

Structured Assessment 2022 – Cardiff and Vale University Health Board

Audit year: 2022

Date issued: January 2023

Document reference: 3180A2022

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Summary report

About this report

- 1 This report sets out the findings from the Auditor General's 2022 structured assessment work at Cardiff and Vale University Health Board (the Health Board). Our structured assessment work is designed to help discharge the Auditor General's statutory requirement to be satisfied that NHS bodies have made proper arrangements to secure economy, efficiency, and effectiveness in their use of resources under section 61 of the Public Audit (Wales) Act 2004.
- 2 Our 2022 Structured Assessment work took place at a time when NHS bodies continued to respond to the unprecedented and ongoing challenges presented by the COVID-19 pandemic. Health bodies were not only tackling the immediate challenges presented by the public health emergency but were also seeking to recover and transform services to respond to the significant numbers of people who are waiting for treatment and improve population health. NHS bodies and their Boards need to have sound corporate governance arrangements that can provide assurance to 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 the organisation's governance arrangements; strategic planning arrangements; financial management arrangements; and arrangements for managing the workforce, digital assets, the estate, and other physical assets. The approach we adopted to deliver our work is detailed in summarised in **Appendix 1**.
- 4 We have also provided updates on progress against recommendations identified in previous structured assessment reports.

Key messages

- 5 Overall, we found that **generally, the Health Board's corporate arrangements support good governance and the efficient, effective, and economical use of resources in most areas. Plans to refresh the long-term strategy present opportunities to strengthen these arrangements further by ensuring key structures, processes, and resources are fully aligned to strategic objectives and risks.**
- 6 The Health Board has a well-established vision and long-term strategy, underpinned by a clear programme for transforming clinical services. However, it recognises they need to be refreshed to reflect current opportunities, and challenges. The Health Board's approach to planning is generally effective and inclusive, with good Board-level oversight. The Health Board has been unable to produce a financially balanced and Welsh Government approved Integrated Medium Term Plan for 2022-2025.

- 7 Systems of assurance continue to mature at a corporate level, and work is underway to strengthen arrangements at an operational level. There is scope to make greater use of the Board Assurance Framework to shape Board and committee business. There are reasonably good arrangements in place to conduct Board business effectively and transparently. There is a full Executive Team in place which appears stable following a period of operating with interim appointments. The organisational structure remains stable and appropriate; however, it will need to be kept under constant review as the Health Board refreshes its long-term strategy, and rolls out new clinical and workforce models.
- 8 Whilst the Health Board achieved its financial duties for 2021-22, it is at risk of not achieving its financial duty to break even at the end of 2022-23 given the need to manage its underlying deficit and growing cost pressures. Arrangements for financial management and controls are improving. Positive steps have been taken to enhance public transparency by ensuring detailed papers on counter fraud and procurement are discussed in public. Financial reports, which are regularly scrutinised by the Finance Committee, are clear and are open about financial challenges and risks.
- 9 There is good Board-level oversight of the arrangements in place to support staff wellbeing, but the Board should seek greater assurances that these arrangements are making a positive difference. Whilst there are good arrangements for Board-level oversight of digital matters, a lack of detailed plans, funding and staffing challenges is hampering the Health Board's pace in implementing its digital priorities. The Health Board has increased its strategic focus on the future configuration of its estate, but there is insufficient Board-level visibility of the condition of the existing estate.

Recommendations

- 10 Recommendations arising from this audit are detailed in **Exhibit 1**. The Health Board's management response is summarised in **Appendix 2**.

Exhibit 1: 2022 recommendations

Strategic alignment of processes, structures, and resources

R1 The Health Board plans to refresh its ten-year strategy by 2023. It should seek to use this opportunity to review and reshape its wider processes, structures, resources, and arrangements to ensure they are fully aligned to the organisation's refreshed strategic objectives and associated risks, with a particular focus on its:

- Board Assurance Framework
- Performance Management Framework

- Committee structures, terms of reference, and workplans
- Long-term financial plan

Enhancing the Integrated Performance Report

R2 The Integrated Performance Report provides a good overview of the Health Board's performance. However, details of the actions being taken to sustain or improve performance that falls below target appears in some sections of the report but not others. The Health Board, therefore, should ensure this information is provided consistently throughout the report to strengthen the assurances provided to the Board that appropriate action is being taken to sustain or improve performance.

Enhancing administrative governance arrangements further

R3 Whilst the Health Board has good arrangements in place for conducting Board and committee business effectively and transparently, opportunities exist to enhance these arrangements further. The Health Board, therefore, should:

- a) post more frequent reminders about Board and committee meetings on social media and provide links to papers;
- b) ensure the papers for all Advisory Group meetings are published on the Health Board's website in a timely manner;
- c) make abridged minutes of private Board and committee meetings available publicly as soon as possible after each meeting;
- d) ensure the dates Terms of Reference were last reviewed and approved are clearly displayed on the documents;
- e) circulate presentations in advance of meetings or, where this is not possible, make copies available to members and the public (via the website) as soon as possible afterwards; and
- f) ensure public papers include an explanation as to why some matters are being discussed in private rather than in public.

Detailed report

Strategic planning arrangements

- 11 In this section of the report, we provide our views on the Health Board's strategic planning arrangements, with a particular focus on the organisation's:
- vision and strategic objectives;
 - Integrated Medium Term Plan (IMTP);
 - planning arrangements; and
 - arrangements for implementing and monitoring the delivery of corporate strategies and plans.
- 12 Details of progress made on previous-year recommendations relating to the Health Board's strategic planning arrangements are provided in **Exhibit 2**.
- 13 We found that **the Health Board's approach to planning is generally effective and inclusive, with good Board-level oversight and stakeholder involvement. Refreshing its long-term strategy and producing an approvable IMTP must remain key priorities for the Health Board.**

Vision and strategic objectives

- 14 We considered the extent to which there is a clear vision and long-term strategy in place for the organisation. In examining this, we have looked at whether:
- the vision and strategic objectives are future-focussed, and rooted in a detailed and comprehensive analysis of needs, opportunities, challenges, and risks;
 - the vision and strategic objectives have been developed and adopted by the Board; and
 - the long-term strategy is underpinned by an appropriate long-term clinical strategy.
- 15 We found that **the Health Board has a well-established vision, underpinned by a clear transforming clinical services programme. Work is underway to refresh the long-term strategy to reflect current opportunities and challenges.**
- 16 The Health Board's vision is clearly articulated in its ten-year strategy, [Shaping Our Future Well-being \(2015-2025\)](#). The vision is concise, future-focussed, and places a clear emphasis on improving people's health irrespective of their circumstances. It is underpinned by ten strategic objectives that focus on population outcomes, service delivery and sustainability, and organisational culture. The strategic objectives are also the Health Board's well-being objectives.
- 17 The strategy, which was adopted by the Board in 2015, clearly articulates the key population health challenges at the time, as well as the relevant drivers such as key legislation and policies. The strategy was developed in collaboration with stakeholders and is accessible on the Health Board's website.

