

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

DYDDIAD Y CYFARFOD: DATE OF MEETING:	14 December 2021
TEITL YR ADRODDIAD: TITLE OF REPORT:	Phase 1 Structured Assessment - Operational Planning (Update)
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Lee Davies, Director of Strategic Development and Operational Planning
SWYDDOG ADRODD: REPORTING OFFICER:	Daniel Warm, Head of Planning

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 paper provides the Audit and Risk Assurance Committee with an update on progress against the recommendations made by Audit Wales (AW) in their Structured Assessment report published in June 2021 - Structured Assessment 2021: Phase 1 Operational Planning Arrangements – Hywel Dda University Health Board.

Cefndir / Background

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

The Structured Assessment 2021: Phase 1 Operational Planning Arrangements – Hywel Dda University Health Board report sets out the findings from phase one of the Auditor General's 2021 Structured Assessment on the operational planning arrangements at Hywel Dda University Health Board (HDdUHB).

Whilst the assessment concluded that the Health Board's arrangements for developing operational plans were generally effective, it did make four recommendations:

- **Alignment of plans R1** - Planners are not involved in all planning processes and must rely on others to make sure that plans align. The Health Board should determine individual responsibilities for ensuring that key planning processes are effectively linked
- **Planning capacity R2** - The planning team have adopted a 'business partnering' approach to support the development of the quarterly operational plans which has worked well but there has been over-reliance on one individual within the planning team due to capacity constraints. The Health Board should review its planning capacity
- **Performance tracking R3** - The Quarters 3-4 Plan does not provide details of progress on actions arising in the preceding quarters, despite commitments to doing so. The Health Board should ensure that its future plans contain the necessary information to provide assurance of progress over time.

- **Monitoring and reporting R4** - The Health Board does not have processes in place to track the delivery of its actions set out in its operational plans. The Health Board should develop a mechanism for tracking progress against actions. In doing so, the Health Board should clarify responsibility for oversight at Board and Committee level for monitoring delivery of plans, including the 2021-22 Annual Plan

Asesiad / Assessment

Appendix 1 reports the current progress against the four recommendations, including the actions ascribed to them, as per the Management Response presented to the Committee in August 2021. All actions have been completed, with the exception of one which is on track. The outstanding action relates to R2:

- Work is underway to review the capacity and capability of the Planning Team. A proposal will be taken to the Executive Team to recurrently increase the capacity of the service planning team and further develop the 'business partnering' approach.
- This work will now be completed as part of the IMTP process and will be concluded by the end of the financial year 2021/22.

Argymhelliad / Recommendation

The Audit and Risk Assurance Committee is asked to consider and take assurance from progress made in respect of the recommendations from the Audit Wales Structured Assessment 2021: Phase 1 Operational Planning Arrangements – Hywel Dda University Health Board report, published June 2021.

Amcanion: (rhaid cwblhau)

Objectives: (must be completed)

Committee ToR Reference Cyfeirnod Cylch Gorchwyl y Pwyllgor	3.3 In carrying out this work, the Committee will primarily utilise the work of Internal Audit, Clinical Audit, External Audit and other assurance functions, but will not be limited to these audit functions. It will also seek reports and assurances from directors and managers as appropriate, concentrating on the overarching systems of good governance, risk management and internal control, together with indicators of their effectiveness.
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	N/A
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	Governance, Leadership and Accountability
Amcanion Strategol y BIP: UHB Strategic Objectives:	All Strategic Objectives are applicable

Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Statement	Not Applicable
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Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Structured Assessment 2021: Phase1 Operational Planning Arrangements – Hywel Dda University Health Board, Published June 2021
Rhestr Termau: Glossary of Terms:	Included in document.
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Archwilio a Sicrwydd Risg: Parties / Committees consulted prior to Audit and Risk Assurance Committee:	Not applicable

