and local communities and will be taken to the Board for approval.</p>	<p>1a) The Health Board is developing a quality management system which will be supported by frameworks/policies e.g. quality improvement and quality assurance frameworks.</p> <p>1b) The patient experience charter will be taken to the Board for approval at end of January 2020. This will be supported by a patient experience programme including a range of initiatives to improve the level of feedback obtained from service users.</p>

¹ Wales Audit Office (2019) Review of Operational Quality & Safety Arrangements – Hywel Dda University Health Board

² Wales Audit Office (2019) Hywel Dda University Health Board - Structured Assessment

	<p>1.3 The Health Board has an agreed Quality Improvement Framework (QIF) supported by an Ensuring Quality Improvement Programme. (EQIIP).</p> <p>1.4 The EQIIP is a collaborative training programme for front line staff designed to increase improvement capacity and capability across the Health Board through training, education and coaching support for teams working on a real work problem.</p> <p>1.5 Eleven teams have participated in the first programme which is currently being independently evaluated by Swansea University through funding from Improvement Cymru. Examples of the eleven projects include:</p> <ul style="list-style-type: none"> • NEWS is the community • Reduction in unwarranted pathology tests • Transient Ischaemic Attack • Surgical skills training • Shared Care Model • Delirium in ICU <p>1.6 The Transient Ischaemic Attack Project which focused on reducing the waiting time for patients referred as an outpatient with suspected TIA, earlier diagnosis, prevention</p>	<p>1c) The Health Board has committed to running a two further EQIIPs in 2020/21. Twenty submissions have been received for a ten team programme.</p>
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¹ Wales Audit Office (2019) Review of Operational Quality & Safety Arrangements – Hywel Dda University Health Board

² Wales Audit Office (2019) Hywel Dda University Health Board - Structured Assessment

	<p>advice and treatment won an award for their poster at the Improvement Cymru National Conference in December.</p> <p>1.4 The electronic service user feedback system – (Envoy System/Friends and Family Test has been implemented in the Emergency Department and Women and Child Health Directorate.</p> <p><i>Current level of assurance: medium</i></p>	<p>1d) There is a roll out programme for the Friends and Family Test to all services of the Health Board throughout 2020. The Health Board is supporting the commissioning process for the all Wales Once for Wales System.</p>
<p>2. The Board has a strategic and planned approach to improve risk management across the breadth of its services. This must ensure that all key strategies and frameworks are reviewed, updated and aligned to reflect the latest governance arrangements, specifically:</p> <p><i>i. The Board Assurance Framework (BAF) reflects the objectives set out in the current Integrated Medium Term Plan (IMTP)/annual plan and the organisation's quality priorities.</i></p>	<p>2.1 The Health Board has had a BAF in place since September 2016 which has reflected the organisation's objectives set out in the Annual Plan. The BAF has continued to evolve and is reported to the Board every 6 months and each risk aligned to a Board level Committee who is responsible for overseeing the management of these risks.</p>	<p>2a) The Health Board's BAF will be updated to align to organisational objectives which represent the first stages of strategy implementation.</p>

¹ Wales Audit Office (2019) Review of Operational Quality & Safety Arrangements – Hywel Dda University Health Board

² Wales Audit Office (2019) Hywel Dda University Health Board - Structured Assessment

<p>ii. <i>The Risk Management Strategy reflects the oversight arrangements for the BAF, the Quality and Patient Safety (Clinical) Governance Framework and any changes to the management of risk within the organisation.</i></p>	<p>2.2 In the Structured Assessment 2019², WAO provided positive feedback on our BAF and advised that they have consistently reported that the Health Board has a well-developed BAF. In respect of managing risks to achieving strategic priorities, WAO reported that 'the Health Board continues to have a well-developed BAF and is examining how it can be updated to support the implementation of its strategy' that 'the inclusion of risk appetite in the BAF and alignment of the Corporate Risk Register (CRR) to the Board and its committees has strengthened the corporate focus on risk. The Corporate Risk Register is considered each month by the Executive Team and corporate and directorate level risks are considered as part of Executive Performance Reviews.</p> <p>2.3 The Health Board has a Risk Management Strategy in place however this will be reviewed in the financial year to ensure that risk management supports delivery of the organisation's objectives over the next 3 years. The Health Board is also undertaking a risk maturity matrix which will provide a baseline of the level to which risk management is embedded within the organisation and will help determine the</p>	<p>2b) A review of Health Board's Risk Management Strategy (including tolerance and appetite) will be undertaken during the 2020/21 financial year. This will include ensuring that sub committees, groups and directorates meet their remit for review and scrutiny of risks and risk registers.</p>
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¹ Wales Audit Office (2019) Review of Operational Quality & Safety Arrangements – Hywel Dda University Health Board

² Wales Audit Office (2019) Hywel Dda University Health Board - Structured Assessment

<p>iii. <i>The Quality and Patient Safety Governance Framework supports the priorities set out in the Quality Strategy/Plan and align to the Values and Behaviours Framework.</i></p> <p>iv. <i>Terms of reference for the relevant Board committees, including those for Audit, Quality and Safety and Risk, and at divisional /group levels, reflect the latest governance</i></p>	<p>areas of improvement required to support the organisation to meet its objectives. The Health Board has a Risk Appetite and Tolerance Statement which will also be reviewed in line with the agreed organisational objectives.</p> <p>2.4 All Committee and Sub-Committees have in their Terms of Reference, that they are responsible for gaining assurance on the management of risks and using it to inform their agendas.</p> <p>2.5 Terms of Reference for all Board level Committees including Audit & Risk Assurance Committee (ARAC) and Quality, Safety & Experience Assurance Committee (QSEAC) reflect the latest governance arrangements</p>	<p>2c) The Health Board is developing a quality management system which will be supported by frameworks/policies e.g. quality improvement and quality assurance frameworks. It is also considering the areas within the Quality and Engagement Bill including the updating of policies such as the Concerns Management Policy and Being Open/Duty of Candour Policy and the learning from events process.</p> <p>2d) Hywel Dda UHB will be implementing the recommendations made by WAO¹ review of</p>
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¹ Wales Audit Office (2019) Review of Operational Quality & Safety Arrangements – Hywel Dda University Health Board

² Wales Audit Office (2019) Hywel Dda University Health Board - Structured Assessment

<p><i>arrangements cited within the relevant strategies and frameworks.</i></p>	<p>cited within the relevant strategies and frameworks. These Terms of Reference are reviewed annually and whenever new relevant legislation is introduced e.g. Duty of Candour. In addition, bespoke Committee Handbooks have been produced, aligned to best practice.</p> <p>2.6 All Board level Committees undertake an annual self-assessment exercise to identify any areas for improvement for 2019/20 this exercise was undertaken via Survey Monkey to preserve Members anonymity enabling them to be as candid as possible in their feedback.</p> <p>2.7 In their review of operational quality and safety arrangements¹ within the Health Board, the WAO concluded that the Health Board now has some good quality & safety arrangements at Directorate level, supported by developing corporate arrangements but these are not yet consistent, and the flow of assurance from the Directorates to the Board is not as effective as it could be.</p> <p>2.8 All recommendations from the WAO review of operational quality and safety arrangements¹ in the Health Board will be tracked through the ARAC with the report and management response made publicly</p>	<p>operational quality and safety arrangements¹ within the Hywel Dda UHB. These recommendations will be implemented within the next 12 months and will also support the revised Board level governance and assurance arrangements which are currently under review</p>
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¹ Wales Audit Office (2019) Review of Operational Quality & Safety Arrangements – Hywel Dda University Health Board

² Wales Audit Office (2019) Hywel Dda University Health Board - Structured Assessment

available from both the Health Board's and WAO's website.

Current level of assurance: medium

Leadership of quality and patient safety

3. *There is collective responsibility for quality and patient safety across the executive team and clearly defined roles for professional leads:*

i. The role of Executive Clinical Directors and divisional/group Clinical Directors in relation to quality and patient safety is clearly defined

3.1 The Executive Director of Therapies and Health Science, Executive Medical Director and Executive Director of Nursing, Quality and Patient Experience are all jointly accountable for quality and safety, and jointly provide this assurance through QSEAC and directly to Board. The Quality and Safety, Experience and Improvement teams are line managed by the Executive Director of Nursing, Quality and Patient Experience; however the deployment of this resource supports the organisation multi-professionally in matters relating to quality and safety. The job descriptions of senior clinical leadership positions all include responsibility for quality and safety, and it is therefore made clear that this is a core part of their role. The Clinical Executives meet on a weekly basis to review

¹ Wales Audit Office (2019) Review of Operational Quality & Safety Arrangements – Hywel Dda University Health Board

² Wales Audit Office (2019) Hywel Dda University Health Board - Structured Assessment

any significant issues relating to quality and safety over the previous 7 days, and in addition formal quality panels are triggered to be held to review specific services as determined by the Clinical Executives.

3.2 In year, the Health Board has strengthened the quality and safety arrangements with the appointment of a Head of Quality and Governance (with a clinical background), an Associate Medical Director for Quality and Safety, a Deputy Medical Director for Primary Care (with responsibility for quality and safety), a Clinical Director for Therapies and a Head of Clinical Engineering.

3.3 The Deputy Medical Director and Associate Medical Director posts aims to strengthen medical leadership particularly in relation to quality and patient safety.

3.4 The Associate Medical Director for Quality and Safety attends QSEAC. Further recruitment to medical leadership appointments will support the Associate Medical Director for Quality and Safety role including quality improvement leads on each hospital site. The Associate Medical Director for Quality and Safety works closely with equivalent roles in Executive Director of

¹ Wales Audit Office (2019) Review of Operational Quality & Safety Arrangements – Hywel Dda University Health Board

² Wales Audit Office (2019) Hywel Dda University Health Board - Structured Assessment

<p>ii. <i>The roles, responsibilities, accountability and governance in relation to quality and patient safety within the divisions/groups/directorates is clear</i></p> <p>iii. <i>There is sufficient capacity and support, at corporate and directorate level, dedicated to quality and patient safety.</i></p>	<p>Nursing, Quality and Patient Safety and Executive Director of Therapies and Health Science teams.</p> <p>3.5 Each directorate/locality has a Triumvirate Team with joint responsibility for quality and patient safety. The Head of Nursing and Clinical Director work closely to ensure that the quality and patient safety agenda is considered at the directorate level.</p> <p>3.6 The Health Board has an existing Assurance, Safety and Improvement Team.. A review of the patient experience and legal and redress team and the quality improvement team has recently been undertaken and the resource within the patient experience and legal and redress team and the quality improvement team has been increased.</p> <p><i>Current level of assurance: medium</i></p>	<p>3a) The WAO review of operational quality and safety¹ identified that there were some good arrangements for quality and safety at a directorate level. In response to this finding work is underway to strengthen arrangements across all directorates.</p> <p>3b) The Assurance, Safety and Improvement Team are developing a business partner model which will be implemented early 2020.</p>
<p>Organisational scrutiny of quality and patient safety</p>		
<p>4. <i>The roles and function of the Quality and Safety Committee is fit for purpose and reflects the Quality Strategy, Quality and Patient Safety Governance Framework and key corporate risks for quality and</i></p>	<p>4.1 The terms of reference for the Quality, Safety and Experience Assurance Committee Terms of Reference for the Quality, Safety & Experience Assurance Committee (QSEAC) are reviewed annually to ensure they are fit</p>	

¹ Wales Audit Office (2019) Review of Operational Quality & Safety Arrangements – Hywel Dda University Health Board

² Wales Audit Office (2019) Hywel Dda University Health Board - Structured Assessment

<p><i>patient safety. This should include assessment of ensuring sub-groups/committees have sufficient support to function effectively; the content, analysis, clarity and transparency of information presented to the committee and the quality framework in place is used to improve oversight of quality and patient safety across the whole organisation.</i></p>	<p>for purpose reflecting relevant strategies and frameworks.</p> <p>4.2 Corporate risks relating quality and safety are aligned to the Quality, Safety and Experience Assurance Committee who receive a corporate risk report thrice a year which will include principal risks to achieving our objectives and significant operational risks. Where the Committee does not receive assurance from the corporate risk report, the Committee will ask for a more focused report at the subsequent meeting to gain the assurance they need in relation to the management of the risk. WAO Structured Assessment 2019² reported 'across all of the Board's committees, the current chairs are effective in their roles and there are good flows of assurance, issues and risks between committees and up to Board'.</p> <p>4.3 Furthermore, within their review, WAO acknowledged that the Chair has more recently focused attention on the Committees and Sub-Committees of the Board starting with QSEAC, with plans in place to streamline a number of the QSEAC Sub-Committees, and increasing the focus on patient safety, while a new Listening and Learning Group will be established. This was discussed and</p>	
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² Wales Audit Office (2019) Hywel Dda University Health Board - Structured Assessment

	<p>agreed at the Board Seminar session held in December 2019</p> <p>4.4 To improve oversight of operational quality and patient safety across the organisation, support will be put in place to manage their agendas, their work plans and their reporting arrangements.</p> <p>4.5 An assurance report is presented to each QSEAC meeting. The report provides an overview of quality and safety across the Health Board, incorporating two domains of assurance and improvement. The quality assurance information within the report includes a summary of data, intelligence and actions to provide high quality care against the core quality assurance process that exist within the Health Board and the core quality and safety indicators.</p> <p><i>Current level of assurance: medium</i></p>	<p>4a) A review is currently being undertaken to consider local governance arrangements to ensure a standardised approach within the operational directorates. This will align to the recommendations from WAO in the review which was undertaken of operational quality and safety governance arrangements.</p>
<p>5. Independent/Non-Executive Members are appropriately supported to meet their responsibilities through the provision of an adequate induction programme and ongoing development so they can effectively scrutinise the information presented to them.</p>	<p>5.1 The Health Board has a comprehensive Board Development Programme designed to provide ongoing developmental support. The programme has involved separate sessions held initially for Independent Members and Executive Directors based on facilitated</p>	

¹ Wales Audit Office (2019) Review of Operational Quality & Safety Arrangements – Hywel Dda University Health Board

² Wales Audit Office (2019) Hywel Dda University Health Board - Structured Assessment

<p>discussions to provide a foundation for continued learning and development.</p> <p>5.2 A comprehensive programme of development for Independent Members is in place, making good use of both internal and external resources, and there are effective arrangements to support handover for Independent Members. This programme develops the Independent Members personally, as well as strengthening the Board as a whole and is supported by regular six-monthly reviews on an individual basis. In addition, on an individual basis, Independent Members have been able to access the All Wales Governance and Board Leadership Programme of events delivered by Academi Wales, selecting those sessions that best meet their requirements.</p> <p>5.3 Throughout 2019/20, the Independent Members and Executive Directors took part in both separate and Joint Board Organisational Development Programmes. The programme is delivered in-house with specific external expertise commissioned as appropriate. It focuses on key development areas that provide members with the enhanced knowledge, skills and behaviours required to improve individual and collective performance.</p>	
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¹ Wales Audit Office (2019) Review of Operational Quality & Safety Arrangements – Hywel Dda University Health Board

² Wales Audit Office (2019) Hywel Dda University Health Board - Structured Assessment

5.4 In addition to the Board development, all the Board level committees have undertaken a review of their effectiveness within the year with the outputs and improvement plans of these reported back to the Committees and Board.

