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Auditor General for Wales

Annual Audit Report 2017 – **Public Health Wales NHS Trust**

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The team who helped me prepare this report comprised Gabrielle Smith, David Thomas, Anthony Ford, Jason Garcia and Anthony Veale.

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Summary report

Summary

- 1 This report summarises my findings from the audit work I have undertaken at Public Health Wales NHS Trust (the Trust) during 2017. I did that work to discharge my responsibilities under the Public Audit (Wales) Act 2004 (the 2004 Act) in respect of the audit of accounts and the Trust's arrangements to secure efficiency, effectiveness and economy in its use of resources.
- 2 My audit work focused on strategic priorities and the significant financial and operational risks facing the Trust, and which are relevant to my audit responsibilities. The separate reports I have produced during the year have more detail on the specific aspects of my audit. We discuss these reports and agree their factual accuracy with officers before presenting it to the Audit Committee. My reports are shown in [Appendix 1](#).
- 3 The Chief Executive and the Director of Finance have agreed the factual accuracy of this report, which we presented to the Audit and Corporate Governance Committee on 13 March 2018. The Board will receive the report at a subsequent Board meeting and every member will receive a copy. We strongly encourage the Trust to arrange wider publication of this report. Following Board consideration, we will make the report available to the public on the [Wales Audit Office website](#).
- 4 My audit work can be summarised under the following headings.

Section 1: audit of accounts

- 5 I have issued an unqualified opinion on the 2016-17 financial statements of the Trust. I have also concluded that the Trust's accounts were properly prepared.
- 6 I have not reported any issues to the attention of officers and the Audit and Corporate Governance Committee in respect of my accounts audit although have reported some minor issues in respect of improving some aspects of the accounts process in my final accounts memorandum.
- 7 My work did not identify any material weaknesses in the Trust's internal controls relevant to my audit of the accounts.
- 8 The Trust achieved financial balance for the three-year period ending 2016-17, therefore it met one of its two statutory duties under the 2014 NHS (Wales) Finance Act. The Trust also met its second financial duty to have an approved financial plan for the period 2016-17 to 2018-19. Section 2 of this report has more detail about the financial position and financial management arrangements.

Section 2: arrangements for securing efficiency, effectiveness and economy in the use of resources

- 9 I have examined the Trust's financial planning and management arrangements, its governance and assurance arrangements, and its progress on the improvement

issues identified in last year's Structured Assessment. I did this to satisfy myself that the Trust has made proper arrangements for securing efficiency, effectiveness and economy in the use of its resources. I also undertook a performance audit review of the collaborative arrangements for managing local public health resources. My conclusions based on this work are set out below.

Arrangements for financial planning and management are working well, however, whilst detail in board finance reports has improved, information on savings identified for re-investment is limited

- 10 My review of the Trust's arrangements for financial planning and management including identifying and delivering financial savings found that:
- the Trust consistently delivers its financial savings and achieves year-end financial balance;
 - the Trust has made improvements to financial planning, although there can be challenges to the delivery of some savings plans when they involve withdrawal of funding from other organisations;
 - the Trust's arrangements for operational monitoring and oversight of financial performance and savings plans remain robust; but while board level information provides greater detail, information on the use of savings identified for re-investment is limited; and
 - the Trust made good progress to address previous recommendations on financial planning and reporting.

The Board is working effectively and building upon work to improve governance arrangements but there is more to do to extend scrutiny of performance in key areas

- 11 My review of the Trust's arrangements for risk management, information governance, performance management arrangements and the effectiveness of the governance structures and internal control found that:
- ongoing improvements to risk management arrangements are taking effect;
 - the Board operates effectively and remains committed to organisational effectiveness and continuous learning, however, the need to fill vacant non-executive posts is becoming pressing;
 - internal controls have been strengthened, including those for tracking audit recommendations;
 - the Trust is strengthening arrangements for information governance and information security but the time available for scrutiny appears limited and the role of Data Protection Officer under the General Data Protection Regulations is not set out in the new policy;
 - performance reporting is improving but not all parts of the Trust's business is subject to Board scrutiny and reporting against the operational plan is infrequent; and

- the Trust is not making effective use of the National Fraud Initiative to detect fraud and overpayments.

