

# Structured Assessment 2020 – Health Education and Improvement Wales

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# Summary report

## About this report

- 1 This report sets out the findings from the Auditor General's 2020 structured assessment work at Health Education and Improvement Wales (HEIW)<sup>1</sup>. The work has been undertaken to help discharge the Auditor General's statutory requirement, under section 61 of the Public Audit (Wales) Act 2014, to be satisfied that NHS bodies have made proper arrangements to secure economy, efficiency and effectiveness in their use of resources.
- 2 This year's Structured Assessment work took place at a time when NHS bodies were responding to the unprecedented and ongoing challenges presented by the COVID-19 pandemic. On 13 March 2020, the Minister for Health and Social Services issued a framework of actions to help prepare the system for the expected surge in COVID-19 cases. The framework included the cessation of non-urgent planned activity and the relaxation of targets and monitoring arrangements across the health and care system. Emergency funding arrangements were also introduced to facilitate the wide range of actions needed to respond urgently to the COVID-19 pandemic.
- 3 Shorter planning cycles were agreed for 2020-21 and supported by quarterly guidance setting out key considerations for the planning of the next phase of the pandemic, for maintaining delivery of essential services, and a movement towards the gradual reinstatement of routine services.
- 4 Our work<sup>2</sup> was designed in the context of the ongoing response to the pandemic to ensure a suitably pragmatic approach to help the Auditor General discharge his statutory responsibilities whilst minimising the impact on NHS bodies as they continue to respond to the next phase of the COVID-19 pandemic. The key focus of the work is on the corporate arrangements for ensuring that resources are used efficiently, effectively and economically. We also paid attention to progress made to address previous recommendations<sup>3</sup> where these related to important aspects of organisational governance and financial management especially in the current circumstances.
- 5 The report groups our findings under three themes:
  - governance arrangements;
  - managing financial resources; and

<sup>1</sup> HEIW is a Special Health Authority with a leading role in the education, training, development, and shaping of the healthcare workforce in Wales. More information can be found on [HEIW's website](#).

<sup>2</sup> The conduct of our work was co-ordinated with Internal Audit's rapid governance review which includes further testing of key controls noted in this report.

<sup>3</sup> Previous recommendations can be found in our [2019 report](#).

- operational planning: to support the continued response to the pandemic balanced against the provision of other essential services.

## Key messages

- 6 Overall, we found that **HEIW quickly adapted its governance, risk management and assurance arrangements to respond effectively to COVID-19. The Board and senior leaders showed strong leadership and maintained oversight of the quality and safety of training and staff wellbeing. HEIW's arrangements for managing its financial resources continue to work well, though we identified an opportunity for it to identify and report on cost and value opportunities. HEIW developed effective operational plans and has robust arrangements to monitor and report against progress. It has embraced new ways of working and taken the lead on developing NHS staff wellbeing resources.**
- 7 HEIW has adapted well to revised governance arrangements, shown strong leadership throughout the crisis, and maintained transparency in the conduct of Board business. It has communicated openly with its internal and external stakeholders and is taking the opportunity to learn lessons from new ways of working. HEIW continues to strengthen its risk management processes and regularly scrutinises its corporate and operational risk registers, which appropriately reflected the risks posed by COVID-19. Throughout this period, HEIW maintained oversight of the quality and safety of its training adapting quality assurance methods where necessary. The Board received assurance on staff wellbeing and previous internal and external audit recommendations continued to be monitored. There is scope though, to consider the frequency of Education, Commissioning and Quality Committee meetings.
- 8 HEIW is meeting its financial objectives and is in a good position to continue doing so. Whilst there is not a requirement for HEIW to deliver cost improvements, identifying and reporting efficiencies and economies would further improve good financial management for future sustainability. It has strong financial controls that have remained in place throughout this period of remote working, with appropriate changes made in response to the immediate challenges posed by COVID-19. HEIW's monitoring and reporting of its financial position supports Board oversight and scrutiny, and is clear, timely and insightful.
- 9 HEIW responded well to the Welsh Government's planning guidance, reflecting its own operations and contribution to the national COVID-19 response. It took a pragmatic approach to prioritising its work programme and embraced new ways of working. HEIW continued to have a focus on staff wellbeing and took the lead in developing wellbeing resources for NHS Wales. HEIW's quarter 1 operating plan was regularly monitored by the Welsh Government, the Board and senior leaders. For quarter 2, HEIW has developed a clear monitoring framework.

