

Structured Assessment 2021 – Aneurin Bevan University Health Board

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Summary report

About this report

- 1 This report sets out the findings from the Auditor General's 2021 Structured Assessment at Aneurin Bevan University Health Board (the Health Board). Our Structured Assessment is designed to help discharge the Auditor General's statutory requirement to be satisfied that NHS bodies have made proper arrangements to secure economy, efficiency, and effectiveness in their use of resources under section 61 of the Public Audit (Wales) Act 2004.
- 2 The COVID-19 pandemic required NHS bodies to quickly adapt their arrangements in respect of governance, planning and decision making to ensure timely action was taken to respond to the predicted surge in emergency COVID-19 demand and ensure the safety of staff and patients. Our [2020 structured assessment report](#) considered the Health Board's revised governance arrangements and was published in November 2020.
- 3 NHS bodies have continued to respond to the ongoing challenges presented by COVID-19, whilst also starting to take forward plans for resetting and recovering services affected by the pandemic. Our 2021 structured assessment work considered how arrangements for corporate governance, financial management and strategic planning have continued to adapt since the initial response stage of the pandemic. We also considered how business deferred in 2020 has been reinstated and how learning from the pandemic is shaping future arrangements for good governance and delivering value for money.
- 4 Our work was designed in the context of the ongoing response to the pandemic, by ensuring a suitably pragmatic approach to help the Auditor General discharge his statutory responsibilities whilst minimising the impact on NHS bodies as they continued to respond to the COVID-19 pandemic.
- 5 Where appropriate, we have provided updates on progress against any issues and recommendations identified in previous structured assessment reports, where these related to important aspects of governance, financial management, and operational planning.

Key messages

- 6 Overall, we found **the Health Board maintains adequate Board and Committee arrangements and is embedding its new governance structure alongside its assurance mechanisms, but there are opportunities to assess the effectiveness of these arrangements. The Health Board has gone through a period of high turnover amongst its senior leaders at Board level whilst also holding a number of Independent Member vacancies. The Health Board has effective financial management arrangements enabling it to meet its financial duties over the last three years. However, its underlying deficit presents a risk to financial sustainability going forward. Arrangements for developing**

and submitting the Annual Plan are effective. Whilst the Annual Plan provides clarity on strategic objectives and has informed Board and Committee business, there has been limited oversight and scrutiny on overall delivery of the Annual Plan at Board level.

- 7 The Health Board has adequate Board and Committee arrangements but needs to address issues around its website content and capacity and resilience in its Corporate Governance Support Team. It is embedding its new governance structure and intends to review its effectiveness by April 2022. The Health Board has gone through a period of high turnover amongst its senior leaders at Board level whilst also holding a number of Independent Member vacancies. The Health Board will need to manage the risks associated with this turnover; particularly given the significant operational challenges it is facing. It has further revised its Board Assurance Framework, and risk management strategy and approach. However, embedding the new approach will take time. The Health Board is strengthening its arrangements for employee wellbeing. However, there are opportunities to strengthen quality and patient safety reporting around services the Health Board commissions and arrangements for tracking internal and external audit recommendations.
- 8 The Health Board has successfully met its financial duties over the past three years and achieved its revised savings target despite the pandemic. It is also predicting to break even during 2021-22. The Health Board has effective financial planning arrangements and the 2021-22 plan reflects the exceptional nature of the pandemic and the uncertainties in response and recovery. The continuing impact of the COVID-19 pandemic has led the Health Board to revise its initial savings target of £33 million to £16.6 million. As a result, the underlying financial deficit brought forward from 2020-21 of £20.8 million remains and will not improve during 2021-22 due to in-year cost pressures and continuing financial pressure. This represents a risk to the financial sustainability of the Health Board as savings will need to be achieved in future years to reduce the underlying deficit. The Health Board has generally effective financial controls, monitoring and reporting arrangements.
- 9 The Health Board's arrangements for developing and submitting its annual plan are reasonable. The plan incorporates learning from the pandemic and outlines a strategic approach to providing healthcare in the region. There are clear strategic objectives underpinned by a set of outcomes and measures to achieve them. However, it lacks target dates and milestones to enable the Health Board to monitor and track progress against the various measures and ensure intended priorities and outcomes are achieved. The Health Board is developing a monitoring and outcomes framework; however, this work has not been finalised, due to the impact of the pandemic, resulting in limited oversight and scrutiny on overall delivery against priorities outlined in its Annual Plan at Board level. However, the Annual Plan has been used to inform Board and Committee business, with assurance on individual strategic objectives provided at different points of the year.

Recommendations

- 10 Recommendations arising from this audit are detailed in **Exhibit 1**. The Health Board's management response to these recommendations is summarised in **Appendix 1**.

Exhibit 1: 2021 recommendations

Recommendations

Website Content and Information

- R1 The Health Board's website contains some outdated information relating to its governance arrangements and incomplete performance data which is not supported by appropriate explanatory information. The Health Board, therefore, should take immediate action to ensure:
- content is well-organised, easy to navigate, clear and concise, and
 - key information/data is up to date and in a format that the public and stakeholders can interpret and understand.

Reviewing the new Governance Structure

- R2 Some Board members have expressed concerns about the volume of work now undertaken by some of the committees and the robustness of the arrangements for ensuring flows of assurance. The Health Board, therefore, should complete its review of the new governance structure by its intended deadline of April 2022 to be assured that it is operating as intended.

Corporate Governance Support Team resilience and capacity

- R3 Recent staff turnover within the Corporate Governance Support Team has impacted on the quality of service it is able to provide to the Board and its Committees. The Health Board, therefore, should review the effectiveness of its Corporate Governance Support Team as soon as possible to ensure that it has sufficient resilience and capacity to support all governance functions. Arrangements should also be put in place to ensure staff are able to access suitable training/learning opportunities to develop their knowledge and skills within their respective roles.

Recommendations

Stability of the Board

R4 The Health Board has experienced significant changes in its Executive Team and cadre of Independent Members resulting in several interim Executive Director appointments and is currently recruiting to two independent member vacancies. However, maintaining these temporary arrangements indefinitely alongside the turnover of Independent Members presents risks at a time of significant operational pressures. The Health Board, therefore, should seek to make permanent appointments to these key Executive Director roles at the earliest possible opportunity. In addition, there remains a need for the Health Board to strengthen its induction and training for new Independent Members in line with our recommendation in 2019.

Monitoring delivery of Strategic Priorities

R5 The Health Board has not finalised its monitoring framework due to the pandemic, subsequently there continues to be limited oversight and scrutiny at Board level on overall delivery against priorities outlined in the 2021-22 Annual Plan. The Health Board, therefore, should complete the development of its monitoring framework as soon as possible to allow the Board to review and if necessary, challenge delivery of its strategic priorities and progress against the Annual Plan and future Integrated Medium Term Plans.