- 18 The Health Board plans to refresh its strategy by 2023 to reflect post-pandemic realities, opportunities, and challenges. It has put appropriate Board-level arrangements in place to oversee this work, as well as to ensure effective internal and external stakeholder engagement.
- 19 The Health Board's current ten-year strategy is underpinned by a clear vision for the future configuration of its healthcare services in the home, in the community, and in its hospitals. The Health Board ensured internal and external stakeholders were actively engaged in a conversation about shaping future clinical services during March and April 2021. The Health Board intends to further develop its 'Shaping Our Clinical Futures' Plan alongside the ten-year strategy refresh.

Integrated Medium Term Plan

- 20 We considered the extent to which the Health Board has been able to produce an approvable Integrated Medium Term Plan (IMTP) for 2022-2025. In examining this, we have looked at whether:
- the IMTP was submitted within the required timeframes in line with Welsh Government guidance;
 - the draft and final versions of the IMTP were discussed, challenged, and agreed by the Board prior to submission; and
 - the IMTP received approval from the Minister for Health and Social Services.
- 21 We found that **the Health Board has been unable to produce a Welsh Government approved and balanced IMTP for 2022-2025.**
- 22 The Health Board's draft 2022-2025 IMTP was agreed by the Board in March 2022 and submitted to the Welsh Government within the required timeframe. However, it was not approved by the Welsh Government as it was not financially balanced. Consequently, the Health Board has been escalated from routine arrangements to enhanced monitoring for planning and finance under the Welsh Government's Joint Escalation and Intervention Arrangements¹. The Health Board has since submitted an Annual Plan for 2022-23 to the Welsh Government, in June 2022, which sets out its broad plans for ensuring a financially sustainable position by 2024-25.
- 23 We found strong evidence that the Board, Finance Committee, and Strategy and Delivery Committee were given several opportunities to input, scrutinise, and challenge the IMTP prior to its submission. An Internal Audit review also found good governance arrangements in place to oversee the IMTP planning and development process, but identified opportunities to ensure lessons-learnt exercises are built into future IMTP planning timelines.

¹ Under the Joint Escalation and Intervention Arrangements, Welsh Government officials meet Audit Wales and Healthcare Inspectorate Wales at least twice a year to discuss the performance of each health body. There are four escalation levels: routine arrangements; enhanced monitoring; targeted intervention; and special measures.

Planning arrangements

- 24 We considered the extent to which the Board maintains effective oversight of the process for developing corporate strategies and plans. In examining this, we have looked at whether:
- prudent and value-based healthcare principles are considered and reflected in corporate strategies and plans;
 - corporate strategies and plans have been developed in liaison with relevant internal and external stakeholders; and
 - arrangements for commissioning services are effective and efficient, and aligned to corporate strategies and plans.
- 25 We found that **the Health Board's approach to planning is generally effective and inclusive, with good Board-level oversight.**
- 26 The Health Board's approach to strategic planning is generally effective. The planning process is co-ordinated by its Strategic Planning Team, and supported by the Strategy Development and Delivery Group (SDDG), which is a senior management forum that oversees the development of corporate plans and strategies and monitors their delivery. The SDDG works closely with the Health Board's Operational Planning Group, which is chaired by the Chief Operating Officer, to ensure appropriate operational input and challenge prior to presenting key strategies and plans to Board for approval. The Health Board continues to make good use of 'Signals from Noise'² data to inform its planning assumptions.
- 27 The Board and its relevant committees maintain effective oversight of the Health Board's planning arrangements, with good reporting to the Board on the 2022-2025 IMTP development process and the arrangements for refreshing the organisation's ten-year strategy.
- 28 It is unclear how value-based healthcare principles inform the Health Board's overall approach to planning as we found minimal references to them in corporate strategies and plans. However, we found that the Health Board has used a value-based approach to develop its programme of transformational services to address its underlying deficit, as well as to inform its commissioning intentions for 2022-23.
- 29 The Health Board is very effective at involving internal and external stakeholders in developing corporate strategies and plans. There is good evidence of stakeholder involvement in the process of developing the Health Board's ten-year strategy, and a detailed engagement plan is in place to ensure that stakeholders have opportunities to shape the next iteration. As stated in paragraph 19, the Health Board also engaged well with stakeholders when developing its 'Shaping Our Clinical Futures' programme.
- 30 The Health Board continues to engage well with its Stakeholder Reference Group and Local Partnership Forum, with evidence of discussions on matters such as the

² Signals From Noise is a statistically-based data engine provided by a third party which supports the Health Board to uncover hidden insights from its processes and provide evidence to support decisions for change or improvement.

IMTP, People and Culture Plan, and the ten-year strategy refresh taking place at these meetings. The Health Board also engages well with the Community Health Council when developing relevant corporate strategies and plans.

- 31 In July 2022, the Board received the Health Board's 2023-2026 commissioning intentions, which support the delivery of the ten-year strategy and feed into the development of the 2023-2026 IMTP. To ensure the commissioning intentions align with the Health Board's long-term ambitions, there may be some changes to them as the organisation reviews and refreshes its ten-year strategy.

Implementation and monitoring arrangements

- 32 We considered the extent to which the Board oversees, scrutinises, and challenges the implementation and delivery of corporate strategies and plans. In examining this, we have looked at whether:

- corporate strategies and plans contain clear milestones, targets, and outcomes that aid monitoring and reporting; and
- the Board receives regular reports on progress to deliver corporate strategies and plans.

- 33 We found that **positive steps have been taken to improve implementation and monitoring arrangements, which should lead to greater Board-level scrutiny and assurance.**

- 34 The Health Board has taken positive steps to improve its arrangements for monitoring and reporting delivery of corporate strategies and plans as recommended in last year's structured assessment (see **Exhibit 2, 2021 Recommendation 2a** and **2b**). Its Annual Plan/IMTP is clear about key deliverables, timescales, and measures to support effective monitoring and reporting, although there is some variation between different sections. The Health Board will need to ensure its refreshed ten-year strategy provides the same level of clarity. The agreed approach for reporting Annual Plan/IMTP progress to the Board, and subsequently to the Welsh Government, is based on a delivery template which reports against:

- what the Health Board said it would do;
- when the Health Board said it would do it by; and
- where the Health Board actually is.

- 35 The Quarter 1 2022-23 progress report was presented to the Board in July 2022. It gave a good overview of Annual Plan/IMTP delivery to date, as well as an overview of progress in delivering the Health Board's strategic programmes. Further enhancements are planned, such as including Red, Amber, Green (RAG) ratings to highlight key priorities and actions, and providing greater detail on how delivery gets back on track when delays occur.

