

# Structured Assessment 2022 – Powys Teaching Health Board

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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 Powys Teaching 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 the Health Board has generally good governance arrangements in place, but it needs to update the Board Assurance Framework to have a clear understanding of risks, ensure there are no key governance gaps, and help develop and prioritise workplans.
- 6 The Health Board has a well-established long-term strategy and a clear focus on its clinical priorities. An approved Integrated Medium-Term Plan (IMTP) is in place, which was developed with Board engagement. However, there is scope to engage the Board earlier in the planning process. There are good arrangements for developing plans, with a clear focus on value-based healthcare and commissioned services. Clear arrangements for monitoring delivery of the IMTP and supporting plans are also in place but greater focus is needed on measures and impact.

- 7 The Health Board has some effective sources of assurance in place, but it still does not have an updated Board Assurance Framework. The Board and committees are generally operating well. However, opportunities exist to improve public access to key Health Board documents, address some gaps in assurance, strengthen staff feedback, and improve Board self-review mechanisms. Despite some new appointments, there remains continued change at an Executive level which can lead to instability with a risk that the operations portfolio is disproportionate. Interim governance arrangements have now been addressed; however, capacity to support the governance function is an issue.
- 8 The Health Board met its financial duties for 2021-22, but despite having a balanced financial plan, is now forecasting a year-end financial deficit for 2022-23. This means it will fail its financial duties for revenue. The Health Board has appropriate arrangements for financial management and control, which have been escalated at an operational level to minimise the impact of financial pressures during the year. Oversight and scrutiny of the Health Board's financial position has improved with more timely information now reported to Board and relevant committees.
- 9 The Health Board has appropriate arrangements in place to support and oversee staff wellbeing, but it could do more to monitor progress against our previous recommendations. Digital is recognised as a key enabler and the Health Board is developing its digital framework, but the digital infrastructure and availability of funding are significant issues. The Health Board has generally good oversight of the management of estates although visibility and discussion could be improved at Board.

## Recommendations

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

### Exhibit 1: 2022 recommendations.

#### Recommendations

##### Improving strategic planning arrangements

- R1 Opportunities exist to engage Independent Members in the early stages of the IMTP planning process to enable the Board to fully discharge its duty to set the strategic direction for the organisation. The Health Board, therefore, should put appropriate arrangements in place to ensure appropriate Independent Member involvement in all IMTP planning stages.

## Recommendations

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- R2 Delivery reports for monitoring progress against the priorities and actions set out in the IMTP are largely narrative and lack a focus on measures and impact. The Health Board, therefore, should revisit its delivery reports to ensure they are succinct, less narrative, and have an increased focus on measures and impact.
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### Further enhancing systems of assurance

- R3 The Health Board does not have an updated Board Assurance Framework that maps all the opportunities and risks to achieving strategic objectives, identifies gaps in assurance, and informs Board and committee workplans. The Health Board, therefore, needs to update its Board Assurance Framework.
- R4 There is currently a disconnect between directorate risk registers and the Corporate Risk Register (CRR). The Health Board, therefore, needs to review all high risks on directorate risk registers to ensure the relevant ones are escalated to the CRR, and that the Board is aware of wider risks that may materialise.
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### Improving Board and committee effectiveness

- R5 Opportunities exist to improve public access to key Health Board documents. The Health Board should ensure that:
- a) policies and procedures, and the register of interest on the public website are accessible; and
  - b) key documents, including Standing Orders, on the public website are the most recently approved version.
- R6 There are no mechanisms for committee Chairs to meet formally outside of committee meetings to share concerns and good practice, and there are also no mechanisms in place to track issues and actions referred between committees. The Health Board, therefore, should put in place a mechanism to enable:
- a) committee chairs to come together on a regular basis; and
  - b) issues and actions referred between committees to be tracked and feedback provided when completed.

## Recommendations

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- R7 The Board and its committees do not hear from staff, and Board walkarounds have not been reinstated since the pandemic. The Health Board, therefore, should increase opportunities for Board members to hear from staff. This should include making use of staff stories in Board and committee meetings, and the urgent reinstatement of Board walkarounds.
- R8 Despite Standing Order requirements, the Health Board still does not have a Healthcare Professionals Forum or a Stakeholder Reference Group. The Health Board, therefore, should establish both groups as a matter of urgency.
- R9 Opportunities exist to improve self-reviews of Board and committee effectiveness. The Health Board, therefore, should:
- a) ensure areas for improvement are captured and monitored via an action plan; and
  - b) include a standing agenda item in all Board and committee meetings to allow for a review of the meeting.
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## Recruiting to key positions

- R10 The Health Board is carrying several interim posts at a senior level which can cause instability for both services and staff. The Health Board, therefore, should seek to appoint substantively to the interim posts within the Executive team as soon as practical to do so.

# 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 We found that **the Health Board has a well-established long-term strategy which is supported by an approved IMTP. It has good arrangements in place to develop and monitor delivery of its plans, but there is scope to engage the Board earlier in the planning process and to increase its focus on measures and impact.**

## Vision and strategic objectives

- 13 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.
- 14 We found that **the Health Board has a well-established long-term strategy and a clear focus on its clinical priorities.**
- 15 The Health Board has a well-established Health and Care Strategy, spanning 2017- 2027, which outlines its vision for a Healthy, Caring Powys. The strategy was developed in partnership with Powys County Council and in consultation with stakeholders, partners, and the public taking on board their experience and opinions of health in Powys. The strategy is informed by the Powys Public Service Board Well-being Assessment and the Regional Partnership Board Population Needs Assessment. It is based around three themes - Start Well, Live Well, and Age Well - with several priorities and enablers to drive this ambition forward.
- 16 Alongside the strategy is the Health Board's Renewal Portfolio, which blends recovery and transformation and focuses on six clinical renewal priorities. These priorities are based on the Health Board's internal appraisal of the impacts of the pandemic and rooted in the priority needs of the Powys population. They build on the principles of the strategy and the Health Board's plan to ensure a focus on



those things that matter most to the well-being of its population and those things which will work best to address the critical challenges ahead.