Detailed report

Governance arrangements

- 11 Our work considered the Health Board's governance arrangements while continuing to respond to the challenges presented by the pandemic.
- 12 We found that the **Health Board has adequate arrangements in place to conduct Board and Committee business, however, there are opportunities to assess the effectiveness of these arrangements. The Health Board is embedding its new governance structure and strengthening its assurance mechanisms, but it will need to continually monitor and review them to ensure they are functioning as intended. The Health Board has gone through a period of high turnover amongst its senior leaders at Board level whilst also holding a number of Independent Member vacancies. It will need to manage the risks associated with this turnover, particularly given the significant operational challenges it is facing**

Conducting business effectively

- 13 We found that **the Health Board has adequate arrangements in place to conduct Board and Committee business. There are opportunities for improvement including reviewing the effectiveness of the new governance structure and ensuring that there is continuity of executive and independent member leadership during this period of board member change. This is critical at a time when the Health Board is facing significant operational pressures.**

Public transparency of Board business

- 14 Board and Committee meetings continue to be held virtually, with some members attending remotely and some attending from socially distanced meeting rooms. The use of technology and the etiquette around virtual meetings are well embedded. Some Board members have indicated that they would like to see the current arrangements continue as the Health Board moves into recovery.
- 15 Board meetings are livestreamed with recordings made available on the Health Board's YouTube channel. Signposting to upcoming Board meetings is provided via the Health Board's social media channels and website homepage. Weblinks for previous meetings are accessible through its website. However, they direct the public to the Health Board's YouTube channel homepage as opposed to specific meetings.
- 16 The Health Board does not livestream any Committee meetings. The Health Board has indicated it does not have the resources to provide this service. However, meetings are recorded for minuting purposes. The Health Board, therefore, may wish to consider making these recordings available on its YouTube channel to further enhance public transparency of Board business.

- 17 The Health Board aims to publish meeting agendas and papers on its website a week in advance. However, the impact of the pandemic has placed significant and sustained pressure on the Corporate Governance Support Team resulting in delays in issuing some Committee papers. Some Board members have indicated to us that this has affected their ability to review these papers in detail to enable effective scrutiny and challenge. The Health Board does not have arrangements in place to monitor timescales for submitting and publishing Board and Committee papers. It may, therefore, want to consider establishing a breaches log to monitor and improve compliance with timescales for submitting and publishing papers.
- 18 Our review of the Health Board's website between September and November 2021 identified:
- outdated information relating to the Health Board's new Committee structure;
 - outdated information on Executive Team membership;
 - incorrect meeting dates; and
 - incomplete meeting packs for some Committee meetings¹.
- 19 Furthermore, some of the performance data published on the website is incomplete and not supported by appropriate explanatory information². The Health Board, therefore, should take steps to ensure the content relating to its governance arrangements is well organised, easy to navigate, clear and concise, and performance data is up to date and presented in a format that the public and stakeholders can interpret and understand (**Recommendation R1**).
- 20 The Health Board continues to invite Community Health Council (CHC) representatives to participate in virtual Board meetings. The Health Board also makes extensive use of social media to engage with the public by, for example, providing information on service provision and changes, and its ongoing response to the pandemic. It is also expanding the way it communicates to the public and stakeholders by developing a WhatsApp messaging service which will provide subscribers with frequent Health Board updates on a variety of topics.

Board and committee arrangements

- 21 At its December 2020 meeting, the Board agreed to introduce and implement a leaner governance structure in April 2021, to reflect learning from its revised governance arrangements introduced at the outset of the pandemic and to recognise the need for a more proportionate governance model going forward. The

¹ Some papers were unavailable for the Patient, Quality, Safety and Outcomes Committee meeting in September 2021, and the People and Culture Committee meeting in November 2021.

² Data published in relation to mortality figures across the Health Board's hospital sites during the pandemic and more recently hospital handovers at the Grange University Hospital (GUH) have either been incomplete or not supported by appropriate explanatory information.

aim of the new governance structure is to allow the Board to maintain greater strategic oversight of the organisation and to strengthen the role of the Committees in terms of providing more detailed scrutiny and assurance on Health Board business.

- 22 Some of the Committees in the new structure have taken responsibility for wider elements of Health Board business, with some functions spanning several committees, for example:
- the Finance and Performance Committee has been disbanded, with oversight of finance allocated to the new Audit, Finance and Risk Committee ('AFR Committee');
 - performance is now overseen by two Committees – the new AFR Committee, and the Patient, Quality, Safety, and Outcomes Committee ('PQSO Committee');
 - the Information Governance Committee has been disbanded, with the AFR Committee, the PQSO Committee, and the Strategy, Planning, Partnerships, and Wellbeing Committee (SPPW Committee) now responsible for overseeing different aspects of information governance and ICT programmes; and
 - the SPPW Committee now includes partnership working which was previously covered by the Partnerships and Wellbeing Committee. However, this is not an assurance committee of the Board.
- 23 Whilst Board members are supportive of the new governance structure, some have expressed concerns about the volume of work now undertaken by some of the committees (such as the AFR Committee), and the robustness of the arrangements for ensuring flows of assurance. The Health Board, therefore, needs to assess the effectiveness of its new governance structure to ensure it is operating as intended. **(Recommendation R2)**.
- 24 There is a degree of variability in the way agendas for Board and Committee meetings are configured. Some Board members have expressed concern that the length and configuration of some agendas limit their ability to provide detailed scrutiny and questioning. The Health Board, therefore, may want to consider adopting a consistent approach to agenda setting to provide focus and enable scrutiny where it is needed most by placing items for review and assurance first, followed by items for consideration, and finally items for noting and information. This would also help manage time and energy levels across all meetings.
- 25 Our observations of Board and Committee meetings found them to be generally well managed, with Chairs ensuring focussed discussions on key issues and encouraging contributions from all. Board members engage and participate fully in meetings with good scrutiny and questioning of the information presented. Chairs still invite Independent Members to submit questions in advance, which is continuing to increase the breadth and depth of scrutiny.

- 26 The Corporate Governance Support Team continues to provide administrative support to the Board and its Committees. However, our work identified some concerns amongst Board Members regarding the capacity and resilience of the Corporate Governance Support Team, indicating that recent staff turnover is impacting on the level of knowledge and experience within the team. With the appointment of a new permanent Board Secretary, there are opportunities for the Health Board to review the capacity and resilience of the Corporate Governance Support Team to ensure the Board and its Committees are supported effectively **(Recommendation R3)**.