## Recommendations

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

### Exhibit 1: 2020 recommendations

#### Recommendations

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##### Corporate risk register scrutiny

- R1 We found that the Audit and Assurance Committee scrutinises the corporate risk register at its in-committee sessions. For transparency, unless risks are of a sensitive nature, we recommend the corporate risk register is considered at the public session of the Audit Committee.
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##### Cost and value improvements

- R2 Whilst HEIW is not required to deliver cost improvement plans and does not refer to any in its financial reports, identifying and reporting efficiencies and economies would further improve good financial management for future sustainability. We recommend that HEIW seek to identify cost and value improvement opportunities and record and report those both within HEIW and more widely from its work. This would also clearly evidence tangible benefits and support buy-in to a one NHS approach.

# Detailed report

## Governance arrangements

- 11 Our structured assessment work considered HEIW's ability to maintain sound governance arrangements while having to respond rapidly to the unprecedented challenges presented by the pandemic. We also reviewed the progress made in addressing our previous recommendations around creating an assurance map, identifying gaps in assurance and scrutiny, and improving its risk management system.
- 12 We found that **HEIW quickly adapted its governance, risk management and assurance arrangements to respond effectively to COVID-19. It continued to show strong leadership and maintained oversight of quality and safety and staff wellbeing.**

## Conducting business effectively

### **HEIW has adapted well to revised arrangements, shown strong leadership throughout the crisis, maintained transparency and open communications and is learning lessons**

- 13 HEIW has maintained open and transparent business and communications despite restrictions on public meetings. Since March, HEIW has been unable to hold its meetings in public and moved well to virtual meetings, the first in May, the second in June, the third in July. To ensure continued transparency, HEIW quickly moved to publishing short meeting summaries within 48 hours and unconfirmed minutes within 14 days on its website. In July, HEIW live streamed its Board meeting for the first time allowing the public to observe once again. Although no public observers were present, any observers would be able to ask questions using the chat function, to be addressed after the meeting. Board and committee papers were available in good time on the internal electronic Board papers system and on HEIW's public website.
- 14 Our observations of Board and committee meetings found that members have adapted well to the virtual environment. The chairs and members were well versed with virtual meeting etiquette and adequate time was allowed for questions and discussions. Notwithstanding those observations, we noted that chairs were not always consistent in setting ground rules and as more meetings are live streamed it would be good practice to routinely set out ground rules at the start of all meetings.
- 15 One of the inevitable risks of holding virtual meetings are ICT issues which could leave meetings inquorate, disrupting decision making and scrutiny. HEIW has mitigated this risk appropriately and pragmatically by having a stand-by member for each committee, allowing members to pre-submit questions and ensuring members can join meetings by phone if needs be. The July Education, Commissioning and Quality (ECQ) Committee was temporarily inquorate but the issue was dealt with quickly and appropriately.

- 16 Communication is key during crisis periods, particularly given the remote working context. HEIW maintained good communication with internal and external stakeholders. The Board received a weekly briefing paper, which was available on the intranet for staff. Staff also received regular newsletters. In April, the Chief Executive was seconded to the Welsh Government (see **paragraph 22**). In her absence the Deputy Chief Executive continued to produce the Chief Executive's newsletters for stakeholders and partners. HEIW created a COVID-19 page on its website to update students, trainers and employers on available resources and guidance. HEIW has worked closely with counterparts in England, Scotland and Northern Ireland throughout, which HEIW report has been beneficial in forging stronger relationships.
- 17 HEIW's revised governance and business continuity arrangements have supported decision making and scrutiny. Like other organisations, HEIW adapted its governance arrangements in line with Welsh Government guidance. The Board had sight of the proposed changes prior to approval at its March meeting. Aside from varying standing orders to allow Board and committee meetings to run virtually and omit the public (the only chair's action taken during this time), HEIW largely maintained business as usual in relation to governance. No committees were stood down and all ran as scheduled. The Audit and Assurance Committee held an additional meeting in May to review the accounts and agreed appropriate dates for audited accounts and related documents submission in light of revised deadlines. Board development sessions continued virtually but with a COVID-19 focus.
- 18 Board and committee agendas reduced and focussed on responses to COVID-19 and essential business. Non-urgent action log items were deferred to a suitable future date and where appropriate work programmes updated. Despite the refocussed agendas, the length of meetings we observed remained unchanged, some lasting around three hours without a break. Particularly for virtual meetings, we would suggest the inclusion of a short break to help avoid fatigue and improve effectiveness.
- 19 Our Board and committee meeting observation found engaged and knowledgeable members, providing robust scrutiny alongside offering expertise and support. The Board and independent members are experienced, effective and well supported by the governance team. Meeting papers were well written and of a good quality. Independent members we spoke to fed back that there have been no issues with the clarity or timeliness of papers.
- 20 The Board received timely updates on HEIW's response to COVID-19 at each meeting. The Board also ratified operational plans and continued to receive routine performance and annual reports. More frequent updates were provided throughout the peak of the pandemic to Board members via weekly COVID-19 briefing papers. The Chair continued routine twice weekly conversations with the Chief Executive, Deputy Chief Executive and the vice-chair, and weekly conversations with other independent members. HEIW has a relatively small Board structure, so flows of information between committee chairs and the Board have been relatively easy to



manage. All these arrangements were in line with the business continuity plan (discussed further below).

