

## Structured Assessment 2024 – Betsi Cadwaladr University Health Board

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# Summary report

## About this report

- 1 This report sets out the findings from the Auditor General's 2024 structured assessment work at Betsi Cadwaladr University Health Board (the Health Board). Our structured assessment work is designed to help discharge the Auditor General's statutory requirement under section 61 of the Public Audit (Wales) Act 2004 to be satisfied that NHS bodies have made proper arrangements to secure economy, efficiency, and effectiveness in their use of resources.
- 2 Our 2024 Structured Assessment work took place at a time when NHS bodies were continuing to respond to a broader set of challenges associated with the cost-of-living crisis, the climate emergency, inflationary pressures on public finances, workforce shortages, and an ageing estate. In addition, NHS bodies are still dealing with the legacy of the COVID-19 pandemic. More than ever, therefore, NHS bodies and their Boards need to have sound corporate governance arrangements that can provide assurance to themselves, the public, and key stakeholders that the necessary action is being taken to deliver high-quality, safe and responsive services, and that public money is being spent wisely.
- 3 The key focus of the work has been 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.We have not reviewed the Health Board's operational arrangements as part of this work.
- 4 Our work has been informed by our previous structured assessment work, which has been developed and refined over a number of years. It has also been informed by:
  - Model Standing Orders, Reservation and Delegation of Powers
  - Model Standing Financial Instructions
  - Relevant Welsh Government health circulars and guidance
  - The Good Governance Guide for NHS Wales Boards (Second Edition)
  - Other relevant good practice guidesWe undertook our work between September and November 2024. The methods we used to deliver our work are summarised in **Appendix 1**. Our work was conducted in accordance with the auditing standards set by the International Organization of Supreme Audit Institutions (INTOSAI).

- 5 We also provide an update in this report on the Health Board's progress in addressing outstanding recommendations identified in previous structured assessment reports in **Appendix 2**.

## Background context

- 6 In February 2023, the Auditor General published a report in the public interest on Board effectiveness at the Health Board which described a worrying degree of dysfunctionality within the Board and wider senior leadership of the organisation at that time. One week after the publication of the report, the Health Board was escalated into special measures<sup>1</sup>, and the Board's Independent Members all resigned. During 2023, several changes were made within the Health Board, with appointments to key roles on the Board.
- 7 Our follow-up review, published in February 2024, concluded that after a period of significant disruption during 2023, the Board was in a more stable position and working relationships amongst senior leaders were more positive overall. However, the report indicated that there were still fundamental challenges to address, including building a high performing Executive Team, recruiting substantively to remaining posts on the Board, and ensuring the new Board demonstrates the unified and effective leadership that is needed to tackle the challenges the organisation faces. We have used our 2024 Structured Assessment work to assess the Health Board's progress in addressing those challenges.
- 8 Our 2024 Structured Assessment was undertaken at a point in time when the Health Board is still subject to significant levels of oversight from the Welsh Government associated with the escalation to special measures in 2023. This report, therefore, should be read alongside the Welsh Government's latest special measures [progress report](#) covering the period July to September 2024.

## Key findings

- 9 Overall, we found that **since last year's structured assessment and our follow-up work on board effectiveness, there have been positive developments in some of the Health Board's key corporate governance arrangements and progress in recruiting to some business-critical senior roles. However, there remains much to do especially in respect of establishing a stable, cohesive and high performing Executive Team, developing a longer-term strategy and supporting Clinical Services Plan, and ensuring the Health Board's organisational structure and operating model is fit for purpose.**
- We considered whether the Health Board's Board conducts its business appropriately, effectively, and transparently. We also considered leadership

<sup>1</sup> Special Measures are the highest level of escalation on the [NHS Wales escalation framework](#).

capacity within the Health Board as well as its organisational model. **We found that there is now a full cadre of substantive independent members on the Board and that board and committee meetings are conducted appropriately and transparently. However, ongoing instability within the Executive Team, gaps in wider senior leadership structures, and ongoing challenges with the operating model are compromising the Health Board's ability to tackle the significant challenges it faces.**

- We considered whether the Health Board has a sound corporate approach to managing risks, performance, and the quality and safety of services. **We found that whilst the Health Board is making reasonable progress in strengthening its systems of assurance, there is more to do in relation to the Board Assurance Framework and ensuring systems of assurance are fully owned and utilised to drive improvements across the organisation.**
- We considered whether the Health Board has a sound corporate approach to producing strategies and corporate plans and overseeing their delivery. **We found that the Health Board is planning to develop sustainable long-term organisational and clinical plans; however, to support this work, it will need to strengthen its approach to planning and ensure that plans are achievable.**
- We considered whether the Health Board has a sound corporate approach to managing its financial resources. **We found that whilst there are improvements in the Health Board's approach to financial management and delivery of savings, significant challenges remain in terms of spending within budget. The Health Board was not able to meet its statutory financial duties for 2023-24 despite significant financial assistance from the Welsh Government. Whilst the Health Board is predicting it will achieve its financial targets for 2024-25, this will be challenging and is also reliant on an element of one-off savings.**

## Recommendations

10 **Exhibit 1** details the recommendations arising from our work. The Health Board's response to our recommendations is summarised in **Appendix 3**.

### Exhibit 1: 2024 recommendations

| Recommendations |   |
|-----------------|---|
| R1              | The Health Board should progress its plans to introduce arrangements for an Executive Committee and its related operating arrangements by April 2025. <b>(Paragraph 23)</b>   |
| R2              | In the context of ongoing work in relation to the Foundations of the Future programme and strengthening its operational governance, the Health Board should develop a Terms of Reference for its Senior Leadership Team meetings to clarify the purpose of meetings and to ensure that the frequency of meetings is sufficient to effectively discharge its role. <b>(Paragraph 24)</b> |
| R3              | When the Board reports against decisions taken in private session or via Chair's Actions, it should ensure that, where relevant, the cost implications of decisions are clearly reported. <b>(Paragraph 29)</b>   |
| R4              | The Health Board should ensure review of minutes is a standing item on the agenda of each Remuneration Committee meeting (including additional meetings) to ensure there is an accurate and timely record of the decisions taken. <b>(Paragraph 40)</b>   |
| R5              | The Health Board should develop a structured programme of Board member visits, to include a mechanism to provide feedback to the Board. <b>(Paragraph 46)</b>   |
| R6              | As part of the development of a meaningful Board Assurance Framework, the Health Board should provide Board members with further supporting detail on its strategic objectives to clarify what the objectives are seeking to achieve. <b>(Paragraph 57)</b>   |

## Recommendations

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R7 The Health Board should ensure that audit reports that are relevant to the remit of other Board committees are received and discussed by those committees, including periodic updates against any associated recommendations. **(Paragraph 78)**

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R8 The Health Board should ensure that it appropriately engages with Board members and Regional Partnership Board partners in the process of developing future Integrated Medium Term Plans or Annual Plans. **(Paragraph 87)**

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R9 Where the Health Board needs to carry forward actions from one Annual Plan to the next, it should ensure that progress reports are clear on which actions have been retired or carried forward and provide clear and realistic milestones for those actions. **(Paragraph 95)**



# Detailed report

## Board effectiveness, leadership capacity, and the organisational model

- 11 We considered whether the Health Board's Board conducts its business appropriately, effectively, and transparently. We also considered leadership capacity within the Health Board as well as its organisational model.
- 12 We found that **whilst there is now a full cadre of substantive independent members on the board, ongoing instability within the Executive Team, gaps in wider senior leadership structures, and ongoing challenges with the operating model are compromising the Health Board's ability to tackle the significant challenges it faces.**

## Board and senior leadership stability and cohesiveness

- 13 We considered whether the Board is stable and cohesive. We were specifically looking for evidence of a stable and cohesive Board and a cadre of senior leaders who have the appropriate capacity, skills, and experience.
- 14 We found that **whilst there is now a full cadre of substantive independent members on the Board, there remains instability within the Executive Team and gaps in some of the wider senior leadership structures.**
- 15 Our follow-up report on Board effectiveness in 2024 highlighted an immediate need for the Health Board to continue and conclude work to stabilise the Board and wider senior leadership of the organisation. The Health Board now has a full complement of substantive Independent Members, having appointed a further two during 2024.
- 16 The Health Board has made several substantive appointments to the Executive Team since our last structured assessment report<sup>2</sup>. However, during the last 12 months, there has been on-going instability within the Executive Team caused by vacancies, absences, and interim cover arrangements. The Chief Operating Officer role was vacant for five months during 2024 before an interim was appointed. There was an absence in the Executive Medical Director role for a similar length of time due to sickness, and the Executive Director of People and Organisational Development role remains vacant following several unsuccessful attempts at recruitment.
- 17 These gaps have meant that some senior leaders have needed to pick up additional responsibilities and workloads, which is contributing to delays in progressing key programmes of work, such as the development of strategic plans.

<sup>2</sup> These include the Director of Corporate Governance, Executive Director of Allied Health Professionals and Health Science, Executive Director of Public Health, Director of Performance and Commissioning, Director of Environment and Estates, and the Chief Operating Officer, although the last of these is not contracted to begin until April 2025.

It has also resulted in temporary leadership arrangements being put in place in challenging areas, such as planned care. These arrangements are not sustainable and demonstrate that the Health Board still has some way to go in establishing a substantively appointed and high performing Executive Team. There have also been gaps and a reliance on interim arrangements across the broader senior leadership structures, particularly within the Integrated Health Communities. The Health Board is reviewing its operational structures, as described later, and, therefore, it is understandable that it is delaying decisions to appoint to some roles on a substantive basis until further clarity on those structures is achieved. However, these gaps are contributing to the wider pressures on senior leaders that were clearly evident across many of the interviews we conducted for this year's structured assessment.