## Integrated Medium-Term Plan

- 17 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.
- 18 We found that **the Health Board has an approved IMTP, but there is scope to engage the Board much earlier in the planning process.**
- 19 The Health Board has been able to produce a Welsh Government approved IMTP for 2022-2025. The draft IMTP was approved by the Board in March 2022 and submitted to the Welsh Government by the required deadline. Ministerial approval was received in July 2022.
- 20 An early draft IMTP was discussed in detail at a Board development session in February 2022, giving opportunity for Independent Members to contribute. However, this was only a month prior to the submission deadline. The Health Board, therefore, may benefit from involving Independent Members much earlier in the development of future IMTPs to allow time for any substantive changes to be made ahead of submission. This would also give Independent Members more of a role in setting the organisation's strategic direction as set out in Standing Orders (**Recommendation 1**).

## Wider planning arrangements

- 21 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:
- corporate strategies and plans have been developed in liaison with relevant internal and external stakeholders;
  - prudent and value-based healthcare principles are considered and reflected in corporate strategies and plans; and
  - arrangements for commissioning services are effective and efficient, and aligned to corporate strategies and plans.
- 22 We found that **the Health Board has good arrangements for developing its plans, with a clear focus on value-based healthcare and commissioned services.**

- 23 The Health Board has good arrangements in place to oversee the development of its corporate plans. An Integrated Plan Core Group is in place which oversees the development of the IMTP and the underpinning delivery and enabler plans. The process for developing the plans is clearly set out to Board, and oversight is provided by the Executive Committee and the Planning, Partnerships, and Population Committee. The process also sets out clear points of engagement with stakeholders, including staff and the public. As referenced in **paragraph 15**, the 10-year strategy was developed in partnership with stakeholders including Powys County Council, with whom it has a close working relationship. The Health Board is also proactive in ensuring that its corporate plans are developed and set within the strategic context.
- 24 Value-based healthcare (VBH) is apparent throughout Health Board plans and policies and is recognised as a standalone strategic priority within the IMTP. The Health Board's VBH work is led by the Director of Finance and the Medical Director. This ensures that VBH spans different specialisms within the Health Board, the ownership of the priority reaches across disciplines, and makes it easier to embed VBH corporately. This is evident in the language used by Health Board employees who see value-based healthcare as an essential delivery framework.
- 25 The Health Board is heavily reliant on commissioned services, and working with other partners to deliver services is a key priority within the IMTP. The Health Board has a well-developed Commissioning Assurance Framework in place which enables the quality and performance of these services to be monitored. The Health Board is also a key partner in several strategic programmes at a regional and national level, such as the Mid Wales Health Collaborative and its role within these arrangements is reflected in the IMTP and 10-year strategy. Some commissioning, however, sits outside of these arrangements, including significant resources allocated to the commissioning of Continuing Health Care (CHC) provision. The Health Board has recognised that there is scope to tighten up commissioning arrangements for CHC provision to ensure better use of resources, as a way of getting greater grip on the CHC financial pressures.

## Implementation and monitoring arrangements

- 26 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.
- 27 We found that **there are clear arrangements for monitoring delivery of the IMTP and supporting plans, but greater focus is needed on measures and impact.**

- 28 The 2022-25 IMTP is aligned with the Health Board's 10-year strategy. The IMTP sets out clear priorities and actions, including the delivery of supporting plans, and several high-level outcomes. It is supported by a clear Annual Delivery Plan which sets out when the Board can expect the actions and plans to be delivered, the responsible officers, and the route through which it can expect to receive appropriate assurance. The IMTP, however, lacks any detail on how the impact of the actions and the outcomes will be measured, other than reference to the NHS Wales ministerial targets.
- 29 There are clear arrangements in place for monitoring delivery of the IMTP, although reports could be clearer with a greater focus on measures and impact. Progress on delivery against each of the priorities is reported quarterly to the Delivery and Performance Committee, and the Board. The quarterly delivery reports use a colour coded rating to highlight priorities which are off track. Information within the reports, however, is largely narrative with limited use of data. The reports, therefore, could benefit from being more succinct, with a greater focus on impact and the difference the work is making (**Recommendation 2**).

## Governance arrangements

- 30 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.
- 31 Details of progress made on previous year recommendations relating to the Health Board's governance arrangements are provided in **Exhibit 2**.
- 32 We found that **governance arrangements are generally effective. However, an updated Board Assurance Framework is urgently needed. Staff feedback and Board self-review mechanisms also need to be improved. Instability and capacity within the operational structure remains a risk.**

## Systems of assurance

- 33 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.

- 34 We found that **whilst the Health Board has some effective sources of assurance in place, there is scope to strengthen others, such as the Board Assurance Framework.**
- 35 The Health Board still does not have an updated BAF in place. We previously reported in 2021 that the BAF had not been updated to reflect the priorities set out in the Health Board's strategy and that the BAF had not been presented to the Board since January 2020. The Health Board had intended to update the BAF by 31 March 2022, but this has still not been done. The lack of an updated BAF is a key gap in ensuring that risks to delivering the Health Board's strategy are clearly identified, that appropriate assurance mapping has taken place to identify and address gaps in assurance, and that controls are in place to mitigate the risks (**Recommendation 3**).
- 36 Risk management arrangements are in place but these need to be aligned to an updated BAF. The Health Board's Risk Management Framework and Risk Appetite was last updated and approved by the Board in November 2022, following consideration by the Audit, Risk and Assurance Committee (ARAC). The framework states that risks contained in the Corporate Risk Register (CRR) should align to the BAF; however, as previously noted, the BAF is not up to date. The CRR is presented at each Board meeting. Whilst there is little discussion on the CRR itself, the high-risk topics (such as finance) are discussed in depth, and each of the risks are allocated to a committee for oversight. The CRR is considered by the Executive Committee and a 'blank page' exercise has been undertaken through a Board development session to review the corporate risks. In-year amendments have also been made, such as the splitting of the finance risk, recognising the challenges that the Health Board is facing to maintain an in-year break-even position.
- 37 An Internal Audit review in July 2022 gave reasonable assurance on risk management, noting a need to expand awareness raising and training across all services. Directorate risk registers continue to be spreadsheet based, ahead of the implementation of the Once for Wales system<sup>1</sup>. However, they were not maintained during the pandemic due to the significant operational demands of COVID-19. This has led to a disconnect between directorate risk registers and the CRR. Prior to the pandemic, a Risk and Assurance Group would consider directorate risks and recommend any that needed escalation to the CRR. Although this group has been re-established, it has only met once in July 2022. The Health Board has a desire to improve its risk management arrangements so that it better informs Board activity. An exercise to reassess high risks across directorates and align them to the CRR

<sup>1</sup> The risk module within the Once for Wales Content Management System is due to be deployed across the Health Board in April 2023.

is now needed to ensure any emerging risks at an operational level are on the Board's radar (**Recommendation 4**).

