



CYFARFOD BWRDD PRIFYSGOL IECHYD UNIVERSITY HEALTH BOARD MEETING

DYDDIAD Y CYFARFOD: DATE OF MEETING:	11 July 2024
TEITL YR ADRODDIAD: TITLE OF REPORT:	Hywel Dda University Health Board's (HDdUHB) Committee Annual Reports 2023/24
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Joanne Wilson, Director of Corporate Governance/Board Secretary
SWYDDOG ADRODD: REPORTING OFFICER:	Joanne Wilson, Director of Corporate Governance/Board Secretary

Pwrpas yr Adroddiad (dewiswch fel yn addas)

Purpose of the Report (select as appropriate)

Ar Gyfer Penderfyniad/For Decision

ADRODDIAD SCAA

SBAR REPORT

Sefyllfa / Situation

The purpose of this report is to present the Hywel Dda University Health Board's (HDdUHB) Committee Annual Reports to the Board. Each Committee Annual Report summarises the activities of the Committees during the 2023/24 financial year, setting out how they have met their Terms of Reference as well as identifying key areas of work intended to provide further assurance to the Board.

Cefndir / Background

The Health Board's Standing Orders, and Committee Terms of Reference require the submission of an Annual Report to the Board to summarise the work of the Committee and to identify how it has fulfilled the duties required of it.

Asesiad / Assessment

The following Committees have produced and approved an Annual Report for 2023/24:

- Audit and Risk Assurance Committee (ARAC) (Appendix 1)
- Charitable Funds Committee (CFC) (Appendix 2)
- Health and Safety Committee (HSC) (Appendix 3)
- Mental Health Legislation Committee (MHLC) (Appendix 4)
- People, Organisational Development and Culture Committee (PODCC) (Appendix 5)
- Quality, Safety and Experience Committee (QSEC) (Appendix 6)
- Strategic Development and Operational Delivery Committee (SDODC) (Appendix 7)
- Sustainable Resources Committee (SRC) (Appendix 8)

Argymhelliad / Recommendation

The Board is requested to **ENDORSE** the Hywel Dda University Health Board's (HDdUHB) Committee Annual Reports for 2023/24.

Amcanion: (rhaid cwblhau) Objectives: (must be completed)	
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not applicable
Parthau Ansawdd: Domains of Quality Quality and Engagement Act (sharepoint.com)	Not Applicable
Galluogwyr Ansawdd: Enablers of Quality: Quality and Engagement Act (sharepoint.com)	1. Leadership
Amcanion Strategol y BIP: UHB Strategic Objectives:	Not Applicable
Amcanion Cynllunio Planning Objectives	Not Applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Objectives Annual Report 2021-2022	10. Not Applicable

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Agendas, papers and minutes of Board Committee meetings 2023/24
Rhestr Termiau: Glossary of Terms:	Included within the body of the report.
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Cyfarfod Bwrdd Iechyd Prifysgol: Parties / Committees consulted prior to University Health Board:	Committee Chairs and Executive Leads Director of Corporate Governance/Board Secretary Each Committee

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	A sound system of internal control, as evidenced in the Committee's Annual Report, will assist with ensuring financial control, and the safeguard of public funds
Ansawdd / Gofal Claf: Quality / Patient Care:	SBAR template in use for all relevant papers and reports
Gweithlu: Workforce:	SBAR template in use for all relevant papers and reports

Risg: Risk:	SBAR template in use for all relevant papers and reports
Cyfreithiol: Legal:	A sound system of internal control, as evidenced in the Committee's Annual Report, ensures that any risks to the achievement of the Health Board's objectives are identified, assessed and managed. Compliance with the Health Board's Standing Orders, and the Committee's Terms of Reference, requires the submission of an Annual Report to the Board.
Enw Da: Reputational:	Not applicable
Gyfrinachedd: Privacy:	Not applicable
Cydraddoldeb: Equality:	SBAR template in use for all relevant papers and reports



GIG
CYMRU
NHS
WALES

Bwrdd Iechyd Prifysgol
Hywel Dda
University Health Board

AUDIT AND RISK ASSURANCE COMMITTEE

ANNUAL REPORT

2023/24

Table of Contents

1	Introduction.....	3
2	Role and Purpose	3
3	Committee Structure and Meetings	10
4	Committee Work Programme 2023/24.....	11
5	External Audit – Audit Wales	12
6	NWSSP - Internal Audit (IA)	15
7	Head of Internal Audit Opinion	16
8	Counter Fraud	21
9	Financial Reporting and Financial Assurance	22
10	Standing Orders (SOs), Standing Financial Instructions (SFIs) and Financial Procedures.....	23
11	Losses and Special Payments.....	23
12	Assurance on Clinical Governance.....	23
13	Risk Assurance.....	24
14	Assurance on inspection activity and regulatory directions	24
15	Other Committee Work.....	25
16	Forward Plan	27
17	Conclusions	28

1 Introduction

- 1.1 The Audit and Risk Assurance Committee (ARAC) was established under Board delegation with approved Terms of Reference and Operating Arrangements that are aligned to the NHS Wales Audit Committee Handbook, published by the Welsh Government (WG). The Committee is an independent Committee of the Board and has no Executive powers other than those specifically delegated in the Terms of Reference.
- 1.2 The Committee, through its in-year reporting, has regularly kept the Board informed regarding the results of its reviews of assurances, together with any exceptional issues that arose. In accordance with the NHS Wales Audit Committee Handbook guidance and generally accepted standards of good practice, the Committee is required to issue an Annual Report, constituting a formal report of the matters that it has considered during the year. The purpose of this report, therefore, is to provide the Board and the Accountable Officer with assurance in respect of the adequacy and effectiveness of the Health Board's procedures and systems in maintaining a sound system of internal control, and the conclusions drawn for the 2023/24 financial year. This report supports the compilation of the Accountability Report and sets out how the Committee has met its Terms of Reference.

2 Role and Purpose

- 2.1 The Committee supports the Board by critically reviewing governance and assurance processes on which the Board places reliance. The primary role of the Committee is, therefore, to ensure the system of assurance is valid and suitable for the Board's requirements; as such it reviews whether:
- Processes to seek and provide assurance are robust and relevant;
 - The controls in place are sound and complete;
 - Assurances are reliable and of good quality; and
 - Assurances are based on reliable, accurate and timely information and data.

The Committee provides a key source of assurance to the Board, ensuring that the organisation has effective controls in place to manage the significant risks to achieving its objectives and that controls are operating effectively. The Committee's principal duties have consistently included reviewing *"the establishment and maintenance of an effective system of good governance, risk management and internal control across the whole of the organisation's activities, both clinical and non-clinical"*.

- 2.2 The Committee discharges this duty by fulfilling its responsibilities as outlined in its Terms of Reference. In performing its duties, the Committee works to an approved work plan, based on scheduled agenda topics, together with a range of specific issues, which are subject to review. It is supported by the activities of Audit Wales (AW) as the External Auditor; NHS Wales Shared Services Partnership (NWSSP): Audit and Assurance – Internal Audit (IA) and Specialist Services Unit (SSU), and Local Counter Fraud Specialists.

2.3 In discharging these responsibilities, the Committee is required to review:

- Internal financial control matters, such as safeguarding of assets, the maintenance of proper accounting records and the reliability of financial information;
- Adequacy of disclosure statements (Annual Report and Annual Accounts), which are supported by the opinion of the Head of IA, the AW Annual Audit Report and other opinions;
- The adequacy of relevant policies, legality issues and the Codes of Conduct;
- The policies and procedures relating to fraud and corruption;
- The system for risk management, to ensure this is robust in identifying and mitigating risks, enabling the Committee to provide the Board with assurance.

2.4 As a consequence of the scrutiny described above, a number of outcomes from the work of the Committee during the year have resulted in escalation of certain matters to the Board, and in these cases, the Committee has made recommendations and undertaken further actions in order to seek and provide assurance to Board that issues of concern have been addressed where possible, thus supporting the Health Board's governance and assurance systems. These have included:

2.4.1 The **Head of Internal Audit Annual Report and Opinion 2023/24** provided an overall limited assurance rating. The audit plan was prepared on the basis of a risk based planning approach, including areas the Health Board had specifically identified as known risks areas and areas of potential concerns. The Plan was reviewed and updated during the year to re-focus audit work on to areas of emerging or increasing risk and responding to the Health Board's increased escalation status. It is considered that the Health Board has adequate arrangements at a corporate level however, arrangements across areas and services within the organisation show variation and in total the Health Board received 8 limited assurance rated reports. On a positive note, 20 reports provided substantial or reasonable assurance.

2.4.2 Concerns around potential system weaknesses regarding fraudulent financial activity as raised in the **Counter Fraud Annual Report 2022/23** presented to the Committee in April 2023. The report noted that the Counter Fraud team had received a similar number of referrals in 2022/23 as were received in 2021/22. Targeted training and communication continued throughout the year to high-risk staff groups, alongside an annual awareness programme on counter fraud. The notable increase in the number of staff contacting the Counter Fraud Team, and a decrease in activity linked to investigative work compared to prior years suggests that prevent and deter measures are taking effect. In addition, the Counter Fraud team has provided input in terms of updating relevant policies and procedures across the Health Board and supported the Corporate Governance Team in raising awareness around the requirements of the Standards of Behaviour Policy.

- 2.4.3 The **Counter Fraud Work Plan** for 2023/24 highlighted the work required to meet the WG Directions on Counter Fraud Measures. Full compliance with the Government Functional Standards 013 – Counter Fraud came into effect in April 2021, and due for enforcement during 2023/24, noting that the annual self-review has been undertaken in line with the new standards. The workplan was developed in response to the outcomes of the self-review, identifying fraud risks, and the plan is sufficiently flexible to undertake additional work if required.
- 2.4.4 The Committee received regular **Escalation Status Reports** throughout the year highlighting the progress made and challenges faced by the Health Board. Key concerns raised in the year included:
- The sustainability of the organisation’s continued escalation status given the position of other Health Boards, with recognition of the need to demonstrate delivery on actions in order to increase WG confidence by June 2023;
 - The change of escalation status to Targeted Intervention for the entire Health Board from its meeting with WG in January 2024. The Committee will continue to seek assurance on progress made against the increased escalation status once further detail provided by WG.
- 2.4.5 A **Deep Dive on Ophthalmology** highlighted the long-standing fragilities and challenges impacting this specialty, with various recommendations from historic reviews on the service remaining open on the Health Board’s Audit and Inspection Tracker. Whilst noting the progress being made, including regional partnership working with Swansea Bay University Health Board, the implementation of transformational pathways, and the awarding of Ophthalmic Diagnostic and Treatment Centres (ODTC) contracts, progress to fully implement recommendations remain challenging as a result of recruitment issues, implementation of the ‘Open Eyes’ system, and a lack of interest from providers in Ceredigion to take forward ODTC contracts. Assurance could not be taken from the report, with progress to be reported at a future meeting. A further update was provided to the Committee in December 2023, noting the further recruitment of staff, investment in the existing workforce, improved utilisation of Primary Care pathways, with work continuing on demand and capacity modelling. Recognition was given that the Ophthalmology service is included within the Clinical Services Plan, and reviewed in a number of fora, however consideration was to be given to scrutiny by a single forum and the development of a single action plan.
- 2.4.6 The Committee was unable to take assurance on an update report on the internal audit report on **Royal College of Physicians (RCP) Medical Record Keeping Standards** as the report did not clearly demonstrate progress made in relation to compliance with these Standards. However, progress was noted by the Committee in relation to the internal audit recommendations and that the Health Board’s clinical record keeping audit takes place against the new eight standards as set out within the Clinical Record Keeping Policy, with progress monitored through the Effective Clinical Practice Advisory Panel. A deep dive on the topic was requested

to be presented at Operational Quality, Safety and Experience Sub-Committee (OQSEC).

2.4.7 The following **limited assurance** Internal Audit reports were received in the year:

- **Job Planning** – concerns were raised regarding the ability to operationally implement the recommendations raised within the action plan, with staff subject to a number of demands and pressures, and that a concerted effort would be required to re-establish the pre-COVID-19 position. A follow-up audit was presented to the Committee in April 2024 with limited assurance provided, therefore the Committee requested a further update on progress against the recommendations in August 2024.
- **Theatre Loan Trays and Consumables** – a number of significant matters requiring attention were raised in the report, including the decontamination of unused theatre trays returned by the private healthcare facility, no central record of trays issued, a loss of income due to charging methodology, lack of stock control measures, and informal loan arrangements in place which may not be appropriate or equitable. A follow-up report was presented to the Committee in February 2024 which provided a reasonable assurance rating, noting the suspension of the loan service which would not be reinstated until relevant safety systems had been implemented.
- **Records Digitalisation** - the report was presented to ARAC at its meeting in June 2023, with concerns raised around the Executive and Senior Responsible Officer “ownership” of this area, with an agreement that a follow-up audit would be conducted. The follow-up audit was presented to the Committee in April 2024 with reasonable assurance provided.
- **Strategic Transformation Programme Governance** – concerns were raised relating to a lack of evidence to demonstrate appropriate scrutiny, approval and formal programme governance arrangements. Management responses to recommendations raised were updated to reflect discussions held at the Committee meeting in August 2023 to consider the findings of the savings governance review, and progress to be monitored via the Health Board’s Audit Tracker. A follow-up audit was presented to the Committee in December 2023 with reasonable assurance provided.
- **Quality and Safety Governance, Bronglais Hospital** – several matters of concern were raised on the findings of the report regarding the application of operational quality and safety governance measures, particularly in relation to incident management. The Committee had significant concerns in respect to the findings in the report, and requested an interim update was provided to the Committee in December 2023. A follow-up audit, presented to the Committee in February 2024 provided reasonable assurance, noting the progress made on the high priority recommendations raised.

- **NICE Guidance** –the review focussed on the operational arrangements in place for assessing and ensuring compliance with NICE guidelines, as opposed to the extent to which the Health Board is compliant with these guidelines. A follow-up was presented to the Committee in February 2024 with substantial assurance being awarded, and the Committee noted the significant progress made in a short period of time to implement the agreed actions from the original audit.
- **Estates Condition** – concerns were raised regarding the availability of funding and the potential impact on patient care in order to identify and manage key risks associated with the existing estate. The Committee escalated this matter to Board level in particular the £5m threshold as set by WG, and the requirement to submit business cases for presentation to the Infrastructure Investment Board. In addition, the Health Board was asked to consider how it could continue to deliver services if new hospital proposals were not approved.
- **Decarbonisation** – challenges and risks such as the lack of capital funding, and uncertainty of WG targets affecting the Health Board’s ability to effectively progress the WG’s Decarbonisation agenda were highlighted. Further consideration of where decarbonisation sits within the Health Board’s priorities given the current financial position is also required.
- **Discharge Management** – the follow-up report identified that five of the eight recommendations previously raised had not been fully implemented, recognising that issues may require to be addressed locally in the first instance. The Committee requested an update report to be provided to its meeting in August 2024.
- **Standards of Cleanliness** – the report awarded limited assurance against all four objectives, with six matters arising noted. The report was presented to the Committee at its in May 2024. The Committee raised this as an area of significant concern to the Board, and have requested oversight by the Quality, Safety and Experience Committee to monitor the implementation of recommendations.
- **Glangwili General Hospital: Fire Precautions Phase 1** – the financial risk associated with unfunded forecasted overspend determined the limited assurance awarded, with the current estimated overspend material and currently unaffordable for the Health Board. Subsequent to the report being issued, WG have confirmed the additional funding.

2.4.8 Key concerns raised to the Board from the regular Financial Assurance Report during 2023/24 included:

- Value for money in relation to contracts awarded, with clarification sought on whether contracts had been awarded via framework or direct awards, with further review of contracts to establish whether they should have been treated as consultancy. Retrospective information was presented to the Committee at its meeting in August 2023 to address this query;

- Potential benefit overclaims by the Health Board in its role as 'appointee' for certain patients in MHLD. An internal audit was requested to provide assurance over the legality of arrangements and appropriateness of the controls. The audit was deferred due to the reprioritisation of the IA plan;
- A lack of Board oversight and the potential for conflicts of interest in respect of contracts awarded and procurement processes. Outcomes of the governance work undertaken relating to contract and procurement processes were provided to the Committee at its meeting in April 2024, with the requirement for the IT team to undertake procurement training;
- Issues in relation to Project Bank Accounts (PBAs), mandated by WG, were not working as intended across Wales. An update was provided to the Committee at its meeting in February 2024 highlighting that the Health Board is compliant with WG requirements regarding PBAs. Instances of non-compliance related to areas under the responsibility of Supply Chain Partners (SCP) in the operation of accounts. The Health Board continues to take actions to improve compliance by its SCPs;
- Proposed amendments to the Scheme of Delegation that requisitions up to £5m are approved by the Assistant Director of Finance, and those above £5m by the Director of Finance to avoid delays and inefficiencies in the current process, for which the Committee did not support due to the low number of requests. At its meeting in April 2024, the Committee were notified that this amendment was being withdrawn

2.4.9 Concerns were raised relating to **Single Tender Actions (STA)** caused by delays in All Wales procurement processes being implemented. Discussion focussed on whether the Health Board ought to take the approach of continuing with local arrangements unless specifically instructed otherwise by NWSSP to avoid any future delays.

2.4.10 Following an internal audit on **Agency and Rostering** where reasonable assurance was provided, concerns were raised in relation to the breach of Standing Orders as a result of non-framework agency spend being non-compliant with Standing Orders. The Committee were informed of the intention to remove all non-framework agency use by the end of July 2023, and that the matter would be highlighted in the Nurse Stabilisation Programme report to PODCC scheduled for October 2023.

2.4.11 As a result of AW timelines to complete the financial audit work for 2022/23, the Committee noted the requirement for an extraordinary ARAC and Board Meeting held on 26 July 2023 to sign off the **Annual Report and Accounts for 2022/23**. A temporary amendment of Standing Orders was agreed with WG for 2023, with the requirement that the Health Board holds its Annual General Meeting no later than the end of September 2023. The Annual Report and audited accounts were presented at the Annual General Meeting held on 28 September 2023.

2.4.12 Assurance was provided on the progress against the recommendations raised within the AW review of **Operational Governance Arrangements in MHLD**, concerns were noted on the number of outstanding recommendations owned by the MHLD Directorate on the Health Board's Audit Tracker.

2.4.13 The **Audit Tracker** report presented to the Committee in April 2024 noted the escalation of MHLD as a service of concern, the fourth time in 12 months where the service has been highlighted. The Committee agreed that the service is required to show an improved position by its scheduled meeting in August 2024.

2.5 Other items identified by the Committee as requiring Board attention included:

2.5.1 The Committee noted at its meeting held 18 April 2023 the WG confirmation of a variation order approving the Health Board's Annual General Meeting to take place no later than 28 September 2023, replacing the previously scheduled date of 27 July 2023.

2.5.2 Concerns were raised around the implications of the execution of the contract for the construction of the **Day Surgery Unit at Prince Philip Hospital**, and an associated breach of the Standing Orders. In order to mitigate the breach of Standing Orders, the contract proceeded as a simple contract, with a limitation period of six years from the date the cause of action accrued. The processes in place for the signing of contracts would be discussed and reviewed with the Head of Internal Audit to ensure their robustness. This was reported to the Board.

2.5.3 The review of the adequacy of the Declaring, Registering and Handling Interests, Gifts, Hospitality, Honoraria and Sponsorship arrangements currently in place and the proposed actions for 2023/24. The Committee received the next annual review in May 2024.

2.5.4 The approval of all documentation relating to year end at its meeting on 27 July 2023.

2.5.5 The approval of the revised Health Board's Standing Orders (SOs) and Standing Financial Instructions (SFIs) at the Board meeting on 27 July 2023 and the revised Model SOs and SFIs in 30 November 2023.

2.5.6 The approval of the Risk Management Strategy at the Board Meeting on 28 March 2024.

2.5.7 The ratification of the Committee's Terms of Reference at its meeting on 18 April 2023 and 20 February 2024.

2.5.8 Changes to the Financial Scheme of Delegation, approved at the meetings on 18 April 2023, 15 August 2023, and 17 October 2023.

- 2.5.9 The recognition of the positive findings and the work undertaken as highlighted in the following reports:
- Board Oversight (Substantial Assurance)
 - Follow-up: NICE Guidelines (Substantial Assurance)
 - Escalation Status Actions (Reasonable Assurance)
 - Deprivation of Liberty Safeguards (Reasonable Assurance)
 - Mental Health and Learning Disability Services – Timely Access (Reasonable Assurance)
 - Follow-up: Strategic Programme Governance (Reasonable Assurance)
 - Follow-up: Bronglais General Hospital Quality and Safety Governance (Reasonable Assurance)
 - Follow-up: Theatre Loan Trays and Consumables (Reasonable Assurance)
 - RAAC Internal Major Incident (Reasonable Assurance)
 - Transforming Urgent and Emergency Care (Reasonable Assurance)
 - Elective Waiting List Management: Single Cancer Pathway (Reasonable Assurance)
 - Follow-up: Records Digitisation (Reasonable Assurance)
 - Agency Rostering (Reasonable Assurance)
 - Cross Hands Health and Wellbeing Centre (Reasonable Assurance)
 - IT Digital – Technical Resilience (Reasonable Assurance)
 - Sealing of Contracts (Advisory Review)
 - Quality and Safety: Bronglais General Hospital Initial Follow Up (Advisory Review)

3 Committee Structure and Meetings

- 3.1 A key element of the Committee is that it comprises solely of Independent Members, providing a basis for it to operate independently of any decision-making process and to apply an objective approach in the conduct of its business.
- 3.2 The membership of the Committee has undergone changes due to Independent Members changing roles, and changes to the number of Members, and for 2023/24 was as follows:

NAME	ROLE	DATES
Rhodri Evans	Committee Chair	Full year
Winston Weir	Committee Member	Full year
Maynard Davies	Committee Member	Full year
Chantal Patel	Committee Member	To April 2023
Judith Hardisty	Committee Member	To October 2023
Michael Imperato	Committee Member	From October 2023
Eleanor Marks	Committee Member	From February 2024
Anna Lewis	Committee Member	December 2023 (one meeting only)

- 3.3 During the financial year 2023/24, eight scheduled meetings of the Committee were convened, with meetings held in May and July 2023 to review the draft and final Financial Statements and the Accountability Report for 2022/23. A high level of commitment from Committee Members has been demonstrated throughout the year, as recorded in the attendance of meetings held. All meetings were quorate.
- 3.4 Although invited to attend certain meetings to provide assurances and explanations to the Committee on specific issues, neither the Chair, Chief Executive Officer (CEO), nor any other Executive Director of the Health Board, are members of the Committee. In particular, the CEO is invited annually to present the Accountability Report and to present progress reports at each meeting on the Health Board's Escalation Monitoring and Joint Executive Team (JET) meetings with WG.
- 3.5 Having a key role to play in establishing and maintaining a sound system of internal financial control, the Executive Director of Finance has been in attendance at the majority of meetings, sending deputies when required. The Committee has also been supported on key matters by means of the attendance of the Director of Corporate Governance / Board Secretary who is the Lead Officer for the Committee and who has been present at all meetings.
- 3.6 A review of the Committee's terms of reference and operating arrangements took place on 18 April 2023, with these approved by the Committee and ratified by the Board on 25 May 2023. There were only minor changes, including the number of members, as mentioned above.
- 3.7 The Committee also has regular attendance from representatives of:
- The Auditor General/AW;
 - NWSSP Audit and Assurance Services (Internal Audit and Specialised Services Unit);
 - NHS Counter Fraud Services.

4 Committee Work Programme 2023/24

- 4.1 The Committee reviewed and approved the audit strategies and plans for the auditors as listed below, and received audit reports produced in support of them during 2023/24:
- AW;
 - NWSSP Audit and Assurance Services:
 - Internal Auditors;
 - Specialised Services Unit.
- 4.2 Acting upon the outcomes of effectiveness reviews is as important as undertaking them and it is essential that outcomes and associated actions are reported appropriately. Appropriate Executive Directors and Lead Officers of audit reports were requested to attend Committee meetings to provide an opportunity to discuss the reports more fully, and for the Committee to satisfy itself that the findings raised in the reports were being addressed, with recommendations implemented to address control weaknesses or compliance issues.

4.3 The Committee continues to receive progress updates directly as and when requested, as well as referring reports to the Board and other Board Committees to ensure the wider aspects or impacts of the report are fully understood.

5 External Audit

5.1 External Audit is provided by AW, with its work in 2023/24 falling under the two broad headings of:

- Audit of financial statements, and providing an opinion thereon;
- Performance audit work, including All-Wales thematic review of planned care, and local project work.

5.2 The outline AW Annual Plan 2023 was discussed in April 2023 by the Committee; with the Committee receiving the detailed AW 2023 Annual Audit Plan at its meeting held on 11 May 2023. The plan set out proposed AW work to examine the Health Board's financial statements, expenditure and measures to secure economy, efficiency and effectiveness in the use of resources. Areas to be tested have been selected based upon identified financial risk specific to the Health Board. Progress against the AW Audit Plan is monitored via regular update reports presented to the Committee with some timings changing in-year.

5.3 In 2023, the AW Structured Assessment focussed on the Health Board's corporate arrangements for ensuring that resources are used efficiently, effectively, and economically, with a specific focus on Board transparency, cohesion, and effectiveness; corporate systems of assurance; corporate approach to planning; and corporate approach to financial management. This was presented to the Public Board meeting held on 25 January 2024 after being presented to the Committee on 12 December 2023. The overall conclusion was that *'the Health Board has generally effective corporate arrangements, however, it is facing significant performance and financial challenges.'*

5.4 The Committee noted overall conclusions from AW, summarised as follows:

Board transparency, effectiveness and cohesion

The Board and its committees continue to operate effectively, maintaining focus on public transparency, good governance and continuous improvement. There are opportunities to further enhance arrangements for patient safety walkabouts, and whilst the Board is cohesive, a period of significant change will need to be well managed to ensure this is maintained.

Public transparency of Board business

- The Health Board continues to have a strong commitment to public transparency.

Arrangements to support the conduct of Board business

- The Health Board has robust arrangements to support the effective conduct of Board and committee business.

Effectiveness of Board and committee meetings

- Board and Committee meetings are conducted appropriately and effectively and remain focused on strategic risks and objectives.

Quality and timeliness of Board and committee papers

- The Board and its committees continue to receive good quality, timely papers, and interactive tools to support effective scrutiny, assurance and decision making.

Board commitment to hearing from patients/service users and staff

- The Board has maintained its commitment to hearing from patients and staff, but there are opportunities to enhance arrangements for patient safety walkabouts.

Board cohesiveness and commitment to continuous improvement

- Whilst the Health Board has been stable and cohesive, it is going through a period of significant change which will need to be well managed. However, the robust approach to Board development and improvement provides a good foundation to manage this change.

Corporate systems of assurance

The Health Board has maintained and enhanced corporate systems of assurance related to risk and recommendation tracking, and there is appropriate Board oversight. The approach to overseeing the quality and safety of services is improving. Whilst corporate oversight of organisational performance is strong, there is scope to strengthen assurance on the effectiveness of performance management systems.

Corporate approach to overseeing strategic and corporate risks

- The Health Board continues to have a mature approach to overseeing risks to achieving strategic objectives and oversight and assurance on its operational and corporate risk management arrangements have strengthened.

Corporate approach to overseeing organisational performance

- The Health Board maintains strong corporate and Board oversight and scrutiny of organisational performance, however there is scope to strengthen assurance on the effectiveness of performance management systems.

Corporate approach to overseeing the quality and safety of services

- The Health Board is improving its approach to overseeing the quality and safety of services and is taking appropriate steps to ensure compliance with the new duties of quality and candour.

Corporate approach to tracking recommendations

- The Health Board continues to have robust arrangements for tracking audit and review recommendations.

Corporate approach to planning

The Health Board has maintained its focus on its long-term vision, and development and delivery of the Annual Plan is supported by appropriate

corporate and Board oversight. However, opportunities remain to strengthen oversight of other corporate plans, further improve the planning objectives and review capacity to support planning activities.

Corporate approach to producing strategies and plans

- The Health Board has maintained its focus on its long-term vision, and the development of plans is supported by appropriate corporate oversight. However, given the scale of planning activity, capacity remains a concern.

Corporate approach to overseeing the delivery of strategies and plans

- The Health Board's arrangements to oversee delivery of its Annual Plan remain robust, supported now by streamlines planning objectives. However, opportunities remain to articulate expected outcomes for planning objectives, strengthen oversight of other corporate plans and realign planning objectives to the overarching, longer-term strategic objectives.

Corporate approach to managing financial resources

Despite a clear process for financial planning, and reasonable arrangements for managing and monitoring the financial position, the Health Board's financial position is extremely challenging for 2023/24.

Financial objectives

- The Health Board did not achieve its revenue financial duties for 2022/23 and will continue to not achieve them in 2023/24, with the financial position extremely challenging.

Corporate approach to financial planning

- The Health Board has a clear process for financial planning; however, the development and delivery of its savings plans is a challenge.

Corporate approach to financial management

- The Health Board has appropriate arrangements for financial management and controls, but ongoing pressures are resulting in overspends.

Board oversight of financial performance

- The Health Board continues to have good arrangements for monitoring and scrutinising its financial position, although greater scrutiny on those with delegated responsibility for overspend budgets is needed.

Of the eight recommendations raised in previous AW reports, one was confirmed as complete, four are in progress, one is not complete, and two will be subject to a follow-up review.

Five new recommendations were raised in Structured Assessment 2023, with management responses approved at the Committee meeting in February 2024.

- 5.5 The Committee received the AW ISA 260 report and Letter of Representation at its meeting held on 26 July 2023, setting out the results of the audit of Health Board's financial statements. There were no uncorrected misstatements above the agreed trivial level but lower than materiality. Initial misstatements in the

accounts were corrected by management. Issues arising from the report included concerns around Continuing Health Care (CHC) accruals due to early closedown procedures, and concerns regarding the lack of a robust system within the Health Board to accrue annual leave balances. Management had responded to the recommendations arising in the report and AW will follow up progress against them during next year's audit.