- 18 There is some evidence that the Health Board will be able to address some of the concerns identified above as it moves into 2025, at least in respect of the Executive Team. A substantive Chief Operating Officer will take up post in April 2025, an interim Medical Director has been appointed ahead of advertising for a substantive replacement, and recruitment is also underway for a substantive Executive Director of Finance. We also note that the Health Board is taking steps to respond to the independent review of Executive Portfolios, completed in 2023 as part of the special measures framework. The findings have led to some specific functions transferring between Executive Portfolios during 2024<sup>3</sup>.

## Operational structures

- 19 We considered whether the operational structures are supporting the business of the Board. We were specifically looking for evidence of:
- well-considered operational structures which enable the achievement of the Health Board's strategic vision and objectives; and
  - effective arrangements for communicating decisions by senior leaders throughout the organisation.
- 20 We found that **there is a general consensus that Health Board's operating model introduced in 2022 is not fit for purpose and that action is needed to provide greater clarity on roles and responsibilities within the model and improve the cascading of information within the organisation. Action is also needed to improve arrangements for capturing discussions and decisions at Executive Team meetings.**
- 21 The Health Board is undertaking a review of its operating model (operational structures) as part of its wider 'Foundations for the Future' programme. The

<sup>3</sup> Including legal services transferring from People and Workforce Development to the Office of the Director of Corporate Governance. Changes have also been enacted to some portfolios, for example, legal services, charitable funds, performance and commissioning.

previous model, introduced in August 2022, was based on a matrix management arrangement and the creation of three Integrated Health Communities. However, at the point at which the previous Chief Executive left the organisation in autumn 2022 the model had not been fully implemented. The operating model in its current format creates several challenges for the organisation, including in relation to clarity of responsibilities and accountabilities and enacting strategic change<sup>4</sup>.

- 22 The 'discovery' stage of the 'Foundations for the Future' programme, which included engaging with staff and included drawing insights from Independent Reviews relating to Special Measures and feedback from external partners, ended in October 2024. The current 'design' stage is due to be completed by April 2025, when any potential changes to the operating model will be announced and actioned. A key part of the 'Foundations for the Future' work is the new Values and Behaviours Framework, approved by the Board in November 2024, ahead of its launch across the organisation in December 2024. The Health Board undertook extensive engagement in developing this new framework, which is intended to support culture change across the organisation.
- 23 We also heard during our interviews that the current arrangements do not always support the effective communication and cascading of decisions taken by the Executive Team. The Health Board no longer produces minutes to record discussions at its Executive Team meetings. Instead, an action log is used to record and track decisions taken during its fortnightly meetings. However, our review of the action log found it was not sufficiently clear and comprehensive, with important information sometimes missing. Furthermore, the action log is not accessible until the next Executive Team meeting. The Health Board is planning to introduce an Executive Committee which will further formalise the reporting of key discussions and decisions to the Board. (Recommendation 1) As the Health Board progresses its plans, there will be a need to ensure the action notes for its executive committee are completed consistently to ensure effective coverage of key points of discussion, including any risks raised, action owners and timescales, and that they are shared as appropriate with those who need the information for their roles.
- 24 Our follow-up of board effectiveness review commented on tensions at that time that were resulting from the Integrated Health Community Directors feeling marginalised following changes to operational governance arrangements and decision-making processes. The report highlighted the need for the Executive Team to be appropriately connected to the leadership structures that sit below it, supported by ensuring the Health Board's operational model is fit for purpose. Interviews this year indicated that these tensions have continued, which was exacerbated by the absence of a Chief Operating Officer for five months during

<sup>4</sup> A report produced by the Health Board identifies seven themes for the weaknesses experienced with the current operating model structure: organisational structures rather than operating model; accountability, responsibility, autonomy; equity; multi-professional team working; resources; how change happens; and strategic change.

2024. The Health Board has established Executive Delivery Group meetings which provide opportunities for senior leaders to meet regularly to discuss specific areas of the business, including integrated performance. However, interviews indicate that some senior leaders continue to feel they are not sufficiently engaged on the breadth of the business as under previous arrangements. Regular meetings between the Executive Team and the broader senior leadership team used to take the form of Health Board Leadership Team meetings, but these were dissolved in 2023. More recently, the Health Board has established Senior Leadership Team meetings in their place, however, these meetings would benefit from a terms of reference to clarify their purpose and to ensure the meetings are sufficiently frequent.

- 25 Recognising some of the strains caused by absences and vacancies within the current operational leadership structure, as well as the inevitable level of unease caused during periods of organisational change, it is important that the Health Board progresses its 'Foundations for the Future' programme in a timely fashion. However, it is having to do so in the absence of a clear plan for the future shape of its clinical services (discussed later in **paragraph 83**). This creates a risk of committing to operational structures that may not align to future service changes the organisation would like to make. A further challenge is the gap in senior leadership capacity for organisational change caused by challenges in recruiting an Executive Director of People and Organisational Development.

## Public transparency of Board business

- 26 We considered whether the Board promotes and demonstrates a commitment to public transparency of board and committee business. We were specifically looking for evidence of:
- Board and committee meetings that are accessible to the public;
  - Board and committee papers being made publicly available in advance of meetings; and
  - Board and committee business and decision-making being conducted transparently.
- 27 We found that **whilst the Health Board takes a number of actions to promote public transparency of Board and committee business, it needs to clarify internal time standards for publishing committee papers, and upload minutes of committee meetings to its website in a timelier fashion.**
- 28 The Board continues to meet in-person, primarily in the central region of north Wales. Board members are free to contribute to meetings in English or Welsh with simultaneous translation available from Welsh into English during each meeting. Members of the public can observe Board meetings either in person or via the live broadcast on YouTube. Recordings of meetings are also made available shortly after the meeting. Committee meetings are also in-person but are not currently live-streamed or recorded for the public to view. The Health Board's website offers

information on how the public can request to observe committees. However, we have notified the Health Board of information on its website which indicates that some committees are not open to public observation. The Health Board has stated it will resolve this issue urgently. The Health Board is also exploring options for further increasing the transparency of committee meetings, such as by extending its practice of live-streaming.

29 Positively, the Health Board is proactively minimising the use of private meetings, reserving these for confidential and sensitive matters only. When the Board takes decisions in private, it reports those in the following public session alongside details of any Chair's Actions taken since the previous meeting. It is positive to note that very few Chair's Actions have been taken over the past 12 months. However, where these are reported, arrangements could be strengthened further to include information on any cost implications associated with the Chair's Actions.

**(Recommendation 3)**

30 In our 2023 structured assessment report, we commented that there was confusion around the deadline for publishing papers ahead of committee meetings, and this year's work has indicated that these arrangements still require some rationalisation. The Health Board's current practice is to aim to publish papers seven days in advance of a meeting. Whilst this is an agreed expectation within the Health Board, it is not the standard against which the Health Board monitors and records breaches, which is the five-day target set within the Intervention Order 2023<sup>5</sup>. Furthermore, this does not align with the ten-day standard articulated within its Standing Orders. We note that the Intervention Order 2023 was revoked in November 2024. Therefore, it is timely for the Health Board to communicate and record a consistent standard for the publication of papers (see **Appendix 2, Recommendation 1, 2023**). There also continues to be delays in uploading minutes for committees following meetings. At the time of our review, we found that minutes were not consistently uploaded to the website in a timely way after being confirmed at the following committee meeting (see **Appendix 2, Recommendation 2, 2023**).

<sup>5</sup> The Betsi Cadwaladr University Local Health Board Intervention Order 2023 modified parts of the 2009 regulation and the National Health Service (Wales) Act 2006, including amending the rule relating to how many days prior to a public meeting an agenda should be published from ten days to five days.

## Arrangements to support the conduct of Board business

- 31 We considered whether there are proper and transparent arrangements in place to support the effective conduct of Board and committee business. We were specifically looking for evidence of:
- a formal, up-to-date, and publicly available Reservation and Delegation of Powers and Scheme of Delegation in place, which clearly sets out accountabilities;
  - formal, up-to-date, and publicly available Standing Orders (SOs) and Standing Financial Instructions (SFIs) in place, along with evidence of compliance; and
  - formal, up-to-date, and publicly available policies and procedures in place to promote and ensure probity and propriety.
- 32 We found that **the Health Board's Standing Orders are up to date; however, more work is needed to address weaknesses in its arrangements for registering declarations, gifts and hospitality and to address the significant backlog of policies which are overdue for review.**
- 33 The Board, supported by the Audit Committee, regularly and appropriately reviews its Standing Orders, the Scheme of Reservation and Delegation, and Standing Financial Instructions. The Standing Orders were adopted by the Board in September 2023, following minor amendments agreed at the Board in March 2024 to reflect the creation of the Joint Commissioning Committee, and in November 2024 to adjust the Scheme of Reservation and Delegation. The current Standing Orders are available on the Health Board's website.
- 34 The Health Board launched a new system for recording declarations of interests, gifts and hospitality in August 2023. However, issues with its implementation led to several weaknesses being highlighted by Internal Audit in its report on standards of business conduct received by the Audit Committee in July 2024. These included the policy not reflecting working practices and insufficient reporting to the Audit Committee. The Health Board has taken some steps in response, including increasing the oversight by the Audit Committee, updating its Standards of Business Conduct Policy and clearly documenting the processes for staff to follow to declare interests and gifts, which it will communicate with staff across the organisation. This work is a recognised priority for the Corporate Governance directorate and further work is scheduled into 2025-26 with progress to be overseen by the Audit Committee.
- 35 During our 2023 structured assessment, we reported that a significant proportion of the Health Board's policies were overdue for review. Whilst the Health Board has since developed a new policy review process and has updated its Policy on Policies, progress in clearing the backlog of overdue policies has been slow. In September 2024, the Audit Committee received a detailed report on the Health Board's position, which stated that 46% of policies were overdue with 82 more due to become overdue in 2024-25. Positively, the report outlined steps to strengthen

senior ownership of the policy review process going forward, including the establishment of an Executive Policy Oversight Group in September 2024. The Health Board also appointed a Policy Lead in October 2024 to increase capacity and skills, which should accelerate the pace of progress in this area. However, the Health Board has yet to undertake a risk assessment for overdue policies to ensure it addresses the highest-risk policies first (see **Appendix 2, Recommendation 4, 2022**).