5.5 WAO in the 2019 Structured Assessment² report, stated “across all of the Board’s committees, the current chairs are effective in their roles and there are good flows of assurance, issues and risks between committees and up to Board. The ongoing use of self-assessments has been helpful in identifying areas for improvement and a self-reflection at the end of each meeting is now included on all committee agendas. IMs are able to contribute their expertise and to receive assurance about the work of the Health Board through membership of key committees.”

5.6 The WAO Structured Assessment² further stated “Despite a period of change, the Board continues to be generally well-run and the quality of scrutiny and challenge remains high. The Board has largely maintained a full complement of IMs who demonstrate a very good range of knowledge and skills collectively. There is an effective Board

¹ Wales Audit Office (2019) Review of Operational Quality & Safety Arrangements – Hywel Dda University Health Board

² Wales Audit Office (2019) Hywel Dda University Health Board - Structured Assessment

	<p>development programme in place which is delivered through the use of internal and external resources. This has helped to develop a positive and cohesive relationship between IMs, and with the Executive team. The approach to development for IMs is also comprehensive and flexible, supported by regular six-monthly reviews. During the year, an interactive handbook has been developed for new IMs which enables a wide range of information relevant to their role to be explored. Early feedback from IMs on the handbook is very positive, and other NHS bodies are now looking to learn from the work that the Health Board has done in this area.”</p> <p><i>Current level of assurance: Medium</i></p>	
<p>6. <i>There is sufficient focus and resources given to gathering, analysing, monitoring and learning from user/patient experience across the organisation. This must include use of real-time user/patient feedback.</i></p>	<p>6.1 A review of the patient experience function has been undertaken and resource increased. A development plan is in place for the next 3 years.</p> <p>6.2 A patient experience charter has been developed with the stakeholders and staff, and will be formally launched in April as part of patient experience week, following consideration by the Board at end of January 2020. This Charter will affirm what patients can expect when using services and</p>	<p>6a) A Listening and Learning Sub Committee has been agreed and is in the process of being established. This Committee will be chaired by the Health Board Chair. Any concern, external report, or review that has significant learning attached will be reviewed by the Committee for assurance around lessons learnt, and identification of key themes/ areas for improvement/ sharing of good practice.</p>

¹ Wales Audit Office (2019) Review of Operational Quality & Safety Arrangements – Hywel Dda University Health Board

² Wales Audit Office (2019) Hywel Dda University Health Board - Structured Assessment

<p>encourage feedback. This will be incorporated into staff training and induction and outcomes reported as part of the performance management and assurance framework.</p> <p>6.3 This will be supported by a patient experience programme for the year, which will enhance the ways in which feedback is received.</p> <p>6.4 The electronic service user feedback system (Friends and Family Test) has been implemented in the Emergency Department and Women and Child Health Directorate and a roll out programme is currently being undertaken to expand this service to all areas of the Health Board. Arrangements are in place within each service to receive and view the feedback and provide assurance on actions taken as a result of the feedback.</p> <p>6.5 The chair of the Health Board has initiated a work programme, led by the Executive Director of Nursing Quality and Patient Experience to enhance the freedom to speak up initiative. The first meeting of the speaking up safely group has been held and this included the Chair, CEO, Executive Director of Nursing, Quality and Patient Experience, Independent Member and</p>	
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¹ Wales Audit Office (2019) Review of Operational Quality & Safety Arrangements – Hywel Dda University Health Board

² Wales Audit Office (2019) Hywel Dda University Health Board - Structured Assessment

	<p>Assistant Director of Legal Services/Patient Experience. This work programme is based on the learning from the second Francis report on Mid Staffordshire, the safety valve and speaking up safely established in Cardiff and Vale UHB, independent guardians in Swansea Bay UHB and England and we will be advised by Dr Aled Jones of Swansea University. This is a key quality and safety improvement.</p> <p>This will be supported by a programme of training for staff on being open/duty of candour and customer care.</p> <p><i>Current level of assurance: medium</i></p>	
<p>7. There is visibility and oversight of clinical audit and improvement activities across divisions/groups/directorates and at corporate level. This includes identification of outliers and maximising opportunities for sharing good practice and learning.</p>	<p>7.1 The Effective Clinical Practice Sub Committee (ECPS) has reviewed its terms of reference in year. The purpose of ECPS is to provide assurance to the QSEAC that robust arrangements are in place for the delivery of safe, effective standards and evidence based clinical practice across all Health Board activities as part of core business.</p> <p>7.2 A Clinical Audit Scrutiny Panel (CASP) is a sub-group of the ECPS. The CASP</p>	

¹ Wales Audit Office (2019) Review of Operational Quality & Safety Arrangements – Hywel Dda University Health Board

² Wales Audit Office (2019) Hywel Dda University Health Board - Structured Assessment

<p>provides assurance that a robust clinical audit function is in place, supporting the Health Board's strategic direction, priorities and identified risks as well as national priorities. The responsibilities of the CASP include overseeing the development of a Clinical Audit Programme across the Health Board and providing a forum for audit leads and service representatives to discuss the Clinical Audit Programme and offer assurance on audit progress and outcomes as well as programme content.</p> <p>7.3 Findings from clinical audits are presented at the Whole Hospital Audit. The Clinical Audit Annual Report for 2018-19 demonstrates the amount of clinical audit activity across Hywel Dda in all specialties is extensive, and the results of this activity, in the form of recommendations for action, show that clinical colleagues are committed to service improvement.</p> <p>7.4 In 2018-19 the Health Board participated in 32 of the 34 applicable mandatory national audits. A total of 25 improvement plans were submitted to Welsh Government detailing plans for meeting audit recommendations across a wide variety of audit and outcome review topics.</p>	<p>7a) The dates Whole Hospital Audit Meetings for 2020 have been agreed. The meetings will be held on the same day across all sites to enable cross site presentations through IT and VC.</p> <p>7b) Effectiveness of the agreed mechanism to monitor the National Clinical Audit and Outcome Review Plan action plans and feedback through relevant governance groups and through Executive Team Performance will be monitored through 2020.</p>
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¹ Wales Audit Office (2019) Review of Operational Quality & Safety Arrangements – Hywel Dda University Health Board

² Wales Audit Office (2019) Hywel Dda University Health Board - Structured Assessment

Current level of assurance: Low

Arrangements for quality and patient safety at directorate level

8. *The organisation has clear lines of accountability and responsibility for quality and patient safety within divisions/groups/directorates.*

8.1 Each directorate/locality has a Triumvirate Team with defined responsibility for quality and patient safety.

8.2 The Health Board's Scheme of Delegation was approved by the Board at its meeting on 29th November 2018. This detailed electronic scheme of delegation encompasses all delegations including Standing Orders, Standing Financial Instructions, financial delegations, legislative compliance, other delegations and responsibilities, both at delegated lead and operational responsibility level. It has been further expanded through Directorate delegations and is kept under regular review. It can be accessed via the Health Board's website or [here](#).

8.3 The Health Board's Scheme of Delegation clearly sets out the accountability and responsibility for quality and patient safety at the senior level of delegation within the Health Board, and should be used in conjunction with the system of control and other established procedures within the Health Board.

¹ Wales Audit Office (2019) Review of Operational Quality & Safety Arrangements – Hywel Dda University Health Board

² Wales Audit Office (2019) Hywel Dda University Health Board - Structured Assessment

	<i>Current level of assurance: medium</i>	
<p>9. The form and function of the divisional/group/directorate quality and safety and governance groups and Board committees have:</p> <ul style="list-style-type: none"> i. Clear remits, appropriate membership and are held at appropriate frequently. ii. Sufficient focus, analysis and scrutiny of information in relation to quality and patient safety issues and actions. iii. Clarity of the role and decision making powers of the committees. 	<p>9.1 The directorates/localities each have arrangements for quality and patient safety meetings. The WAO review of operational quality and safety¹ found that governance arrangements are generally sound with further improvements underway.</p> <p>9.2 Terms of Reference are in place for all Board Committees and for divisional/group/directorate quality and safety and governance groups, however the WAO review concluded that whilst the Health Board has some good quality & safety arrangements at Directorate level supported by developing corporate arrangements, these are not yet consistent, and the flow of assurance from the Directorates to the Board is not as effective as it could be.</p> <p>9.3 A review is being undertaken to consider local governance arrangements to ensure a standardised approach within the operational directorates. This standardisation will apply to structures, core membership, frequency of meetings, and core agenda items for discussion.</p>	<p>9a) It was recognised following the recent WAO review of operational quality and safety¹ that work is required to standardising the reporting arrangements including directorate committee structure, agenda and terms of reference templates, and templates for reporting to QQSESC.</p>

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² Wales Audit Office (2019) Hywel Dda University Health Board - Structured Assessment

	Current level of assurance: medium	
Identification and management of risk		
<p>10. <i>The organisation has clear and comprehensive risk management systems at divisional/group/directorate and corporate level, including the review and population of risk registers. This should include clarity around the escalation of risks and responsibilities at directorate and corporate level for risk registers and the management of those risks. This must be reflected in the risk strategy.</i></p>	<p>10.1 Whilst the Health Board has a risk management framework that outlines the foundation and organisational arrangements for supporting risk management processes in Hywel Dda. The Health Board follows the three lines of defence model which sets out the principles for the roles, responsibilities and accountabilities for risk management. In the “Three Lines of Defence” model, management control is the first line of defence in risk management. The various risk control and compliance oversight functions established by management are the second line of defence, and independent assurance is the third. Each of these three “lines” plays a distinct role within the Health Board’s wider governance framework. All three lines need to work interdependently to be effective. Within the Health Board, directorates and services are responsible for identifying, assessing and managing risks. These risks will include threats to achievement of objectives, day to day business risks (e.g. safety, business continuity, financial, etc.) as well as relating to compliance with standards or legislation. Most directorates have good</p>	<p>10a) The Health Board is currently developing a 3 year plan for 2020-23, therefore the BAF will need to reviewed and updated to reflect threats and opportunities to the Board’s agreed objectives within the plan. The Health Board will also migrate to the new All Wales risk management electronic solution.</p>

¹ Wales Audit Office (2019) Review of Operational Quality & Safety Arrangements – Hywel Dda University Health Board

² Wales Audit Office (2019) Hywel Dda University Health Board - Structured Assessment

governance arrangements in place and risk is included on agendas (WAO review of operational quality and safety review¹) however further is required in 2020 to ensure consistency.

10.2 Risks are entered onto the Datix risk module by services and directorates where they can be extracted for risk reporting. All risks within operational services/directorates are submitted to the Executive Performance Reviews where they are scrutinised and discussed. Each operational risk is aligned to the Board's sub-committee structure. Directorate level risks that exceed the Health Board's agreed risk tolerance level are extracted from Datix and reported to the relevant sub-committee.

10.3 The Health Board's Risk Scoring Matrix guides staff to review their risks on a regular basis:

- Extreme risks - monthly
- High risks - bi-monthly
- Moderate risks - 6 monthly
- Low risks – Annually

10.4 Services will receive routine reminders from the assurance and risk team. The management of risk is also guided by the Health Board's Risk Appetite and Tolerance

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<p>Statement, which provides managers with clear guidance on the level of risk which the Board will accept.</p> <p>10.5 Operational risks are generally identified in a bottom up approach as outlined above. Where these can cause significant impact, i.e. loss, damage or harm, these are sponsored by the lead Executive for discussion at the Executive Team formal meeting as to whether they should be entered on to the Corporate Risk Register.</p> <p>10.6 Risks are also identified in a top down approach. These are called principal risks and relate to the achievement of the organisation's objectives. These are also sponsored by an Executive Lead who is the risk owner and presented to the Executive a Team for discussion and approval for entry onto the Corporate Risk Register. These principal risks are also reported on the UHB's Board Assurance Framework. These are discussed and reviewed regularly by Executive Team and are presented to the Board twice a year. Each corporate/principal risk is aligned to a Board level Committee who is responsible for scrutinising each risk to gain assurance on behalf of the Board that these risks are being managed effectively. The WAO reports in the structured</p>	
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² Wales Audit Office (2019) Hywel Dda University Health Board - Structured Assessment

assessment² that the Health Board has a well-developed BAF.

Current level of assurance: Medium

Management of incidents, concerns and complaints

11. *The oversight and governance of DATIX and other risk management systems ensures they are used as an effective management and learning tool. This should also include triangulation of information in relation to concerns, at a divisional/group/ directorate or corporate level, and formal mechanisms to identify and share learning.*

11.1 An assurance report is presented to each QSEAC meeting. The report provides an overview of quality and safety across the Health Board, incorporating two domains of assurance and improvement. The quality assurance information within the report includes a summary of data, intelligence and actions to provide high quality care against the core quality assurance process that exist within the Health Board and the core quality and safety indicators.

11.2 Reports using data from Datix are provided to a number of forums including the Medication Error Review Group, Medical Devices Group, Pressure Damage Scrutiny Panels, Falls Scrutiny meeting, and Directorate governance meetings.

11.3 The Health Board has agreed the establishment of a Listening and Learning Sub Committee which will scrutinise the reviews and the learning and improvement

11a) During 2020/21 consideration will be given to the further analysis of the data held in Datix and in the new DatixCloudIQ and how information is shared with directorates/localities.

11b) The first meeting of the Listening and Learning Sub Committee is in the process of being established. This Committee will be chaired by the Health Board Chair.

¹ Wales Audit Office (2019) Review of Operational Quality & Safety Arrangements – Hywel Dda University Health Board

² Wales Audit Office (2019) Hywel Dda University Health Board - Structured Assessment

	<p>action plans following serious incidents, serious complaints, claims, and external inspections. This will also inform QSEAC of themes/trends and risks regarding quality and patient experience.</p> <p>11.4 Formal Quality Panels are held monthly by the Executive Director of Nursing, Quality and Patient Experience, Executive Medical Director and Executive Director Of Therapies and Health Science. Specific directorates or services are asked to attend the panel to discuss and provide assurance of actions with regards to quality and safety including incidents, complaints, claims, staff concerns, and external inspections.</p> <p>11.5 The Assurance, Safety and Improvement Team, using data from Datix and incident reviews, produce newsletters and posters which share areas for wider learning</p> <p><i>Current level of assurance: medium</i></p>	<p>11c) Work is underway to review the mechanism for development of newsletters and posters and to ensure that there is a programme for the forthcoming year.</p> <p>11d) Arrangements for the review of existing written control documentation or the initiation of a new written control document as part of the incident reporting process will be strengthened, in order to help ensure standardisation of practice and the spread of lessons learned across the organisation.</p>
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12. *The organisation ensures staff receive appropriate training in the investigation and management of concerns (including incidents). In addition, staff are empowered to take ownership of concerns and take forward improvement actions and learning.*

12.1 A Concerns Management (Putting Things Right) Policy has been developed and is currently under consultation. A number of supporting written control documents have been identified (some are currently in existence and some will be new documents)

12.2 All Assurance, Safety and Improvement Officers are trained in RCA (delivered by external agencies). This training was also delivered to members of the concerns team (in the post at the time of the training).