- 38 The Health Board has robust arrangements for performance management. The revised Integrated Performance Management Framework (IPMF) was approved by the Board in September 2022. The updated IPMF incorporates the Health Board's Commissioning Assurance Framework and covers the period 2022-2026 with an annual review. It also aligns with the NHS Wales performance framework including ministerial priorities. Performance review mechanisms are in place within the IPMF, from personal appraisals through to assurance to Board and its committees. The Integrated Performance Report is comprehensive and presented to the Delivery and Performance Committee and the Board in line with the IMPF. The Delivery and Performance Committee also receives a range of performance data and more localised performance reports and plans.
- 39 The Health Board's quality governance arrangements are improving since our previous work in 2021<sup>2</sup>. The Health Board developed a Clinical Quality Framework in 2020, which is accompanied by an implementation plan. The Patient Experience, Quality & Safety Committee routinely receives updates on the plan. The latest update shows many areas where progress has been made. However, more work remains in several areas, such as refreshing the patient experience framework, clinical leadership in quality improvement projects, and benchmarking. The Integrated Quality Report to the Patient Experience, Quality & Safety Committee provides a comprehensive overview of quality and safety across the Health Board, including complaints, concerns, and mortality reviews. A comprehensive update on the clinical audit plan is also presented to the committee.
- 40 The Health Board is making good progress with its information governance arrangements, but some areas remain a concern. In 2021-22, the Health Board repeated its self-assessment against the NHS Information Governance toolkit. The assurance levels across the toolkit's five domains<sup>3</sup> have improved from 2020-21 to the highest level of assurance, except for one domain which has remained the same. Actions to address the shortfalls are set out in an improvement plan which is overseen by the Delivery and Performance Committee. However, records management was not included in the self-assessment submission. In 2019, an Internal Audit report on records management gave a 'no assurance' rating. Progress against recommendations set out in this report has been slow, with outstanding work requiring significant investment to support the digitalisation of records. An update to the Delivery and Performance Committee in June 2022 highlighted that significant progress was still required on five of the six recommendations. The Committee agreed to escalate records management to the

<sup>2</sup> [Review of Quality Governance Arrangements, October 2021](#)

<sup>3</sup> The five domains are business responsibilities; business management; individual rights and obligations; technical, physical, and organisational measures; and reporting data breaches.

corporate risk register whilst work is progressing, but at the time of our work, this had not happened.

- 41 More work is also required to improve the Health Board's cyber security arrangements. An update on the Digital Transformation Programme Plan for 2021-22 to the Delivery and Performance Committee in June 2022 highlighted that the eight tasks dedicated to cyber security improvement were yet to start, despite due dates for completion of March 2022. Areas of improvement were also highlighted in the Cyber Assessment Framework in 2021 to meet Network and Information Systems (NIS) regulations<sup>4</sup>. Since the update report, some improvements have been made such as investments in monitoring platforms and licence upgrades. Cyber security does not routinely feature at Board, but a Board development session is scheduled to discuss cyber security. However, as Board development sessions do not form part of the Health Board's formal assurance processes, it might want to consider holding a closed Board meeting instead to discuss sensitive information.
- 42 The Health Board has good arrangements in place for tracking audit and review findings and recommendations. In June 2022, Internal Audit gave substantial assurance on the Health Board's arrangements for monitoring and reporting progress in implementing Internal Audit recommendations. A comprehensive update report setting out progress against recommendations relating to internal and external audit, and counter fraud are presented at each ARAC meeting. The report flags the number of recommendations implemented and those that are overdue. To provide additional assurance to the committee, the Health Board could also consider including information which sets out the process for closing recommendations.

## Board and committee effectiveness

- 43 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;

<sup>4</sup> The Network & Information Systems (NIS) Regulations, aimed at raising levels of cyber security and resilience of key systems across the EU, came into force in the UK in May 2018.

- 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.

- 44 We found that **the Board and committees are generally operating well. However, opportunities exist to improve public access to key documents, address gaps in some sources of assurance, strengthen staff feedback, and improve self-review mechanisms.**
- 45 The Board remains committed to public transparency. Board meetings continue to be held virtually. They are livestreamed, with recordings available to view via the Health Board website shortly after. Meetings are promoted via the website and papers are made publicly available seven days in advance. The amount of business discussed in private sessions is appropriate. All committee meetings also continue to be held virtually. Although they are not livestreamed, members of the public are able to attend by request. However, there is scope to improve transparency further. Unlike other NHS bodies, the Health Board's policies (both clinical and non-clinical) are not available to the public. Although there is reference to them on the Health Board's website, they can only be accessed by those with an NHS Wales account. We have previously recommended the need to improve access to policies on the Health Board's website to enable transparency and accessibility (**Recommendation 5a**).
- 46 The Health Board's arrangements support the effective conduct of Board and committee business. Standing Orders, Schemes of Delegation, and Standing Financial Instructions were reviewed in May 2022. Updates were made to the delegated director portfolios, the inclusion of the Director of Environment in the Scheme of Delegation, and an additional financial delegation to the Deputy Chief Executive. Meetings consistently follow governance processes, including recording apologies and declarations of interest and reviewing action logs. Minutes of previous meetings are also reviewed, and confirmed minutes are published on the Health Board's website. The use of Chair's actions is also kept to a minimum with only one Chair's action reported in 2022-23 at the time of our review. The Health Board, however, could improve transparency of its register of interests. Although the register is published on the Health Board's website, it can only be accessed by those with an NHS Wales account (**Recommendation 5a**). Standing order schedules available on the Health Board's website are also out of date, with the latest versions uploaded dating back to July 2021. To ensure accurate and up to date information is available and accessible, the Health Board needs to update the online documents to the most recent approved versions (**Recommendation 5b**).
- 47 The Board and its committees are generally working well. The Board receives assurance reports from each committee, which give an overview of their key business and areas requiring escalation and a wider strategic focus. The timing of committees is kept under review to ensure issues are escalated in a timely manner. Flows of assurances between committees, however, are less clear. At the time of our work, there was no formal mechanism for committee chairs to meet to

discuss relevant issues and share good practice as is the case in other NHS bodies (**Recommendation 6a**). Furthermore, there was no mechanism in place to track actions referred between committees and provide feedback (**Recommendation 6b**). Terms of reference for all committees are up to date and each committee has a lead Executive Director whose portfolio broadly aligns with the committee's focus. Executive Directors make themselves available to the relevant Chair outside of the committees, although this could be more consistent across each committee. There is evidence that committee Chairs are having more input into their workplans and shaping agendas in line with the relevant committee terms of reference which has the potential to lead to slicker more focussed meetings and scrutinised items on a priority basis where required. Once updated, the Health Board should use the BAF to actively inform and shape Board and committee business (**Recommendation 3**).

