

Bundle Audit & Assurance Committee - Open 27 January 2020

AGENDA

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 - 2.6a Strategic Review of Education Update dec 20.docx
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- 2.14 Review of Committee Effectiveness
2.14a - Committee Self Assessment Checklist Cover Report_January 2020 V2.docx
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- 2.15 Development of a Tariff Arrangement for Secondary Care Training Programme Directors across Wales to support Professionalisation of the Role
2.15a - TPD Business Case Cover Report_January 2020.docx
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- 3 PART 3 - CLOSE
- 3.1 Any Other Business
- 3.2 Date of Next Meeting: Wednesday, 1 April 2020 at 1pm in HEIW Meeting Room 11, Ty Dysgu, Nantgarw

AUDIT AND ASSURANCE COMMITTEE

Monday, 27 January 2020
HEIW Conference Room, Ty Dysgu, Nantgarw

**COMMITTEE MEMBERS PRIVATE DISCUSSIONS WITH
COUNTER FRAUD, INTERNAL AND EXTERNAL AUDITORS**
10.00am – 10.30am

FULL AUDIT AND ASSURANCE COMMITTEE
10.30am – 12.30pm

AGENDA

PART 1	PRELIMINARY MATTERS	10.30-10.45
1.1	Welcome and Introductions	Chair/ Oral
1.2	Apologies for Absence	Chair/ Oral
1.3	Declarations of Interest	Chair/ Oral
1.4	Draft Minutes of the Audit Committee meeting held on 22 November 2019	Chair/ Attachment
1.5	Action Log following the meeting held on 22 November 2019	Chair/ Attachment
1.6	Matters Arising	Chair/ Attachment
PART 2	MATTERS FOR CONSIDERATION	10.45-12.25
2.1	ESR Compliance Update on Mandatory Training and PADR	Director of Workforce & OD/ Attachment
2.2	Wales Audit Office: <ul style="list-style-type: none"> Audit and Assurance Committee Update Structured Assessment 2019 Annual Audit Report 2019 2020 Indicative Audit Plan including the proposed fee for 2020 	Wales Audit Office/ Attachments
2.3	Annual Accounts Plan 2019/20	Interim Director of Finance/ Attachment
2.4	Draft Annual Report Timetable 2019/20	Board Secretary/ Attachment
2.5	Information Governance Update	Board Secretary/ Attachment

2.6	Update on the Current Position of the Strategic Review of Healthcare Education in Wales	Director of Nursing/ Attachment
2.7	Procurement Compliance Report	Interim Director of Finance/ Head of Procurement/ Attachment
2.8	Internal Audit: • Progress Report	Internal Audit/ Attachment
2.9	Declarations of Interest – Review of Practices within other organisations	Internal Audit/ Head of Procurement/ Oral
2.10	HEIW and HIW Memorandum of Understanding	Director of Nursing/ Oral
2.11	Audit Recommendations Tracker	Board Secretary/ Attachment
2.12	To Review the Corporate Risk Register	Board Secretary/ Attachment
2.13	Counter Fraud: • Counter Fraud Progress Update	Counter Fraud Manager Cardiff & Vale UHB/ Attachment
2.14	Review of Committee Effectiveness	Board Secretary/ Attachment
2.15	Development of a Tariff Arrangement for Secondary Care Training Programme Directors across Wales to support Professionalisation of the Role	Director of Workforce & OD/ Attachment
PART 3	CLOSE	12.25-12.30
3.1	Any Other Business	Chair
3.2	Date of Next Meeting: Wednesday, 1 April 2020 at 1pm in HEIW Meeting Room 11, Ty Dysgu, Nantgarw	

In accordance with the provision of Section 1(2) of the Public Bodies (Admissions to Meetings) Act 1960 it shall be resolved that representatives of the press and other members of the public be excluded from the latter part of the meeting on the grounds that it would be prejudicial to the public interest due to the confidential nature of the business transacted. This section of the meeting is to be held in private session.