- 21 In March, HEIW deployed its Crisis and Business Continuity Plan for the second time (the first being in February in response to severe flooding near HEIW's headquarters in Nantgarw). To manage arrangements during the pandemic, whilst strategic decisions were taken at weekly Executive Team meetings, HEIW established a Crisis Management Team (CMT) to focus on the operational response. The CMT, chaired by the deputy CEO, was made up of the Executive Team and other senior leaders and met three times per week at the height of the crisis. It was responsible for developing HEIW's COVID-19 response plan, which was formally submitted to the Welsh Government. HEIW reported weekly to the Welsh Government on progress against its COVID-19 action plan, which was also made available to Board members. HEIW has reflected on the operation of the CMT, which was stood down in July. At the peak of the crisis there were approximately 30 participants, which was good for communication. However, on reflection, HEIW feels that a smaller, discrete group would benefit critical decision making, whilst engaging others where needed.
- 22 HEIW has a stable and resilient Board and continues to have a focus on continuous learning. Our 2019 Structured Assessment found that the Board and senior leaders demonstrated strong and collegiate leadership. This remains the case, holding HEIW in good stead during this crisis. Between April and June, HEIW's Chief Executive was seconded to the Welsh Government as the Deputy Chief Executive of NHS Wales. HEIW managed this change well, with the Deputy Chief Executive overseeing day to day operations. No changes were needed to the scheme of delegation. Whilst seconded the Chief Executive continued to attend weekly Executive Team meetings and hold regular one-to-ones with the Deputy CEO to maintain a degree of oversight. In May the Director of Nursing retired, after which HEIW swiftly secured an interim, part-time, replacement who started in June.
- 23 HEIW has had a stable Board throughout the pandemic, three independent members were reappointed just before the pandemic (in February) for periods between two to four years. As stated earlier, the Board has arrangements in place to ensure committees remain quorate and vice-chairs will step in should the chair be unavailable. In response to our 2019 recommendation, a review of Board and Committee structures was undertaken, and proposals reported to and approved by the Board in September 2019, with standing orders updated appropriately in November 2019. There is an intention to review reporting structures within directorates over the coming months.
- 24 HEIW's focus on continuous learning has continued throughout the pandemic. Board development sessions have continued and been used as a forum to capture lessons learned. At its June Board development session, the Board received a presentation about the 'new normal' in education and training in Wales, covering opportunities and lessons learned in response to COVID-19. In addition, HEIW's quarter 2 plan starts to explore how HEIW might work differently, embed new ways of working and its role should there be a second peak. Clearly there is more work

to be done and the situation is changeable, but it is positive that HEIW has started this process.

- 25 The Chair has held conversations with independent members about the strengths and weakness of current working and his findings will be reflected in personal development plans. Those we spoke to have cited several positives from this period to take forward, for example virtual working and asking questions in advance of meetings. Unintended benefits have also been identified, for example virtual meetings feeling more focussed. It is just as important to identify what does not work so well, such as members preferring face to face Board development sessions.
- 26 HEIW is giving considerable thought to lessons learned over this period in different parts of the business. We suggest it brings this learning together to identify common themes and help share its learning wider, both internally and externally. Areas which could benefit include organisational working, governance arrangements, working with partners and running training.

