



Partneriaeth
Cydwasanaethau
Gwasanaethau Archwilio a Sicrwydd
Shared Services
Partnership
Audit and Assurance Services

Governance Arrangements during the Covid-19 Pandemic

Advisory Reviews

2020/21

All-Wales Summary Report

Audit and Assurance Services



Contents

1. INTRODUCTION	2
2. SUMMARY OF CONSISTENT MESSAGES	2
3. INFORMING FORWARD WORK PROGRAMMES	6

Review reference:	All-Wales Summary
Report status:	FINAL
Final report issued:	November 2020



Audit and Assurance Services conform with all Public Sector Internal Audit Standards as validated through the external quality assessment undertaken by the Institute of Internal Auditors.

Please note:

This report has been prepared for internal use only. Audit & Assurance Services reports are prepared, in accordance with the Service Strategy and Terms of Reference, approved by Audit Committees. Advisory review reports are prepared by the staff of the NHS Wales Shared Services Partnership – Audit and Assurance Services, and addressed to Independent Members/Non-Executive Directors or officers including those designated as Accountable Officer. They are prepared for the sole use of the organisations referred to herein and no responsibility is taken by the Audit and Assurance Services Internal Auditors to any director or officer in their individual capacity, or to any third party.

1. INTRODUCTION

During the summer of 2020 we completed rapid reviews of the governance arrangements in place within twelve NHS Wales organisations ('the organisations') as they responded to the initial phase of the Covid-19 pandemic from March 2020. The organisations reviewed were:

- Aneurin Bevan University Health Board
- Betsi Cadwaladr University Health Board
- Cardiff and Vale University Health Board
- Cwm Taf Morgannwg University Health Board
- Health Education and Improvement Wales
- Hywel Dda University Health Board
- NHS Wales Shared Services Partnership (financial governance)
- Powys Teaching Health Board
- Public Health Wales NHS Trust
- Swansea Bay University Health Board
- Velindre University NHS Trust
- Welsh Ambulance Service NHS Trust

In addition, as part of the 2020/21 NWIS Internal Audit Programme we are undertaking a review of Covid-19 governance arrangements.

The key objective of the reviews was to assess whether relevant guidance was followed appropriately and to provide independent, timely feedback to identify if changes needed to be made to temporary governance arrangements if they are to be continued or re-instated in the future.

Each organisation has received an advisory report which contains considerations for the future that are specific to its circumstances. In addition, where appropriate, good practice examples have also been identified. This summary report seeks to identify common themes and development areas.

2. SUMMARY OF CONSISTENT MESSAGES

Overall

All NHS Wales organisations responded effectively, quickly establishing temporary governance and decision making arrangements and maintaining financial governance. From our reviews, we consistently identified the following areas for consideration for the future:

- Developing a protocol pack for future events that require similar arrangements, to swiftly implement the required measures. For example, formally establish meeting etiquette, membership, platform to use, and meeting arrangements.

- Refreshing business continuity plans to reflect changes required and lessons learnt from responding to the pandemic.
- Review and identify best practice in decision making, including command structure or framework, group membership, clarity of reporting lines and opportunities of safe decision making at pace.

In addition, our review of financial governance in NWSSP covered the national procurement of PPE and found due diligence and scrutiny arrangements developed to be robust and risk was mitigated, as far as possible, in the circumstances.

Board and Committee Meetings

Board, Audit Committee and Quality and Patient Safety Committee meetings continued during the early peak of the pandemic and the business of those meetings was appropriate, balanced with regular briefings of independent members outside of the formal committee forums.

There were examples of other committees continuing where it was felt that it was important for the business of those committees to be maintained.

Where committees were suspended there was generally good evidence of how the business of those committees was to be either paused or continued through an alternative route, including remitting to continuing committees during the temporary arrangements.

Arrangements were put in place by organisations to brief independent members outside of the formal meeting structures which were generally welcomed. The balance struck between Executive Directors managing through the pandemic, information sharing and maintaining governance was generally seen as appropriate.