Board and committee information

- 27 We found evidence of positive practice, with some Board and Committee papers becoming more succinct, clearer, and outcomes focussed, for example:
- information included in the Patient, Quality, Safety and Outcomes Report has reduced significantly and is beginning to provide more clarity around emerging themes, areas of concern, mitigation, and good practice; and
 - Independent Members have also commented positively on the quality of the update paper on National Clinical Audit which gives clearer assessments of the Health Board's position against several national clinical audit actions.
- 28 Whilst all cover reports follow an SBAR³ format, our work found slight differences in their use, for example:
- executive summaries are either not completed or include information that is more appropriate in a different section of the report;
 - some cover reports are unclear on the overall purpose of the report with multiple options selected rather than one (approve the report, discuss, and provide views, or receive the report for assurance/compliance);
 - the quality of information contained within cover reports is variable, with some cover reports containing limited information and others containing too much detail rather than focussing on the key issues set out in the main report; and
 - we have also identified instances where broadly similar reports were presented to Committees and the Board, thus missing opportunities to summarise and synthesise the information to provide focus on key matters.
- 29 Overall, we found that information provided to the Board and its committees is improving and there is evidence of good practice. However, there are opportunities to improve the quality and use of cover reports through training, guidance and also regularly reviewing the quality of agenda content.

³ Situation, Background, Assessment, and Recommendation.

30 In addition, in 2018, we highlighted improvements needed in the areas relating to information governance and informatics. Progress against the recommendations is outlined in **Exhibit 2**.

Exhibit 2: progress made on previous year recommendations

Recommendation	Description of progress
<p>Information Governance Arrangements 2018 R3</p> <p>The Health Board should improve its information governance arrangements by:</p> <ol style="list-style-type: none"> a. improving compliance with the information governance training programme to reach the national rate of 85%; b. improving performance against information access targets for the Freedom of Information Act to reach the statutory targets. 	<p>In Progress</p> <p>The pandemic has hindered progress against achieving the national rate of 85% with compliance for the organisation currently reported at 74%. The Information Governance (IG) Unit has extended the range of learning options available:</p> <ul style="list-style-type: none"> • the E-Learning package available via the intranet for staff • working with the National ESR team to add the Health Board's IG E learning on to ESR for ease of access (work in progress) • A YouTube video is now available for staff for easier access to the information by staff eg Facilities/bank/agency staff • Bespoke training sessions provided on request • Information Governance Development Groups held with Divisions to report and inform of their compliance rates <p>A reduction in compliance for FOI requests has been noted from 100% in May 2021 to 67% in September 2021. This occurred due to workforce absences, along with a significant increase in requests, which has impacted on the ability to respond in a timely manner. A review of capacity requirements is underway.</p>

Recommendation	Description of progress
<p>Informatics 2018 R4</p> <p>The Health Board should address areas for improvement in relation to informatics, specifically updating ICT disaster recovery plans and test these to ensure they worked as intended.</p>	<p>In Progress</p> <p>Progress has continued across the informatics agenda throughout 2021 with a new interim management structure in place to help drive progress and focus on key priorities. A new Digital Delivery Oversight Board has been established to improve the decision making, risk management and accountability of progress at Executive level. This will be strengthened further into 2022. Progress has also been made with ICT business continuity plans with many services, albeit further work is still required in some areas due to the staffing pressures of some clinical teams. This will be a priority to be completed in 2022.</p>

Arrangements to improve the Board and its committees

- 31 The Health Board has continued to hold development and briefing sessions for Board Members, which cover a range of topics such as risk management and measuring and reporting outcomes, and Board Members have indicated to us that the sessions are helpful in terms of raising awareness of key issues prior to discussion at Committee or Board meetings.
- 32 Last year, we reported that the Committees did not review their effectiveness or prepare annual reports for the Board. The Health Board's intention was to reinstate annual reports from early 2021 using a more consistent approach for self-assessment. However, the ongoing impact of the pandemic and the introduction of the new governance structure have delayed this work. The Board intends to undertake a review of its effectiveness in February 2022, and also review the effectiveness of its new governance structure in April 2022.
- 33 Our work found that the impact of the pandemic has delayed the delivery of a local induction for new Independent Members. Given the recent and upcoming changes within the Health Board's cadre of Independent Members (see **paragraph 37**), the Health Board should ensure it has appropriate arrangements in place for providing an effective local induction for new Independent Members as soon as possible into their tenure (see **Exhibit 3 2018 R1**).

Ensuring organisational design and leadership capacity supports effective governance

- 34 Last year, we reported that the Health Board established emergency command and control structures across all levels of the organisation and adjusted its governance framework to respond to the pandemic. These arrangements were reviewed by the Board in December 2020 where it was agreed that they continue until March 2021. The command-and-control structures established in February 2020 were also adjusted with the strategic (gold) and tactical (silver) command groups stood down, with reporting reverting to the Executive Team. The operational (bronze) groups continued to operate and report to the Executive Team until the end of March 2021.
- 35 The Health Board has seen significant changes within the Executive Team. A new Medical Director, Executive Director of Workforce and Organisational Development, and Board Secretary joined the Health Board in the last year. However, the Director of Operations, Chief Executive Officer, and Director of Primary, Community, and Mental Health have departed. Whilst the Health Board moved swiftly to appoint interim replacements to these key roles, maintaining these temporary arrangements indefinitely may present risks during a time where the organisation is facing significant operational pressures (**Recommendation R4**).
- 36 There are also recent, current and expected changes to Independent Members including:
- the new Independent Member (University) joined the Board in January 2021.
 - the Vice Chair began a temporary role as Chair of Cwm Taf Morgannwg University Health Board in October 2021. Whilst interim arrangements have been put in place, the Health Board has been advised by the Welsh Government not to appoint a permanent replacement for 18 months.
 - the Health Board is currently seeking to recruit a new Independent Member (Finance) and a new Independent Member (Digital), with interviews due to be held during December 2021 and January 2022 respectively.
 - a fourth vacancy will become available in March 2022 when the tenure of the Independent Member (Third Sector) comes to an end.
- 37 This turnover will need to be managed carefully supported by an induction and development programme. We highlighted this requirement in 2019, but action against the recommendation remains incomplete (**Exhibit 3**).

Exhibit 3: progress made on previous year recommendations

Recommendation	Description of progress
Board Member Induction and Training 2018 R1 The Health Board should ensure Board member induction and training meet the needs of independent members.	Incomplete The Health Board does not have local induction arrangements for Independent Members.

Systems of assurance

- 38 We found that the **Health Board has further revised its risk management approach but embedding the new arrangements and developing an organisational risk culture will take time. Whilst the Health Board has enhanced its staff wellbeing arrangements, the Board should seek regular assurance around their effectiveness, particularly in relation to the Grange University Hospital. Opportunities to further strengthen the Health Board's arrangements for tracking recommendations remain.**

Managing risk

- 39 We found that **the Health Board has further revised its Board Assurance Framework, and risk management strategy and approach, however, it will take time to embed the new arrangements.**
- 40 Last year, we reported that the Health Board finalised and approved its Board Assurance Framework (BAF) in March 2020 along with a revised risk management strategy. At the time, the BAF captured a small number of principal risks, predating the pandemic. Principal risks were updated to reflect the impact of the pandemic and the adjustments to the Health Board's governance framework.
- 41 The Health Board has further developed its risk management strategy, approach, and BAF during 2021. The Health Board's revised risk approach provides a greater focus on the risk escalation process and how it assists in achieving the Health Board's strategic objectives. It also places responsibility on operational areas to take more ownership for managing and escalating risks to the delivery of local objectives (see **Exhibit 4 2019 R1**).
- 42 The Health Board maintains a corporate risk register which clearly articulates cause and effect along with timescales to deliver mitigating action. However, there is scope to enhance the register further by:
- reducing overlaps between actions and controls,

- clearly aligning assurances to controls, and
- providing more information around the effectiveness of mitigating actions. (see **Exhibit 4 2019 R2**).