## Managing risk

### **HEIW continues to strengthen its risk management processes and regularly scrutinises corporate and operational risks, which appropriately reflect those posed by COVID-19**

- 27 HEIW amended its risk management arrangements to reflect the risks posed by COVID-19. The corporate risk register was aligned to reflect the risks emerging from the pandemic, setting out seven key risk areas directly related to COVID-19. Apart from red risks, all non-COVID-19 corporate risks were temporarily de-escalated to ensure focus on key risks. The seven COVID-19 risk areas are:
- Impact on progress/completion of education and training for current students and trainees.
  - Impact on recruitment to/fill rates of future education and training programmes.
  - Disruption to current major change programmes that are underway.
  - Disruption to delivery of new work programmes in the IMTP.
  - Financial implications.
  - Impact on the Wellbeing of HEIW staff.
  - New ways of working.
- 28 The Audit and Assurance Committee received the revised corporate risk register for the first time in April during its in-committee session and continued to review it at most meetings during the pandemic. Whilst this is positive, unless risks are of a sensitive nature, for transparency, we would suggest the corporate risk register is considered at the public session of the Audit committee. In March the Board received a high-level assessment of risks posed by COVID-19, which were included in HEIW's quarter 1 operational plan. The Board is due to receive the

corporate risk register in September and the Board Assurance Framework in October. As recommended in 2019, levels of risk appetite were agreed at January Board and the corporate risk register now shows the risk appetite for each risk. In July HEIW held a workshop to review and agree its risk appetite for quarter 2 and review delivery risks and mitigating actions.

- 29 At an operational level, HEIW maintained a COVID-19 risk log which feeds into the corporate risk register. This was regularly reviewed and updated by members of the CMT and executive leads. The log has a simple clear format, grouping risks into the seven risk areas set out above, then setting out risk detail, mitigating actions, progress and whether the risk should be escalated to the corporate risk register.
- 30 Most key COVID-19 risks on the corporate risk register have now been de-escalated, except for risks related to a second peak and impacting on education. As crisis management arrangements are stood down, risk management will return to routine arrangements. The COVID-19 risk log will remain in place though it will be aligned with directorate risk registers. Risks associated with delivering the quarter 2 operational plan will be managed within directorates and escalated as per normal procedures.
- 31 Last year we made several recommendations relating to risk management. It is pleasing to see that HEIW has progressed these despite the circumstances and in March, Internal Audit issued a reasonable assurance report for its review of risk management. Like us, Internal Audit identified some improvement points including one high priority recommendation around the processes for escalating and de-escalating risks between directorate and corporate risk registers. HEIW has now updated its risk management policy, which includes clear processes for escalating and de-escalating risks. The updated policy was approved by the Board in July.
- 32 In 2019, we found that whilst HEIW had developed a Board Assurance Framework (BAF), it needed to better map assurance and controls to support the BAF. This work has been paused due to COVID-19 and is due to recommence in quarter 2.
- 33 In 2019, we also made several recommendations relating to information governance and cyber security arrangements. Cyber security is a red risk on HEIW's corporate risk register. Limited progress has been made to address the recommendations due to a lack of specialist cyber security resource, however a Head of Cyber Security was appointed in June so we would expect outstanding recommendations to be addressed at pace. Some progress has been made in completing the General Data Protection Regulation (GDPR) action plan and Information Asset Registers under interim arrangements. Once the Information Governance Officer is recruited (the position was advertised for the third time in June) we would expect progress to pick up. The IGIM Group has developed information governance key performance indicators (KPIs). This group meets quarterly and will report into the Audit and Assurance Committee.

## Systems of assurance

### **HEIW maintained oversight of the quality and safety of its training and staff wellbeing, and continued to track audit recommendations, despite the limited frequency of Education, Commissioning and Quality Committee meetings**

- 34 Protecting students and patients alike, HEIW's Quality Management Framework ensures the quality and safety of medical education and training. HEIW has a Quality Unit which monitors training in several ways such as national General Medical Council (GMC) surveys of medical trainers and trainees, quality assurance visits and regular feedback from education leads within the NHS. Before the COVID-19 pandemic hit, HEIW had taken part in the GMC's quality assurance pilot receiving a positive report about its approach to quality management.
- 35 Throughout the pandemic HEIW has continued to monitor the quality and safety of the training it commissions but has had to adapt, and will continue to adapt, some of its processes to do so. For example, using existing sources of evidence for assurance on concerns management such as placement feedback received prior to the pandemic and responses to risk reports. All local education providers (health boards) submitted self-assessments before the pandemic giving assurance on governance arrangements and raising concerns. HEIW is exploring elements of the self-assessments with the providers, especially high-risk issues. HEIW holds virtual meetings held with Assistant Medical Directors every three weeks, focusing in part on the infrastructure of education to deliver quality. HEIW has also been proactively engaging with the GMC and other professional bodies, such as the Nursing and Midwifery Council (NMC), throughout this period, especially in relation to arrangements for students supporting frontline services.
- 36 In maintaining quality assurance NHS wide, HEIW contributed by developing the quality management and assurance process for field and private hospitals to ensure they could be considered training sites. It was also responsible for monitoring NHS Wales sickness rates and developing critical care training for those new to or returning to work in critical care.
- 37 The Education, Commissioning and Quality (ECQ) Committee is responsible for providing quality assurance to the Board. Whilst continuing to maintain oversight on routine matters, it has been receiving updates on the impact of the pandemic. In April it received papers on the impact on the provision of education and training and the role of students in helping during the pandemic. Following on from that in July it received an overview of HEIW's approach to quality management of Post Graduate Medical Education during the pandemic. The committee will be receiving a further report on the quality assurance of education for other multi-professional areas at its October meeting.
- 38 The ECQ Committee meets on a quarterly basis so has met only twice since the start of the pandemic (April and July). HEIW should review whether this frequency is adequate both for regular business and at a time of crisis where quality and safety issues are crucial. The papers received at the April and July meetings