- 48 Information presented to the Board and its committees is generally of a good standard, but the presentation and timeliness is variable. Items are presented by Executive Directors or relevant staff members, and questions and comments welcomed. The level of challenge and scrutiny from Independent Members has increased over recent months and this is evident in the meetings we observed. The Health Board has reflected on the quality of reports and the way in which information is presented. Consequently, some Executive Directors now use presentations to focus on areas of concern, which appears to be working well. There is still work required, however, to ensure reporting is being pitched at the correct level and that outcomes and impact are visible. There is also scope to increase the extent to which the sustainable development principle is considered within discussions and decision making. The amount of time spent presenting items could also be reviewed on the assumption that Independent Members will have read papers in advance. This is already happening with lots of items, so applying this good practice widely would ensure more time is spent scrutinising and discussing the topic. Late papers are also still occasionally received which impacts upon the time members have to read and analyse reports ahead of meetings and prepare relevant questions. The Health Board is aware of these issues and is actively reviewing how information is presented.
- 49 The Health Board continues to demonstrate its commitment to hearing from patients but could do more to hear from staff and wider stakeholders. Patient stories appear regularly at Board, which are well received and provide valuable insight. Patient experience is also a key feature of the Integrated Quality Report presented to the Patient Experience, Quality & Safety Committee. However, as mentioned in **paragraph 39**, more work is needed on the Patient Experience Framework. There are established relationships with the Community Health Council, with regular attendance at Board meetings. The Health Board also engages with a range of third sector and public groups. However, the Board and its committees do not hear from staff and Board walkarounds have not taken place since prior to the pandemic, which is a cause of concern (**Recommendation 7**). Also, the Health Board still does not have a Stakeholder Reference Group and



Healthcare Professionals Forum, despite Standing Order requirements. Whilst the Health Board has other mechanisms for engagement, there are missed opportunities by not having these groups attending Board meetings and contributing to wider strategic discussions (**Recommendation 8**).

- 50 The Board has stabilised after a period of flux, with a diverse portfolio of skills and experience now in place. Turnover at the Board has been handled well. During the year, both a new Chair and Vice-Chair have been appointed, with several other Independent Members appointed. Succession planning arrangements have also been put in place for the ARAC Chair in preparation of the departure of the Independent Member for Finance in early 2023. The Board has a mix of skills and abilities, but at the time of our work, no formal skills assessment had been undertaken to identify specific gaps at Board level. There was recognition, however, that increased financial experience would be needed for the Board given the difficult financial position facing the public sector going forward. A skills review has since commenced.
- 51 We have previously identified the need to improve induction training for Independent Members. Whilst there has been some improvement, with a central library of resources now developed for new Independent Members, there is still further progress to be made. Independent Members undertake a corporate and national induction as part of their appointment. However, a tailored induction programme relevant to the Health Board's functions and challenges would support members to familiarise themselves more quickly with their roles. The Board continues to make use of development sessions to provide training for members. However, with a new Chair and Vice-Chair now in place, an opportunity exists to explore options for developing a more enhanced development programme which focuses on developing a cohesive Board.
- 52 The Health Board's arrangements for reviewing Board and committee effectiveness continue to develop. The Health Board undertook a Board effectiveness review in April 2022, which also included a broad review of the committees' following changes made to the committee structure in 2021. The results were considered in a Board development session and arrangements were considered generally effective. Whilst several points for improvement were identified, it is unclear what actions have been taken as a result. The Health Board could benefit from establishing an action planning process following future Board effectiveness reviews which can then be monitored (**Recommendation 9a**). In addition, time is not allocated to review the effectiveness of Board and committee meetings at the end. However, an informal review of committee meetings by the Board Secretary, and relevant committee Chair and Lead Executive has been introduced in the last couple of cycles. Including an item to review meetings on all Board and committee agendas would significantly enhance the Health Board's review arrangements (**Recommendation 9b**).

## Organisational design

- 53 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; and
  - 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.
- 54 We found that **despite some new appointments, there remains continual change at an Executive level and disproportionate variances amongst some portfolios. Interim governance arrangements have now been addressed; however, capacity to support the governance function requires attention.**
- 55 There has been considerable movement of Executive Directors in the last year. This has included:
- interim arrangements for the Director of Workforce and Organisational Development, and Director of Public Health. The Board Secretary post was also interim during 2022, with a substantive appointment now in place.
  - the former Director of Primary Care, Community and Mental Health Services moving to a new Director of Environment post within the Health Board, with the postholder now due to leave in March 2023.
  - the former Director of Planning and Performance temporarily moving to the Director of Primary Care, Community and Mental Health Services, and the Deputy Director of Planning and Performance temporarily moving into the director role.
  - a new Director of Nursing and Midwifery.
- 56 There have also been recent changes within the Corporate Governance Team and multiple interim posts are in place at the senior operational level. Whilst activity has remained stable, there is an organisational risk which comes with movement at senior levels, and the number of interim posts implies potentially more change to come. This can cause instability for services and the staff which sit underneath. The Health Board should aim to reduce the number of interim posts to create more stability for both the short- and longer-term (**Recommendation 10**).
- 57 Despite the changes and interim arrangements, executive portfolios are clear. There is a good range of Executive Directors, and the Executive Team works well. However, the portfolio of the Director of Primary Care, Community and Mental Health Services is significant. There are deputy roles in place within the structure. However, given the scale of primary and community care services in Powys compared to other health boards, the work required within the portfolio is potentially disproportionate. The Health Board has experienced difficulty in appointing to this role, which potentially impacts continuity of service and embedding strategic direction.