5.6 AW reported on the following performance work during 2023/24:

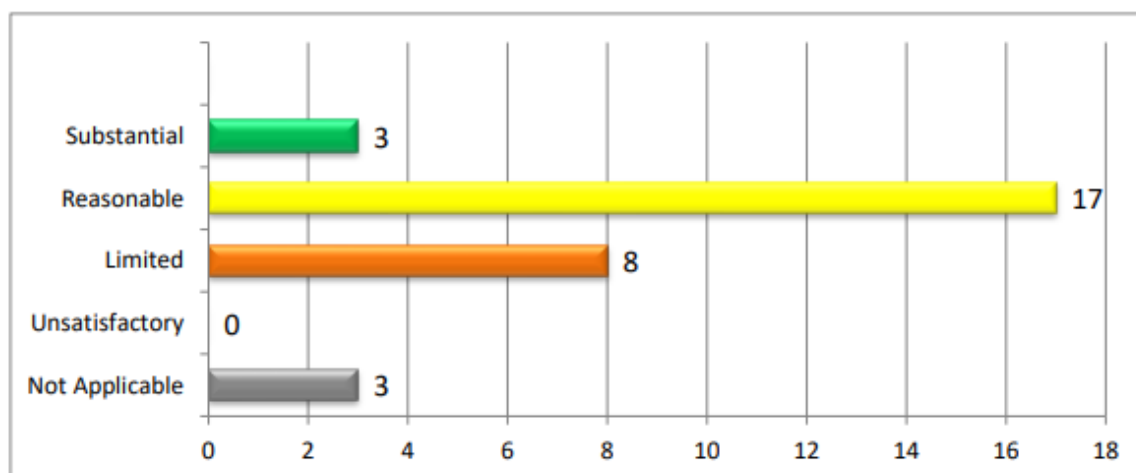
- **Review of Workforce Planning Arrangements** – this report focussed on whether the Health Board's approach to workforce planning is helping it to effectively address current and future NHS workforce challenges, specifically regarding its strategic approach to workforce planning, operational action to manage current and future challenges, and monitoring and oversight arrangements. The report found that the Health Board is clearly focusing its efforts on its significant workforce challenges and is taking pragmatic steps to help reduce risks. However, the Health Board need to urgently develop a clear and consolidated workforce implementation plan and measure the impact it is having to help address the significant workforce challenges it faces.
- **Primary Care Follow-up Review** – this report focussed on assessing the extent to which the Health Board has implemented the recommendations as raised in the initial report issued in 2018. Additional work was also undertaken to assess the extent to which the Board and/or its committees regularly consider matters relating to the planning, performance, risks, and opportunities associated with the Health Board's primary care services, and the capacity and capability of the Health Board's central Primary Care Service Team to deliver local and national priorities alongside the day-to-day operational and business needs. It was found that the Health Board is making good progress in addressing recommendations previously raised, and that it is improving the management of primary care services, providing additional capacity, and strengthening oversight of primary care challenges at Board. However, capacity remains stretched in some areas, and more work is needed to develop a financial baselines. Consideration of primary, including oversight of performance, in routine committee business requires improvement.

6 **NWSSP - Internal Audit (IA)**

6.1 At the direction of the Minister for Health and Social Services, IA is provided by the NWSSP. The service provision is in accordance with a Service Level Agreement agreed by the Shared Services Partnership Committee, on which the Health Board has permanent membership.

6.2 IA provide an independent and objective opinion to the Accountable Officer, the Board and the ARAC, on the degree to which risk management, control and governance support the achievement of the organisation's agreed objectives. The Committee approved the content of the 2023/24 NWSSP IA Strategy, Plan and Charter at its meeting held on 18 April 2023, following a detailed review. The Committee requested the need for audits to be delivered to the agreed timescales and were kept informed of any slippages in the Internal Audit Plan 2023/24.

- 6.3 Throughout 2023/24, the Head of IA has met weekly with the Director of Corporate Governance/Board Secretary to discuss and consider any changes to the IA plan, and in discussion with the Chair of the Committee with any changes approved by the Committee. Changes to the IA plan resulted from the need to accommodate fluctuations in operational demand, or to support the Health Board in response to emerging concerns and the increase in its escalation status. The Head of IA has also met with the Chair of the Committee on a regular basis to monitor the audit programme.
- 6.4 The Committee has received progress reports against delivery of the IA Plan at each meeting, with individual assignment reports also being received. Executive Directors, accompanied by lead officers, have been requested to attend in order to be held to account and to provide assurance that remedial action is being taken to address the findings within the IA reports. The outcome of each audit, providing an overall conclusion on the adequacy and application of internal controls for each area under review, was considered by the Committee. The assessment of adequacy and application of internal control measures is graded in terms of 'no assurance' through to 'substantial assurance'.
- 6.5 The Audit and Assurance SSU provides an objective assessment of whether the Health Board's systems and controls for capital and estates projects are working effectively. During 2023/24, the Committee has continued to work effectively with the Audit Team to further strengthen the Health Board's internal control processes surrounding capital projects and estates assurance.
- 6.6 The assurance ratings for these audits are outlined below. In considering the IA reports the Committee engaged in discussion with the Head of IA where it felt it appropriate to obtain further information about the assurance rating given by IA. The 31 audit reviews reported during 2023/24 are outlined below:




7 Head of Internal Audit Opinion

- 7.1 The IA plan has been agile and responsive during the year to ensure that key developing risks are covered. As a result of this approach, and with the support of officers and independent members across the Health Board, the plan has been delivered substantially in accordance with the agreed schedule and changes

required during the year, as approved by the Committee. In addition, regular audit progress reports have been submitted to the Committee. Although changes have been made to the plan during the year, IA have undertaken sufficient audit work during the year to be able to give an overall opinion in line with the requirements of the Public Sector Internal Audit Standards.

7.2 The Head of Internal Audit has concluded for 2023/24:

Limited Assurance		<p>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. Some matters require management attention in control design or compliance with low to moderate impact on residual risk exposure until resolved.</p>
--------------------------	---	---

7.3 The overall opinion by the Head of Internal Audit on governance, risk management and control, is a function of this risk-based audit programme and contributes to the picture of assurance available to the board in reviewing effectiveness and supporting our drive for continuous improvement.

7.4 In reaching this opinion, IA identified an increased number and percentage of Limited Assurance ratings in comparison to prior years, with a reduction in the number of reports issued with Substantial Assurance. From the reports issued during the year, 3 were allocated Substantial Assurance, 17 were allocated Reasonable Assurance. However, 8 were allocated Limited Assurance. No reports were allocated with no assurance. In addition, 3 Advisory & Non opinion reports were also issued.

7.5 Whilst there were no audited areas that resulted in 'no assurance', the following audit reports were issued with a conclusion of limited assurance:

7.5.1 Consultant Job Planning Follow-up

This review has sought to establish progress made by management to implement agreed actions arising from the previous internal audit over the arrangements across the health board for management of the systems and controls in place for consultant job planning. Whilst there was an increasing trend in job plan compliance (up to 67% as at February 2024) following the work undertaken by the Medical Directorate Team in engaging with Service Directorate Management, a limited assurance was concluded overall. A number of matters remain, including mechanisms to ensure job plans are regularly reviewed, rollout of an audit programme to review consultant sessions and additional pay, and the prompt investigation and resolution of potential under and over payment identified in the this and the previous audit report. In light of the pace of progress against the recommendations in the original report, the Committee requested an update on progress against the recommendations in August 2024.

7.5.2 Quality and Safety Governance – Bronglais General Hospital

This audit reviewed operational quality and safety governance arrangements to provide assurance that issues fundamental to the quality and safety of services are managed, monitored, and escalated. It raised significant matters which required management attention including the lack of a clear governance structure and reporting arrangements from informal groups and meetings through to the Health Board, gaps in the quality and safety topics expected to be reviewed at directorate level and reports /representation at meetings, and a high open incident numbers with no clear plan or action to identify the root issue and address the backlog.

Given the significant concerns, Internal Audit were asked to undertake an initial follow up to review progress, with a full follow up also undertaken which concluded reasonable assurance in February 2024. This reported that action remained ongoing for three recommendations, which relate to ensuring key risks and issues from support groups are reported through to the Quality Forum, addressing the overdue risks highlighted to the Quality Forum, and reducing the number of open incidents assigned to the directorate.

7.5.3 NICE Guidelines

This audit related to the operation of arrangements in place for assessing and ensuring compliance with NICE guidelines, and is not a reflection of the extent to which the Health Board is compliant with these guidelines. Two high priority matters were raised in respect of leads not being assigned to complete statements of compliance and therefore compliance assessments were not completed, and no oversight of NICE guideline compliance or progress in assessing this across the Health Board. This has been followed up, and in recognition of the work progressed, provided reasonable assurance.

7.5.4 Estates Condition

The audit sought to evaluate the arrangements to identify and manage key risks associated with the existing estate and the implementation of resulting strategies to manage/mitigate the risk. An overall limited assurance rating was determined due to the concerns that identified estate risks cannot be managed within existing funding. This assurance opinion is in line with that determined across NHS Wales, given the common challenges faced by each organisation. Seven of the eight matters arising are currently being progressed. This review will be followed up in 2024/25 to ensure all matters have been addressed.

7.5.5 Decarbonisation

This audit considered progress against the NHS Wales Decarbonisation Strategic Delivery Plan and the Health Board's Decarbonisation Action Plan, demonstrating how they will implement the Strategic Delivery Plan initiatives. Following on from the advisory review delivered in 2022/23, the scope of the audit included governance, strategy progress and implementation. The audit found that a lack of funding impacts the health board's ability to produce a fully costed plan; establish a long-term financial model for the funding required to support the decarbonisation programme; implement structural changes to address the insufficient staffing resource dedicated to decarbonisation; and complete the key actions assigned to the initiatives set out in the Strategic Delivery Plan in a timely

manner. This financial shortfall, has been highlighted by the Director of Strategy and Planning to WG, will impact on the organisation's ability to meet national decarbonisation targets in 2025 and 2030. This review will be followed up in 2024/25 to ensure all matters have been addressed.

7.5.6 Transforming Urgent & Emergency Care: Discharge Management

This audit sought assurance that discharge planning and management processes in place are effective and compliant with policies and guidance. An overall limited assurance rating was concluded as whilst progress was evident in the roll out of the Optimal Hospital Patient Flow Framework across a sample of wards to support the reduction in discharge delays, a number of high priority matters arising were identified. These included no evidence of review to align discharge processes in the three counties into a single process, an incomplete and outdated Roll Out Action Plan; and incomplete and inaccurate information retained in the Frontier system. A number of recommendations from the previous report had also not been fully implemented. This review will be followed up in 2024/25 to ensure all matters have been addressed.

7.5.7 Standards of Cleanliness

This audit reviewed arrangements for ensuring compliance with the National Standards for Cleaning in NHS Wales. An overall limited assurance rating was concluded with a number of significant matters noted requiring management attention including limited evidence of scrutiny of cleaning audit and no evidence of written assurance reporting or escalation of issues through the Health Board's governance structures, inconsistent training manuals across acute sites with no central record of training maintained, and frequency of cleaning audits is not compliant with Standards or Policy. This review will be followed up in 2024/25 to ensure all matters have been addressed.

7.6.8 Glangwili General Hospital – Fire Precautions Phase 1

This audit reviewed the delivery and management arrangements in place to progress the GGH Fire Precautions Programme, and the performance against its key delivery objectives. An overall limited assurance was determined as a result of the financial risk associated with the unfunded forecasted overspend c£5m, and currently unaffordable from existing financial resources. The additional funding request has since been approved to Welsh Government since the completion of the audit, and the Health Board currently awaiting feedback. This review will be followed up in 2024/25 to ensure all matters have been addressed.

- 7.6 Management responses that detail the actions to address gaps in control were included in all final IA reports presented to the Committee. The delivery of these actions is tracked via the Health Board's audit tracker which is overseen by the Committee. The minutes and all final IA reports can be found within the ARAC section of our website: <https://hduhb.nhs.wales/about-us/governance-arrangements/board-committees/audit-and-risk-assurance-committee-arac/>.
- 7.7 Where audit assignments planned this year did not proceed to full audits following preliminary planning work, these were either: removed from the plan, removed from the plan and replaced with another audit, or deferred until a future

audit year. Subsequent to the approval of the plan in April 2023, the following audits were deferred:

Review Title	Reason
Out of Hours	Deferred as part of reprioritisation of plan. The risk was on the corporate risk register at the time of planning, with the risk being reassessed by the Health Board in year in a paper to the September 2023 Board meeting, and was incorporated in the corporate risk relating to the unscheduled care system. Could have had impact as Health Board has known challenges in this area. To be considered as part of future audit planning.
Medical Locums	Deferred as part of reprioritisation of plan. Could have had impact on opinion as Health Board has known challenges in this area regarding management of expenditure, although noting some additional control measures implemented during the year. Included in 2024/25 plan.
Financial Management	Deferred as planned scope overlapped with Financial Efficiency work by Audit Wales. Some of the drivers of financial position e.g. agency, rostering and job planning covered separately. Could have had impact on opinion as Health Board has significant ongoing financial challenges. Included in 2024/25 plan.
Workforce Strategies – Site Stabilisation	Deferred as part of reprioritisation of plan. No significant impact on opinion anticipated. Potential improvement with Health Board in this area. To be considered as part of future audit planning.
IT Digital – Cloud Migration	Discussion with management and IT Audit. Cloud migration not progressing as planned. No significant impact on opinion anticipated. To be considered as part of future audit planning.
Managed Practices	Deferred as part of reprioritisation of plan. No significant impact on opinion anticipated. Included in 2024/25 plan.
New Directorate Governance Arrangements	Deferred as part of reprioritisation of plan. No significant impact on opinion anticipated. Included in 2024/25 plan.

Mental Health Contracting and Commissioning	Deferred as part of reprioritisation of plan. No significant impact on opinion anticipated. To be considered as part of future audit planning.
Mental Health and Learning Disabilities Department of Work and Pensions – patients affairs and monies	Deferred as part of reprioritisation of plan. No significant impact on opinion anticipated. To be considered as part of future audit planning.
Mortuary (joint audit with Swansea Bay University Health Board)	Deferred as part of reprioritisation of plan. No significant impact on opinion anticipated. Included in 2024/25 plan.
Medicines Management	Deferred as part of reprioritisation of plan. No significant impact on opinion anticipated. To be considered as part of future audit planning.
Integrated Localities	Deferred as part of reprioritisation of plan. No significant impact on opinion anticipated. To be considered as part of future audit planning.

7.8 IA is aware of the plans and actions put in place by the Health Board in response to their recommendations and will follow these up in 2024/25 to ensure they have been enacted.

7.9 The Committee is of the opinion that selecting IA reviews based on risk as opposed to selecting areas that may consistently have had a higher internal audit rating provides a far more rigorous process of assurance. On that basis, the Committee believes that the overall Head of Internal Audit (HoIA) Opinion of 'limited assurance' for the year reflects the Internal Audit risk-based programme.

7.10 This Opinion contributed to the Board's assessment of the effectiveness of the organisation's system of internal control and to the completion of the Governance Statement. The basis for forming the opinion can, therefore, be summarised as follows:

- An assessment of the range of individual opinions arising from risk-based audit assignments contained within both the IA and SSU risk-based plans that have been reported to the Committee throughout the year. This assessment has taken account of the relative materiality of these areas and management's progress in respect of addressing control weaknesses;
- Other assurance reviews, which impact on the Head of Internal Audit opinion including audit work performed at other organisations.
- Other knowledge and information that the Head of Internal Audit has obtained during the year including cumulative information and knowledge over time; observation of Board and other key committee meetings; meetings with

Executive Directors, senior managers and Independent Members; the results of ad hoc work and support provided; liaison with other assurance providers and inspectors; research; and cumulative audit knowledge of the organisation that the Head of Internal Audit considers relevant to the Opinion for this year.

8 Counter Fraud

- 8.1 The Health Board must effectively seek to promote the Counter Fraud agenda and ensure that appropriate action is taken when an allegation of fraud is received. The role of the Committee is to ensure the promotion and implementation of the Counter Fraud policy, with compliance monitored by the Committee through the reports of Counter Fraud activity received and the Annual Counter Fraud Work Plan.
- 8.2 The Committee received and approved the 2023/24 Annual Work Plan of the Local Counter Fraud Officer at its meeting held on 18 April 2023, ensuring that it had an appropriate level of coverage, and subsequently received regular reports to monitor progress against the plan. These reports provided an overview of current cases, details of concluded fraud investigations, policy and procedure reviews, actions being taken to deter and prevent fraud and to raise fraud awareness throughout the Health Board.
- 8.3 The Committee received the Counter Fraud Annual Report 2023/24 at its meeting held on 16 April 2024. The Health Board's counter fraud provision has demonstrated compliance with the requirements of the WG Directions to NHS Bodies on Counter Fraud Measures. The overall 'green' rating from the Quality Assurance assessment ("Self-Review Tool" (SRT)), demonstrates the continued efforts from the Local Counter Fraud Service (LCFS) in working in an innovative way to achieve a balance of both reactive and proactive work to meet the NHS Counter Authority's Standards. The report also demonstrated a continued trajectory of improvement across the service, with continued success shown across key measurables. Key areas of work for next year will be to maintain focus on inform and involve, continuing to raise awareness of Fraud, Bribery and Corruption and further embedding a counter fraud culture fostered over preceding years as well as further developing work associated with Prevent and Deter, including building on Fraud Risk Analysis, identifying specific Fraud Risk based proactive exercises and recording outcomes on Clue3 against the Government Functional Standards 013 – Counter Fraud and NHS Requirements.
- 8.4 The Local Counter Fraud Officer has been in regular attendance at Committee meetings during 2023/24, and issues have been discussed in detail, as appropriate, with Committee members. Progress details for cases highlighted as part of the Counter Fraud Update Report have regularly been provided at In-Committee meetings.

9 Financial Reporting and Financial Assurance

- 9.1 Detailed monitoring of the Health Board's financial performance and position falls within the remit of the Sustainable Resources Committee (SRC), with ARAC being responsible for issues of financial governance. The Committee is due to

consider the Annual Accounts for 2023/24 in July 2024 with a subsequent recommendation made to the Board for approval.

9.2 The Executive Director of Finance has provided regular Financial Assurance Reports to each meeting of the Committee throughout 2023/24. This is consistent with the Committee's role of maintaining an appropriate financial focus by demonstrating robust financial reporting and ensuring that the maintenance of sound systems of financial control is enacted. Matters discussed by the Committee during the year and on which assurances were provided included:

- Scheme of delegation changes;
- Compliance with Purchase to Pay requirements (PSPP);
- Compliance with Income to Cash requirements;
- Losses & Special payments and Write offs (see section 11);
- Compliance with Capital requirements;
- Compliance with Tax requirements; and
- Compliance with Reporting requirements.

9.3 The Committee will continue to seek assurance on the Health Board's financial position, underlying deficit and savings plans, through the increased scrutiny provided by SRC.

9.4 The Committee received the Annual Statement of Financial Procedures at its meeting held 20 February 2024, detailing planned reviews of the financial systems operated by the Health Board planned to be undertaken during 2024/25.

10 Standing Orders (SOs), Standing Financial Instructions (SFIs) and Financial Procedures

10.1 The Committee received the revised Health Board SOs and SFIs at its meeting held on 20 June 2023, and recommended the final version of the SOs and SFIs to the Board for approval at its meeting held on 27 July 2023. These were further revised and received by the Committee at its meeting held on 17 October 2023, and recommended for Board approval at its meeting on 30 November 2023.

11 Losses and Special Payments

11.1 In order to comply with SOs and SFIs, the Committee must review losses and special payments reports and where appropriate, recommend them to the Board for approval. This element of the Committee's work is discharged through consideration and approval of the losses and debtors' write-offs provided in the Financial Assurance Report, which is presented to every Committee meeting. The report has highlighted a relatively static trend of balances outstanding in overpayments against recoveries.

12 Assurance on Clinical Governance

12.1 It is a requirement of the NHS Wales Audit Committee Handbook that the Committee reviews the Clinical Audit Programme at the beginning of each year. The role of the Committee is to seek assurance on the overall plan and to consider the following:

- Does the Health Board have a plan which is fit for purpose and is completed on time?
- Does it cover all relevant issues?

- Is it making a difference and leading to demonstrable change?
- Is change supported by recognised improvement methodologies?
- Does the organisation support clinical audit effectively?

12.2 The Committee was presented with an update on the Health Board's Clinical Audit functions and programmes, and an update on plans for 2023/24 at its meetings on 20 June 2023 and 17 October 2023. The Committee noted the low levels of clinical audit activity for 2022/23, however took assurance from the increase in clinical audit programme activity for 2023/24, and from the continuation of the majority of mandatory national audits and the processes followed for the escalation of concerns. The Committee also noted the continued development of the clinical audit function with the introduction of AMAT (audit management and tracking software). The 2023/24 included 75 projects as presented to the Committee at its meeting in October 2023.

12.3 The Committee will receive a Clinical Audit Update at its meeting on 18 June 2024. The Health Board, with the support of the Clinical Audit Department (CAD), will continue to finalise the outcomes of the 2023/24 programme, ready for reporting in October 2024. The 2023/24 programme will be shared with this Committee, Clinical Audit Scrutiny Panel (CASP) and Operational Quality and Safety Forums.

13. Risk Assurance

13.1 The Committee is responsible for reviewing the adequacy of the underlying assurance processes that indicate the degree of the achievement of strategic and planning objectives, the effectiveness of the management of principal risks and the appropriateness of the above disclosure statements.

13.2 The Committee receives on a bi-annual basis the **Risk Assurance Report**, the purpose of which is to provide assurance on the effectiveness of the Risk Management Framework and the implementation of the Risk Management Strategy. This is consistent with the Committee's role of reviewing the establishment and maintenance of an effective system of good governance and risk management across the whole of the organisation's activities that supports the achievement of the organisation's objectives.

13.3 The Risk Management Framework as approved by the Board in July 2022 sets out the components that provide the foundation and organisational arrangement for supporting risk management process at the Health Board. The Risk Management Strategy, as approved by the Board in January 2023, provides a supportive framework to ensure the integration of risk management into policy making, planning and decision-making processes.

13.4 The Risk Assurance Report demonstrates the work undertaken in relation to the three objectives as contained within the Risk Management Strategy, which for 2023/24 were:

- Define the Organisation's Risk Appetite and Tolerance Statement;
- Support Operational and Corporate Functions to Strengthen their Risk Management Arrangements; and
- Strengthen the Assurance that the Board receives in Risk Management Activities.

13.5 The Committee received a baseline risk maturity self-assessment in February 2024, which was undertaken in accordance with the Orange Book, which is a recognised risk management standard for the public sector, and will be undertaken on an annual basis. The outcomes of the self-assessment informed the revised Risk Management Strategy and its objectives for the next 18 months, which was endorsed by the Committee in February 2024 prior to formal Board approval at its meeting on 28 March 2024.

14. Assurance on inspection activity and regulatory directions

14.1 The Committee has continued to monitor the Health Board's Audit Tracker, and scrutinise management responses to external and internal audit reports through 2023/24. The report provides a breakdown of the Central Tracker by Directorate/Service to indicate to the Committee any areas of concern, and an analysis of recommendation themes to identify any particular trends of concern.

14.2 The Health Board has adopted the AMAT system during 2023/24 in order to manage recommendations raised as per HIW inspection activity and Llais reports, and further work will continue in 2024/25 to further utilise the system to cover all audit, regulatory and inspectorate activities.

14.3 The Committee monitors on an annual basis, the Health Board's compliance with NHS Non-Statutory Instruments (also referred to as Ministerial Directions (MDs)). MDs are legislative in character, however they are not statutory instruments. These are issued by Welsh Ministers. The Committee received an assurance report on compliance with MDs for 2023/24 in May 2024, noting that three MDs issued in the year are in the process of being implemented. The paper also notes two MDs issued in previous financial years are ongoing:

- MD issued in 2021 is due to be fully implemented by October 2025 with regards to the Delivery of Autism Services; and
- MD issued in 2023 is due to be implemented by April 2024 with regards to the reporting on the introduction of new medicines into the NHS in Wales.

14.4 The Committee also monitors on an annual basis the Health Board's compliance with Welsh Health Circulars (WHCs). WHCs are guidance documents issued to Health Boards, providing a streamlined, transparent and traceable method of communication between the NHS Wales and NHS organisations relating to areas including workforce, finance, estates, quality and safety, legislation, governance, performance / delivery, information technology, science, research, planning, public health, policy, and health professional letters. The Committee received an assurance report on compliance with WHCs for 2023/24 in May 2024, in which 11 WHCs are noted as being non-compliant, and details of corresponding risks raised in relation to these instances of non-compliance. Reasons for non-compliance include the requirement of additional resources to fully implement the requirements of WHCs, along with awaiting national guidance. Services should consider the inclusion of any financial resources required to implement WHCs during the planning cycle.

15. Other Committee Work

15.1 Escalation Arrangements

The tri-partite arrangements involve information sharing and dialogue between the WG, the Auditor General for Wales and Healthcare Inspectorate Wales (HIW). Under these arrangements, bi-annual meetings are held to discuss the overall position of the Health Board (as with all other Health Boards and Trusts in Wales), and to agree the best way to respond to any issues affecting service delivery, quality and safety of care and/or organisational effectiveness.

The Health Board's escalation status with WG at the start of the financial year was Targeted Intervention (TI) for planning and finance, with de-escalation considered when the Health Board had an approvable and credible plan, and improved its financial position. The Health Board remained in 'enhanced monitoring' for quality issues related to performance. The Committee received and noted updates from regular Targeted Intervention (TI) meetings with WG throughout 2023/24, and from Joint Executive Team (JET) meetings.

At its meeting in February 2024, the Committee received and noted the update from WG in relation to the change of escalation status to TI for the entire Health Board, reflecting concerns about the lack of sustained progress over a period of time on integrated planning, finance and delivery. Whilst the Escalation Framework has been published and covers six domains which cover the whole organisation, the Health Board awaits feedback on the new organisational TI arrangements, as well as clarification regarding expectations and support.

Due to the wide-ranging nature of the six domains, the Committee noted that consideration should be given to the role of all Committees in the on-going monitoring of the Health Board's escalation status.

The Committee will continue to seek assurance on progress made against the increased escalation status at each meeting once further detail and clarification is provided by WG.

WG will continue to provide the necessary support and advice to address issues raised, including regular Joint Executive Team (JET) and Integrated Quality and Planning and Delivery Group (IQPD) meetings with subject specific discussions as and when considered necessary.

15.2 Adequacy of Arrangements for Declaring, Registering and Handling Interests Gifts, Hospitality, Honoraria and Sponsorship

In accordance with the Audit Committee Handbook, the Committee reviewed ongoing and planned work relating to arrangements for declaring, registering and handling interests, gifts, hospitality, honoraria and sponsorship at its meeting held on 9 May 2024.

15.3 Single Tender Action (STA) and Quotation Reports

In line with SOs, and in the interest of probity and transparency, the Committee received reports relating to all STAs during the course of the year via the Financial Assurance reports. This will be supported by the summary of STAs 2023/24 which will be reported to the Committee in June 2024. The summary will

include a schedule of all such transactions during the course of the year being presented to the Committee in order to obtain assurance that there were no consistent or recurring themes which might indicate any attempt to circumvent due process, thereby enabling any trends or other issues of concern to be monitored and acted upon.

15.4 Audit and Risk Assurance Committee Development and Self-Assessment of Effectiveness

The Committee noted the refreshed approach to the Annual Report and Self-Assessment process for 2023/24 at its meeting held on 20 June 2023. Members participated in a self-assessment and evaluation exercise of the Committee’s performance and operation, with responses from self-assessment surveys presented to the Committee at its meeting held on 20 February 2024. The Committee considered the outputs from the process, agreed the actions to be taken to improve its effectiveness, and requested an update at a future meeting. The Chair of the Committee participates at All Wales Audit Chairs’ meetings.

15.5 Private Meeting of Audit and Risk Assurance Committee Members with the Auditors

In line with the Audit Committee Handbook and the Committee Terms of Reference, Committee Members met privately at individual meetings with IA, AW and Counter Fraud on 14 March 2024. The meetings were attended by:

Independent Members	Attended by
<ul style="list-style-type: none"> • Cllr Rhodri Evans, Committee Chair • Mr Winston Weir, Committee Vice-Chair • Mrs Eleanor Marks, Committee Member • Mr Maynard Davies, Committee Member • Mrs Chantal Patel, Committee Member • Mr Michael Imperato, Committee Member 	<p>Meeting with AW</p> <ul style="list-style-type: none"> • Ms Anne Beegan, AW • Ms Urvisha Perez, Audit Lead <p>Meeting with Internal Audit</p> <ul style="list-style-type: none"> • Mr James Johns, Head of IA • Ms Sophie Corbett, Deputy Head of IA <p>Meeting with Counter Fraud</p> <ul style="list-style-type: none"> • Mr Benjamin Rees, Head of Local Counter Fraud Services <p>Meeting with Healthcare Inspectorate Wales</p> <ul style="list-style-type: none"> • Mr Richard Hayward, Relationship Manager, HIW

The purpose of holding a private session between Members and auditors, without management present, is to build a relationship of trust and to support the independence of the audit functions. It also provides an opportunity for the auditors to provide feedback to the Committee on its own performance. The discussion is not minuted, although the Chair provides appropriate feedback to the Lead of the Committee where there are areas of improvement required.

16. Forward Plan

16.1 The Committee, in addressing issues identified in previous years, has continued to provide additional assurance that the Board is functioning effectively.

- 16.2 The Committee will continue to focus on those areas which will be subject to increased scrutiny, and ensuring those areas which received limited assurance during 2023/24 improve.
- 16.3 The Committee will continue to closely oversee the implementation of audit, inspectorate and regulatory recommendations to ensure the pace of delivery is improved.
- 16.4 Any areas of Committee concern raised during 2023/24, including scrutiny of outstanding improvement plans, will be followed up in 2024/25. Any learning taken from the Self-Assessment of Committee Effectiveness exercise will be acted upon as appropriate.
- 16.5 In order to continue the triangulation of assurance for the Board and provide the required degree of scrutiny, it is the Committee's intention to further build relationships with the Quality, Safety and Experience Committee (QSEC), People, Organisational Development and Culture Committee (PODCC), Strategic Development & Operational Delivery Committee (SDODC), SRC and Health & Safety Committee (HSC). This is being taken forward through the Chairs of Committees meeting.

17. Conclusions

- 17.1 It is acknowledged that the Committee is a well-established Committee of the Board with a detailed annual work plan in place.
- 17.2 Whilst the Committee believes it has met the duties of its Terms of Reference, through the completion of a comprehensive work plan, and has provided assurance to the Board on a significant number of matters in respect of the adequacy and effectiveness of the organisation's functions and systems to maintain a sound system of governance and internal control. During the course of the year, the Committee also reported a number of areas to Board (through the Committee Update Report) where it was not being provided with the required degree of assurance to enable it to discharge its duties.
- 17.3 The IA work programme was aligned to the Health Board's risk profile, to provide assurance to the Committee that the identified mitigation is reducing or maintaining the level of identified risk. The Committee will also ensure that IA reviews are undertaken of those areas which received limited assurance during 2023/24, and the implementation of the agreed management action plans will be a focus for the Committee's attention. The IA plan for 2024/25 will need to be flexible and respond to the Health Board's requirements, given its significant challenges with longstanding workforce, estate, and financial pressures, significant service fragilities, significant performance issues and increase in escalated status for the whole of the organisation to targeted intervention.
- 17.4 The Committee will continue to request the attendance of the Interim CEO, and Senior Responsible Officer for Targeted Intervention, to provide assurance regarding the Health Board's targeted intervention status.