My performance audit work has identified opportunities to secure better use of resources in a small number of key areas

- 12 My Structured Assessment work reviewed how a number of key enablers of efficient, effective and economical use of resources, in particular arrangements for workforce planning and management, stakeholder engagement and ICT and technology. I also looked at the collaborative arrangements for managing local public health resources. My conclusions are as follows:
- the Trust has an active programme of engagement to inform its long-term strategy, is improving workforce planning and has an ambitious informatics programme to support the delivery of its integrated medium-term plan but some key arrangements have yet to be agreed and implemented; and
 - collaborative arrangements for managing local public health resources do not work as effectively as they should do.
- 13 We would like to thank the Trust's staff and members for their assistance and cooperation during the audit.

Detailed report

About this report

- 14 This Annual Audit Report 2017 to the board members of the Trust sets out the findings from the audit work that I have undertaken between December 2016 and November 2017.
- 15 I undertake my work at the Trust in response to the requirements set out in the 2004 Act¹. That act requires me to:
- a) examine and certify the accounts submitted to me by the Trust, and to lay them before the National Assembly;
 - b) satisfy myself that the expenditure and income to which the accounts relate have been applied to the purposes intended and in accordance with the authorities which govern it; and
 - c) satisfy myself that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.
- 16 In relation to (c), I have drawn assurances or otherwise from the following sources of evidence:
- the results of audit work on the Trust's financial statements;
 - work undertaken as part of my latest structured assessment of the Trust, which examined the arrangements for financial management, governance and assurance;
 - performance audit examinations undertaken at the Trust;
 - the results of the work of other external review bodies, where they are relevant to my responsibilities; and
 - other work, such as data-matching exercises as part of the National Fraud Initiative (NFI).
- 17 I have issued a number of reports to the Trust this year. The messages contained in this annual audit report represent a summary of the issues presented in these more detailed reports, a list of which is included in [Appendix 1](#).
- 18 The findings from my work are considered under the following headings:
- section 1: audit of accounts
 - section 2: arrangements for securing economy, efficiency and effectiveness in the use of resources
- 19 [Appendix 2](#) presents the latest estimate on the audit fee that was set out in the 2017 Audit Plan.

¹ [Public Audit \(Wales\) Act 2004](#)

Section 1: audit of accounts

- 20 This section of the report summarises the findings from my audit of the Trust's financial statements for 2016-17. These statements are the means by which the organisation demonstrates its financial performance and sets out its net operating costs, recognised gains and losses, and cash flows. Preparation of an organisation's financial statements is an essential element in demonstrating appropriate stewardship of public money.
- 21 In examining the Trust's financial statements, I am required to give an opinion on:
- whether they give a true and fair view of the financial position of the Trust and of its income and expenditure for the period in question;
 - whether they are prepared in accordance with statutory and other requirements, and comply with relevant requirements for accounting presentation and disclosure;
 - whether that part of the remuneration report to be audited is properly prepared;
 - whether the other information provided with the financial statements (usually the annual report) is consistent with them; and
 - the regularity of the expenditure and income in the financial statements.
- 22 In giving this opinion, I have complied with my Code of Audit Practice and the International Standards on Auditing (ISAs).

I have issued an unqualified opinion on the 2016-17 financial statements of the Trust

The Trust's accounts were properly prepared and free from materially misstatement

- 23 We received the draft financial statements for the year ended 31 March 2017 on 28 April 2017, which is in line with the submission deadline. We found the information provided by the Trust to be relevant, reliable, comparable and easy to understand. I am required to report issues arising from my work to those charged with governance before I issue my audit opinion on the accounts.
- 24 My Financial Audit Engagement Lead reported these issues to the Trust's Audit Committee on in June 2017. We are pleased to report that no significant matters were reported to the Audit Committee as part of this report. We issued a final accounts memorandum which included some minor issues with regard to improve controls over Asset reconciliations, explanations for accounts Analytical review, accounting for National Exercise referral expenditure and audit working papers.