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

Management response

Ref	Recommendation	Intended outcome/benefit	Management response	Completion date	Responsible officer	Progress
R1	Planners are not involved in all planning processes and must rely on others to make sure that plans align. The Health Board should determine individual responsibilities for ensuring that key planning processes are effectively linked.	Increased connectivity between plans	<p>The Health Board has recently appointed a new Executive Director for Strategic Development and Operational Planning. This is intended to support the integration of plans across the Health Board, particularly between the strategic and operational planning portfolios.</p> <p>The UHB is establishing a new Delivery Programme Group and Operational Delivery Groups, which has representation from both Planning and the wider delivery arms of the organisation. These will support the development and delivery of the operational planning objectives and ensure that plans are more clearly aligned (see R4).</p> <p>The Planning Steering Group, introduced for the development of 2021/22 Annual Plan, will be strengthened to include Operational colleagues, and will be used as a forum to advise, review and amend plans through the development of the next planning cycle.</p>	<p>Complete</p> <p>September 2024 Complete</p> <p>September 2024 Complete</p>	<p>Chief Operating officer / Director of Primary Care, Community and Long-term Care</p> <p>Director of Strategic Development and Operational Planning</p>	<p>The Operational Planning and Delivery Programme has been established and has a weekly meeting, including TORs, minutes, etc. Head of Planning sits on this group and ensures key planning processes are effectively linked.</p> <p>The Planning Steering group has been introduced with bi-weekly meetings, chaired by the Director of Strategic Development and Operational Planning. The TORs have been</p>

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			<p>The Health Board is reviewing the processes by which our Annual Plans / Integrated Medium Term Plans are developed – this included a review session with the Planning Steering Group in July 2021, which sought to address the question: ‘Reflecting on the Planning Steering Group over the last year, what are the lessons and improvements you would suggest for the year ahead in how PSG can support the delivery of an IMTP for 2022/25 by the end of 2021?’</p> <p>As a result we are developing our Planning Cycle for 2021/22 to ensure there is a better integration of plans across the Health Board, particularly as the 2022/25 Plan will be able to use the 2021/22 Plan and its core components of our Strategic and Planning Objectives as a clear baseline for the development of plans. A paper will shortly be presented to the Executive team.</p> <p>Further, as noted in the response to recommendation 2, we are reviewing the capacity of the Planning Team, which will allow planners to be more directly involved in the development of plans and ensuring alignment across plans.</p> <p>The establishment of a new Planning Directorate function - which includes Capital Planning, the Transformation Programme Office and Programme Management Office, and the Engagement team - will support further integration</p>	September 24 Complete	Director of Strategic Development and Operational Planning	<p>produced. Due to current operational pressures it has been decided at this stage not to include them in the steering group, but instead engaging with them through other avenues and opportunities.</p> <p>The planning team capacity remains an issue and discussions are taking place between Director of Strategic Development and Operational Planning, and Director of Operations. A paper was reported to Exec Team in August 2021 around the planning structure which was accepted.</p> <p>The capacity will be addressed as part of the development of the 2022/25 Integrated Medium Term Plan, which is to be submitted (subject to Board approval) by 28th February 2022.</p>

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			across those disciplines under the recently appointed Executive Director.			
R2	The planning team have adopted a 'business partnering' approach to support the development of the quarterly operational plans which has worked well but there has been over-reliance on one individual within the planning team due to capacity constraints. The Health Board should review its planning capacity to ensure that resilience is built into the team, and	Increased resilience, and expertise and knowledge across the planning team	<p>The UHB will look to identify short-term increases in resource for planning whilst a longer-term strategy for the Team and recruitment processes are put in place.</p> <p>Work is underway to review the capacity and capability of the Planning Team. A proposal will be taken to the Executive Team to recurrently increase the capacity of the service planning team and further develop the 'business partnering' approach.</p> <p>With the increase in capacity, it is the intention that the members of the Planning team are exposed to a wider range of Planning activities to build their knowledge, understanding and capabilities in order</p>	<p>August 2021 Complete</p> <p>September 2021 Quarter 4</p> <p>Quarter 4 (subject to</p>	Director of Strategic Development and Operational Planning	<p>A member of the Transformation Programme Office will be supporting Planning and specifically the development of the 2022/25 Integrated Medium Term Plan from August 2021 until January 2022 provisionally (or the submission of the Plan to Welsh Government).</p> <p>See response in R1</p>