provide clear and comprehensive information and assurance, however the committee may have benefited from receiving the July paper earlier. We also note that most papers going to the ECQ committee were labelled 'for information' with very few for assurance, discussion or approval and would ask whether this is appropriate.

- 39 Board members received updates on operational and quality and safety matters through weekly briefing papers. Updates included the status of training courses and HEIW's contribution to the deployment of students and clinical staff to the frontline during the COVID-19 response.
- 40 Although HEIW is not required to produce an annual quality statement it is pleasing that it intends to work with the Welsh Government in 2020-21 to develop its own annual quality statement.
- 41 HEIW has a strong focus on staff wellbeing, which we highlighted in our 2019 Structured Assessment. This focus has continued throughout the pandemic. Board members received regular assurance on staff wellbeing through the weekly briefing papers and at public Board meetings. This included information on the number of staff impacted by COVID-19 (displaying symptoms and self-isolating), an overview of staff wellbeing initiatives and HEIW's work leading on NHS-wide online wellbeing resources. Further detail on wellbeing initiatives is outlined in **paragraphs 60 and 61**.
- 42 Throughout this period the Audit and Assurance Committee has continued to receive the audit recommendations tracker to assist scrutiny of the progress being made to address recommendations. HEIW conducted a review of tracking systems across NHS Wales and adopted the tracker style used by the Welsh Ambulance NHS Trust (WAST). This new format was presented to the Audit and Assurance Committee in April and contained eight recommendations, four of which were complete. Our 2019 Structured Assessment<sup>4</sup> recommendations and recommendations from several internal audit reports were added on a timely basis to the tracker. HEIW has made progress against our 2019 recommendations but the pandemic has stalled progress on some recommendations. Audit and Assurance Committee continued to receive internal audit reports where fieldwork had been completed prior to the pandemic. The Committee also received the Head of Internal Audit's opinion and Internal Audit's Annual Report for 2019-20.

## Managing financial resources

- 43 Our work considered HEIW's financial performance, changes to financial controls during the pandemic and arrangements for monitoring and reporting financial performance. We made no recommendations in this area in our work last year and are pleased to note that HEIW has taken forward some learning points highlighted.

<sup>4</sup> The management response to our 2019 Structured Assessment was received by the Audit and Assurance Committee in April 2020.

- 44 We found that **HEIW's arrangements for managing its financial resources continue to work well, though identifying and reporting cost and value improvements would further improve good financial management for future sustainability.**

## **Achieving key financial objectives**

### **HEIW is meeting its financial objectives and is in a good position to continue doing so but there is potential to identify and report cost and value improvements**

- 45 HEIW met its 2019-20 financial duty to break even in the year, with a £0.084 million revenue underspend and a break-even position for capital spend. As required, an annual plan was submitted to the Welsh Government for 2019-20.
- 46 At the end of month 5 it is on track to achieve financial balance in 2020-21. Although only minimal additional expenditure is anticipated as a direct result of COVID-19, there have been impacts in key areas such as training delivery and examination completion where activities are on hold. HEIW undertook a detailed review to understand the position and will be returning surplus funding back to the Welsh Government, and through effective working with other home nations and regulators identified solutions to extending training and study periods, which mitigated future cost risks without compromising training and professional standards expectations. HEIW has also reviewed its cash holding policy in line with resource accounting principles to ensure cash is not drawn down before needed.
- 47 Whilst HEIW is not required to deliver cost improvement plans and does not refer to any in its financial reports, identifying and reporting efficiencies and economies would further improve good financial management for future sustainability. Recording and reporting the resulting cost and value improvement (both within HEIW and perhaps more widely from its work) would also clearly evidence tangible benefits and buy into a one NHS approach.
- 48 Looking to the future, for 2020-2023 onwards HEIW is required to produce a rolling three-year Integrated Medium-Term Plan (IMTP). It has already submitted its IMTP to the Welsh Government, though the process of approval is paused at this time and instead quarterly plans are being submitted as required. It is pleasing to see that HEIW has developed a five-year financial plan within the three-year IMTP to reflect the timescales that current and envisaged programmes take to establish their full annual cost commitment. Our operational planning section below sets out more detail on the quarterly plans.