## Effectiveness of Board and committee meetings

- 36 We considered whether Board and committee meetings are conducted appropriately and effectively and whether the Board and committees receive timely, high-quality information that supports effective scrutiny, assurance, and decision making. We were specifically looking for evidence of:
- an appropriate, integrated, and well-functioning committee structure in place, which is aligned to key strategic priorities and risks, reflects relevant guidance, and helps discharge statutory requirements;
  - Board and committee agendas and work programmes covering all aspects of their respective Terms of Reference as well being shaped on an ongoing basis by the Board Assurance Framework;
  - well-chaired Board and committee meetings that follow agreed processes, with members observing meeting etiquette and providing a good balance of scrutiny, support, and challenge;
  - clear and timely Board and committee papers that contain the necessary/appropriate level of information needed for effective decision making, scrutiny, and assurance; and
  - committees receiving and acting on required assurances and providing timely and appropriate assurances to the Board.
- 37 We found that **Board and committee meetings are conducted appropriately and effectively, but there is scope to further improve the quality of papers and for the Board to place more reliance on the work of its committees.**
- 38 The Health Board has had a full committee structure in place since January 2024. The structure is comprised of eight committees which meet statutory requirements. Committees are supported by effective arrangements, including recently reviewed terms of reference, cycles of business, and forward work plans to ensure they align to the strategic objectives in the Annual Plan 2024-25. As discussed in **paragraph 55**, the organisation's Board Assurance Framework was being redeveloped at the time of writing.
- 39 Our observations throughout the year indicate that the Board and committees are currently functioning well. We found that meetings are well-chaired and that, over the year, as committees have become established and met frequently, members (both independent and executive) are demonstrating increasing confidence to contribute equally to discussion and provide constructive challenge. The Health

Board has also established a bi-monthly committee chairs meeting which provides opportunities for committees to cross-refer issues and ensure effective collective oversight of key risks.

- 40 For Board meetings, we found that discussions on items for noting, such as reports from committees, were sometimes lengthy and impacting on the time available to focus on more strategic issues. This indicates that the Board needs to place more reliance on the assurance it receives from the work of committees. The Health Board is exploring opportunities to achieve this through mechanisms such as Assure, Alert, and Advise Highlight Reports, and requesting chairs to introduce reports at the Board by summarising previous discussions from the committee. Whilst the Remuneration Committee as standard practice reviews the minutes from its previous meetings, a number of additional meetings were held during 2024, and we found that the review of minutes for each of these additional meetings was not timely. The Health Board, therefore, should ensure a review of the minutes of a previous meeting is a standing item on any Remuneration Committee meeting agenda, including additional meetings, to ensure there is an accurate and timely record of decisions taken at previous meetings. **(Recommendation 4)**
- 41 Our 2023 structured assessment report highlighted scope to improve quality of information provided to committees and the Board, particularly a need to present clearer and more concise analysis of performance and assurance on actions being taken to manage risks and secure improvement. The Director of Corporate Governance has since developed a new template to support improvements in the clarity of reports and many of those we spoke to felt that this is having a positive impact. However, this work will take time to embed, and we continue to see some papers that contain insufficient information or clarity to adequately inform decisions or provide assurance.

## **Board commitment to hearing from patients/service users and staff**

- 42 We considered whether the Board promotes and demonstrates a commitment to hearing from patients/service users and staff. We were specifically looking for evidence of the Board using a range of suitable approaches to hear from a diversity of patients/service users, the public and staff.
- 43 We found that **whilst the Health Board demonstrates a clear commitment to hearing from patients via reports and patient and staff stories, there is a need to formalise its approach to Board visits to services.**
- 44 The Board and its committees regularly hear the perspective of patients and staff to inform its business. The Quality, Safety, and Experience Committee receives patient stories at each meeting. Whilst there has been a delay in the People and Culture Committee receiving staff stories, this practice began in October 2024. The Board alternates between receiving patient and staff stories at each public meeting. Our observations and review of minutes found that these stories are



actively used to inform business during meetings. The Health Board consistently summarises key themes of stories and tracks what actions have been taken in response to the stories they have heard.

- 45 The Board also receives a citizen experience report at every other meeting. These reports are comprehensive, detailing how the Health Board has engaged with and responded to communication from members of the public in relation to its services, including planned improvement actions. We found that these reports also generate good and open discussion on the quality of services from a patient's perspective.
- 46 The Health Board does not currently have structured arrangements for Board visits to services. Over the past 12 months, visits by Board members have been arranged on an ad hoc basis without a process for recording visits or feeding back significant observations. Our interviews indicate that the number of visits conducted in the past 12 months varies significantly between Board members. The current arrangements need to be strengthened to ensure Board visits become an established method of engaging with staff and patients, and a means of triangulating the information it gathers from the visits with that provided from other sources. **(Recommendation 5)**

## Commitment to continuous improvement at Board and committee level

- 47 We considered whether the Board demonstrates a commitment to continuous improvement in the way it works. We were specifically looking for evidence of:
- the Board and its committees regularly reviewing their effectiveness and using the findings to inform and support continuous improvement; and
  - a relevant programme of Board development, support, and training in place.
- 48 We found that **the Health Board has established a formal board development programme and has plans to establish formal self-review processes in early 2025.**
- 49 The Board and its committees regularly reflect on the effectiveness of meetings, as feedback sessions are standing items on the agenda. The recently established Chairs Advisory Group has begun to collate and reflect on feedback themes raised during meetings. The Health Board informs us that this approach enables them to make small iterative changes. Whilst helpful, this practice does not negate the need for a fuller reflection exercise. The Welsh Government has included progressing self-effectiveness reviews as a special measures objective for the Health Board. The Health Board informs us that the Board will be undertaking its self-review process in February 2025, which will enable it to feed into its priorities for 2025-26 as well as its annual reporting arrangements.
- 50 The Health Board has a formal Board development programme in place, which was presented to the Board in July 2024. The bi-monthly development sessions were developed by members of the Board. For 2024-25, the programme includes three sessions on building effectiveness and capability, led by external facilitators

Silvermaple, with positive feedback following the first session. The Health Board also holds bi-monthly board briefings on topical issues which aim to raise understanding of members on specific areas, such as on the operating model. As the Board continues to see changes in its composition, it will need to ensure that attention is also given to integrate newer members in due course.

## Corporate systems of assurance

- 51 We considered whether the Health Board has a sound corporate approach to managing risks, performance, and the quality and safety of services.
- 52 We found that **whilst the Health Board is making reasonable progress in strengthening its systems of assurance, there is more to do in relation to the Board Assurance Framework and ensuring systems of assurance are fully owned and utilised to drive improvements across the organisation.**

## Corporate approach to overseeing strategic risks

- 53 We considered whether the Health Board has a sound corporate approach to identifying, overseeing, and scrutinising strategic risks to the delivery of strategic priorities/objectives as well as corporate risks. We were specifically looking for evidence of:
- an up-to-date and publicly available Board Assurance Framework (BAF) in place, which brings together all of the relevant information on the risks to achieving the organisation's strategic priorities/objectives; and
  - the Board actively owning, reviewing, updating, and using the BAF to oversee, scrutinise, and address strategic risks;
  - an appropriate and up-to-date risk management framework in place, which is underpinned by clear policies, procedures, and roles and responsibilities; and
  - the Board providing effective oversight and scrutiny of the effectiveness of the risk management system and corporate risks.
- 54 We found that **whilst the Health Board is developing a new Board Assurance Framework, the high-level nature of its current strategic objectives and risks is making this task more challenging.**
- 55 The Health Board was in the process of developing a new Board Assurance Framework (BAF) at the time of our work. Work is due to be completed by the end of March 2025 with progress overseen regularly by the Audit Committee.
- 56 In our 2023 structured assessment report, we commented that the previous BAF was aligned to the strategic priorities of its previous Annual Plan, as opposed to long-term strategic objectives, which limited its effectiveness. The Health Board has since set five strategic objectives within its Annual Plan 2024-25, which are:
- Building an effective organisation

- Developing strategy and long-lasting change
  - Creating compassionate culture, leadership and engagement
  - Improving quality, outcomes and experience
  - Establishing an effective environment for learning
- 57 Whilst the Health Board has now linked its strategic risks to its strategic objectives, in our view, the strategic objectives are too high-level and are not SMART<sup>6</sup>. This is compromising the fundamental purpose of the BAF, which is to provide the Board with assurance that it is identifying and mitigating the risks to achieving the organisation's strategic objectives. **(Recommendation 6)**
- 58 The Health Board has also held a board development session to discuss the BAF and develop accompanying strategic risks. The initial set of strategic risks were approved by the Board in July 2024, with sub-sections for each being developed by the Risk Scrutiny Group at the time of writing.
- 59 The Board revised its Risk Management Framework in July 2024. Changes include lower frequency of reporting the BAF and Corporate Risk Register, improved clarity for lines of assurance, and the replacement of the previous Risk Management Group with a smaller Risk Scrutiny Group. Feedback suggests the group provides effective and constructive challenge to new and existing risks on the register, and that the Corporate Governance Team provides helpful support to services in reporting on risk. The Framework is supported by a range of policies, procedures, and sets out clear roles and responsibilities for each area of the organisation.
- 60 The Corporate Risk Register continues to contain a high number of high-scoring risks, with the Health Board facing challenges in reducing the score of some key risks in line with their target scores. Whilst this remains a challenge for the Health Board, our observations of Board and committee meetings during the year provided assurance that there is constructive challenge to ensure risks are clearly articulated and that actions to mitigate risks are linked to the Health Board's Annual Plan and are progressing in line with set timescales.