12.3 The Concerns Team, Assurance Safety and Improvement Team and members of staff across the directorate completed the certificate in Complaint Handling (Bond Solon)

12.4 In year, members of the Mental Health and Learning Disabilities Directorate received RCA training from Bond Solon.

12.5 Directorates/localities receive the final RCA report and are responsible for developing an improvement and learning plan to address the areas identified. This is empowering ownership at a service level.

12a) An implementation plan for the Concerns Management (Putting Things Right) Policy will be developed as part of the approval assurance process for the policy. An intranet page will be developed to ensure that the policy, supporting written control documents, guidance and templates can be easily found by staff and managers.

12b) A RCA² training programme for operational teams, led by the Assurance, Safety and Improvement Team, is in development for 2020/21.

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12.6 To support the duty of candour /being open discussions, a formal letter is sent to the patient or next of kin following a serious incident informing them that a review of the incident is being undertaken and inviting them to share any questions that they may wish to be explored during the review. The letter is sent by the most appropriate member of the Triumvirate Team. On conclusion of the RCA review a further letter is sent providing the findings of the RCA and the improvement and learning actions.

12.6 All concerns responses following investigation by the service involved are approved by the governance/clinical lead within the service/directorate. The responses are then reviewed by the Assistant Director (Legal Services/Patient Experience) to ensure consistency and compliance with the PTR regulations and final approval is provided by the Chief Executive.

Current level of assurance: medium

12c) A revised complaint management handbook has been produced and will be implemented during 2020 as part of the PTR Policy referred to above, this will include strengthening the way in which complaints raising allegations of harm are investigated and looking at ADR/mediation as one of the resolution methods

Organisational culture and learning

13. The organisation has an agreed Values and Behaviours Framework that is

13.1 The Health Board has a co-produced Values and Behaviour Framework. The

13a) The Health Board is considering the areas within the Quality and Engagement Bill

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² Wales Audit Office (2019) Hywel Dda University Health Board - Structured Assessment

<p><i>regularly reviewed, has been developed with staff and has a clear engagement programme for its implementation.</i></p>	<p>Health Board has a values based interview process.</p> <p>13.2 Since its introduction, our values framework is discussed with all new employees at every Corporate Induction session.</p> <p>13.3 Teams across the organisation are supported to put the values framework into action and to live by our values through bespoke workshops held within work places.</p> <p>13.4 Compassionate Leadership has featured in our Board Development Programme and is a learning theme running through our Managers Passport and Managers Passport plus Development Programme.</p> <p>13.5 The first meeting of the speaking up safely group has been held and this included the Chair, CEO, Executive Director of Nursing, Quality and Patient Experience, Independent Member and Assistant Director of Legal Services/Patient Experience. The aim of this working group is to consider the all Wales Raising Concerns procedure and develop a mechanism for strengthening the arrangements within the Health Board to allow staff to feel empowered and supporting when they raise concerns. This work</p>	<p>including the updating of policies such as the Concerns Management Policy and Being Open/Duty of Candour Policy, as well as the development of new written control documentation.</p>
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	<p>programme is based on the learning from the second Francis report on Mid Staffordshire, the safety valve and speaking up safely established in Cardiff and Vale UHB, independent guardians in Swansea Bay UHB and England and we will be advised by Dr Aled Jones of Swansea University. This is a key quality and safety improvement.</p> <p><i>Current level of assurance: medium</i></p>	
<p>14. <i>The organisation has a strong approach to organisational learning which takes account of all opportunities presented through concerns, clinical audit, patient and staff feedback, external reviews and learning from work undertaken within the organisation and across the NHS.</i></p>	<p>14.1 The Health Board has a number of initiatives which have been implemented over time to improve organisational learning with pockets of good work. These include safety posters and newsletters, pressure damage and falls scrutiny panels, whole hospital audit group and EQLiP. However further work is required to strengthen the approach to organisational learning.</p> <p>14.2 The Friends and Family Test has been implemented in the Emergency Department and Women and Child Health Directorate.</p> <p>14.3 The assurance report presented to each QSEAC meeting includes the reports received following external inspections and the areas</p>	<p>14a) The first meeting of the Listening and Learning Sub Committee is in the process of being established. This Committee will be chaired by the Health Board Chair.</p> <p>14b) The Health Board is in the process of agreeing the EQLiP projects for 2020/21. These will be taken forward as part of the programme.</p> <p>14c) There is a roll out programme for patient experience initiatives throughout 2020. This includes the roll out of the Friends and Family Test. This will be supported by an enhanced patient experience programme.</p> <p>14d) Work is underway to review the mechanism for development of newsletters and posters and to ensure that there is a</p>

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	<p>identified through these reviews which are considered areas for organisational learning and improvement.</p> <p><i>Current level of assurance: medium/low</i></p>	<p>programme for the forthcoming year. Future newsletters will include learning from external inspections.</p> <p>14e) Arrangements to ensure that any lessons learned are reflected in existing written control documentation or triggers the development of a new written control document need to be strengthened.</p>
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2019/20 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
CGC 1	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>Board meets every alternate month.</p> <p>There is a Board Cycle of Business in place 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.</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>Title: WAO Structured Assessment</p> <p>Reference Point: Conducting Business Effectively – Paragraph 88-94.</p>	Comply	<p>Board and Committee Minutes – demonstrate scrutiny and support.</p> <p>Board Papers.</p> <p>Board Work Plan 2019/20.</p> <p>Joint Executive Letters.</p> <p>WAO Structured Assessment report 2019.</p>
CGC 2	<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"> 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 Effectiveness – bringing a wide range of relevant experience to bear, including through offering rigorous challenge and scrutinising performance Accountability – promoting transparency through clear and fair reporting. Sustainability – taking a long-term view about what the department is trying to achieve and what it is doing to get there. <p>(2.3)</p>	<p>At its meeting in March 2019, the Board agreed to submit a 'draft interim' Annual Plan for 2019/20, which concentrated on finance, performance, service change and quality, noting WG's expectation that the Health Board should submit an annual plan for 2019/20 as opposed to a 3 year Integrated Medium Term Plan for 2019/22. The status of 'draft interim' was used as the 2019/20 annual plan did not fulfil the statutory duty to demonstrate financial balance, therefore the Board could not formally approve the Plan prior to submission to WG. To this end, a formal accountability letter to WG was submitted that supported this understanding.</p> <p>The Health Board adopted its revised Standing Orders in November 2019. 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 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>	<p>Title: WAO Structured Assessment</p> <p>Reference Point: Conducting Business Effectively – Paragraph 88-94.</p>	Comply	<p>Standing Orders and Standing Financial Instructions.</p> <p>WAO Structured Assessment report 2019.</p> <p>Annual Plan 2019/20.</p> <p>Well-being Statement.</p>

REF	Corporate Governance Code Principles	Evidence of Internal Assurance / Supporting Narrative	External Assurance	Comply or Explain	Supporting documentation
CGC 4	The Board should meet on at least a quarterly basis; however, best practice is that boards should meet more frequently. The Board advises on five main areas: <ul style="list-style-type: none"> Strategic Clarity Commercial Sense Talented People Results focus Management information (2.4 and 3.10) 	<p>The Board meets every alternate month.</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 strategic issues, and delivering the 'here and now'.</p> <p>The Board routinely receives information on strategic activity, risk and performance, workforce planning matters as standing agenda items.</p> <p>The Annual Plan is scrutinised by the Board.</p>	<p>Title: WAO Structured Assessment</p> <p>Reference Point: Conducting Business Effectively – Paragraph 88-94.</p>	Comply	<p>Standing Orders and Standing Financial Instructions.</p> <p>WAO Structured Assessment report 2019.</p> <p>Annual Plan 2019/20.</p>
CGC 5	The Board also supports the accounting officer in the discharge of obligations set out in <i>Managing Public Money</i> ¹ for the proper conduct of business and maintenance of ethical standards. (2.7)	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>Title: WAO Structured Assessment</p> <p>Reference Point: Conducting Business Effectively – Paragraph 88-94.</p>	Comply	<p>Accountability Report.</p> <p>WAO Structured Assessment report 2019.</p> <p>Annual Plan 2019/20.</p>
CGC 6	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. (2.12)	<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>Title: WAO Structured Assessment</p> <p>Reference Point: Conducting Business Effectively – Paragraph 88-94.</p>	Comply	<p>Role of the Board Secretary</p> <p>WAO Structured Assessment report 2019.</p> <p>Board and Committee Minutes – available on the Health Board Internet site.</p>
CGC 7	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. (3.1, 3.11, 3.12 and 3.13)	<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>The Independent Member (IM) roles are appointed in areas of expertise to ensure appropriate skill mix.</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>	<p>Title: WAO Structured Assessment</p> <p>Reference Point: Conducting Business Effectively – Paragraph 88-94.</p>	Comply	<p>Establishment Orders.</p> <p>Standing Orders.</p> <p>WAO Structured Assessment report 2019.</p>

REF	Corporate Governance Code Principles	Evidence of Internal Assurance / Supporting Narrative	External Assurance	Comply or Explain	Supporting documentation
CGC 8	The roles and responsibilities of all board members should be defined clearly in the department's board operating framework. (3.2)	Constitution is set out in the Organisation's Establishment Orders and the Health Board abides by this composition. Standing Orders also outline the composition of the Board.	Title: WAO Structured Assessment Reference Point: Conducting Business Effectively – Paragraph 88-94.	Comply	Establishment Orders. Standing Orders. WAO Structured Assessment report 2019.
CGC 9	The Finance Director should be professionally qualified. (3.3)	Executive Director of Finance is professionally qualified.		Comply	
CGC 10	Independent Members will exercise their role through influence and advice, supporting as well as challenging the executive. (3.5)	Annual Committee Self-Assessment – addresses the effectiveness of how Committees operate and conduct meetings, allowing debate and constructive challenge. Meeting principles adopted that support this constructive challenge. The WG IM training captures effective challenge and scrutiny role on the Board. Standing Orders outline the role of the Board Members.	Title: WAO Structured Assessment Reference Point: Conducting Business Effectively – Paragraph 88-94	Comply	WAO Structured Assessment report 2019. Standing Orders. Cross – reference to 2.4.
CGC 11	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.	Standing Orders detail how the Board regulates its proceedings and business. There is a Board Cycle of Business in place developed on an annual basis and updated throughout the year. The Terms of Reference Operating Arrangements for the Board Committees articulate their remit and the information that should be received. The Scheme of Delegation outlines the information that should flow through to Board and its Committees as appropriate. Interactive Scheme of Delegation for Officers details 'top level' delegations and responsibilities within the Health Board.	Title: WAO Structured Assessment Reference Point: Conducting Business Effectively – Paragraph 88-94	Comply	WAO Structured Assessment report 2019. Committee Terms of Reference and Operating Arrangements Board and Committee Cycles of Business. Standing Orders and Scheme of delegation. Interactive Scheme of Delegation for Officers.
CGC 12	The Board Should ensure that arrangements are in place to enable it to discharge its responsibilities effectively, including: 1. formal procedures for the appointment of new board members, tenure and succession planning for both board members and senior officials 2. allowing sufficient time for the board to discharge its collective responsibilities effectively	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 Welsh Government. 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. The Health Board has a robust induction programme for Independent Members. This programme consists of the	Title: WAO Structured Assessment Reference Point: Conducting Business Effectively – Paragraph 88-94	Comply	WAO Structured Assessment report 2019. Terms of Reference and Operating Arrangements Board and Committee Cycles of Business. Standing Orders and Scheme of delegation.

REF	Corporate Governance Code Principles	Evidence of Internal Assurance / Supporting Narrative	External Assurance	Comply or Explain	Supporting documentation
	<p>3. induction on joining the board, supplemented by regular updates to keep board members' skills and knowledge up-to-date</p> <p>4. timely provision of information in a form and of a quality that enables the board to discharge its duties effectively</p> <p>5. a mechanism for learning from past successes and failures within the departmental family and relevant external organisations</p> <p>6. a formal and rigorous annual evaluation of the board's performance and that of its committees, and of individual board members</p> <p>7. a dedicated secretariat with appropriate skills and experience (4.1)</p>	<p>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"> Attendance at the Mandatory Welsh Government Induction Training. 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 Core Induction Programme – planned within the first month, three months and six months. This includes meeting with Executive Directors, Directors and site visits A buddy / shadow arrangement with an existing/experienced Independent Member. To further support IMs ongoing development, the Chair undertakes regular and robust Personal Appraisal and Development reviews in accordance with WG guidance. The Health Board has a schedule of Board Development Sessions throughout the year to discuss topical issues. <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. Report writing skills for officers is included on Managers Passport Plus Programme.</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>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>
CGC 13	<p>The terms of reference for the nominations committee will include at least the following three central elements:</p> <ul style="list-style-type: none"> scrutinising systems for identifying and developing leadership and high potential 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 	Remuneration and Terms of Service (RTSC) Committee Terms of Reference.	<p>Title: WAO Structured Assessment</p> <p>Reference Point: Conducting Business Effectively – Paragraph 88-94</p>	Comply	<p>WAO Structured Assessment report 2019.</p> <p>RATS Terms of Reference and Operating Arrangements</p> <p>Board and Committee Cycles of Business.</p> <p>Standing Orders and Scheme of delegation.</p>

REF	Corporate Governance Code Principles	Evidence of Internal Assurance / Supporting Narrative	External Assurance	Comply or Explain	Supporting documentation
	<ul style="list-style-type: none"> 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) 				
CGC 14	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.
CGC 15	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>Executive Director and IM buddying system in place.</p>		Comply	<p>Board Secretary role description.</p> <p>Standing Orders.</p>
CGC 16	<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"> 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 ensuring good information flows within the board and its committees and between senior management and non-executive board members, including: challenging and ensuring the quality of board papers and board information ensuring board papers are received by board members according to a timetable agreed by the board providing advice and support on governance matters and helping to implement improvements in the governance structure and arrangements ensuring the board follows due process providing assurance to the board that the department complies with 	<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 Board Secretary and constructive feedback is provided to Executive Directors.</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> <p>Board Secretary led on the development of interactive handbook for IMs.</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>government policy, as set out in the code</p> <ul style="list-style-type: none"> 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) 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 recording board decisions accurately and ensuring action points are followed up arranging induction and professional development of board members (including ministers) <p>4.11</p>				
CGC 17	<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>	<p>Title: WAO Structured Assessment</p> <p>Reference Point: Conducting Business Effectively – Paragraph 88-94</p>	Comply	<p>WAO Structured Assessment report 2019.</p> <p>Accountability Report</p> <p>Appraisal Documentation and Process.</p>
CGC 18	<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 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.</p> <p>4.15</p>	<p>The Health Board has an agreed process in place for managing Declarations of Interest.</p> <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>Internal Audit report on Declarations of Interest undertaken in 2019/20.</p> <p>Assurance Rating: TBC</p>	Comply	<p>Standards of Behaviour Framework Policy.</p> <p>Accountability Report.</p> <p>Standing Orders.</p> <p>Declarations of Interest Process and Register.</p>

REF	Corporate Governance Code Principles	Evidence of Internal Assurance / Supporting Narrative	External Assurance	Comply or Explain	Supporting documentation
		The Declarations of Interest form includes how declarations and potential conflicts are managed and these are recorded on the register.			
CGC 19	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: <ul style="list-style-type: none"> an audit and risk assurance committee, chaired by a suitably experienced non-executive board member an internal audit service operating to <i>Public Sector Internal Audit Standards</i>¹ sponsor teams of the department's key ALBs (5.1 and 5.8) 	The Audit and Risk Assurance Committee is chaired by the Independent Member with a legal background. NWSSP Internal Audit Services are appointed as the Health Board's Internal Auditors.		Comply	Terms of Reference & Operating Arrangements for the Audit and risk Assurance Committee. Accountability Report. Internal Audit Annual Plan.
CGC 20	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. 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 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)	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 May of each year.	Wales Audit Office and Internal Audit receive and review the Accountability Report.	Comply	Accountability Report. Board and Committee Minutes. Annual Report Timetable.
CGC 21	The board's regular agenda should include scrutinising and advising on risk management (5.3 and 5.10)	<ul style="list-style-type: none"> The Board Assurance Framework/Corporate Risk Register is received at least twice a year by the Board. Risk Management Strategy and Risk Appetite are defined and approved by the Board. The Audit and Risk Assurance Committee provide assurance to the Board on the Risk and Assurance Framework. 	Title: WAO Structured Assessment Reference Point: Conducting Business Effectively – Paragraph 95-97	Comply	Board Cycle of Business. WAO Structured Assessment.