## Financial controls

### **Strong financial controls have remained in place throughout this period of remote working with appropriate changes made in response to the immediate challenges posed by COVID-19**

- 49 Despite the huge additional challenges due to the pandemic and the pressures of remote working, HEIW produced good quality draft financial statements to the original Welsh Government deadline, clearly demonstrating the continued robustness of their financial controls through this period, including year-end closedown procedures.
- 50 No changes were made to systems and controls over the period, not unexpected given there are likely to be minimal cost increases directly related to COVID-19. HEIW intends to manage these costs within its current 2020-21 funding allocation and identify them manually rather than through additional ledger codes, which seems appropriate in the circumstances.
- 51 Primarily then for financial systems and controls it has been business as usual, however where appropriate HEIW has made required changes to implement Welsh Government guidance, for example updating standing orders around independent members' terms and appointments.

## Monitoring and reporting

### **Financial monitoring and reporting are clear, timely and insightful and support Board oversight and scrutiny**

- 52 The Board has continued to receive timely financial reports throughout this period. In June it received the month 2 (May) financial report and in July the month 3 (June) financial report. The reports are clearly aligned with the monthly financial reports to the Welsh Government which continue to be submitted on a timely basis and in line with reporting requirements.
- 53 The financial reports are clear, setting out the current position, forecast to year-end, explanations of budget variances and, importantly, proposed changes to the in-year plan in response to the identified issues and risks. The month 3 report sets out details of the work undertaken around the expenditure slippage in-year (see **paragraph 46**) due to COVID-19 and the action proposed. This picks up on the key financial risks identified on the COVID-19 risk log (delays in education and training programmes, study leave and budgets) which were escalated appropriately to the corporate risk register.

## Operational planning

- 54 Our work considered HEIW's progress in developing and delivering quarterly operational plans to support the ongoing response to COVID-19 and to provide other essential services and functions in line with Welsh Government planning guidance. At the time of our work, the focus was on essential business with the aim of restoring routine activities when it is safe and practicable to do so.
- 55 We found that **HEIW has developed effective operational plans and has robust arrangements to monitor and report progress. It has embraced new ways of working and has taken the lead on staff wellbeing nationally.**

### Developing the plan

#### **HEIW responded well to the Welsh Government's planning guidance, reflecting its own operations and contribution to the national response**

- 56 HEIW submitted its quarter 1 and quarter 2 operational plans to the Welsh Government by the required submission dates. The sequencing of Board meetings and the operational plan submission dates meant that formal board approval for both plans was retrospective. However, the Board had an opportunity to comment on draft plans before submission to the Welsh Government. The short time for plan production reduced the scope for external engagement, however, opportunities for engagement and intelligence gathering through national peer groups such as the directors of planning group were taken. Throughout the pandemic HEIW has continued to meet regularly with its Local Partnership Forum and with professional bodies such as the British Medical Association (BMA) and the Royal Collage of Nursing (RCN) when needed.
- 57 The requirements of the quarter 1 and 2 operating frameworks were geared towards health boards and clinical services. HEIW responded to the requirements to reflect their own operations. The plans set out how HEIW has and will contribute to the COVID-19 response through their programme of delivery. **Exhibit 2** shows how HEIW responded to the requirements of the operating frameworks.



## Exhibit 2: HEIW's response to Welsh Government operating framework requirements

### Managing COVID-19 demand

HEIW has managed COVID-19 demand by closing its offices in line with Welsh Government guidance. From quarter 2, it has allowed limited access to its offices.

Both operational plans express HEIW's readiness to work with the wider NHS to support the COVID-19 response and find opportunities to contribute to workforce sustainability and innovation. For example:

- the Welsh Government set up the Nosocomial Transmission group and an Infection Prevention and Control working group to develop guidance on infection control and prevention issues. HEIW is an active member of both groups, specifically looking at workforce, training and strategy to reduce transmission in care homes.

HEIW supported the provision of critical care in a number of ways including by:

- sourcing critical care training for NHS staff being redeployed to new areas or those returning to practice;
- providing advice and guidance on surge plans to flex critical care capacity;
- identifying where extra critical care capacity was needed, identifying redeployment opportunities; and
- releasing HEIW clinical staff to reduce their sessions for HEIW and increase their clinical sessions in health care settings.