## Corporate approach to overseeing organisational performance

- 61 We considered whether the Health Board has a sound corporate approach to identifying, overseeing, and scrutinising organisational performance. We were specifically looking for evidence of:
- an appropriate, comprehensive, and up-to-date performance management framework in place, underpinned by clear roles and responsibilities; and
  - the Board and committees providing effective oversight and scrutiny of organisational performance.

<sup>6</sup> Specific, measurable, achievable, relevant and time-bound.

- 62 We found that **the Health Board’s performance reporting continues to evolve, but there is a need to establish a consistent reporting format to support effective monitoring and oversight.**
- 63 The Health Board continues to embed its Integrated Performance Framework, approved in September 2023. The Framework outlines roles and responsibilities across the organisation and internal escalation arrangements. Future steps to further embed the framework include developing formal and informal integrated accountability review structures and internal escalation and de-escalation measures.
- 64 The Health Board has continued work during 2024 to review and refine its Integrated Performance Report to committees and the Board. During 2024, this work has led to some useful improvements, including the inclusion of Statistical Process Control<sup>7</sup> charts for several performance metrics and a dashboard of escalated metrics to highlight the challenges facing a high number of Health Board services. However, less positive changes have also been made, such as significantly reducing the narrative accompanying metrics to describe actions in place to support improvement. Reports show that performance is particularly challenged in areas including mental health, cancer waiting times and standards, planned care waiting times, ambulance handover delays and patient flow through Emergency Departments and delayed discharge.
- 65 The Integrated Performance Reports are regularly reported to the Performance, Finance and Information Governance Committee, the Quality, Safety and Experience Committee, and the Board. During the year, Board members have provided continued challenge to areas of underperformance. Members have also continued to raise concerns about the level of analysis and coverage of reports during meetings. A new Director of Performance and Commissioning had been appointed to the Health Board, which may lead to further changes to performance reporting in the coming months. However, whilst the Health Board is continually seeking to strengthen its performance reporting, the frequency and level of changes to the format of reports are likely to make it more challenging for Board members to effectively monitor and track performance over time (see **Appendix 2, Recommendation 2, 2022**).

<sup>7</sup> Statistical Process Control charts are used to measure changes in data over time by using statistics to identify patterns and anomalies.

## Corporate approach to overseeing the quality and safety of services

- 66 We considered whether the Health Board has a sound corporate approach to overseeing and scrutinising the quality and safety of services. We were specifically looking for evidence of:
- the Board providing effective oversight and scrutiny of the effectiveness of the quality governance framework;
  - clear organisational structures and lines of accountability in place for clinical/quality governance; and
  - the Board and relevant committee providing effective oversight and scrutiny of the quality and safety of services.
- 67 We found that **the Health Board is developing new systems which have the potential to improve quality arrangements, and there is evidence of it making positive progress in responding to complaints in a timely way.**
- 68 The Quality, Safety, and Experience Committee provides good oversight of the arrangements for ensuring the quality and safety of services. Meetings have been extended from three to four hours to ensure sufficient time for discussion and assurance. Quality reporting to the committee was revised in April 2024, with it now receiving a standing integrated quality report. This replaces the previous patient safety report. The integrated quality report covers several aspects of quality governance, including patient safety, clinical audit, and relevant regulatory and legal issues.
- 69 Following the decision not to replace its Quality Strategy 2017-20, the Health Board has since incorporated its quality ambitions within its Annual Plan 2024-25. A key commitment within the Annual Plan 2024-25 relates to the design and development of a Quality Management System (QMS). An outline of the QMS was presented to the Quality, Safety, and Experience Committee and the Board in May 2024 with its development informed by engagement with representatives from across the organisation. The approved QMS has initially been applied to two selected 'challenged services' – vascular and urology services – to support their improvement by integrating quality-related metrics to help identify improvement opportunities. The QMS is supported by a new Quality Management Framework, also approved in May 2024. The Framework is aligned to the Health Board's strategic objectives as outlined in the Annual Plan 2024-25, and describes the four domains of the QMS model: Planning, Control, Improvement, and Assurance.
- 70 The Health Board continues to receive a significant amount of complaints. However, the number of complaints is reducing and performance for responding within 30 days, while challenging, is improving, with performance reaching the 75% target for October 2024. The Health Board reports that the number of overdue complaints (ie beyond the 30-day target) has reduced by 88.3% between April 2024 and October 2024. Despite our recommendation in 2023, the Health Board has not reported any identified reasons for the unexplained drop in the number of

complaints received for the first six months of 2023-24 compared to the previous year, stating that it is confident the new QMS will provide strengthened oversight to complaint trends in the future (see **Appendix 2, Recommendation 3, 2023**). We note from the September Audit Committee papers that this recommendation was going through a closure approval process; however, this recommendation should, in our view, remain open and be marked as 'in progress'.

- 71 The Auditor General plans to review the Health Board's quality governance arrangements in more detail in early 2025.

## Corporate approach to tracking recommendations

- 72 We considered whether the Health Board has a sound corporate approach to overseeing and scrutinising systems for tracking progress to address audit and review recommendations and findings. We were specifically looking for evidence of appropriate and effective systems in place for tracking responses to audit and other review recommendations and findings in a timely manner.
- 73 We found that **the Health Board is strengthening its arrangements for audit tracking, however, there is scope for Executive Leads to better evidence the actions taken in response to the recommendations they are responsible for implementing.**
- 74 The Audit Committee continues to receive audit tracker reports at each meeting, with reports providing comprehensive detail for open recommendations and recommendations proposed for closure. The Health Board is intending to move its audit tracker to an electronic platform and was exploring options to achieve this at the time of writing.
- 75 In response to our 2023 structured assessment recommendation on missing audit recommendations, the Health Board conducted a thorough and comprehensive review of published Internal Audit and Audit Wales reports. The Audit Committee received a detailed report showing the status of audit recommendations going back several years in September 2024 (see **Appendix 2, Recommendation 4, 2023**). The Health Board has reviewed each recommendation to identify those that are no longer relevant. For those that remain open, the Health Board has agreed revised and realistic implementation dates and matched the recommendations to new owners where there has been a change in leadership.
- 76 More broadly, since July 2024 a new recommendation closure process is in place which requires Executive Officers to provide individual and collective sign-off to the proposals to close audit recommendations. For external audit recommendations, the Audit Committee is asked to consider and approve the proposals. In contrast, proposals to close Internal Audit recommendations are firstly submitted to Internal Audit for quality assurance. Reports by Internal Audit show that they send a significant proportion of the proposals back to the Executive Team to request that

further evidence is provided to support the closure of the recommendation<sup>8</sup>. In addition to the need for better responses to recommendations from Executives, this also indicates a need for more robust quality assurance of that information when it is reviewed by the Directorate of Corporate Governance prior to being sent to Internal Audit.

- 77 Our review of progress against previous Structured Assessment recommendations indicates that several recommendations which have been closed or are in the process of being closed by the Health Board appear to require further action. We have indicated where we believe recommendations to be ongoing in **Appendix 2** and would expect the Health Board to review its progress to ensure evidence fully supports the closure of these recommendations.
- 78 Opportunities remain to strengthen oversight of both audit and non-audit recommendations amongst other committees. Our review of papers found only a small number of audit reports are cross referred from the Audit Committee to other committees, despite being relevant to the remits of those committees (**Recommendation 7**). In addition, the Health Board has yet to progress actions to track the implementation of recommendations from other external/independent reviews (see **Appendix 2, Recommendation 5, 2023**).

## Corporate approach to planning

- 79 We considered whether the Health Board has a sound corporate approach to producing strategies and corporate plans and overseeing their delivery.
- 80 We found that **the Health Board is planning to develop sustainable long-term organisational and clinical plans; however, to support this work, it will need to strengthen its approach to planning and ensure that plans are achievable.**

## Corporate approach to producing strategies and plans

- 81 We considered whether the Health Board has a sound corporate approach to producing, overseeing, and scrutinising the development of strategies and corporate plans. We were specifically looking for evidence of:
- a clear Board-approved vision, appropriate objectives and a long-term strategy in place which are future-focussed, rooted in population health, and informed by a detailed and comprehensive analysis of needs, opportunities, challenges, and risks;
  - the long-term strategy underpinned by an appropriate Board-approved long-term clinical strategy;

<sup>8</sup> 19 actions were returned by internal audit to the Health Board in June and 50 actions were returned in November 2024.