- 17.5 Finally, focus will continue to be placed on work that is undertaken in collaboration and partnership, with the Committee seeking assurance that robust processes and reporting arrangements are in place where significant activity is shared with another organisation, e.g. NWSSP, or the new Joint Commissioning Committee.
- 17.6 The Committee, therefore, provides a key source of assurance to the Board that the organisation has effective controls in place to manage the significant risks to achieving its objectives and that controls are operating effectively. It is vital that risk management is at the heart of this process. The Committee will continue to receive assurance during 2024/25 on the effectiveness of the risk management framework via the risk assurance report, and the implementation of its risk management objectives outlined in the Risk Management Strategy.
- 17.7 It is the opinion of the Committee that the Accountability Report, incorporating the Governance Statement, which was received at the Committee meeting held on 9 May 2024, is consistent with the view of the Committee on the Health Board's system of internal control. In conclusion, the Health Board has an unsatisfactory system of internal control to identify and prioritise the risks to the achievement of the policies, aims and objectives to evaluate the likelihood of those risks being realised, and the impact should they be realised, and to manage them efficiently, effectively and economically. Work continues in refining risks to be undertaken at an operational level to enable the Health Board to become a risk mature organisation. Consideration has also been given as to the reliability and integrity of the Health Board's sources of assurance, encompassing the work of both IA and AW, together with the assurances, forthcoming from the Committees of the Board.
- 17.9 The Board is therefore asked to endorse the contents of this report as a summary of the work and findings of the Audit and Risk Assurance Committee for the financial year 2023/24.

Hywel Dda University
Health Board
Charitable Funds
Committee
Annual Report 2023/24

Introduction

Hywel Dda University Health Board (HDdUHB) was appointed Corporate Trustee of the charitable funds by virtue of Statutory Instrument 2009 No. 778 (W.66), with the Board serving as its agent in the administration of the charitable funds held by HDdUHB.

In accordance with HDdUHB's Standing Orders and Scheme of Delegation, the Board has nominated a committee to be known as the Charitable Funds Committee, established as a Committee of HDdUHB, and constituted from 22 July 2010. The current Terms of Reference being approved by the Board at its meeting on 27 July 2023.

HDdUHB holds charitable funds as sole Corporate Trustee, and Board Members, whilst not 'trustees' in their own right, are jointly responsible for the management of those charitable funds.

The charitable funds linked to HDdUHB are independent of the 'exchequer' funds of HDdUHB and must be managed separately. The Charity Commission has regulatory responsibility for ensuring the proper management of these funds.

This Annual Report outlines how the CFC has complied with the duties set through its Terms of Reference, and also identifies key actions to address developments.

CFC committee meetings are held on a quarterly basis.

As the CFC is directly accountable to the Board for its performance, it provides an assurance to the Board through a formal written update report which is received at the subsequent Board meeting. A full set of the papers for each Committee meeting is routinely made available on line from the Health Board's website.

During 2023/24, the Committee met on the following occasions and was quorate at each:

- 23 May 2023
- 26 September 2023
- 28 November 2023
- 12 March 2024

During 2023/24, the Committee held the following In-Committee meetings on:

- 28 November 2023
- 12 March 2024

The items considered by the In-Committee meetings were:

- Charitable Donations to the Breast Care Unit at Prince Philip Hospital

Chair's Executive Summary

It is the work of this Committee to highlight the benefits and challenges of the work of the Hywel Dda Health Charity in making a real difference to our patients, services and staff within Hywel Dda University Health Board.

This report gives an insight and a flavour of the scrutiny and oversight we have applied and reflects the level of activity and attention we as a committee pay to the impact of the fundraising for our patients and staff.

During the last year, there have been a number of funding awards for significant projects which has resulted in improved services directly responsible and impacting positively for patient care, experience, quality, innovation and welfare of patients and staff.

As a committee we are bound by duties and responsibilities declared by the Charity Commission and as such, we pay rigorous attention to the financial resilience and sustainability of the charity through responsible stewardship and scrutiny to ensure funds are managed and allocated appropriately and equally throughout the organisation.

As we look forward to another exciting year ahead, the committee will continue to build upon the impact of the Charity's work and illustrate how the fundraising activity and commitment of the fundraisers, staff and our communities who continue to support and donate to the Charity are making a difference to the experience of our patients at Hywel Dda University Health Board.

Diolch yn fawr iawn.

Delyth Raynsford

Chair, Charitable Funds Committee

Reporting

During 2023/24, the following reports were received:

Governance

- **Annual Review of Committee Terms of Reference**

In June 2023, the Committee reviewed its Terms of Reference for onward approval by the Board. The Committee were advised that, in light of the recent changes to/reduction in Independent Board Member numbers, all Committee Terms of Reference were being reviewed to ensure quoracy is maintained.

- **Self-Assessment of Performance Process 2023/24**

The May 2023 meeting received assurance from the refreshed approach to the Annual Report and Self-Assessment process for 2023/24. The Committee was

advised that the future Committee Effectiveness Assessment process will link and inform Committee annual reporting in a staggered approach over the year being mindful of the need to comply with Standing Orders. The tools to support this approach was developed in early Summer 2023, and piloted through the Quality, Safety and Experience Committee (QSEC), prior to being rolled out to other Committees in the Autumn.

The November 2023 meeting was advised of the refreshed approach to the Annual Report and the self-assessment process for 2023/24.

Risk and Assurance

- **Charitable Funds Risk Register**

No reports were presented to the CFC in 2023/24 as there were no risks in the domain of charitable funds.

Performance

- **Integrated Hywel Dda Health Charities Performance Report**

- **May 2023**

The May 2023 meeting received the Integrated Hywel Dda Health Charities Performance Report, providing an update on the Hywel Dda Health Charity's (HDdHC) performance and position as of 31 March 2023. The Committee noted that the net incoming resources before transfers of the charity amounted to £2,963,290 for the period and that the charity's overall income from donations, grants and legacies has increased by £2,688,277 in comparison to income received for the same period in the previous financial year. Expenditure on charitable activities for the period 1 April 2022 to 31 March 2023 was £788,838, which represents a 53% decrease in comparison to expenditure for the previous financial year. The Committee received assurance that the majority of the decrease is due to the fact that, in the previous year, monies in respect of the Bronglais Hospital Chemotherapy Unit Appeal were accounted for and therefore this decrease was no cause for concern.

- **September 2023**

The September 2023 meeting received the report on the Charity's performance and position as of 31 July 2023. The value of the investments held by the Charity on 31 July 2023 was £8,160,806 with the total value of funds on the same date being £12,079,445. The balances of the Charity bank accounts as of 31 July 2023 were: current account £5,070 and deposit account £5,750,533. It was stated that holding

deposits is a challenge at this point in time, given the current high inflation and any investment portfolio will struggle to earn over and above inflation.

It was noted that public awareness of the Charity was high due to the development of a strong brand identity; although, following a record-high level of income in 2021, the average value of donations had decreased. Members noted that the fundraising team is focussing on the staff lottery, with the intention to increase the marketing of the lottery both internally and externally. In relation to similar lotteries in Wales, it was challenging to compare due to different demographics and how schemes are administered, for instance, our scheme is not run in-house and consequently the profits are smaller.

Members received three options for investment of funds in the Charity's deposit account not immediately required for consideration. Currently, the charity's deposit account with Barclays Bank offers a 2% interest rate with immediate access, whereas the COIF Charities Deposit Fund offered an interest rate circa 5% annual equivalent rate. CCLA advised a split in investment between the Ethical Investment Fund, in which funds are usually invested for over 5 years with a target return of inflation plus 5%, and the COIF Charitable Deposit Fund. It was expressed that, due to the unpredictable nature of the charity's expenditure over the next 5 years, funds should not be locked in and have short-notice withdrawal periods, which CCLA advised that the proposed investment funds satisfied both those requirements.

Members agreed to transfer the current balance held on the Barclays Deposit Account to the COIF Charities Deposit Fund, with a decision on how much to transfer into the Ethical Investment Fund to be made following an assessment of significant future commitments, with the proposed amounts being approved via Chair's Action.

- **November 2023**

The November 2023 meeting received the Integrated Hywel Dda Health Charities Performance Report for the six-month period up to the end of September and were advised that net income of the Charity has increased by £43,189. The Committee were advised that a £1.3m legacy gift had been recently received by the Charity. It was noted that the reduction in income figures from the same period last year was due to the significant performance of the Charity in the previous year, stating that this year's figures were an improvement on years prior to the previous year. It was highlighted that the value of investments held by the charity on 30 September 2023 was £8,053,249 with the total value of funds being £12,013,443. The charity's bank balances as of 30 September 2023 were £414.75 in the current account and £5,312,248.31 in the deposit account, although it was observed that this was before the £1.3m legacy which raised the deposit account balance to over £6m.

The Committee were also advised that work has been undertaken with the Legal Services Team regarding the classification of restricted funds and how to appropriately reclassify restricted funds as unrestricted but designated funds or allocate them to the closest corresponding fund and

that a full review and recommendations would be presented to the March 2024 meeting for implementation during Quarter 1 2024/25.

- **March 2024**

The March 2024 meeting received the Integrated Hywel Dda Health Charities Performance Report and the HDdHC Work Plan for 2023/24 and the proposed work plan for 2024/25 and reviewed the financial position of the HDdHC compared to the same period of the previous year for comparative purposes.

- **Investment Advisor Performance Update**

The September 2023 meeting received an update on the long-term investment portfolio. As of 7 September 2023, the value of holdings was £8,240,681. Whilst there has been significant volatility in markets in recent years the worst of this appears to be behind us. The majority of funds are invested in equities, however as a consequence of interest rates increasing, the fund now invests in bonds which currently present more attractive opportunities and lower risk.

Performance in the equities market in 2022 was low due to rising interest rates. Members were reminded of the long-term investment objective, which was to achieve growth over the long term of inflation plus 5% per annum before costs.

- **Draft Annual Report and Accounts 2022/23**

The November 2023 meeting received the Draft Annual Report and Accounts for 2022/23 and were advised that global economic pressures were the reason for the net loss derived from income from investments although an increased level of donations received, and a reduced level of commitments has resulted in an overall increase in the total net assets held by the Charity and that, while the value of investments fluctuate, the Charity were investing for the long-term and that the cash returns from those investments have remained stable. The Committee were advised that the accounts would be audited by Audit Wales in time for submission to the Charity Commission before the deadline of 31 January 2024.

Operational/Strategic

- **Apportionment of Governance and Support Costs and Investment Income and Gains**

The September 2023 meeting reviewed how to manage surplus funds in the central fund and the CFC's decision in 2018 that the charity's governance and support costs would be covered by the dividends and interest from the investments and cash balances held by the charity. It had been agreed that where this was insufficient, costs would be apportioned across funds on an equitable basis.

Due to an increase in support costs and market fluctuations, the value of investments had decreased, resulting in a deficit in the central fund. It was

agreed that the support costs and apportionment methodology be reviewed, including the manner in which other NHS Charities across Wales and the UK cover their support and governance costs, before a decision can be reached as to whether a central fund should be maintained for the unrestricted funds and whether a set amount of investments should be retained to cover any future losses. It was noted that a decision was not needed until 1 April 2024, so the findings of the review would be presented to the March 2024 CFC meeting.

The March 2023 meeting received that report into the apportionment of governance, support and fundraising costs and investment income and gains of the HDdHC and were presented with three options for the management of the apportionment of governance and support costs and expressed a preference for the maintenance of a central unrestricted fund with a buffer set at a maximum of 10% of the year-end investment fund balance to protect the unrestricted funds from the risk of a year of investment losses. The Committee resolved to review the cost benefit of the Fundraising Team and the use of charitable resources during the 2024/25 financial year with a report presented to the September 2024 meeting.

- **Rationalisation of Charitable Funds**

The March 2024 meeting received an update on the proposals to streamline and rationalise the number of charitable funds within the HDdHC and to review the manner in which legacy gifts are processed and managed. The Committee were informed that the full external legal advice sought by the Charity has not yet been received with a report with the full and final recommendations expected to be presented to the September 2024 meeting.

- **Expenditure Requests**

- **Education and Simulation Training Facility at Glien House**

The May 2023 meeting considered an Expenditure Request for an Education and Simulation Training Facility at Glien House, requesting Committee consideration and approval of £42,883.11 of charitable funding to support the cost of the capital works to refurbish an existing office space on the ground floor at Glien House, to provide a multi-functional space for employability skills training, simulation-based education training and school engagement activities. The Committee did not approve the expenditure request pending further clarification regarding the intention of continuing the lease from Capital colleagues and the Director of Planning and Strategy and consideration of the current Estates Strategy review. The Committee agreed that, should the further information be forthcoming prior to the next Committee meeting, consideration would be given to approve the request via Chair's Action. Following the meeting, consideration was given to an alternative proposal for equipment to support simulation across the Health Board as opposed to investment in a single facility.

- **New Cardiac Ultrasound Machine, Cardiology, Bronglais Hospital**

The September 2023 meeting ratified a decision taken under Chair's Actions to fund a new Cardiac Ultrasound Machine to replace the existing machine, which was damaged. It was recognised that there were a number of departments with ageing clinical equipment, and it was observed that the option to loan equipment from other sites should be explored in similar situations such as this in the future.

- **Arts in Health for Staff Wellbeing Activities**

The September 2023 meeting received a request to extend the funding of the Arts in Health for Staff Wellbeing Activities, of which 1,500 members of staff had been reached by the project. It was noted that an Arts and Research Group had been established to connect the evidence being collated that this project has had a positive impact on staff and patient care, including staff retention. The Committee noted the Creative Activities for Staff Wellbeing Plans and approved an application for £35,000 to support the costs of the provision.

- **Cancer Services Hair Loss Support**

The September 2023 meeting received a proposal for HDdUHB to be the first Health Board in Wales to improve the patient experience of cancer treatment related hair loss. Following a pilot scheme in Pembrokeshire from May to September 2023, it was noted that the cost per patient referred to the charity which carried out the service, Caring Hair, was £32 per patient and yielded positive results. It was also further noted that the cost would reduce to £24 if the service was extended, with the request to extend the funding to provide the service for 2 years. The Committee approved an award of £165,000 of cancer services charitable funds to extend the provision of the service for 2 years.

- **Bronglais Hospital FibroScan Ultrasound Machine**

The September 2023 meeting received a request was received for charitable funding to support the purchase of a FibroScan Mini+ 430 – Echosens machine, which measures the stiffness of the liver and calculates the severity of liver disease; for patients in the Ceredigion catchment area. Members noted that the machine can be used in a community setting. Members acknowledged that a purchase of this nature would normally be funded by capital expenditure. Given that the Health Board currently has a number of items of medical equipment which require replacement, with a lack of capital funding to provide this, from a legal perspective there is a clear patient benefit. The Committee approved the application for £81,690 of charitable funding to support the purchase of a FibroScan Mini+ 430 – Echosens machine at for patients in the Ceredigion catchment area.

- **Simulation-Based Education Equipment Needs**

The September 2023 meeting received a request to support the cost of remote interprofessional simulation-based educational equipment. It was noted that there were three elements to the request for funding; an Observation and Training System which allows for observers not to be in

the same room as trainees and affecting the realism of the simulation and allows for the system to be portable and used in all regions of the Health Board, the licencing and access to a national catalogue of training simulation templates to ensure that efficient simulation is provided and a manikin to perform the role of the patient to ensure that no physical patient is at risk of harm during the simulation. The Committee were advised that it was the Health Board's mission to be a pioneer in the field of interprofessional learning in Wales and were informed of the benefits of simulation-based education to Health Board recruitment and its ability to immerse students in safe clinical demonstration and training opportunities. Members approved the application for £56,461.00 of charitable funding to support the cost of the Remote Interprofessional Simulation Equipment.

- **Bronglais Hospital Chemotherapy Day Unit Refurbishment Project**

The May 2023 meeting received an update on the BGH CDU Refurbishment Project following significant charitable investment and the recent fundraising appeal and were advised that the project was in the detailed design phase with engagement from staff and patients and that temporary facilities had been identified for the construction phase of the programme due to commence in November 2023 and complete in December 2024. The Committee were advised that all non-patient facing services will be relocated to a Local Authority building in Aberystwyth.

The CFC were advised of a £43,000 shortfall to the project budget with an updated budget to be presented, a potential risk to the funding streams, with regard to an anticipated £110,000 donation from the Mid West Colorectal Fund, and cost escalation prior to going out to tender.

Further to the May 2023 update, the September 2023 meeting received an update on the governance arrangements of the Bronglais Hospital (BGH) Chemotherapy Day Unit (CDU) capital scheme and received the request for approval of the contribution of charitable funding from the Bronglais Chemo Appeal Fund (T392) to the scheme for the new CDU, as well as any future donations to the Appeal Fund. The Committee were advised that the construction phase of the project would begin in January 2024. Members endorsed and recommended for approval by the Corporate Trustee the contribution of £912,989.00 from the Bronglais Chemo Appeal fund to the capital scheme for the new CDU as well as any future donations to the appeal fund.

The March 2024 meeting received an update on the BGH CDU refurbishment project and heard that the commencement of works had been delayed due to the receipt of a tender return showing an increase of £1.1m costs above budget. The CDU moved into a temporary mobile unit provided by Tenovus in December 2023 so that survey works could be carried out on the proposed site for the refurbished CDU and that following the receipt of the increased tender costs, the Project Team had re-evaluated the scheme to examine if the project could be continued to be delivered in the manner in which it was commissioned at a lower cost.

The project team have reduced the funding gap to £389,000 through re-visiting the specification of the non-patient facing areas of the proposed refurbished CDU and that these amendments to the scheme have been agreed with staff at the Unit and deemed an acceptable reasonable adjustment to the project.

It was emphasised that the original project specification was still being achieved in accordance with the original plan that was the basis for the public fundraising appeal. The Committee were keen to ensure that the communication with the public, staff and donors was proactive to reassure that what was originally planned for and fundraised for was unaffected and that only ancillary areas that were not patient facing were considered for compromise. It was also noted that the request for £389,468.91 from charitable funds was a maximum and would be offset by on-going donations to the charitable appeal.

- **Neonatal Ventilators**

The November 2023 meeting received a request for charitable funding for the purchase of four SLE6000 neonatal ventilators. It was noted that the SLE6000 model was in common usage across the Perinatal Excellence to Reduce Injury in Premature Birth Cymru network with HDdUHB being an outlier by using the SLE5000 model. It was advised that the likelihood of the equipment being funded by capital expenditure was limited and given the outcomes were predominantly patient based, met the criteria for charitable funding. The Committee were advised that there were no additional maintenance costs above those associated with the older model and consumable costs would be lower. The Committee also advised that a significant benefit of upgrading to the SLE6000 machines improve the ability to provide neonatal babies with rapid and the best quality care locally, as opposed to having to travel outside of the Health Board. Members endorsed and recommended for approval by the Corporate Trustee funding within the Neonatal Paediatric Service of £120,727.72 for the procurement of four new SLE6000 ventilators.

- **Hywel Dda Arts and Health Provision Capacity Building**

The March 2023 meeting supported a request for £198,065 of charitable funding to fund the cost of a Project Support Officer post as part of the overall capacity building of the Arts in Health programme for four years. The Committee were informed that the Health Board was recently the first in Wales to develop and sign an Arts in Health Charter and that the Health Board was recognised nationally as being innovative in the area of arts in health. The Committee were informed that £365,000 had already been secured from external funding sources by the Arts in Health Team and it was felt with funding to increase the capacity of the Team then the Health Board would be able to attract significant external funding resources through the appointment of a Project Support Officer.

The Committee were advised that there was confidence that following evaluation and through the securing of external funding sources, that the project would be sustainable beyond the initial 4-year period that charitable funding was being sought for. The Committee requested that

the review of the programme be subject to an independent evaluation by the Value Based Healthcare Team and subject to an annual review by the CFC. The Committee were informed that partnership work had already been carried out with the local arts sector within the Health Board's area to work in collaboration with the sector and to open up opportunities for local artists to provide projects through the Health Board that they otherwise would not have had the opportunity to access.

- **Evaluation Reports**

- **Respiratory Research, Prince Philip Hospital**

The May 2023 meeting received a presentation on the positive impact of the CFC's approval for funding to the Prince Philip Hospital (PPH) Respiratory Research and Development Service in September 2022. The Committee were advised that since the COVID-19 pandemic, commercial trial research had been significantly reduced with approved funds being used to continue to employment of a Research Assistant to support with research patient recruitment, patient identification, and administration. The CFC received an overview of the Research and Development Service and were advised of a major portfolio trial testing in collaboration with Aberystwyth University of new technologies to diagnose lung disease which had identified biomarkers in urine that can identify lung cancer with an accuracy of 91%.

The CFC were informed of the Research and Development Services' facilitation in opening several new commercial studies for asthma and chronic obstructive pulmonary disease (COPD) and were advised that recent gains in research have enabled the team to consolidate projects, effectively recruit into studies and support growth and that charitable funds had contributed to generate additional income to protect at least one salary in the medium term, enhanced the Health Board's reputation nationally and internationally, provided state-of-the-art drugs and devices for respiratory patients, and fostered new relationships with commercial and non-commercial researchers.

- **Transperineal Biopsy Machine, Prince Philip Hospital**

The May 2023 meeting received a presentation on the evaluation of the positive impact of the Committee's approval of the application for funding for a £50,000 state of the art Transperineal Biopsy Machine at its meeting on 9 March 2021, following an additional £30,000 contribution from the West Wales Prostate Cancer Support Group. The purchase of the Transperineal biopsy machine has allowed HDdUHB to undertake transperineal biopsies, which is safer and has a lower rate of infection than the standard process of transrectal prostate biopsies. Diagnostic rates have improved in addition to increasing capacity for prostate biopsies. Additionally, transperineal biopsy achieves improved cancer detection rates in cases where prior transrectal prostate biopsies have been undertaken. This is especially important for the surveillance of patients who may require multiple biopsies whilst on a surveillance prostate cancer pathway.

The Committee was advised that the machine will enable transperineal biopsy to be performed with local anaesthesia and is feasible in an outpatient setting, whereas they currently require a General Anaesthetic with associated bed space and recovery time. Although the transperineal process is increasing capacity somewhat, the next step of establishing its use in an outpatient setting under Local Anaesthetic will truly ramp up capacity. Options are being explored to use Endoscopy rooms in PPH for local anaesthetic transperineal prostate biopsy and transrectal prostate biopsies, and to use the Decision Support Unit for diagnostic lists.

The Committee was advised of the long-term plan to establish a dedicated Urology Investigation Unit to overcome the staffing and estates challenges. A recent Cancer Research UK bid has been successful and was aimed at improving the prostate cancer pathway. This includes dedicated Magnetic Resonance Imaging (MRI) and same-day reporting for patients with a prostate biopsy. This bid is a prestigious project to overhaul the prostate cancer pathway and, with the industry moving from transrectal to transperineal biopsies, the impact of the charitable funds has enabled HDdUHB to maintain the lead in this field.

- **Cardiology Equipment, Paediatrics, Withybush Hospital**

The September 2023 meeting heard that since procuring the equipment, 161 children and young people from new-born up to the age of 16 years old have been reviewed at Withybush Hospital (WGH), with the potential to increase collaboration with tertiary care colleagues and increase capacity, given that the number of child cardiac patients is not expected to increase.

- **Echocardiography Machines, Cardio-Respiratory Department, Withybush Hospital**

The September 2023 meeting received a report outlining the positive impact following the purchase of echocardiography equipment. The purchases allow sonographers in the Cardio-Respiratory Department to undertake advanced echocardiographic echocardiograms with uncompromised image quality and state-of-the-art measurements in 2D for a wide range of patients.

- **Update of Expenditure**

- **Staff Welfare and Wellbeing: Rest Areas**

The May 2023 meeting received a verbal update on progress regarding the allocation of charitable funding approved in November 2021 for the creation and improvement of staff rest areas, providing assurance that 100% of the funds have been committed or spent to date and that 82 rest areas across the Health Board have been supported by the scheme. The evaluation phase has commenced, and the positive impact of the creation and improvement of staff rest areas will be reported to the local Staff

Partnership Forums over the summer months and was presented to the Committee at its September 2023 meeting. The Committee received assurance that engagement has been led by the local Staff Partnership Forums and Staff Side leads to ensure full representation across the Health Board.

- **Development of Therapeutic Gardens at Prince Philip Hospital**

The February 2024 meeting received an update on the project for the development of therapeutic gardens at PPH at an enclosed space accessible through the Mynydd Mawr and Bryngolau Wards at PPH. The Committee heard that a fundraising appeal had been launched in November 2023 and that a significant legacy income had recently been received by the Mynydd Mawr ward. The Committee were informed that the relatively high cost of the provision of a garden, of £150,000, was due to the need to carry out extensive ground work to remove tree root growth in addition to the substantive garden elements as part of the project. The Committee expressed a desire to seek involvement from local contractors through their corporate social responsibility budgets as well as partnership and volunteer avenues to reduce the costs of the project. The Committee resolved to defer consideration of this item until the May 2024 meeting so that alternative options for the delivery of this project could be considered.

- **Presentation on Recent Charitable Funds Expenditure**

- **Arts in Health**

The May 2023 meeting received a presentation on recent charitable funds expenditure on Arts in Health pilot programme for staff wellbeing that had been funded by NHS Charities Together that had provided activities such as Shorelines Sand Art, live music in staff settings, Hywel Dda Signing Bursaries, access to cheaper tickets for arts and cultural events and 'Cultural Cwtch' an online creative resource for health and social care workers. The CFC were advised that the funding from NHS Charities Together was ending in September 2023 and the Arts in Health Team would like to prepare a case for support for charitable funding to a future CFC meeting to continue provision to staff.

- **Cardiac Ultrasound Machine to Improve Access to Echocardiography in Ceredigion**

The May 2023 meeting the Committee received a presentation on the impact of charitable expenditure on a Cardiac Ultrasound Machine to improve access to echocardiography in Ceredigion. The committee were informed that the previous cardiac ultrasound machine had been irretrievably damaged by a burst water pipe and a new model of echocardiography machine had been purchased through the receipt of charitable funds. The benefits of the new machine were outlined as being of a much higher quality, providing improved imaging for more confident and faster diagnosis, was portable and able to be used throughout BGH such as on wards and within theatre, and that the design was such that it was suitable for use with out-patients and that the portability made it

suitable for use with in-patients. In addition to meeting the needs of the local population, it was also able to support the needs of trainee medical students who were able to independently scan and interpret diagnostics through high quality imaging provided by the new machine. The provision of the new machine, coupled with the increase in staff able to utilise the machine had seen a doubling of echocardiography capacity at BGH, improved patient care and quality of outcomes.

Information

- **Hydrotherapy Pool: JC Williams (Elizabeth Williams Endowment) Trust Fund Update**

The May 2023 meeting received a verbal update on the Hydrotherapy Pool: JC Williams (Elizabeth Williams Endowment) Trust Fund that the trust fund account has been reviewed by the Pittsburgh National Corporation Bank (PNC) Tax Team and the £1.2m fund has now been received and that receipt of funds was expected in April 2023.

The September 2023 meeting received a verbal update hearing confirmation that the funding has been received and that the team is now working with legal colleagues in terms of the governance arrangements for a Memorandum of Understanding between HDdUHB and the Local Authority.

Sub Committee/Groups

- **Charitable Funds Sub-Committee**

The Charitable Funds Sub-Committee (CFSC) is empowered by the Terms of Reference of the CFC to approve expenditure in excess of £10,000 and up to £50,000 unless the expenditure relates to research and development expenditure, pay expenditure or requests of any nature that result in an ongoing charitable funds commitment.

The CFSC is mandated by its Terms of Reference to provide quarterly written updates to the CFC with the Chair of the CFSC, or a suitably briefed deputy, required to attend the CFC to provide written reports on expenditure approved within the CFSC's delegated limits of approval, key decisions taken by the CFSC, any Chair's Actions undertaken outside the cycle of CFSC meetings, any key risks or matters of concern, any matters requiring CFC consideration or approval and any revisions to the CFSC Terms of Reference.

- **CFSC Update Report, May 2023**

The CFC were advised that two requests were approved by the CFSC with a further request approved via Chair's Actions. The CFSC also undertook the annual review of the Sub-Committee's Terms of Reference

for approval by the CFC. The Chair of the CFSC advised members of the CFC that members of the CFSC wished to assure the CFC regarding the nature of discussions when considering request for approval following the approval of a replacement medical device due to the lack of capital funds. Following a request for attendance at an overseas conference, CFSC members wished to clarify that the overriding considerations are how the expenditure will benefit NHS patients, whether the request is within the Charity's overall purpose and whether there is a clear justification for the use of charitable funds. The CFC enquired on the monitoring of feedback received from attendees at the overseas conference to illustrate that the objectives of attending the conference had been met. The Committee were advised that the onerous paperwork for the evaluation of charitable funds were considered a barrier for the application of charitable funds and the Committee were assured that the proposals to rationalise the number of charitable funds would assist in the making the application process more effective.

The Chair of the CFSC advised that there had been an increasing demand for applications for funding of items of expenditure that would usually be considered as part of the Discretionary Capital Programme (DCP) and advised the CFC that any inappropriate and unsuccessful requests for charitable funding were reported to the CFC via the CFSC Update Report to CFC.

- **CFSC Update Report, September 2023**

The CFC were advised that two expenditure requests were approved by CFSC with a further request approved via Chair's Actions. The CFSC also approved two requests for funding for Higher Awards for the 2023/24 academic year. The Committee were advised that the requests were considered as they could not be supported from a central Higher Awards budget as the budget was significantly oversubscribed but that following discussion with the Learning and Development Team the CFSC were reassured of the appropriateness and eligibility of funding as they demonstrated significant patient benefit. The CFC were further advised that two requests for unusual or novel expenditure were approved.

The CFC were advised of a matter requiring the Committee's consideration or approval regarding the nature of discussions when considering the maintenance contracts for Paxman Scalp Cooling Systems, an item of expenditure that had previously been funded by an annual donation by an external charity that has been funded by Charitable Funds since the cessation of the external charitable donation and that HDdUHB revenue budgets were unable to fund.

- **CFSC Update Report, November 2023**

The CFC were advised that six items of expenditure request were approved by CFSC with a further request for unusual or novel expenditure approved. The CFSC also approved the creation of a new designated charitable fund for the PPH Therapeutic Gardens capital fundraising appeal.

The CFC expressed concern regarding the use of charitable funds for the television ariel installation at WGH and resolved that the WGH Management Team be requested to place a hold on this project pending a discussion with the Director of Operations to determine whether the expenditure could and should be funded from core expenditure.

The CFC expressed concern regarding the proposal to create a new sluice room at the Glangwili Hospital (GGH) CDU whether the proposal was to remove the water supply and decommission an existing sluice room, which members of CFC felt the requested funds was excessive to provide, or whether the project was to create a new sluice room and dual-purpose clean storage room. The CFC resolved that the Committee instruct the Cancer Services Management Team to place a hold on this project pending a decision to proceed following the determination of the detail of the proposed works and the appropriateness of the request and the appropriateness of the use of charitable funding.

It was reported to the CFC at the March 2024 meeting that the installation of television ariels at WGH had proceeded via an alternative funding route lead by the WGH Estates Team and that the project to create a new sluice room at GGH CDU had also proceeded via an alternative funding route.

- **CFSC Update Report, March 2024**

The CFC were advised that the CFSC had considered eight requests for charitable expenditure and approved seven with one not supported pending receipt of additional information on patient benefit.

- **Investment Advisor Sub-Committee**

- **Investment Advisor Sub-Committee Update Report, May 2023**

The Committee were advised that no update had been received from the Sub-Committee and that an appropriate Independent Member was being sought to sit on the Sub-Committee. The Committee queried whether the external input of a strategic advisor is still required as the proposed establishment for the Committee has been ongoing for the past 12 months and that the establishment of a Sub-Committee may not be necessary as there is an improved input from CCLA as the new Investment Advisors of the charity.

