

Audit and Risk Committee Update – Cwm Taf Morgannwg University Health Board

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Audit and Risk Committee Update

About this document

- 1 This document provides the Audit and Risk Committee with an update on current and planned Audit Wales work. Accounts and performance audit work are considered, and information is also provided on the Auditor General's wider programme of national value-for-money examinations and the work of our Good Practice Exchange (GPX).

Financial audit update

- 2 **Exhibit 1** summarises the recent and current work.

Exhibit 1 – Accounts audit work

Area of work	Current status
Audit of the Health Board's 2021-22 Charitable Financial Statements	We have issued the 2022 Audit Plan, which the charity's trustee members are due to consider. The audit is scheduled to start in late November, pending receipt of the draft financial statements. The Charity Commission's deadline for the certified financial statements is 31 January 2023.
Audit of the Health Board's 2022-23 Performance Report, Accountability Report and Financial Statements	We expect to start audit planning in January 2023.

Performance audit update

- 3 The following tables set out the performance audit work included in our current and previous Audit Plans, summarising:
 - completed work since the last Audit and Risk Committee update (**Exhibit 2**);
 - work that is currently underway (**Exhibit 3**); and
 - planned work not yet started or revised (**Exhibit 4**).

Exhibit 2 – Work completed

Area of work	Considered by Audit and Risk Committee
2022 Audit Plan	April 2022

Exhibit 3 – Work currently underway

Topic and relevant Executive Lead	Focus of the work	Current status and Audit and Risk Committee consideration
<p>Orthopaedic services – follow up</p> <p>Executive Lead – Director of Operations</p>	<p>This review will examine the progress made in response to our 2015 recommendations. The findings from this work will inform the recovery planning discussions that are starting to take place locally and help identify where there are opportunities to do things differently as the service looks to tackle the significant elective backlog challenges.</p> <p>Our findings will be summarised into a single national report with supplementary outputs setting out the local position for each health board.</p>	<p>We are preparing an all-Wales summary report, and considering preparation of a discrete Annex for each Health Board.</p> <p>Planned date for consideration: December 2022</p>
<p>Review of the commissioning and contracting arrangements post Bridgend boundary change</p>	<p>This work will examine the robustness of the arrangements for overseeing and managing the contractual agreements established following the Bridgend service transition in 2019. The work will also consider the programme for service disaggregation (for relevant services), and whether the</p>	<p>Report currently in draft</p> <p>Planned Date for Consideration:</p>

Topic and relevant Executive Lead	Focus of the work	Current status and Audit and Risk Committee consideration
Executive Lead – Director of Strategy/Director of Finance	arrangements support future regional service models currently being explored by the organisations.	December 2022
Cwm Taf Morgannwg Health and Social Care Partnership Executive Lead – Director of Strategy and Transformation	The review will examine how the Transformation Leadership Programme Board arrangements are supporting the four bodies (Cwm Taf Morgannwg University Health Board, Rhondda Cynon Taf County Borough Council, Merthyr Tydfil County Borough Council and Bridgend County Borough Council) to develop effective and sustainable approaches to regional working.	Report in clearance with Health Board Planned Date for Consideration: December 2022
Structured Assessment 2022	The structured assessment work will build on the baseline governance review by assessing the corporate arrangements in place at the SHA in relation to: <ul style="list-style-type: none"> • Governance and leadership. • Financial management. • Strategic planning, and • Managing the workforce, digital, resources, estates, and other physical assets. 	Fieldwork in progress Planned Date for Consideration: December 2022

Exhibit 4 – Planned work not yet started or revised

Topic and relevant Executive Lead	Focus of the work	Current status and Audit and Risk Committee consideration
<p>Review of Unscheduled Care</p> <p>Executive Lead – Director of Operations</p>	<p>This work will examine different aspects of the unscheduled care system and will include analysis of national data sets to present a high-level picture of how the unscheduled care system is currently working. Once completed, we will use this data analysis to determine which aspects of the unscheduled care system to review in more detail.</p>	<p>Blog and data tool published in April 2022</p> <p>Project brief to commence detailed work issued in July 2022</p>
<p>Review of the temporary closure of the Ysbyty Cwm Cynon Minor Injuries Unit (Local work 2022)</p>	<p>Following the temporary closure of the Minor Injuries Unity at Ysbyty Cwm Cynon closure, we undertook a high-level review to examine the issues surrounding the temporary closure.</p>	<p>Findings currently being discussed with the Health Board</p> <p>Planned Date for Consideration: December 2022</p>
<p>Joint Review Follow up (Local work 2022)</p>	<p>This work will be a follow-up of the recommendations made in the Joint Review Report from 2019.</p> <p>The updated Terms of Reference with revised timelines is contained in Appendix 2</p>	<p>The terms of reference for the work have been issued. We have received the Health Board's self-assessment, and will be undertaking substantive</p>

Topic and relevant Executive Lead	Focus of the work	Current status and Audit and Risk Committee consideration
		<p>fieldwork in February 2023.</p> <p>Date for consideration to be confirmed</p>
All-Wales thematic on workforce planning arrangements	<p>This work will examine the workforce risks that NHS bodies are experiencing currently and are likely to experience in the future. It will examine how local and national workforce planning activities are being taken forward to manage those risks and address short-, medium- and longer-term workforce needs. The work will be tailored to align to the responsibilities of individual NHS bodies in respect of workforce planning.</p>	<p>Date for consideration to be confirmed</p>

Good Practice events and products

- 4 In addition to the audit work set out above, we continue to seek opportunities for finding and sharing good practice from all-Wales audit work through our forward planning, programme design and good practice research.
- 5 There have been no Good Practice Exchange (GPX) events since we last reported to the Committee in August 2022. Details of future events are available on the [GPX website](#).