UNCONFIRMED

**DRAFT Minutes of the Audit and Assurance Committee
held on 22 November 2019
in the Conference Room, HEIW, Ty Dysgu, Nantgarw, CF15 7QQ**

Present:

Gill Lewisb	Independent Member (Chair)
John Hill Tout	Independent Member (Vice Chair HEIW)
Dr Ruth Hall	Independent Member

In Attendance:

Dafydd Bebb	Board Secretary
Eifion Williams	Interim Director of Finance
Martyn Pennell	Head of Financial Accounting
Mike Usher	Engagement Director, Wales Audit Office
Helen Goddard	External Audit Manager, Wales Audit Office
Simon Cookson	Director of Audit and Assurance, NWSSP
Paul Dalton	Head of Internal Audit, NWSSP
Kenneth Hughes	Audit Manager, NWSSP
Julie Rogers	Director of Workforce & OD
Craig Greenstock	Counter Fraud Manager (Cardiff & Vale UHB)
Kay Barrow	Corporate Services Manager (Secretariat)
Steffan Wiliam	Welsh Language Translator

PART 1	PRELIMINARY MATTERS	Action
AAC: 22/11/1.1	Welcome and Introductions	
	The Chair welcomed everyone to the meeting.	
AAC: 22/11/1.2	Apologies for Absence	
	Apologies were received from Clare James (Performance Audit Lead, Wales Audit Office) and Emma Samways (Deputy Head of Internal Audit, NWSSP).	
AAC: 22/11/1.3	Declarations of Interest	
	There were no declarations of interest.	
AAC: 22/11/1.4	Minutes of the Meeting held on 15 July 2019	
	The Committee received and approved the minutes of the meeting held on 15 July 2019.	

AAC: 22/11/1.5	Action Log from the Meeting of 15 July 2019	
	The Committee received and noted the updates to the Action Log from the meeting held on 15 July 2019.	
Resolved	The Committee agreed that the Executive Team keep the Audit Recommendations Tracker under review to ensure it does not become too lengthy.	DB
AAC: 22/11/1.6	Matters Arising	
	There were no matters arising from the previous meeting.	
PART 2	MATTERS FOR CONSIDERATION	
AAC: 22/11/2.1	Progress on Achieving Compliance with Mandatory Training on ESR	
	<p>The Committee received the report.</p> <p>In presenting the report, Julie Rogers highlighted that the report provided an update in relation to achieving compliance with statutory and mandatory training and also PADR performance targets.</p> <p>In relation to Statutory and Mandatory training, compliance had increased to 49.5%. It was highlighted that HEIW's workforce demographic was not typical of other Health Boards and Trusts, in that HEIW has a core workforce but also utilises sessional or staff contracted from other NHS organisations. The majority of staff who have dual contracts will have completed their statutory and mandatory training with their substantive employer. However, HEIW was experiencing delays with accessing those training records on ESR as evidence of successful completion. The Committee was concerned in relation to the sharing of ESR records across NHS organisations. It was recognised that this matter was being explored further and recognition of the work undertaken to date.</p> <p>PADR compliance recorded on ESR had increased to 11.4%. However, it was highlighted that this was not an accurate reflection of the HEIW position. From information submitted to the HEIW People Team for the purpose of learning and development, the actual rate was nearer 76%.</p> <p>The Committee was disappointed with the reported compliance for both KPIs on ESR but recognised that a number of actions were in place to improve awareness and capability with using ESR.</p>	
Resolved	<p>The Committee:</p> <ul style="list-style-type: none"> • noted the position and the good work that had been undertaken; • requested an update on progress to be presented at the next meeting to include: <ul style="list-style-type: none"> ○ a breakdown of each statutory and mandatory training area by staff group; ○ a breakdown of PADR compliance by staff group; ○ differentiation between core workforce/contract groups and the impact on compliance rates. 	JR