- 36 From Quarter 3 2022-23, the report will also be accompanied by a 'heat map' of the Health Board's outcomes framework to illustrate, at a high-level, the impact of delivery against intended outcomes. The delivery template and heatmap have

been designed to be read alongside the Integrated Performance Report to give the Board a rounded view of progress.

Exhibit 2: progress made on previous-year recommendations

Recommendation	Description of progress
<p>Recommendation 2 (2021) The Health Board’s approach to planning remains robust. However, the Health Board’s arrangements for monitoring and reporting on plan delivery are less robust. The Health Board, therefore, should strengthen its arrangements for monitoring and reporting on the overall delivery of its Annual Plan and future Integrated Medium Term Plans by:</p>	
<p>a. ensuring these plans contain clear summaries of key actions/deliverables, timescales, and measures to support effective monitoring and reporting; and</p>	<p>In progress See paragraph 34.</p>
<p>b. providing more information to the Board and Strategy and Delivery Committee on progress against delivery of these plans to enable full scrutiny and assurance.</p>	<p>In progress Whilst positive steps have been taken to improve monitoring and oversight arrangements, it is too early for us to comment on their effectiveness.</p>

Governance arrangements

- 37 In this section of the report, we provide our views on the Health Board’s governance arrangements, with a particular focus on:
 - key systems of assurance;
 - Board and committee effectiveness; and
 - the extent to which organisational design supports good governance.
- 38 Details of progress made on previous-year recommendations relating to the Health Board’s governance arrangements are provided in **Exhibit 3**.
- 39 We found that **the Health Board is generally well led and well governed. Plans to refresh governance structures and align them to revised strategic objectives provide opportunities to further enhance Board and committee effectiveness.**

Systems of assurance

- 40 We considered the extent to which the Board and its committees oversee, scrutinise, and challenge organisational risks, performance, and quality of services. In examining this, we have looked at whether:
- there is an effective Board Assurance Framework (BAF) in place, which is actively reviewed and owned by the Board;
 - the BAF is underpinned by appropriate systems for managing risks and performance; overseeing the quality and safety of services; and handling information in a secure manner; and
 - effective action is taken to address audit and review findings and recommendations.
- 41 We found that **systems of assurance continue to mature at a corporate level, and work is underway to strengthen arrangements at an operational level.**

Managing risk

- 42 The Health Board's strategic risks are clearly documented in its Board Assurance Framework (BAF) and there is a well-established process in place to ensure they are adequately scrutinised and reviewed. Strategic risks are clearly mapped to the Health Board's current strategic objectives. The BAF, therefore, should be reviewed and reshaped as a central part of the Health Board's ten-year strategy refresh (**Recommendation 1**).
- 43 The Board receives regular assurance that strategic risks are being managed appropriately. The Board receives and reviews the whole BAF at each bi-monthly public meeting, and the committees regularly scrutinise the risks assigned to them. The revised Chief Executive Report to the Board also provides a detailed overview of new risks to the Health Board's strategic position and the arrangements that have been put in place to control, mitigate, and reduce them.
- 44 There is also regular scrutiny of the Corporate Risk Register, which the Board receives at each bi-monthly public meeting. In November 2022, there were 24 risks on the register, 19 of which related to patient safety. The Health Board actively manages its corporate risks as illustrated in the Board cover report, which details the total number of risks, new risks, removed risks, and a comparison to the previous report to the Board.
- 45 In March 2021, the Health Board received a reasonable assurance Internal Audit report on its risk management process. In June 2022, a follow-up review also resulted in reasonable assurance and three additional recommendations. The new recommendations mainly relate to clarification of roles and responsibilities and providing training to risk owners. The Health Board is hoping that the all-Wales

Datix³ digital risk management software will help to strengthen risk management processes.

Performance management

- 46 There are significant performance challenges across the Health Board, as with others across Wales. For unscheduled care, September 2022 saw a continued increase in emergency department attendances, with four-hour access below target at 61.3%, and 12-hour waits remain high at 1,004 patients. The Health Board attributes the challenges to difficulties in discharging medically fit patients, and workforce issues such as nurse vacancies and high sickness rates.
- 47 In terms of planned care, the referral-to-treatment waiting list is significant. In September 2022, there were a total of 128,179 patients waiting, of which 7,038 had been waiting for over 104 weeks and 28,800 for 52 weeks. The waiting list for a follow-up-outpatient appointment is equally significant (183,614 patients) but 98.7% have target dates. Performance on the single cancer pathway is also a concern, with compliance at 42.8% against the 75% target in September 2022.
- 48 The Health Board holds monthly Executive Performance Reviews for each Clinical Board where they are held to account on their operational and financial performance. Since September 2022, all of these meetings are attended by the whole Executive Team with the aim of creating a culture of open and honest dialogue and avoiding the need for a formal internal escalation process.
- 49 The Board and its committees provide good oversight of the Health Board's performance. The Board routinely receives the Integrated Performance Report which provides a good overview of the Health Board's performance against key national and local quality and performance measures. The report also includes performance against the ministerial priorities. Committees provide in-depth scrutiny on measures aligned to their respective functions. However, information on the actions being taken to sustain or improve performance that falls below target features in some sections of the report, but not others. The Health Board, therefore, should ensure this information is provided consistently throughout the report to strengthen the assurances provided to the Board that appropriate action is being taken to sustain or improve performance (**Recommendation 2**).
- 50 In September 2020, the Strategy and Delivery Committee approved the Health Board's Performance Management Framework. This clearly documents roles and responsibilities, performance management arrangements, and escalation processes. However, the Health Board should review this framework alongside its ten-year strategy and committee structure refresh to ensure arrangements are current and aligned to strategic objectives and risks (**Recommendation 1**).

Quality and safety assurance

³ Datix is the software used by the Health Board for clinical and non-clinical incident reporting.

- 51 In June 2022, we published our review of the Health Board's [quality governance arrangements](#). Our review found that the Health Board has an approved Quality Safety and Improvement Framework, with clearly stated quality priorities. But there is poor alignment between corporate and operational priorities.
- 52 Whilst there is collective responsibility and accountability for quality and safety at a corporate level, operationally, we found evidence of silo working and a lack of clarity among Clinical Directors around their responsibilities for quality and safety. The Health Board reported it was addressing this through job planning.
- 53 The Health Board has articulated headline activities and delivery timescales to support its Quality Safety and Improvement Framework, but there was no monitoring and reporting framework in place at the time of our review. Since then, the Health Board has incorporated quality, safety, and improvement actions into its IMTP. The Board, therefore, should receive assurance on the delivery of the new framework through routine IMTP progress reports. The Health Board intends to ensure that the Quality, Safety, and Experience Committee also receives assurance on the framework's delivery.