NHS-related national studies and related products

- 6 The Audit Committee may also be interested in the Auditor General's wider programme of national value for money studies, some of which focus on the NHS and pan-public-sector topics. These studies are typically funded through the Welsh Consolidated Fund and are presented to the Public Administration and Public Accounts Committee to support its scrutiny of public expenditure.
- 7 **Exhibit 5** provides information on the NHS-related or relevant national studies published since our last Committee Update. It also includes all-Wales summaries of work undertaken locally in the NHS.

Exhibit 5 – NHS-related or relevant studies and all-Wales summary reports

Title	Publication Date
<u>Equality Impact Assessment: More than a tick box exercise?</u> Please see Appendix 1	September 2022
<u>Public Sector Readiness for Net Zero Carbon by 2030: Evidence Report</u> Please see Appendix 1	August 2022
<u>Public Sector Readiness for Net Zero Carbon by 2030</u> Please see Appendix 1	July 2022
<u>Tackling the Planned Care Backlog in Wales</u>	May 2022
<u>Unscheduled Care</u>	April 2022

Appendix 1 – Key messages from recent national publications

Public Sector Readiness for Net Zero Carbon by 2030 (July 2022)

- 8 The Auditor General has committed to a long-term programme of work on climate change. Our baseline review asks: 'How is the public sector preparing to achieve the Welsh Government's collective ambition for a net zero public sector by 2030?'
- 9 We have now published two reports to share the findings from the baseline review:
- Key findings report: (published 14 July 2022) this report targets senior leaders and those with scrutiny roles, with the aim of inspiring them to increase the pace of their work on achieving the 2030 collective ambition. We set out an overall conclusion and 5 calls for action. The calls for action are not strictly recommendations. However, we encourage public bodies to consider the report, and through their internal governance structures, set out publicly how they intend to respond to the calls for action.
 - An evidence report: (published 10 August 2022) this report supplements the key findings report by providing more detailed findings and data. It does not make a separate overall conclusion, or separate calls for action.
- 10 We have also published blogs and run a successful webinar:
- Responding to the Climate Emergency in Wales (webinar)
 - Call for clearer information on climate change spending (blog)
 - COP26: Shining a light on the Welsh response to climate change (blog)
 - How we'll support Wales in rising to the climate change challenge (blog)
 - Heat is on to tackle climate change (blog)
- 11 The **overall conclusion** from our baseline review is:
- 12 "There is clear uncertainty about whether the public sector will meet its 2030 collective ambition. Our work identifies significant, common barriers to progress that public bodies must collectively address to meet the ambition of a net zero public sector by 2030. And while public bodies are demonstrating commitment to carbon reduction, they must now significantly ramp up their activities, increase collaboration and place decarbonisation at the heart of their day-to-day operations and decisions. Organisations need to be bold and innovative and share experiences of their successes and failures. The Auditor General will not criticise organisations for taking well-managed risks to address this unprecedented challenge."
- 13 The **5 calls for action** are:



1 Strengthen your leadership and demonstrate your collective responsibility through effective collaboration



2 Clarify your strategic direction and increase your pace of implementation



3 Get to grips with the finances you need



4 Know your skills gaps and increase your capacity



5 Improve data quality and monitoring to support your decision making

Equality Impact Assessments: More than a tick box exercise? (September 2022)

- 14 Our work looked at the overall approach to undertaking Equality Impact Assessments in public bodies in Wales. We concentrated on the 44 public bodies originally subject to the Well-being of Future Generations (Wales) Act 2015.
- 15 We focussed primarily on understanding public bodies' approaches with a view to finding good or interesting practice and identifying any common areas for improvement. We did not evaluate individual public bodies' approaches in detail.
- 16 Our findings highlight examples of good practice in aspects of the Equality Impact Assessment process across the public bodies we looked at. However, there are areas for improvement around the following themes:
 - Greater clarity over which type of policies must be impact assessed.
 - Greater clarity about the arrangements for assessing the impact of collaborative policies and practices.
 - Greater clarity about expectations to consider the Public Sector Equality Duty as part of an integrated impact assessment.
 - Better monitoring of the actual impacts of policies and practices on people.
 - A shift in the mindsets and cultures to move Equality Impact Assessments away from being seen as an add-on 'tick box' exercise.
- 17 Our report makes several recommendations for Welsh Government to address and one to public bodies requiring them to review their approach to Equality Impact Assessments considering the findings within the report and detailed guidance available on the Equality and Human Rights Commission and Practice Hub.

Appendix 2 – Updated Terms of Reference for Joint Review



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Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.