REF	Corporate Governance Code Principles	Evidence of Internal Assurance / Supporting Narrative	External Assurance	Comply or Explain	Supporting documentation
CGC 22	<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>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)</p>	<ul style="list-style-type: none"> Standing Orders are explicit that the Health Board as a minimum must establish Committees that cover certain aspects, one of which is Audit. Audit and Risk Assurance Committee established in 2010. 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. 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. Full secretariat function in place supporting the Audit and Risk Assurance Committee. The Audit and Risk Assurance Committee Terms of Reference are published as an appendix to the Standing Orders on the Health Board's website. The Audit and Risk Assurance Committee also has its own webpage which publishes the Terms of Reference and papers for each meeting. Audit and Risk Assurance Committee Annual Report produced and presented to Board. 		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>
CGC 22	<p>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>	<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>		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>

REF	Corporate Governance Code Principles	Evidence of Internal Assurance / Supporting Narrative	External Assurance	Comply or Explain	Supporting documentation
		If there was anything specifically escalated to the Board then the HIA would be invited to attend.			
CGC 23	<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"> there is a proper framework of prudent and effective controls, so that risks can be assessed, managed and taken prudently there is clear accountability for managing risks Departmental officials are equipped with the relevant skills and guidance to perform their assigned roles effectively and efficiently. <p>The board should also ensure that the department's ALBs have appropriate and 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>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 through Managers Passport Plus Programme and 121 training on the Health Board's Risk Information Management System.</p> <p>Tools, procedures and guides are available on the staff intranet site.</p> <p>Services are challenged on their risk management through the Executive Performance Reviews.</p> <p>The Board receives the Board Assurance Framework and Corporate Risk Register twice a year. Each principal 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 was written for the period 2015-2018 and is currently under further review. This was commenced in 2019 but not yet completed. This will be considered by the Audit and Risk Assurance Committee prior to approval by the Board.</p>	<p>Title: WAO Structured Assessment</p> <p>Reference Point: Conducting Business Effectively – Paragraph 95-97</p>	Comply	<p>Risk Management Framework.</p> <p>Staff intranet: risk management webpage</p> <p>Terms of Reference for the Audit and Risk Assurance Committee.</p>

GOVERNANCE LEADERSHIP AND ACCOUNTABILITY STANDARD

As part of the Annual 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.
- Whilst the Health Board intended to submit a three year plan for 2019/22, following Welsh Government advice, the Health Board submitted an 'interim draft' annual plan for 2019/20 which set out delivery for year 1 of the Health Board's Strategy. WAO Structured Assessment 2019 (SA19) reported that the Health Board has set a clear strategic direction although there remains weaknesses in the governance of the Regional Partnership Board.
- The Health Board strives to be an employer of choice and the health and well-being of its staff is paramount. Hywel Dda's Values and Behaviours Framework has now been in place for more than two years. The Values Framework underpins leadership and effective management at all levels and a suite of leadership and management development programmes has 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.
- The Executive Team has continued to work with the organisational development team to strengthen collective leadership. Executive objectives were revisited in 2019/20 to reflect the new strategy and overall there is a general sense that joint working is continuing to improve. The Executive Team is now much more visible through the Executive Team Performance Reviews (ETPR) and the Transformation Programme, although executive visibility in front-line operational services could be further strengthened. (WAO SA19)
- The Health Board has renewed its commitment to Board development during 2019/20 under the leadership of the new Chair. The Health Board has a

comprehensive Board Development Programme designed to provide ongoing developmental support. The programme involves separate sessions held for Independent Members and Executive Directors and provides a foundation for continued learning and development. The programme is delivered in-house with support from external providers and subject matter experts as required.

- The new Chair has instigated a revised streamlined structure for the Board and Committee working arrangements, with revised leadership of key committees to match individual areas of expertise and experience. The Chair and CEO are keen to encourage more Board visibility throughout the organisation and to ensure that the Board continues to listen to and learn from front line staff experience. The introduction of Reverse Mentoring for all Board members is an example of this being applied in practice.
- A new Executive Director Performance Framework was introduced in 2018/19 to provide clarity on performance expectations and role requirements, and Year 2 implementation of this framework has continued in 2019/20. This year performance has centred round a 'Team Goal' with each Executive having specific deliverable contributions towards attainment of that goal.
- A bespoke development programme is also in place to work through issues of executive team cohesion, effectiveness and performance. Each Executive also has access to Executive coaching support.
- A medical leadership organisational development programme is now established and the number of medical staff putting themselves forward for leadership roles is starting to increase. (SA19).
- The Band 7 Nurse Leadership Programme was launched in November 2019.
- The Health Board continues to implement a substantive programme of organisational development work at all levels of staff (WAO SA19) The Health Board's Organisational Development programme in 2019/20 included Board and Executive Programmes; Senior Operational Leaders within Triumvirates (SLLIP); the Aspiring Medical Leaders Programme (AMLPP); Medical Leadership Forum (MLF) and the Together We Care Framework.
- The Health Board adopted the revised model Standing Orders in November 2019. These Standing Orders are designed to translate the statutory requirements set out in the Local Health Boards (Constitution, Membership and Procedures) (Wales) Regulations 2009 (S.I. 2009/779 (W.67)) into day to day operating practice, and, together with the adoption of a Scheme of decisions reserved to the Board; a Scheme of delegations to officers and others; and Standing Financial Instructions (SFIs), they provide the regulatory framework for the business conduct of the LHB. SFIs were reviewed by the Board in May 2019.
- The Board has a Committee structure in place to provide assurance to the Board. WAO reported in SA19 that positive changes were being made to

enhance the Board and committee effectiveness with the streamlining of Board agendas, and focusing on issues that genuinely required Board attention.

- The Health Board's interactive Scheme of Delegation was reviewed by the Board in November 2019. This details and encompasses all delegations including Standing Orders, Standing Financial Instructions, financial delegations, legislative compliance, other delegations and responsibilities, both at delegated lead and operational responsibility level. It has been further expanded through Directorate delegations and is kept under regular review.
- The Health Board continues to have a well-developed Board Assurance Framework (BAF) and is examining how it can be updated to support the implementation of its strategy. The inclusion of risk appetite in the BAF and alignment of the Corporate Risk Register to the Board and its committees has strengthened the corporate focus on risk (WAO SA2019).
- Partnerships that the UHB actively participates in have been mapped and the Partnership Governance Framework and Toolkit was approved in September 2017. The partnerships, which vary in size and purpose, with representation from across sectors and at a national, regional and local level, have been registered by UHB partnership leads. This information populates a partnership register, through completion of a partnership registration form, the purpose of which is to record key details of partnerships, particularly those which meet the UHB's 'significant' definition i.e:
 - How strongly the partnership supports delivery of the UHB's key/strategic objectives, priorities or statutory obligations;
 - The amount of resources the UHB contributes to the partnership; and
 - The levels of liability consequent on any serious failures within the partnership, particularly from a delivery or liability perspective.

This enables the UHB to demonstrate an awareness of its key commitments, and evidence the performance and risk management arrangements it has in place for each partnership.

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 sets 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 Plan 2019/20 was to demonstrate how the Health Board intended to start delivery of the Health Board's strategy.

- The Regional Partnership Board (RPB) is a key vehicle for the delivery of the strategy and the WAO reported in SA19 that key partners are clearly on board with the strategic direction. This is reflected by the successful approval of its bid for Transformation Funding, totalling £11.9 million, which will enable strategy delivery in its early years. A new Integrated Executive Group (IEG) has been established underneath the RPB, which aims to bring together key officers from the statutory organisations. This amendment to the RPB structure is a positive step to ensuring that the strategic vision is embedded into routine decision-making and operational leadership of health and social care across Mid and West Wales, however membership does not include the Directors of planning and finance.
- The Health Board has maintained strong partnership working with its neighbouring health boards through the joint regional planning arrangements 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.
- Strong partnership working with its Public Services Boards continues. WAO found that the Health Board is increasingly working with partners to take a sustainable whole-system approach to service provision in line with the Wellbeing of Future Generations (Wales) Act 2015. (SA19)
- 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.
- The Health Board has developed an Organisational Development Innovation Hub to bring people with different expertise together, to develop and drive new ways of thinking and reflect 'prudent' ideas. It aims to identify research and development opportunities locally and regionally, and where appropriate internationally to maximise health impact and critically contribute to service sustainability. The Hwyl Hub consists of a physical and virtual hub (designed to encourage learning, creativity, fun, innovation and service improvement).
- In November 2019, the UPB agreed revised governance arrangements under the auspices of a University Partnership Group (UPG), to meet on a bi-annual basis with each University and Pembrokeshire College to scope areas of mutually beneficial activities, building on their unique strengths to improve services to the population of Hywel Dda. These areas of work will culminate in an annual meeting or workshop event bringing together the products of the joint work taken place throughout the year.

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.

- Transformation Programmes, namely Transforming our Communities, Transforming our Hospitals and Transforming Mental Health and Learning Disabilities, are in place to deliver the Health Board's Health and Care Strategy 'A Healthier Mid and West Wales: Our Future Generations Living Well.
- The Health Board launched its Healthcare Apprentice Programme on 24th May 2019 which is aimed at developing a future nursing workforce from the local population. In 2019/20, 40 individuals commenced on the programme and will develop from entry level through to registration in 2027. Funding for a further 50 places will be launched in 2020/21.
- Check and Challenge process to ensure projects and programmes of work fulfils the objectives of the Transforming Communities, Mental Health and Learning Disabilities and Hospitals.
- The Colleague Experience Group, which meets bi-monthly, provides leadership and support in facilitating the health and well-being of staff as an integral part of corporate objectives. (SA19)
- The Health Board has an agreed Quality Improvement Framework (QIF) supported by an Ensuring Quality Improvement Programme (EQliP). The EQliP is a collaborative training programme for front line staff designed to increase improvement capacity and capability across the Health Board through training, education and coaching support for teams working on a real work problem. Eleven teams have participated in the first programme which has been independently evaluated by Swansea University through funding from Improvement Cymru.
- Making Every Contact Count (MECC) is an approach that uses the millions of day-to-day interactions that people in organisations have with people in communities, to support them in making positive changes to their health and wellbeing.
- Introduction of the Cataract Referral Refinement Scheme and Glaucoma Data Capture Programme that commenced in September 2019. Both schemes are designed to improve access for patients and release capacity within the Hospital Eye Service to enable improvements towards the Referral to Treatment (RTT) waiting times target in addition to reducing waiting times for those patients prioritised as Risk Factor 1 ('R1) and allow timely access to see a Consultant.
- An Opportunities Framework has been developed which is intended to operate alongside existing processes on a 'Business as Usual' basis. The Opportunities Framework offers a useful tool for the robust scrutiny of ideas within the Health Board, ensuring rigorous testing is undertaken to promote confidence and provide assurance to the Board.

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:

- WG Self-Assessment of Current Governance Arrangements - following the publication of the Healthcare Inspectorate Wales and the Wales Audit Office report titled 'A review of quality governance arrangements at Cwm Taf Morgannwg University Health Board', the Health Board undertook a review of the report in detail.
- The Board has also completed the Welsh Government "All Wales Self-Assessment of Current Quality Governance Arrangements" (an assessment against the recommendations within the review) at the request of the Minister for Health and Social Services. Any areas for improvement identified following the review and self-assessment process have been captured in an action plan that will be monitored through to completion by the Quality, Safety and Experience Assurance Committee.
- Welsh Government commissioned an external governance review in 2019/20 to validate the financial baseline and identify drivers of the underlying financial deficit; the current financial plan for 2019/20 and ability to deliver the £25m control total; the opportunities to improve the deficit for 2019/20 and to achieve financial sustainability; and the financial governance and structure of Health Board.
- The Health Board established a 2 year Turnaround Programme to provide a robust process for the delivery of savings to support it in meeting its statutory duty to break-even over a three-year rolling basis.
- The Health Board has a Joint Framework for Continuous Engagement and Consultation with the CHC which was signed off at Board in January 2019. This was designed to ensure a coherent, consistent approach towards co-production and service change around health (and in the future social care, or any other integrated service with other public sector partners) that is fit for the future and takes into account the duties of both the CHC and the Health Board.
- A programme of Patient Safety Board to Floor Walk Around visits to connect senior leaders with people working on the front line is in place. It supports Board visibility and approachability at frontline service level (clinical and indirect service provision), educating senior leaders about safety issues and to signal to the front line workers that senior leaders are committed to and see it as part of their role in the development of the organisational safety culture.
- 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 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.

- There will be an increased number Board to Floor walkabouts as well as the introduction of the 'Speak up Safely' initiative, to encourage staff to raise concerns and to feel safe and supported when doing so.

Personal and Professional Integrity:

- The Board's Standards of Behaviour Policy was reviewed in 2019 and approved by the Business Planning and Performance Assurance Committee in August 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.
- 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.