Information governance and cyber security

- 54 Cyber security remains a significant risk, scoring 20 on the Corporate Risk Register. Recognising this, the Health Board is taking steps to strengthen arrangements in this area. In May 2022, Internal Audit completed a review of the Health Board's baseline Cyber Assessment Framework, resulting in a limited assurance rating. The review made four recommendations, which the Health Board is making reasonable progress in addressing.
- 55 The Digital and Health Intelligence Committee, which meets three times per year, receives an Information Governance Data and Compliance Report at each meeting. Reporting arrangements are good, with the committee receiving information and assurance on matters such as information governance staffing capacity, Data Protection Act serious incidents, progress on freedom of information request, and subject access requests processed. The report also provides information on compliance with information governance mandatory training, which was 66% in October 2022. This is a concern, and the Senior Leadership Board is reviewing compliance with a view to prioritising mandatory training requirements across the Health Board.

Recommendations tracking

- 56 The Health Board continues to have good arrangements in place for tracking and implementing audit and review recommendations. Positively, the Health Board is taking steps to make its recommendations tracking arrangements more impactful and to provide greater assurance to the Audit and Assurance Committee.
- 57 From November 2022, the committee will consider internal and external recommendations trackers at every other meeting to allow officers more time to progress actions. In addition, high-risk or long-standing recommendation will be agreed by members to consider in-depth. The Health Board is also taking positive steps to improve its legislative and regulatory compliance tracker following a reasonable assurance report issued by Internal Audit in August 2021.
- 58 In November 2022, there were 35 partially complete Audit Wales recommendations. Of these, 14 recommendations were overdue. These will be scrutinised further by the Health Board ahead of the February 2023 Audit and Assurance Committee meeting.

Board and Committee effectiveness

- 59 We considered the extent to which the Board and its committees conduct their business effectively and support good governance. In examining this, we have looked at whether:
- the Board and its committees demonstrate appropriate levels of public transparency;
 - meetings are conducted appropriately supported by clear Schemes of Delegation, Standing Orders, Standing Financial Instructions, and Registers of Interest;
 - there is an appropriate and well-functioning committee structure below the Board;
 - the Board and its committees receive the right information, including views from staff and service users; and
 - there is evidence of sufficient self-review by the Board and its committees.
- 60 We found that **there are good arrangements in place to conduct Board business effectively and transparently. However, there is scope to make greater use of the Board Assurance Framework to shape Board and committee business.**
- 61 The Health Board has taken several positive steps to enhance public transparency of Board business as recommended in last year's structured assessment (see **Exhibit 3, 2021 Recommendation 1a and 1b**).
- 62 The Health Board continues to hold committee meetings virtually, which are live streamed and recorded. Since May 2022, Board meetings have been held in-person. Whilst the Health Board planned to live stream and record all in-person Board meetings from November 2022 to maintain public transparency and

accessibility, this did not occur. The Health Board is continuing to explore how best to facilitate hybrid meetings and is hoping to have a solution by March 2023.

- 63 We found that upcoming Board and committee meetings are signposted on social media monthly as recommended in last year's structured assessment (see **Exhibit 3, 2021 Recommendation 1e**). However, to further enhance public awareness and engagement, the Health Board should post more frequent reminders closer to meeting dates and provide links to papers (**Recommendation 3a**).
- 64 The Health Board continues to publish agendas and papers for Board and committee meetings on its website in advance of meetings in line with its publishing standards. Compliance with this standard continues to be good, however, we found some gaps in advisory group papers⁴ (**Recommendation 3b**). Items to be discussed in private sessions are now detailed on the agendas of all committee meetings as recommended in last year's structured assessment (see **Exhibit 3, 2021 Recommendation 1d**). To further enhance the transparency of Board and committee business, the Health Board should make abridged minutes of the private sessions available publicly (**Recommendation 3c**).
- 65 The Health Board's arrangements support the effective conduct of Board business. Its Standing Orders, Scheme of Reservation and Delegation, and Standing Financial Instructions are reviewed annually. They received Board approval in April 2022 following scrutiny by the Audit and Assurance Committee in February 2022. These documents, which govern the Health Board's business, are available on its website.
- 66 We routinely observe declarations of interest taken at the start of Board and committee meetings as a standing item on all agendas. The Audit and Assurance Committee also receives and reviews the Registers for Gifts and Hospitality and Declarations of Interest at each meeting. The Health Board now publishes Board declarations separately to that of all staff on its website as suggested in last year's structured assessment.
- 67 The Health Board's committee structure remains stable and largely unchanged, except for the Shaping Our Future Hospitals Committee. This was temporarily stood down in July 2022, pending a response from the Welsh Government on the Health Board's Outline Business Case for redeveloping the University Hospital of Wales. However, the large and varied remit of the Strategy and Delivery Committee is a concern (see **paragraphs 112 and 122**). The Health Board intends to review its committee structure to ensure it is fit for purpose in terms of providing adequate and effective oversight and assurance across the totality of Health Board business. It is essential that the Health Board consider the committee structure alongside its ten-year strategy refresh to ensure they are appropriately aligned to

⁴ Our review of the website in November 2022 found the following Advisory Group papers were unavailable: Stakeholder Reference Group held in January 2022, and Local Partnership Forum held in December 2021. No papers were available for the Health Professionals Forum.

strategic objectives and maintain oversight of the programmes of work to meet them (**Recommendation 1**).

- 68 The Health Board has good arrangements in place for ensuing Terms of Reference, forward workplans, and Annual Reports are annually reviewed and approved by the Board and its committees. The Corporate Governance Team ensures the latest versions of these documents are available on the website, although it would be helpful to display the date the Terms of Reference were last reviewed and approved (**Recommendation 3d**). The Health Board has also updated committee membership details on its website as recommended in last year's structured assessment (see **Exhibit 3, 2021 Recommendation 1c**). As part of refreshing its ten-year strategy, the Health Board should ensure Board and committee Terms of Reference reflect current strategic objectives and that the updated BAF is used to shape workplans (**Recommendation 1**).
- 69 The Board has a stable cohort of Independent Members, although the member for universities is due to stand down in December 2022. The recruitment process for his replacement is underway. The Executive Team has experienced several changes during the year. These include the appointment of a new Chief Executive, a new Executive Medical Director, a new Executive Director of Nursing, and a new Chief Operating Officer who started in February 2022, October 2021, July 2022, and August 2022 respectively. The Health Board managed these changes well by providing appropriate interim cover to maintain Board stability and continuity whilst substantive appointments were made. Board members continue to have a healthy relationship, with Independent Members offering a good balance of scrutiny, challenge, and support to Executive Members.
- 70 Our observations found that Board and committee meetings are generally well chaired. All members and attendees continue to observe virtual meeting etiquette, thus ensuring meetings run smoothly. Chairs are also effective in using the instructions on cover papers to guide and summarise agenda items. Meeting agendas are appropriately planned, allowing good time for discussion. Meetings are well supported by the Corporate Governance Team.
- 71 There is also an effective approach for referring matters to another committee or to escalate them to the Board. Highlight reports prepared by committee chairs continue to be a key source of assurance. As suggested in last year's structured assessment, these now appear further up the Board agenda and feature under the items for review and assurance, thus ensuring that key risks identified by committees are considered at the start of every Board meeting.
- 72 Papers for Board and committee meetings are generally well written and clear, which are supported by concise cover reports highlighting key points for members to consider. Cover reports have been strengthened further as suggested in last year's structured assessment. However, some papers continue to be lengthy, narrative based, and operationally focussed. Furthermore, we have observed instances of officers speaking to a set of presentation slides which have not been shared in advance. As a result, members have no opportunities to fully prepare for these items beforehand. Where possible, the Health Board, should aim to circulate

presentations in advance of meetings and/or make copies available to members and the public (via the website) as soon as possible afterwards (**Recommendation 3e**).