	<ul style="list-style-type: none"> Any areas of non-compliance with a red RAG status to be presented by the Directorate Lead. 	JR/PM
AAC: 22/11/2.2	Finance Project Plan Close Down Report	
	<p>The Committee received the report.</p> <p>In presenting the report, Eifion Williams advised that all tasks within the Finance Project Plan had been concluded. The Committee was assured that all work plan areas had been completed and that the project was now closed.</p>	
Resolved	The Committee requested that their formal thanks be passed to Martyn Pennell and Rhiannon Beckett for their hard work in establishing the Finance Team.	EW
AAC: 22/11/2.3	Annual Review of Financial Control Procedures	
	<p>The Committee received the report.</p> <p>In presenting the report, Martyn Pennell advised that the revisions to the Financial Control Procedures (FCPs) had been updated to replace named individuals with job titles and did not affect the current Scheme of Delegation.</p> <p>Internal Audit confirmed that they had reviewed the FCPs which were based on good practice and conformed to those across Wales.</p>	
Resolved	The Committee approved the FCP revisions and review dates.	
AAC: 22/11/2.4	Full Declarations of Interest Register	
	<p>The Committee received the Declarations of Interest Register.</p> <p>In reviewing the Register, it was highlighted that some declared interests could potentially conflict with their employment within HEIW. It was emphasised that there was a need to protect both HEIW and the individual in any potential area of conflict.</p> <p>Internal Audit informed the Committee that a review of other organisations were currently underway regarding what safeguards were in place to highlight any conflicts, particularly around procurement. This would help highlight where controls were needed from a governance perspective, and provide the assurance required to satisfy the Committee that all potential interests were being picked up.</p> <p>The Committee was advised that the Head of Procurement had checked the full HEIW Declarations of Interest Register and had no concerns at present. She explained that every procurement request over the threshold of £5k triggered an additional procedural check with the completion of a further declaration of interest. Any concerns at that point were escalated upwards. It was highlighted that the Head of Procurement would be reviewing the Register at 6-monthly intervals. The</p>	

	Procurement Team was currently working with HEIW staff to raise awareness of the procurement process and the importance of registering any potential areas of interest that could affect the procurement process.	
Resolved	<p>The Committee:</p> <ul style="list-style-type: none"> • noted the Register; • requested that a review of practices within other organisations be undertaken by Internal Audit and the Head of Procurement and brought back to the Committee at its next meeting. 	EW
AAC: 22/11/2.5	Information Governance Progress Report	
	<p>The Committee received the report.</p> <p>In presenting the report, Dafydd Bebb advised that a number of reports were on the agenda relating to information governance. He advised that this was to provide the Committee with a detailed update on the following areas: Freedom of Information, Data Subject Access Request and Cyber Security. Future reporting on these areas would be combined into one Information Governance report.</p> <p>The Committee discussed the Work Plan, raising some concerns in relation to the compliance status and actions for the grey shaded/ongoing areas within the work plan. Queries were also raised around timescales for implementation and subsequent review.</p> <p>The Committee was interested to know the level of compliance with the GDPR mandatory training module.</p>	
Resolved	<p>The Committee:</p> <ul style="list-style-type: none"> • noted the report; • requested that future reporting include timescales for all work plan areas, compliance status and actions for the grey shaded/ongoing work plan areas; • requested to be updated in relation to the compliance rate for the GDPR mandatory training module as part of the wider agreed update on Statutory and Mandatory Training compliance. 	DB JR
AAC: 22/11/2.6	Freedom of Information Report	
	The Committee received the report which provided an overview of requests received from 1 October 2018 to 30 September 2019. The Committee was pleased to note that compliance was reported at 92%.	
Resolved	The Committee noted the report for assurance purposes.	
AAC: 22/11/2.7	Data Subject Access Report	
	The Committee received and noted the report for assurance purposes.	