- **Disestablishment of the Investment Advisor Sub-Committee, September 2023**

The September 2023 meeting ratified a decision that, following the discussion at the May 2023 CFC and a further discussion with the Director of Corporate Governance/Board Secretary, the Committee ratified the decision taken under Chair's Action to formally disestablish the Investor Advisor Sub-Committee. This was reported to Board on 27 July 2023.

Key Risks and Issues/ Matters of Concern raised by the Committee to the Board during 2023/24

- **From the Committee meeting held on 23 May 2023:**
 - Recognition of the benefit to Board Members to understand the impact of, and shared learning gleaned from, the expenditure of charitable funds to attend overseas conferences. The opportunity to present to a future Board Seminar meeting will be explored.
 - Recognition of any potential increasing demand on charitable funds, rather than capital, and assurance sought regarding mechanisms in place to ensure that requests are appropriately considered.
 - The Committee's decision to not approve the Expenditure Request for an Education and Simulation Training Facility at Glien House report, requesting Committee consideration and approval of £42,883.11 of charitable funding to support the cost of the capital works to refurbish an existing office space on the ground floor at Glien House, until further clarification is received prior to consideration for approval; noting that, should the information be forthcoming prior to the next Committee meeting, consideration would be given to approve the request via Chair's Action.

- **From the Committee meeting held on 28 November 2023:**
 - The level of engagement with and detail provided to the Charitable Funds Sub-Committee to ensure that appropriate applications are approved for charitable funding expenditure.
 - To recognise the financial challenges affecting the public sector may well increase the pressure on the Charitable Funds Committee to approve items which would normally be considered core NHS funding. The Committee will remain vigilant on the appropriateness of charitable expenditure in order to maintain the trust of our donors.

Matters Requiring Board Level Consideration or Approval

- The Charitable Funds Committee's revised Terms of Reference
- The Charitable Funds Committee Annual Report 2022/23
- The disestablishment of the Investor Advisor Sub-Committee
- To consider and approve £198,065 of charitable funds to support the costs of a Project Support Officer as part of the overall capacity building of the Arts in Health programme for four years.
- To consider and approve £389,468.91 of additional charitable funds to bridge the preferred options shortfall from the Support for Life Response Fund (T600).
- To approve the preferred basis for the apportionment of governance and support costs of charitable funds of Option 2 as contained within the Review of Apportionment of Governance and Support Costs and Investment Income and Gains report, to retain a central unrestricted fund with a maximum level of 10% of the year-

end investment fund balance and to approve of the proposed governance and support costs budget for 2024/25.



Hywel Dda University Health Board Health and Safety Committee Annual Report 2023/24

Introduction

Hywel Dda University Health Board's Standing Orders and the Terms of Reference (TOR) for Health and Safety Committee require the submission of an Annual Report to the Board to summarise the work of the Committee and to identify how it has fulfilled the duties required of it.

The Health and Safety Committee (HSC) annual report sets out its activities during 2023/24 and includes the outcomes from the review of its performance.

The Health and Safety Committee's purpose is to advise and assure the Board on whether effective arrangements are in place to ensure organisation-wide compliance with the Health Board's Health and Safety Policy, to approve and monitor delivery against the HSC's work programme; and ensure compliance with the relevant Standards for Health Services in Wales.

The Committee meets on a bi-monthly basis. In the year 2023/24, the Committee met on 6 occasions. All meetings were quorate, as follows:

- 9 May 2023
- 10 July 2023
- 11 September 2023
- 13 November 2023
- 8 January 2024
- 4 March 2024

'In Committee' sessions have been held during 2023/24 as necessary, to discuss either potentially sensitive matters or identifiable patient data, including the following:

- Security Management Update
- Health and Safety Corporate Risk 1328

This report gives an overview on the scrutiny applied to matters of concern during 2023/23 and reflects the increasing attention and focus given to the impact of actions.

Chair's summary

This has been a challenging year and we recognise the hard work and dedication of our teams in maintaining services on a day-to-day basis, within our Health Board during these times.

2023/24 has been extremely challenging with the management of the Reinforced Autoclaved Aerated Concrete (RAAC) internal major incident at Worthybush Hospital, ensuring the safety of our patients, staff, and other stakeholders. Thanks to an exceptional collaborative effort involved from our staff, patients, and local partners.

The work undertaken by the Estates Department on the Enforcement Notices from Mid and West Wales Fire and Rescue Service has been advancing well across the sites of Hywel Dda University Health Board. They have collaborated well on the work undertaken on RAAC to allow access to the closed wards. I need to again thank the co-operation of patients, visitors, and staff during the time of this work.

I would also like to commend the excellent work generated by the Health, Safety and Security Team who worked diligently during the year and are the foundation to this Committee.

As we look to the coming year, the Committee will continue to build its focus on topics such as health surveillance, staff welfare and updates from the trade unions. We would also like to hear the voice of the patient and their experiences of our facilities and services.

Reporting

During 2023/24, the following reports were received:

Governance and Risks

- **Annual Review of HSC Terms of Reference:** The Terms of Reference (TOR) 2023 was reviewed and approved twice in the year (in July 2023 and March 2024).
- **HSC Annual Report to Board:** At the May 2023 meeting the HSC Annual Report was submitted for endorsement. The report was approved by Board on 27 July 2023.
- **Corporate Risk Report:** Reports were received in May, September 2023 and January 2024 meetings informing the Committee of the highest corporate risks assigned to the Committee along with the mitigating actions being taken to balance these risks.

In May 2023 it was reported that the previous pandemic influenza risk had been changed into two new risks, one generic pandemic event and two emerging infectious diseases.

In September 2023, it was highlighted that since the previous report, Risk 1382: *risk to patients and staff due to a lack of assurance of safe estate as a consequence of reinforced autoclaved aerated concrete (RAAC), Worthybush Hospital (WGH)* had been escalated from Directorate to Corporate level. Members queried whether the risk score of 20 should be escalated. The score would be reviewed at the next Executive Team review meeting. It was also reported that since the previous report, Risk 1328: *risk of harm to staff, patients and critical assets due to insufficient physical security measures* had increased in score from 12 to 16.

In January 2024, three risks were highlighted to the Committee: new risk, Risk 1745: *risk of not being able to safely deliver services due to ageing estate and infrastructure across the Health Board* had been added to the risk register; the risk score of Risk 1328: *risk of harm to staff, patients and critical assets due to insufficient physical security measures* had been increased to 20; Risk 813: *risk of*

non-compliance with the Regulatory Reform (Fire Safety) Order 2005 due to ageing infrastructure, remained high at 15.

- **Operational Risk Report:** Reports were received in the May, September 2023 and January 2024 meetings informing the Committee of the highest operational risks assigned to the Committee along with the mitigating actions being taken to balance these risks.

In May 2023 it was reported that Risk 1382: *Installation of Reinforced Autoclaved Aerated Concrete (RAAC) planks as part of the infrastructures* was of concern following recent high-profile incidents in the UK. The risk score of 10 was high, and based on the evidence and information the Health Board has received from existing structural surveys and information available. The areas affected were the complete roof in WGH and a small area in Bronglais Hospital (BGH). The Health Board planned to commission intensive surveys of each individual RAAC planks to determine the risk, condition and any repair work required.

In January 2024, it was reported that two new risks had been added to the risk register: Risk 1753: *risk to patient safety and disruption to patient flow due to failure and subsequent breakdown of both lifts in ward Block 4, Glangwili Hospital (GGH)*, and Risk 505: *risk of avoidable service disruption due to high voltage electrical infrastructure affecting Prince Philip Hospital (PPH)*. The Committee highlighted that the risk section of the report did not clarify what was being done with each risk and requested it to be added to future reports. It was also reported that Risk 222: *risk of avoidable harm to patients, visitors, staff and contractors due to exposure to asbestos through contact with 'Asbestos Containing Materials' (ACMs)* had been reduced and was now below the Board agreed tolerance level. The Director of operations informed the Committee that work was being undertaken on a plan to digitalise and store the files, in relation to Risk 708: *risk of staff safety due to inappropriate storage solutions associated with patient files / documents affecting Ceredigion Community Sites*. The Committee requested the risk register be updated to reflected this.

Health and Safety

- **Health and Safety Update:** During the year, the Committee was informed of, and discussed, the following health and safety matters:

Reporting of Injuries, Diseases and Dangerous Occurrence Regulations 2013 (RIDDOR) - at its meeting in May 2023, the Committee was advised of the end-of-year RIDDOR figures for the 2022-23 financial year. The Committee noted that the greatest cause of incident in 2022- 23 was slips, trips and falls, however, violence and aggression was a close second. Training on violence and aggression, and de-escalation techniques were being offered to staff within the Health Board.

Health and Safety Executive (HSE) - at its meeting in July 2023, the Committee was updated on findings from the Health and Safety Executive (HSE) inspection programme of 2018-2022. The Committee took assurance that work continued to be progressed, and improvements had been made in relation to the health and

safety themes as detailed within the report. The Committee also noted the challenges to full implementation of the improvement actions agreed with the HSE.

Concerns were raised regarding the lack of facilities for health and safety training. This was reported to the People, Organisational Development & Culture Committee in October 2023.

In September 2023, the report provided an update on HSE statistics for 2022/23 on fatalities due to working at heights, a points of ligature update, and an update on oxygen cylinder handling. Members raised concerns over oxygen cylinders being stored in ward areas. The estates department were seeking to increase the training provision to include training porters and maintenance assistants, and also set up a 'cylinder management group'.

Contractor Work Sites - at the Committee meeting in July 2023, Members raised concerns regarding contractors on site working on RAAC leaving pipes, cables and beams exposed, and asked for assurance that steps had been taken to ensure contractors secure sites at the end of their working day. It was confirmed that contractors had been instructed to replace ceiling tiles as quickly as possible, however, there would be some occasions where ceiling tiles have to remain down due to operational reasons.

Violence and Aggression (V&A) - at the meeting in November 2023, the Committee received an update on V&A incidents. In relation to V&A training sessions, only 364 out of 794 face to face sessions had been utilised. Staff pressures were a contributing factor to this number. The importance of attending V&A training was being reinforced through the Senior Leadership meetings.

Signage and communications in relation to zero tolerance of violence and aggression were also being developed for hospital sites.

Entonox (Nitrous Oxide) - at its meeting in January 2024, the Committee received an update on Entonox exposure within the Midwifery departments, and informed that the Health and Safety team had purchased two devices that measure and record airborne N₂O. Both had been suitably programmed to record sufficient data for exposure monitoring. Devices were left with staff at GGH Labour ward, and training provided in their use. Both the Health and Safety and Midwifery teams were satisfied with the methods used to ensure the data could be interpreted appropriately.

Points of Ligature Compliance - at its meeting in January 2024, the Committee received an update on points of ligature compliance. There was discussion on assurance and compliance of points of ligature assessments, and whether the outcome was clear within the current report to Committee. The Committee asked for further information on action plans and audit compliance to be included within the report for future Health and Safety Committee meetings.

Super-absorbent Polymer Gel - at its meeting in January 2024, the Committee received an update on work to reduce the risk of harm associated with the use of

superabsorbent polymer gel granules. As a result of incidents, new guidance reinforcing that polymer gels are only required for exceptional infection control purposes had been issued stating that any organisation still using these products must protect patients by introducing restrictions on their use. The Health and Safety Team had taken steps in collaboration with Procurement colleagues to restrict the products purchase unless absolutely essential and only following the completion of a detailed risk assessment.

Cable Management / Safety Culture Training - at its meeting in March 2024, the Committee received an update on cable management regarding medical devices on beds. The report highlighted that concerns have been raised by the Trade Union Health and Safety Group over the lack of electrical safety training in Hywel Dda University Health Board (HDdUHB). The Committee directed the Health and Safety team to work with the Learning and Development to take this matter forward alongside all other training requests.

The Committee felt that the Health and Safety Update report submitted in March 2024 did not provide sufficient assurance information on how the risks were being mitigated and requested amendments to the report going forward.

- **Fire Safety Update:** During the year, the Committee was informed of, and discussed, the following fire safety matters:

Fire Safety Works - updates on fire safety works at WGH and GGH were provided at each of the meetings.

In July 2023, concerns were raised by Members regarding a number of areas in GGH and WGH where fire safety works is taking place, which present a significant risk to patients. It was agreed that signage informing the public of the works being undertaken would be displayed.

In September 2023, the report confirmed that fire safety work has been incorporated into the RAAC repair work in Ward 9 at WGH, and that Estates Funding Advisory Board (EFAB) work within South Pembrokeshire Hospital had been fast-tracked to ensure completion before the decanting of wards in WGH due to RAAC.

Fire Enforcement Notice - In January 2024, it was reported that Phase One Enforcement Notice for WGH had now been lifted. The Phase Two Enforcement Notice remained in place.

Fire Safety Risk Assessments - In March 2024 the Committee noted the completed Fire Risk Assessment (FRA) however, it requested more information in regard to the actions required by the FRAs and how many were outstanding and so forth. The Committee requested this information be brought back to the next meeting in May 2024.

Fire Safety Training Compliance - At its meeting in July 2023, the Committee was advised that that Level two Fire Safety Training compliance had increased to 58% and Level Three Training, increased to 79%. In November 2023, the

Committee was advised that there had been an increase in Level 3 Fire Training compliance, and that a number of actions had been identified through the fire risk assessments which the Operations and Estates teams were reviewing. In January 2024, the Committee was advised that compliance for Level 3 fire training had increased to 85%. However, Level 2 fire training remained at 55%-60% which was a concern. There was ongoing difficulty increasing this compliance. In March 2024, the Committee was advised that Level 1 and Level 3 fire safety training was performing well with 85% and 88% compliance respectively. However, Level 2 fire safety training remained an issue with 59% compliance.

In March 2024, the Committee were concerned that no progress had been made since the last meeting and noted Members would expect to see a plan from the directorates that clearly sets out what the trajectory and plan is to achieve compliance. The Committee request a report of this nature be provided to the next Committee alongside an oversight of the governance of how this is being managed within operational services. The Committee needs assurance that the Health Board is balancing patient safety and patient care along with its statutory responsibility.

- **Monitoring Staff Exposure to Environmental Hazardous Substances - Requirement of the Control of Substances Hazardous to Health Regulations 2002:** In May 2023 the Monitoring Staff Exposure to Environmental Hazardous Substances report was presented to the HSC. A letter was sent from the Royal College of Midwives detailing concerns regarding nitrous oxide (N₂O) exposure in certain NHS trusts in England. The Health Board issued a response to the letter. Exposure and environmental monitoring for N₂O were advised. A report on these issues had been submitted to the relevant Directorate's Quality, Safety and Experience Groups.
- **PREVENT and CONTEST Update:** In May 2023 the Prevent and Contest update report using information contained within the Dyfed Powys Counter Terrorism Local Profile, was presented to the Health and Safety Committee. A critical response review update will be submitted to the HSC Committee meeting in July 2023. The Committee discussed what public messaging on misogyny was being undertaken in light of the data, and felt it would be useful to remind staff of the Health Board values and, in particular, regarding inappropriate conduct in the workplace.
- **Welsh Health Technical Memorandum's (WHTM) Engineering Compliance/ Governance:** In May 2023 the WHTM Engineering Compliance/ Governance report was presented.

In May 2023 it was reported that there were no Authorising Engineers in place in the Bed Head Services and Pathology, however, discussions were taking place with NWSSP and Shared Services for interim support. The intention is to appoint a full team of trained staff across the four main sites. Update reports from technical groups are reporting into the Operational Groups and monthly update meetings were scheduled with the Assurance and Risk team. Concerns were raised regarding the RAG status of the Water Systems section of the Compliance Tracker and clarity on the frequency of auditing was requested. There will be two

large pieces of work taking place over the next two years to replace water tanks however a confirmed date of the next audit has not yet been received.

- **Fire Safety Audit System Report 23/24:** In July 2023 the Committee received the Annual NHS Wales Shared Services Partnership-Specialist Estates Services Fire Audit which was submitted to Welsh Government on 5 June 2023. The submission outlined that on an organisational level, HDdUHB was in a greatly improved position. The Committee noted the update and took assurance from the report.
- **Reinforced Autoclaved Aerated Concrete (RAAC) Update:** During the year, the Committee was informed of, and discussed, RAAC related matters within the Health Board estate.

At its meeting in July 2023, the Committee was advised that surveys on RAAC planks in WGH were being undertaken, and the work would progress shortly. Concerns were raised regarding the financial impact and impact on patients. In September 2023, the Committee was advised that risk score on RAAC would be reviewed. There would however, be risks related to capacity reductions, therefore there would be a focus from estates risks to disruption to services risks. In January 2024, the Committee was advised that a plan will be submitted, on how to deliver future works, to the RAAC Silver meeting at the end of January 2024. In March 2024, the Committee requested that future reports focus on Health and Safety issues and concerns rather than on the financial consequences which are dealt with elsewhere.

- **Major Incident Plan:** In July 2023 the Major Incident Plan 2023-24 was received which had been subject to an annual review, to demonstrate compliance with the Civil Contingencies Act. There had been no significant change to content or the Health Board's approach to the response, however the review focused on debrief reports and inquiry recommendations to ensure lessons learnt have been incorporated and strengthening assessment and levels of response categorisation, both external and internal. The Committee noted the updates made to the Major Incident Plan and recommended the Major Incident Plan for onward ratification by the Board.
- **Lifting Operations and Lifting Equipment Regulations (LOLER) Update:** In July 2023 a report was received providing an update on the report submitted in March 2022. The report outlined that there had been improvement in this area, despite changes in resources. Compliance was currently at 94.2% across the Health Board, which was higher than the stated target of 90%. The Committee noted and took assurance from the processes in place in terms of compliance with LOLER.
- **Security Update:** During the year, the Committee was informed of, and discussed, security management across Health Board sites.

At its July 2023 meeting, the Committee was advised that progress was being made against the recommendations highlighted within the Security Management Review paper reported to the Committee on 6 March 2023. The corporate risk

assessment (1328) had been updated and resulted in the risk score increasing from 12 to 16 as whilst there had been some improvements, there remained some concerns were raised in respect of portering staff undertaking a security role and the pace of fully implementing the new CCTV system, and staff ID badges. The Committee requested a further update and action plan to be submitted to the next meeting to provide assurance on the areas raised. The Committee noted that work has progressed, however they were unable to take assurance at that time.

At its September 2023 meeting, a Committee Member reported that they had recently attended the Security Management Group meeting but had been frustrated with the slow progress being made against the recommendations highlighted within the Security Management Review. The Committee expressed concern regarding a deadline date of the end of February 2024, in the security action plan, for the completion of a new system being in place for ID badges. The Committee were informed that a Group had been established to manage this process as it involved multiple departments.

The Committee were concerned that some of the actions in the Security Plan were not moving forward enough. The Committee were also concerned with porters dealing with security incidents, and whether it was appropriate. The Committee were unable to take assurance that sufficient work has progressed and improvements had been made in relation to the security themes as detailed within the review report.

At its November 2023 meeting, the Committee was advised that the risk score on the corporate risk register item of security has been increased, primarily because it was felt that progress on the action plan was a little slower than hoped. The Committee were only able to note that 'some' work had progressed. From December 2023 onwards, security management updates were received at in-Committee meetings.

- **Mental Health 136 Suite Accommodation Update:** In September 2023 a report was introduced to the Committee providing findings from the review undertaken at the Health Board's 136 suite facilities located across the Mental Health and Learning Disability (MHL) Directorate. The review included a number of concerns raised by the HSE, and work has now been undertaken to address those concerns. There were other aspects that were of concern from an environmental perspective, which had led the MHL Directorate to revise and review the way in which 136 facilities are provided. The MHL team were working on immediate plans around those concerns. The details of those plans would be submitted to the MHL Directorate Business Planning and Performance Group at the end of September 2023.

The Committee raised concerns that this was not included on the risk register at the Mental Health Legislation Committee, and given 136 is a particular area of focus, there were no risks associated with the implementation. This issue would be raised with the MHL Directorate by the Assurance and Risk Team.

- **RIDDOR: 6-Month Update:** In November 2023 a six-monthly update was presented on the Reporting of Injuries, Diseases and Dangerous Occurrence Regulations (RIDDOR) 2013. An update report on RIDDOR will now be completed on a six-monthly basis. The next report was scheduled to be submitted to HSC in May 2024.
- **PREVENT and CONTEST Updates:** In November 2023 a report was introduced providing updates on the Counter Terrorism Strategy (CONTEST 2023) and PREVENT programme activity within the HDdUHB region.

One of the Members felt a recent PREVENT training course they recently attended was confusing, primarily because of the way in which the training was delivered. The course expected participants to be able to identify cases, which is difficult. Also, there were underlying racist issues to be considered.

The Committee suggested discussing PREVENT/CONTEST training at a future Board Seminar. The Board Secretary informed the Committee that agendas were full for the next few Board Seminars, however a separate discussion could be scheduled for this topic.

An update report on PREVENT and CONTEST would be completed on a six-monthly basis. The next report was scheduled to be submitted to HSC in May 2024.

- **Estates Maintenance Update: Deep Dive (Risk 1745):** In January 2024 a deep dive report into Risk 1745: *risk of not being able to safely deliver services due to ageing estate and infrastructure across the Health Board* was presented to the Committee. The Committee noted the update.
- **Estates Low Voltage (LV) Electricity Compliance Update:** In March 2024 a report was introduced providing an update on progress that had been made from the low voltage (LV) audit actions from September 2023.

The Committee felt that the report did not provide sufficient information on how the risks detailed within the report were being mitigated and requested it to be amended and brought to the next meeting. Furthermore, the table within the report did not provide assurance on actions implemented and those outstanding, the Committee requested this be fully updated and brought to the next meeting..

Health and Safety Regulations

- **Estates Low Voltage (LV) Electricity Compliance – Audit Tracker:** In September 2023 a report was received on the Electricity at Work Regulations 1989 which provided an update on the progress that has been made from the low voltage (LV) audit actions previously reported to the Committee in August 2022. Robust checks were in place, and fixed wire testing would be undertaken. Any areas deemed a high risk were scheduled for emergency repair work.
- **Working at Height Regulations:** In November 2023 a report on compliance of the Work at Height Regulations 2005 was received. Work had already taken place

on this regulation with the Health and Safety and Estates teams; however, this was accelerated following an incident at GGH. Following the Committee meeting, Union Safety Representatives would be invited to attend the Work at Height Working Group meetings.

- **Contractor Control Regulations:** In January 2024 a report was presented providing an update position on the arrangements and protocols in place for the management of Estates Contractors. The Committee took assurance from the policies and procedures currently implemented for contractor management and the areas of work planned and anticipated timelines demonstrating the robust management arrangements in place for the control of contractors.
- **Bariatric Compliance (Manual Handling Operations Regulations 1992):** In March 2024 a report was presented to provide assurance against a number of key Health and Safety regulations. The report concerned the Manual Handling Operations Regulations 1992 (MHOR), specifically in relation to people with higher body weights (historically known as bariatric patients). The Committee requested that a further update on this to be brought to the July 2024 Committee meeting.

Policies for Approval

During 2023/24, the Committee approved the following policies and procedures:

761 - Violent Patient Warning Marker Procedure
1155 - Critical Threat Level Procedure Framework
749 - Lockdown Policy
285 - Violence and Aggression Policy
1138 - Security Policy
145 - Electrical Safety Policy
273 - Manual Handling Policy
649 - Workplace Slips Trip and Falls Policy
770 - Medical Laser Safety Policy
1132 - Control of Vibration Policy
1198 - Safe Working at Height Policy
438 - Medical Gas Policy
382 - Estates Ventilation Policy
393 - Confined Space and Restricted Access Policy

During 2023/24, the Committee also approved extensions to the review dates of various health and safety policies.

Self-Assessment of HSC Committee Effectiveness Process

In line with Section 10.2.1 of Standing Orders, the Board is required to introduce a process of regular and rigorous self-assessment and evaluation of its own operations and performance and that of its Committees and Advisory Groups.

A refreshed approach to the Committee self-assessment process was developed in 2023 which was intended to be proportionate, achievable and add value to the organisation's governance capability.

On 20 November 2023 all Committee Members and attendees were sent a digital Self-Assessment Questionnaire for completion. Responses were collated, along with feedback captured through the preceding 12 months. The outcome report was presented to HSC on 04 March 2024.

Further information

Agenda, papers and minutes are available on the Health Board website.

Opinion

The Committee is of the opinion that the draft HSC Annual Report is consistent with its role as set out within the Terms of Reference and that there are no matters that the Committee is aware of at this time that have not been disclosed appropriately.



**Hywel Dda University
Health Board
Mental Health Legislation
Committee
Annual Report 2023/24**

Introduction

The Mental Health Legislation Committee (MHLC) has been established as a Committee of Hywel Dda University Health Board (HDdUHB) and constituted from 1st June 2015 to assure the Board that those functions of the Mental Health Act 1983, as amended and The Mental Health (Wales) Measure 2010 have been delegated to officers and staff are being carried out correctly; and that the wider operation of the 1983 Act and The Measure in relation to the UHB's area are operating properly.

This Annual Report outlines how the Mental Health Legislation Committee has complied with the duties set through its Terms of Reference, and identifies key actions to address developments.

During 2023/24, Mental Health Legislation Committee meetings was held on a quarterly basis. The Committee was quorate and met on a hybrid basis in person and virtually on the four occasions:

- 15 June 2023
- 7 September 2023
- 18 December 2023
- 26 March 2024

The purpose of the Mental Health Legislation Committee is to assure the Board on the following:

- Those functions of the Mental Health Act 1983, as amended, which have been delegated to officers and staff are being carried out correctly; and that the wider operation of the 1983 Act in relation to the UHB's area is operating properly;
- The provisions of the Mental Health (Wales) Measure 2010 are implemented and exercised reasonably, fairly and lawfully;
- The UHB's responsibilities as Hospital Managers are being discharged effectively and lawfully;
- The UHB is compliant with Mental Health Act, 1983 Code of Practice for the Mental Health (Wales) Measure 2010 Legislation;
- The Committee will also advise the Board of any areas of concern in relation to compliance with mental health legislation and agree issues to be escalated to the Board with recommendations for action.

Membership of the Mental Health Legislation Committee consists of Independent Members. The Vice Chair of the University Health Board (UHB) undertakes the role of Chair of the Committee given their specific responsibility for overseeing the Board's performance in relation to Mental Health Services. Membership of the Committee consists of two Independent Members.

In attendance, membership includes UHB manager representation, a wide range of partner organisations, including local authority, police, advocacy, user representation, carer representation, Welsh Ambulance Services NHS Trust and the Community Health Council. The Committee may also request the attendance of any other officers of the UHB as required.

Mr Andrew Carruthers, Director of Operations has been Executive Director for the meeting since December 2019.

Ms Eleanor Marks was welcomed as the new Chair of Mental Health Legislation Committee in March 2024.

Executive Summary

MHLC areas of Scrutiny 2023/24 have been varied. During 2023-24 the agenda has been categorised into four areas, which are:

- Governance
- Assurance
- Policies
- For Information

Agenda, papers and minutes are available on the Health Board website: [Mental Health Legislation Committee \(MHLC\)](#)

During 2023/24, the Committee received the following reports:

Governance:

Reports submitted to the Committee for review in June 2023 and was approved by Public Board in July 2023 included-

- Committee Annual Report 2022/23
- Committee Terms of Reference

Also presented to the Committee during 2023-24 were the Terms of Reference from the-

- Mental Health Legislation Scrutiny Group- approved at the December 2023 meeting.
- Power of Discharge Sub-committee- approved at the June 2023 meeting.

Additional Governance reports presented to Committee during 2023/24:

- The **Annual Work Plan 2024-2025** has become a standing agenda item for Committee. The Committee takes an annual work plan-based approach to the management of its work and reminds members and stakeholders at every meeting that they can influence this work plan at any time.
- The **Mental Health Legislation Committee (MHLC) Self-Assessment 2022/23 new process** was presented to Committee in December 2023. The aim of the new process is to be proportionate, achievable and to add value to the governance capability organisation. The self-assessment will reflect on the previous year's Committee meetings in order to illustrate to the Board the difference that the Committee has made. From the 15 January 2024, all Members and In Attendance Members received the new digital self-assessment form to complete within a period of two weeks. The outcome of the feedback on the self-assessment will be presented to Committee in June 2024.

The Committee has reported to the Public Board after each of the Mental Health Legislation Committee meetings by presenting a summary report of the key discussion items at the Mental Health Legislation Committee. The Chair of the Mental Health Legislation Committee presents the report.

During 2023-24, the Committee received the following reports:

Assurance:

The Mental Health Act Quarterly Report

The Mental Health Act Quarterly report is presented to Committee for discussion. The purpose of the paper is to present to the Mental Health Legislation Committee the quarterly Mental Health Performance Report in relation to statutory mental health legislation in Wales including The Mental Health Act (1983). The paper also includes assurance of other work carried out by the Mental Health and Learning Disabilities Directorate were related to mental health legislation.

The Committee considered use of the Mental Health Act during each quarterly meeting and found the use of the Act tended to fluctuate, sometimes quite significantly between each quarter.

Overall use of Section 5(2), doctors holding power, was the highest use since 2018. Use of Section 3, admission for treatment, was also higher with it being the second highest overall use in the last 10 years. Despite this the overall use of Section 2, admission for assessment, was relatively unremarkable and consistent with figures held over the last few years.

One theme that was referenced throughout the four reports on Mental Health Act performance was the increased use of the Mental Health Act within the general hospitals. The percentage of all Section 136 assessments whereby an A&E* setting (to include MIU at Prince Philip Hospital) was used as a place of safety for a mental health assessment. During 2021/2 approximately 8% of all S136s were assessed in an A&E * setting. During 2023/24 this percentage was closer to 35% on average and during quarter four 53% of all S136s were assessed in this area of the Health Board. When the Place of Safety is not in use then police officers take people to A&E departments for them to be assessed there. This increase was attributed to the Mental Health Place of Safety being used as an overflow bed because of increased demand for inpatient beds. However, a directive has been issued from the Director that the place of safety is not to be used as a surge bed.

There has been a steady decline in the use of Community Treatment Orders however, this figure appears to have now stabilised over the past three years.

Mental Health Legislation Scrutiny Group

The Mental Health Legislation Scrutiny Group is a Sub-Group of the Mental Health Legislation Committee (MHLC). The purpose of the report is to present the Mental Health Legislation Committee an update from the Mental Health Legislation Scrutiny Group on a quarterly basis.

The Mental Health (Wales) Measure 2010

The Mental Health (Wales) Measure 2010 is reported to Committee on a quarterly basis in order to provide assurance that activity is closely monitored, and that practice is compliant with Welsh Government's key performance indicators. This primary legislation was passed by the Welsh Government in 2010 and became operational during 2012. The intention of the legislation is to ensure that people are able to access appropriate mental health support services, receive care that is co-ordinated by a named person, enables direct access back to services following discharge and that the entitlement to independent mental health advocacy is available to all.