My work did not identify any material weaknesses in the Trust's internal controls

25 I reviewed the Trust's internal controls that I considered to be relevant to the audit to help me identify, assess and respond to the risks of material misstatement in the accounts. I did not, however, consider them for the purposes of expressing an opinion on the operating effectiveness of internal control. My review did not identify any significant deficiencies in the Trust's internal controls.

Section 2: arrangements for securing efficiency, effectiveness and economy in the use of resources

26 I have a statutory requirement to satisfy myself that NHS bodies have proper arrangements in place to secure efficiency, effectiveness and economy in the use of their resources. I have undertaken a range of performance audit work at the Trust over the last 12 months to help me discharge that responsibility. This work has involved:

- following up the reviewing the Trust's arrangements for planning and delivery of financial savings and their contribution to achieving financial balance;
- assessing the effectiveness of Trust's governance and assurance arrangements through my structured assessment work, including a review of the progress made in addressing structured assessment recommendations made last year;
- assessing the application of data-matching as part of the National Fraud Initiative (NFI);
- local review of the collaborative working arrangements between the Trust, local public health teams and Directors of Public Health; and
- reviewing the Trust's arrangements for tracking progress against external audit recommendations.

27 I have also undertaken performance audit work that has examined the collaborative working arrangements between local public health teams and Public Health Wales NHS Trust.

28 The main findings from the work referenced above are summarised under the following headings.

Arrangements for financial planning and management are working well, however, whilst detail in board finance reports has improved, information on savings identified for re-investment is limited

29 In addition to commenting on the Trust's overall financial position, my structured assessment work in 2017 has considered the actions that the Trust is taking to achieve financial balance and create longer-term financial sustainability. I have assessed the corporate arrangements for planning and delivering financial savings in the context of the overall financial position of the organisation. I have also reviewed progress made in addressing previous structured assessment recommendations relating to financial planning and reporting. I summarise my findings below.

The Trust consistently delivers its financial savings and achieves year-end financial balance

30 The Trust once again achieved financial balance in 2016-17 and made a small surplus (£16,000). It also met its financial duty to break even over the three years 2014-15 to 2016-17. The Trust delivered the £1.848 million of savings identified in the 2016-17 budget strategy and anticipates delivering the totality of planned savings for 2017-18. At the end of October 2017, the Trust had delivered 55% of the planned savings identified in the 2017-18 budget strategy, only slightly less than that planned (58%) for this point in the year. The Trust continues to forecast to break even for the year ended 31 March 2018.

The Trust has made improvements to financial planning, although there can be challenges to the delivery of some savings plans when they involve withdrawal of funding from other organisations

31 The financial planning process remains an integral part of the Trust's planning cycle and the budget setting process is largely unchanged. Apart from putting in place an establishment control procedure, the budget setting process remains largely the same. This procedure was put in place given the size of pay-related savings in 2016-17. Posts vacant for six or more months are now removed from a divisions' baseline establishment unless there are genuine reasons to carry vacancies. Divisional budgets continue to be based on the month six expenditure in the previous year, adjusted for cost pressures, a 1% efficiency target and planned growth or investment and this process has traditionally worked well.

The Trust's arrangements for operational monitoring and oversight of financial performance and savings plans remain robust; but while board level information provides greater detail, information on the use of savings identified for re-investment is limited

- 32 The Trust's arrangements for scrutiny of financial performance, including savings plans, are well established with the finance team closely monitoring budgets and tracking savings on a month-by-month basis. The finance team has improved the tracking log for monitoring delivery of savings and reasons for slippage are captured in a more systematic way. Increased scrutiny is helping to target support earlier and to ensure alternative savings plans are put in place.
- 33 The Trust has improved the format and content of Board finance reports making it easier to track performance against the budget strategy. However, finance reports omit any narrative about the achievement or otherwise of re-investment plans funded from savings, which over the last two years totalled more than £2 million.