We consistently identified the following area for consideration for the future:

- Ensuring all committee papers are published as soon as possible following meetings or using meeting summaries if this is not possible.

Virtual Meetings

'Virtual' meetings using Skype, Webex and latterly Microsoft Teams have developed over time, with initial teething troubles and connectivity problems nationally across NHS Wales. All planned meetings have gone ahead and the disciplines and etiquette involved is evolving.

This was a steep learning curve for all organisations which was dealt with well, with guidance on chairing and other etiquette developing at a number of organisations, and support given to enable members to attend wherever possible.

Latterly, live streaming of Board and other meetings has become more regular and organisations are refining their approaches to this, in conjunction with other channels of communication with the public such as social media.

We consistently identified the following area for consideration for the future:

- Consider the continued use of virtual meetings and supporting arrangements, within the Board and Committee structure.

Command Structure

Command structures differed between organisations but all were considered by those we interviewed to have operated effectively, with some development and refinement necessary over time. Arrangements enabled organisations to make decisions in an agile way.

There are opportunities in a number of organisations to strengthen the evidence retained in support of decisions made in their command structures, noting the balance between rapid decision making and the need to ensure approvals and evidence are retained.

We consistently identified the following areas for consideration for the future:

- Establishing or refining the decision making framework that sets out which decisions (operational and strategic) require approval by which group (e.g. Tactical / Strategic / Independent Members).
- Documenting decisions in a consistent format, with a clear audit trail.
- Guidance for the level of information required to be documented in the Decision Log may be helpful, and this could include an indication of when information should be escalated to the Board. This can be used for future mobilisation of the process in the event of future peaks.

Financial Governance

Financial governance was consistently maintained, with changes to Schemes of Delegation and Standing Orders following appropriate approval routes, although in some organisations no changes were made.

Year-end reporting deadlines, with Welsh Government extensions taken into account, were met by all organisations and financial monitoring and reporting arrangements were maintained.

We consistently identified the following areas for consideration for the future:

- Reviewing insurance and indemnity arrangements to ensure adequate cover is in place for all additional sites established within Health Board areas, e.g. staff testing units.
- Detailed Finance Department Business Continuity Plans should be produced, communicated and kept up to date.

Covid-19 related Expenditure

The level of Covid-19 related expenditure varied between organisations, with Trusts being understandably less impacted than Health Boards. The majority of PPE procurement was undertaken nationally by NWSSP on behalf of NHS Wales.

Robust arrangements were put in place by organisations to separately identify, scrutinise and report upon Covid-19 related expenditure.

The arrangements put in place by NWSSP to undertake due diligence and other checks on large, short-notice PPE contracts included the establishment of a Financial Governance Group. This provided effective scrutiny in extremely challenging circumstances to support decision making and approvals by the Velindre University NHS Trust Board, and risks were mitigated where possible.

We consistently identified the following areas for consideration for the future:

- Develop appropriate stock control procedures for the management of PPE in business as usual and pandemic scenarios.
- Taking a retrospective report to Audit Committees on contract awards and *value for money/appropriate use of public money* assessments made during the Covid-19 period.

Risk Management

Corporate risk management arrangements continued within all organisations with some including new Covid-19 related risks within their corporate risk registers and others taking the decision to utilise a separate Covid-19 risk register.

Where separate Covid-19 risk registers were maintained these were found to be useful by senior managers to continue to review the levels of risk and the effectiveness of organisational responses.

We consistently identified the following area for consideration for the future:

- Ensuring all applicable risks (Covid-19 related and non-Covid-19 related) are considered and reported to the relevant committees in a timely manner.

Ongoing Review of Arrangements

All organisations set review dates to assess the ongoing applicability of their temporary arrangements and continued to keep the position under review, with the ability to step up or step down arrangements if required.