AAC: 22/11/2.8	Procurement Compliance Report	
	<p>The Committee received the report.</p> <p>In presenting the report, Christine Thorne explained that this was the first report in relation to procurement activity for HEIW. The report covered areas such as Single Quotation Actions; Single Tender Actions; Single Tenders for consideration following a call for an OJEU Competition; Contract Extensions and the Award of additional funding outside the terms of the contract (executed via Contract Change Note (CCN) or Variation of Terms). The reporting was consistent with the reporting across NHS Wales and would evolve over time as the organisation matures.</p> <p>The Committee considered the report. Questions were raised about whether all procurement activity was captured, and also whether there could be instances where purchasing activity could occur without the knowledge of the Procurement Team. It was confirmed that the threshold for Procurement Team involvement was £5k, and that not all purchasing activity was undertaken with the prior knowledge of the Procurement Team. However, the Procurement Team was actively working with HEIW colleagues to raise awareness of the need to ensure that Procurement colleagues were informed/involved in all purchasing activity in advance, so that it was not being retrospectively captured.</p> <p>The Committee raised a general point in relation to the accompanying narrative within the Committee reports, particularly those that were available to the public via the HEIW website. It was emphasised that a more appropriate narrative be used for future reporting.</p> <p>The Committee questioned the consistent use of the HEIW Committee Reporting Template and agreed that all reporting should have a fully completed HEIW Committee Cover Report template going forward.</p> <p>Discussions ensued in relation to whether Procurement compliance should be included in the performance reporting to the Board. This would be discussed with the HEIW Chairman.</p>	
Resolved	<p>The Committee:</p> <ul style="list-style-type: none"> • noted the report; • requested that the HEIW Committee Cover Report Template to be completed for all reports including external organisations; • agreed that the Board Secretary discuss with the HEIW CEO about the reporting of Procurement Compliance to the Board. 	<p>DB</p> <p>DB</p>

AAC: 22/11/2.9	Wales Audit Office:	
	<p>Progress against the WAO Annual Plan</p> <p>The Committee received the report.</p> <p>In presenting the report, Helen Goddard advised that the planning risk assessment work for the 2019/20 financial audit had commenced. The 2020 Audit Plan would be presented to the Committee in January 2020.</p> <p>The Structured Assessment work was nearing completion for reporting to the Committee in January 2020 and to the Board at its meeting in January 2020. WAO thanked the staff involved in the interview process.</p> <p>The Committee received an update in relation to the other Auditor General studies and the Good Practice Exchange. The Chair asked whether WAO could draw out any pertinent points/lessons learnt that would be of interest to HEIW, particularly from the national work. It was highlighted that WAO meet with the Board Secretary quarterly and such matters are raised at that time. This will be brought back to the Audit Committee where appropriate.</p> <p>Mike Usher informed the Committee in relation to the recent publication 'A review of quality governance arrangements at Cwm Taf Morgannwg University Health Board – Joint Review undertaken by Healthcare Inspectorate Wales and the Wales Audit Office'. Dr Andrew Goodall had written to each Health Board and Trust advising that a self-assessment against the recommendations needed to be undertaken and submitted to Welsh Government by 7 January 2020.</p>	
Resolved	The Committee noted the report.	
AAC: 22/11/2.10	Internal Audit:	
	<p>Internal Audit Progress Report</p> <p>The Committee received the report.</p> <p>In presenting the report, Simon Cookson highlighted that the audit programme was progressing as anticipated. The additional audit work requested in relation to workforce would focus on reviewing the Workforce Strategy. However, the request to undertake a review of the Bursary Reclaim would be scheduled into Quarter 1 of 2020/21.</p> <p>The Chair questioned the practice with other NHS organisations in relation to the receipt of all internal audit reports and whether they received summaries, or only limited assurance reports or all reports. Simon Cookson advised that practices varied across organisations and it was suggested that HEIW complete a full cycle of audits to better inform</p>	

	on the areas of focus. The reporting to the Committee can be reviewed going forward once the full cycle of audits had been undertaken.	
Resolved	The Committee noted the report.	
	<p>Casual Workers Employment Status Follow-Up Internal Audit Report</p> <p>The Committee received the report which had been assessed as reasonable assurance.</p> <p>In presenting the report, Kenneth Hughes advised that this was a follow-up to the limited assurance report presented to the Committee in May 2019. The follow up review provided an assurance level against the implementation of the agreed action plan. Five medium priority recommendations requiring further attention were highlighted which would be added and monitored using the Audit Recommendations Tracker , these would replace the original recommendation on the tracker.</p> <p>The Committee acknowledged the progress being made and the complexities around casual workers. The reliance on external support to provide the relevant training was noted together with the actions being taken to develop internal guidance resources for recruiting managers.</p>	
Resolved	The Committee noted the report.	
	<p>Freedom of Information Internal Audit Report</p> <p>The Committee received the report which had received an overall assessment of reasonable assurance. There were five recommendations, one high priority, one medium priority and two low priorities, all of which were now completed.</p> <p>The Committee's attention was drawn to the appendix accompanying the FOI report presented earlier on the agenda and the confidentiality breach. Immediate actions were agreed to be taken to rectify the position and the potential reporting to the ICO.</p>	
Resolved	<p>The Committee:</p> <ul style="list-style-type: none"> • noted the report; • requested the removal of the appendix to agenda item 2.6 from the Committee papers; • requested that an assessment using HEIW's Confidentiality Breach Reporting Protocol be undertaken to determine the reporting of the breach to the ICO. 	<p>DB Completed</p> <p>DB Completed</p>
	<p>Board and Committee Governance Arrangements Internal Audit Report</p> <p>The Committee received the report which had received an overall assessment of substantial assurance. There were two recommendations made. One medium priority recommendation requiring the Board and the remaining Committees to undertake self-assessments of their</p>	