- appropriate and effective corporate arrangements in place for developing and producing the Integrated Medium Term Plan (IMTP), and other corporate plans; and
- the Board appropriately scrutinising the IMTP and other corporate plans prior to their approval.

82 We found that **although the Health Board is revising its long-term strategy, it still lacks a clear Clinical Services Plan and the resources needed to take forward these key strategic planning tasks. It also needs to strengthen its arrangements for ensuring sufficient internal and external engagement in the development of key corporate strategies and plans.**

83 The Health Board is replacing its ten-year strategy – ‘Living Healthier, Staying Well’ 2018-28 – due to the significant external and internal changes that have occurred since its development in 2018, including the impact of COVID-19, considerable Board turnover, and changing workforce challenges. The Health Board has started work to develop a new ten-year strategy, as well as a long-term Clinical Services Strategy, aiming to have them in place by the end of September 2025. Plans indicate that both strategies will be informed by significant research, including a population needs assessment.

84 Our previous structured assessment reports have repeatedly highlighted the need for a Clinical Services Plan which sets out how the organisation will provide sustainable services for the future. Whilst it is positive that the Health Board is looking to articulate its vision for future services and the organisation more generally, it faces challenges in advancing this work at the intended pace. Whilst there is transformation capacity in place within the Health Board, some of those we spoke to during our review raised concerns about insufficient dedicated capacity and resources available to progress these key strategies and there is already significant pressure on senior leadership capacity as discussed in **paragraph 17**. Of particular concern has been the gap at Executive Medical Director level, given the importance of clinical leadership in taking forward the Clinical Services Plan. The Health Board will also likely find it challenging to undertake the required work to develop these plans at a time when it continues to face significant operational challenges and the need to progress other key programmes, such as revising its operating model.

85 The Health Board was unable to produce an approvable and financially balanced Integrated Medium Term Plan (IMTP) for 2024-27. The Health Board therefore developed an Annual Plan for 2024-25 which is set within a three-year context to 2027.

86 The Health Board has reflected on its approach to annual planning following the challenges it experienced in developing the Annual Plan 2024-25. During late 2023, the Health Board sought and collated service plans from across the organisation. Whilst this approach involved a range of services, it culminated in the receipt of a variety of different ideas and approaches, which had to be brought together into a cohesive organisational plan. This process took significant time to



complete and resulted in insufficient time to effectively engage the Board or Local Authority partners (via the Regional Partnership Board) in the development of the plan prior to its submission to the Welsh Government to meet the deadline.

- 87 The Board scrutinised a draft version of the Annual Plan 2024-25 at an additional meeting of the Performance, Finance, and Information Governance Committee in March 2024 which was made open to all Board members. Despite expressing its disappointment at the lack of Board involvement in its development, the committee provided helpful challenge on the draft plan. Given that timescales were so short, officers were not able to fully consider and respond to some comments ahead of submission of the plan to the Board. The Board subsequently approved the plan for submission to the Welsh Government on 28 March 2024. Whilst the Health Board met the required timeframe for submission, going forward it needs to ensure that its processes for producing key plans include sufficient and timely engagement with the Board and relevant committees. **(Recommendation 8)**
- 88 The Health Board is aiming to streamline its annual planning process for 2025. In September 2024, it issued high-level guidance to planning leads to provide them with clearer expectations against which to form their service plans. This has the potential to strengthen the process and should allow greater time to provide Board members with a draft to scrutinise.
- 89 In addition to the Annual Plan 2024-25, the Health Board approved its Strategic Equality Plan 2024-28 on 28 March 2024, therefore meeting the statutory deadline. Several other plans are also due for review over the next 12 months, including the Digital Plan and Estates Plan. Progress in developing these plans will be monitored by the Planning, Population Health, and Partnerships Committee. The Health Board has recently appointed a new Director of Environment and Estates. Given that the Health Board's 2023-24 Annual Report stated that it faces total backlog maintenance costs of £348 million for its estate, reviewing the Estates Plan will be a key priority for the new appointee.
- 90 The Health Board committed to reviewing and refreshing its well-being objectives<sup>9</sup> by October 2024. However, whilst the Health Board has undertaken some work in relation to the 'fair pay' well-being objective in response to a Ministerial letter in 2023, its broader review of well-being objectives has not progressed. This work has since been re-programmed to form part of developing the ten-year strategy, which offers opportunities to align the organisation's strategic objectives and well-being objectives. The Auditor General will undertake a review of the Health Board's progress in reviewing and refreshing its well-being objectives at the appropriate time.

<sup>9</sup> The Well-being of Future Generations (Wales) Act 2015 places a duty on bodies named under the legislation to set and publish well-being objectives that are designed to maximise its contribution to achieving each of the well-being goals and take all reasonable steps (in exercising its functions) to meet those objectives.

## Corporate approach to overseeing the delivery of strategies and plans

- 91 We considered whether the Health Board has a sound corporate approach to overseeing and scrutinising the implementation and delivery of corporate plans. We were specifically looking for evidence of:
- corporate plans, including the IMTP, containing clear strategic priorities/objectives and SMART<sup>10</sup> milestones, targets, and outcomes that aid monitoring and reporting; and
  - the Board appropriately monitoring the implementation and delivery of corporate plans, including the IMTP.
- 92 We found that **the actions in the Health Board’s Annual Plan for 2024-25 do not contain sufficiently clear milestones to help monitor delivery. Furthermore, given the amount of actions carried forward into the 2024-25 Annual Plan, there is a risk that delivery will become further off-track.**
- 93 Recognising the Health Board’s status under Special Measures, the Annual Plan 2024-25 was developed along the five strategic objectives listed in **paragraph 53**. This approach was used to provide the Health Board with a single, unitary plan which incorporates both annual plan ambitions and special measures expectations.
- 94 The Annual Plan 2024-25 contains a significant number of improvement actions. However, many actions do not contain clear delivery milestones or measures, which limits effective oversight of progress. For example, several of the actions are aimed at developing further plans or continuing to embed practices.
- 95 A significant number of actions from the Annual Plan 2023-24 and Special Measures Plan 2023-24 have yet to be delivered and have been carried forward into the Annual Plan 2024-25. However, the report to Board in July 2024 that describes these changes lacked sufficient detail on which actions had been retired and which had been added to the existing objectives within the Annual Plan 2024-25. This creates the risk that some actions will be ‘lost’ in the carry forward from one year to the next. There is also a need to ensure that the carried forward actions have clear and realistic milestones. **(Recommendation 9)**
- 96 The Health Board has recently altered its arrangements for overseeing delivery of the Annual Plan. Whilst the Board scrutinised a Quarter One 2024-25 report in July 2024, according to the Health Board there were issues related to the proximity of the end of the cycle to the Board meeting. As a result, the Health Board will split this oversight role for the remainder of 2024-25 and future cycles. The Board will receive updates for quarters two and four, and the Performance, Finance, and Information Governance Committee will receive updates for quarters one and three.

<sup>10</sup> Specific, measurable, achievable, relevant, and time-bound.

97 Positively, the Quarter One Annual Plan 2024-25 update report demonstrated greater transparency and detail than the 2023-24 closure report. In addition, the Health Board has started to cross-refer actions within its Annual Plan 2024-25 to its performance reporting to identify where the outcome of an action should be evident within operational performance, such as in relation to the design of its Quality Management System. However, the volume of actions now in the existing Annual Plan 2024-25 is a cause for concern given that the Quarter One update report showed that 13 (33%) of the 38 actions programmed for that quarter had not been completed within the planned timeframe. Whilst seven of the remaining actions were expected to be completed within four weeks, six were rated as off-track with no remedial plan. The report also notes that the volume of deliverables from Quarter Two onwards would increase significantly. There is, therefore, a significant risk that delivery of the Annual Plan 2024-25 will become further off-track.

## Corporate approach to managing financial resources

- 98 We considered whether the Health Board has a sound corporate approach to managing its financial resources.
- 99 We found that **whilst there are improvements in the Health Board's approach to financial management, significant challenges remain in terms of spending within budget. The Health Board was not able to meet its statutory financial duties for 2023-24 despite significant financial assistance from the Welsh Government. Whilst the Health Board is predicting it will achieve its financial targets for 2024-25, this will be challenging and is also reliant on a significant element of one-off savings.**

## Financial objectives

- 100 We considered whether the Health Board has a sound corporate approach to meeting its key financial objectives. We were specifically looking for evidence of:
- the organisation meeting its financial objectives and duties for 2023-24, and the rolling three-year period of 2021-22 to 2023-24; and
  - the organisation being on course to meet its objectives and duties in 2024-25.
- 101 We found that **the Health Board was unable to meet its statutory financial duties for 2023-24 and the rolling three-period of 2021-24. Whilst it is on track to deliver its savings target for 2024-25, its year-to-date deficit position indicates that delivery of its financial plan will be very challenging.**
- 102 The Health Board did not meet its financial objectives and duties for 2023-24 as it reported a year-end deficit of £24.3 million. This is despite the Health Board

receiving £82 million<sup>11</sup> in strategic assistance funding to support sustainable improvements in key services and £27 million cash-only support from the Welsh Government during 2023-24 to assist the Health Board with making payments to staff and suppliers. However, within the year, the Health Board made positive progress in reducing its cost drivers and introducing several financial control measures which supported it towards achieving the 2023-24 control total deficit of £20 million. Despite small underspends in the two prior years, the 2023-24 deficit also negatively impacted on its ability to meet its financial duty to break even over a three-year rolling period, as it had an overall 2021-2024 deficit of £23.7 million. As previously stated, the Health Board was unable to produce a financially balanced three-year plan for 2024-2027. Positively, the Health Board met its financial duty to break even against its Capital Resource Limit over three years between 2021-2024.