A number of organisations are taking the opportunity to revise committee structures, taking into account the learning from the temporary arrangements and there are a number of other internal 'lessons learnt' exercises being undertaken.

In our meetings with Executive Directors and Independent Members/Non-Executive Directors there was a real appetite to secure the learning from the experience and realise the opportunities for more streamlined working afforded by the pandemic.

Partnership Arrangements

Where applicable, partnership working such as involvement of the Community Health Council and working with local authority partners was seen as effective, with communication with other partners undertaken as required.

Information Governance

We made suggestions for ensuring that sufficient coverage is maintained of new GDPR and information governance risks represented by increased remote working.

We consistently identified the following area for consideration for the future:

- Continue to ensure GDPR requirements are maintained, given the continued and increased use of home working arrangements, including the use of personal equipment for work related activities (e.g. mobile phone to access Office 365 Teams and Outlook).

3. INFORMING FORWARD WORK PROGRAMMES

Our reviews are part of a suite of review activities that has taken place over recent months which needs to be brought together into coherent work programmes both at individual organisations and where beneficial, on a national basis.

To facilitate this, we have considered the consistent messages and set out below the areas of development that we believe would benefit from a collaborative approach.

Category	Development Activity
Overall	Development of a protocol pack for future events that require similar arrangements that can be tailored to individual circumstances.
Overall	Review and identify best practice in decision making, including command structure or framework, group membership, clarity of reporting lines and opportunities of safe decision making at pace.
Overall	Organisations need to refresh business continuity plans to reflect changes required and lessons learnt from the pandemic.
Board and Committees	Confirm the consistent platform to be used to engage with the public (maintaining privacy and security requirements) that is user friendly and robust.
Board and Committees	Develop support tools and guidance to ensure that all members / participants in virtual meetings are suitably trained and given equal opportunity to participate.
Board and Committees	Learn together from the pandemic regarding changes to committee and any other governance arrangements that may need to be made, engaging with Welsh Government to ensure that statutory responsibilities continue to be met.
Board and Committees	Agree a portal or solution that organisations have access to that captures the relevant guidance for all organisations to consistently have access to.
Command Structure	Establishing or refining the decision making framework that sets out which decisions (operational and strategic) require approval by which group (e.g. Tactical / Strategic / Independent Members).
Financial Governance	The benefits and disadvantages of preparing the final accounts and completing the accompanying statutory audit remotely should be reviewed and retained for future financial years.

Category	Development Activity
Financial Governance	Liaise with the Welsh Risk Pool team to establish what the indemnity/insurance requirements are for operating additional sites.
Financial Governance	Agreeing a template to ensure a clear audit trail of financial decisions made is retained for each decision.
Financial Governance	Development of appropriate stock control procedures for the management of PPE in business as usual and pandemic scenarios.
Financial Governance	Development of reporting to Audit Committees on contract awards and <i>value for money/appropriate use of public money</i> assessments made during the Covid-19 period.
Covid Expenditure	Developing common narrative / explanations to set out why additional revenue funding is required for Covid related expenditure.
Covid Expenditure	With the additional expenditure incurred as a result of Covid, organisations need to refocus efforts onto savings and efficiencies plans and making the most of sharing examples where efficiencies have been identified as a result of the pandemic through digital developments, for example.
Covid Expenditure	Consulting and agreeing in advance pay rates that will apply during any future period of pandemic induced surge, if possible, to reduce the amount of off-contract agency expenditure.
Information Governance	Continue to ensure GDPR requirements are maintained, given the continued and increased use of home working arrangements, including the use of personal equipment for work related activities (e.g. mobile phone to access Office 365 Teams and Outlook).

Office details:

Audit and Assurance Services
4-5 Charnwood Court
Heol Billingsley
Parc Nantgarw
Cardiff
CF15 7QZ



Contact details:

Simon Cookson, Director of Audit & Assurance – simon.cookson@wales.nhs.uk
James Quance, Head of Internal Audit – james.quance@wales.nhs.uk