- 73 The Health Board continues to show good commitment to continuous improvement. In April 2022, the Board and its committees undertook annual effectiveness reviews in time to feed into its Annual Governance Statement. In May 2022, the Audit and Assurance Committee received the largely positive findings of the 2021-22 surveys and the resulting action plan. The Health Board has recognised that its method for conducting the effectiveness surveys could be more effective. As a result, the 2022-23 reviews will take the form of facilitated discussions which will provide deeper and richer feedback.
- 74 Board member development is well supported through the Health Board’s programme of Board Development Sessions which take place every other month. Independent Members feel supported by the Chair who holds monthly meetings with members, conducts annual appraisals, and reviews members’ personal objectives, which they are encouraged to take ownership of. Additionally, there are opportunities for members to take part in coaching and mentoring schemes, attend training, and complete statutory and mandatory training modules.
- 75 The Health Board engages with staff and patients through various methods including staff surveys, monthly Board member patient safety walkarounds, its Freedom to Speak Up initiative and patient stories at Board and committee meetings. Whilst there are reasonable arrangements in place to capture patient experiences, our review of quality governance arrangements found that more work is needed to improve Board and committee oversight of patient stories.

Exhibit 3: progress made on previous-year recommendations

Recommendation	Description of progress
<p>Recommendation 1 (2021) The Health Board has taken a number of positive steps to enhance public transparency of Board business since our 2020 structured assessment report. However, there is scope for the Health Board to strengthen public transparency further by:</p>	
<p>a. ensuring all recordings of public Board meetings are uploaded to the Health Board’s website in a timely manner after each meeting, and ensuring that links to previous meetings remain active;</p>	<p>Complete Board meeting recordings are up to date with live links. Recordings are available from July 2020 onwards.</p>

Recommendation	Description of progress
<p>b. making recordings of public committee meetings available on its website or publishing unconfirmed minutes of committee meetings as soon as possible afterwards;</p>	<p>Complete Committee meeting recordings are up to date. Recordings are available from January 2022 onwards.</p>
<p>c. updating the membership details of committees on the Health Board's website as soon as changes are approved;</p>	<p>Complete Committee membership details are up to date on the Health Board's website.</p>
<p>d. listing the matters to be discussed in private by committees on the agenda of their public meetings on an ongoing basis;</p>	<p>Complete Items to be discussed by committees in private are listed on the public agenda.</p>
<p>e. signpost the public to Board and committee papers and recordings of public Board meetings via the Health Board's social media channels on an ongoing basis; and</p>	<p>In progress Upcoming Board and committee meetings are signposted on Facebook on a monthly basis with links to the papers, but the Health Board could post more frequently and closer to meeting dates.</p>
<p>f. ensuring counter-fraud and procurement papers are considered by the Audit and Assurance Committee in public, with only sensitive matters reserved for private meetings.</p>	<p>Complete We have observed the Audit and Assurance Committee consider detailed counter-fraud and procurement papers in public.</p>

Organisational design

- 76 We considered the extent to which the Health Board's organisational structure supports effective governance. In examining this, we have looked at whether:
- the responsibilities of Executive Directors are clear, and that they have balanced and equitable portfolios of work;
 - there is clarity on the role of the Board Secretary, and there are adequate resources in place to support the work of the Board and its committees; and
 - the organisational structure supports effective governance and facilitates whole-system working.
- 77 We found that **whilst the organisational structure remains stable and appropriate, it will need to be kept under constant review as the Health Board refreshes its long-term strategy, and rolls out new clinical and workforce models.**
- 78 The Health Board has a stable organisational structure which has remained largely unchanged since our last structured assessment. Whilst the current structure appears to be fit for purpose, it should be kept under review as the Health Board refreshes its ten-year strategy and rolls out new clinical and workforce models.
- 79 In September 2022, the Board reviewed and approved its top-level executive structure for the first time in line with the organisation's Standing Orders. The Board also reviewed and approved the portfolios of Executive Directors, taking advantage of the opportunity to clarify roles as the new executive team settle-in. We found no concerns about the balance and equity of executive portfolios.
- 80 The Health Board has taken steps to strengthen its decision making structures. In September 2022, the Health Services Management Board was stood down and replaced with a Senior Leadership Board, which met for the first time in September 2022. The Senior Leadership Board focusses on key operational and strategic risks and issues within the organisation. It comprises two groups:
- an Accountable Group, which is made up of the Executive Team and Clinical Board Directors and meets twice a month; and
 - a Supporting Group, which is made up of the Accountable Group and Clinical Board Triumvirates and meets on a quarterly basis.
- 81 The Executive Team will continue to meet separately, but in an informal capacity. Whilst these arrangements appear positive, it is too early for us to comment on their effectiveness.
- 82 The Health Board has an effective, well-resourced Corporate Governance Team. Roles and remits within the team are clear and its members are proactive about improving and maturing the Health Board's governance arrangements. However, the Director of Corporate Governance/Board Secretary will be leaving the Health Board in February 2023. Interim arrangements to cover aspects of the role will be put in place whilst the Health Board seeks to appointment a replacement.

Managing financial resources

- 83 In this section of the report, we provide our views on the Health Board's arrangements for managing its financial resources, with a particular focus on the organisation's:
- arrangements for meeting key financial objectives;
 - financial controls; and
 - arrangements for reporting and monitoring financial performance.
- 84 We found that **there are reasonably appropriate arrangements in place to support financial planning, management, and control. Whilst finances are well scrutinised, improving its longer-term financial position must remain a key priority.**

Financial objectives

- 85 We considered the extent to which the Health Board has effective arrangements in place to meet its key financial objectives. In examining this, we have looked at whether the Health Board:
- met its financial objectives for 2021-22, and is on course to meet its financial duties in 2022-23; and
 - has a clear and robust financial plan in place, which includes realistic and sustainable savings and cost improvement plans.
- 86 We found that **whilst the Health Board achieved its financial duties for 2021-22, it risks not breaking even at the end of 2022-23 due to growing cost pressures.**
- 87 At the end of 2021-22, the Health Board met both its financial duty to operate within its annual revenue resource limit and within its cumulative resource limit for a three-year rolling period⁵, achieving small surpluses of £232,000 and £380,000 respectively. This is the first time the Health Board has achieved these statutory duties. The Health Board also met its 2021-22 financial duty to break even against its annual and three-year rolling capital resource limit, with surpluses of £41,000 and £234,000 respectively. However, as it failed to meet its 2021-22 savings target by £4.4 million, the Health Board started the 2022-23 financial year with a reported accumulated underlying deficit of £29.7 million.
- 88 At Month 7 2022-23, the Health Board reported a £15.4 million overspend against its core financial plan, £9.9 million of which was part of its agreed £17.1 million planned deficit. The remaining £5.4 million is unplanned operational overspends relating to increasing demand on services and limited resources in the social care sector to support the timely discharge of patients. These challenges, coupled with

⁵ Health Boards and NHS Trusts are required to break even over a three-year rolling period.

other cost pressures (such as increased cost of energy, food, and medicine), are creating a difficult financial and operational environment.