- 103 As of month 6 2024-25, the Health Board was reporting a year-to-date deficit position of £18.7 million, which represented an in-year adverse variation of £8.9 million against the planned full-year control deficit target of £19.8 million set by the Welsh Government. Whilst the Health Board's capital resource limit was forecast to be spent in full, spending as of Month 6 was £5.8 million against a year-to-date expectation of £10.3 million.
- 104 The Health Board's 2024-25 Financial Plan sets a savings target of £48 million to be delivered to meet the planned £19.8 million deficit position. As of Month 6, the Health Board had delivered £27.1 million savings, a positive year-to-date variance of some £3.1 million, with a forecast that it will deliver £48.4 million savings by year-end.
- 105 The Finance Report presented to the Performance, Finance and Information Governance Committee in October 2024 indicated that the Health Board is still forecasting it will achieve the year-end control total deficit of £19.8 million despite the Month 6 position already showing an £18.7 million deficit. The Finance Report articulated the need for action to mitigate cost over-runs and securing the planned savings. The report indicated that this was resulting in the Health Board managing a risk of circa £25.9 million in respect of delivery of the planned year-end position. Much is riding on the Health Board's ability to deliver its planned year-end position given the Welsh Government has confirmed that the annual strategic support funding of £82 million that is currently non-recurrent will be received on a recurrent basis, if the Annual Plan deficit of £19.8 million is achieved.

<sup>11</sup> The £82 million was an annual allocation provided to the Health Board by the Welsh Government between 2021-22 and 2023-24.

## Corporate approach to financial planning

- 106 We considered whether the Health Board has a sound corporate approach to overseeing and scrutinising financial planning. We were specifically looking for evidence of:
- clear and robust corporate financial planning arrangements in place;
  - the Board appropriately scrutinising financial plans prior to their approval;
  - sustainable, realistic, and accurately costed savings and cost improvement plans in place which are designed to support financial sustainability and service transformation; and
  - the Board appropriately scrutinising savings and cost improvement plans prior to their approval.
- 107 We found that **whilst the Health Board demonstrates good awareness of its financial risks, it is still relying heavily on non-recurrent savings to meet year-end financial targets with the ability to adopt a more transformational approach to cost improvement being limited by the absence of a long-term plan for services.**
- 108 The Board and the Performance, Finance, and Information Governance Committee scrutinised the Health Board's Financial Plan as part of the Annual Plan 2024-25 ahead of its formal submission to the Welsh Government in March 2024. However, as with the development of the 2024-25 Annual Plan, Board members had limited engagement with the development of the Financial Plan ahead of providing formal scrutiny and approval.
- 109 The Financial Plan 2024-25 sets out key financial risks, three of which had materialised into issues by Month 6. These included continuing healthcare, out-of-area mental health placements, and prescribing. These spends are being mitigated to an extent through increased scrutiny and escalation, cost avoidance and the use of contingency funds. The Finance Team is closely monitoring these risks and escalating matters to committees as appropriate.
- 110 The Health Board has adopted a new approach to identifying and delivering savings for the year, based around the national Value and Sustainability Board (VSB) workstreams which have identified savings with the potential to deliver significant transformational efficiencies. In our separate Review of Cost Savings Arrangements, we indicated that the Health Board was slow in selecting viable savings schemes for 2024-25. Despite this, at Month 6, the Health Board was reporting a positive year-to-date variance on delivery of planned savings as noted in the previous section. However, it is worth noting that of the £48.4 million of savings the Health Board is forecasting it will achieve this year, £19.8 million are non-recurrent. Furthermore, the figure also includes £6.9 million of accountancy gains, which are fortuitous one-off reductions in spending resulting from reviews of accruals from the previous year.
- 111 The Health Board's 2024-25 Annual Plan signals a commitment to embed the principles of Value-Based Healthcare into decision making throughout the

organisation. However, it is not clear how this will be achieved and, as of Quarter One, the Health Board was off track for delivery of this objective. It has stated that additional central resource was now being applied to support its achievement (see **Appendix 2 – 2022, Recommendation 8**).

- 112 As noted in **paragraph 83**, the Health Board is in the process of developing a long-term organisational strategy and Clinical Services Plan. The latter, in particular, is fundamentally important to drive the service transformation that is needed to establish a service model that is clinically and financially sustainable for the future (see **Appendix 2 – 2023, Recommendation 7**).

## Corporate approach to financial management

- 113 We considered whether the Health Board has a sound corporate approach to overseeing and scrutinising financial management. We were specifically looking for evidence of:

- effective controls in place that ensure compliance with Standing Financial Instructions and Schemes of Reservation and Delegation;
- the Board maintaining appropriate oversight of arrangements and performance relating to single tender actions, special payments, losses, and counter-fraud;
- effective financial management arrangements in place which enable the Board to understand cost drivers and how they impact on the delivery of strategic objectives; and
- the organisation's financial statements for 2023-24 were submitted on time, contained no material misstatements, and received a clean audit opinion.

- 114 We found that **strengthened financial controls are leading to fewer single tender actions and special payments. Whilst the quality of the draft financial statements significantly improved in 2023-24, there is scope to improve the accuracy of the associated Remuneration Report.**

- 115 The Health Board has taken steps to establish tighter financial controls and strengthen the culture of financial scrutiny and accountability in response to the challenging financial situation, and the findings of independent reviews which highlighted significant weaknesses.

- 116 An Internal Audit review on contract and procurement management, conducted between September and October 2023, highlighted several areas of concern on non-compliance with the Standing Financial Instructions (SFIs) in relation to contracting and procurement within the Health Board. The review raised 24 actions for the Health Board to consider. Officers responded by launching a detailed programme of work with 50 smaller actions. Good progress was reported to the Audit Committee in May 2024, including joint-working between the Health Board and NHS Wales Shared Services Partnership to increase the capture and reporting of information when breaches occur.

- 117 The Health Board is also responding to an Internal Audit review of budgetary control, published in July 2024. Whilst the report recognised positive progress in financial management and control during 2023-24, it also highlighted areas that required further improvement, including lack of detailed budgetary control procedures in place and a failure to issue Accountability Letters to budget holders during 2023-24. We are aware that Accountability Letters have been issued to budget holders in 2024-25. Although a significant majority have been signed and returned, this did not happen in all cases until well into the financial year. Internal Audit also identified a need to develop and deliver a training plan on finance and procurement to relevant staff, which the Health Board reports as being in progress.
- 118 The Audit Committee continues to provide oversight of compliance of SFIs and the Scheme of Reservation and Delegation. It also oversees and scrutinises information on losses and special payments, counter-fraud activity, procurement controls, and single tender actions. As a result of increased financial controls, the Health Board has seen a significant reduction in the volume and value of purchase orders in breach of its Standing Financial Instructions, and single tender action waivers in 2024-25 compared to 2023-24.
- 119 The Health Board has also been monitoring actions to address the range of issues identified in our 2021-22 and 2022-23 audit of accounts, as well as issues identified by an independent EY review through a finance special measures action plan (see **Appendix 2, – 2023, Recommendation 8**). Progress was last reported to the Performance, Finance, and Information Governance Committee in February 2024 and showed mixed success in meeting milestones, with incomplete actions taken forward into the Annual Plan 2024-25. However, the way in which this information was presented makes it difficult to identify the transferred actions and consequently to know whether they have been adequately addressed.
- 120 The Health Board submitted draft financial statements for 2023-24 for audit within the required Welsh Government timeframe. The Auditor General issued an unqualified ‘true and fair’ opinion on the accounts. However, the Auditor General issued a qualified regularity opinion due to the Health Board not meeting its financial duty to break even over the rolling three-year period 2021-22 to 2023-24, as well as incurring irregular expenditure and breaching its standing financial instructions in making payments to a former interim executive member of the Board. Our audit report noted that there was a significant improvement in the quality of the 2023-24 draft financial statements compared to the previous year. However, we also reported some concerns with the content of the draft Remuneration Report, including errors in the appointment dates or incorrect salary calculations.
- 121 The Auditor General is currently undertaking a high-level examination of the Health Board’s use of the additional £297 million of financial assistance provided by the Welsh Government as part of the targeted intervention package announced in October 2020. This review is due to be reported through the Audit Committee in 2025.

## Board oversight of financial performance

- 122 We considered whether the Board appropriately oversees and scrutinises financial performance. We were specifically looking for evidence of:
- the Board receiving accurate, transparent, and timely reports on financial performance, as well as the key financial challenges, risks, and mitigating actions; and
  - the Board appropriately scrutinising the ongoing assessments of the organisation's financial position.
- 123 We found that **the Board and Performance, Finance and Information Governance Committee regularly oversees and scrutinises financial performance information that is accurate, timely, and transparent. However, these discussions need to acknowledge the severity of the risks to achieving the year-end financial targets.**
- 124 Financial reports to the Performance, Finance, and Information Governance Committee and the Board are timely, comprehensive, and transparent that support scrutiny and oversight. They provide good analysis on areas of spending, overspending, and financial expenditure trends. The reports set out the short-term financial challenges and identify where there are specific financial concerns.
- 125 The Board and the Performance, Finance, and Information Governance Committee are keenly aware that the Health Board's approach to financial planning is not sustainable in the longer term. However, the committee maintains a confidence that the year-end financial targets will be achieved despite the risks the Health Board is holding.