Power of Discharge Sub-committee

The Power of Discharge Sub-committee report provides the Mental Health Legislation Committee assurance in respect of the work that has been undertaken by the Power of Discharge Sub-Committee during the quarter. The Power of Discharge Sub-committee that those functions of the Mental Health Act 1983 (the Act), as amended are being carried out correctly; and that the wider operation of the 1983 Act in relation to the Local Health Board's area is operating properly.

Risk Register

The Mental Health Legislation Committee (MHLC) is responsible for providing assurance to the Board that risks aligned to the Committee are being identified, assessed and managed effectively.

The Committee is asked to seek assurance from Lead Officers/representatives of the Mental Health and Learning Disabilities (MHLD) Directorate that the operational risks identified in the attached reports are being managed effectively.

Operational risks must be managed within Directorates under the ownership and leadership of individual Executive Directors, who must establish local arrangements for the review of their Risk Registers, which includes the validation of the information and risk scores, and the prioritisation and identification of solutions to their risks. In addition to these local arrangements, formal monitoring and scrutiny processes are in place within Hywel Dda University Health Board (HDdUHB) to provide assurance to the Board that risks are being managed effectively.

All risks identified within the Datix Risk Module must be assigned to a formal Board Committee, Sub-Committee or Group (Mental Health Legislation Scrutiny Group) which will be responsible for securing assurance that risks within their remit are being managed effectively.

Management Leads are asked to review risk assessments and risk actions in line with the following timescales for review:

RISK SCORE	DEFINITION	MINIMUM REVIEW FREQUENCY
15-25	Extreme	This type of risk is considered extreme and should be reviewed and progress on actions updated at least monthly.

8-12	High	This type of risk is considered high and should be reviewed and progress on actions updated at least bi-monthly.
4-6	Moderate	This type of risk is considered moderate and should be reviewed and progress on actions updated at least every six months.
1-3	Low	This type of risk is considered low risk and should be reviewed and progress on actions updated at least annually.

During the December 2023 Mental Health Legislation Committee the following risk was raised:

Risk Reference & Title	Date risk identified	Lead Director	Current risk score	Rationale for the Current Risk Score (extracted from Datix)	Target Risk Score
<p>1752 - There is a risk of due to the 136 suite for young people in Morlais ward being been identified as unsuitable, due to environmental safety concerns that cannot be fully mitigated.</p> <p>This is caused by the physical location of the 136 facility on the ward, space used and lack of adjoining private bathroom facilities.</p>	26/09/23	Director of Operations	5x2=10	<p>The current risk associated with points of ligatures substantially mitigated by staff presence and supervision.</p> <p>However, the risk associated with the patients privacy and dignity cannot be fully mitigated by this without relocation of the 136 suite to another area of the ward.</p> <p>The risk is mitigated as all children and young people assessed or admitted to the inpatient units are placed on a one to one.</p>	2x1=2

<p>This will lead to an impact/affect on the safety, privacy and dignity of young people who utilise the 136 suite being compromised</p> <p>Risk location, Glangwili General Hospital.</p>					
--	--	--	--	--	--

During the March 2024 Mental Health Legislation Committee the following risk was raised:

Risk Reference & Title	Date risk identified	Lead Director	Current risk score	Rationale for the Current Risk Score (extracted from Datix)	Target Risk Score
1781 - Risk of being unable to provide a Community Place of Safety (CPOS) to individuals detained under Section 136 in Ceredigion count	28/11/23	Director of Operations	<p>2x3=6</p> <p>(Reviewed 27/12/23)</p>	<p>Likelihood score given is 3 as it is always possible that an individual in Ceredigion will need to be detained on a Section 136. The current Impact score given is 2 as minor intervention is sometimes required (i.e. moving an individual to a different county) with an increased length of time in care/delay in assessment being undertaken.</p> <p>The risk of having no facility in Ceredigion is outweighed by the fact that the facility was unfit</p>	2x2=4

				for purpose and a much higher risk in itself.	
--	--	--	--	---	--

Policies:

The listed policies presented to MHLC during 2023-24 were up for their three-year review. All policies followed their governance process ahead of being approved by Committee.

- Section 5 (4) Nurses Holding Power Policy was approved at the June 2023 Committee meeting.
- The Provision and Access to the Independent Mental Health Advocacy (IMHA Service) Policy was approved at the June 2023 Committee meeting.
- 625 Community Treatment Order Policy was approved at the September 2023 Committee meeting.
- Section 5 (2) Dr Holding Policy was approved at the December 2023 Committee meeting.
- Community Treatment Order Policy was approved at the December 2023 Committee meeting.
- Hospital Manager Scheme of Delegation Policy was approved at the March 2024 Committee meeting.

For Information:

The following items was presented at the Mental Health Legislation Committee through 2023/24 for information:

- Schedule of Meetings 2023-2024
- Annual Work Plan 2023-2024
- Right Care Right Person
- Healthcare Inspectorate Wales (HIW) Annual Report 2022-2023
- Mental Health Standards of Care (Wales) Bill

Opinion:

The Committee is of the opinion that the draft Mental Health Legislation Committee report 2023-24 is consistent with its role as set out within the Terms of Reference and that there are no matters that the Committee is aware of at this time that have not been disclosed appropriately.

ELEANOR MARKS
Mental Health Legislation Committee Chair

IWAN Thomas
Mental Health Legislation Committee Vice-Chair

Hywel Dda University
Health Board
People, Organisational
Development and Culture
Committee
Annual Report 2023/24

Introduction

The People, Organisational Development & Culture Committee (PODCC) Annual Report provides assurances in respect of the work that has been undertaken by the Committee during 2023/24 and outlines the main achievements that have contributed to robust integrated governance across the Health Board (UHB). Six meetings took place during 2023/24 all of which were quorate:

- 3 April 2023
- 19 June 2023
- 17 August 2023
- 10 October 2023
- 11 December 2023
- 15 February 2024

The PODCC is required to oversee and monitor the people, organisational development and culture agenda for the Health Board and, in respect of its provision of advice to the Board, ensure the implementation of the people, organisational development and culture agenda.

Chair Executive Summary

It is the work of this Committee to oversee and monitor the organisation in the way it implements the planned objectives for this committee. The key issue facing the organisation is recruitment and retention of Staff. Despite the immense pressures, the team has worked hard to implement a series of measures to maintain services and creating new opportunities for the local community to work for the organisation (e.g. Healthcare apprenticeships programme).

The annual report details the activities and measures undertaken to give confidence to the Board of the appropriateness of actions taken. We recognise that much more needs to be done in terms of aligning and supporting the work of this committee with other committees.

The Committee focusses on five key aspects: Governance, People, Culture, Performance & planning. These key aspects bring to life the complexity of managing its people who are at the heart of delivering vital services to the community it serves. We have received individual first-hand experiences and reports by staff of how the organisation is supporting them in their employment journey (e.g. Staff retention- Why I stayed). We recognise their commitment and dedication to the work they do despite the numerous challenges and should be commended for their resilience and perseverance.

We established the strategic people planning and education group in November 2023 to look at education and development in broader terms with the aim of strengthening relationships across all disciplines.

All work that is mandated nationally has been locally embedded and we ensured that all matters raised by Welsh Government under the 'enhanced monitoring' process were included within the Committee's business cycle.

The Committee will continue to build its focus upon impact and outcomes as identified at the recently held post committee independent member reflective session. Given the scale of challenges facing the organisation, we acknowledge that the Committee is a work in progress and that changes will inevitably occur.

Reporting

During 2023/24, the following reports were received:

Governance

- **Annual Review of PODCC Terms of Reference:** The Terms of Reference (TOR) were reviewed and recently approved by Board on 28 March 2024.
- **Corporate Risk Report:** Reports were received in the April, June and October 2023 meetings. Members noted that the Strategic Workforce Planning & Transformation team are deep diving into all elements of the workforce to ensure the level of risk is accurately reflected.

In June 2023 Risk 1406 *Risk of insufficient skilled workforce to deliver services outlined in Annual Plan 22/23 & deliver UHB strategic vision by 2030* was closed and replaced with a new risk, Risk 1649 *Risk of insufficient skilled workforce to deliver services outlined in the Annual Plan 23/24 and deliver UHB strategic vision by 2030*. The risk score at the time of the meeting remained high at 16 with a target score of 12 to reach.

- **Operational Risk Report:** At the August 2023 meeting reports were received informing the Committee of the highest operational risks from the Health Board risk register assigned to the Committee along with the mitigating actions being taken to balance risks. The Committee noted that *Risk 1669 'Recruitment Pre-employment checks'* has been added to the risk register.
- **Monitoring of Welsh Health Circulars:** At the February 2024 meeting a report was received providing an update on progress in relation to the implementation of Welsh Health Circulars.

Circular 046-23 'All-Wales Control Framework for Flexible Workforce Capacity' was received on 13 December 2023 with a submission date of January 2024. Submissions were completed on time, and regular reporting will now take place.

No other Welsh Health Circulars aligned to PODCC were received during 2023/24. Reports on the monitoring of Welsh Health Circulars have been scheduled to be submitted to PODCC on a bi-annual basis during 2024/25.

People

- **Performance Appraisal Development Review (PADR) Report:** At the April 2023 meeting a report was received which outlined the progression made through work undertaken by the Workforce and Organisational Development team and highlighted the challenges experienced in maintaining the compliance rate. The Committee noted that PADR compliance had increased by 6% across the Health Board. A further update report would be submitted to the April 2024

PODCC meeting.

- **GP Physicians Associate Report:** At the April 2023 meeting a report was received which outlined work undertaken as part of the GP Physician Associate (PA) Development Programme, as well as an update on the recruitment of GP PAs into Health Board Managed Practices.

At the February 2024 meeting Members noted that progress has been slower than anticipated due to the COVID-19 pandemic and challenges in recruitment, however, the substantive appointment of the Development Manager had taken place. The update also outlined that there has been limited interest from other Clusters in seeking to fund further posts into the programme. The first cohort was expected to complete the programme in March 2024, although at the time of the report there was no confirmed contracts of employment for the GP-PA to take up a substantive role in a GP Practice in North Ceredigion.

Following a request by Members, PAs will now be included under the Strategic People Planning and Education Group (SPPEG) Task and Finish Group for Medical Associated Professionals of which an action plan is in development. This will be fed back into SPPEG.

- **Band 4 Training for Therapies Practitioners:** At the April 2023 meeting a report was received which provided an update on the development and delivery of the Education Programme. The Committee received assurance that the education underpinning practice was progressing well as the first cohort of Band 4 Therapies Assistant Practitioners approach the end of the programme from the University of Wales Trinity St David (UWTSD). The programme included physiotherapy, occupational therapy, nutrition and dietetics, speech and language therapy and podiatry. In 2024 the Health Board will support up to 20 candidates on the Diploma course with a further 15 candidates from other health boards in Wales.
- **Hywel Dda University Health Board (HDdUHB) Community Nursing Services Annual Report 2021/22:** At the April 2023 meeting a report was received which provided a summary of activities during 2021/22 and highlighted the significant amount of work undertaken, by the various teams, to deliver services in the community, in hospitals, walk-in and urgent care centres.
- **Withybush Hospital Medical Staff Update Report:** At the April 2023 meeting, a report was received which outlined concerns raised by senior doctors at Withybush Hospital (WGH). A number of concerns were raised including visibility and communication with their management teams, autonomy of local decision-making, theatre utilisation and also the future of service configuration at WGH. The Committee noted that five workstreams had been established to address these concerns.
- **Transforming Staff Feedback into Positive Change Progress Report; with Integrated Action Plan/Staff Wellbeing Plan Update:** At the June 2023 meeting a report was received detailing the programme of culture change adopted by the Health Board. Organisation Development Relationship Managers (ORDM) and the Workforce and Organisational Development (WOD) team worked across all service areas to develop People Culture Plans. Two major staff surveys were conducted in 2023 regarding health and wellbeing. Following

a request from Members, discussions within the Workforce teams took place after the meeting regarding potential collaboration between the Enabling Quality Improvement in Practice (EQIIP) programme and designing wellbeing into working practices, and a focus on sickness prevention.

- **Medical Staff Recruitment Audit Update:** At the June 2023 meeting an update was received on progress with the medical staff recruitment audit. Members received assurance that all the recommendations and management responses within the Management Action plan had been completed and closed.
- **Staff Value and Appreciation:** At the June 2023 meeting a report was received providing an overview of the progression of the staff value and appreciation programme approved in June 2022. Members noted the continued direction of travel and took assurance from the cultural shift and progress.
- **Job Planning:** At the June 2023 meeting a report was received providing an overview of the outcome of the internal audit to review arrangements across the Health Board for management of the systems and controls in place for consultant job planning, and its subsequent recommendations. The audit concluded 'Limited assurance' overall. In response to the audit recommendations, an action plan was developed collaboratively between key medical, operational and Workforce and Operational Development stakeholders.
- **Workforce Effectiveness (Agency Costings):** At the June 2023 meeting a report was received providing an update on the Nurse Stabilisation Programme for each site. The Committee noted that there had been a reduction in the use of temporary staffing in Glangwili Hospital (GGH) however an adverse effect was the increase in fill rates in WGH and BGH which impacted on cost savings ability. An updated report on agency costings would be submitted to the April 2024 PODCC meeting.
- **Working in Confidence Platform:** At the June 2023 meeting a report was received outlining the progression of the 'Work In Confidence' platform which was implemented to support 'speaking up safely' within the organisation. It has since been agreed that the 'Speak UP Safety Working Group' 6 monthly reports would be submitted to PODCC. The next report is scheduled for submission in June 2024.
- **Evaluation of Enhanced Pay:** At the June 2023 meeting a report was received providing an evaluation of the enhanced rate available over the Christmas/New Year Holiday period 2022/23. Whilst two schemes were approved, only one was utilised. The Committee noted the content of the report, however, they felt that the success of the schemes was uncertain.
- **Educational Initiatives Uptake:** At the June 2023 meeting, as directed by the Board, a report was received providing assurance on the existing and planned activities for the forthcoming year. The Committee noted the breadth of educational programmes being offered.
- **Counter Fraud Annual Report 2022/23: Compliance with Mandatory Training:** At the August 2023 meeting a report was received providing assurance to the Committee that compliance in this area was improving and

actions were in place to further improve compliance.

- **Evaluation of Making a Difference Customer Care Programme:** At the October 2023 meeting a report was received providing an evaluation of the 'Making a Difference Programme'. The programme was a previous planning objective to create a training programme to build excellent customer service for all staff in public and patient facing roles. A member of the Committee had visited GGH to promote the 'Making a Difference Programme' and saw that the programme had made a great difference in areas where teams identified challenges in communication.
- **Training Accommodation Update:** At the October 2023 meeting a report was received outlining the current position in relation to training accommodation, and the impact the current space has on the capacity to deliver training to meet demand. It was also highlighted that there were concerns with suitable accommodation for training such as manual handling, which requires large pieces of equipment to be moved.
- **GP Trainees Report:** At the December 2023 meeting a report was received outlining the findings of a survey run by the Primary Care Directorate to investigate whether the GPs Registrars qualifying in the HDdUHB area continued working in the area after completion of training. It was noted GP numbers in Wales have fallen by 15% in the last 10 years. There has been difficulty in recruiting within some of the Health Board areas, particularly Ceredigion and Pembrokeshire. Following a request by the Committee to look at publicising good news stories on trainee GPs who live and work in West Wales, the Communications team are working with primary care colleagues to identify GP stories.
- **Discovery Report and Action Plan:** At the February 2024 meeting a report was received providing an update on the staff Discovery report and action plan. This was the second staff Discovery report, with the first completed in June 2021 to capture staff's experiences of working during the pandemic. This report focussed on staff retention issues. An action plan has been formed including milestones, with progress on delivering these actions and will be included within the cultural progress update report submitted to PODCC annually.
- **Apprenticeships Update:** At the February 2024 meeting a report was received providing an update on the healthcare apprenticeships programme. The Committee noted that 78% of Healthcare Apprentices said that they would not have gone into nursing without the apprenticeship scheme. The Committee was informed that the apprenticeships programme would form part of the SPPEG workplan.

Following the meeting, an evaluation into the effectiveness of the apprenticeship programme was presented to SPPEG, and added to the workplan for SPPEG for an updated paper demonstrating progress to be produced for the August 2024 SPPEG meeting.

Culture

- **Welsh Language Annual Report 2022/23:** At the June 2023 meeting a report was received providing an insight into how the Health Board implemented and promoted the Welsh Language Standards over the previous year. Following the meeting the annual report was amended in line with a number of comments /suggestions made by the Committee. The amended Welsh Language Annual Report 2022/23 was submitted to the October 2023 PODCC meeting. The Welsh Language Annual Report 2023/24 is scheduled for submission to PODCC in June 2024.
- **Welsh Language and Culture Discovery Report:** At the June 2023 meeting a report and initial Welsh language plan was received outlining the findings of the discovery process and set out the initial development steps for a Welsh language and culture plan. An updated Welsh Language and Culture Discovery Report is scheduled for submission to PODCC in June 2024.
- **Bilingual Skills Policy Compliance Report:** At the August 2023 meeting a report was received providing an update on the progress of implementing the Bilingual Skills Policy, which was approved in September 2021. The low sign up of Welsh language courses was highlighted.
- **LGBTQ Plus Action Plan and Stonewall Assessment Update:** At the June 2023 meeting a report was received providing an overview of the requirements placed upon HDdUHB within the WG Action Plan how the local actions were being taken forward to advance this work. The Health Board has continued to work towards fulfilling its role as a Stonewall Diversity Champion, making improvements as an employer in its ranking on the Workforce Equality Index (WEI).

It was noted that in the 2022-23 Stonewall Assessment, the Health Board scored 82 out of 200 and was ranked 105th place on the index. Up from a score of 62.5 and 194th place the previous year. The Committee discussed high profile issues surrounding Stonewall's position on the trans community and queried that if other organisations have left Stonewall's Diversity Champions Programme due to this, whether the Health Board should consider its position going forward.

- **Strategic Equality Plan (SEP) Annual Report (Including Workforce Equality and Pay Gap Reports):** At the August 2023 meeting the Strategic Equality Plan (SEP) Annual Report 2022-23 was received which was a consolidated report which brought together all reporting requirements established under the Equality Act 2010 prior to its submission to Board for approval and publication. The Public Sector Equality Duty Wales requires that the Health Board produces an annual report by 31 March each year for the preceding year which details the progress made against the Health Board's SEP and objectives. 2023 was the final year of SEP objectives.
- **Strategic Equality Plan and Objectives 2024-2028:** At the February 2024 meeting a Strategic Equality Plan (SEP) and Objectives for HDdUHB which had been reviewed and revised in line with the Public Sector Equality Duty (PSED) and as a requirement of the Equality Act (2010). The SEP and Objectives for the period 1 April 2024–31 March 2028 have been developed following consultation

and engagement with the public and staff and builds on previous equality objectives. A mid-point review of the plan would take place in 2026.

Performance

- **Performance Assurance and Workforce Metrics - Integrated Performance Assurance Report (IPAR):** Meetings reports were received providing assurance of delivery against national delivery framework targets.

In June 2023 it was reported that there had been a 1.7% reduction in sickness absences since December 2022.

In August 2023 it was reported that staff turnover had reduced by 1.6% for all staff groups, and that 43% of retired staff chose to return to the Health Board. There had been an increase of 11.3% in staff PADR completion.

In October 2023 it was reported that the Workforce Team were undertaking case management and review meetings when staff have been on sickness absence for four weeks and analysing any patterns or trends. The team had also learned about disabilities and reasonable adjustments to enable staff to return to work. The Committee were advised that a sickness absence plan was being produced.

In December 2023 it was reported that there had been a 28% reduction in the number of Allied Health Professional (AHP)/ Healthcare Staffing Solutions (HSS) agency workers engaged with the Health Board since April 2023. The rolling 12 months sickness remained static at approximately 6.2%. There had been an increase in October from September, however, November's figures show a decrease compared to October in the response rates to staff surveys.

In February 2024 the report highlighted an increase in headcount, reduction in turnover, and a reduction in sickness absence from 2022. Consideration would be given into using the same statistical process control (SPC) charts approach used in Board to understand trends.

- **Performance Assurance and Workforce Metrics (Planning Objective PO1a):** At the April 2023 meeting a deep dive report was received providing an in-depth update on Planning Objective 1a. The report provided assurance against delivery on the new targets and indicated that staff engagement had increased, sickness had reduced compared to the same period in the previous year, and an increase in training which has achieved its target of 85.1%.
- **Industrial Action: Feedback and Learning:** At the June 2023 meeting a report was received providing an overview of the strategic approach to planning for notified days of industrial action between December 2022 and February 2023. A de-brief session took place in March 2023 with managers and services previously impacted, to inform our future approach to managing services and minimising the impact on service delivery to our community during periods of industrial action.
- **Health Education and Improvement Wales (HEIW): Quality Assurance Process:** At the June 2023 meeting a report was received providing an update

on the HEIW quality assurance processes which monitor and report on the quality of medical education & training across HDdUHB.

The General Medical Council (GMC) run the annual National Training Survey (NTS) to gain a deeper understanding of the experiences of the health board's trainees and trainers. The survey is an integral part of the GMC's work to monitor and report on the quality of medical education and training.

Issues had been identified in Surgery in BGH and GGH. A programme of events was arranged to support that. At the time of the report there were 19 risks on the HEIW risk register, 16 of these risks related to the experience of trainees and 3 related to trainer experiences. Members received assurance that follow up visits were arranged for departments at risk.

- **HEIW Quality Assurance Visit – Revalidation and Appraisal:** At the October 2023 meeting a report was received providing an overview of the Revalidation Quality Review and appraisal feedback surveys. On 14 July 2023 HEIW returned to HDdUHB to carry out a Revalidation Quality Review, which will form part of a cycle of quality assurance visits across Health Boards and non-NHS Designated Bodies in Wales. During the visit it was commented how well the structural support was in place for the Responsible Officer and the training that has been provided to Service Delivery Managers. A recommendation from the review was to identify a new Independent Member (IM) to sit on the Responsible Officer Advisory Group. The possibility of a Lay Member was being considered if it was not possible to find an IM with capacity to undertake the role.

Planning

- **Planning Objectives Update Report:** At the April, June and October 2023, and February 2024 meetings, updates were provided demonstrating the progress made in delivering planning objectives aligned to PODCC for 2023/24. Areas to note included:

In April 2023 it was reported that three planning objectives (POs) were behind schedule, however, the Committee received assurance with regard to the actions being taken:

- PO2I: To embed and sustain a family liaison service in appropriate inpatient and clinical settings.
- PO1I: Arts in Health
- PO 3G: Welsh Language and Culture Discovery

The Committee also noted the draft planning objectives for 2023/24, particularly those aligned to PODCC.

In June 2023 it was reported that for 2023/24, 10 POs were aligned to PODCC. All Planning Objectives were expected to develop a Plan on a Page intended to ensure a clear delivery/development process for the year. For the POs for 2022/23, a Closure Report was presented to Board on 25 May 2023.

In October 2023 it was reported that a revised set of POs have now been incorporated into HDdUHB's plan for 2023/24, with 8 POs aligned to PODCC. In response to deteriorating financial conditions and mounting operational strains, the Executive Team undertook an evaluation of the POs for 2023/24. POs were identified as Prioritised, Business as Usual, Slow or Paused, as per table below.

1a Develop an attraction and recruitment plan	Prioritised
1b Develop career progression opportunities	Slow
2a Engage with and listen to our people	Slow
2b Continue to strive to be an employer of choice	Slow
2c Develop and maintain an overarching workforce, OD and partnerships plan	Slow
5b Research and Innovation	Business as usual
6c Continuous Engagement	Paused
8d Welsh Language and Culture	Slow

In February 2024 updates were provided on the current status of the POs, identifying whether each PO aligned to PODCC was completed or on track. A closure report for the POs is scheduled for submission at the April 2024 PODCC meeting.

- Armed Forces Annual Update (Planning Objective 4I):** At the June 2023 meeting a report was received providing an annual update on PO4I “By March 2023, further develop the Health Board plan to drive forward improved outcomes for Veterans and members of the Armed Forces community, in relation to NHS priority treatment guidance and recruitment strategies, and report on progress annually”. Work had been undertaken on a number of areas.
- Career Progression (Planning Objective 1b):** At the October 2023 meeting an initial scoping document was submitted to the Committee, to form a discussion within the SPPEG, which would lead to the creation of an action plan. It was noted that there was a potential link with equality, and particularly the gender pay gap.
- Welsh Language and Culture (Planning Objective 8d):** At the October 2023 meeting, a deep dive report was received providing an in-depth update on PO8d. Members noted that the establishment of a steering group had been delayed, however discussions took place following the meeting and it was agreed that a separate group was no longer required.
- Research and Innovation (Planning Objective 5b):** At the December 2023 meeting, a deep dive report was received providing an in-depth update on PO5b. The aim of the Planning objective was to deliver priority actions associated with the third year of the Research and Innovation (R&I) Strategy (2021-2024) and associated TriTech Business Plan. Eight priority actions were agreed for 2023/24. The deep dive outlined key achievements by R&I and outlined the next steps.
- Recruitment Plan (Planning Objective 1a):** At the February 2024 meeting a deep dive report was received providing an in-depth update on PO5b. It was noted that the number of people retiring and returning (45%) was good for the workforce, however it was queried how sustainable this was. The Committee requested that the report makes a distinction between staff leaving the health board and those changing roles within the organisation, in order to better understand the talent movement.

- **Tritech Business Plan Update:** At the August 2023 meeting a report was received outlining the current performance against the 12 Key Performance Indicators (KPIs) (key targets that Trittech should achieve and could be monitored against) contained within the agreed TriTech Institute five-year Business Plan. Feedback from the Committee would be taken into account when reviewing the report.
- **Workforce Planning – All Wales Workforce Plans and Alignment to Local Approaches:** At the October 2023 meeting a report was received outlining the approach being taken to undertake and align national, regional, and local workforce planning approaches and priorities. The Committee discussed how national focus is often given on urban areas and does not always consider rural sites across Wales. The need to include rural workforce requirements within its national overview, was be raised with the Executive Director at HEIW responsible for workforce planning, following the meeting. This was noted and would be conveyed to the team.
- **Workforce Planning:** At the December 2023 meeting a report was received providing an overview of the approach being taken to create a comprehensive and coherent workforce plan. The report built on work undertaken within the previous report, including focusing on the levels of risks, and provided information on how the Workforce team were reviewing operational areas in order to join the top down and bottom-up approaches. Considerable work was undertaken during the previous 18 months, however there is more work to be done in the next 12 months, moving into the next phase, in how the Health Board sustains its demand skills capacity within health visiting into the future. Further updates on workforce planning are scheduled for submission to PODCC intermittently throughout 2024/05.

Policies/ Contractual and Legislative Changes

- **Employee Relations Activity Report:** At the April 2023 meeting a report was received providing an overview of employee relations activity as at 31 December 2022 including an update around the casework of the workforce team, an update on policy scope retrospectively and for the future and progress to date and, as requested by the Board, enhanced information on suspensions, restrictions of practice and employment tribunal claims. The Committee noted that overall, cases were high but were being progressed, with an action plan in place with robust checklists to enable quick resolution.
- **Contractual and Legislative Changes Reports:** At the December 2023 meeting an annual report was presented which provided an overview of the contractual and legislative changes that may impact the workforce and the Health Board's approach to people management, policies, procedures and terms and conditions of employment. There was a discussion on the Government's recent announcement on immigration changes. It was clarified that there is an exemption within the NHS, therefore staff will continue to be able to bring family members to the UK. A review would take place into whether the changes would affect HDdUHB staff and is scheduled for submission to PODCC in April 2024.

- **Policies:** During 2023/24, the Committee approved the following policies:

- Registration of Health Professionals Policy
- Re-evaluation of Pay Band Policy
- Starting Salaries Policy
- Volunteers Policy
- Supporting Transgender Staff Policy
- Retirement Policy
- Flexi Time Policy
- Work Life Balance (WLB) Flexible Working Policy
- Dress Code and Uniform Policy
- Staff Immunisation and Screening Policy
- Developing New Clinical Roles Policy
- Time Off for Medical and Dental Appointments Policy
- Domestic Abuse and Sexual Violence Workplace Policy
- Study Leave for Medical & Dental Staff Policy
- Bilingual Skills Policy
- Carers Policy
- Ethical Employment Policy
- Interpretation and Translation Policy

During 2023/24, the Committee also approved extensions to the review dates of various employment policies, and the closure of a number of policies.

Outcome of Advisory Appointments Committee

During 2023-24 the Committee approved a number of appointments via the Advisory Appointment Committee (AAC).

Staff Stories

During 2023/24 the Committee received several presentations which focussed on the personal experiences of staff in relation to each topic. These included:

Managing Performance: A podcast was presented regarding 'Managing Performance', relaying the experience of staff members who had attended the PADR workshop and pathway which positively supports the PADR update report.

Experience and Impact of Participation in Staff Networks: A video was presented outlining the staff networks available within the Health Board. Following a request from the Committee, questions on why staff chose to stay within the Health Board were added to the interview template as part of discovery process.

Staff Retention - Why I Stayed: A video was presented where a member of staff nearing retirement shared her positive experience of working within the Health Board over many years and why she continued to work rather than retire at an earlier age. The Committee suggested looking into methods, such as events, to showcase positive staff stories. Following the meeting a proposal for an event to showcase positive stories of staff working in all areas of the health board, was being developed for Spring 2024.

Apprenticeships In HDdUHB: A video was shared with the Committee introducing several apprentices within the Health Board. This was an extract from a fuller video shown at the recent Annual General Meeting. Feedback from apprentices has been very positive and includes gratitude on being welcomed by the Health Board and

their individual teams, support during the COVID period, support to study and support with any personal issues. It was highlighted that the apprentices are local people who have now gained employment and careers, and also the importance of highlighting that the Health Board offers a variety of careers not only nursing (for example, electricians).

Workforce Planning: The Interim Assistant Director of Public Health presented a staff story on her insights in working with the Workforce Planning team over the last 2 years in relation to the health visiting report, and her reflections on using the Workforce Regeneration Framework.

Physicians Associates in Primary Care: The Physician Associate Development Manager fed back to the Committee a success story of a Physicians Associates (PAs) within primary care.

Sub Committee/Groups

Research and Innovation Sub-Committee:

Governance

- The Research and Innovation Sub-Committee (R&ISC) reported to PODCC during 2023/24.
- At the April 2023 meeting the R&ISC TOR were approved.
- The R&ISC Annual Report 2022/23 was submitted to the April 2023 meeting, detailing activities over the year, and highlighted the research leadership activities for which job plans to support individuals' long-term research portfolios would be provided. Members noted the continued concern over BGH and WGH research facilities and biobank decommissioning.

Research and Development (R&D) Framework

- At the August and October 2023 meetings the R&D Framework Update was introduced and later revised. Health Care Research Wales launched a new Research and Development Framework which would be used as a self-assessment tool to facilitate discussions at their Annual Review.
- During the self-assessment process some areas were identified for improvement, including improving public engagement with research strategy, and strengthening how research and development features within appraisal processes. More meaningful public engagement would be sought ahead of the next Research and Innovation Strategy.