	<p>effectiveness. The effectiveness reviews for the Board, Remuneration & Terms of Service Committee and Education, Commissioning & Quality Committee had been added to the respective forward work programmes. The second recommendation was low priority requiring the consistent use of the HEIW standard covering report template to be used for all Board and Committee reporting. This matter had been discussed earlier in the meeting.</p> <p>The Committee was pleased with the substantial assurance which was reflective of the efforts by the Board regarding its governance arrangements.</p>	
Resolved	<p>The Committee:</p> <ul style="list-style-type: none"> • noted the report for assurance purposes; • agreed to highlight the achievement in the Committee Chair's Summary Board report. 	GL
AAC: 22/11//2.11	Counter Fraud Progress and Quarterly Newsletter	
	<p>The Committee received the progress report and quarterly Newsletter.</p> <p>In presenting the report, Craig Greenstock advised that following the successful Fraud Awareness sessions undertaken with both Finance and the Senior Leadership Team, further sessions were currently being arranged to take place within HEIW throughout the remainder of the financial year. He also advised that there was one case currently under investigation.</p> <p>The Committee noted that the number of days within the Plan had been increased by 7, which had been allocated to Awareness/Prevention.</p> <p>Craig Greenstock advised that WAO was due to undertake a review of the effectiveness of the Local Counter Fraud Services, WAO advised that the outcome of the review would be published as an all Wales report.</p>	
Resolved	The Committee noted the report and Newsletter for assurance purposes.	
AAC: 22/11/2.12	Audit Recommendations Tracker	
	<p>The Committee received the Audit Recommendation Tracker.</p> <p>In presenting the Tracker, Dafydd Bebb highlighted that currently there were 35 recommendations arising from audit reports that were in progress. There were 7 'Red' status recommendations where good progress was being made, but outside the target date. 25 of the recommendations had been assessed as 'Green' status where actions were completed. 3 of the recommendations were areas considered as advisory points and therefore not considered to require a RAG status.</p> <p>The Committee considered the Tracker and agreed that those actions that had been assessed as 'Green' and fully completed could be</p>	

	<p>removed. Following discussion, the Committee agreed to remove recommendations when the status is 'Green' and that recommendations 36 onwards relating to the WAO Management Letter and Baseline Review – Structured Assessment, also be removed as these are routinely followed up on an annual basis by WAO.</p> <p>It was also highlighted that when the Tracker is updated with the audit reports considered at the meeting, that any duplication of recommendations are removed relating to both the Limited and Follow up Casual Workers Employment Status reports.</p> <p>The Chair commented that the Audit Tracker was the subject of much discussion at the all Wales Audit Committee Chairs.</p>	
Resolved	<p>The Committee:</p> <ul style="list-style-type: none"> • noted the Tracker and the status of the recommendations; • agreed that if a recommendation's status was 'Green' and had been fully completed, that it could be removed from the Tracker; • agreed to remove recommendations 36 onwards relating to the WAO Management Letter and Baseline Review Structured Assessment, as these are routinely followed up on an annual basis; • agreed that when the Audit Recommendations Tracker was updated, to remove any duplication for both the Limited Assurance and Follow-Up Audits relating to the recommendations for the Casual Workers Employment Status audit reports. 	<p>DB</p> <p>DB</p> <p>DB</p>
AAC: 22/11/2.13	Job Evaluation and Recruitment	
	<p>The Committee received the report.</p> <p>In presenting the report, Julie Rogers confirmed that the backlog of the job evaluations was now cleared and that recruitment into the vacancies was progressing well. Training for managers in the NHS job evaluation and recruitment processes has been undertaken which should minimise any delays within the recruitment process.</p> <p>The Committee was pleased to note the progress made.</p>	
Resolved	<p>The Committee:</p> <ul style="list-style-type: none"> • noted the report; • requested that the formal thanks of the Committee be passed to the People Team for their hard work in clearing the job evaluation backlog. 	JR
AAC: 22/11/2.14	To Review the Corporate Risk Register	
	<p>The Committee received the Corporate Risk Register.</p> <p>The Committee reviewed the Corporate Risk Register and the position in relation to the assessment of the risks. The Committee noted the increased score in relation to Bursary Reclaim and the addition of 3 new</p>	