- 89 The Health Board is working on the assumption that some exceptional costs, such as COVID-19 expenditure and inflationary increases will be funded by the Welsh Government. However, given the scale of the challenges and the Month 7 financial position, there is a risk it will not meet its 2022-23 financial duties to break even. To manage its financial challenges, the Health Board has now placed an increased focus on financial forecasts, remedial actions, and cost savings at Clinical Board Executive Performance Review meetings. Given the scale of these challenges, it is too early to judge the effectiveness and impact of these arrangements.
- 90 The Health Board is likely to spend within its 2022-23 capital resource limit. At Month 7, it had spent 34% of its £43.8 million capital budget, but this does not account for orders already in place which will show as spending in subsequent months.
- 91 The financial planning process, which is an integral part of the Health Board's IMTP planning process, considers its funding allocation, any additional funding (eg for COVID-19 expenditure), cost pressures, and the savings full-year effect. However, despite this, it has not been able to prepare a financially balanced plan for 2022-2025, thereby failing its duty to have a balanced and approvable IMTP. The process of refreshing the Health Board's ten-year strategy presents an opportunity for long-term financial planning, which should consider its ambitions for the future (**Recommendation 1**).
- 92 The Health Board has taken a pragmatic approach to setting savings targets. Whilst the targets are challenging, it is aware of the need not to make them unattainable. The savings target for 2022-23 was originally the same as last year, at £16 million, broken down as £4 million non-recurrent and £12 million recurrent. However, to help it further reduce the underlying deficit, the Health Board reviewed and resubmitted its financial plan to the Welsh Government in June 2022. It now includes an additional £3.7 million recurrent savings target, meaning the total savings target for 2022-23 is now £19.4 million.
- 93 At Month 7, the Health Board reported saving schemes totalling £17.4 million against the £19.4 million target, leaving a gap of £1.9 million to bridge in the final five months of the year. If it does not deliver its savings plan in full, particularly its recurrent savings, there is a risk that any undelivered recurrent savings will add to the Health Board's underlying deficit for 2023-24, and prevent it from delivering a balanced financial plan next year. As such, it is imperative that the Health Board increases its focus on delivering recurrent financial savings and addressing growing cost pressures as early in the financial year as possible.

Financial controls

- 94 We considered the extent to which the Health Board has appropriate and effective arrangements in place for allocating, authorising, recording, and managing the use of its financial resources. In examining this, we have looked at whether:

- there are effective controls in place to ensure compliance with Standing Financial Instructions and Schemes of Delegation;
- the Audit and Assurance Committee maintains appropriate oversight of arrangements and performance relating to single tender actions, special payments, losses, and counter-fraud;
- there are effective financial management arrangements in place; and
- financial statements were submitted on time, contained no material misstatements, and received a clean audit opinion.

95 We found that **the Health Board is improving its arrangements for financial management and controls.**

96 The Audit and Assurance Committee continues to receive regular assurance reports on financial controls. The Health Board has also taken positive steps to enhance public transparency of some financial controls, with the committee now considering counter-fraud and procurement papers in public as recommended in last year's structured assessment (see **Exhibit 3, 2021 Recommendation 1f**).

97 The committee continues to receive the losses and special payments report every six months. However, the update is sometimes considered in public and other times in private. Whilst we accept that there might be times the report needs to be considered in the private session, public papers need to clearly explain why (**Recommendation 3f**).

98 Last year, the Health Board identified procurement breaches on some capital expenditure projects caused by poor procurement practices and weak internal controls. Since then, the Health Board has taken positive steps to review and strengthen its internal governance controls and arrangements in respect of capital schemes and expenditure by exploring the use of software to better manage sign-off processes, reviewing delegated limits, and clarifying the role of groups responsible for reviewing business cases. An Internal Audit of the Health Board's procurement process is planned.

99 In May 2022, Internal Audit completed a review of core financial systems, specifically the general ledger and accounts receivable. This received substantial assurance. Given the Health Board's previous levels of high assurance on core financial systems, Internal Audit cover individual areas on a cyclical basis.

100 The Health Board submitted its draft Financial Statements within the required timescales, which were considered by the Audit and Assurance Committee and the Board in June 2022. We issued an unqualified audit opinion on the 2021-22 Financial Statements, except for the regularity opinion, for which we issued a qualified opinion⁶.

⁶ This year the Auditor General qualified his regularity opinion at eight of eleven NHS bodies due to the accounts including expenditure and funding in respect of clinicians' pension tax liabilities.

Monitoring and reporting arrangements

- 101 We considered the extent to which the Board oversees, scrutinises, and challenges the organisation's financial performance. In examining this, we have looked at whether:
- reports to the Board provide a clear picture of the organisation's financial position, as well as the key financial challenges, risks, and mitigating actions taken; and
 - Board members sufficiently challenge ongoing assessments of the financial position.
- 102 We found that **financial reports are clear and open about financial challenges and risks and are regularly scrutinised by the Finance Committee.**
- 103 The monthly Finance Committee continues to operate effectively. It is well chaired and financial reports receive robust scrutiny. The Board receives assurances through the Finance Committee chair's report and the committee's minutes.
- 104 Monthly finance reports are clear and provide an open and honest reflection of the Health Board's financial challenges. The reports contain a good breadth of information and are accompanied by detailed appendices should members require more information. The finance risk register is incorporated into the finance report, ensuring that risks are not considered in isolation.
- 105 Whilst the Finance Committee works well, there are opportunities to review its remit as part of the wider committee review to better align and integrate oversight of financial and operational performance and risks.