- 43 The Health Board's intention is to transition to a new approach of completing a thematic analysis of escalated risks and using this information to generate risk profiles for the organisation. The Executive Team are also considering proposals for bi-monthly risk management development sessions to enable them to receive assurance and endorse progress from divisions on the management of their risks, facilitate horizon scanning of new risks, and consider risk profiles (**see Exhibit 4 2017 R3**)
- 44 Our overall assessment of the risks on the BAF and corporate risk register reflects our understanding of the Health Board's key issues and the actions that it is taking to resolve them.
- 45 The Health Board has established a delivery framework to embed the new arrangements across the organisation and ensure organisational buy-in and commitment. The introduction of a Risk Managers' Community of Practice, which held its first meeting during November 2021, is a positive development and will support efforts to improve knowledge and understanding of risk management across the organisation, by creating opportunities to share learning and good practice. Whilst the Health Board has appointed a Head of Corporate Services, Risk and Assurance to lead this work, there has been no further investment in this function. The Health Board, therefore, may want to consider investing further in its risk management function to provide the necessary expertise and support to the Head of Corporate Services, Risk and Assurance and ensure the new arrangements are rolled out and embedded at pace.

Exhibit 4: progress made on previous year recommendations

Recommendation	Description of progress
<p>Board Assurance and Risk 2019 R1</p> <p>The Risks to delivering the IMTP service change plans (SCPs) and the high impact priorities have not been clearly articulated in a board assurance framework (BAF). The Health Board should:</p> <ol style="list-style-type: none"> a. Complete the development of a BAF by March 2020 and in doing so look to see how other NHS Organisations in Wales construct theirs and consider whether the approach can be adapted. b. Clearly articulate and document risks to delivering SCPs and high-impact priorities as part of the IMTP refresh for 2020-21 in a BAF. 	<p>Complete</p> <p>The Health Board has revised its BAF which now clearly articulates the organisation’s principal risks and strategic priorities outlined in its Annual Plan. Whilst the Board reviews the BAF bi-annually, the arrangements should be kept under constant review to ensure they remain fit for purpose and support effective governance.</p>
<p>Board Assurance and Risk 2019 R2</p> <p>There is scope to improve the quality of the corporate risk register (CRR). The Health Board should review the CRR by the end of March 2020 to ensure it clearly articulates cause and effect, reduced overlap between controls and mitigating actions, specifies controls such as policies and procedures, aligns assurances to controls, indicates whether mitigating action is effective and includes timescales to monitor progress.</p>	<p>In Progress</p> <p>The corporate risk register clearly articulates cause and effect along with timescales to deliver mitigating action. However, there is scope to enhance the register further (see paragraph 43). The Health Board is transitioning to a new ‘risk profile approach’ but will need to maintain a corporate risk register until the new arrangements are embedded.</p>

Recommendation	Description of progress
<p>Risk Management 2017 R3</p> <p>The Health Board should review risk management arrangements to ensure that corporate risks are appropriately escalated and managed by:</p> <ol style="list-style-type: none"> a. developing upon its current risk reports to ensure that the context of the risk and progress in managing it are clearly set out; and b. revising the risk rating based on the mitigating actions. 	<p>In Progress</p> <p>The Health Board has reviewed its risk management arrangements and is currently introducing a new approach for escalating risks across the organisation and onto the BAF.</p>

Quality and safety assurance⁴

- 46 We found that **whilst the Health Board is taking steps to strengthen its employee wellbeing arrangements, it will need to continually monitor their impact, particularly in the Grange University Hospital. Reporting on patient experience has continued, but further work is required to develop quality and safety reporting in relation to services the Health Board commissions.**
- 47 The Health Board has identified employee wellbeing as an organisational priority in its Annual Plan, recognising the continuing impact of the pandemic and the changes brought about through the early opening of the Grange University Hospital on its staff. In response to these challenges, the Health Board has taken a range of actions, including:
- developing a wellbeing strategy and workplan focussing on strengthening its current wellbeing service and providing support to operational areas in identifying and addressing causes of poor wellbeing;
 - developing plans for a Wellbeing Centre of Excellence that will encourage research and development;
 - prioritising wellbeing support for individuals and teams moving to the Grange University Hospital;
 - issuing quarterly wellbeing surveys to staff that will help focus support in the correct areas;

⁴ We have limited the work we have undertaken on quality governance arrangements as part of our 2021 structured assessment, as we are undertaking a separate review of quality governance arrangements at the Health Board. The review will consider whether the organisation's governance arrangements support delivery of high quality, safe and effective services. We will report our findings in 2022.

- increasing the capacity of its occupational health and psychological wellbeing teams; and
 - introducing its 'People First Programme' to engage with staff across the organisation enabling them to share their feelings and concerns.
- 48 Staff safety and wellbeing are reported to the Health Board's People and Culture Committee. Key messages around workforce performance and activity are communicated through the COVID-19 workforce wellbeing and occupational health dashboards. The Board gains some assurance on 'wellbeing' from the People and Culture Committee's assurance report and other papers, such as the nurse staffing assurance and winter planning reports. There is not however a regular dedicated update on this key area of risk at the Board, this could leave some members less than fully sighted on pressures currently being faced by staff and any potential consequence to service delivery.
- 49 Despite the Health Board's efforts to improve employee wellbeing and the quality and safety of services it provides patients, we note the serious concerns raised by the Royal College of Physicians (RCP) following a visit to the Grange University Hospital. The RCP received positive views from medical staff regarding opportunities for medical education and support, the strong working relationships between professional colleagues, the model of care for single specialty conditions, and the wellbeing and mental health support services provided during the pandemic. However, they identified serious concerns around excessive workloads and chronic understaffing, lack of support from Health Board managers, inappropriate responsibilities of the medical registrar role, and lack of clinical engagement and action from the Health Board. The Health Board has worked in partnership with the RCP and Health Education and Improvement Wales (HEIW) to develop an action plan to address these findings and wider wellbeing actions. The Health Board is making good progress in implementing the actions. We also note that the Medical Director is currently meeting with the RCP on a monthly basis to identify solutions and provide a framework going forward.
- 50 The QPSO Committee continues to receive quarterly patient experience reports and updates on patient experience. The latest report, provided in June 2021, outlined the Health Board's efforts to gain patient feedback during the pandemic using various methods in the absence of an electronic system. The Health Board is working closely with the Community Health Council in progressing a range of alternative methods for gaining patient feedback such as virtual FaceTime appointments. The report indicated that results are analysed and considered by divisions which prepare action plans to address any weaknesses identified through patient experience feedback.
- 51 In **paragraph 27** we comment on the improvements made to the Health Board's Patient Quality, Safety, and Outcomes Report. The report aligns to Healthcare Standards and includes performance information on a range of quality metrics, including healthcare-associated infections, COVID-19, pressure damage, and inpatient falls. Whilst the report is predominantly secondary-care focussed, the

report does include performance information on wider areas of the Health Board's business such as Child and Adult Mental Health Services (CAMHS) and Primary Care Mental Health. The Health Board is also strengthening its reporting on the Welsh Health Specialised Services Committee (WHSSC); however, opportunities exist to strengthen reporting on the services the Health Board directly commissions.