Recommendations

1. To continue to work towards development and approval of a 3 year Integrated Medium Term Plan.
2. To establish a 'Speaking Up Safely' process to encourage reporting of staff concerns.
3. To implement the new Board and Committee Structure from 1st April 2020, and implement the findings of the WAO Review of Quality and Safety Arrangements in Hywel Dda in 2020/21.
4. To review the Risk Management Strategy in 2020/21 and update the Risk Management Framework to reflect new risk reporting arrangements in the Health Board following implementation of point 4.
5. To expand the membership of the Integrated Executive Group (IEG) to include the Directors of Planning and Finance.
6. To establish the planned new Regional Leadership Group to provide overall strategic direction comprising the Chief Executives, the Health Board Chair and local authority cabinet members.
7. To establish a new Listening and Learning Sub-Committee, chaired by the Health Board Chair.
8. To establish a Listening and Learning from Events Sub-Committee, chaired by the Health Board Chair, to bring together learning from across the organisation (not only within the concerns and claims area), to triangulate information from a patient and staff perspective, informing the Health Board's clinical risk profile.



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Structured Assessment 2019 – **Hywel Dda University Health Board**

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The team who delivered the work comprised Anne Beegan, Leanne Malough and Philip Jones, under the direction of Dave Thomas.

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Summary report

About this report

- 1 This report sets out the findings from the Auditor General's 2019 structured assessment work at Hywel Dda University Health Board (the Health Board). The work has been undertaken to help discharge the Auditor General's statutory requirement, under section 61 of the Public Audit (Wales) Act 2014, to be satisfied that NHS bodies have made proper arrangements to secure economy, efficiency and effectiveness in their use of resources.
- 2 Our 2019 structured assessment work has included interviews with officers and Independent Members (IMs), observations at Board, committee and management meetings and reviews of relevant documents, performance and financial data.
- 3 The key focus of structured assessment is on the corporate arrangements for ensuring that resources are used efficiently, effectively and economically. This year, auditors paid critical attention to the progress made to address recommendations and opportunities for improvement identified in 2018 and previous years. The report groups our findings under five themes:
 - Strategic planning;
 - Transformation and organisational structure;
 - Performance and turnaround;
 - Governance arrangements; and
 - Managing the workforce.

Background

- 4 The Health Board remains in targeted intervention under the NHS Wales Escalation and Intervention Framework. The key reasons for intervention remain the Health Board's financial position and its ability to meet the requirements of an approvable Integrated Medium-Term Plan (IMTP).
- 5 At the end of 2018-19, the Health Board reported an in-year financial deficit of £35.4 million. This was within an agreed deficit total following an additional recurring £27 million from Welsh Government in recognition of the Health Board's demographic and rurality challenges. The cumulative three-year deficit stood at £154.4 million at the end of March 2019.
- 6 In November 2018, the Health Board approved its 10-year Health and Care Strategy '[A Healthier Mid and West Wales: Our Future Generations Living Well](#)' (the strategy), underpinned by its 20-year population health vision. Despite initial intentions to submit a three-year plan for 2019-22, overly ambitious timescales and advice from the Welsh Government resulted in the Health Board subsequently submitting an approvable annual plan for 2019-20.
- 7 By the end of 2018-19, the Health Board did not meet key waiting time targets for A&E and ambulance handovers, although performance was comparable with the

rest of Wales. It did achieve waiting time targets for therapy and diagnostic services (the best performance in Wales), and referral to treatment targets for 36-week breaches. It fell short of the target for 26-week waits but performance was significantly improved compared to previous years. Cancer and stroke performance continued to be amongst the best in Wales, except for waiting times for urgent suspected cancer. Healthcare acquired infection targets were still not being met but there were signs of improvement.

- 8 During the last twelve months, there has been some changes at Board level both in respect of executive directors and Independent Members (IMs):
- In February 2019, the Health Board's Chair stood down. Interim arrangements were put in place until the newly appointed Chair took up post in August 2019.
 - The interim Executive Director of Finance was appointed into the role in December 2018 for a fixed-term period of two years,
 - One IM stood down in July 2019 leaving a gap in trade union representation which is yet to be filled. The term of two further IMs were extended for a year as was the term of the Associate Board Member appointed to chair the Finance Committee.
 - In December 2019, the Turnaround Director took up post as the new Executive Director of Operations following the departure of the previous postholder.
- 9 Our 2018 work acknowledged that *the Health Board was continuing to strengthen governance and management arrangements, but there was recognition that there remained some weaknesses in quality and safety governance arrangements. It also acknowledged that more needed 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.*
- 10 As this report provides a commentary on key aspects of progress and issues arising since our last structured assessment, it should be read with consideration to our [Structured Assessment 2018 report](#).

Main conclusions

- 11 Our overall conclusion from 2019 structured assessment work is that **the Health Board continues to strengthen governance and management arrangements. It has a clear strategic direction and is developing the infrastructure to support delivery of strategic plans. There are improvements in performance but challenges in relation to finance and unscheduled care remain. Finally, oversight and scrutiny of planning needs clarifying.**
- 12 The Health Board has set a clear strategic direction and is on track to develop its first three-year plan. Arrangements for monitoring delivery of the strategic plan have improved but reporting lines to the Board pose a risk of duplication.

- 13 The Health Board has established robust arrangements to deliver its strategy, and recent changes are helping to simplify the operational structure. More needs to be done to engage staff in the change agenda, and capacity in some corporate functions remains a challenge.
- 14 The Health Board has strengthened financial management arrangements and improved performance overall, but a number of financial, service and quality challenges remain, and opportunities to extend performance management exist.
- 15 Governance arrangements are generally sound with further improvements underway.
- 16 The Health Board compares well against a number of workforce metrics, is putting new initiatives in place to develop the workforce and support staff well-being, and is increasing the focus at Board and Committee level.
- 17 We consider our findings in more detail in the following sections.

Recommendations

- 18 **Exhibit 1** details recommendations arising from this work. The Health Board's management response to these recommendations and our final report will be available on our website once considered by the relevant committee. The Health Board will also need to address the outstanding recommendations made in previous years.

Exhibit 1: 2019 recommendations

Recommendations	
Monitoring delivery of plans	
R1	We found scope to reduce potential duplication of assurance between the Business Planning and Performance Assurance Committee (BPPAC) with the Health and Care Strategy Delivery Group (HCSDG). The Health Board should clarify the reporting lines of the Health and Care Strategy Delivery Group to ensure that the risk of duplication of assurance is mitigated.
Performance management reviews	
R2	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.
Staff engagement	
R3	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.

Detailed report

Strategic planning

- 19 We considered how the Health Board sets strategic objectives and how well it plans to achieve and monitor these. We also reviewed progress made in addressing our previous recommendations in relation to strategic planning.
- 20 We found that **the Health Board has set a clear strategic direction and is on track to develop its first three-year plan. Arrangements for monitoring delivery of the strategic plan have improved but reporting lines to the Board pose a risk of duplication.**

Setting the strategic direction

The Health Board has set a clear and ambitious strategic direction, which is fully supported by key partners but there remain weaknesses in the Regional Partnership Board

- 21 In our 2018 structured assessment work, we commended the Health Board for its engagement and ambitious approach to longer-term strategic planning. The approval of its strategy in November 2018 was the culmination of work over 18-months through the Transforming Clinical Services programme.
- 22 The strategy establishes a 10-year clinical strategy for the Health Board and a 20-year vision for population health. In March 2019, the Board approved a 'Scoping, Governance and Delivery Document'. This document signalled the end of the development phase and enabled the Transformation Programme to develop the detail underpinning the strategy and to move to the 'Delivery' phase¹.
- 23 The Regional Partnership Board (RPB) is a key vehicle for the delivery of the strategy and our work would indicate key partners are clearly on board with the strategic direction. This is reflected by the successful approval of its bid for Transformation Funding, totalling £11.9 million, which will enable strategy delivery in its early years. Our 2018-19 work on the [Integrated Care Fund](#) however identified weaknesses in governance arrangements surrounding RPBs, including the West Wales RPB², which need to be addressed. Since our previous work, a new Integrated Executive Group (IEG) has been established underneath the RPB, which aims to bring together key officers from the statutory organisations. This amendment to the RPB structure is a positive step to ensuring that the strategic vision is embedded into routine decision-making and operational leadership of health and social care across Mid and West Wales, however membership does not include the directors of planning and finance. A new Regional Leadership Group (RLG) to provide overall strategic direction, comprising the chief executives, the Health Board Chair and local authority cabinet members was also due to be established but this has not yet been set up.
- 24 The Health Board has maintained strong partnership working with its neighbouring health boards through the joint regional planning arrangements with Swansea Bay University Health Board, and its leadership of the Mid Wales Health and Social Care Committee with Powys Teaching and Betsi Cadwaladr University Health Boards.

¹ In 2017, the Health Board commenced its 'Transforming Clinical Services' programme. The programme is based on three distinct phases – Discover, Design and Deliver.

² The West Wales RPB is referred to as the West Wales Care Partnership Board

- 25 Strong partnership working with its Public Service Boards continues. Our recent local work on the Wellbeing of Future Generations (Wales) Act 2015 identified that the Health Board is increasingly working with partners to take a sustainable whole-system approach to service provision in line with the Act. The Health Board's major strategic shift towards an approach based around population health has clearly been developed with reference to the Act.

Developing strategic plans

The Health Board has a robust planning process and is on track to develop its first three-year plan

- 26 Following the Board's approval of the strategy, the Health Board had ambitions to submit a three-year plan for 2019-22. A series of check and challenge meetings with directorates were put in place to develop the first three-years of the 10-year clinical strategy within the context of the 20-year population health vision.
- 27 Our 2018 work recognised the robust process that the Health Board was putting in place but identified a need to develop joined-up planning arrangements to ensure individual directorate plans were co-ordinated. Given time pressures, and recognition that the three-year plan would not include a balanced financial plan, a key requirement of IMTP approval, the Welsh Government subsequently advised the Health Board to submit an annual plan.
- 28 In undertaking the check and challenge process, the Health Board has developed a comprehensive set of underpinning plans. The Welsh Government regarded plans for the county directorates in particular as good, recognising that the ability of the Health Board to deliver its strategy will be reliant on an increased emphasis on primary and community services.
- 29 The basis of these plans has subsequently been absorbed into the Transformation Programme. The work programmes supporting the Transformation Programme (discussed later in this report) will, and have already started to, develop the detailed plans that need to underpin the strategy. The Health Board now has a clear ambition to develop a three-year plan for the period 2020-23 using the work of the Transformation Programme, and broader operational plans. The three-year plan will follow the principles of the recently issued [NHS guidance](#). As it is unlikely to include a balanced financial plan, the first year of the three-year plan will be used to form the annual plan required by the Welsh Government.
- 30 The Chief Executive is currently considering the suggestions by Welsh Government to establish an external advisory group to support the delivery of the strategy. The objectivity that could be provided by such a group could be highly beneficial, particularly given the ground-breaking nature of the strategy.
- 31 Alongside the Transformation Programme, the Health Board has developed a regional clinical services plan with Swansea Bay University Health Board. It has also contributed to the development of the plans supporting the Mid Wales Health and Social Care Committee. These plans all align with the Health Board's strategy.
- 32 The central planning team support the development of all of the Health Board plans, but capacity of this team is limited. The team have identified that they are unable to support the directorates as much as they would like but do provide high-level support through the continued check and challenge meetings. Overall, the planning process is robust, but it is reliant on an early start to be effective. To operationalise the strategy, the Chief Executive recently set personal objectives for every director.

These include 'must do's' and contribution to team goals for the period 2020-23. Awareness of these objectives has delayed the planning process slightly as these objectives provide the framework for the plan. Overall the Health Board is on track to meet the Welsh Government timescales.

Monitoring delivery of the strategic plan

The Health Board has further developed its arrangements for monitoring delivery against plan but the reporting arrangement for the new Health and Care Strategy Delivery Group has the potential to duplicate assurance for 2020 onwards

- 33 Last year we identified that the arrangements for monitoring delivery against plan could be strengthened. At the time, the Integrated Planning Assurance Report (IPLAR) was being developed to provide the Board with greater awareness of progress.
- 34 The IPLAR is now in use and is focusing attention on monitoring plan development for the following year. The IPLAR provides a detailed breakdown of the work done to date to get the underpinning plans in place and provides assurance to the BPPAC and the Board on its ability to meet the Welsh Government timescales.
- 35 The Business Planning and Performance Assurance Committee (BPPAC) monitors delivery of the Health Board's current plan, through the Planning Sub-Committee, which was established in 2017. A quarterly update report, using RAG ratings, highlights progress on each of the supporting action plans. Since our previous work, progress against plan is now included in the directorates' quarterly EPRs using a RAG rating system to assess progress against actions. Feedback from the Health Board has identified that this has been a useful addition to the EPRs.
- 36 Following the approval of the strategy, the HCSDG was established. Chaired by the Chief Executive, this group meeting replaces the Executive Team meetings on an eight-week cycle. Membership consists of the Executive Team, the Strategic Programme Director, Directors of Social Services and the Chief Executive of Ceredigion Association of Voluntary Services. Its principle duties include monitoring strategy delivery and providing assurance to Board on overall progress, and progress against individual implementation plans. It also monitors and manages actions and is responsible for ensuring that the work of the Transformation Programme is delivered.
- 37 The HCSDG reports formally to the Board, which has the potential to duplicate assurances provided by BPPAC and the Planning Sub-Committee with regard to monitoring delivering of the strategy, noting the HCSDG focus in on delivery rather than assurance. The HCSDG has been established to maintain the focus and momentum needed to deliver the strategy. It is an operational group with no IMs included within the membership, although IMs do attend some of its working groups. Given the ambition set out in the strategy, it is understandable that the Board needs to be fully sighted of progress but reporting lines need to be considered within the context of its committee structures, and in particular BPPAC. It also needs to be considered alongside how and where the three-year plan for 2020 onwards will be monitored given that the detail of the three-year plan should also focus on delivering the strategy (see paragraph 92).

Transformation and organisational structure

- 38 We considered the Health Board's arrangements to achieve transformational change and whether supportive organisational structures are in place. We also reviewed progress made in addressing previous recommendations in relation to change management and structures.
- 39 In 2019, we found that **the Health Board has established robust arrangements to deliver its strategy, and recent changes are helping to simplify the operational structure. More needs to be done to engage staff in the change agenda and capacity in some corporate functions remains a challenge.**

Transformation

The Health Board has established comprehensive programme management arrangements to deliver transformation, but more needs to be done to engage the wider workforce in the change agenda

- 40 Last year we reported that the Health Board's capacity to deliver significant change was a challenge. At that time, the Health Board was awaiting a decision from the Welsh Government on a funding request to support additional change management capacity.
- 41 The funding request was based on mapping work to understand the resource implications of the change programmes needed to deliver the strategy. It covered all programmes and project plans categorising them as 'business as usual' activity; productivity and turnaround-related activity; or strategic implementation activity. This enabled the executive team to define the capacity and capability needed for the required work. The Health Board's request for additional resources was partly granted in December 2018, with the receipt of £1.5 million to cover costs incurred during 2018-19. Recurring funding for 2019-20 onwards has not yet been agreed.
- 42 Following Board approval to move to the 'Deliver' phase in March 2019, comprehensive programme management arrangements were established to deliver three change programmes. Reporting to the HCSDG, the three change programmes, each with a supporting transformation group, are:
- Transforming Communities;
 - Transforming Hospitals; and
 - Transforming Mental Health and Learning Disabilities.
- 43 The Executive Medical Director and Director of Health and Care Strategy is the Senior Responsible Office for the Transformation Programme. There is a nominated director for each of the transformation groups with membership including other directors, representatives from relevant directorate teams, including clinical directors and leads, and other staff co-opted as appropriate. The Health Board worked hard to achieve effective clinical engagement during the 'Develop' phase of its strategy, which we reflected in our 2018 structured assessment work. This engagement helped ensure successful development of a strategic approach supported by staff, the community, and other stakeholders. It is positive to see that clinical engagement, particularly with medical staff, is continuing into the delivery phase, as well as ongoing focused engagement with local communities directly impacted by service changes. Using the additional funds available, the TPO has recruited a lead nurse and therapist to support the overall programme, further helping to ensure that clinical engagement continues to be led by clinicians.