R&ISC Update Reports

Reports providing updates on from R&ISC meetings and general R&I work were submitted to each PODCC during 2023/24. The key points raised were:

April 2023:

- The R&ISC met 13 March 2023, and also previously met on 02 February 2023 to consider the findings from a review of the research biobank.
- A new sub-group of the R&ISC, was formed by the amalgamation of the current Research Quality Management Group and Sponsor Review Group, and approved by the R&D Senior Management Team on 20 February 2023.

June 2023:

- The R&ISC had not met since the last PODCC meeting as it is scheduled on a quarterly basis, therefore the purpose of this report is to provide an update on R&D, TriTech & Innovation, and University Partnership activities as well as Governance, and the financial position.
- Research facility issues in BGH were near being resolved.
- A clear plan had been outlined for resolving the facility issues in WGH.
- Research and Innovation and TriTech were in a good financial position with WG.
- The 2022/2023 end of year Health Care Research Wales (HCRW) data on performance shows that Closed Studies Recruiting to Time & Target was at 87%.

August 2023:

- The R&ISC met on 10 July 2023.
- A request had been made to HCRW for additional funding of 4%, however they were unable to support the development of the research activity due to financial pressures.
- Work to obtain clinical research facilities in WGH was on hold due to a major incident alert at the hospital.

October 2023:

- The R&ISC met on 11 September 2023.
- Research and development activities in WGH had been impacted due to the current Reinforced Autoclaved Aerated Concrete (RAAC) works.
- HCRW had cut funding by 4% which could potentially impact fixed-term posts during 2024/25.
- The Human Tissue Authority (HTA) licence for Biobank had been revoked.
- R&D, and TriTech and Innovation Divisions continued to explore the potential of relocating from Dura Park to the Pentre Awel scheme.
- Final payment for the Nurokor project remains outstanding. R&D Finance partners continue to work with the Debt Recovery Team to resolve.
- TriTech Key Performance Indicator (KPI) Tracker is being reviewed and re-framed to ensure clarity around each KPI. This was presented to R&ISC in December 2023 and PODCC in February 2024.

December 2023:

- The R&ISC had not routinely met since the last PODCC meeting as it is scheduled on a quarterly basis, therefore the purpose of this report is to provide an update on R&D, TriTech & Innovation, and University Partnership activities as well as Governance, and the financial position.
- An Extra-ordinary R&ISC meeting was held on 6 November 2023, to discuss TriTech expansion and Social Innovation.
- It was expected that the research facilities within WGH would be ready by June 2024.
- The 4% cut in funding from HCRW received this year, may be extended to an additional 4% or 5% cut in 2024/25, which may mean Research and Development will need to review its current workforce.
- Work continued on seeking to move R&D and the Trittech and Innovation teams to new accommodation in Pentre Awel, Llanelli.
- Final payment for the Nurokor project remained outstanding. R&D Finance partners continue to work with the Debt Recovery Team.

February 2024:

- The R&ISC met on 11 December 2023.
- Positive feedback was received from WG following a recent review.
- The process has begun to produce the next R&I Strategy. The next 3-5 years will be continuing the growth achieved during 2021-24.

University Partnerships Update Reports

- At the June and October 2023 meeting reports were received providing updates on University Partnership activity progress and provide an overview of the 2023/24 plan for each partner organisation.
- In June 2023 the priorities for partner universities, confirmed by appropriate leaders in each, for 2023/24 were set out.
- In October 2023 updates were provided on the three priorities which had been set with each university.

Strategic People Planning and Education Group:

Governance

- The Strategic People Planning and Education Group (SPPEG) reported to PODCC during 2023/24.
- At the October 2023 meeting the SPPEG TOR were approved.

SPPEG Update Reports

- A report providing an update on from the SPPEG meeting was submitted to PODCC in February 2024. The key information raised was:
 - SPPEG met for the first time on the 27 of November 2023.
 - The Group had begun to look at education and development in broader terms with the aim of strengthening relationships.

Black, Asian and Minority Ethnic Advisory Group:

Governance

- The Black, Asian and Minority Ethnic (BAME) Advisory Group reported to PODCC during 2023/24.
- At the August 2023 meeting the BAME TOR were approved.

BAME Advisory Group Update Reports

- Reports providing updates on from BAME Advisory Group meetings were submitted to PODCC in June and December 2023. The key information raised was:

June 2023

- Following WG's introduction of an Anti-racist Wales Action Plan, it was agreed that the BAME Advisory Group would have oversight of the work undertaken to meet the requirements of the Anti-racist Wales Action Plan.
- Following review by a Task and Finish Group it was identified that a Workplace Buddy scheme would be beneficial for all new members of staff.
- The Bullying and Harassment Task and Finish Group met in June 2023 to commence a review of progress against actions and to consider whether any new actions need to be incorporated.
- Members noted that attendance at a recent BAME event was low and staff seemed reluctant to speak up.

August 2023

- The Chair of the BAME Advisory Group, led a task and finish group drawing membership from staff with lived experience as well as colleagues from corporate teams who met on 21 June 2023 to develop the Health Board's ambition and additional local actions. The group agreed that the local action plan will focus on one key area of the enabling goals for 2023/24, namely Workforce experience with regard to career progression.

December 2023

- Independent Member Winston Weir replaced Maria Battle as Chair of the BAME Advisory Group.
- A new diversity calendar for 2024 will be shared widely throughout the Health Board.
- Updates had been made to the Anti-racist Wales Action Plan, and 'Introduction to anti-racism' training had been delivered at the Board development session in October 2023.

Self-Assessment of PODCC Committee Effectiveness Process:

In line with Section 10.2.1 of Standing Orders, the Board is required to introduce a process of regular and rigorous self-assessment and evaluation of its own operations and performance and that of its Committees and Advisory Groups.

A refreshed approach to the Committee self-assessment process was developed in 2023 which was intended to be proportionate, achievable and add value to the organisation's governance capability.

On 20 November 2023 all Committee Members and attendees were sent a digital Self-Assessment Questionnaire for completion. Responses were collated, along with feedback captured through the preceding 12 months. A facilitated workshop has been scheduled for 15 April 2024 to discuss the feedback and develop a workplan. The outcome report is scheduled to be presented to PODCC on 11 June 2024.

Further information

Agenda, papers and minutes are available on the Health Board website.

Opinion

The Committee is of the opinion that the draft PODCC Annual Report is consistent with its role as set out within the Terms of Reference and that there are no matters that the Committee is aware of at this time that have not been disclosed appropriately.



GIG
CYMRU
NHS
WALES

Bwrdd Iechyd Prifysgol
Hywel Dda
University Health Board

Hywel Dda University Health Board

Quality, Safety and Experience Committee

Annual Report 2023/24

Introduction

The QSEC Annual Report provides assurances in respect of the work that has been undertaken by the Committee during 2023/24 and outlines the main achievements that have contributed to robust integrated governance across the Health Board (UHB). Six meetings took place during 2023/24:

- 11 April 2023
- 13 June 2023
- 8 August 2023
- 5 October 2023
- 7 December 2023
- 13 February 2024

It is the work of this Committee to shine a light on the things that matter most to our patients, their families and our communities – safe, effective, accessible and patient-centred care. The scale of the pressure in our services that is now the norm, coupled with the longstanding challenges of service configuration and workforce stability within a rural and ageing population, put delivery of these priorities at risk. 2023/4 has been a year both to recognise the hard work and dedication of our teams in maintaining services day-to-day and to acknowledge that questions of sustainability are growing. We know this has consequences for patient experience and we have focussed on being transparent where that is the case. This report gives a flavour of the scrutiny we have applied to matters of concern and reflects the increasing attention we are giving to the impact of actions in place.

We provide scrutiny across all levels of the organisation. At the individual level, we have continued to value first-hand experiences generously shared with us by patients, families and staff through the telling of stories. They bring our work as a Health Board to life, sometimes evoking a sense of pride and other times providing us with a sobering reminder that there is no place for complacency in our commitment to excellence.

At the team and service level, we have considered a standard set of metrics throughout the year (e.g. through the bimonthly Quality Assurance Report). We have taken regular reports on an annual cycle from our sub-committees and other groups (e.g. Operational Quality, Safety and Experience). In addition we have called for 'deep dive' explorations of specific pathways that have been flagged through the triangulation of intelligence (e.g. waiting times for Therapies; Epilepsy in Learning Disabilities review), which draw on both internal and external evidence. The management of the RAAC internal major incident at Withybush Hospital to safeguard access to local, effective care is of particular note, thanks to an exceptional collaborative effort involving our staff, partners and patients.

At the organisation-wide level, we asked our Listening and Learning Sub-Committee to take a close look at communication issues which continue to feature strongly in complaint feedback. We have had a proactive role in championing both the Speaking Up Safely work and the Duty of Candour requirements in recognition of the close links between culture and quality/safety. We received a thorough review of learning

arising from the COVID-19 nosocomial review process and have challenged the organisation to test its shared learning capabilities with it. We have sought to be purposeful in making connections across committee boundaries, forging particular links with the People, OD and Culture Committee.

Finally, work that is mandated nationally has been locally embedded and scrutinised, as is clear from our ongoing work to align our activity with the Health and Care Quality Standards published by Welsh Government and our engagement in national improvement work (e.g. access to support for neurodivergent children and young people). Also within the national context, we ensured that all matters raised by Welsh Government under the 'enhanced monitoring' process were included within the Committee's business cycle.

As we look to the coming year, the Committee will continue to build its focus upon impact and outcomes, enabled by clearer mutual expectations in terms of a 'high support, high challenge' approach to accountability and improvement. We will continue to grapple with the challenges of spreading learning across our broad and diverse organisation, and ensure we give voice to the everyday experiences of our patients and communities in accessing safe and effective care. We are realistic about the extent of the strategic and operational risks posed to quality, safety and experience and will maintain an open and rigorous approach to their management and scrutiny.

Further detail is provided below, and agendas, papers and minutes are available on the Health Board website: [Quality, Safety and Experience Committee](#)

❖ **Patient Stories**

During 2023/24 the Committee received the following patient and staff stories.

- **Staff Story (Emergency Department)- April 2023**

The Committee received a staff story from a Senior Nurse at the Emergency Department in Glangwili Hospital detailing their experience of the Healthcare Inspectorate Wales (HIW) unannounced inspection of the department during December 2022 during a period of extreme pressures. An immediate assurance plan was submitted following receipt of the recommendations and the plan was progressed.

- **Patient Story (Dermatology Services)- June 2023**

The Committee received a mother's experience of supporting her son through treatment and medication for a skin condition, and the psychological and physical impact of a delay in the referral to the Dermatology team and the approving of medication. A number of service improvement initiatives including cross pathway support, communication methods between services such as the Communication Hub and clinical teams and a revised processes have taken place.

- **Patient Story (Frailty)- October 2023**

The Committee received a patient experience story from a son relaying his experience of his mother's admission and discharge from hospital following a fall which she experienced during the nighttime, noting his concerns regarding the standards of care provided for his mother and communication from staff prior to discharge. A thorough investigation has taken place in response.

❖ **Corporate Level Risk Register:**

A report was received to the Committee on a bi-monthly basis that informed the Committee of the corporate risks assigned to the committee.

❖ **Planning Objective Update Report and Progress on the Development of a Healthcare Acquired Infection (HCAI) Delivery Plan**

The Committee received bi-monthly updates on the progress of the HCAI Delivery Plan. The Health Board was escalated to enhanced monitoring by Welsh Government in September 2022 due to elevated C-Difficile (C-Diff) infection rates. Updates were provided throughout 2023/24 on the improvement actions underway and Members noted an improved cumulative position in February 2024, with results confirming lower case numbers than last year but not reaching the projected 20% reduction trajectory. *E.coli* rates across the Health Board continue to be a concern. This is being discussed on a wider scale with Public Health Wales to determine a course of action.

Interrogation of data confirms that the burden of infection is primarily community focused. The HCAI delivery plan has effectively reduced hospital acquired infection, now a wider collaborative approach with our colleagues outside of the Health Board is required to decrease these infections.

❖ **Quality Assurance Report**

A quality assurance report was presented to each Committee during 2023/24 which included progress updates on the following areas:

- External Inspections and Reviews Final Reports including Health Inspectorate Wales, Welsh Health Circulars and Ministerial Directives
- Patient Safety Walkabouts by Executive Leads and Independent Members
- Duty of Quality and Candour Reporting
- Enabling Quality Improvement in Practice (EQIIP) outcomes
- IPC / C-Diff Updates
- Nosocomial COVID-19 Review
- Impact of industrial action
- Quality Engagement Act (Wales)

❖ COVID-19 Nosocomial Transmission Review Closure Report

The Committee received regular updates on the development of the Covid-19 Nosocomial Transmission Review throughout 2023/24 with over 2000 patient case notes reviewed. The outcome of the review was shared with the Committee in February 2024 and assurance provided that the learning identified will be shared to ensure that improvements are undertaken to strengthen the operational quality governance.

❖ Operational Quality, Safety and Experience Sub Committee

The Committee received an update from the Sub Committee at each of its meetings during 2023/24 to enable escalation of key areas of concern and risks. A number of emerging themes were apparent through the update reports provided by Directorate leads during the year, such as relentless pressures on urgent and emergency care services, workforce and accommodation challenges which are being mitigated as far as possible across services. In February 2024, the Committee supported the need to strengthen the operational governance arrangements for the Sub Committee and for clinical executive input going forward.

❖ The Listening and Learning Sub Committee

The Committee received an update report from the Listening and Learning Sub Committee at each of its meetings in 2023/24. The meetings provide a Health Board wide forum for shared learning and scrutiny of concerns received by the Health Board via inquests, complaints, incidents and external reports. The Sub Committee also shared good practice and innovation opportunities.

- Themes and Trends

In terms of themes that have emanated from incidents and complaints reported to the Listening and Learning Sub Committee in 2023/24, it was apparent that communication was an area of required improvement with thematic concerns relating to attitude and behaviour of staff, communication with patients and communication between services. The Committee received a strategic improvement plan to address concerns raised and noted that developments in this regard will be monitored via the Listening and Learning Sub Committee agenda.

- ❖ **Deep Dives:** The Committee requested a deep dive report on the following service areas in 2023/24 in light of escalation of risks, fragility of services or temporary service changes:

- **Reinforced Autoclave Aerated Concrete (RAAC) Quality Impact**

Assessment: In October 2023, the Committee received an update on the quality impact assessment for managing the clinical risks associated with the Internal Major Incident that was declared at Withybush Hospital due to RAAC. Members were advised that the RAAC Control Group has utilised the Health Board Risk Management Matrix to quantify risk, identify mitigation to inform strategic quality-driven decision-making and identify and assess the effect or

influence of a proposal on the quality and safety of the healthcare system. The Control Group identified actions to reduce risks where quality or safety could be negatively affected. The major incident has been an incredibly challenging process to work through for staff across multiple directorates and services have worked collaboratively and promptly to manage the risks associated with quality, safety and patient experience as best as possible. The Committee noted the immense work undertaken by staff and shared gratitude for their ongoing efforts to mitigate the risks for patients and staff. The Committee also discussed the positive work that had emanated from the urgent response work such as transforming urgent care pathways and patient admission avoidance work.

- **Initial Response to The Neonatal Findings Relating to the Thirwall Inquiry:** The Committee received an update on the Health Board's response to the Neonatal findings from the Thirwall Inquiry, highlighting that the amount of work undertaken in response to the well-publicised 'Lucy Letby' case has improved governance processes and has been co-produced by staff. The Committee were pleased to note the developments and strongly advocated the ongoing culture of openness, honesty and the prompt escalation of concerns.
- **Therapies Services:** In August 2023, the Committee received a Therapies Services waits and performance trajectory report which provided the current waiting times position across Therapies which are failing to meet the 14-week referral to treatment (RTT) Welsh Government targets. A further update was requested to clarify the impact on patient safety. Investigative work was undertaken by the newly appointed Director of Therapies and Health Sciences to further understand the current 14-week therapy RTT performance and the actions required to reduce the detrimental impact across the system and an action plan is scheduled to be presented to the Committee in April 2024.
- **Commissioning CAMHS Tier 4 Update:** In August 2023, the Committee received a report on the length of stay by Health Board young people accessing Tier 4 inpatient beds at Tŷ Llidiard, Princess of Wales Hospital, Bridgend in comparison with other Health Boards across Wales. Concern was raised at QSEC in June 2022 during a Welsh Health Specialised Services Committee (WHSCC) update report that the data presented suggested that Hywel Dda patients stay longer at the facility than patients from other Health Boards in Wales and the Committee enquired whether this was due to pathway challenges. Following this, the Directorate undertook to explore this further. The data shared suggested that the Health Board's admissions data is comparable to other Health Boards with a higher population number. The Committee were also pleased to note the recent development of a Crisis Hwb and Sanctuary Service, which is directed at proving alternatives to admission to hospital and reducing the need for onward referral and admission especially to the Tier 4 unit. The new development is funded by Welsh Government and opened on 3 July 2023.

- **Critical Care Service Arrangements, Prince Philip Hospital:** In August 2023, the Committee received an update position on the temporary changes at the Critical Care service provision at Prince Philip Hospital (PPH) position due to challenges in the anaesthetic rota. The Committee received assurance that the patient pathway and governance arrangements have appropriate mitigating actions and monitoring, and that patient safety is maintained. There had been no reported incidents or complaints relating to individual episodes of care, or reported to the Adult Critical Care Transfer Services colleagues supporting the transfer arrangements, despite the challenges faced in consultant anaesthetic recruitment.
 - **Withybush Hospital Emergency Surgery:** In August 2023, the Committee received an update on the arrangements put in place in April 2023 regarding the Surgical on Call Rota at Withybush Hospital (WGH). The General Surgical Clinical team had been unable to sustain a 24/7 consultant on-call cover at due to staffing deficits. The Surgical consultants at Bronllys Hospital (BGH) and Glangwili Hospital (GGH) had agreed to take on the out-of-hours surgical responsibility for WGH patients on a planned rota basis.
 - **Epilepsy in Learning Disabilities Review:** In June 2023, the Committee received an update on an external review of epilepsy services for people with learning disabilities that was commissioned due to service fragility. An external review was commissioned, led by Professor Rohit Shankar, Professor of Neuropsychiatry at the University of Plymouth Medical school. The aim of the review was to define the functions and roles for the management of epilepsy in line with NICE guidelines. The report was received with key findings and recommendations and the Committee received the management response and improvement plan in December 2023.
 - **Health Visiting:** In June 2023, the Committee received an update on the Health Board's Health Visiting staffing position following workforce challenges which were escalated to the Committee due to chronic recruitment challenges particularly in Ceredigion and Pembrokeshire and the risks associated with the age profile of staff was highlighted. The Committee noted the fragility of the service despite the mitigations in place, including the establishment of weekend clinics.
- ❖ **The Health Board and Public Health Wales Tuberculosis (TB) Action Plan:** Following receipt of a formal complaint received by Public Health Wales and Hywel Dda University Health Board in relation to the handling of the ongoing outbreak of Tuberculosis (TB), an external review was jointly commissioned to identify lessons learned. The review panel's report was published in January 2023 and the Committee monitored the progress of the operational action plan at its meeting in June and August and in December 2023 noted that actions under the responsibility of the Health Board have now been completed.
- ❖ **Enabling Quality Improvement in Practice (EQIIP) Update:** In August 2023, the Committee received an overview of the Enabling Quality Improvement in Practice (EQIIP) improvement activities undertaken since 2018. The key highlights include the development of the Single Point of Contact Communication Hub, the Waiting

List Support Service, supporting the Transforming Urgent and Emergency Care programme and the Pelvic Health Improvement Programme. A summary document was shared which provided examples of patient experience, quality and financial benefits realisation of the EQliP programmes to date. It was agreed that going forward the programmes would align quality improvement objectives 2023/24 with current areas of pressure and challenges that are being reported across the Health Board.

- ❖ **NHS Executive All Wales Review of Neurodevelopment and Psychology and Psychological Interventions for Children and Young People:** In December 2023, the Committee received the outcome report of the NHS Executive All Wales review of Neurodevelopment (ND) and Psychology and Psychological Interventions for children and young people. The Committee noted that the two reports provide 9 recommendations that are quite similar in themes. Two multi-disciplinary groups were established and working together to develop an action plan. The groups are being led jointly by Women and Children's Services and Mental Health and Learning Disabilities services and Therapies colleagues also form part of the multi-disciplinary team (MDT) meetings. The action plan progress will be reported at the Committee due to be held in April 2024.
- ❖ **Welsh Health Circular: 2023/036 Speaking up Safely Framework:** The Committee received an update on the Speaking up Safely Framework and the robust work undertaken to date, which has been seen as exemplary across Wales. Members noted the robust action plan and the inception of a task and finish group to progress and monitor actions and ongoing updates are shared via the Committee's Quality and Safety Assurance Report.
- ❖ **Effective Clinical Practice Advisory Panel:** In October 2023 and February 2024, the Committee received updates from the Effective Clinical Practice Advisory Panel which supports clinicians and healthcare professionals to examine and improve the quality of care, including assessment against local and national clinical effectiveness standards and monitoring and improving the outcomes for patients and service users.

The Committee raised concern in respect of Interventions Not Normally Undertaken (INNU), whereby the Health Board may be in a position where it may be funding non-evidenced based procedures and not funding evidence-based procedures. A task and finish group has been established to develop a local response to national developments and consider the work already undertaken by the Academy of Royal Colleges.
- ❖ **Strategic Safeguarding Working Group:** In June and December 2023, the Committee received the key highlights from the Strategic Safeguarding Working Group meeting which provided an overview of Health Board safeguarding activity. As part of the update, in June 2023, the Committee received the Health Board's response to a report by the Women's Rights Network on concerns raised

regarding patients and staff being sexually assaulted and raped in UK hospitals between January 2019 and October 2022 which offered assurance on the steps being taken to ensure the safety of all staff and patients.

- ❖ **Medicines Management Operational Group (MMOG):** In October 2023 and February 2024, the Committee received an update from the MMOG. The purpose of MMOG is to ensure the delivery of safe, effective, evidence-based medicines management across the Health Board and to develop the strategy for medicines management focused on improving clinical outcomes, patient experience and reducing unwarranted clinical variation.

In October 2023, the protocol for a pilot project on the single checking of injectable medications at Glangwili Hospital (GGH) was approved by the Group and the Committee was asked to note that the current Medicines Policy advocated double-checking for some injectable medicines. Assurance was sought that appropriate governance arrangements are in place to monitor the data and the Committee was advised that the pilot is being led by the Senior Nurse Medicines Management and a process has been agreed for how data and incidents will be flagged and reported to MMOG.

- ❖ **Nurse Staffing Levels (Wales) Act:** In August 2023 the Committee received the Nurse Staffing Levels (Wales) Act: Annual Report and noted changes to the nurse staffing levels following the Spring 2023 Nurse Staffing Calculation Cycle. Referring to the summary data within the report, there has been an overall decrease in percentage of wards where nurse-staffing levels have not been met however, an increase in adult inpatient wards.

- ❖ **Clinical Audit Reports:** In August and December 2023, the Committee received an update on clinical audit activity and demonstrated the impact these activities have had on quality and safety within the Health Board. Members noted that audit activity has increased considerably over the last year and the intent is to carry out more audits during 2024/25. Requests for audits are due to a number of reasons such as national mandates, professional interests, complaints and areas of identified risk. Re-audits are strongly encouraged and supported by the team.

- ❖ **Committee Self Assessment Report and Action Plan:** A refreshed and action-oriented approach to the Committee self-assessment process was developed in 2023 which was intended to be proportionate, achievable and add value to the organisation's governance capability. This included a facilitated workshop and a questionnaire circulated to Members to gather feedback on areas for improvement and reflect on good practice.

A number of themes emerged when groups were asked to identify priorities for next 12 months including:

- Outcomes focussed – papers need to be focussed on delivery, impact and outcomes using triangulated data to evidence system is working.
- Patient voice – need to follow the patient journey through the pathway/system.

- Governance including operational governance – more effective quality governance at operational level.
- Clear purpose of reports.
- Multidisciplinary clinical leadership – Clinical Executive and widening to operational triumvirates.

These, along with similar feedback from other Committee self-assessments will be taken forward as part of the action plan and will feed into the Board Development Programme for 2024/25. In addition, a specific task and finish group has convened to set out a Behaviours Framework, aligned to the Health Board's Values and Behaviours Framework, which will seek to balance high support and high challenge and articulate what behaviours are expected.

❖ **Written Control Documents:** The following written control documents were presented and approved by the Committee in 2023/24:

- The Quality, Safety and Experience Committee Terms of Reference (June 2023)
- The Sub Committee and Operational Groups Terms of Reference
- Management and Distribution of Safety Alerts and Notices Policy (June 2023)
- Putting Things Right Policy (October 2023)
- Being Open/Duty of Candour Guideline (October 2023)
- Safer User Patient Access Policy (August 2023)
- Arts in Health Charter (December 2023)

Hywel Dda University
Health Board
Strategic Development and
Operational Delivery
Committee
Annual Report 2023/24

Introduction

The Strategic Development and Operational Delivery Committee (SDODC) receives an assurance on delivery against all relevant Planning Objectives falling in the main under Strategic Objectives 4 (The best health and wellbeing for our individuals, families and our communities) and 5 (Safe, sustainable, accessible and kind care), in accordance with the Board approved timescales, as set out in Hywel Dda University Health Board's (HDdUHB) Annual Plan; and provides assurance in respect of the work that has been undertaken by the Committee and that the terms of reference as set by the Board are being appropriately discharged.

Six meetings took place during 2023-24, all of which were quorate:

- 27 April 2023
- 26 June 2023
- 31 August 2023
- 26 October 2023
- 21 December 2023
- 29 February 2024

Executive Summary

SDODC areas of scrutiny in 2023-/24 have been wide and varied. During the year we have restructured the agenda of the meeting into three main sections:

- Performance – this section focused on ensuring that the Health Board was delivering services and meeting targets and Ministerial Priorities. This includes the planning aspects of Targeted Intervention and review of the Integrated Performance Assurance Report.
- Planning – this section monitored the delivery of the Annual Plan and the planning objectives. Using deep dives and regular reports the Committee examined how well the Plan was being delivered.
- Planning in Partnership – this section focused on how we planned in conjunction with partners such as the A Regional Collaboration for Health (ARCH) programme and the development of Pentre Arwel.

The paragraphs below summarise the work of the group in 2023/24.

Agenda, papers and minutes are available on the Health Board website: [Strategic Development and Operational Delivery Committee \(SDODC\)](#)

During 2023/24, the following reports were received by the Committee:

Performance

Targeted Intervention Update

The HDdUHB is under Targeted Intervention (TI) status and the Peer Review of Planning Arrangements undertaken in HDdUHB March 2023 and presented to SDODC on 26 June 2023, has been consolidated with wider/previous reports including Audit Wales Structured Assessments; Annual Planning Cycle (NHS Wales Planning Framework); the KPMG report in relation to financial planning; the Maturity Matrix; and the internal planning Master Actions emanating from the original TI

expectations (including C which centres on the development of a robust planning cycle and D which focuses on clear roles and accountabilities to drive key work streams across the organisation). As a result, multiple, overlapping plans have been eliminated, and the resulting set of actions is monitored and overseen by the Chief Executive's Escalation Steering Group, prior to submission to Welsh Government for approval.

The Health Board is working on developing a Clinical Services Plan that aligns with its operational, financial, and workforce plans. It has established groups across seven service areas and a Steering Group to oversee the programmes of work. It has also set up governance reporting arrangements to track the delivery and timescales of the actions.

HDdUHB has shifted its focus from process to outcomes and delivery and has emphasised the importance of building a relationship with the Welsh Government. It has also implemented a traffic light system to track the progress of the actions and to provide visual clarity and consistency.

The Health Board has identified four key focus areas and six thematic issues that it is addressing as part of its planning improvement journey. These include developing a positive planning culture, a robust planning cycle, operational plans and change management, and a clinical services plan.

Integrated Performance Assurance Report (IPAR)

One of the main areas of focus for the Committee was its bi-monthly IPAR. As a standing agenda item, the report was received at every meeting and provided an overview of the Health Board's performance against the National Delivery measures and key local quality and safety measures. The IPAR confirmed success against the Ministerial priorities for Planned Care, especially in reducing the number of patients waiting more than 36 weeks for treatment. A decline in performance for Urgent and Emergency Care in March 2023 was reported, as well as high levels of concern for four- and 12-hour breaches in August and October 2023, and ambulance handover times in January 2024. The main causes were infection control issues, lack of capacity, delayed discharges, and Reinforced Autoclaved Aerated Concrete (RAAC) issues at Wylabush Hospital (WGH).

An improvement in the single cancer pathway performance was reported from 38% in January 2023 to 47% in February 2023, and 56% in October 2023.

The Committee expressed concern over the main areas of Therapies, including Physiotherapy, Occupational Therapy, Podiatry and Dietetics, where patients were waiting more than 14 weeks for a specific therapy. Also highlighted was the decline in Mental Health, particularly in Psychological Therapy and Neurodevelopmental services.

Additionally, an increase in C-difficile (C.diff) and E-coli infections was reported in September and December 2023, and January 2024, which exceeded the monthly targets and showed concerning variation.

The IPAR provided assurance that the Health Board had exceeded its trajectory of having 2,870 nurses in place by the end of Quarter 4, having 2,955 in post, significantly ahead of the April 2024 target.

Pharmaceutical Needs Assessment:

In April 2023 the Committee reviewed the pharmaceutical services in the Hywel Dda area and noted that all 97 Pharmacies were expected to provide Clinical Community Pharmacy Services (CCPS) by 1 April 2023. The Committee acknowledged minor changes in ownership and opening hours, and the closure of the dispensing service at Solva surgery.

Evaluation of Winter Plan 2022/23

In June 2023 the Committee received the Winter Plan Evaluation 2022/23 report advising that HDdUHB is building community care capacity and investigating the development of a Step Closer to Home Unit where ready to leave patients waiting for care availability are accommodated in a designated ward area within acute and/ or community hospital areas. The 2023/24 plan will scale up and continue to grow the conveyance avoidance pathways within the community, with a focus on care home admissions and providing alternative pathways. Further integration with the local authorities to develop a health and care system for older people and frailty assessment units/ frailty streaming pathways at each acute hospital site will target discharge planning and coordination of frail, complex admissions.

Winter Respiratory Vaccination Programme – Delivery Plan

In August 2023 the Committee received Winter Respiratory Vaccination Programme: Delivery Plan 2023/24 outlining the opportunity to build on the integration, where possible, of the COVID-19 vaccination programme with the existing Flu programme. The report summarised the work underway to mitigate the risk to programme delivery of the proposed approach and provided assurance from the control measures in place through recognition of the key enablers.

Discharge Update Report

In August 2023 the Committee received the Discharge Update Report as a response to an action from Board on 25 May 2023. The report confirmed that concerted efforts had reduced patients in the longer length of stay cohort (three weeks and over), although those individuals remaining in the longer length of stay categories were mainly awaiting capacity beyond hospital stays. At that time, longer stay patients occupied approximately 400 of the 1000 beds within HDdUHB, which is 100 more than pre-pandemic. The Committee expressed concern that the Trusted Assessor scheme was close to being rolled out in Carmarthenshire, but that in Pembrokeshire, the model was still under consideration; and indicated that delays should be escalated to the Chief Executive, Chief Officer meetings and/or the Regional Partnership Board (RPB).