	<p>risks relating to Cyber Security; Contract Renewal and People Team Capacity and the reasons for their inclusion.</p> <p>The Committee agreed to the removal of any 'Green' risks but raised concerns about the number of risks on the register and requested that at a further review of the impact of the risks on the register be undertaken and that the Board review its risk tolerance and appetite. It was also requested that the review focuses on the impact of the risk materialising and to re-class the risks into impact on the organisation rather than just highlighting an issue.</p>	
Resolved	<p>The Committee:</p> <ul style="list-style-type: none"> • noted the Risk Register; • agreed the removal of 'Green' risks from the risk register; • requested that a review of the impact of the risks on the register to be undertaken; • requested that the Board to review its risk tolerance and appetite. 	<p>DB</p> <p>DB</p> <p>DB</p>
AAC: 22/11/2.15	Revised Standing Orders and Revised Terms of Reference	
	<p>The Committee received the report.</p> <p>In presenting the report, Dafydd Bebb advised that the Committee's Terms of Reference, and HEIW's Standing Order's more broadly, had been updated to reflect the amendments arising from the Future Ways of Working paper that had been approved at the September Board. This had clarified the working relationship between the Board, the Education, Commissioning & Quality Committee (ECQC) and the Audit & Assurance Committee.</p> <p>The Committee was advised that the ECQC had considered and approved the revisions to its terms of reference at its meeting on 21 October 2019. These were included within the revised Standing Orders.</p> <p>An amendment had also been made to the Standing Orders relating to the delegated financial limits for the commissioning of education and training contracts. This was to ensure that contracts could be commissioned from any provider.</p> <p>The Committee considered the revisions to its own Terms of Reference and the Standing Orders. It was highlighted that reference to the 'Future Ways of Working' should end once the Board had approved the revisions to the Standing Orders.</p>	
Resolved	<p>The Committee:</p> <ul style="list-style-type: none"> • approved revisions to its own Terms of Reference; • agreed that any future revisions to the Standing Orders to be tracked changed so that amendments are easily identified; • agreed to recommend to the Board the revisions to the Standing Orders. 	<p>DB</p> <p>DB</p>

PART 3	FOR INFORMATION/NOTING	
AAC: 22/11/3.1	Completed Committee Self-Assessment Checklist	
	The Committee received the completed Committee Self-Assessment Checklist.	
Resolved	<p>The Committee:</p> <ul style="list-style-type: none"> • noted the completed checklist for assurance purposes; • agreed that the next Committee self-assessment is scheduled for January 2020. 	DB
AAC: 22/11/3.2	Forward Work Programme	
	The Committee received the draft Forward Work Programme.	
Resolved	<p>The Committee:</p> <ul style="list-style-type: none"> • agreed to amend the third entry under Counter Fraud to read 'Annual Self Review against NHS Counter Fraud Authority Standards'; • agreed that WAO confirm the correct timetabling of their respective reporting items; • agreed to amend the fifth entry under NWSSP Audit & Assurance – Internal Audit to read 'Draft Internal Audit Opinion'. 	DB WAO DB
PART 4	CLOSE	
AAC: 22/11/4.1	Any Other Business	
	There was no further business	
AAC: 22/11/4.2	Date of Next Meeting	
	The Committee noted that the next meeting scheduled was scheduled for Monday, 27 January 2020 at 10:30am in the HEIW Conference Room.	
Resolved	The Committee agreed for arrangements to be made for Committee Members to have Private Discussions with Counter Fraud, Internal and External Audit at 10.00am, for 30 minutes, prior to the next Committee meeting.	DB