- 44 A Strategic Enabling Group (SEG) has also been established to provide direction, co-ordination and oversight in relation to a range of enabler functions. This includes workforce and organisational development, capital and estates, finance and procurement, modelling and informatics, partnerships and commissioning, value-based health care, and digital. Members of the SEG are also represented on the three transformation groups.
- 45 The TPO has a role to play in working with other corporate directorates to drive forward the delivery of the strategy as part of mainstream operational activities. As well as the clinical leads, the TPO has also been recruiting additional staff to ensure that it has the capacity and capability to provide the necessary programme management support. It is also seeking to work as a virtual team with the West Wales Regional Collaboration Unit (RCU) that supports the RPB, recognising the key role that the RPB has to play in supporting implementation, and the resources available to the RCU.
- 46 The scale of transformational change that the Health Board needs to deliver is immense. It is positive to see the progress made to establish the infrastructure to enable this change to happen. A considerable proportion of the Health Board's middle and senior management are involved in the Transformation Programme. The risk however is that the wider workforce sees the transformation agenda as being remote from their day-to-day work. The Health Board has recognised that while the infrastructure has been put in place, communication to key stakeholders (particularly staff) has not been as frequent as previously. To maintain the momentum built up over the last two years, it is important that communication continues albeit that at times, it may be no more than a general progress update. This would be helpful in engaging staff, in particular, with the strategic direction. The Health Board could also benefit from looking at ways that it could empower the wider workforce to feel that they can also contribute to the transformation agenda.

Ensuring organisational design supports delivery

Recent changes are helping to simplify the operational structure, although capacity in some corporate functions continues to be a barrier to adopting a business partnering model

- 47 The executive team has continued to work with the organisational development team to strengthen collective leadership. Executive objectives have been revisited to reflect the new strategy and overall there is a general sense that joint working is continuing to improve. The executive team are now much more visible through the EPRs and the Transformation Programme, although executive visibility in front-line operational services could be further strengthened as meetings continue to be held at headquarters.
- 48 Since our previous work, there have been a number of changes to the operational structure. County Directors are now in place on a permanent basis in two counties, and lines of accountability have been clarified. The Ceredigion County Director continues to hold the lead director role for Bronglais Hospital, but continued weaknesses in clinical leadership for Bronglais Hospital has resulted in additional clinical support being provided, on a temporary basis, by the Assistant Director of Nursing. This support has recently come to an end.
- 49 The County and Hospital directorate teams are increasingly working together, and to take this a step further, plans are in place to combine the directorate arrangements for the two Carmarthenshire hospitals to mirror the county footprint. As part of the refreshed Executive Medical Director structure, a Deputy Medical Director for Acute Hospital Services has been appointed to oversee the four hospitals, and will report to the Executive Director of Operations. This will help streamline reporting

arrangements for the hospital teams and will reflect the already well-established reporting lines for the county teams, which is now also supported by a Deputy Medical Director of Primary Care.

- 50 The General Manager for Women and Children's and Cancer Services has also been taking a more corporate role on scheduled care and has recently been appointed to the Assistant Director of Operations on a temporarily basis. The Director of Mental Health and Learning Disabilities post has been filled.
- 51 The Therapies Directorate has now been organised to bring together therapy services, which had been fragmented across the organisational structure. There is also the potential to bring in other services into the directorate over time. This directorate is currently reporting to the Executive Director of Therapies and Health Sciences as a temporary measure while it becomes embedded.
- 52 The changes that have been made to the operational structure are helpful steps in simplifying what is essentially quite a wide management structure. Over the last few years, in the region of 17 directorates have been reporting directly to the Executive Director of Operations. The Executive Director of Operations is now the lead director for two of the transformation groups and continuing to manage this number of directorates would have been unsustainable. The new Executive Director of Operations may want to take the opportunity as he takes up post to further refine the operational structure.
- 53 Corporate structures remain largely unchanged, although the business partnering model has now been fully embedded into the finance function. Other corporate functions are considering adopting a similar model subject to finance and appropriate approval processes but capacity to do so continues to be challenging. All of the corporate functions are represented on the SEG and within each of the transformation groups. This is positive but will place additional demands on their time, reducing their ability to be work more closely with the operational teams.

Previous recommendations

- 54 In 2017 and 2018 we made the following recommendations in relation to change management and the organisational structure. **Exhibit 2** describes the progress made.

Exhibit 2: progress on previous structured assessment recommendations

Previous recommendations	Description of Progress
<p>R4 To ensure the delivery of its 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 within the intended timescales. (2018)</p>	<p>Funding relating to costs incurred in 2018-19 was agreed by Welsh Government in December 2018 and allocation received in January 2019. Recurring funding for 2019-20 has not yet been confirmed.</p> <p>Not yet complete</p>

Previous recommendations	Description of Progress
R6 Following the implementation of the proposed planned changes to the finance department, the Health Board needs to ensure that the structures of the other corporate functions appropriately support and challenge the operational directorates. (2017)	Capacity in a number of corporate teams is limiting their ability to adopt a business partnering model. However, through other arrangements, such as the Transformation Programme, corporate teams are providing support and challenge. Complete
R7 The Health Board needs to revisit its operational structure, and the position of primary care and community services in particular, to ensure that it fully supports integrated working and effective management of operational issues. (2017)	Primary and community services now form part of the county director portfolio overseen by the Director of Primary Care, Community and Long-Term Care. County and hospital directorates are increasingly working together to consider the whole system. Complete
R8 To show leadership, visibility of the executive directors across the Health Board needs to extend to all directors and consideration needs to be made to holding meetings with operational teams away from the headquarters wherever possible. (2017)	Refer to paragraph 47. Not yet complete

Performance and turnaround

- 55 We considered the Health Board's current performance. We also considered arrangements for managing performance, including financial grip and control, and progress made against previous recommendations in relation to performance and financial management.
- 56 We found that **the Health Board has strengthened financial management arrangements and improved performance overall, but a number of financial, service and quality challenges remain, and opportunities to extend performance management exist.**

Managing the finances

- 57 **Financial performance** – The Health Board's in-year deficit position is reducing year-on-year, partly due to additional Welsh Government funding, but the financial position for 2019-20 still remains challenging.
- 58 The Health Board continues to spend beyond its means resulting in a cumulative deficit of £193.1 million for the last five years (**Exhibit 3**). Consequently, the Health Board has continued to fail its first financial duty of the NHS Finance (Wales) Act 2014. Improvements in financial control, alongside the financial recognition of the Health Board's demographic challenges in 2018-19 however has started to see the in-year deficit position improve year-on-year with plans to reduce this further in 2019-20.

Exhibit 3: financial deficit over the last five financial years

	2014-15 £m	2015-16 £m	2016-17 £m	2017-18 £m	2018-19 £m	Cumulative deficit 2014-19 £m
Financial performance	7.5	31.2	49.6	69.4	35.4	193.1

Source: Wales Audit Office analysis

- 59 The Annual Plan for 2019-20 approved by the Board in March 2019 outlined an initial deficit control total of £29.8 million, including the recurring £27 million. The Welsh Government subsequently set a reduced deficit control total of £25 million, with the potential for the Health Board to receive a further £10 million if it achieves its control total.
- 60 The Health Board has a range of schemes in place to enable it to deliver against its savings target, but these only equate to £18.7 million³ leaving a shortfall of £6.5 million (including £1.5 million slippage) still to find. At month six, the Health Board has delivered £7 million of its planned savings. However, it is reporting a negative variance against planned expenditure of £3.8 million and an overall deficit position of £12.6 million for the year-to-date. Unscheduled care staffing pressures, particularly in Withybush and Glangwili hospitals along with primary care prescribing costs (Category M drugs) account for a significant amount of the variance.
- 61 To meet its deficit control total by the year-end, the Health Board needs to significantly accelerate the delivery of savings and reduce cost pressures, particularly in relation to unscheduled care. A number of its savings plans are set to overachieve, but the Health Board is now forecasting that it will not meet its deficit control total of £25 million.
- 62 **Financial management and controls – The turnaround process and the new business partnering model are strengthening the Health Board’s ability to manage its finances, but a greater understanding of, and response to, underlying cost drivers as well as increased accountability and ownership is needed if it is to move to a break-even position.**
- 63 Our annual accounts work has identified the Health Board has adequate financial control arrangements in place. With the new finance business partnering model and the continued turnaround process, there are clearer lines of delegated budgetary responsibility through accountability agreements, more accurate operational financial reporting, and improved compliance with financial standards and legislation. The business partnering model is also helping to provide a more collaborative and supportive approach to managing budgets at directorate level.
- 64 Since the turnaround process began, the Health Board’s ability to achieve financial savings has significantly improved. Clearer savings plans are in place, and the fortnightly Holding to Account meetings with directorates and the escalation process with the Chief Executive are maintaining a focus on finances. The 60-day cycle meetings are also maintaining a focus on identifying opportunities for service efficiencies.

³ Made up of £16.6 million assured savings schemes (green) and £2.1 million classed as marginal risk (amber).

- 65 The Health Board has adopted the All-Wales 'No Pay Order No Pay' policy which is helping to control non-pay expenditure. The number of breaches is decreasing with targeted work actioned when non-compliance is identified. Similarly, the Health Board is controlling its single tender agreements and since 2018 has reduced both the value and number being used. Local procurement still forms part of the turnaround process and is regularly monitored by the Director of Finance as the accountable officer.
- 66 If the Health Board is to move to a break-even position, understanding of cost drivers and responses to them, as well as financial accountability and ownership still needs to be strengthened. During the year, the Welsh Government commissioned KPMG to complete a detailed review of the Health Board's finances, including cost drivers. KPMG has identified that some of the cost drivers are due to inefficiencies in service provision, which are known to the Health Board. KPMG has also identified that the significant driver for the underlying deficit however is due to increased demand for services from the Health Board's population.
- 67 **Financial scrutiny – There is improving scrutiny through the Finance Committee with an increasing focus on the longer-term.**
- 68 The Finance Committee is key to providing the Board with the assurances it requires over the Health Board's financial performance. Over the last 12 months, there is a better sense of more structured forward planning and control, and the quality of the scrutiny provided by its members is improving. Working well together, both the Finance and Turnaround Directors are the main lead officers responsible for providing the Committee with regular, quality information not only around financial performance and savings delivery but also development of the financial plan.
- 69 The challenge in balancing the focus of financial planning between the short and longer-term remains. Strategic decisions are starting to take shape and are giving the Finance Committee more focus. However, the Health Board still has significant challenges to overcome in terms of delivering the longer-term vision within the financial resources available.

Improving performance

- 70 **Performance against targets - Despite an overall backdrop of improvements, performance has declined in a number of areas during the year with unscheduled care remaining a particular challenge.**
- 71 Despite achieving a position of no 36-week breaches at the end of 2018-19, the numbers waiting more than 36-weeks for planned care has steadily increased since April 2019. This is against a backdrop of increased demand on planned services with an overall increase in numbers on elective waiting lists. Waiting times performance, however, compares significantly better than when the Health Board moved into 'targeted intervention' and compares favourably to the rest of Wales. Plans are also in place to recover the position by the end of March 2020.
- 72 Similarly, the improvements in diagnostic and therapy waits in 2018-19 have not been sustained into 2019-20 with an increasing number of patients waiting for cardiology and radiology tests beyond the 8-week target, and physiotherapy services beyond the 14-week target. The breaches in physiotherapy currently means that the Health Board has the worse therapy performance across Wales, although other diagnostic waiting times are amongst the best. Recovery plans are in place to reduce physiotherapy, cardiology and radiology waits back in line with the target.

- 73 Since April 2019, the number of patients delayed on the follow-up outpatients waiting list increased by 25% to 44,000 patients by September, with two-thirds delayed at least twice as long as they should be. The Health Board is also not achieving the new eye care measures, which came into effect from 1st April 2019.
- 74 Across the unscheduled care pathway, performance against a number of measures indicate that the Health Board is struggling to meet demand and get patients through the system efficiently:
- The number of ambulance handovers over one hour is increasing, The percentage of red calls responded to within 8 minutes is just above the target, with the exception of Ceredigion;
 - The percentage of patients seen within 4, and 12 hours is declining. The numbers waiting more than 12 hours is the second highest in Wales, with long delays most problematic in Worthybush hospital;
 - The average length of stay for medical emergency inpatients is deteriorating; and
 - The number of delayed transfers of care are increasing.
- 75 More positively, the Health Board continues to perform well across a number of the stroke care measures with timely access to specialist staff above the Welsh Government target and improving. Timely access to the stroke unit has deteriorated recently but for the majority of the year to date, performance has been above target. Cancer performance has however deteriorated. Having previously performed well in relation to the Non-Urgent Suspected Cancer target, both cancer targets are not being met.
- 76 **Performance management – Performance management reviews continue to evolve but there is scope to apply the review process to corporate directorates.**
- 77 The approach to performance reviews within the operational directorates continues to develop. All executive directors are invited to attend, and each review is now supported by an interactive dashboard, which covers performance against targets, workforce, quality and safety, audit and inspection, risk and finance. Progress against agreed actions to support delivery of the annual plan is also included. However, medical representation at these meetings is still lacking. The newly appointed Deputy Medical Director for Acute Hospital Services is taking a lead identifying and streamlining which meetings require clinical directors and realigning job plans to allow them to attend meetings, such as the EPRs, which should improve medical attendance over time.
- 78 As reported previously, separate Holding to Account meetings are held with the Turnaround Director. Additional Holding to Account meetings are held with the Chief Executive and a number of Executive Directors where directorates are escalated. Separate check and challenge meetings (see paragraph 32) are also taking place. The number of meetings that directorates have to attend, including the transformation groups, place considerable time pressures on directorate teams and the executives. The Health Board has recognised the opportunity to bring the Holding to Account meetings into the EPRs, particularly with the recent appointment of the Turnaround Director into the Executive Director of Operations role.
- 79 The Health Board has increased the frequency of EPRs for directorates which are underperforming, although this is not yet reflected in the performance management framework. With the exception of Estates, the EPRs do not currently apply to corporate directorates and scrutiny of performance of these services is not as robust and transparent. To deliver the efficiencies needed in the short-term the Health Board could look to apply the EPRs to corporate directorates.