58 The temporary Board Secretary arrangement has provided good support to the Board during the interim period. The Board Secretary role has remained independent and has had clear lines of accountability to the Chair. However, capacity to support the Board Secretary role has been a challenge, with several members of the Corporate Governance Team leaving in early 2022. This is impacting on the ability of some outstanding governance related actions to be addressed. There has been a recent realignment between the governance and corporate business functions to create additional capacity whilst remaining independent. Previously, there was a Head of Risk and Assurance role, but this has now gone. The new Board Secretary will need to consider whether there is sufficient capacity within their team, and whether the realignment is something that needs to be retained.

**Exhibit 2: progress made on previous year recommendations.**

Recommendation	Description of progress
<p><b>Healthcare Professionals Forum</b></p> <p>R2 Standing Orders include a requirement for a Healthcare Professionals' Forum, but the Health Board does not have one. The Health Board should establish a Healthcare Professionals' Forum to advise the Board on local strategy and delivery (2018).</p>	<p><b>Superseded</b></p> <p>Superseded by R8 2022 (see <b>Exhibit 1</b>)</p>
<p><b>Internet Accessibility</b></p> <p>R4 The Health Board's internet pages do not provide access to current policies such as the counter-fraud policy. The Health Board should update its internet site to provide easy access to current policies and strategies (2018).</p>	<p><b>Superseded</b></p> <p>Superseded by R5 2022 (see <b>Exhibit 1</b>)</p>
<p><b>Quality of Board Cover Papers</b></p> <p>R6 Report cover papers vary in the way in which they are completed which may limit the ability of Board members to focus on the most important areas. The Health Board should improve report cover papers to ensure that they highlight important aspects of reports rather</p>	<p><b>Completed</b></p> <p>The use of Board cover papers has substantially improved.</p>

Recommendation	Description of progress
<p>than just describe the content or purpose of the report (2018).</p>	
<p><b>Independent member induction</b></p> <p>R1 The Health Board is experiencing a period of significant change within its independent members cohort. Independent members must be appropriately supported to meet their responsibilities through the provision of an adequate induction programme and ongoing development so they can effectively scrutinise the information presented to them. To supplement the national induction programme, the Health Board should develop a local induction training programme as soon as possible to help new independent members ease quickly into their role (2021).</p>	<p><b>Completed</b></p> <p>Induction for new Independent Members is now considered an ongoing area of focus.</p>
<p><b>Associate Board member appointment</b></p> <p>R2 The Health Board does not currently have any associate Board members to assist it in carrying out its functions. Previously the Corporate Director (Children and Adults) from Powys County Council was an associate Board member but has not attended. The Health Board should work with Powys County Council to identify a suitable replacement as soon as possible (2021).</p>	<p><b>Completed</b></p> <p>Associate Board Member appointed January 2023</p>
<p><b>Board and committee agenda papers</b></p> <p>R3 Board and committee meeting agenda bundles are made available in advance of meetings. However, on occasions some papers are provided late and added to a separate bundle called 'supplementary papers.' Late papers do not allow adequate time for scrutiny, and the use of the term supplementary papers is misleading. The Health Board should ensure as</p>	<p><b>Completed</b></p> <p>The number of late papers has substantially improved, and supplementary bundles are no longer used.</p>

Recommendation	Description of progress
<p>soon as possible, that appropriate arrangements are in place to:</p> <ul style="list-style-type: none"> <li>• reduce as far as possible inclusion of late papers;</li> <li>• stop the use of naming late papers ‘supplementary;’ and</li> <li>• to merge late papers into the main agenda bundle when publishing Board and committee papers on the website (2021).</li> </ul>	

## Managing financial resources

59 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.

60 Details of progress made on previous-year recommendations relating to the Health Board’s arrangements for managing financial resources are provided in **Exhibit 3**.

61 We found that **the Health Board has a good track record of managing its financial resources. However, it is now facing pressures which means that it is unlikely to meet some of its financial duties for 2022-23. Financial controls have been strengthened to manage this risk. There is good financial reporting, which supports open and transparent oversight and scrutiny.**

### Financial objectives

62 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.

63 We found that **the Health Board met its financial duties for 2021-22. Despite having a balanced financial plan for 2022-23, it is now forecasting a year-end financial deficit which means it will fail to meet some financial duties.**

- 64 The Health Board met its financial duties for 2021-22, ending the year with a small surplus of £80,000. The Health Board also achieved a revenue break-even position over the three-year period 2019-22 and met its capital resource limit duty with a small surplus of £67,000.
- 65 The Health Board had a balanced financial plan for 2022-23; however, at Month 4 2022-23, it started reporting a forecast year-end financial deficit of £7.5 million. At Month 10 2022-23, the forecast position remains at £7.5 million. The Health Board's forecast financial deficit will mean that it will fail to meet its revenue financial duties for 2022-23.
- 66 The Health Board's financial revenue position for 2022-23 is volatile with pressures from CHC costs, costs associated with commissioned activity (particularly by English providers), and variable pay costs. The Health Board has a savings requirement of £4.6 million. Savings are informed by the Health Board's efficiency framework, value-based healthcare principles, and challenge and scrutiny provided through the executive-led investment group to ensure the Health Board's resources are appropriately allocated. However, at Month 10 2022-23, only £0.923 million savings had been delivered, the majority of which related to medicines management. Non-recurrent savings opportunities of £2.27 million have been applied but this has left a shortfall of £1.79 million savings in-year, and £4 million recurrent full-year impact. The non-delivery of recurring savings also poses a risk to the financial position for 2023-24 because of a growing underlying deficit position. The Health Board is on track to achieve its capital resource limit target.

## Financial controls

- 67 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 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.
- 68 We found that **the Health Board has appropriate arrangements for financial management and control which have been escalated at an operational level to minimise the impact of financial pressures during the year.**
- 69 The Health Board has robust arrangements in place to ensure compliance with statutory instruments, and to report breaches. Updated financial control procedures were approved by the ARAC in January 2022, and there are regular reports to the committee on Single Tender Actions (STAs), and losses and special payments.