Progress in addressing previous recommendations on financial planning and management

- 34 The Trust made good progress to address our 2016 recommendations on financial planning and reporting. The nature of risks associated with individual savings schemes are recorded and discussed as part of the budget setting and scrutiny process. In future, where budget holders rely on achieving savings by withdrawing or reducing funding to external organisations, they will need to consider a number of issues and provide evidence of these considerations as part of the budget scrutiny process. We were told that there was less emphasis in 2017-18 on creating an investment reserve from savings but proposals are still subject to scrutiny as part of the budget setting process.
- 35 The Trust has improved the content of Board finance reports with more detailed information provided on the achievement of savings and the action taken to address slippage; a summary of the risks to achieving year-end breakeven; detail on the cumulative expenditure against the capital plan; and the reasons for under or overspends on directorate budgets with an indication of the effect on service delivery or quality.

The Board is working effectively and building upon work to improve governance arrangements but there is more to do to extend scrutiny of performance in key areas

36 My structured assessment work has assessed the Trust's governance and assurance arrangements. This included the effectiveness of the board and its governance structures and the progress made in addressing previous structured assessment recommendations and improvement issues. My findings are set out below.

Ongoing improvements to risk management arrangements are taking effect

- 37 The risk management policy and procedures were approved earlier in the year. Roles and responsibilities of staff and the Board in relation to scrutiny and oversight of strategic, corporate, directorate and divisional risks captured on the risk registers are clearly set out. Although training on risk management is not mandatory, the Board expects staff with specific responsibilities to undertake face-to-face training. Meanwhile, a 'Guide to Risk Management' is in development for new starters along with a set of 'frequently asked questions'.
- 38 Risk management is becoming more effectively embedded within the organisation and the quality of the directorate risk registers is improving. The Internal Auditors' review of the Trust's risk management arrangements found them to provide reasonable assurance, and it is evident that risks are escalated and de-escalated in line with risk management procedures. The Trust is confident that its risk management arrangements have matured but will seek to confirm this undertaking work to assess the maturity of its risk management system against the international risk management standard by the end of the financial year.
- 39 Responsibility for oversight and scrutiny of strategic risks set out in the board assurance framework is delegated to the appropriate board committee. However, little time is typically allocated to this task within committee agendas. The Board recognised that the level of scrutiny needed to improve and it now ensures that the board assurance framework is considered alongside the performance and finance reports given that many mitigating actions are also captured within these reports. The Board has yet to articulate its risk appetite but discussions are underway to define it.

The Board operates effectively and remains committed to organisational effectiveness and continuous learning, however, the need to fill vacant non-executive posts is becoming pressing

40 There is an ongoing programme of work to address areas for improvement identified by both the Board and Audit and Corporate Governance Committee as part of their annual review of effectiveness. The Quality, Safety and Improvement Committee carried out its annual assessment of effectiveness in November 2017

and an action plan is being developed to address areas for improvement. Meanwhile, plans are in place for the People and Organisational Development Committee to assess its effectiveness in early 2018.

- 41 The Trust continues to tailor induction programmes for new non-executive officers and topic specific sessions developed for members of the Audit and Corporate Governance Committee will be incorporated into the broader induction programme. However, the Trust remains without its full complement of non-executive members given that it was unsuccessful in filling two vacant non-executive officer posts. There are ongoing discussions between the Trust and Welsh Government about attracting candidates with the necessary skills and experience to non-executive roles. On a positive note, the Trust was successful in facilitating the attendance of a second staff side representative at board and committee meetings.
- 42 The Trust continues to be proactive in assessing wider organisational effectiveness. In 2016, it commissioned an external review of the Screening Division to look specifically at its structure and organisation. Project management arrangements are in place to address the report's 20 recommendations. Meanwhile, the Trust reports that the invited peer-to-peer review conducted by the International Association of National Public Health Institutes was largely positive with the formal report in expected in early 2018.