Community and Long-Term Care Quarterly Service Report

The Health Board's Long Term Care Performance Report was presented as a requirement of WG to report to Board on a regular basis. The report highlighted the key issues and performance indicators related to the Long-Term Care service, such as appeals, disputes, retrospective claims, care home occupancy, care at home hours, and Court of Protection cases. The report also provided updates on the new and planned care home developments in the region as follows:

- A reduction in the success rate of claims for Continuing Health Care funding, attributing it to improved assessment accuracy and thorough initial assessments.
- Improvement in the Discharge to Assess pathway, which reduced the referral to assessment time significantly.

The report acknowledged the challenges faced by the care home sector, such as financial sustainability, recruitment and retention of staff, and the impact of the cost-of-living crisis.

Review of Clinical Pharmacy Services at NHS Hospitals in Wales

The Review of Clinical Pharmacy Services at NHS Hospitals in Wales provided in December 2023 provided assurance from the Pharmacy and Medicines Management Directorate on the redesign of its service models and practices to meet WG recommendations; also, from the Vision for pharmacy services, supporting wider engagement and integration of pharmacy services within the HDdUHB to realise the benefits that clinical pharmacy can provide. The report highlighted WG Recommendation 11 which states that: new service developments or service redesign of hospitals must consider the clinical and technician pharmacy service from the outset.

Capital Sub-Committee

Capital Sub-Committee submits update reports to every SDODC alongside reports on the Discretionary Capital Programme (DCP) 2023/24. The following were highlighted:

- In April 2023 an amendment to the Capital Sub-Committee Terms of Reference relating to the way risk is reported was proposed and approved. The Committee requested that 'post-project evaluation' was included in the terms of reference in view of the fact that this was a requirement following a governance review earlier in the year.
- In June 2023 the Committee received a copy of the infrastructure enabling plan. The Committee noted the pressure on the current year's contingency allocation, arising from the requirement to underwrite the cost of the WGH Phase 1 Fire Works until July; and that no orders for works associated with the Estates Funding Advisory Board (EFAB) scheme will be placed until the availability of WG capital funding is clear; also that some items were delayed until later in the year or possibly next year. The Committee requested assurance that the Mid and West Wales Fire Service is informed of all developments, in particular any delays/ extensions.
- In August 2023 the Committee received reports confirming that WG funding totalling £6.4m to support the Fire Schemes overspend and £12.8m in support of the RAAC works, both at WGH had been approved. In light of the funding allocation and the subsequent recovery of the contingency, paused/delayed schemes would be reviewed, and the Corporate Risk Register updated accordingly.
- In October 2023 the Committee received details of the project closure and lessons learned exercise related to the Prince Philip Hospital (PPH) Day Surgery Unit; and the submission of a £1.8m bid to Welsh Government for diagnostic equipment replacement. The Committee was also advised of the receipt of funding for the WGH Fire Schemes and associated remedial works, allowing the reinstatement of previously deferred projects.
- In December 2023 the Committee received reports detailing the following:
 - A risk associated with Glangwili Hospital (GGH) Fire precaution works, the latest cost reports indicated this scheme was likely to be in an overspend position in the next financial year; and that the contingency reserve remained under pressure with the balance in the reserve standing at £0.2m;
 - WG had allocated an initial £1.3m to the Health Board, subject to confirmation that items could be delivered by 31 March 2024; Bids submitted for ED schemes across all four sites were approved by WG in the sum of £400k to be used by 31 March 2024, for items such as

purchase of beverage and food trolleys; minor refurbishment of toilet areas; and reinstating of storerooms.

- In February 2024 the Committee received reports advising that:
 - additional allocations from WG amounting to almost £4m had been received, allowing investment in equipment and digital backlog. Any orders in excess of £0.5m would require endorsement by SDODC prior to ratification by Board;
 - Amendments to the list submitted to WG will be necessary due to deliverability issues by 31 March 2024. Additionally, late allocation of capital raised increased risk, potentially requiring some items to be vested or bonded off-site by 31 March 2024.
 - The development and allocation of the DCP for 2024-2025 amounting to £7.421m, considered by Capital Sub-Committee and approved by the Executive team on 21 February 2024.
 - The Chemotherapy Day Unit in Bronglais Hospital (BGH) was over budget and the scope is being revised to reduce costs.
 - The Septic Scheme was delayed until Summer 2026.
 - The initial investment from WG for RAAC is on plan and ongoing costs for inspections are expected. Structural engineers will provide more information which may indicate that future work on RAAC will be necessary.

Business Justification Case for Phase 2 of Fire Enforcement Notices and Letters of Fire Safety Matters (LoFSMs)

The Business Justification Case for Phase 2 of Fire Enforcement Notices and Letters of Fire Safety at Withybush Hospital was received by the Committee in February 2024 and indicated a reduced scope of £23.743m after a joint review with WG, Fire Safety Advisors and Mid and West Wales Fire and Rescue Service (MWWFRS). The report advised the potential delay due to WG Performance Scrutiny Committee's review of alternative delivery methods, the overlap between Phase 2 and RAAC management, and the ongoing collaboration with clinical teams to ensure fire safety and inspection regimes for RAAC.

Planning

Integrated Medium Term Plan (IMTP) 2023/24 - 2024/25

The Committee received updates to the IMTP in December 2023 and February 2024, and considered the steps taken to develop the 2024/25 Plan to enhance document consistency, align the clinical strategy with the IMTP, develop financial and workforce sustainability, and improve engagement and communication with stakeholders. Assurance was provided by the steps taken in the development of the Plan for 2024/25 based on three key pillars: meeting the Ministerial Priorities for reducing long waits and improving access to services; aligning with the planning objectives set by WG; and achieving a balanced financial position.

Planning Objectives Closure Report Q4 2022/23:

In April 2023 the Committee reviewed the progress of the Planning Objectives aligned to SDODC, three had been completed, two were ahead of plan, six were behind plan and 27 were on track. The Committee was advised that 2022/23 POs would continue into 2023/24 and had been reviewed and collated into more concise POs with clear and close alignment to each other and to the Ministerial priorities and the Health Board's strategic plan.

Quarterly Annual Plan Monitoring Returns and Planning Objective Update

The Committee regularly received assurance on the current progress with Planning Objectives which are aligned with one of four Board Committees.

Strategic Outline Case: A Healthier Mid and West Wales (AHMWW) (Land)

In April 2023 the Committee was informed that WG did not receive any bids for the tender for the appointment of a review team, which delayed the Clinical Services Review.

It was subsequently reported in June 2023 that the public consultation had closed, and the process of conscientious consideration was underway. Also, that technical work and commercial discussions in support of the land selection process were ongoing. The Committee received an update report in August 2023 on the Clinical Strategy Review and WG Infrastructure Investment Board (IIB) and the likely Programme Business Case (PBC) endorsement timeline, alongside the progress on the Strategic Outline Case (SOC). The necessity for scrutiny and alignment of governance processes in the Transformation and Digital Programmes alongside the Social Care model was highlighted.

In October 2023 the Committee was awaiting formal feedback on the Clinical Model Review and IIB, which was anticipated would lead to Programme Business Case (PBC) endorsement. The Committee was advised of the progress being made on the Strategic Outline Case (SOC) and the risk to timelines associated with the need to address any additional requirements emerging from the clinical model review and formal IIB feedback.

The Committee discussed a report outlining the status of the current programme of work in relation to the PBC and SOC in December 2023. It was also advised of the following:

- Receipt of correspondence from the Deputy Chief Executive NHS Wales and the work underway to clarify the likely resource and timeline implications for key programme activities.
- Receipt of the draft Nuffield Trust Review of the Health Board's Clinical Model and that clarification has been sought in relation to the finalisation of this report.
- Completion of the Programme Assessment Review (PAR) and the Amber status achieved.
- There may be implications for the Principal Risk 1196, which will be subject to further review.

In February 2024 the Committee received a report outlining the following:

- The approach being adopted to address the next steps required by WG as set out in their correspondence of the 18 December 2023.
- Liaison will be required on communications relating to the Nuffield Trust review on receipt of the final report.
- The work required to present to IIB the actions taken or required in relation to the report's recommendations.

Sexual Assault Referral Centre (SARC)

The Committee received the SARC Project Update report in June 2023, outlining progress on the SARC Business Justification Case (BJC) and supported presentation to Board on 27 July 2023 when the internal scrutiny of the BJC was complete.

Deep Dives:

- **PO3a – Transforming Urgent and Emergency Care Programme (TUEC)**

The Committee received and considered reports in June and October 2023 and February 2024 which highlighted the challenges of managing frail adults with complex needs, the improvement in ambulance handover waiting times, and the progress on Same Day Emergency Care (SDEC) and Pathways of Care. The Committee was advised that assessment delays accounted for approximately 50% of the reasons for Pathways of Care delays each month. Despite efforts to mitigate these challenges, issues with resource allocation, including sickness and lack of social work resources, were noted. It was also reported that 44 bed efficiencies had been delivered on 31 December 2023 against a target of 91 at the end of 2023/24. The Committee regularly discussed the funding challenge and the need to demonstrate programme benefits and integration.

- **PO4a - Planned Care and Cancer Recovery**

The Committee received and considered reports in August and December 2023 highlighting plans and progress of the Planned Care and Cancer Recovery programmes, which aimed to reduce the waiting times and backlogs of patients in the context of the pandemic and the financial constraints. The Committee was advised that HDdUHB follows-up on a lower proportion of its population, circa 16%/17% compared to circa 30% in other Health Boards, which is important in terms of the volume of patients discharged following their outpatient appointments. The success of the SOS (See on Symptom) and PIFU (Patient Initiated Follow-Up) approaches have positively impacted outpatient volumes which are now above pre-pandemic level with follow-up activity being circa 30% lower than pre-pandemic level. The resultant available capacity has been used for new patient activity which is also making good progress and demonstrates the success of the secondary care model. The Committee was informed of progress achieved to reduce the volume of cancer patients in the 62 Day+ backlog and the risks to further recovery progress during the remainder of 2023/24 in the absence of additional supporting resource.

In August 2023 the Committee was advised that HDdUHB's planned care recovery is amongst the best in Wales with the best comparative numbers at milestone stage at 31 December 2022 and success in achieving the Ministerial priorities for 52 weeks, 104 weeks and for the total pathway. The Committee was also advised that regional work is being undertaken with Swansea Bay University Health Board (SBUHB) around Orthopaedics and a Memorandum of Agreement requires formal HDdUHB approval and provision of a governance structure and framework to support a regional orthopaedic model.

- **PO4b – Regional Diagnostics Plan**

In February 2024 the regional Diagnostics Plan provided an overview of the A Regional Collaboration for Health (ARCH) initiative and the ongoing work in regional Pathology, Endoscopy, Radiology, and Neurophysiology services. The Committee considered the challenges and risks of ARCH, such as aligning its programme with individual Health Board diagnostic strategies, clarifying its role in regional planning, engaging smaller departments, and overcoming the hiatus in the programme's progress; and suggested that a more agile and focused regional delivery team may be more appropriate for ARCH, with the associated potential barriers and benefits of having a coordinated regional approach to diagnostics.

- **PO4c – Mental Health Recovery Plan**

The Committee received updates on the Mental Health recovery Plan in October 2023 and February 2024, indicating the progress and challenges of the Mental Health and Learning Disabilities Directorate in delivering its planning objective 4c, which aimed to provide a holistic and integrated mental health service across the life span and the care pathway.

The Committee acknowledged the positive performance of the Health Board in meeting the targets for the Mental Health Measure, and the success of the 111 Option 2 project, which provided a 24/7 helpline for mental health support. However, the Committee expressed concerns about the dementia pathway, the lack of access to geriatricians and mental health assessments for patients, and the delays in developing the autism spectrum disorder service. The Committee considered the need for change in Adult Services, especially in achieving consistency and seven-day working across the Operational Care Pathway.

- **PO6a - Clinical Services Plan**

The Committee received updates on the progress and status of the Clinical Services Plan in August and December 2023 and February 2024, which advised that work was underway, in collaboration with the Consultation Institute, to provide a comprehensive and integrated service for the region. The Committee was advised in February 2024 that ongoing work on refining the methodology for Phase 2 of the Plan was progressing well and remained on track.

- **PO7a – Population Health**

In April 2023 the Committee received an early draft of the Population Health Improvement and Wellbeing Plan, setting out the vision for the next three years with focus on behaviours and lifestyles with an associated action plan connecting all priority areas. Key lifestyle factors were the leading causes of preventable ill health and early death, such as, drugs, alcohol, BMI, smoking and blood pressure and highlighted the rationale behind the strategy to tackle lifestyle approaches. The scope of the project was broad with focus on prevention, recognised the national strategy and acknowledged the wider health and wellbeing agenda with a requirement to demonstrate the impact on the population in terms of the value-based healthcare approach. The Committee discussed engagement, noting the range of actions around targeting those in the most socially economic deprived areas, in low-income professions, from urban communities; there appeared to be general agreement that the targeted approach is more appropriate. Digital engagement would be incorporated into the plan, including the development of a health improvement and wellbeing app which will provide access to healthy lifestyle advice, various health-related services with the ability to make appointments and referrals, supporting resources for self-help and healthy life-style advice and the development of animations around key aspects of the strategy which will help engage with certain target groups.

In February 2024 the Committee received and considered the report on the well-being assessment of Primary Care Networks and the progress made in various strategic areas of population health, such as vaccination, smoking cessation, healthy weights, and emotional well-being. The Committee commended the initiative to distribute Naloxone, a medication that reverses opioid overdoses, to police officers, which has saved nine lives, and noted that Public Health colleagues were expanding their approach to understanding overdoses and near

fatal overdoses. The Committee raised concerns about a series of suicides in the Carmarthen area and the need for a more rigorous needs assessment. The Committee also identified a need to develop a framework that can quantify the prevention of demand and demonstrate the potential cost savings associated with Public Health initiatives, such as Smoking Cessation programmes. The importance of a tailored approach to assessing the impact of Public Health interventions was highlighted, taking into account the specific needs and challenges of the community and the long-term benefits of preventative measures.

- **PO7c - Social Model**

In December 2023 the Committee received the PO 7C: Social Model for Health and Wellbeing (SMfHW) report regarding progress made to deliver Planning Objective 7C and the proposed direction of travel for future work. It noted that HDdUHB has adopted the social model as part of its strategic framework and aims to work with partners and communities to address the wider determinants of health and reduce health inequalities.

Strategies:

- **Stroke**

In June 2023 the Committee considered the Comprehensive Regional Stroke Centre (CRSC) Business Case and the impact on the Carmarthenshire Stroke Pathway; and the requirements for redesign and investment set out in the Assessment of the Stroke Pathway in Carmarthenshire paper,

- **Dementia**

In October 2023 the Committee received and considered the Dementia Strategy report, which provided assurance on the status of the Regional Dementia Strategy and Programme, and the governance and plans in place to assure its delivery in line with the All-Wales Dementia Care Pathway of Standards. The Committee noted the importance of prevention in dementia care.

- **Palliative Care**

In October 2023 the Committee received and considered the progress to date regarding the implementation of the Palliative and End of Life Care Principles (PEOLC) strategy and considered efforts to establish coordination between the three counties teams, and to align the service.

- **Estates Property**

The Committee received and considered the Estates Property Strategy in October 2023, noting the work undertaken by the Health Board in providing regular submissions to Welsh Government to obtain urgent funding to manage key Estate risks; the current status of these submissions to Welsh Government; and the significant Estate risk currently being managed.

- **Primary and Community Services Strategy**

In December 2023 the Committee received and considered the Primary and Community Services Strategy, which outlined progress made to date.

Wellbeing of Future Generations Act Annual Report:

In October 2023 the Committee recommended for publication HDdUHB's Well-being Objectives Annual Report for the period 1 April 2022 – 31 March 2023; and the

existing eight Well-being Objectives as continuing to be relevant to the Health Board for the next five-year period, aligning with the Public Services Boards (PSB) Well-being Plan cycle.

Reinforced Autoclave Aerated Concrete (RAAC) Planks

During the period August to December 2023 the Committee was informed of the actions taken to deal with the presence of RAAC, a material that poses a risk of structural collapse, in some areas of Withybush and Bronglais Hospitals. The Committee was advised of the ongoing surveys, costs involved, and the support funding from Welsh Government. The Committee was also notified that WG had requested a further survey for RAAC planks within the wider portfolio of the Health Board's estate, including community and primary care sites. This work is currently out to tender.

Planning in Partnership

Regional Integration Fund Update

In December 2023 the Committee noted the contents of the Regional Integration Fund Summary report and the challenge of tapering funding, which requires increasing match funding from partners over time. WG had suspended tapering for 2023, but the decision for the next year is pending.

Ophthalmology performance: Getting It Right First Time (GIRFT)

In February 2024 the Committee received assurance from the progress and plans of the Ophthalmology service in implementing the GIRFT recommendations, which include streamlining cataract documentation and pre-assessment; expanding capacity through Amman Valley Hospital theatres; training Speciality and Specialist (SAS) doctors; working collaboratively with Swansea Bay University Health Board (SBUHB) consultants on the Glaucoma pathway; and introducing virtual pathways and enhanced community care. The Committee was advised that Hywel Dda University Health Board (HDdUHB) has established regular Quality and Safety meetings, a weekly GIRFT Task and Finish group, and a new management structure to support the implementation of the recommendations. It was also advised that the WG GIRFT team and the internal mechanisms are involved in monitoring progress and that there is a corporate risk included on the Risk Register regarding Ophthalmology service delivery. The Committee acknowledged the challenges with recruitment, county coverage, and contract reform for the Ophthalmology service, and the plans to address them through the regional programme and Ophthalmology Diagnostic and Treatment Centre (ODTC) pathway development. A further update to the Committee would be provided in four months' time with it noted that the update was only against a number of the recommendations and not the full report.

ARCH Update

The Committee received regular update reports in June October and December 2023 regarding regional discussions and the ARCH portfolio, which is a collaboration between HDdUHB, SBUHB, and Swansea University to improve health and well-being in the region.

Pentre Awel (Llanelli Wellness Centre)

The Committee regular updates in April, August December 2023 on the progress and challenges of the Pentre Awel project, which is a wellbeing centre in Llanelli that involves the Health Board, Carmarthenshire County Council, and Swansea University. The Health Board is in close dialogue with Carmarthenshire County

Council regarding the single floor space the Health Board wishes to utilise; a similar review will be undertaken for clinical space requirements. Liaison work between the Health Board and Swansea University will be pursued in order that the organisations work together to complement each other and ensure alignment.

Public Services Board (PSB) Well-Being Assessments (Well-Being of Future Generations (Wales) Act 2015 (WBFGA))

The Update on Well-being Plans: Carmarthenshire, Pembrokeshire and Ceredigion provided in February 2024 outlined progress on the Well-being Assessments undertaken in 2022 which aimed to address the needs and priorities of the communities in the region. The Committee considered the future of the Regional Partnership Board (RPB), which may face funding challenges while needing to build capacity and address regional impacts; acknowledged the challenges of measuring the practical outcomes of the PSBs; and the need for a regional framework to align the priorities and prevention agendas of the three counties.

Governance

Self-Assessment of Committee Effectiveness: Process

In June 2023 the Committee took assurance from the refreshed approach to the Annual Report and Self-Assessment process for 2023/24, noting that the updated version had been trialled by the Quality, Safety and Experience Committee (QSEC) prior to being adopted by the remaining committees.

Self-Assessment Timelines

In December 2023 the Committee received the Self-Assessment Timelines report which indicated that during the week commencing 5 February 2024 all Committee members and attendees would receive a short digital form for completion within two weeks. Survey responses would be collated, along with feedback captured through the preceding 12 months; and on 18 March 2024, a facilitated workshop had been arranged to discuss the feedback from the above and develop a workplan to be taken forward. The outcome report would then be presented to SDODC on 25 April 2024.

Escalation Areas

The escalation areas were identified as the year progressed through discussions of the Integrated Performance Report, Risk Register and Board Assurance Framework.

April 2023:

- Annual Plan 2023/24: In terms of the clarity required in order that WG can approve.
- Clinical Services Review: In terms of the impact on the timeline, given the unsuccessful tender exercise to appoint a review team.
- RAAC Planks: In terms of the potential additional spend.

June 2023:

- Capital constraints linked to the RAAC position.

August 2023:

- Lack of Ophthalmology capacity and the risk to the service
- Discharge update report and associated concerns, particularly in light of the Health Board's request for Mutual Aid; and the lack of progress with a Trusted Assessor model in Pembrokeshire and the subsequent delayed recruitment

- Necessity for scrutiny and alignment of governance processes in the Transformation and Digital Programmes and also the Social Care model
- Performance challenges due to RAAC works.
- Financial Performance and the risk of withdrawal of WG improvement funding up to £6.6m

October 2023:

- Orthopedic waiting times and implications from regional waiting lists
- Costs of delays awaiting a social worker
- Risk to funding of SDEC from April 2024 and certain Mental Health / Learning Disability services
- Estate risks

December 2023:

- Capital prioritisation.
- The Health Board does not yet have a plan to deliver on the target of 99% of (Referral to Treatment (RTT) pathways under two years.

February 2023:

- Ophthalmology Performance: Getting it Right First Time (GIRFT) report: Whilst the Committee received some assurance on progress, a further update was requested at the 27 June 2024 meeting.
- IPAR: No patients waiting from referral to treatment (RTT) over 3 years in all specialties (apart from Orthopaedics) by March 2024. Industrial action may impact performance and delivery of planned RTT within 104 weeks by end of March.
- Regional Diagnostic Plan: Challenges re lack of clarity on regional priorities and the diversion of resources towards individual Health Board approaches were identified as potential barriers to progress.
- Mental Health Recovery Plan: Delay in implementing a multi-referral panel, which aims to streamline the referral process for Mental Health services. This delay, attributed to challenges in agreeing on the right model with LAs, was highlighted as a critical issue, particularly considering recent suicides among young people in the Carmarthen area.

Written Control Documents

The following written control documents were presented and approved by the Committee in 2023/24:

- Strategic Development and Operational Delivery Committee Terms of Reference (June 2023)
- The Capital Sub Committee Terms of Reference (December 2023)
- Publication of HDdUHB's Well-being Objectives Annual Report for the period 1 April 2022 – 31 March 2023. (October 2023)
- The existing eight Well-being Objectives as continuing to be relevant to the Health Board for the next five-year period, aligning with the Public Services Boards (PSB) Well-being Plan cycle. (October 2023)
- DCP - the placing of orders for the additional WG funding received, should they be over the £0.500m threshold for onward ratification to Board. (February 2024)
- DCP - the Capital programme for 2024/25 for onward ratification to Board. (February 2024)

- Business Justification Case for Phase 2 Of Fire Enforcement Notices And Letters Of Fire Safety Matters At Withybush Hospital - the submission of the BJC for Phase 2 FEN's and LoFSMs at WGH to Board for further approval in advance of submission to WG. (February 2024)

Reports received for noting

The Committee received its SDODC Work Programme 2023/24 at each meeting.

Opinion

The Committee is of the opinion that the draft Committee Report 2023/24 is consistent with its role as set out within the Terms of Reference and that there are no matters that the Committee is aware of at this time that have not been disclosed appropriately.

Hywel Dda University
Health Board
Sustainable Resources
Committee
Annual Report 2023/24

Introduction

Hywel Dda University Health Board's (HDdUHB) Standing Orders and the Terms of Reference for the Sustainable Resources Committee (SRC) require the submission of an Annual Report to the Board to summarise the work of the Committee and to identify how it has fulfilled the duties required of it.

This Annual Report outlines how the Sustainable Resources Committee has complied with the duties set through its Terms of Reference, and also identifies key actions to address developments.

During 2023/24, the Sustainable Resources Committee meetings were held on a bimonthly basis.

As the SRC is directly accountable to the Board for its performance, it provides an assurance to the Board through a formal written update report which is received at the subsequent Board meeting. A full set of the papers for each Committee meeting is routinely made available on line from the Health Board's website.

During 2023/24, the Committee met on the following occasions and was quorate at each:

- 25 April 2023
- 27 June 2023
- 29 August 2023
- 24 October 2023
- 19 December 2023
- 27 February 2024

During 2023/24, the Committee held an In-Committee meeting to discuss the following items:

- End of Year Financial Position Update/Revenue and Cash Management Governance
- Welsh Government Update
- Cyber Resilience and Security Update

The purpose of the SRC as expressed in its Terms of Reference is to provide assurance on financial performance and delivery against HDdUHB's financial plans and objectives, and to receive assurance on progress against delivery of the Planning Objectives aligned to the Committee. With regard to financial control, the Committee provides early warning of potential financial performance issues and makes recommendations for action to improve the financial position of the organisation.

Chair's Executive Summary

It is the work of the Sustainable Resources Committee to alert the Board of current and emergent financial issues facing the organisation. It has been an extremely challenging year for the Health Board. The scale of the pressure in our services is reflected in the difficult financial position of the organisation. The Health Board has never operated within its resource allocation limit. In the latest year, the underlying deficit has increased, and it is becoming ever more challenging to recover the financial position.

The Committee has a greater understanding that underlying financial problems are structural, in that there are four small acute hospitals serving a rural population. The demands for health services are increasing due to a number of factors. These factors have a direct consequence on the financial position of the Health Board.

This report gives a flavour of the scrutiny we have applied to matters of financial concern and reflects the increased scrutiny of Welsh Government. We provide scrutiny on the financial recovery and savings programme which is now overseen by the Core Delivery Group of the Executive Team.

The Committee has undertaken to do deeper dives at a county level to be assured that the county health systems are working together to reduce costs. There is more work to done in gaining further assurance in these areas. These deeper dives have led to a more critical understanding of the issues, the challenges and what is needed to manage demand within a resource-limited financial environment.

The Committee has scrutinised a number of essential business cases for change during the year. Invariably, a number of these have increased our financial commitments but are also necessary to enable the Health Board to achieve its wider objectives.

As we look to the coming year, the Committee will continue to build its focus upon the medium-term financial position, the savings programmes, the plans for recovery of the financial position and performance management arrangements of the in-year financial position. The Committee will also seek to assure itself and the Board that savings plans are recurrent and embedded whilst ensuring that patient safety is maintained.

The Committee will continue to scrutinise the increase in temporary staff spending and seek assurance on mechanisms for avoiding these costs in the future.

Winston Weir

Chair, Sustainable Resources Committee

Reporting

During 2023/24, the following reports were received:

Governance

- **Annual Review of Committee Terms of Reference**

In June 2023, the Committee reviewed its Terms of Reference for onward approval by the Board and were subsequently approved by the Board on 27 July 2023.

- **Self-Assessment of SRC Committee Effectiveness Process**

In line with Section 10.2.1 of Standing Orders, the Board is required to introduce a process of regular and rigorous self-assessment and evaluation of its own operations and performance and that of its Committees and Advisory Groups.

A refreshed approach to the Committee self-assessment process was developed in 2023 which was intended to be proportionate, achievable and add value to the organisation's governance capability.

On 15 January 2024 all Committee Members and attendees were sent a digital Self-Assessment Questionnaire for completion. Responses were collated, along with feedback captured through the preceding 12 months. A facilitated workshop was held on 18 March 2024 that discussed the feedback and to develop a workplan. The outcome report is scheduled to be presented to SRC on 30 April 2024.

Discussion

At each meeting the Committee is presented with the following papers to scrutinise with regard to the in-year financial position:

- Finance Report and Forecast (including Monthly Monitoring Return to Welsh Government (WG))
- Corporate and Organisational Financial Risks and Mitigation

- **Finance Reports**

Finance Reports were received by the Committee on a bimonthly basis that informed the Committee of the Health Board's financial position for each period.

- **Finance Report M12 2022/23** - the April 2023 meeting was advised that the M12 2022/23 revised Financial Plan was to deliver a deficit of £62.0m following savings of £13.9m and recognised inadequate level of assurance around the identification of a further £15.5m of saving schemes deliverable in the current financial year against the initial £25.0m Deficit Plan.

The forecast deficit stood at £59.0m with a further £5.0m of operational variation offset by £8.0m of accountancy gains. The Committee received assurance that the overspend within the Health Board's planned deficit target of £59m stood at £59.04m.

- **Finance Report M2 2023/24** - in June 2023, the Committee received the M2 2023/24 Financial Report and were advised that the revised draft Financial Plan was to deliver a deficit of £112.9 following savings of £19.5m. The Committee were advised that there was no cash coverage for this level of deficit and that there was a risk that cash would be an issue for the Health Board's ability to pay liabilities in Q4 2023/24. The two main drivers of the deficit were savings that had not yet been identified and savings that had not yet been delivered.
- **Finance Report M4 2023/24** - the August 2024 meeting received the M4 2023/24 Financial Report and noted an overspend of £12m, representing a £2.6m overspend against the Deficit Plan of £9.4m. The Committee was advised that there had been a slight improvement in the deficit position through the ceasing of travel and subsistence payments for agency workers. The gross forecast was for a year-end deficit of £143.3m. The Committee was advised of ongoing actions to address a savings gap and operational variation of £30.4m. The Committee was advised that there was an expectation from Welsh Government (WG) that the Health Board would need to reduce the deficit further than the forecast £112.9m.
- **Finance Report M6 2023/24** - the October 2023 meeting received the M6 2023/24 Finance Report which showed a planned deficit for 2023/24 of £112.9m, following confirmation of receipt of £19.2m of COVID-19 legacy funding, £23.8m of inflationary pressure funding, £9.6m of additional inflationary pressure funding, £4.2m of energy cost support and £11.3m of deficit reduction funding, leaving HDdUHB with a target control total set by WG of £44.8m. The Committee was advised that the COVID-19 legacy funding and the inflationary pressure funding were conditionally recurrent based on the Health Board meeting its control total target for the funding to be repeated in future years.
- **Finance Report M8 2023/24** - the December 2023 meeting received the M8 2023/24 Finance Report which showed the forecast year-end deficit to be £72.7m with a £27.9m gap to achieve the WG Control Total of £44.8m. The Committee was updated on the risk to the Health Board's cash position and were advised that there was insufficient cash to make payments from February 2024 and a request for support from WG had been submitted with a response expected in January 2024. The Committee was reassured that there was no risk to payroll or payments to local contractors and were advised of the cash management governance contingency plans agreed at the October In-Committee SRC meeting to establish prioritisation categories for payments such as deferring income tax and National Insurance payments to HMRC for 3 months.
- **Finance Report M10 2023/24** - the February 2024 meeting received the M10 2023/24 Finance Report and was advised that external factors, such as a reduction in prescribing costs, a reduction in energy costs and a reduction in the risk share from the Welsh Health Specialist Services Committee (WHSSC) had improved the Health Board's financial position. The Committee was advised that Health Board had received a response to its

strategic cash request to WG that confirmed that HDdUHB would receive funding up to the level of the Health Board's £72.7m deficit. Following the receipt of this response, the Health Board revised its forecast deficit down to £66.0m which prompted WG to revisit its level of cash support downwards to that level, however the Committee was assured that following discussion, WG agreed to increase its level of working capital by the difference in the deficit movement. The Committee was further reassured that any shortfall in liquidity support would be managed through the Cash Management Strategy presented to In-Committee SRC in December 2023 and agreed by the Board.