- 52 Last year, we found opportunities for the Health Board to better identify which COVID-19 issues should be routinely reported to the Board or its Committees for assurance. This year, we found that COVID-19 updates were a standing item on Board and Committee agendas up to March 2021. The four harms associated with COVID-19⁵ were routinely reported via a Safety Dashboard report to the new Patient Quality, Safety and Outcomes Committee and the predecessor committee until June 2021. Since then, all issues are escalated through the Quality and Safety Outcomes Report. Whilst COVID-19 issues are included in various reports and papers for the Board, the removal of COVID-19 updates as a standing item on the Board agenda has limited opportunities to provide assurance. However, we note that Committee Chairs are able to escalate and raise specific concerns and issues at Board meetings as required.
- 53 In previous years' structured assessment reports, we issued recommendations relating to Putting Things Right (**2018, recommendation 1**) and Clinical Audit (**2017, recommendation 4**). We will assess progress against those recommendations as part of the quality governance review which will be published in 2022.

Tracking progress against audit recommendations

- 54 We found that **the Health Board has taken steps to further develop its arrangements for tracking internal and external audit recommendations, but opportunities to strengthen these arrangements remain.**
- 55 The Executive Team regularly reviews progress against internal and external audit recommendations. The AFR Committee receives information from the Executive Team on the status of each high priority recommendation as well as requests to extend implementation deadlines or to close high priority recommendations and remove them from the tracker upon completion. The Committee continues to scrutinise and challenge the Executive Team's assessment, particularly where deadlines are overdue, or actions are taking too long to complete.
- 56 Whilst the AFR Committee receives summary information on the status of all outstanding recommendations, these are monitored by divisions with issues escalated to the Executive Team as necessary, such as when recommendations are not on course for completion, or when there is a significant change. The Health

⁵ The four harms are – (i) harm from COVID-19 itself; (ii) harm from an overwhelmed NHS and social care system; (iii) harm from reduction in non-COVID-19 activity; and (iv) harm from wider societal actions/lockdown.

Board, therefore, may want to consider sharing the full tracker with the AFR Committee to enhance transparency and enable detailed analysis and scrutiny.

Managing financial resources

- 57 Our work considered the Health Board's financial performance, financial controls and arrangements for monitoring and reporting financial performance.
- 58 We found that **the Health Board has achieved its financial objectives and has generally effective financial controls and monitoring and reporting arrangements in place. However, it will need to manage its underlying deficit to ensure its financial sustainability going forward.**

Achieving key financial objectives

- 59 We found that **the Health Board has successfully met its financial duties over the past three years and has achieved its revised savings targets despite the pandemic. It also has a prudent approach to respond to future challenges, although savings deferred during the pandemic may be a significant challenge to implement later.**

Financial performance 2020-21

- 60 The Health Board met its financial duty to break even over the three-year period 2018-2021, with a cumulative surplus of £0.512 million for revenue expenditure. In 2020-21, the Health Board recorded a surplus of £0.245 million and spent £1.551 billion in revenue expenditure providing and commissioning services. It received £1.495 billion from the Welsh Government and £105.020 million in miscellaneous income from local authorities, dental fees, or other NHS bodies.
- 61 The Health Board also met its duty to break even in relation to capital expenditure with a surplus of £0.082 million over the same three-year period. For 2020-21, the surplus on capital expenditure was £0.013 million. The Health Board spent £110.958 million on capital expenditure in 2020-21, including funding to accelerate the opening of the Grange University Hospital, the Hospital Sterilisation and Decontamination Unit, and other construction work.
- 62 The Health Board also met the duty to have its three-year integrated medium-term plan (ITMP) for 2019-2022 approved by the Minister for Health and Social Services. However, IMTPs were suspended in 2020 due to the pandemic and replaced with quarterly plans during 2020-21 and an annual plan for 2021-22.
- 63 The Health Board's 2020-21 budget was approved by the Board in March 2020. As the budget was prepared prior to the pandemic, the assumptions and targets were set on a 'business as usual' basis. Total income was budgeted to be £1.311 billion, and the total delegated expenditure was budgeted to be £1.305 billion. To achieve financial balance in 2020-21, the Health Board identified the need to use additional funding allocations of £37 million and deliver savings totalling £33.4 million.

- 64 The impact of the COVID-19 pandemic prompted the Health Board to revise its savings target to £9.229 million. By March 2021, it had delivered £9.468 million savings (2.6% above its target) consisting of £8.281 million recurring and £1.187 million non-recurring savings. Whilst savings in some areas were above target, such as non-pay expenditure (£1.315 million above target), pay-related expenditure was significantly below target. Only £1.516 million of pay-related savings were achieved compared to a target of £3.732 million.
- 65 During 2020-21, the Health Board spent £142.428 million (net) responding to the pandemic. This additional funding was provided by the Welsh Government to support the response on areas such as test, trace and protect, the vaccination programme, field hospitals and personal protective equipment (PPE).
- 66 As a result of delayed or cancelled procedures, the Health Board did not spend £39.370 million of intended expenditure, and this offset additional expenditure arising from the pandemic.

Financial planning 2021-22

- 67 The financial plan for 2021-22 was presented to the Board in March 2021. Reflecting the exceptional nature of the pandemic and the uncertainties in response and recovery, the Health Board has agreed to utilise a quarterly budget planning process to manage and mitigate the challenges.
- 68 The plan anticipates income of £1.383 billion and proposes delegated budgets of £1.346 billion in expenditure. Given the unpredictable nature of the pandemic, the Health Board's officers have informed us that there is uncertainty around the financial plan and there is constant dialogue with the Welsh Government on any changes in forecasted expenditure.
- 69 The financial plan accounts for the continuing impact of the pandemic. It does not assume any additional allocation funding from the Welsh Government in response to COVID-19 or service recovery. Recovery plan funding was subject to discussions with the Welsh Government and initial recovery cost estimates were circa £19 million in 2021-22 as reported in the Health Board's annual plan.
- 70 In November 2021, the Board was notified that the Health Board is predicted to break even for the year based on performance within the first six months of the financial year. The financial report concludes that there is sufficient funding in place to provide the services planned in-year and the Health Board has received confirmation from the Welsh Government that it will receive previous, unconfirmed funding of £65 million relating to COVID-19.
- 71 The financial plan initially identified a recurrent savings target of £33 million in order to achieve a break-even position. This savings target is significantly greater than the amount of savings achieved in 2019-20 or 2020-21. To help achieve this ambitious target, the Health Board has established a savings delivery programme which was presented to the AFR Committee in April 2021. However, like in 2020-21, the continuing impact of the COVID-19 pandemic resulted in the Health Board

revising its savings target to £16.596 million of which £13.586 million relates to recurring and £3.010 million to non-recurring savings levels. Subsequently, the underlying financial deficit brought forward from 2020-21 of £20.830 million remains. The Health Board is anticipating that its underlying financial position will not improve during 2021-22 due to in-year cost pressures and the continuing financial pressure it is facing. This represents a significant risk as the savings will need to be achieved in future years. At September 2021, the Health Board has achieved £5.757 million of its savings, which is slightly above its planned delivery. However, recurrent schemes have slipped and have been replaced by non-recurrent schemes.