# Appendix 1

## Audit methods

**Exhibit 2** below sets out the methods we used to deliver this work. Our evidence is limited to the information drawn from the methods below.

| Element of audit approach | Description  |
|---------------------------|--|
| Observations              | <p>We observed Board meetings as well as meetings of the following committees:</p> <ul style="list-style-type: none"><li>• Audit Committee</li><li>• Planning, Population Health and Partnership Committee</li><li>• Quality, Safety and Experience Committee</li><li>• Performance, Finance and Information Governance Committee</li></ul>  |
| Documents                 | <p>We reviewed a range of documents, including:</p> <ul style="list-style-type: none"><li>• Board and Committee Terms of Reference, work programmes, agendas, papers, and minutes;</li><li>• key governance documents, including Schemes of Delegation, Standing Orders, Standing Financial Instructions, Registers of Interest, and Registers of Gifts and Hospitality;</li><li>• key organisational strategies and plans, including the IMTP;</li><li>• key risk management documents, including the Board Assurance Framework and Corporate Risk Register;</li><li>• key reports relating to organisational performance and finances;</li><li>• Annual Report, including the Annual Governance Statement;</li><li>• relevant policies and procedures; and</li><li>• reports prepared by the Internal Audit Service, Health Inspectorate Wales, Local Counter Fraud Service, and other relevant external bodies.</li></ul> |

| Element of audit approach | Description   |
|---------------------------|---|
| Interviews                | <p>We interviewed the following Senior Officers and Independent Members:</p> <ul style="list-style-type: none"> <li>• Chair</li> <li>• Vice-Chair and Chair of Performance, Finance and Information Governance</li> <li>• Chair of Planning, Population Health and Partnerships Committee</li> <li>• Chair of Quality, Safety and Experience Committee</li> <li>• Chair of Audit Committee</li> <li>• Chief Executive Officer</li> <li>• Executive Director of Transformation, Strategic Planning and Commissioning</li> <li>• Executive Director of Nursing and Midwifery</li> <li>• Executive Director of Public Health</li> <li>• Executive Director of Allied Health Professionals and Health Science</li> <li>• Interim Executive Director of Finance</li> <li>• Deputy Director of People and Organisational Development</li> <li>• Director of Corporate Governance</li> <li>• Director of Midwifery and Women’s Services</li> <li>• Director of Mental Health</li> <li>• IHC Director, East</li> <li>• IHC Director, Central</li> <li>• IHC Director, West</li> </ul> |

# Appendix 2

## Progress made on previous-year recommendations

**Exhibit 3** below sets out the progress made by the Health Board in implementing recommendations from previous structured assessment reports.

| Recommendation   | Health Board assessment of progress    | Audit Wales assessment of progress   |
|--|--|--------------------------------------|
| <p><b>Transparency of board and committee business, 2023:</b></p> <p>R1 Currently, there is confusion about how many days in advance of meetings papers for Board and committee papers should be made publicly available. The Health Board should agree and communicate a consistent target date for publishing agendas ahead of Board and committee meetings.</p>   | Going through closure approval process | <b>In progress.</b> See paragraph 30 |
| <p><b>Transparency of board and committee business, 2023:</b></p> <p>R2 The minutes for some committee meetings are missing from the website many months after the meeting date. This affects timely public access to committee discussions. The Health Board should introduce arrangements to ensure the public have timelier access to records of committee meetings as part of its wider efforts to enhance transparency of Board business.</p> | Ongoing and in progress                | <b>No progress.</b> See paragraph 30 |

| Recommendation   | Health Board assessment of progress           | Audit Wales assessment of progress          |
|--|---|---|
| <p><b>Changing trends in complaint numbers 2023-24, 2023:</b></p> <p>R3 There has also been a significant unexplained drop in the number of complaints received for the first six months of 2023-24 compared to the previous year. The Health Board should urgently work to discover the reason to ensure complaints are not being missed or mis-reported.</p>   | <p>Going through closure approval process</p> | <p><b>No progress.</b> See paragraph 70</p> |
| <p><b>Recommendation tracking, 2023:</b></p> <p>R4 Our work identified that not all Audit Wales recommendations made in 2023 were added to the audit tracker. The Health Board should ensure there is a process to add all recommendations made by Audit Wales to the audit tracker in a timely fashion.</p>   | <p>Going through closure approval process</p> | <p><b>Complete.</b> See paragraph 75</p>    |
| <p><b>Recommendation tracking, 2023:</b></p> <p>R5 Currently, there is insufficient committee oversight to monitor progress made against recommendations made by non-audit bodies. The Health Board should introduce effective committee oversight for monitoring progress made against recommendations of regulators, including, but not limited to, Healthcare Inspectorate Wales, the Coroner, the Welsh Language Commissioner, the Health and Safety Executive, and the Public Services Ombudsman for Wales.</p> | <p>Ongoing and in progress</p>                | <p><b>No progress.</b> See paragraph 78</p> |

| Recommendation  | Health Board assessment of progress    | Audit Wales assessment of progress    |
|---|--|---------------------------------------|
| <p><b>Clinical engagement plan, 2023:</b></p> <p>R6 More needs to be done to reconfigure services to ensure they sustainably meet current and future population healthcare needs. To accompany its clinical strategy, the Health Board should undertake a key stakeholder engagement plan to help it shape sustainable service models designed to meet current and future demand.</p>   | Ongoing and in progress                | <b>Superseded.</b> See paragraph 83   |
| <p><b>Financial strategy, 2023:</b></p> <p>R7 It is difficult to see the extent to which the Health Board's improvement initiatives and aims set out in the 2023-24 Annual Plan were financially affordable. The Health Board should develop a financial strategy, supported by a medium-term financial plan with the aim of supporting good quality and sustainable service models and reducing the Health Board's deficit and underlying deficit.</p> | Going through closure approval process | <b>No progress.</b> See paragraph 112 |
| <p><b>Monitoring progress against accounting issues</b></p> <p>R8 Ensure that the Audit Committee receives assurance on the progress that the Health Board is making to address the complete range of issues identified in the Audit Wales 2021-22 and 2022-23 audit of accounts, and the subsequent EY review has been slower than intended.</p>   | Going through closure approval process | <b>In progress.</b> See paragraph 119 |

| Recommendation  | Health Board assessment of progress           | Audit Wales assessment of progress          |
|---|---|---|
| <p><b>Review and where needed, strengthen risk mitigating actions, 2022</b></p> <p>R1 Despite recent changes to the Health Board’s strategic and corporate risk arrangements, risk scores in some key areas are not decreasing. The Health Board should review the mitigating actions on the corporate risk register and Board Assurance Framework to ensure they are having the intended impact.</p>   | <p>Going through closure approval process</p> | <p><b>Superseded.</b> See paragraph 60</p>  |
| <p><b>Review of performance management assurance reporting, 2022</b></p> <p>R2 The Health Board is continuing to refine performance reporting into board and committees. However, there remain concerns around the quality of the performance report and the extent that stated actions will lead to the intended improvements. The Health Board should improve its performance assurance reporting, focussing more on the impact of performance improvement actions.</p> | <p>Going through closure approval process</p> | <p><b>In progress.</b> See paragraph 65</p> |
| <p><b>Review Health Board policies, 2022</b></p> <p>R4 The Health Board has a significant number of policies overdue for renewal, which exposes the organisation to service and administrative risks. The Health Board should review and update Health Board policies, prioritising high importance policies first, including the policy on policies.</p>   | <p>Going through closure approval process</p> | <p><b>In progress.</b> See paragraph 35</p> |

| Recommendation   | Health Board assessment of progress | Audit Wales assessment of progress  |
|--|-------------------------------------|-------------------------------------|
| <p><b>Review audit recommendation tracker, 2022</b></p> <p>R5 The audit recommendation tracker and report in their current format provide limited detail, particularly around actions considered complete. The Health Board should work with Audit Committee members to review the format of the audit tracker and report to ensure it provides sufficient information to provide assurance.</p>   | Ongoing and in progress             | <b>Superseded.</b> See paragraph 75 |
| <p><b>Implementation of the new operating model, 2022</b></p> <p>R6 The Health Board should complete the implementation of the new operating model as a matter of urgency, particularly in respect of recruiting substantial post holders and reducing reliance on interim appointments.</p>   | Approved for closure                | <b>Superseded.</b> See paragraph 21 |
| <p><b>Develop a supporting clinical delivery plan, 2022</b></p> <p>R7 The Health Board has developed a clinical strategy for its services, however, there is lack of detail on how it will be implemented. The Health Board should develop supporting clinical delivery plan/plans and delivery structures to shape and implement sustainable service models. Clinical plans should inform workforce, estate, financial resource, and digital services planning.</p> | Ongoing and in progress             | <b>Superseded.</b> See paragraph 83 |

| Recommendation   | Health Board assessment of progress           | Audit Wales assessment of progress           |
|--|---|--|
| <p><b>Reporting on the impact of value-based healthcare initiatives, 2022</b></p> <p>R8 We found limited evidence of how the Health Board is implementing value-based healthcare operationally to its services to maximise value and efficiency. The Health Board should ensure reporting on its value-based healthcare programme focusses on the outcomes achieved.</p>   | <p>Going through closure approval process</p> | <p><b>In progress.</b> See paragraph 111</p> |
| <p><b>Urgently implement financial recovery approaches to strengthen the financial position, 2022</b></p> <p>R9 As of January 2023, the Health Board is off track with its current savings plan and is slow to progress the savings plan for 2023-24. The Health Board should:</p> <ul style="list-style-type: none"> <li>• prepare appropriate financial recovery programmes as a matter of urgency for both the remainder of this, and the next financial year;</li> <li>• review options for estate and service disinvestment (ie where services are not demonstrating sufficient patient impact and outcomes);</li> <li>• introduce stronger reporting and oversight of the medium-term financial position, financial strategy and recovery approaches; and</li> <li>• target digital investments on areas of clear business benefits, ie where digital can be used to release service efficiency and/or quality gains elsewhere.</li> </ul> | <p>Going through closure approval process</p> | <p><b>Superseded.</b> See paragraph 102</p>  |