Internal controls have been strengthened, including those for tracking audit recommendations

- 43 A Policies, Procedures and Other Written Control Documents Management Procedure is in place, which Internal Auditors found to provide reasonable assurance. A central Policy and Written Control Document Register is continuously updated and provides a record of all approved organisation wide policies and control documents. All expired policies and procedures are risk assessed by the named policy lead and the outcome shared with the appropriate approving committee.
- 44 I also considered the effectiveness of the Trust's wider arrangements to respond to my audit recommendations. The Audit and Corporate Governance Committee has a well-established approach for tracking progress against internal and external audit recommendations. Progress against recommendations is considered at every meeting and the pace of progress challenged. Relevant officers attend committee meetings as part of this challenge particularly when action is taking longer than anticipated and where audit reports provide limited assurance. Improvements to the tracking log were made earlier in the year following review of the format, quality and timeliness of information presented. A cover report now highlights significant changes or decisions that the Committee is asked to make.

The Trust is strengthening arrangements for information governance and information security but the time available for scrutiny appears limited and the role of Data Protection Officer under the General Data Protection Regulations is not set out in the new policy

- 45 The introduction of the GDPR from May 2018 provided the impetus to revise and streamline information governance policies and procedures with roles and responsibilities clearly set out. However, the Data Protection Officer, mandated under the GDPR, is not yet described. Meanwhile, compliance with information governance training is improving but remains below historical levels.
- 46 The Trust must assess annually its compliance with the Caldicott Principles for ensuring that patient identifiable information is protected and used only when appropriate to do so. The Trust's self-assessment shows substantial improvement over seven years but the most recent assessment shows that information provided against some standards could provide a more realistic picture. It is important that the Trust's self-assessment is robust because it accompanies all applications to the Confidentiality Advisory Group of the Health Research Authority for approval to use patient identifiable information without consent, under Section 251 of the NHS Act 2006.
- 47 It is important that the Trust understands what information it holds in order to protect it and to exploit its potential. Not all information flows have been mapped and work on the Information Asset Register has taken a long time. Until now, the Trust has relied on a legacy information security policy while waiting for the all Wales policy to be developed and released. A new Information Security Policy has been approved following revisions by the Chief Risk Officer and Head of Informatics in recognition of the interrelationship between the two disciplines. Meanwhile, information security risks are managed within the overall Risk Management Policy.
- 48 Arrangements for the oversight of information governance are in place both strategically and operationally. However, the time available for scrutiny of information governance issues by the Quality, Safety and Improvement Committee appears limited compared with the time available prior to the dissolution of the Information Governance Committee. The Quality, Safety and Improvement Committee's recent self-assessment found that its oversight of information governance had improved alongside improvements in the level of detail and quality of information received.

Performance reporting is improving but not all parts of the Trust's business is subject to Board scrutiny and reporting against the operational plan is infrequent

- 49 Arrangements for performance monitoring and reporting on key service, quality and resource indicators are clearly set out in the Trust's integrated medium-term plan, which received approval from the Cabinet Secretary for the third year running. Over the last three years, the number of performance indicators within the Delivery Framework has increased but does not include performance measures covering

the full breadth of Trust's business, such as NHS Quality Improvement/1000 Lives, health intelligence and national health improvement programmes like the 'first 1000 days'. Performance reports draw the Board's attention to areas of under-performance and indicators rated using the RAG (red, amber, green) system to denote variance against target.

- 50 Over the last couple of years, we have been critical about the lack of information reported to the Board in relation to the achievement of the milestones set out in the integrated medium-term plan and progress in delivering the annual operational plan. Overall progress and impact has yet to be reported publically to the Board, while performance against the latest operational plan has been reported twice during 2017-18 (July 2017 and January 2018) despite plans to report quarterly.
- 51 Service user stories are becoming a regular feature of board meetings and the summary of service user experience was recently published. The Board agreed a more structured approach for identifying stories that reflect the diversity of the organisation's work with service users, local communities and whole populations. Board meetings now open with a service user story. Meanwhile, work to develop a service user experience report concluded when the experience report was presented to the Quality, Safety and Improvement Committee for consideration. A succinct summary of experience information was also included for the first time in the recent Board performance report.