- 72 Finance reports provided to the AFR Committee and the Board include a section on savings delivery. This provides an overview of Health Board savings progress to date and performance of its high-level 'green' savings schemes. Whilst this information is sufficient to oversee the impact of financial savings, it is not sufficient to enable Board members to scrutinise or recommend action of individual savings schemes.

Financial controls

- 73 We found that **the Health Board has generally effective financial controls and counter-fraud arrangements.**
- 74 As noted in our 2020 Structured Assessment, the Board made some temporary adjustments to the Scheme of Delegation. These temporary arrangements ceased in March 2021.
- 75 During 2020-21, the Internal Audit Service examined financial controls and governance in other areas of the Health Board. In June 2020, Internal Audit provided reasonable assurance over the financial controls relating to the Grange University Hospital, concluding that costs were adequately substantiated and accorded with the contract in place. In June 2020, Internal Audit provided reasonable assurance over financial planning and budgetary control, and in May 2021, the service provided substantial assurance on the financial governance and controls in the consolidation process relating to Test, Trace and Protect. During November 2021 the Internal Audit Service completed a follow-up review on financial assurance at the Grange University Hospital and provided substantial assurance.
- 76 Our review of counter-fraud arrangements in August 2020 found that the Health Board demonstrates a commitment to counter-fraud, has suitable arrangements to support the prevention and detection of fraud, and is able to respond appropriately where fraud occurs. The report highlighted one area of improvement around local counter-fraud specialist capacity. Information recently received from the Head of Counter Fraud Services Wales indicates that the Health Board's Counter Fraud Team is currently well resourced with experienced investigators and is one of the high-performing teams in Wales NHS services.

Monitoring and reporting

- 77 We found that **the Health Board provides sufficient, clear information to enable effective financial monitoring by the Board. However, there is scope to further develop the knowledge of Independent Members on financial matters to support effective scrutiny and challenge.**
- 78 Financial performance is reported to the Board and the AFR Committee. Both receive a report detailing financial performance against the most recent completed month against targets. The report breaks down performance in each area, such as income, pay expenditure, and non-pay expenditure. It also includes a breakdown of COVID-19 additional expenditure. The report also provides an update on savings delivery and financial risks and opportunities. However, opportunities to provide more detail in respect of progress against savings schemes remain (see **Exhibit 5 2017 R1**). The information is publicly accessible via the papers for Board and AFR Committee meetings.
- 79 The Health Board continues to submit monthly monitoring returns to the Welsh Government detailing its financial performance compared to forecasted performance. The Board and AFR Committee receive copies of the monthly returns to scrutinise.
- 80 In **paragraph 37**, we comment on the Health Board’s Independent Member (Finance) vacancy. To provide coverage for finance, the Health Board temporarily appointed a special advisor who supported the AFR Committee and Board on financial matters until July 2021. Since July, however, this has left a knowledge and capacity gap amongst the current Independent Member cadre. We understand the interviews to fill this vacancy took place in December 2021.

Exhibit 5: progress made on previous year recommendations

Recommendation	Description of progress
Savings Schemes Monitoring and Reporting 2017 R1 The Health Board should provide more detail to Executives and Independent Members in respect of progress against savings schemes. This should help them to provide sufficient scrutiny and challenge to schemes which are off target.	Incomplete Finance reports provide an overview of Health Board savings progress to date and performance of its high level ‘green’ savings schemes. Whilst this information is sufficient to oversee the impact of financial savings, it is not sufficient to enable Board members to scrutinise or recommend action of individual savings schemes.

Planning arrangements

- 81 Our work considered the Health Board's approach to preparing an Annual Plan for 2021-22 as well as the arrangements it has in place for monitoring and reporting on plan delivery.
- 82 We found that **the Health Board has reasonable planning arrangements which align to the wider corporate and regional strategy. The Annual Plan, while providing clarity around the Health Board's strategic objectives, lacks the target milestones needed to enable effective monitoring. The Health Board intends to introduce a monitoring and outcomes framework; however, this work has been delayed due to the pandemic. As a result, the Health Board has been unable to provide assurance on overall delivery against the priorities outlined in the Annual Plan.**

Arrangements for developing plans

- 83 The Health Board has adopted a new approach to planning, which focusses on a life course approach with the aim of reducing inequalities across communities through improving population health. Whereas quarterly plans primarily focussed on the Health Board's COVID-19 response and winter planning, the Annual Plan incorporates learning from the pandemic and outlines a strategic approach to providing healthcare in the region.
- 84 The Annual Plan is aligned to Building a Healthier Gwent⁶ and the Health Board's Clinical Futures Strategy⁷. The Health Board's long-term ambition is to contribute to reducing the 18-year gap in healthy life expectancy by 2030. The plan acknowledges the early opening of the Grange University Hospital and the work around embedding a new model of care across the hospital system during the pandemic. However, it recognises the need to develop and accelerate plans to provide care closer to home.
- 85 In developing the Annual Plan, the Health Board used its quarterly plans and previous IMTPs as a baseline to understand progress made against its immediate and longer-term priorities. Priorities not achieved during 2020-21 were incorporated in the Annual Plan where possible.
- 86 The Health Board's change in approach has led it to agree five new clear, understandable, and flexible strategic objectives underpinned by a set of outcomes and measures to achieve them. Whilst the content and clarity of the plan appear to be sufficient, it lacks target dates/milestones to enable the Health Board to monitor and track progress against the various measures and ensure intended priorities and outcomes are achieved.

⁶ [Building a Healthier Gwent](#)

⁷ [Aneurin Bevan University Health Board webpage: Caring for You and Your Future](#)

- 87 Our discussions with staff suggest the Health Board's use of data for planning purposes is maturing. It has engaged Lightfoot Solutions who are using its 'signals from noise'⁸ data tool to support and build resilience in the Health Board's planning approach and provide robust evidence to support decision making.
- 88 The Health Board's Planning Team also adopted a 'light touch' approach to engagement, developing a framework for discussion with operational areas to identify service priorities, deliverables, and challenges. The Health Board's Executive Team tested planning assumptions as part of its Health Systems Leadership Group meetings. The Health Board also engaged with its partners as part of the planning process recognising partnership working as a key enabler for delivering services across the region. But there is also acknowledgement that arrangements have varying levels of maturity and integration although opportunities exist for partnerships to adapt to changing needs.