| Recommendation   | Health Board assessment of progress | Audit Wales assessment of progress   |
|--|-------------------------------------|--|
| <p><b>Ensure effectiveness of staff well-being services, 2022</b></p> <p>R11 The Health Board has introduced a programme of services to support staff wellbeing. However, it is not currently undertaking sufficient evaluation to ensure these are meeting the needs of staff. The Health Board should evaluate the impact of its staff wellbeing services to inform future investment decisions.</p>   | <p>Closed</p>                       | <p><b>Complete.</b></p> <p>The Health Board informs us it has completed a review of staff health and wellbeing needs assessment, as well as a new data reporting dashboard for counselling services.</p>   |
| <p><b>Improve performance and financial oversight for digital and estates, 2022</b></p> <p>R12 There is a need to put in place arrangements to understand the impact of digital and estates strategies, as well as the financial feasibility of the strategy. The Health Board should:</p> <ul style="list-style-type: none"> <li>• review any funding gaps in the digital and estates strategies to determine if they are financially feasible. Update the relevant committee on the findings of the financial feasibility review and how any associated risks will be managed.</li> <li>• introduce periodic committee reports that not only focus on actions completed but the impact its digital and estates strategies are having on the organisation.</li> </ul> | <p>Ongoing and in progress</p>      | <p><b>In progress.</b></p> <p>The Health Board states that its digital roadmap plan, once developed, will be fully costed and will articulate anticipated benefits.</p> <p>The Health Board has recently appointed a new Director of Environment who will lead the development of a new, robust estates strategy. Progress in developing</p> |

| <b>Recommendation</b> | <b>Health Board assessment of progress</b> | <b>Audit Wales assessment of progress</b>   |
|-----------------------|--|---|
|                       |  | these plans will be monitored via the Planning, Population Health and Partnerships Committee. |

# Appendix 3

## Management response to audit recommendations

Exhibit 4: Betsi Cadwaladr University Health Board response to our audit recommendations

| Ref | Recommendation  | Management response<br>Please set out here relevant commentary on the planned actions in response to the recommendations   | Completion date<br>Please set out by when the planned actions will be complete | Responsible officer (title)      |
|-----|---|--|--|----------------------------------|
| R1  | The Health Board should progress its plans to introduce arrangements for an Executive Committee and its related operating arrangements by April 2025. <b>(Paragraph 23)</b> | The Health Board will be establishing a formal Committee of the Board which will form part of the wider approach aligned to Foundations for the Future Programme. Immediate Actions will include: <ol style="list-style-type: none"> <li>1. Terms of Reference approved by the Board</li> <li>2. Agreed operating and reporting arrangements</li> <li>3. Reporting at each meeting of the Board items considered by the Executive Committee</li> </ol> | April 2025   | Director of Corporate Governance |

| Ref | Recommendation   | Management response<br>Please set out here relevant commentary on the planned actions in response to the recommendations  | Completion date<br>Please set out by when the planned actions will be complete | Responsible officer (title)      |
|-----|--|---|--|----------------------------------|
| R2  | <p>In the context of ongoing work in relation to the Foundations of the Future programme and strengthening its operational governance, the Health Board should develop a Terms of Reference for its Senior Leadership Team meetings to clarify the purpose of meetings and to ensure that the frequency of meetings is sufficient to effectively discharge its role.<br/><b>(paragraph 24)</b></p> | <p>Currently, there is no accountability or responsibility for the Senior Leadership Team in terms of operational governance, it is a mechanism by which the Members of the Executive Team can engage to support the delivery of the Health Board plans.</p> <p>As part of the Foundations for the Future Programme, clarity on roles and responsibilities for groups will be confirmed alongside the role of the Senior Leadership Team and the Operational Leadership Team.</p> <p><b>Key actions include:</b></p> <ul style="list-style-type: none"> <li>Review of the operational governance arrangements including the role of the Senior Leadership Team (July 2025)</li> </ul> | July 2025  | Director of Corporate Governance |

| Ref | Recommendation  | Management response<br>Please set out here relevant commentary on the planned actions in response to the recommendations   | Completion date<br>Please set out by when the planned actions will be complete | Responsible officer (title)      |
|-----|---|--|--|----------------------------------|
| R3  | When the Board reports against decisions taken in private session or via Chair's Actions, it should ensure that, where relevant, the cost implications of decisions are clearly reported. <b>(Paragraph 29)</b>   | <p>The Health Board has strengthened the reporting of the decisions made in private during 2024/24 as previously this was a verbal update.</p> <p><b>Key actions include:</b><br/>Reporting of financial implications as part of the decision-making process, unless of course, in matters relating to individuals and therefore an exemption would apply.</p> | January 2025   | Director of Corporate Governance |
| R4  | The Health Board should ensure review of minutes is a standing item on the agenda of each Remuneration Committee meeting (including additional meetings) to ensure the Board has access to an accurate and timely description of the decisions taken. <b>(Paragraph 40)</b> | <p>The Health Board has held a number of additional Remuneration Committees during 2024 to progress the appointment of Executive Director posts.</p> <p><b>Key actions include:</b><br/>Ensuring that where minutes are available then these will be brought to the next available meeting as per the cycle of business.</p>                                   | January 2025   | Director of Corporate Governance |

| Ref | Recommendation  | Management response<br>Please set out here relevant commentary on the planned actions in response to the recommendations  | Completion date<br>Please set out by when the planned actions will be complete | Responsible officer (title)   |
|-----|---|---|--|---|
| R5  | The Health Board should develop a structured programme of Board member visits, to include a mechanism to provide feedback to the Board. <b>(Paragraph 46)</b> | <p>The Health Board is considering the most appropriate way to engage the wider Board in terms of visiting services. Individual Board Members visit sites on a regular basis.</p> <p><b>Key actions include:</b></p> <ul style="list-style-type: none"> <li>• Agree how the Board can engage with services, which will include plans in terms of service reviews; and</li> <li>• Establish a reporting mechanism to the Board in terms of service visits</li> </ul> | June 2025  | Director of Corporate Governance (with Chair and Chief Executive Officer) |

| Ref | Recommendation   | Management response<br>Please set out here relevant commentary on the planned actions in response to the recommendations  | Completion date<br>Please set out by when the planned actions will be complete | Responsible officer (title)      |
|-----|--|---|--|----------------------------------|
| R6  | As part of the development of a meaningful Board Assurance Framework, the Health Board should provide Board members with further supporting detail on its strategic objectives to clarify what the objectives are seeking to achieve.<br><b>(Paragraph 57)</b> | The Health Board has reviewed the Board Assurance Framework during 2024-25 which will be aligned to the Strategic Objectives for the 2025-26 Plan once agreed by the Board.<br><br><b>Action:</b><br>To provide additional detail as part of the development of the IMTP for 2025-26. | January 2025   | Director of Corporate Governance |

| Ref | Recommendation  | Management response<br>Please set out here relevant commentary on the planned actions in response to the recommendations  | Completion date<br>Please set out by when the planned actions will be complete | Responsible officer (title)      |
|-----|---|---|--|----------------------------------|
| R7  | The Health Board should ensure that audit reports that are relevant to the remit of other Board committees are received and discussed by those committees, including periodic updates against any associated recommendations. <b>(Paragraph 78)</b> | <p>The Health Board is considering the approach to dealing with reports from external regulatory bodies as part of the IMTP for 2025-26. However, there has been progress during 2024-25 which has included progress against external audits at committees, and it recognises there is more to do in this area.</p> <p><b>Action:</b><br/>The governance process on reviewing of audit reports will be developed further to ensure that audit reports are considered at the relevant committees as well as Audit Committee.</p> | April 2025   | Director of Corporate Governance |



| Ref | Recommendation  | Management response<br>Please set out here relevant commentary on the planned actions in response to the recommendations   | Completion date<br>Please set out by when the planned actions will be complete | Responsible officer (title)             |
|-----|---|--|--|---|
| R8  | The Health Board should ensure that it appropriately engages with Board members and Regional Partnership Board partners in the process of developing future Integrated Medium Term Plans or Annual Plans.<br><b>(Paragraph 87)</b>  | The Health Board has reviewed the approach and membership at the RPB during 2024-25.<br><br><b>Action:</b><br><ul style="list-style-type: none"> <li>The Health Board will ensure that it engages with the RPB as part of the development of the IMTP and other corporate plans such as the development of the Organisational Strategy.</li> </ul> | April 2025   | Director of Strategy and Transformation |
| R9  | Where the Health Board needs to carry forward actions from one Annual Plan to the next, it should ensure that progress reports are clear on which actions have been retired or carried forward and provide clear and realistic milestones for those actions.<br><b>(Paragraph 95)</b> | The Health Board has made progress during 2024-25 in the reporting of the progress against the Annual Plan, further work will be continued into 2025-26.<br><br><b>Actions:</b><br>The monitoring report will be strengthened to address the recommendation including clear milestones and actions.  | April 2025   | Director of Strategy and Transformation |



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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.