The Trust is not making effective use of the National Fraud Initiative to detect fraud and overpayments

- 52 The NFI is a biennial data-matching exercise that helps detect fraud and overpayments by matching data across organisations and systems to help public bodies identify potentially fraudulent or erroneous claims and transactions. It is a highly effective tool in detecting and preventing fraud and overpayments, and helping organisations to strengthen their anti-fraud and corruption arrangements.
- 53 The Trust is a mandatory participant in NFI and as such submitted data to the current NFI data matching exercise in October 2016. The outcomes from the data-matching exercise were released to participating bodies in January 2017. The Trust received 1,819 data-matches through the NFI web application.
- 54 Data-matches highlight anomalies which when reviewed can help to identify fraud and error. Whilst we would not expect organisations to review all data-matches, some of the matches are categorised as 'recommended matches'. These are matches considered to be of high risk and therefore recommended for early review. The Trust received 121 recommended matches.
- 55 The NFI web-application, which records the findings of the Trust's review of its data-matches shows that the Trust did not review any of the data-matches until December, some ten months after receiving the data. It is of significant concern that the Trust has failed to make effective use of NFI as part of its arrangements to prevent and detect fraud.

- 56 The Trust is due to provide data for the next NFI exercise (NFI 2018-19) in October 2018. I recommend that the Trust put in place an action plan to ensure that the data-matches it receives from that exercise are reviewed and where necessary investigated in a timely manner.

My performance audit work has identified opportunities to secure better use of resources in a small number of key areas

The Trust has an active programme of engagement to inform its long-term strategy, is improving workforce planning and has an ambitious informatics programme to support the delivery of its integrated medium-term plan but some key arrangements have yet to be agreed and implemented

- 57 My Structured Assessment work in 2017 examined other enablers of the efficient, effective and economical use of resources, in particular those for workforce, stakeholder engagement, ICT and technology and the collaborative arrangements for local public health resources. My findings are summarised below.

The Trust is working to improve workforce planning and changes to the people and organisational development dashboard are helping to improve scrutiny

- 58 Arrangements for developing workforce plans at a divisional and directorate level are being strengthened while there is ongoing work to develop a long-term public health workforce strategy. There is ongoing to improve compliance with annual appraisals and performance reviews for non-medical and non-dental staff, which stands at 71%. Compliance with medical/dental appraisal and revalidation is 100%. Overall compliance with statutory and mandatory training was 82% at the end of November 2017 and the Trust is confident that it will reach the NHS Wales target (85%) by the end of March 2018.
- 59 The Trust has made great strides to improve the quality and format of information presented to the People and Organisation Development Committee, which is helping to improve scrutiny and assurance. The workforce dashboard provides a broad range of metrics, a summary of performance and remedial actions for improvement. Our analysis of a range of workforce metrics suggest that the Trust spends comparatively less than other health bodies on agency staff but expenditure is rising. Although the Trust performs well on sickness absence compared with other health bodies, levels are above the organisational target. The Trust has the second highest level of staff turnover amongst NHS bodies in Wales at 11.9%, which the Trust is working to understand better, while there have been significant improvements in the time taken to recruit staff, down from an average of 64.7 days in 2016-17 to 39 days in August 2017.

The Trust has an active programme of engagement to inform development of its long-term strategy and it remains committed to improving engagement with service users and communities

- 60 Stakeholder engagement and partnership working are key in helping it deliver strategic priorities and objectives. The Trust identified the key internal and external stakeholders with whom it was important to engage as part of the process to develop its long-term strategy. A programme of engagement activities was developed for both external and internal stakeholders, including the public. The information from these multiple activities is helping to shape Board and senior leadership team discussions on the long-term strategy.
- 61 In 2016, the Trust commissioned a review of its arrangements for engaging with service users and the public. The review found a lack of clarity, consistency and cohesiveness in relation to engagement practice, which affected the engagement with individuals and communities. The Trust is working to address areas for improvement, starting with the development of an overarching engagement approach, which was recently shared with the Board.