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	the expertise and knowledge needed to support the planning process is developed across all team members.		<p>to strengthen the overall Planning function (to include Operational Delivery Groups, ARCH etc).</p> <p>To support the development of the skills of the Planning function, the Health Board will continue to support staff to undertake the Postgraduate Diploma in Healthcare Planning supported by Welsh Government and delivered by Cardiff Business School, Cardiff University.</p>	<p>recruitment timescales)</p> <p>Ongoing (two applications for September 2021 cohort) Complete</p>		Two applicants started the September 2021 cohort as planned, and the UHB continues to support staff to undertake the Diploma.
R3	The Quarters 3-4 Plan does not provide details of progress on actions arising in the preceding quarters, despite commitments to doing so. The Health Board should ensure that its future plans contain the necessary	Greater clarity on outstanding actions from previous plans	<p>The systems and processes outlined in R4 will enable the Health Board to reflect and provide assurance of delivery against its Annual Plan and progress to achieving its Strategic Objectives.</p> <p>The Health Board will review progress against each of its Strategic and Planning Objectives through the revised Governance structures. Assurance reporting is mapped on the Committee Workplans with deep dives in to areas of concern as directed by the Board or Committee. (see Recommendation 4)</p>	Complete	Board Secretary	

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	information to provide assurance of progress over time.		A review of the key actions highlighted in the 2021/22 Annual Plan will be presented quarterly to the Strategic Development and Operational Delivery Committee. This will also provide an opportunity to learn on what has / has not succeeded in order to strengthen our Planning processes.	August 21 (and ongoing) Complete	Director of Strategic Development and Operational Planning	Quarter 1 actions were reported to SDODC in August 2021; . Quarter 2 actions were reported to SDODC meeting in October 2021. Quarterly monitoring of the actions now form part of the SDODC future workplan.
R4	The Health Board does not have processes in place to track the delivery of its actions set out in its operational plans. The Health Board should develop a mechanism for tracking progress against actions. In doing so, the Health Board should clarify responsibility for oversight at Board and Committee level for monitoring delivery	Greater transparency and improved assurance of delivery against plans.	<p>The Health Board is developing a Board Assurance Dashboard that will be reported to every Board meeting from September 2021. This will provide a high-level breakdown of the delivery of Planning Objectives, performance measures, risks and assurance which will help to provide an indication of confidence in respect of the Health Board achieving its strategic objectives.</p> <p>The Board approved the new committee structure in May 21 for implementation in Quarter 2. Each Strategic Objective (SO) is aligned to a Board level Committee who will be responsible for seeking assurance of the delivery of its Planning Objectives (PO) within each SO. Assurance</p>	<p>September 21 Complete</p> <p>Complete</p>	<p>Chief Executive Officer</p> <p>Board Secretary</p>	<p>Quarterly reports reported to the SDODC, and all Committees receive overarching planning objective assurance for the POs aligned to their Committees, and this detail is fed into the Board Assurance framework which is reported to Board on a bi-annual basis. The Board Assurance framework was presented to Audit Wales in October 2021 which was positively received.</p> <p>The Operational Planning and Delivery Programme has been established and has a weekly meeting, including TORs, minutes, etc. Progress updates are provided to the group on</p>

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	of plans, including the 2021-22 Annual Plan.		<p>reporting is mapped on the Committee Workplans with deep dives in to areas of concern as directed by the Board or Committee.</p> <p>There will be a new Operations Delivery Meeting structure introduced in Quarter 2 to oversee delivery of operational plans, including those objectives within the Annual Plan.</p>	September 21 Complete	Chief Operating Officer / Director of Primary Care, Community and Long-term Care	<p>delivery of operational plans, including those objectives within the Annual Plan.</p> <p>Weekly Operations Planning and Delivery meetings are in place.</p>