Planning for recovery

- 89 The Health Board's approach to recovery and longer-term planning needs to be seen in the context of the unprecedented service pressures it is currently dealing with. The latest performance report, presented to Board in November 2021, highlighted the continuing impact of the pandemic across the Health Board's services:
- attendance at the Health Board's emergency departments has been increasing since the start of February 2021, with the number of walk-in patients exceeding predictions, particularly at the Grange University Hospital.
 - pressures facing the Welsh Ambulance Service in terms of staffing and handover delays have resulted in a reduction in ambulance conveyances and contributed to the increase in the number of walk-in patients.
 - performance against the 4-hour and 12-hour emergency department waiting times targets is deteriorating, particularly at the Grange University Hospital. This is mainly due to acuity of patients, the pace they flow through the hospital system, and the high number of patients who could be seen in other health settings.
 - there is currently a high level of bed occupancy across the Health Board's Enhanced Local General Hospitals and community hospital network due to patients awaiting further intervention from both health and social care services. This directly impacts on patient flow and capacity available within the Health Board's emergency departments and assessment units to support new presentations.
 - the community health and social care system is experiencing significant pressure to meet demand for domiciliary care provision and rehabilitation

⁸ <https://www.lightfootsolutions.com/approach/signalsfromnoise/>

placements alongside the continuing impact of the pandemic within nursing and residential homes resulting in closure to admissions.

- sickness absence at the Health Board is currently at 7% compared to a pre-COVID-19 average of 5.5%. The Health Board is planning for an additional 3% for the winter period and is planning to open an additional 180 beds during this period, however, its analysis indicates that workforce availability will not meet the expected demand. The Health Board is considering a range of actions to optimise its workforce and ensure these are targeted to priority areas.

90 The Health Board recognises the need to reset its urgent and emergency care system. This is a key element of its Clinical Futures programme and one of its Annual Plan priorities. It proposes a new system to simplify access to its urgent care services, with three workstreams to develop and embed the new model, encompassing:

- further development of the Health Board's Flow Centre, to offer a more comprehensive model;
- launch of the Clinical Review Hub (Contact First) model building on phase 1 of 'Contact First' launched in December 2020; and
- further development of the Urgent Primary Care Centres at the Royal Gwent and Nevill Hall Hospital sites.

91 It is also working to address the increasing demand within the urgent and emergency care system by establishing an Urgent and Emergency Care Transformation Board and an associated work programme focussing on improvements across the whole system to secure long-term improvement in patient experience and outcomes. However, the continuing service pressures the Health Board is experiencing across its services particularly at the Grange University Hospital presents significant risks in terms of pace of recovery and the achievement of its strategic priorities.

92 The Health Board is also developing separate recovery plans to address immediate issues arising from the pandemic. This was the focus of a Board Development Session during August 2021. The session's aim was to update Board members on the consequences of the pandemic, provide an up-to-date position on waiting lists, risk prioritisation and an overview of its restart and recovery plans across primary, secondary care, and externally commissioned services. However, whilst the Health Board is clearly planning for its recovery from the pandemic, we found limited evidence of the availability of these plans in the public domain.

Submission of plans

93 The draft 2021-22 Annual Plan and accompanying Minimum Data Set ('MDS') were discussed and approved by the Board in March 2021. They were submitted to the Welsh Government within the required timeframe. The Health Board involved

Independent Members in the development of the plan prior to approval and submission.

- 94 The Health Board submitted the final version of its Annual Plan to the Welsh Government by the end of June 2021. The plan was retrospectively approved by the Board in July 2021. No changes were made to the plan between the draft and final versions, but the Health Board did take the opportunity to update the MDS based on activity in quarter 1 2021-22 and refreshed COVID-19 modelling.

Arrangements for monitoring delivery of plans

- 95 In our 2020 Structured Assessment, we reported that there was an opportunity for the Health Board to provide a clearer indication of its intended actions, milestones, and outcomes in its operational plans to support the Board to monitor progress and delivery.
- 96 This year, the Health Board has started to develop a monitoring and outcomes framework. The initial proposal was presented to the SPPW Committee in April 2021. Planned developments include introducing an annual plan reporting dashboard using the 'signals from noise' data tool, and a clear reporting framework to allow the Board and SPPW Committee to monitor, scrutinise, and challenge performance of the Health Board's strategic priorities on a quarterly basis.
- 97 The Health Board has not yet finalised its monitoring and reporting framework, with the work taking longer than anticipated due to the pandemic. As a result, the Health Board has been unable to provide assurance to the Board on overall delivery against the priorities outlined in its Annual Plan. We understand that the monitoring and outcomes framework is due to be considered by the Board at one of its upcoming development sessions (**Recommendation R5**). However, we note that the Annual Plan has been used to inform Board and Committee business, with assurance on individual strategic objectives provided at different points of the year.

Exhibit 6: progress made on previous year recommendations

Recommendation	Description of progress
<p>Reporting on delivery of the IMTP and Clinical Futures 2019 R3</p> <p>Board updates on Clinical Futures do not include information on whether planned actions/mitigation are effective, and it is unclear whether risks no longer reported have been eliminated. The Health Board should include information on the effectiveness of risk mitigation in its board updates.</p>	<p>Incomplete</p> <p>The Health Board’s last dedicated Clinical Futures Update was presented at its Board meeting in March 2020. Our review of this progress report found limited information relating to the effectiveness of actions/mitigations to risks and it was unclear whether any of the risks no longer reported were closed.</p> <p>There have been no dedicated update reports since, due to the pressures of the pandemic. However, the early opening of the Grange University Hospital and Clinical Futures have been referenced in different Board and Committee reports and other papers.</p> <p>As the Health Board moves into the recovery phase of the pandemic, it should consider how progress on the Clinical Futures programme is reported to Board going forward.</p>
<p>Reporting on delivery of the IMTP and Clinical Futures 2019 R4</p> <p>The recent report to the Finance and Performance (F&P) Committee on progress against the IMTP SCPs did not include progress against the relevant high-impact priorities aligned to them. The Health Board should ensure that committee reports on SCP progress clearly link relevant high-impact priorities with the achievements set out.</p>	<p>In Progress</p> <p>The Health Board is developing a monitoring and outcomes framework that will enable the Board to monitor, scrutinise and challenge performance against its strategic priorities. However, the work is still not finalised and is taking longer than anticipated.</p>