Only eight STAs were reported between April and December 2022, five of which were prospective STA approvals. Internal Audit gave substantial assurance on the Health Board's budgetary controls, and reasonable assurance on NHS Wales Shared Services Partnership (NWSSP) systems including payroll, accounts payable and primary care contractors. The Health Board has a proactive counter fraud arrangement with cases reported in the public ARAC meeting for transparency.

- 70 The Health Board is aware of its cost drivers and is taking action to control expenditure. Specific project groups have been established to focus on controlling financial pressures relating to increasing CHC costs, commissioned activity, and nursing variable pay due to vacancies. All groups are reporting to the Executive Committee and providing workable solutions to minimise the impact of the cost pressures. Robust processes are also in place for financial management. Accountability letters have been issued for each directorate from the Chief Executive Officer. They set out the financial requirements, including delivery of savings and improvement opportunities, and a reduction on run rates. Since reporting a forecast deficit, the Health Board has placed itself into financial recovery and established a Performance and Finance Task Group which reports to the Executive Committee. Meetings to monitor the financial position at a directorate level have increased from six-monthly to monthly, and the finance business partner model, which is aligned to the directorates, is supporting the current focus on minimising the financial deficit.
- 71 The Health Board submitted good quality draft financial statements for audit. There were no significant financial control weaknesses reported in our accounts work which warranted a qualified opinion, although there was some incorrect accounting of several transactions. However, financial control weaknesses were reported in the charitable funds account, with several donated properties not accounted for correctly. We issued a qualified regularity opinion to all health boards due to clinicians' pension tax liabilities.

## Monitoring and reporting arrangements

- 72 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.
- 73 We found that **oversight and scrutiny of the Health Board's financial position has improved with more timely information now reported to Board and relevant committees.**

- 74 The Health Board has comprehensive financial reports which are presented to both the Board and Delivery and Performance Committee. The report sets out a clear overview of revenue, the forecast position, performance against required savings, commissioned activity, capital spend, and includes the monthly monitoring returns. Detailed information is also provided on the key cost drivers and variances for each of the directorates. The timing of the Delivery and Performance Committee meetings have been adjusted to ensure that the finance information reported is the most recent.
- 75 The corporate risk relating to the financial position has increased since the Health Board reported a forecast deficit position for 2022-23 and the rolling three-year period. There was detailed and honest reporting at the Delivery and Performance Committee and Board meetings we observed in relation to the financial challenges. The financial position is also closely monitored by the Executive Committee.

**Exhibit 3: progress made on previous-year recommendations.**

Recommendation	Description of progress
<p><b>Performance and Resources Committee</b></p> <p>R1 There are some issues with the functioning of the Performance and Resources Committee<sup>5</sup>. The Committee does not always receive reports on finance and performance for scrutiny before the Board. Finance papers have also been issued after the main set of papers reducing the time available for preparation. Although the Committee’s work plan indicates that it will receive reports on savings delivery at each meeting, this is not always the case. The Health Board should:</p> <ul style="list-style-type: none"> <li>a) review the schedule of meetings to ensure the timing of meetings supports effective detailed scrutiny of finance and performance by Committee; and</li> <li>b) ensure that finance papers are produced and distributed in a timely manner.</li> <li>c) provide reports on the delivery of savings to each meeting to support scrutiny of how the non-delivery of certain schemes will be</li> </ul>	<p><b>Completed</b> See <b>paragraph 75</b>.</p>

<sup>5</sup> In 2020, the Performance and Resource Committee was changed to become the Delivery and Performance Committee.



Recommendation	Description of progress
mitigated to ensure that the 2019-20 break-even position is delivered (2019).	

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

76 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 well-being (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.

77 We found that **the Health Board is supporting staff well-being, recognises the importance of the digital agenda, and has good oversight of the management of its estate. But resources to support digital are an ongoing challenge.**

### Supporting staff well-being

78 We considered the extent to which the Health Board has appropriate and effective arrangements in place for supporting staff well-being. 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 well-being during the COVID-19 pandemic<sup>6</sup>.

79 We found that **the Health Board has appropriate arrangements in place to support and oversee staff well-being, but more could be done to monitor progress against our previous recommendations.**

80 Staff wellbeing is a clear priority for the Health Board. One of the key priorities within the Health Board's IMTP is to deliver improvements to staff well-being and

<sup>6</sup> [Taking care of the carers? How NHS bodies supported staff wellbeing during the COVID-19 pandemic.](#)

engagement. In November 2021, the Health Board adopted its Staff Well-being and Experience Framework. The framework is built around six pillars of staff well-being and engagement with overarching aims to optimise occupational health and develop mechanisms to understand and track staff well-being. These pillars are reflected in the IMTP. At the latest update in November 2022, positive action had been taken in promoting the use of the national tool for well-being conversations, reviewing, and redesigning the occupational health service, and developing and implementing an approach to financial well-being support for staff.

- 81 The Health Board has sought ways to capture staff feedback. Previously, the Health Board has undertaken staff well-being surveys. For 2022, the Health Board was looking to use the National Staff Survey to seek feedback, but due to this being postponed, a targeted survey process is currently being implemented to get a temperature check of wellbeing in high-risk areas. There is evidence that these surveys are informing Health Board actions. For example, the highest staff sickness levels related to stress and anxiety led to the changes to the occupation health model along with increased capacity. Survey feedback has been used to inform agile working, which is being led by the Director of Environment.
- 82 There are good arrangements in place for maintaining oversight of staff well-being. In 2021, the Health Board established a Workforce and Culture Committee. Oversight of the relevant workforce priorities within the IMTP, along with the implementation of the Staff Wellbeing and Experience Framework, is the responsibility of this committee with regular updates provided. In December 2021, the ARAC received our Taking Care of the Carers report. A detailed response to our recommendations was subsequently received by the Workforce and Culture Committee in January 2022. However, much of the response contained 'ongoing' action and no further updates on progress have been provided.