Quality performance

There are early signs of improvement but there remains a considerable amount of work still to do to improve quality performance

- 80 Last year, we identified that performance against a number of quality and safety indicators were below Welsh Government targets, with an increasing need for the Health Board to more explicitly focus its attention on the quality and safety of its services.
- 81 In March 2019, the Health Board launched its Quality Improvement Strategic Framework with the overall aim of increasing the emphasis on quality improvement across the organisation, and in particular, shared learning. In addition, the Medical Director has appointed a new Associate Medical Director (AMD) for Quality and Safety as part of his new structure.
- 82 A number of performance measures are now showing positive signs of improvement with the number of concerns responded to within 30 working days above the target, and the level of zero never events maintained since October 2018. Crude mortality rates have also consistently improved since September 2018.
- 83 Healthcare acquired infection rates however remain a significant concern with C. difficile, MSSA and E. coli cases per 100,000 head of population some of the highest in Wales. Hospital acquired pressure sores is also increasing, and sepsis-six bundle compliance is deteriorating. The percentage of serious incidents assured within the recommended 60-day timescale is well below the target. The percentage of mortality reviews undertaken within 28 days is not yet at target level, although it is improving.
- 84 Our recent work on the Health Board's operational quality and safety arrangements identified a number of areas where quality governance arrangements need to improve. A more detailed examination of the elements underpinning the Health Board's quality governance arrangements will be undertaken in early 2020.

Previous recommendations

- 85 In 2017 and 2018, we made the following recommendations in relation to performance and financial management, including financial scrutiny. **Exhibit 4** describes the progress made.

Exhibit 4: progress on previous structured assessment recommendations

Previous recommendations	Description of progress
<p>R1 The Health Board needs to improve the identification and design of saving schemes through:</p> <p>a. increasing the use of data and intelligence to identify opportunities for efficiency improvements reflecting them in more meaningful and realistic savings targets for different areas of the business;</p>	<p>The Health Board is improving its use of data to identify opportunities for efficiencies through benchmarking. The business partnering model is also starting to embed itself and is encouraging greater intelligence to identify opportunities for efficiency and realistic targets. The recent KPMG work will further assist with taking this recommendation forward.</p>

Previous recommendations	Description of progress
<ul style="list-style-type: none"> b. avoiding over-reliance on in-year cost control, accountancy gains and non-recurrent savings; and c. embedding the 60-day cycle process to identify where longer term and sustainable efficiencies can be achieved through service modernisation, and approaches such as value-based healthcare and productivity improvements. (2017) 	<p>Complete.</p> <p>At month six 2019-20, there is still some reliance on non-recurrent savings, but this is getting less each year.</p> <p>Complete.</p> <p>The 60-day cycle continues to form part of the turnaround process. It is also embedded in to the new Transformation programme as a way of supporting longer-term sustainability. The Director of Turnaround is due to take up post as the new Executive Director of Operations at the end of November 2019. He will take over as chair of two of the three change programmes, through which he will maintain a focus on efficiencies through service modernisation. Value-based healthcare is still in its early stages but is being embedded following approval of the joint business case with Swansea Bay University Health Board at the end of 2018</p> <p>Complete.</p>
<p>R3 The Health Board needs to adopt a more proactive approach to learning and sharing good practice about savings and wider financial planning. This should include making more use of initiatives such as the Welsh Government's 'Invest to Save' schemes. (2017)</p>	<p>The Health Board is becoming more focused on benchmarking and learning from others to increase efficiencies. Learning and sharing is made available through the turnaround meetings and the business partnering model, and there are a number of 'Invest to Save' schemes in place.</p> <p>Complete</p>
<p>R3 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 or performance review meetings with operational teams by:</p> <ul style="list-style-type: none"> a. reviewing the frequency and timing of these meetings; b. reviewing the location of these meetings, to improve visibility of the executive team; and c. aligning these meetings with management sessions contained within job plans for clinical directors to enable them to participate fully. (2018) 	<p>Refer to paragraphs 47, and 77 to 78.</p> <p>Not yet complete.</p>

Previous recommendations	Description of progress
<p>R5 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. (2018)</p>	<p>The Finance Committee is increasingly undertaking detailed scrutiny of the Health Board's plans to achieve efficiency savings with a focus on both the medium and long-term. Complete</p>
<p>R10 The Health Board needs to strengthen its performance management framework at an operational level by:</p> <ul style="list-style-type: none"> a. ensuring sufficient time is allowed within the bi-monthly performance management reviews to consider all elements of performance, including finance, workforce and delivery against plan; b. ensuring that the process includes wider representation from across the directors; c. ensuring that governance approaches at operational and service level are standardised and include a comprehensive review of performance; d. expanding the range of performance metrics that are considered at an operational level, particularly in relation to quality and safety; e. exposing the operational directorate teams to scrutiny at both the BPPAC and Quality, Safety and Experience Assurance Committee (QSEAC) on areas of underperformance. (2017) 	<p>Refer to paragraph 77. In addition, operational directorates are more exposed to the scrutiny process in both BPPAC and QSEAC, with directorates being called in to account for underperformance. The only element of this recommendation outstanding is in relation to standardised governance approaches, which is now being addressed as part of Recommendation 1 of our separate work on quality and safety arrangements, reported in August 2019. Complete</p>

Governance

- 86 We considered the Health Board's governance arrangements. We looked at the way in which the Board and its committees conduct their business, and the extent to which Board structures are supporting good governance. We also reviewed the progress made in addressing our previous recommendations relating to the Board.
- 87 In 2019, we found that **governance arrangements are generally sound with further improvements underway.**

Conducting business effectively

Positive changes are being made to enhance Board and committee effectiveness

- 88 Despite a period of change, the Board continues to be generally well-run and the quality of scrutiny and challenge remains high. The Board has largely maintained a full complement of IMs who demonstrate a very good range of knowledge and skills collectively. There is an effective Board development programme in place which is delivered through the use of internal and external resources. This has helped to develop a positive and cohesive relationship between IMs, and with the Executive team. The approach to development for IMs is also comprehensive and flexible, supported by regular six-monthly reviews. During the year, an interactive handbook has been developed for new IMs which enables a wide range of information relevant to their role to be explored. Early feedback from IMs on the handbook is very positive, and other NHS bodies are now looking to learn from the work that the Health Board has done in this area.
- 89 Board meetings remain open and transparent, with ongoing use of webcasting. They are rotated around the three counties and members of the public continue to be invited to submit questions prior to the meeting taking place. In 2018, we highlighted that Board agendas could be long and lacked a routine focus on the quality and safety of services provided. Since her appointment, the new Chair has been focusing attention on streamlining the Board agenda. The format of the Board meeting in September 2019 focused more specifically on issues that genuinely required Board attention. This included escalating new issues up to Board and de-escalating other issues down to committees. This focus reduced the meeting duration. From November onwards, the Chair is looking to strengthen patient stories and have a more thematic feel to the agenda. Discussions that take place during the private sessions continue to be limited only to those that are of a sensitive nature.
- 90 As well as the Board, the Chair has focused attention on the committees and sub-committees, starting with the QSEAC. Plans are in place to streamline a number of the QSEAC sub-committees, and increasing the focus on patient safety, while a new Listening and Learning Group will be established. Our planned work on quality governance (referred to in paragraph 84) will explore these arrangements further.
- 91 In relation to the Board's other committees, this year we have focused on the BPPAC. The main focus of the BPPAC is now on performance following the previous disaggregation of finance and planning into a dedicated committee and sub-committee respectively. The BPPAC is supported by the performance reporting tool, which allows users to look at specific areas and to drill down into data as appropriate. Although the tool does not report in real-time, it provides easy access to the most up-to-date information available covering all aspects of service provision, and it has been positively received by both the Board and BPPAC.
- 92 In light of the new strategy, there is scope to revisit the level of focus given to planning by BPPAC. The Planning Sub-Committee does provide assurance to BPPAC, but this is predominantly through the minutes of the meeting and is not a key focus of the BPPAC agenda. The Sub-Committee is largely an operational group although there are a number of important areas considered which need independent scrutiny. The Health Board has recognised the need to revisit the Planning Sub-Committee and is proposing subsuming the sub-committee back into BPPAC. The establishment of the HCSDG and its direct reporting line to the Board however poses questions over the role of BPPAC in providing assurance on delivery of the strategy and the underpinning plans. The Board needs to consider the role of BPPAC in providing board assurance on strategic planning (see paragraphs 36 to 37). The

Health Board has already recognised that there is also opportunity for BPPAC to take assurance on workforce and organisational development as part of the wider consideration of use of resources. The Workforce and Organisational Development Sub-Committee currently reports to the QSEAC and is discussed later in this report (see paragraph 116).

- 93 Across all of the Board's committees, the current chairs are effective in their roles and there are good flows of assurance, issues and risks between committees and up to Board. The ongoing use of self-assessments has been helpful in identifying areas for improvement and a self-reflection at the end of each meeting is now included on all committee agendas. IMs are able to contribute their expertise and to receive assurance about the work of the Health Board through membership of key committees. Some IMs are members of sub-committees and groups which provide assurance to those committees. This places additional pressure on their time. The new Chair has already recognised this as an issue and is seeking to address membership as part of her wider consideration of the committees and their supporting structures.
- 94 Over the last twelve months, IMs have continued to undertake walkabouts to clinical areas to develop their knowledge and to triangulate the assurances being provided to them through Board and committees. Frequency of these visits has however been an issue with a number of walkabouts cancelled due to director workload pressures. IM capacity to meet the demands on their time has also had an impact. The Chair's review of committee membership, along with contingency plans being put in place to minimise cancellations, should enable the walkabouts to happen more frequently.

Managing risks to achieving strategic priorities

The Health Board continues to have a well-developed Board Assurance Framework and is examining how it can be updated to support the implementation of its strategy

- 95 We have consistently reported that the Health Board has a well-developed Board Assurance Framework (BAF). It clearly sets out the controls in place, the sources of assurance, where gaps in assurance exist and a set of performance indicators which are used to measure progress. It is underpinned by a comprehensive Regulatory and Review Body Assurance Framework which focuses on high-risk areas, both in terms of likelihood and the impact of non-compliance with regulations and legislation.
- 96 The Health Board is currently exploring ways in which the BAF can be updated to support the implementation of the strategy from 2020 onwards. Work is underway to evolve the framework by mapping governance assurance areas and how they link to committees. This includes mapping director objectives for next year, as well as those set for the next three-years. Some risks have been identified which are not linked to specific director objectives. These are being examined to see whether they can be linked, or whether the risks need to be updated. Director objectives for 2018-19 are available online as an interactive tool and a revised scheme of delegation will be submitted to the Board in November 2019 to bring the objectives up to date.
- 97 The inclusion of risk appetite in the BAF and alignment of the Corporate Risk Register to the Board and its committees has strengthened the corporate focus on risk. The Corporate Risk Register is considered each month by the Executive Team and directorate level risks are considered as part of EPRs.

Embedding a sound system of assurance

Many aspects of governance remain robust with plans in place to improve identified areas of weakness

- 98 Our work has identified that updated Standing Orders were recently approved at the Audit and Risk Assurance Committee (ARAC) meeting and will go to the November Board meeting for ratification. There are well-established arrangements for declaring, registering and handling interests, gifts, hospitality, honoraria and sponsorship, which are reviewed annually by ARAC. These arrangements are supported by an online system to capture declarations. All Board member declarations are available via the Health Board's website, and members are also asked to declare interests at the start of every Board and committee meeting. Last year we reported that work was taking place to improve awareness and completion of the register of interests through a range of annual communication campaigns. This work is ongoing.
- 99 The National Fraud Initiative (NFI) is a biennial data-matching exercise that helps detect fraud and overpayments. In January 2019, the Health Board received 5,103 data-matches through the NFI web application, of which 504 were higher risk and recommended for review. As at October 2019, the Health Board had made good progress in reviewing most of the high-risk payroll and procurement matches with enquiries ongoing in a small number of cases. Creditor payment matches had not been reviewed. The Health Board is now working with NHS Shared Services to make sure these matches are reviewed. The Auditor General is undertaking further work to examine the effectiveness of counter fraud arrangements across the public sector in Wales, with a view to publishing his findings in summer 2020. His work will be informed by local fieldwork commencing in late 2019.
- 100 The Health Board has a comprehensive Internal Audit programme of work in place, with sufficient resources for delivery, and effective approaches for reporting assurances or concerns. The new Head of Internal Audit has settled in well and following a briefing session with ARAC members in February 2019, previous concerns around the application of assurance ratings have been resolved.
- 101 ARAC has previously raised concerns regarding non-participation in clinical audits. A recent Welsh Health Circular (WHC)⁴ clearly stated that 'Health boards and trusts in Wales are required to fully participate in all national clinical audits and outcome reviews listed in the annual National Clinical Audit and Outcome Review Annual Plan'. The Clinical Audit Department has adopted a clear process for compiling the audit programme, which challenges non-participation by directorates to improve the number of national audits in which the Health Board participates. The strengthening of the QSEAC arrangements, as outlined in paragraph 90, an increased focus on clinical audit by the new AMD for Quality and Safety, and the need to adopt the WHC should help to improve national audit participation.
- 102 The Information Governance Committee (IGC) is now more focussed. This year our local follow-up work on clinical coding arrangements found that significant shortcomings remain. The IGC has helped to raise awareness of the issues and risks associated with clinical coding, although prioritising resources to this area is a problem. Last year, the Health Board's external cybersecurity assessment identified several improvement actions that were dependent on additional resources being made available. At the time of our work in 2019, Welsh Government funding was expected for two cyber

⁴ WHC/2019/006 – NHS Wales National Clinical Audit and Outcome Review Plan Annual Rolling Programme for 2019-20.

security posts, which has since been approved. When in place these posts will provide additional assurance regarding information security, and further ensure that the Health Board fulfils the requirements of the General Data Protection Regulations.

- 103 There continues to be a robust process for tracking recommendations by all regulators and holding officers to account where outstanding recommendations remain. Other NHS bodies are looking at the Health Board's tracking arrangements as good practice.

Previous recommendations

- 104 In 2018, we made the following recommendations in relation to board effectiveness. **Exhibit 5** describes the progress made.