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### Essential services

The plans recognise that HEIW does not deliver essential clinical services but does deliver essential workforce support and workforce education and training. In quarter 1, HEIW paused some of ITS activity to focus on its contribution to the COVID-19 response. The quarter 2 plan has a stronger focus on where HEIW can support 'essential services', such as:

- leading the workforce development and training requirements to support single cancer pathway and diagnostic and imaging services;
- restarting the workforce planning and workforce development requirements for the Major Trauma Network, taking account of the impact of COVID-19; and
- HEIW is in early discussions with the Welsh Government and Social Care Wales to develop a mental health workforce plan.

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### Routine services

HEIW has interpreted routine services as getting back to its routine activities. The plans state that HEIW will work with health bodies to understand their plans for re-establishing routine services and will then assess what this means for education and training. In particular, they will look at what this means for clinical placements and programmes, and workforce capacity.

### **Primary care**

Both quarter 1 and 2 plans express HEIW's intention to support the implementation of the primary care workforce model, supporting the Strategic Programme for Primary Care, including taking forward the lessons learnt from COVID-19 into future work plans.

### **Social care resilience**

In quarter 2, HEIW, in partnership with Social Care Wales, re-established the workforce strategy steering group. This enabled the group to refocus on implementation priorities, to provide further advice to the Welsh Government and consider opportunities to support workforce capacity. HEIW is also supporting social care resilience by:

- developing a paper to consider how it can support the increasing pressure on the care home sector as a result of COVID-19; and
- ensuring that social care employees have access to the national wellbeing resources it has developed.

### **Public communications**

HEIW does not communicate with the public like other health bodies, but communication with internal and external stakeholders is still important. Both quarter 1 and 2 plans state HEIW's intention to maintain regular communication with its staff, Board and stakeholders and support the national COVID-19 safety messages.

Exhibit source: Audit Wales analysis of HEIW's quarter 1 and 2 operating plans.

## **Resources to deliver the plan**

### **HEIW took a pragmatic approach to prioritising its work programme, continued to focus on staff wellbeing, took the lead nationally for developing wellbeing resources, and embraced new ways of working**

- 58 In March, HEIW reviewed its 2020-2023 IMTP work programme to ensure that only essential activities were being delivered. This review gave HEIW a clear idea of the demand and resource supply to respond during the pandemic. HEIW took a pragmatic approach to prioritising its work programme. It recognised that for some activities it would need to work with health boards, albeit that this was challenging given the pressures and time constraints in health boards at the time. As stated earlier, as health bodies work to cautiously resume routine services, HEIW will be working with them to understand what this means for education and training programmes, in particular clinical placements.
- 59 At its March meeting, the Board received an overview of HEIW's work programme, detailing which activities would be paused, continued, redirected or accelerated to

support the COVID-19 response. An updated document was presented to the May Board. The quarter 1 plan summarised key actions but did not include the work programme; this was appended to the quarter 2 operational plan.

- 60 HEIW staff have adapted well to remote working, which has been in place since March. Part of this success is due to the wellbeing initiatives HEIW has put in place. For example, by creating opportunities for colleagues to connect informally through 'virtual cuppas', quizzes and short talks on interests outside work. HEIW has run three pulse surveys to collect information about staff wellbeing and weekly bulletins to keep staff updated. As well as monitoring the impact of COVID-19 on staff, HEIW has risk assessed individual staff at greatest risk<sup>5</sup> and made necessary adjustments, in addition to encouraging staff to take annual leave. One unintended benefit of remote working is that those who worked remotely previously now feel far more part of the organisation. It will be important that this benefit is not lost when working returns to a 'new normal'.
- 61 Nationally, one of HEIW's strategic objectives is to support workforce wellbeing across the NHS. During the pandemic HEIW has been a key contributor of the Workforce Deployment and Wellbeing Planning and Response Group (Workforce Cell). It has taken the lead in developing the online COVID-19 health and wellbeing resources for NHS staff. The resources range from compassionate leadership, mental and general wellbeing support to financial and bereavement support. The online resource also signposts to wellbeing sites and resources from health bodies across NHS Wales. HEIW has been monitoring access to its wellbeing resource: at the end of quarter 1 it had been accessed over 70,000 times.
- 62 HEIW has embraced new ways of working, both in terms of how it operates as an organisation and how it supports and delivers training. During this period the organisation has adapted to remote working, has developed virtual training and provided NHS-wide online resources. The quarter 2 operational plan reflects on lessons learned from COVID-19 and areas that HEIW intends on developing further. For example:
- digital leadership – accelerating plans to strengthen digital leadership. HEIW has recruited a Head of Digital Services and plans to recruit a Director of Digital who will lead the development of a digital and IT strategy.
  - clinical leadership – HEIW has continued to build its digital leadership portal and scope new leadership and talent programmes. From quarter 2 it intends accelerating plans to develop a national offer to complement local arrangements.
  - remote consultation and clinical decision making – given that remote consultation and clinical decision making will be the way forward. HEIW is in early discussions with unscheduled care services, such as out of hours, 111 and WAST, to develop and formalise a whole career pathway for telephone