## Managing digital resources

- 83 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.
- 84 We found that **the Health Board recognises digital as a key enabler and is developing its digital framework, but the digital infrastructure and availability of funding are significant barriers to delivery.**
- 85 The COVID-19 pandemic has enabled the Health Board to fast track some its digital ambitions, and it has recently set out its Digital Transformation Plan for the

next three years. This is reflected in the Health Board's IMTP through the 'Digital First' strategic priorities, which cover digital systems, infrastructure, and intelligence. The Digital Transformation Plan was approved by the Board in November 2022, and progress against the plan and delivery against the strategic priorities is monitored through the Delivery and Performance Committee. A Digital Strategic Framework is currently being developed, informed by Board discussions, which will set the framework for the digital transformation and the outcomes that the Health Board expects to achieve.

- 86 The Health Board, however, is starting from a low base. Whilst the Health Board's digital resources have improved over the two years, recent internal audit and external reviews have provided limited assurance on the Health Board's IT infrastructure, including its Wi-Fi. The Internal Audit report set out seven recommendations, three medium priority and four high priority. Old equipment, network security, limited system monitoring, and switch patching are all aspects which need addressing. The Health Board has an ongoing issue with connectivity due to the rurality of its services, which remains a challenge. The Health Board is also heavily reliant on national solutions. Capital funding for 2022-23 has significantly reduced and the Health Board has been unable to allocate any capital funding to digital at a local level.

## Managing the estate and other physical assets

- 87 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.
- 88 We found that **the Health Board has generally good oversight of the management of estates, although visibility and discussion could be improved at Board.**
- 89 Estates is an integral part of the Health Board's delivery plan, with several IMTP priorities specifically focused on improving the estate. An estates strategy is currently being developed, and clear processes are in place to look at how investment is prioritised, within the constraints of the current capital funding, through an Estates Advisory Funding Board. Several major capital projects are already in place which are fundamental to delivering the strategic aims of the

Health Board. These include the Machynlleth project and the North Powys Wellbeing Campus.

- 90 There are good arrangements in place to maintain oversight of capital projects and the condition of the estate. The Delivery and Performance Committee receive updates from the Director of Environment on areas of work which are considered by the Innovative Environments Group. This group, in turn, considers information from a range of estates sub-groups. The updates to the committee include a capital programme dashboard and a summary of progress of each of the major capital projects. The updates also include detailed information relating to the condition of the estate, such as fire compliance and backlog maintenance. There is also good coverage of wider aspects relevant to the estate such as the decarbonisation agenda and an agile workforce. Reports from the Director of Environment are clear and informative; however, they are not presented to every committee. Given how integral estates is to the delivery of so much of the short- and long-term plans of the Health Board, it may also be useful to have more visibility and discussion focused on estates at Board.

# Appendix 1

## Audit methods

**Exhibit 4** sets out the approach we adopted for delivering our structured assessment work at the Health Board.

### Exhibit 4: audit approach

Element of audit approach	Description
Observations	We observed Board meetings as well as meetings of the following Committees: <ul style="list-style-type: none"><li>• Delivery and Performance Committee;</li><li>• Patient Experience, Quality and Safety Committee; and</li><li>• Planning, Partnerships and Population Health Committee.</li></ul>
Documents	We reviewed a range of documents, including: <ul style="list-style-type: none"><li>• Board and Committee Terms of Reference, work programmes, agendas, papers, and minutes;</li><li>• Key governance documents, including Schemes of Delegation, Standing Orders, Standing Financial Instructions, Registers of Interests, and Registers of Gifts and Hospitality;</li></ul>

Element of audit approach	Description
	<ul style="list-style-type: none"> <li>• Key organisational strategies and plans, including the IMTP;</li> <li>• Key risk management documents, including the Board Assurance Framework and Corporate Risk Register;</li> <li>• Key reports relating to organisational performance and finances;</li> <li>• Annual Report, including the Annual Governance Statement;</li> <li>• Relevant policies and procedures; and</li> <li>• Reports prepared by the Internal Audit Service, Health Inspectorate Wales, Local Counter-Fraud Service, and other relevant external bodies.</li> </ul>
Interviews	<p>We interviewed the following Senior Officers and Independent Members:</p> <ul style="list-style-type: none"> <li>• Board Chair;</li> <li>• Vice-Chair;</li> <li>• Chief Executive Officer;</li> <li>• Chair of ARAC;</li> <li>• Interim Director of Planning and Performance;</li> <li>• Director of Finance; and</li> <li>• Interim Board Secretary</li> </ul>

# Appendix 2

## Organisational response to audit recommendations

Exhibit 5: organisational response

Recommendation	Management response	Completion date	Responsible officer
<p>R1 Opportunities exist to engage Independent Members in the early stages of the IMTP planning process to enable the Board to fully discharge its duty to set the strategic direction for the organisation. The Health Board, therefore, should put appropriate arrangements in place to ensure appropriate Independent Member involvement in all IMTP planning stages.</p>	<p><b>Recommendation accepted at the point of fieldwork.</b> For 2023-26 (and therefore 2023-24), Independent Members have been involved in the development of the IMTP 2023-26 via Board Development and briefing sessions over the last 5-6 months culminating in the formal Board meeting in March 2023. This approach has contributed to further strengthening the effectiveness of our unitary board.</p>	<p>Completed</p>	<p>Director for Strategy, Primary Care and Partnerships and Director of Corporate Governance/ Board Secretary</p>

Recommendation	Management response	Completion date	Responsible officer
<p>R2 Delivery reports for monitoring progress against the priorities and actions set out in the IMTP are largely narrative and lack a focus on measures and impact. The Health Board, therefore, should revisit its delivery reports to ensure they are succinct, less narrative, and have an increased focus on measures and impact.</p>	<p><b>Recommendation accepted.</b>            Future IMTP monitoring progress reports will include an improved focus on measure and impact. The reference to impact reflects some of the conversation in Executive Committee, Delivery and Performance Committee, and Board. We receive a lot of data and information about performance against targets and work is underway, future IMTP performance reports will be more succinct and focused, including links to further detail should Board members wish to investigate the detail further.</p>	<p>End June 2023</p>	<p>Interim Director of Performance and Commissioning</p>
<p>R3 The Health Board does not have an updated Board Assurance Framework that maps all the opportunities and risks to achieving strategic objectives, identifies gaps in assurance, and informs Board and committee</p>	<p><b>Recommendation accepted.</b>            The Board Assurance Framework will be reviewed and updated comprehensively before the 31 March 2024. In the interim, the corporate risk register will be refreshed to reflect the relevant risks for the 2023-24 IMTP and relevant assurances will be mapped into the register.</p>	<p>31 March 2024</p>	<p>Director of Corporate Governance/            Board Secretary</p>