There is an ambitious programme of informatics developments planned to support delivery of the integrated medium-term plan but the digital strategy and programme management arrangements have yet to be approved and implemented

- 62 To support the Welsh Government's vision for a digitally enabled NHS, all NHS bodies, including the Trust, developed a strategic outline programme (SOP) setting out a five-year view of investment requirements for technology and digitally-enabled service change. The Trust's indicative capital and revenue requirements total £16.8 million, which means the Trust will need to prioritise the proposed programme of work set out in the SOP. Meanwhile, the information governance and IT risk register highlight the risks of not being able to deliver the planned programme of informatics developments.
- 63 The core delivery areas set out in the SOP are reflected in the Trust's integrated medium-term plan and its draft digital strategy. One of the proposals reflected in these documents is the establishment of a Digital Transformation Board led by a clinical informaticist to agree and prioritise informatics developments and services, to provide oversight of delivery, as well as specific responsibilities for assessing the implications for cyber-security on informatics developments. At this time however, there are no definitive timescales or agreed set of actions to take forward this proposal.

Collaborative arrangements for managing local public health resources do not work as effectively as they should do

- 64 My review of Public Health Wales' collaborative arrangements for managing local public health resources with the Directors of Public Health found that effective collaboration in relation to health improvement work is dependent upon consensual

leadership, which is not always evident. In the overall public health system, a broad range of people and organisations contribute to protecting and improving health and wellbeing, and reducing health inequalities in Wales. No one organisation is wholly responsible for achieving improvements in population health and wellbeing but achievement is predicated on effective collaboration.

- 65 While it may not be desirable to identify a single system leader, there does need to be greater clarity over respective roles of the different stakeholders within the system. My work found that there is a lack of meaningful dialogue between the Trust, local public health teams and Directors of Public Health about respective roles, responsibilities and an agreed framework about what work is best done collectively.
- 66 Currently, there is an absence of effective arrangements to ensure that value for money is being secured from the resources allocated to local public health teams. Meetings do not take place between the Trust and Directors of Public Health to discuss how resources to improve health and wellbeing are used and whether they deliver the intended benefit. My work also found a lack of robust methods for allocating or changing resources of local public health teams. Instead, ad hoc discussions take place as vacancies arise.
- 67 My work found that arrangements are in place to support professional registration of staff deployed across local teams, but more clarity is needed on how this is used to demonstrate professional competence and career progression. New arrangements are also helping to strengthen appraisal processes and personal development planning but more needs to be done to assess the collective development needs of local public health teams.
- 68 Mechanisms for communicating and sharing information between the Trust and local public health teams are underdeveloped. There is no standardised approach for sharing information about what works well and what different players were doing at both a national and local level. My work also found a lack of arrangements for coordinating work developed or delivered locally or nationally, and communicating information to the same shared partners.
- 69 I have noted the collective and collaborative management response to my findings that has been prepared by the Trust, Health Boards and Welsh Government. I intend to undertake further work in 2018 to assess the progress that has been made to address the concerns identified above.

Appendix 1

Reports issued since my last annual audit report

Exhibit 1: reports issued since my last annual audit report

The following table lists the reports issued to the Trust in 2017.

Report	Date
Financial audit reports	
Audit of Financial Statements Report	June 2017
Opinion on the Financial Statements	June 2017
Letter – Matters arising from final accounts	September 2017
Performance audit reports	
Collaborative Arrangements for Managing Local Public Health Resources	August 2017
Structured Assessment 2017	December 2017
Other reports	
2017 Audit Plan	March 2017

Appendix 2

Audit fee

The 2017 Audit Plan set out the proposed audit fee of £151,155 (excluding VAT). My latest estimate of the actual fee, is in accordance with the fee set out in the plan.

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