<sup>5</sup> For example, BAME, older and pregnant staff and those with underlying health conditions.

conversation and call-handling, with progression to remote consultation and clinical decision making.

- behavioural science – HEIW will be hosting a series of virtual masterclasses based on a behavioural science approach using Care Aims. The masterclasses aim to help reduce the risk that professionals will return to pre-COVID-19 practice patterns by encouraging a culture shift towards positive risk taking.

## Monitoring delivery of the plan

### **The quarter 1 plan was regularly reviewed and HEIW has developed a clear monitoring framework for quarter 2**

- 63 HEIW's approach to monitoring the quarter 1 operating plan was led by the requirements set by the Welsh Government. The quarter 1 operating plan included five key areas of focus and high-level action points, which was translated into HEIW's COVID-19 action plan. Progress against the action plan was reported to the Welsh Government on a weekly basis and considered by the Executive Team and CMT. In addition to detailed weekly briefings the Board also received a bi-monthly progress report. In July, the Board received the quarter 1 integrated performance report covering the period between 1 April and 30 June. The performance report covered the following:
- performance against the 2020-23 IMTP objectives;
  - corporate performance in line with the agreed elements of the integrated performance framework;
  - performance in response to COVID-19; and
  - performance in relation to activity outlined in the quarter 1 operating plan.
- 64 The crisis management arrangements were stood down in July, meaning that the quarter 2 operational plan will be subject to routine monitoring arrangements. The Welsh Government feedback on the quarter 1 plan was largely positive but indicated that ownership and timescales for the actions were limited. For quarter 2, HEIW has developed a framework for tracking progress, this was presented to the Board in July along with the plan itself. There is an owner for each action, but timescales are still unclear.
- 65 As recommended in 2019, HEIW has developed a performance management framework, which is currently in draft form. Prior to finalising it HEIW intends to update the framework to reflect the impact of COVID-19 on future performance management arrangements. HEIW will also be developing key performance indicators aligned to its IMTP.

# Appendix 1

## Management response to audit recommendations

Exhibit 3: management response to audit recommendations

Recommendation	Management response	Completion date	Responsible officer
<p><b>R1 Corporate risk register scrutiny</b> We found that the Audit and Assurance Committee scrutinises the corporate risk register at its in-committee sessions. For transparency, unless risks are of a sensitive nature, we recommend the corporate risk register is considered at the public session of the Audit Committee.</p>	<p>There is a presumption that the CRR is considered in the public session of the Audit and Assurance Committee. Where there is a risk on the CRR deemed to be of a sensitive nature then this risk only will be considered in-committee with the remainder of the CRR considered in the public session.</p>	<p>Q3 of 2020-21</p>	<p>Board Secretary</p>

Recommendation	Management response	Completion date	Responsible officer
<p><b>R2 Cost and value improvements</b></p> <p>Whilst HEIW is not required to deliver cost improvement plans and does not refer to any in its financial reports, identifying and reporting efficiencies and economies would further improve good financial management for future sustainability. We recommend that HEIW seek to identify cost and value improvement opportunities and record and report those both within HEIW and more widely from its work. This would also clearly evidence tangible benefits and support buy-in to a one NHS approach.</p>	<p>Cost savings will be separately coded and thereby facilitate easier regular reporting. This will commence during Q3 of the 2020-21 financial year with retrospective analysis undertaken for the first 2 quarters of the year. Value opportunities/assessments will be incorporated within business cases where appropriate and possible.</p>	<p>Q4 of 2020-21</p>	<p>Director of Finance</p>





Audit Wales  
24 Cathedral Road  
Cardiff CF11 9LJ

Tel: 029 2032 0500

Fax: 029 2032 0600

Textphone: 029 2032 0660

E-mail: [info@audit.wales](mailto:info@audit.wales)

Website: [www.audit.wales](http://www.audit.wales)

We welcome correspondence and telephone calls in Welsh and English.  
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