Recommendation	Management response	Completion date	Responsible officer
workplans. The Health Board, therefore, needs to update its Board Assurance Framework.			
<p>R4 There is currently a disconnect between directorate risk registers and the Corporate Risk Register (CRR). The Health Board, therefore, needs to review all high risks on directorate risk registers to ensure the relevant ones are escalated to the CRR, and that the Board is aware of wider risks that may materialise.</p>	<p><b>Recommendation partially accepted.</b></p> <p>The corporate risk register (CRR) was refreshed during the summer of 2022 and then updated and reviewed at every Board meeting since then. Each corporate risk is owned by an executive level risk owner; the Executive Committee review the register at least every 2 months. Directorate risk registers are owned by each directorate and relevant risks can be escalated at any time.</p> <p>The CRR is being reviewed in light of the 2022-23 IMTP and risk reviews will take place with each directorate over the summer into Autumn of 2023 (led by Corporate Governance) which will lend further opportunity to ensure directorate to corporate alignment.</p> <p>The Risk and Assurance Group will also recommence from September 2023.</p>	<p>CRR full review – July 2023 Directorate reviews - End Sept 2023</p> <p>RAG - Sept 2023</p>	<p>Director of Corporate Governance/ Board Secretary</p>
<p>R5 Opportunities exist to improve public access to key Health Board</p>	<p><b>Recommendation partially accepted.</b></p>		

Recommendation	Management response	Completion date	Responsible officer
<p>documents. The Health Board should ensure that:</p> <ul style="list-style-type: none"> <li>a) policies and procedures, and the register of interest on the public website are accessible; and</li> <li>b) key documents, including Standing Orders, on the public website are the most recently approved version.</li> </ul>	<ul style="list-style-type: none"> <li>a) Policies and procedures - the Health Board took a decision to provide all documents via the internal intranet to staff. Relevant external policies are available on the website, for example making a complaint (PTR). A review will be undertaken to ensure relevant documents are available to the public via the website.</li> <li>b) Key documents – accepted at the point of fieldwork, all documents have now been updated.</li> </ul>	<p>Sept 2023</p>	<p>Director of Corporate Governance / Board Secretary</p>
<p>R6 There are no mechanisms for committee Chairs to meet formally outside of committee meetings to share concerns and good practice, and there are also no mechanisms in place to track issues and actions</p>	<p><b>Recommendation accepted.</b></p> <ul style="list-style-type: none"> <li>a) A Committee Chairs forum has been established and met for the first time on the 25 April, and quarterly thereafter.</li> <li>b) The tracking of issues and actions between Committees is now tracked using the new action log</li> </ul>	<p>Complete</p> <p>Complete</p>	<p>Director of Corporate Governance / Board Secretary</p>

Recommendation	Management response	Completion date	Responsible officer
<p>referred between committees. The Health Board, therefore, should put in place a mechanism to enable:</p> <ul style="list-style-type: none"> <li>a) committee chairs to come together on a regular basis; and</li> <li>b) issues and actions referred between committees to be tracked and feedback provided when completed.</li> </ul>	<p>template. A feedback mechanism will be incorporated back to relevant committees.</p>		
<p>R7 The Board and its committees do not hear from staff, and Board walkarounds have not been reinstated since the pandemic. The Health Board, therefore, should increase opportunities for Board members to hear from staff. This should include making use of staff stories in Board and committee meetings, and the urgent reinstatement of Board walkarounds.</p>	<p><b>Recommendation accepted.</b> Board walkabouts are actively undertaken by the Chair, Vice Chair, CEO, and other executive directors. It is accepted this needs to be broadened out to the whole Board. An approach will be developed and then implemented from 1 September 2023.</p>	<p>1 September 2023</p>	<p>Director of Corporate Governance / Board Secretary</p>

Recommendation	Management response	Completion date	Responsible officer
<p>R8 Despite Standing Order requirements, the Health Board still does not have a Healthcare Professionals Forum or a Stakeholder Reference Group. The Health Board, therefore, should establish both groups as a matter of urgency.</p>	<p><b>Recommendation partially accepted.</b></p> <p>The Healthcare Professionals Forum will be reinstated by the 30 September 2023.</p> <p>The Health Board recognises the importance of effective stakeholder engagement, although the Stakeholder Reference Group is not complimentary to our approach to stakeholder engagement and as such will not be reinstated at this time.</p>	<p>30 September 2023</p>	<p>Director of Corporate Governance / Board Secretary</p>
<p>R9 Opportunities exist to improve self-reviews of Board and committee effectiveness. The Health Board, therefore, should:</p> <ul style="list-style-type: none"> <li>a) ensure areas for improvement are captured and monitored via an action plan; and</li> <li>b) include a standing agenda item in all Board and committee meetings</li> </ul>	<p><b>Recommendation accepted.</b></p> <ul style="list-style-type: none"> <li>a) Performance reviews were undertaken for the Board and Committees in 2021-22 and currently being undertaken again for 2022-23 – including an opportunity to look ahead into 2023-24. As a point of improvement, an action plan will be developed to ensure implementation and relevant monitoring of agreed actions.</li> </ul>	<p>30 June 2023</p>	<p>Director of Corporate Governance / Board Secretary</p>

Recommendation	Management response	Completion date	Responsible officer
to allow for a review of the meeting.	b) Board meeting reviews were introduced from January 2023 and will continue using a variety of means. A mechanism for Committee meeting review will be agreed by the newly formed Chairs Forum for implementation from quarter two.	From 1 July 2023	
R10 The Health Board is carrying several interim posts at a senior level which can cause instability for both services and staff. The Health Board, therefore, should seek to appoint substantively to the interim posts within the Executive team as soon as practical to do so.	<p><b>Recommendation acknowledged.</b></p> <p>The Health Board fully recognises the need for stable leadership at the senior level. In recent months, a number of substantive appointments have been made which include, the Director of Corporate Governance/Board Secretary, Director for Public Health and Director for Workforce and Organisational Development. Any appointments to interim roles are on a selective basis and to enable the Health Board to respond to specific challenges and circumstances.</p>	N/A – considered complete	Director of Workforce & Organisational Development



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