The Committee was further reassured to note that a review of nurse and healthcare support worker agency, bank staff usage and sickness rates had all shown a positive improvement in the last four months through the Nurse Stabilisation Programme with an increase of the substantive workforce by 110 whole-time equivalent (WTE) members of staff leading to a reduction of overtime by 62 WTE and a reduction of agency usage by 58 WTE resulting in an improved patient experience and a more stable workforce.

- **Corporate Risk Reports**

The Committee is responsible for seeking assurance that the corporate risks are being managed effectively and received a bimonthly Corporate Risk Report. In April 2023, the Committee was advised that the risk of the Health Board not being able to meet the statutory requirement to break even had been mitigated by the Board agreeing an Annual Plan but due to a significant level of savings yet to be identified it was unlikely that the risk score would be reduced in the current financial year. The Committee was also advised that the risk of being unable to access patient records had been reduced through work undertaken regarding the Electronic Document Management System and the associated scanning programme. In August 2023, the Committee was advised that the risk of the Health Board not being able to make the statutory requirement to break even had been raised due to the uncertainty of the Health Board receiving WG financial support. In October 2023, the Committee was advised that the risk score of the loss of Radiology services due to the delayed implementation of the Radiology Information Systems Procurement (RISP) had been reduced following development in contract negotiations.

- **Operational Risk Reports**

The Committee is responsible for providing assurance to the Board that risks affecting finance are being identified, assessed and managed effectively and receives a bimonthly Operational Risk Report to seek assurance that operational risks are being managed effectively. In April 2023, the Committee was informed of a new risk that the Health Board would not have a fit for purpose risk management system in March 2024 due to the expiration of the extant system and were advised that the Corporate Governance team was considering the adoption of an all-Wales system or whether to tender for a standalone risk management system. In June 2023, the Committee expressed concern that some of the operational risk had not been reviewed by risk owners and were advised that risks were being updated by Executive Leads. In December 2023, the Committee was advised that improvements made

around the recruitment of radiologists would result in the review of the risk of overspend against financial budget due to insufficient staff and resources within Radiology once new staff had started in post. The Committee was also advised, in relation to the risks around the three counties remaining within their allocated budget, that the financial challenges were being driven by the four main acute hospital sites.

In addition to the papers listed above, the following papers were received by the Committee at its meetings held in 2022/23:

- **Financial Outlook 2023/24**

In April 2023 the Committee received the Financial Outlook 2023/24 report highlighting the key finance elements contained within the annual plan, namely the projected £112.9m financial deficit position, and providing an update against the £19.5m savings target for 2023/24.

The Committee was informed that following the January 2023 Board meeting, an accountability letter had been sent to WG to provide formal notification that the Health Board would not be able to submit a financially balanced Integrated Medium Term Plan (IMTP) by 31 March 2023 and would instead produce an Annual Plan for 2023/24.

The Committee was advised that limited assurance had been provided to the March 2023 Board and that the organisation was expected to work at pace to accept and progress opportunities highlighted to ensure that, as a minimum, the £19.5m of savings could be delivered. It was noted that current savings schemes had been identified to deliver a total of £8.4m savings, still £11.1m short of the minimum expectation of £19.5m.

The Committee was advised that further to the report, £1.3m of productivity savings from Medicines Management had been shifted into cash releasing recurrent savings, which had increased to £11.5m.

- **Long Term Agreements Outlook 2023/24**

In April 2023, the Committee received a report into the Long Term Agreements (LTAs) Outlook 2023/24 summarising the impact of the investments contained within the LTAs with an inflationary 1.5% uplift which the Health Board will pass on the commissioner share of the pay award funding once confirmed by WG. The Committee was advised that the commissioning arrangements for 2023/24 had been ratified at the Directors of Finance meeting in March 2023 with a change in the tolerance level from 10% to 5% compared to 2022/23 resulting in a reduced level of protection afforded to providers, where underperformance can be claimed back at a marginal rate, impacting on the number of patients being treated. The Committee was advised that the LTAs require an overhaul to ensure that they are fit for purpose and members agreed to escalate their concern as to whether LTAs are fit for purpose to the Board.

- **Core Delivery Group and Financial Control Group Updates**

In June 2023, the Committee was advised that a Core Delivery Group (CDG) had been established to agree and deliver the Recovery Plan and to ensure that governance was in place in terms of responsibilities, benefits, trajectories and risks and will report to the Executive Team and will provide updates of the Group's work to SRC.

From October 2023 the Committee received bimonthly updates on the key decisions and matters considered by the CDG and the Financial Control Group (FCG).

The October 2023 meeting received an update on the work of the CDG and were informed that updates had been received from a number of areas and specialities including nurse staffing levels and its implementation and cost implications, "virtual beds" from Delta Wellbeing and opening hours at Minor Injuries Unit (MIU) at Prince Philip Hospital (PPH). The Committee was advised that a deep dive into Radiology staffing revealed a success in recruitment into vacant posts leading to a reduction in agency usage and savings to the medical rotas that had delivered a financial saving without having an impact on patient care.

The Committee was informed that the FCG were commencing a review into the quality of job roles whereby departments would be given a control total within which they would be expected to manage their staffing arrangements autonomously and flexibly, providing they stayed within their agreed control total. FCG was also commencing an Administration Review across all layers of administration.

In December 2023, the Committee was advised that both CDG and FCG were connected to Targeted Intervention work to identify opportunities to deliver savings with a focus group established to eradicate high-cost locum and agency spend. The Committee was advised that VAT relief on the home oxygen contract will see the Health Board receive £540k in the current financial year and VAT reclamation on Microsoft licencing fees will see the Health Board receive £1.5m in the next financial year.

In February 2024, the Committee was informed that the digitalisation of switchboards across the four HDdUHB acute sites has realised efficiency savings of £200k a year and that a review of staffing on 25A ward areas with a view to reducing agency and bank staff usage with the creation of substantive posts will produce savings in 2024/25. The Committee was advised that an improvement in efficiency through the Transforming Urgent and Emergency Care (TUEC) programme could deliver £278k savings at PPH, medical staffing savings within Women and Children's Services will deliver £70k of savings and that the removal of travelling and accommodation payments to agency staff will result in savings. The options for MIU at PPH have been considered by the Operational Planning, Governance and Performance (OPGP) Group and that progress was being made on the identification and approval of savings schemes.

- **Savings Productivity and Benefits Realisation**

The October 2023 meeting received a report outlining the overview of the Benefits Realisation Model and implementation approach deployed by Digital Services in relation to innovation and transformation projects. The Committee

also received a position statement on the benefits identified from several key transformation projects.

The Committee was informed that 392 hours has been saved by using electronic radiology test requesting and that a full roll-out of the process across the Health Board was anticipated to delivery further savings.

The Committee felt that outcomes relating to the Single Cancer Pathways, electronic test requesting, the use of Artificial Intelligence in pathology and the sharing of images in pathology and radiology provided a good opportunity for a Board Seminar to explore these areas.

The Committee received assurance that all staff were being fully involved in the benefits realisation process and that staff were provided with detailed reports on where lessons had been learned, had training provided and were presented with a detailed process map and that the Chief Clinical Information Officer was engaged to further clinical engagement.

- **Transforming Urgent and Emergency Care (TUEC)**

In August 2023, the Committee received a presentation on the Transforming Urgent and Emergency Care (TUEC) programme and was informed of the proposals to increase flow at the 'front door' by reducing bed surge by 80 across all four of the Health Board's acute hospital sites. The Committee was updated on the progress of the programme and was informed that despite an increase in out-of-hours admission, the ability to discharge patients within 3 days had improved. The Committee was informed that the overarching challenge related to the high occupancy level across all hospital sites driven by older and frail patients experiencing significantly longer lengths of stay in hospital, in excess of 100 days, primarily as a result of the requirements of additional support post-discharge and the limited capacity within the community.

- **Electronic Prescribing and Medicines Administration System**

In August 2023, the Committee received a report on the Electronic Prescribing and Medicines Administration System (ePMA) pre-implementation project, noting that HDdUHB along with all other Health Boards and Trusts in Wales will be required to adopt and implement an ePMA solution to replace the current paper-based systems. The Committee were informed that WG had requested that Digital Health and Care Wales (DHCW) undertake a national scoping exercise in addition to developing an All-Wales Commercial Framework of suppliers who could supply such a solution. HDdUHB are required to undertake a procurement exercise to secure a supplier based upon the agreed Framework and a locally agreed specification.

The Committee was informed that once the specifications are finalised, the full business case will be presented to SRC although some funding will be provided by WG, approximately £5.5m would be required to be funded by HDdUHB for the lifetime of the project.

In February 2024, due to the funding demands in the context of the current challenging financial climate, the ePMA programme required further discussion by the Executive Team and WG regarding the funding of the scheme.

- **Digitally Enabled Transformation Plan**

In August 2023, the Committee received a report on the proposal to introduce a Programme Business Case to deliver the digital proposition to realise the vision articulated in the 'A Healthier Mid and West Wales' strategy to create an integrated, patient-centric, community-based social model of care, a 10-year transformation programme with the use of digital as an enabler. The Committee agreed to proceed to a Full Business Case with the identification of a preferred supplier for a Digital Strategic Partner based on the Programme Business Case and that no commitment to a specific supplier would be made.

- **Integrated Medium Term Plan Development 2024/25**

In January 2024, the Committee received a report on the Integrated Medium Term Plan Development for 2024/25 to understand the Health Board's savings, delivery and trajectory. The Health Board has a 4.1% savings plan to meet the Health Board's £44.8m control total for which the Committee were advised that there was not a line of sight to meet those savings targets in-year with 2.5% a more realistic savings level. The Committee was informed that the Finance Team have been asked by the Director of Finance to move to a 24-month projection to provide clarity on action taken and impact of the trajectory over the medium term.

Assurance

- **Finance Targeted Intervention Actions**

Following the Health Board being escalated into Targeted Interventions (TI) for Finance and Planning by WG on 29 September 2022, the Committee received bimonthly reports on the Health Board's finance function-specific response to TI and their progress.

In October 2023, the Committee was advised that the majority of actions identified in the financial management review were already in train and that more work was needed on the cycle of opportunities and the process-orientated framework with a focus on delivery. The Committee was informed that the NHS Wales Executive were content with the governance arrangements in place within HDdUHB.

- **Procurement Plan and Update**

In April 2023, the Committee received a report on the Procurement Plan for 2023/24 that had been developed by the Procurement Team. The Committee was advised that following a restructuring, the team had been aligned to match the corresponding team within Swansea Bay University Health Board (SBUHB) to enable the teams to work collaboratively more effectively as a west Wales region to gain economies of scale. The Committee was advised that the Procurement Team were set a Savings Plan target of £2.2m, of which £1m had to be cash-releasing savings. The Committee was advised that new ways of working within

the Procurement Team to include a Contract Programme to capture contracts awarded and all contract management, monthly and quarterly reporting templates.

- **Outcome of ARCUS Consultancy Work**

The June 2023 meeting received an outcome report of the work carried out by ARCUS Consulting into the effectiveness of the finance business partnering within HDdUHB, having been commissioned by the NHS Wales Finance Academy on behalf of the All-Wales Directors of Finance. The report provided a set of recommendations to HDdUHB to further develop the strategic role of the Finance Business Partners, specifically surrounding the clarity between Business Controllers and Finance Business Partners. The Committee was advised that a Task and Finish Group had been established to implement the recommendations and fed into a review of governance by the Director of Corporate Governance/Board Secretary aligned with structured assessment work undertaken by Internal Audit to develop a comprehensive pan-organisational response.

The December 2023 meeting received a progress update from the Task and Finish Group on the review of Business Partnering Arrangements and noted that the Finance Team were in agreement with the recommendations provided by ARCUS and had developed a role criteria and tasks analysis as suggested by ARCUS before undertaking any structural analysis.

- **Integrated Performance Assurance Reports**

The Committee received a bimonthly report on the Integrated Performance Assurance Report (IPAR) which summarises the progress made against a range of local and national performance measures. The Committee was advised that, as of 31 March 2023, HDdUHB had delivered 45.55% of its Year-to-Date savings plan for 2022/23.

In April 2023 the Committee was advised that despite considerable work ongoing in foundational economy, third party spending with Welsh suppliers remained at the same levels and that the work would be undertaken with the Procurement Team to address this.

In August 2023, the Committee was advised that the Health Board's spending remained focussed on awarding contracts to smaller suppliers within the Health Board's geographic area.

- **Consultancy Review**

In October 2023, the Committee received a report into the consultancy usage and spend within HDdUHB. Consultancy contracts being reported to the Audit and Risk Assurance Committee (ARAC) with a report being presented to SRC to enable detailed discussion regarding usage and spend on consultancy following a recommendation from Internal Audit. The Committee was advised that only one consultancy contract had been entered into by the Health Board in 2023/24, for consultancy for a Clinical Service Plan and was reported to the Committee.

- **Public Sector Emissions Reporting**

As part of the WG ambition to achieve a carbon neutral public sector by 2030, the Health Board is required to submit an annual carbon accounting form to WG to baseline, monitor and report progress towards carbon neutrality.

In October 2023, the Committee received a report providing a summary of the Health Board's submission to WG. The Committee was advised that there had been a drop in carbon emissions produced by HDdUHB by 19,886,364 kgCO₂e (17.5%) in 2022/23 compared to the previous year due to a reduction in procurement spend, a reduction in black bag waste going to landfill with a corresponding increase in recycling and recycling waste recovered from landfill and a reduction in buildings emissions reflected in an increase in renewables generated onsite and purchased.

- **Ministerial Directions**

The Committee received quarterly reports to provide SRC with a status update and assurance that all NHS Non-Statutory Instruments, otherwise known as Ministerial Directions (MDs), received from WG have been implemented or adopted by HDdUHB. MDs are issued by Welsh Ministers and alter legal rights and include codes of practice and guidance. As MDs form part of the process of approving expenditure of public money, SRC receive quarterly assurance reports on compliance. In February 2024, the Director of Corporate Governance/Board Secretary advised that any MDs that have an implementation date recorded as 'not known' prevented their implementation from being tracked and the Committee were informed that all future reports on MDs would include an implementation date.

- **NHS Wales Shared Services Partnership Performance Reports**

The Committee received quarterly reports with the performance data in respect of services provided by the NHS Wales Shared Services Partnership (NWSSP). In August 2023, the Committee was informed that HDdUHB had the best recruitment performance in Wales.

- **Welsh Health Circulars Report**

The Committee receives regular reports on the monitoring of Welsh Health Circulars (WHCs) which come under the remit of SRC and its sub-committees. The Board require that WHCs that have not been implemented within the stated timescales be closely monitored by the relevant Committee in order to provide assurance on the compliance and delivery of outstanding WHCs in addition to developing an understanding of the impacts resulting in late or non-delivery.

- **Planning Objective Updates**

The Committee received regular updates on the 11 Planning Objectives aligned to the SRC in 2022/23 and the 5 Planning Objectives aligned to the SRC in 2023/24 with an update on the progress made in the development and delivery of the Planning Objectives.

In April 2023, the Committee received an update incorporating the closure report of the 2022/23 progress of the Planning Objectives and was advised that two Planning

Objectives had been completed (6B and 6I) and all nine other Planning Objectives remaining on track.

In June 2023, the Committee was advised that as part of the development of HDdUHB's Annual Plan for 2023/24, a revised set of Planning Objectives had been formulated and the Committee was informed that as part of the continuing development of Planning Objectives, it had been considered how Planning Objectives may be brought together in order to describe their combined impact providing an opportunity for impact and outcomes expected to be described more clearly. This has resulted in the introduction of 4 new domains with 2 strategic goals aligned to each of the 4 domains with a 2 to 4 Planning Objectives sitting within each goal with 5 of these Planning Objectives aligned to the SRC Work Plan.

In October 2023, the Committee was advised that a review of the 2023/24 Planning Objectives had been undertaken by the Executive Team in light of the escalating operational pressures causing a deterioration of the Health Board's financial forecast. The Committee was informed that the Core Delivery Group had been mandated to implement substantial management actions with the aim of delivering financial rectification.

In February 2024, the Committee were advised that the Planning Objectives for 2024/25 had been agreed at Public Board in January 2024, and work will be undertaken to align these to the Committees of the Board for on-going assurance.

Planning Objective Deep Dives

The Committee received a deep dive report on the following service areas in 2023/24:

- **PO6H Supply Chain Analysis:** In June 2023, the Committee undertook a deep dive into the supply chain analysis and was presented with an overview of data from the previous two years, illustrating the percentage spend within the HDdUHB area, within Wales and outside of Wales. The Committee was advised that the percentage spend with local suppliers had increased, attributed to residual COVID-19 spending and two large construction projects. The Committee was informed that work was on-going to attract smaller, local suppliers including representation at events and through direct contact, with the Procurement Team being supported by NWSSP Foundational Economy Team on 'Meet the Buyer' and Business Wales events. The Committee was also informed of the development of a Procurement Strategy to improve the service that the Team provides to HDdUHB and to provide value for money.
- **PO6B Pathways and Value Based Health Care (VBHC):** In August 2023, the Committee undertook a deep dive into the work of the VBHC Team over the preceding year and its future plans. The Committee was advised that the proposals were to consolidate the work of the Team to focus on delivering improvements to patient outcomes. The Committee was also advised that a new patient reported outcomes (PROMs) provider would be needed to be sourced by March 2024 due to the current provider not being on the All-Wales Framework. Attention was drawn to focusses work being undertaken with clinical teams to realise cash benefits with medications with further plans to provide focussed

educational programmes and to support the development of business cases through the lens of value and working with university partners.

- **PO5C Digital Agenda:** In October 2023, the Committee undertook a deep dive into the Digital Agenda and was advised that work had been undertaken as part of the HDdUHB 10-year transformational plan for Digital and were informed of the next steps to be taken, initially with the presentation of a Programme Business Case for a Digital Enablement Plan. The Committee was assured that the timescales for developing the Full Business Plan for the Digital Engagement Plan were realistic due to the amount of work already conducted on the programme and to provide assurance to the Board to support to recommendation to go out to market for a preferred supplier or approach and that there were indications of an appetite from WG to fund a proof of concept to examine how the Digital Agenda would work in the HDdUHB geographical area.

Deep Dives

The Committee conducted the following deep dives in 2023/24:

- **The Pembrokeshire Model:** In December 2023, the Committee received a Deep Dive into the Pembrokeshire Model of healthcare delivery with a focus on the progress to date and the impact on patients, staff and the resource implications both past and projected. The Committee was informed that improvements to the frailty pathway had led to benefits which pre-dated the works carried out at Withybush Hospital (WGH) due to reinforced autoclaved aerated concrete (RAAC) works and the development of an acute Same-Day Emergency Care (SDEC) model has led to an improved financial position. The Committee was advised that the process had been clinically led and that improvements to the medical and bed-flow position predated the RAAC-instigated Internal Major Incident (IMI) with improvements to the Frailty Unit and the Frailty Pathways to a focus on admission avoidance and early intervention to prevent long-term stays. The Committee was advised that improvements to the SDEC model had alleviated pressures in the Emergency Department (ED) with investment in the Home First and Home Support Teams facilitating earlier discharge and providing support to prevent readmission.
- **The Carmarthenshire Model:** In February 2024, the Committee received a deep dive into the Carmarthenshire Model of healthcare delivery and were advised of the challenges of an overcrowded ED in Glangwili Hospital (GGH) and overnight patients in Minor Injuries Unit (MIU) at Prince Philip Hospital (PPH) with an increase in medical admissions at both sites with a heightened number of older and frail medical admissions with a higher number than expected patients with a stay of over 21 days, resulting in a detrimental impact on capacity and patient flow. The length of stay at community hospitals was also considered too high. The Committee was advised of a forecasted end-of-year overspend of £10m, predominantly driven by an overspend at GGH and, to a lesser extent, at PPH. The overspend was being predominantly attributed to spending on pay caused by spending on nursing agency staff. The Committee

was advised that there were plans to reduce nursing agency usage in the ED at GGH and in the Acute Medical Assessment Unit (AMAU) at PPH through utilising substantive staff. The Committee was informed that pathways of care delays were the highest in Carmarthenshire of the HDdUHB's three constituent counties. It was hoped that a drive to modernise and repurpose community hospitals to provide better value for money. The Committee was advised that community-based support was the building blocks of the Carmarthenshire Model with the use of a team of GPs and practitioners able to manage patients within the community and an Advanced Paramedic Practitioner able to intervene in ambulance calls to prevent up to 10 patients a day from attending hospital who otherwise did not need to attend and an Advanced Nurse Practitioner working to identify patients who are better managed within the community as opposed to becoming a hospital admission.

SRC Sub-Committees

The Committee received regular updates from each of its constituted Sub-Committees:

- **Information Governance Sub-Committee**

The Committee received an update from the Information Governance Sub-Committee (IGSC) at each of its meetings during 2023/24. The IGSC also endorsed a number of policies for approval by SRC.

- **Decarbonisation Task Force Group**

The Committee received an update from the Decarbonisation Task Force Group (DTFG) at each of its meetings during 2023/24 to report on the work of the DTFG to delivering the HDdUHB Decarbonisation Programme. A common theme of the DTFG reporting was that without adequate funding and investment, there was a significant risk that HDdUHB would not meet its WG targets for net zero public sector emissions by 2030, although HDdUHB would continue to actively improve the Health Board's performance in accordance with the WG ambition and it remains subject to ongoing review and ongoing change centrally.

- **Agile Digital Business Group/Digital Oversight Group**

In October 2023, SRC received a report proposing the disestablishment of the Agile Digital Business Group and the establishment of a Digital Oversight Group. It was noted that the change reflected a change of focus from digital agility during the COVID-19 pandemic to a new focus on providing a robust oversight to ensure that the digital approval process receives sufficient scrutiny, oversight of delivery and clarity of benefits being realised. It was noted that the Agile Digital Business Group was more focussed on decision-making whereas the new Group would oversee the full pathway of digital projects.

Approval

- **Financial Procedures**

Planned reviews of financial procedures operated by HDdUHB are undertaken annually and are presented to the SRC for approval. In 2023/24, SRC approved the review of the following procedures:

- **FP090 Retention of Financial Records** (August 2023)
- **FP066 Losses and Special Payments Procedure** (October 2023)
- **FP976 Project Bank Accounts** (December 2023)
- **FP1030 Tax Status of Workers** (February 2024)

In 2023/24, SRC approved the extension of the review date of the following financial procedures:

- **FP65 Budgetary Controls** (December 2023)

In 2023/24, SRC approved the following new financial procedures:

- **Tritech Income Risk Stratification** (December 2023)

In 2023/24, SRC reviewed the following procedures, deemed them not applicable and approved their request for removal:

- **FP1001 Injury Cost Recovery Scheme** (August 2023)

Information

- **Developing the Roadmap**

In June 2023, the Committee received a report on developing a long-term financial projection as an enabler for a roadmap to financial balance. The Health Board has a statutory financial duty to break-even over a three-year period that it has never been able to uphold. The Committee was advised that following discussions with WG and the NHS Wales Executive Financial Delivery Unit, it was agreed to seek an agreed path to a sustainable Health Board and to updated and revised longer term financial strategy was needed to supplement the annual efforts to improve financial performance.

- **Healthcare Contracting, Commissioning and Outsourcing Update**

The Committee received regular reports on the contracting and commissioning position of HDdUHB and oversight of Long Term Arrangements (LTAs) with the Welsh Health Specialised Services Committee (WHSSC) and other healthcare partners with HDdUHB. HDdUHB has established several contractual arrangements and commissioned pathways with Welsh NHS bodies for the provision of secondary healthcare services. Recognising the significance of these arrangements and the

required associated relationships to drive these forward and ensure successful delivery, the report outlined the steps that have been taken.

In December 2023, the Committee approved the disestablishment of the Commissioning Group, a sub-committee of what was then the Finance Committee that was established in November 2020 to focus on key commissioning objectives. The Committee were informed that due to the redirection of Health Board priorities and staff during the COVID-19 pandemic and the recognition of 'A Regional Collaboration for Health' (ARCH) forums providing a more effective platform for driving regional change, the sub-committee had only been convened once.

- **Nurse Staffing Levels (Wales) Act Report**

In December 2023, the Committee received a report on the autumn 2023 financial implications as a consequence of HDdUHB meeting its statutory duties to calculate and take all reasonable steps to maintain the nurse staffing levels in all wards where Section 25B of the Nurse Staffing Levels (Wales) Act applies, be that through substantive appointments to the workforce or through the use of temporary staffing.

- **Digital Medicines Transformation Portfolio Annual Review 2023**

In January 2024, the Digital Medicines Transformation Portfolio Annual Review 2023 was presented to the Committee for information.

Key Risks and Issues/ Matters of Concern raised by the Committee to the Board during 2023/24

- **From the Committee meeting held on 25 April 2023:**
 - Scrutiny of the M12 financial position and year end position, highlighting areas of potential audit challenge including the Pay Award and Primary Care dental contracts and recognising the challenging audit environment given the change in the scope of the audit.
 - Challenges for savings delivery for 2023/24, noting the work underway in terms of the governance arrangements of the programmes of change.
 - Concern raised regarding the fitness for purpose of LTAs, which require review across Wales and not in isolation as a Health Board.
 - Committee support of the Planning Objectives 2023/24, recognising the need to map elements of old POs that remain open to the new POs, with assurance received that this would be reviewed in conjunction with the Director of Strategy and Planning.
 - Reduction in risk score for Risk 1335 Risk of being unable to access patient records, at the correct time and place in order to make the right clinical decisions, due to the work undertaken regarding the Electronic Document Management System and the scanning programme.
 - Committee approval of 320 Acceptable Use of Information and Communication Technology Policy and 240 Informatics Procurement & Request Procedure.
 - Positive assurance received from the continued performance of clinical coding and expansion into Emergency Department coding.

- **From the Committee meeting held on 27 June 2023:**
 - Positive assurance received from the diverse activities on Decarbonisation and local procurement.
 - Financial position in the year to date is a challenge, particularly due to Nurse Agency, Medical Additional Hours and Variable Pay, and Savings Delivery; recognising the requirement to include remedial action and trajectories into future financial reporting to the Committee.
 - Mitigating actions being led by the Core Delivery Group.
 - Insufficient assurance at this stage regarding delivery of the Annual Plan.
 - Recognition of the required engagement across the Health Board with the processes from the TI and Arcus reviews.
 - Concern raised regarding the level of assurance received from the number of Operational Risks not being actively updated and managed.
 - Concern raised regarding the level of assurance received surrounding Corporate Risk 1642 - Risk of the Health Board not being able to meet the statutory requirement of breaking even 2023/24 – in terms of the process for delivery at this stage.
 - Ensure that short term actions are a baseline, in terms of grip and control, to provide assurance over delivery of long term actions as part of the roadmap.

- **From the Committee meeting held on 29 August 2023:**
 - There is insufficient assurance on the delivery of £112.9m deficit and the savings programme, though it is recognised an improvement from last month – the risk of failing to deliver the plan remains
 - The improved engagement in the financial delivery and savings plans across the organisation though more work to be done for evidence of clinical engagement
 - The financial challenges arising from increasing urgent care admissions, and inadequate flow / lack of community capacity to improve discharges.
 - The request that the Agile Business Group review digital business cases and the recommendation to Board following a Board Seminar discussion.
 - The positive work of the Value Based Healthcare team, especially with clinical engagement.

- **From the Committee meeting held on 24 October 2023:**
 - There is a risk of not receiving conditionally recurrent funding from Welsh Government should the Health Board not meet its control total for deficit reduction.
 - Concern around the regional funding arrangements regarding healthcare commissioning and contracting, specifically with SBUHB, how it is benefiting HDdUHB patients and providing equitable access to services and the financial consequences of an underspend.
 - There is a reputational risk that should the Health Board be the only Health Board in Wales not to meet its control total then the Health Board could be placed into special measures.
 - There is a financial risk to the £1.6m delivery of revenue savings should the extra bed capacity provided by the construction of the decant ward at Wityhush Hospital be utilised during a winter surge.

- **From the Committee meeting held on 19 December 2023:**
 - Risk to cost benefits realised through changes to the Pembrokeshire Model of care reverting to the model pre-configuration changes.
 - Risk to financial benefits realised following the re-opening of Wards 7 and 11 at Withybush Hospital from the Emergency Department increasing its capacity to previous levels.
 - Significant risk to the in-year cash position should the request to Welsh Government for cash be declined or not fully acceded.
 - Risk to meeting the 2030 strategic decarbonisation targets due to the pressures on capital expenditure and the expectation that Glangwili Hospital will still be operational post-2030.
 - Significant risk to the security of the storage of corporate medical records by an external storage provider. Consideration given to the termination of the contract and removal of records from the external storage provider and securing them at an in-house storage facility.

- **From the Committee meeting held on 27 February 2024:**
 - The Carmarthenshire Model – challenges resulting from long-stay patients in hospitals and the financial impact on nursing and medical pay. Concerns were expressed due to the lack of savings and the challenge of meeting the budget.
 - The Committee resolved to revisit the review of the Pembrokeshire Model in light of the escalation framework.
 - The Committee received assurance through the Core Delivery Group and the shift to the 2024/25 plans, which has been the focus of the Core Delivery Group.
 - The Committee received assurance on the scrutiny that was being given to the Health Board's contracts, recognised the opportunities to repatriate activity, particularly Intensive Therapy Unit patients and the regional orthopaedic arrangements with SBUHB and arrangements to utilise contract with Velindre Cancer Centre
 - Recognised the forecast improvement of the financial situation of a £66m driven by improvements to the nursing and medical staffing position and the improvement of external factors such as the pricing of medication, the improvement in utility costs and a reduction in CHC costs.
 - A positive cash position with a gap that can be managed from within the Finance Team and the ability to make recurrent savings.

Matters Requiring Board Level Consideration or Approval

- The Sustainable Resources Committee's revised Terms of Reference
- The Sustainable Resources Committee Annual Report 2022/23
- Revised tolerance risk score of 12 for the new risk 1642 - *Risk of the Health Board not being able to meet the statutory requirement of breaking even 2023/24*
- Updated Losses and Special Payments Procedure, which details delegated limits for approving ex-gratia payments for personal property claims
- The disestablishment of the Agile Digital Business Group and the establishment of the Digital Oversight Group and approval of its Terms of Reference

- The Dementia Well-being Connector Tender as the value of the tender exceeds £1m
- Extension of the existing third-sector commissioning and procurement Service Level Agreements for Palliative and End of Life Care for 6 months from 1 April 2024 to 1 September 2024
- To recognise the progress of changes made to the Pembrokeshire Model and to recognise the risk of winter pressures to that progress made in the County
- To recognise the assurance from the Core Delivery Group and to note the work and activities undertaken by the CDG
- To raise concern on the in-year cash position of HDdUHB as contained within the Finance Report and the challenges faced in financial delivery and the in-year savings delivery and operational cost pressures and the critical nature of Q4 of 2023/24 in addressing the underlying position ahead of the 2024/25 financial year
- To receive assurances in the manner in which the Opportunities Framework is being transacted into a process that allows HDdUHB to respond accordingly to the challenges that derive from service delivery