Managing the workforce, digital resources, the estate, and other physical assets

- 106 In this section of the report, we provide our high-level views on the Health Board's arrangements for managing its wider resources, with a particular focus on the organisation's:
- arrangements for supporting staff wellbeing (please note we will be undertaking a separate review of the organisation's workforce planning arrangements);
 - arrangements for managing its digital resources; and
 - arrangements for managing its estate and other physical assets.
- 107 We found that **whilst there is good Board-level oversight of matters relating to the workforce and digital resources, there is scope to increase the Board's focus on matters relating to the current estate and physical assets.**

Supporting staff wellbeing

- 108 We considered the extent to which the Health Board has appropriate and effective arrangements in place for supporting staff wellbeing. In examining this, we have looked at whether:
- mechanisms to seek staff views about their wellbeing needs are effective, and appropriate action is taken to respond to findings; and
 - actions to support and improve staff wellbeing are actively monitored by the Board, including actions taken in response to our report on how NHS bodies supported staff wellbeing during the COVID-19 pandemic⁷.
- 109 We found that **whilst there is good Board-level oversight of staff wellbeing support arrangements, the Board should seek greater assurances they are making a positive difference.**
- 110 The Health Board is committed to staff wellbeing and, in January 2022, the Board approved the People and Culture Plan. Whilst an ‘engaged, motivated and healthy workforce’ is one of the plan’s seven themes, staff wellbeing underpins every theme. It is also in the process of developing a Well-being Strategy and Framework.
- 111 In November 2022, the Audit and Assurance Committee received a progress report on the Health Board’s progress in addressing the recommendations of our ‘Taking Care of the Carers?’ report. Whilst all six recommendations are partially complete, officers highlighted a range of positive activities designed to enhance staff wellbeing including:
- refurbishing over 30 staff rooms;
 - delivering management and development programmes focusing on compassionate leadership; and
 - wellbeing programmes designed for priority areas such as emergency unit staff.
- Listening to staff is also an important part of wellbeing and the Health Board has a range of mechanisms in place to gauge how staff are feeling, including staff surveys, staff networks, wellbeing conversations as part of values-based appraisal and regular 1-2-1 meetings. However, the Board receives little assurance on the impact of staff wellbeing initiatives. The Health Board recognises this and is in the process of developing a way of effectively measuring and reporting the impact of wellbeing activities.
- 112 The Strategy and Delivery Committee routinely scrutinises workforce matters through updates on the People and Culture Plan, key workforce metrics, and scrutiny of the BAF workforce risk. The committee also receives deep-dive reports on specific topics such as values-based appraisal and the staff wellbeing plan. However, due to the broad remit of the committee, these reports tend to be ad-hoc

⁷ Audit Wales, [Taking care of the carers? How NHS bodies supported staff wellbeing during the COVID-19 pandemic](#), October 2021

in nature. As a result, members have limited opportunities to maintain ongoing oversight of matters such as staff wellbeing which, in turn, leads to limited assurances to the Board. The review of committee structures creates the opportunity to establish a dedicated People Committee where, once approved, the Well-being Strategy and Framework can receive regular and detailed oversight.

Managing digital resources

- 113 We considered the extent to which the Health Board has appropriate and effective arrangements in place for managing its digital resources. In examining this, we have looked at whether:
- there is a Board-approved digital strategy in place which seeks to harness and exploit digital technology to improve the quality, safety, and efficiency of services, as well as to support new models of care and new ways of working; and
 - benefits arising from investments in digital technology are actively monitored by the Board.
- 114 We found that **whilst there are good arrangements for Board-level oversight of digital matters, a lack of detailed plans, funding and staffing challenges are hampering the Health Board's pace in implementing its digital priorities.**
- 115 The Board approved the Health Board's five-year Digital Strategy in September 2020. It sets out how digital technology will enable the transformation of clinical services to meet the ambitions described in the ten-year strategy. The Digital Strategy was recently refreshed to ensure it is still meeting the needs of the organisation.
- 116 In October 2022, Internal Audit issued a reasonable assurance report on the Health Board's digital strategy. It found that the strategy, which has been kept up to date, is appropriate and reflects the Health Board's objectives and transformation agenda. The Health Board is working to better define its Digital Road Map which currently lacks detail. The review found that digital is a key priority, but there is a funding and resource gap for delivering it. The Corporate Risk Register presented to the Digital and Health Intelligence Committee appropriately reflects this risk and details actions being taken to mitigate it. Actions include undertaking a staff gap analysis and investment bids submitted to the Business Case Assessment Group. Unfunded business cases are being reviewed and built into the Health Board's long-term financial modelling.
- 117 The Digital and Health Intelligence Committee is responsible for overseeing the development and delivery of the Digital Strategy. Internal Audit found that whilst oversight arrangements are clear and well established, the committee might not receive assurance on the totality of digital activities. This is because Clinical Boards have the autonomy to pursue their own digital projects, but there is little Clinical Board representation at the committee. It is also unclear whether the Clinical Board digital projects are in line with the digital strategy.

118 Internal Audit's review also found that operational groups responsible for managing the digital programme and decision making are not meeting frequently. This again suggests that the right information might not be filtering up to the committee. Internal Audit made five medium-priority recommendations.

Managing the estate and other physical assets

119 We considered the extent to which the Health Board has appropriate and effective arrangements in place for managing its estate and other physical assets. In examining this, we have looked at whether:

- there are Board-approved strategies and plans in place for managing the organisation's estates and its wider physical assets;
- there are appropriate arrangements in place for the Board to review, scrutinise, challenge, and approve significant capital projects and programmes; and
- there are appropriate arrangements in place for the Board to maintain appropriate oversight of the condition of the estate and other physical assets.

120 We found that **whilst the Health Board has increased its strategic focus on the future configuration of the estate, there is insufficient Board-level visibility of the condition of the existing estate.**

121 In August 2022, we completed a [follow-up of our 2017 Review of Estates](#). We found that the Health Board does not have an estate strategy, but work has commenced to develop one, which will be linked to the Health Board's refreshed ten-year strategy and capital plan. Since our 2017 review, there have been structural and process changes to enable more effective estate service delivery. However, we found that local and national workforce shortages and pay differentials present significant and immediate risks to maintaining a safe and effective service. In the longer term, this presents potential risks to the Health Board's ability to sustain its existing estate whilst it delivers its programme of replacement and redevelopment.

122 We also found that whilst the Health Board has increased its strategic focus on the future estate, there is a lack of Board-level visibility of the condition of the existing estate. The Health Board has an aging estate, which poses a potential risk to staff and patient safety if it is not adequately maintained. The Health Board's risk-adjusted cost for backlog maintenance in 2021-22 was £114,835,323, of which £75,204,780 relates to the University Hospital of Wales. Corporate risks related to capital assets are scrutinised by the Strategy and Delivery Committee, but as stated in paragraphs 67 and 112, the remit of the committee is too broad to allow for regular and sustained oversight. In November 2022, of the 16 risks assigned to the committee, eight related to capital assets, all with current risk scores of 20, although one of the risk scores was omitted. The current scores are the same as the initial scores, which suggests the mitigating actions the Health Board is taking are not yet effective.