Exhibit 5: progress on previous structured assessment recommendations

Previous recommendations	Description of progress
<p>R1 To enable Board 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. (2018)</p>	<p>Along with the findings of recent self-assessments, the responses from our previous Board member survey have been considered to address areas of improvement. This has included the development of the interactive handbook.</p> <p>Complete</p>
<p>R2 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. (2018)</p>	<p>Refer to paragraph 93</p> <p>Complete</p>

Managing workforce

- 105 We considered the action that the Health Board is taking to ensure that its workforce is well managed. We also reviewed progress against previous recommendations in relation to organisational development.
- 106 We found that **the Health Board compares well against a number of workforce metrics, is putting new initiatives in place to develop the workforce and support staff well-being, and is increasing the focus at Board and Committee level.**
- 107 Last year, we reported that the Health Board was managing its workforce effectively, but vacancies presented challenges and there was a need to put in place a learning and development plan.

108 **Exhibit 6** shows the Health Board's performance on some key measures compared with the Wales average for 2019. The Health Board's performance compares better across all five measures, and all measures are continuing to improve with the exception of vacancies, which have risen slightly.

Exhibit 6: performance against key workforce measures, July 2018 and July 2019⁵

Workforce measures (%)	Health Board July 2018	Health Board July 2019	Health Board July 2018 compared to 2019	Wales average July 2019
Sickness absence	5.1%	4.9%	↓	5.4%
Turnover	8.6%	7.9%	↓	7.1%
Vacancies	2.1%	2.6%	↑	2.9%
Appraisals	70.0%	79.7%	↑	69.5%
Statutory and mandatory training	72.0%	83.0%	↑	79.3%

Source: NHS Wales Workforce Dashboard, Health Education and Improvement Wales

- 109 Sickness absence rates are some of the lowest in Wales, with good scrutiny of sickness and the associated costs at the Workforce and Organisational Development Sub-Committee. Turnover and vacancy rates are the second lowest in Wales, reflecting the positive work that has been done by the Health Board in relation to its recruitment campaigns. Medical vacancies are however an outlier, although the Health Board still has a number of difficult to recruit specialties. Appraisal rates are the highest in Wales, and compliance with statutory and mandatory training is the second highest in Wales. The appraisal rate for medical staff is significantly high at 97%. However, workload pressures arising from medical staff vacancies is resulting in statutory and mandatory training compliance falling below the Wales average at just 34%.
- 110 Gaps in staffing levels has meant a continued reliance on the use of temporary staff. The percentage spend on agency pay is running at just below the Wales average which is positive, although there have been increases in agency spend for Allied Healthcare Professionals and Healthcare Scientists. Medical agency spend has reduced slightly. Bank and agency usage continue to be monitored on a weekly basis and presented to the Workforce Control Panel. Bank usage has increased but not enough to eradicate agency use. Although a slight decline in the percentage spend on agency for Nursing and Midwifery staff, performance remains the highest in Wales.
- 111 Despite overall positive workforce performance, learning and development remains a challenge. The Learning and Development team has been under-resourced and working without a manager for an extended period of time. The Executive Director of Workforce and Organisational Development recognises that they have achieved a lot despite these challenging circumstances and is providing

⁵ Sickness: rolling 12-month average at July; Turnover: 12-month period up to 1 July; Vacancy: based on advertised vacancies during July; Appraisal: preceding 12 months at July; Statutory and mandatory training: at July.

management oversight and guidance, and supporting the team to review what they do. To assist in that process, Swansea University has been invited to look at the ways in which the team is linked to academia.

- 112 In 2018 we reported that there was no systematic training plan and that remains unchanged in 2019. The current approach is not holistic with learning and development plans developed at directorate level. The intention is to establish what the training 'offer' should be and what capacity is available to provide it. The situation has become much more pressing now that the strategy is being implemented.
- 113 During the year, the Health and Wellbeing Group and the Anti-Bullying Group have been merged to become the Colleague Experience Group, which meets bi-monthly. It provides leadership and support in facilitating the health and well-being of staff as an integral part of corporate objectives. The new Chair has a strong interest in engaging and supporting staff, particularly to raise the trust necessary for them to feel confident about reporting concerns about services and other staff members. She intends to establish a 'speaking up safely' process at the Health Board. This is particularly timely given the findings of the review into maternity services at Cwm Taf University Health Board, which found that a culture of fear had led to under-reporting of incidents and concerns. Alongside the staff guardian approach, the programme of walkabouts for executives and IMs continues to provide them with an opportunity to hear staff concerns.
- 114 The Health Board continues to implement a substantive programme of organisational development work at all levels of staff. Initially delayed, the medical leadership organisational development programme has now been established and is starting to increase the number of medical staff putting themselves forward for leadership roles. The refreshed Medical Director structure has been implemented, with some very strong appointments in place.
- 115 A modernised workforce will be a key aspect of delivering the strategy successfully. The Transformation Programme's SEG will provide the necessary focus on skills and expertise through workforce planning and redesign, organisational development and transformation. A strong example of workforce modernisation is the recently launched Health and Care Apprentice Programme scheme, which has been well-received and is unique in Wales. The approach is based on investing in the development of the population within local communities to develop individuals from entry level to registration within their chosen profession in just over eight years. This type of approach embodies the five ways of working set out by the Wellbeing of Future Generations (Wales) Act 2015.
- 116 Apart from high-level performance against a number of workforce measures, workforce is not a key feature of Board and committees. Scrutiny of workforce and organisational development is currently the responsibility of QSEAC through the reporting sub-committee. This sub-committee has a wide coverage of workforce aspects but only the key quality and safety aspects get escalated up to the QSEAC and Board. The broader workforce and organisational development issues have not received the breadth of focus and scrutiny that they need. The Health Board has already recognised this and is in the process of subsuming the sub-committee into BPPAC to ensure that workforce and organisational development is given the board level attention needed to prepare the way for change and enable the strategy to be delivered.

Previous recommendations

- 117 In 2017, we made the following recommendations in relation to organisational development. **Exhibit 7** describes the progress made.

Exhibit 7: progress against previous structured assessment recommendations

Previous recommendations	Description of progress
R5 The Health Board needs to progress its work to develop its clinical directors at pace and provide the necessary support to its wider triumvirate teams to develop their management capabilities. (2017)	Refer to paragraph 114. Organisational development work has also been put in place to support the wider directorate teams. Complete

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Hywel Dda University Health Board

Health and Care Standards

Draft Internal Audit Report

March 2020

Private and Confidential

NHS Wales Shared Services Partnership

Audit and Assurance Services

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Audit and Assurance Services conform with all Public Sector Internal Audit Standards as validated through the external quality assessment undertaken by the Institute of Internal Auditors.

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1. Introduction and Background

The review of the Health and Care Standards was completed in line with the Internal Audit Plan 2019/20. The relevant lead Executive for the assignment was the Director of Nursing, Quality and Patient Experience.

The new standards provide a consistent framework that enables health services to look across the range of their services in an integrated way to ensure that all that they do is of the highest quality and that they are doing the right thing, in the right way, in the right place at the right time and with the right staff.

2. Scope and Objectives

The objective of the audit was to evaluate and determine the adequacy of the systems and controls in place for the Health & Care Standards, in order to provide assurance to the Audit & Risk Assurance Committee that risks material to the achievement of system objectives are managed appropriately.

The purpose of the review was 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.

The main areas that the review sought to provide assurance on were:

- An appropriate process is in place to assess the current utilisation of the Health & Care Standards to ensure they are being utilised to improve the quality and safety of services; and
- The Health Board has appropriate processes in place to oversee, monitor and report the utilisation of the standards.

3. Associated Risks

The potential risk considered in the review were as follows:

- The standards are not effectively utilised across the Health Board; and
- The Health Board is not aware of how the standards are used to improve quality.


OPINION AND KEY FINDINGS

4. Overall Assurance Opinion

We are required to provide an opinion as to the adequacy and effectiveness of the system of internal control under review. The opinion is based on the work performed as set out in the scope and objectives within this report. An overall assurance rating is provided describing the effectiveness of the system of internal control in place to manage the identified risks associated with the objectives covered in this review.

The overall level of assurance that can be assigned to a review is dependent on the severity of the findings as applied against the specific review objectives and should therefore be considered in that context.

The level of assurance given as to the effectiveness of the system of internal control in place to manage the risks associated with Health and Care Standards is **Reasonable** assurance.





RATING	INDICATOR	DEFINITION
Reasonable Assurance		The Board can take reasonable assurance that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Some matters require management attention in control design or compliance with low to moderate impact on residual risk exposure until resolved.

Our fieldwork highlighted that positive progress has been made since our previous review. We can confirm that the Health Board has further developed its process to assess the utilisation of Health and Care Standards (HCS) to improve the quality and safety of services through the use of the assurance and scrutiny framework. We noted that HCS are fully embedded into day-to-day practices, which was evident from our review of several papers submitted to statutory committees of the Board in 2019/20.

The HCS assurance matrices provide a consistent approach for capturing evidence of the HCS being embedded across service areas. However, we noted a number of individual HCS criteria listed in the assurance matrices continue to either reference a group/committee not listed within the organisation's reporting hierarchical structure or no reference was made to a group/committee. This issue was highlighted in the previous Internal Audit report (HCUHB-1819-04).

5. Assurance Summary

The summary of assurance given against the individual objectives is described in the table below:

		Assurance Summary*			
Audit Objective					
1	An appropriate process is in place to utilise the Health & Care Standards to improve the quality and safety of services				✓
2	The Health Board has appropriate processes in place to oversee, monitor and report the utilisation of the standards			✓	

* The above ratings are not necessarily given equal weighting when generating the audit opinion.

Design of Systems/Controls

The findings from the review have highlighted **one** issue that is classified as weakness in the system control/design for Health and Care Standards. This is identified in the Management Action Plan as (D).

Operation of System/Controls

The findings from the review have highlighted no issues that are classified as weaknesses in the operation of the designed system/control for Health and Care Standards.

6. Summary of Audit Findings

The key findings are reported in the Management Action Plan at Appendix A.

OBJECTIVE 1: An appropriate process is in place to assess the current utilisation of the Health & Care Standards to ensure they are being utilised to improve the quality and safety of services.

The Health and Care Standards (HCS) assurance matrix was developed in 2018/19 to capture information against each of the standards, such as the Executive Directors and lead officers and linking each standard to the appropriate reporting committees.

A review of this process was undertaken in 2019/20 and an enhancement was made to include corporate self-assessments against the standard statements. A paper documenting this new approach was submitted to the Operational Quality, Safety & Experience Assurance Committee (QSEAC) meeting in March 2020.

The utilisation of HCS within key reporting documents to the Health Board and statutory committees allows for the monitoring of quality and safety of services. That HCS are embedded within the following documents:

- Quality Dashboard reported quarterly under HCS domains
- All SBAR reports are linked to HCS
- Integrated Performance Assurance Report (IPAR) reported on alternative month to either Board or Business Planning Performance Assurance Committee (BPPAC) under HCS domains
- Annual Quality Statement reported the organisation's annual performance for each HCS domain
- Fundamental of Care Audits

We reviewed a sample of standards for each of the above documents with the exception of Quality Dashboard (due to the COVID-19 situation). We can confirm that all of the above documents are routinely submitted to the appropriate committees and the Board.

No matters arising.

OBJECTIVE 2: The Health Board has appropriate processes in place to oversee, monitor and report the utilisation of the standards.

The Health and Care Standards assurance matrix confirmed that each standard had been linked with assigned groups and committees in addition to an identified Executive Director or lead officer.

In our previous Internal Audit report (H DUHB-1819-04), testing was undertaken to ensure supporting committees listed against each HCS was evident in the Health Board's reporting structure. We noted 24 HCS criteria had either referenced a group/committee not listed on the reporting hierarchical structure or no reference was made to a group/committee. Whilst this year's fieldwork has highlighted some progress five HCS criteria continue to reference a group/committee not listed or no reference made as below:

Standard	Criteria	Supporting Committee
Standard 1.1 <i>Staying Healthy</i>	Carers of individuals who are unable to manage their own health and wellbeing are supported.	West Wales Carers Transitional Action Plan Group
Standard 3.2 <i>Effective Care</i>	Support is given for carers and advocates who in turn are supporting the needs of people with communication needs.	West Wales Carers Transitional Action Plan Group Sensory Loss Standards Implementation Group
Standard 6.2 <i>Individual Care</i>	Strategic equality plans are published setting out equality priorities in accordance with legislation.	None
Standard 6.3 <i>Individual Care</i>	Patients, service users and their carers are offered support including advocacy and where appropriate redress	None
	Health services are open and honest with people when something goes wrong with their care and treatment.	None

Testing was undertaken for Standards *2.2 Preventing Pressure and Tissue Damage*, *4.1 Dignified Care* and *5.1 Timely Care* to ensure an assessment had been completed and returned. We can confirm that corporate assessment has been undertaken for these standards and returned to the Quality & Governance Team complete with supporting evidence.

We also reviewed the statutory committees of the Board and confirm that all standards had been embedded into day-to-day practices and was evident in the SBAR section of papers submitted during 2019/20.

See Finding 1 at Appendix A.

7. Summary of Recommendations

The audit findings and recommendations are detailed in Appendix A together with the management action plan and implementation timetable.

A summary of these recommendations by priority is outlined below.

Priority	H	M	L	Total
Number of recommendations	0	1	0	1

Finding 1 – Mapped Reporting of Standards (D)	Risk
A review of the assurance matrices confirmed that the majority of the standards and their criteria were aligned to a sub-committee/group with reporting arrangements through to the Board via a statutory committee, advisory or partnership group. However, we noted that some criteria within the standards continue to reference a group/committee not listed on the reporting hierarchical structure or no reference was made to a group/committee.	The Health Board is not aware of how the standards are used to improve quality.
Recommendation 1	Priority level
Management should ensure that all Health & Care Standards criteria listed in the assurance matrix is accurately mapped to an appropriate group or committee with reporting arrangements to the Board.	MEDIUM
Management Response	Responsible Officer/ Deadline

Appendix B - Assurance Opinion and Action Plan Risk Rating

2019/20 Audit Assurance Ratings



Substantial Assurance - The Board can take **substantial assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Few matters require attention and are compliance or advisory in nature with **low impact on residual risk** exposure.



Reasonable Assurance - The Board can take **reasonable assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Some matters require management attention in control design or compliance with **low to moderate impact on residual risk** exposure until resolved.



Limited Assurance - The Board can take **limited assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. More significant matters require management attention with **moderate impact on residual risk** exposure until resolved.



No Assurance - The Board has **no assurance** arrangements in place to secure governance, risk management and internal control, within those areas under review, which are suitably designed and applied effectively. Action is required to address the whole control framework in this area with **high impact on residual risk** exposure until resolved.

Prioritisation of Recommendations

In order to assist management in using our reports, we categorise our recommendations according to their level of priority as follows.

Priority Level	Explanation	Management action
High	Poor key control design OR widespread non-compliance with key controls. PLUS Significant risk to achievement of a system objective OR evidence present of material loss, error or misstatement.	Immediate*
Medium	Minor weakness in control design OR limited non-compliance with established controls. PLUS Some risk to achievement of a system objective.	Within One Month*
Low	Potential to enhance system design to improve efficiency or effectiveness of controls. These are generally issues of good practice for management consideration.	Within Three Months*

* Unless a more appropriate timescale is identified/agreed at the assignment.



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