Recommendation	Description of progress
<p>Information Technology and Information Management 2017 R5</p> <p>The Health Board should ensure resources allocated to information technology and information management provide sufficient capacity to meet the Health Board's plans.</p>	<p>In Progress</p> <p>There has continued to be increased investment in informatics both in terms of capital and revenue to help progress the digital strategy and infrastructure priorities. However, the non-recurrent nature of some of the local and national funding impacts on the ability to recruit to some posts and establish a sustainable workforce to take the agenda forward at pace. The Health Board works closely with the Welsh Government digital team to ensure all opportunities for investment are maximised aligned to national priorities. Strengthening a benefits-led approach to investment and programmes is also a key priority to support further investment to take forward the strategy.</p>
<p>Engagement 2017 R7</p> <p>The Health Board should review, refresh and update the Engagement Strategy – 'Hearing and acting upon the voice of our staff and citizens'.</p>	<p>In Progress</p> <p>With the merger of the communications and engagement functions, the Health Board, will review and refresh both the Engagement and the Communications Strategies for the Health Board in 2022.</p>

Appendix 1

Management response to audit recommendations

Exhibit 7: management response

Recommendation	Management response	Completion date	Responsible officer
<p>Website Content and Information</p> <p>The Health Board's website contains some outdated information relating to its governance arrangements and incomplete performance data which is not supported by appropriate explanatory information. The Health Board, therefore, should take immediate action to ensure:</p> <ul style="list-style-type: none">• content is well-organised, easy to navigate, clear and concise, and• key information/data is up to date and in a format that the public and stakeholders can interpret and understand.	<p>The Health Board accepts this recommendation. The website is in the process of being reviewed and updated to reflect suggestions made including, ensuring all fundamental Health Board information (related to Board, Committees, and governance arrangements) is accurate and up to date for the public and stakeholders.</p> <p>Further developmental work will be required to ensure Divisional engagement around local pages on the website are kept up to date with useful and meaningful information. However, it should be acknowledged that the resource required in order to conduct such a substantial review is not inconsequential.</p>	March 2023	Associate Director of Communications and Engagement

Recommendation	Management response	Completion date	Responsible officer
<p>Reviewing the new Governance Structure</p> <p>Some Board members have expressed concerns about the volume of work now undertaken by some of the committees and the robustness of the arrangements for ensuring flows of assurance. The Health Board, therefore, should complete its review of the new governance structure by its intended deadline of April 2022 to be assured that it is operating as intended.</p>	<p>The Health Board accepts this recommendation. A complete and robust Committee and Board effectiveness exercise will be undertaken by April 2022. The results of which will inform an assessment of strengths and opportunities and will provide a baseline for Board and Committee development programmes in the future.</p>	<p>April 2022</p>	<p>Board Secretary</p>

Recommendation	Management response	Completion date	Responsible officer
<p>Corporate Governance Support Team resilience and capacity</p> <p>Recent staff turnover within the Corporate Governance Support Team has impacted on the quality of service it is able to provide to the Board and its Committees. The Health Board, therefore, should review the effectiveness of its Corporate Governance Support Team as soon as possible to ensure that it has sufficient resilience and capacity to support all governance functions. Arrangements should also be put in place to ensure staff are able to access suitable training/learning opportunities to develop their knowledge and skills within their respective roles.</p>	<p>The Health Board accepts this recommendation. The Health Board will undertake a review and endeavour to ensure adequate and appropriate corporate governance capacity to fulfil the statutory functions of the Board and the Committees, enabling it to discharge its functions.</p> <p>It should be noted that external training in specific corporate governance, information governance and accredited risk management has been undertaken over the last two years, despite the pressures of the pandemic. This demonstrates the Health Board's commitment to develop and enhance skills within its governance team. However, it is also recognised that further mentorship and training programmes could be developed in order to 'future proof' the department and provide a robust corporate governance function.</p>	<p>April 2022</p> <p>September 2022</p>	<p>Board Secretary</p>

Recommendation	Management response	Completion date	Responsible officer
<p>Stability of the Board</p> <p>The Health Board has experienced significant changes in its Executive Team and cadre of Independent Members, resulting in several interim Executive Director appointments and is currently recruiting to two independent member vacancies. However, maintaining these temporary arrangements indefinitely alongside the turnover of Independent Members presents risks at a time of significant operational pressures. The Health Board, therefore, should seek to make permanent appointments to these key Executive Director roles at the earliest possible opportunity. In addition, there remains a need for the Health Board to strengthen its induction and training for new Independent Members in line with our recommendation in 2019.</p>	<p>The Health Board accepts this recommendation.</p> <p><u>Independent Members</u></p> <p>Interviews have now been undertaken for Independent Members for Finance and Digital and the recruitment process for this continues to progress.</p> <p>Continued liaison with the Public Appointments Team to progress the substantive recruitment of the Vice Chair and an Independent Member for Community is anticipated to progress from February 2022.</p> <p><u>Executive Team:</u></p> <p>Chief Executive Officer (CEO) – interim arrangement to be continued during 2022.</p> <p>Director of Primary Care, Community & Mental Health – recruitment in process.</p> <p>Director of Finance & Procurement – interim appointment to be extended in line with Interim CEO arrangement.</p> <p>Deputy CEO – interim appointment to be continued in line with Interim CEO arrangement.</p> <p>Interim Director of Operations – current interim appointment until April 2022. Recruitment process to commence shortly.</p>	<p>April 2022</p> <p>In place</p> <p>February 2022</p> <p>In place</p> <p>In place</p> <p>April 2022</p>	<p>Chair</p> <p>Chair</p> <p>Interim CEO</p> <p>Interim CEO</p> <p>Interim CEO</p> <p>Interim CEO</p>

Recommendation	Management response	Completion date	Responsible officer
<p>Monitoring delivery of Strategic Priorities</p> <p>The Health Board has not finalised its monitoring framework due to the pandemic, subsequently, there continues to be limited oversight and scrutiny at Board-level on overall delivery against priorities outlined in the 2021-22 Annual Plan. The Health Board, therefore, should complete the development of its monitoring framework as soon as possible to allow the Board to review and if necessary, challenge delivery of its strategic priorities and progress against the Annual Plan and future Integrated Medium Term Plans.</p>	<p>The Health Board accepts this recommendation.</p> <p>The delivery framework of the 3 year IMTP process did include a quarterly monitoring report structure which has not been completed this year against the annual plan due to the challenges of the Health Board's response to the pandemic and other priorities.</p> <p>The shared objective of developing a comprehensive outcomes based framework for the organisation is a developmental one and progress has been limited in this area due to the challenges associated with the pandemic, a change in leadership of the performance function (due to the Exec team changes referenced in the report) and due to Welsh Government developing an All Wales outcomes framework that would enable the Health Board to align a local framework to. The Health Board will therefore develop the first iteration of an outcomes framework for 2022/23 to support the 3 year IMTP and align to the Welsh Government framework. The new outcomes framework is intended to enhance and enrich the information provided to the Board but will not be the only basis for scrutiny and assurance at a Board level.</p>	<p>June 2022</p>	<p>Director of Planning, Digital and ICT</p>



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We welcome correspondence and telephone calls in Welsh and English.
Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.