- 123 The Health Board should seek to address this through its review of committee structures, ensuring there is appropriate oversight of estate-related matters such as the condition of the current estate, future developments and planning and delivery of the estate strategy (**Recommendation 1**).

Appendix 1

Audit approach

Exhibit 4: audit approach

This table sets out the approach we adopted for delivering our structured assessment work at the Health Board.

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">• Audit and Assurance Committee• Quality, Safety and Experience Committee• Strategy and Delivery Committee• Finance Committee• Health and Safety Committee• Mental Health Legislation and Mental Capacity Act Committee• Digital Health Intelligence Committee
Documents	<p>We reviewed a range of documents, including:</p> <ul style="list-style-type: none">• Board and Committee Terms of Reference, work programmes, agendas, papers, and minutes• Key governance documents, including Schemes of Delegation, Standing Orders, Standing Financial Instructions, Registers of Interests, and Registers of Gifts and Hospitality• Key organisational strategies and plans, including the IMTP

Element of audit approach	Description
	<ul style="list-style-type: none"> • Key risk management documents, including the Board Assurance Framework and Corporate Risk Register • Key reports relating to organisational performance and finances • Annual Reports, including the Annual Governance Statement • Relevant policies and procedures • Reports prepared by the Internal Audit Service, Health Inspectorate Wales, Local Counter Fraud Service, and other relevant external bodies
Interviews	<p>We interviewed the following:</p> <ul style="list-style-type: none"> • Chair of the Board • Chief Executive • Executive Medical Director • Executive Director of Finance • Executive Director of Strategic Planning • Interim Chief Operating Officer • Director of Corporate Governance • Vice Chair of the Board • Chair of the Audit and Assurance Committee • Chair of the Quality Safety and Experience Committee • Chair of the Strategy and Delivery Committee • Chair of the Finance Committee • Head of Corporate Governance • Head of Risk

Appendix 2

Management response to audit recommendations

Exhibit 5: management response

Recommendation	Management response	Completion date	Responsible officer
<p>Strategic alignment of processes, structures, and resources</p> <p>R1 The Health Board plans to refresh its ten-year strategy by 2023. It should seek to use this opportunity to review and reshape its wider processes, structures, resources, and arrangements to ensure they are fully aligned to the organisation’s refreshed strategic objectives and associated risks, with a particular focus on its:</p> <ul style="list-style-type: none"> • Board Assurance Framework • Performance Management Framework • Committee structures, terms of reference, and workplans <ul style="list-style-type: none"> – Long-term financial plan 	<p>Agree the work in relation to the Committee Structures is in hand and the new Committees and other changes to the Committee Structures will be established for the new financial year after approval at the Board at the end of March 2023.</p> <p>The Board Assurance Framework currently reflects the risks to the achievement of the Strategic Objectives of the organisation and once the Strategy refresh is complete the BAF will be reviewed to ensure alignment to the Strategic Objectives.</p> <p>Performance Management Framework – This was presented to S&D Committee in 2020 and there is a need to update this document in line with the refreshed Strategy and revised Committee Structure.</p> <p>Long Term Financial Plan – The strategy refresh will be supported by the development of a long-term financial model which will build from the current resource position and show how financially the health board will deliver the strategy within its financial allocation. This will show the</p>	<p>March 2023</p> <p>September 2023</p> <p>September 2023</p> <p>September 2023</p>	<p>Director of Corporate Governance</p> <p>Director of Corporate Governance</p> <p>Director of Digital Health Intelligence</p> <p>Executive Director of Finance</p>

Recommendation	Management response	Completion date	Responsible officer
	strategic investments and how they will be afforded over the strategic timeframe, for example, public health, estates and digital strategy.		
<p>Enhancing the Integrated Performance Report</p> <p>R2 The Integrated Performance Report provides a good overview of the Health Board's performance. However, details of the actions being taken to sustain or improve performance that falls below target appear in some sections of the report but not others. The Health Board, therefore, should ensure this information is provided consistently throughout the report to strengthen the assurances provided to the Board that appropriate action is being taken to sustain or improve performance.</p>	Accepted. The Integrated Performance Report is being reviewed and will be refreshed to provide a clear overview of performance with the ability to drill down into more detail where appropriate. The format is likely to change to reflect the recommendation and to provide the Board with a more comprehensive report.	Draft to be shared by 31 March 2023	Director of Digital Health Intelligence
<p>Enhancing administrative governance arrangements further</p> <p>R3 Whilst the Health Board has good arrangements in place for conducting Board and committee business</p>	a) We worked with our Communications department last year to issue tweets and reminders to the public via the Health Board's social media platforms. At the moment, our Communications team issues a monthly post/tweet at the beginning of the month which sets	End of February 2023	Director of Corporate Governance/ Head of

Recommendation	Management response	Completion date	Responsible officer
<p>effectively and transparently, opportunities exist to enhance these arrangements further. The Health Board, therefore, should:</p> <ul style="list-style-type: none"> a) post more frequent reminders about Board and committee meetings on social media and provide links to papers; b) ensure the papers for all Advisory Group meetings are published on the Health Board's website in a timely manner; c) make abridged minutes of private Board and committee meetings available publicly as soon as possible after each meeting; d) ensure the dates Terms of Reference were last reviewed and approved are clearly displayed on the documents; e) circulate presentations in advance of meetings or, where this is not possible, make copies available to members and the 	<p>out the details of the Board and Committee meetings due to take place that month. The concern raised by our Communications team was that the public may not interact if we issue frequent posts during the month with regards to its Board/Committee meetings, and if that happens it could harm the Health Board's accounts/social media 'overall reach'. We will have a further conversation with our Communications team to see if it is feasible to issue more frequent reminders via our social media platforms.</p> <ul style="list-style-type: none"> b) Noted. The Corporate Governance team will work with our colleagues to ensure that the papers for the advisory groups are published on the Health Board's website in a timely manner and to ensure that the website page is up to date with regards to the Advisory Group's meeting dates. c) Noted. We will attend to this straightway. d) Noted. We will ensure that the dates on which the Committees' Terms of Reference were reviewed and approved are clearly shown on the cover sheet of the document. e) As far as possible, we publish copies of presentations in advance of the meetings. Where the presentation slides have not been made available before the meeting, we endeavour to publish copies of the same 	<p>End of January 2023</p> <p>January 2023</p> <p>March 2023</p> <p>January 2023</p>	<p>Corporate Governance</p>

Recommendation	Management response	Completion date	Responsible officer
<p>public (via the website) as soon as possible afterwards; and</p> <p>f) ensure public papers include an explanation as to why some matters are being discussed in private rather than in public.</p>	<p>as soon as possible after the meeting. We will strengthen our processes in relation to this to ensure appropriate publication of the presentations.</p> <p>f) Noted. Going forward, we will insert some appropriate wording in the Public agenda to explain why certain items are being referred to our Private Board/Committees.</p>	<p>January 2023</p>	



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