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Gill Lewis (Chair)

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Date:

Audit and Assurance Committee (Open)
22 November 2019
Action Log

(The Action Sheet also includes actions agreed at previous meetings of the Audit and Assurance Committee and are awaiting completion or are timetabled for future consideration for the Committee. These are shaded in the first section. When signed off by the Audit and Assurance Committee these actions will be taken off the rolling action sheet.)

Minute Reference	Agreed Action	Lead	Target Date	Progress/ Completed
AAC: 22/11/1.5	Action Log			
	<ul style="list-style-type: none"> AAC: 15/07/2.4 Audit Recommendations Tracker: The Executive Team to keep the Tracker under review to ensure it does not become too lengthy. 	Board Secretary	Ongoing	Scheduled for review by the Executive Team on 8 January 2020.
AAC: 22/11/2.1	Progress on Achieving Compliance with Mandatory Training on ESR			
	<ul style="list-style-type: none"> an update on progress to be presented at the next meeting to include: <ul style="list-style-type: none"> a breakdown of each statutory and mandatory training area by staff group; a breakdown of PADR compliance by staff group; data on differentiation between core workforce /contract groups and the impact on compliance rates. 	Director of Workforce & OD	January 2020	Item on the January Committee Agenda.

Minute Reference	Agreed Action	Lead	Target Date	Progress/ Completed
	<ul style="list-style-type: none"> Any areas of non-compliance with a red RAG status to be presented by the Directorate Lead 	Director of Workforce & OD	January 2020	Item on the January Committee Agenda.
AAC: 22/11/2.2	Finance Project Plan Close Down Report			
	<ul style="list-style-type: none"> The formal thanks of the Chair and Committee to be passed to Martyn Pennell and Rhiannon Beckett for their hard work in establishing the Finance Team. 	Interim Director of Finance	Within 1 week	Completed.
AAC: 22/11/2.4	Full Declarations of Interest Register			
	<ul style="list-style-type: none"> A review of practices within other organisations to be undertaken by Internal Audit and the Head of Procurement and brought back to the Committee. 	Interim Director of Finance/ Board Secretary	January 2020	Item on the January Committee Agenda.
AAC: 22/11/2.5	Information Governance Progress Report			
	<ul style="list-style-type: none"> Future reporting to include timescales for all work plan areas and compliance status and actions for the grey shaded/ongoing work plan areas. 	Board Secretary	January 2020	Completed.
	<ul style="list-style-type: none"> The Committee to be updated in relation to the compliance rate for the GDPR mandatory training module as part of the wider agreed update on Statutory and 	Director of Workforce & OD	January 2020	Will be included in the overall statutory and mandatory training report scheduled for the January Committee.

Minute Reference	Agreed Action	Lead	Target Date	Progress/ Completed
	Mandatory training compliance.			
AAC: 22/11/2.8	Procurement Compliance Report			
	<ul style="list-style-type: none"> Ensure HEIW Committee Cover Report Template completed for all reports including external organisations. 	Board Secretary	Within 1 month	HEIW Template has been emailed to all Committee Officers for use.
	<ul style="list-style-type: none"> The Board Secretary to discuss with the HEIW Chairman about the reporting of Procurement Compliance to the Board. 	Board Secretary	Within 1 month	HEIW Chairman has requested that an Annual Procurement Activity Report be presented to the Board in May 2020. Exception reporting to be included in the Chair's Key Issue Report to the Board
AAC: 22/11/2.10	Freedom of Information Internal Audit Report			
	<ul style="list-style-type: none"> Remove the appendix included with agenda item 2.6 from the Committee papers. 	Board Secretary	Within 1 day	Completed. Appendix to agenda item 2.6 removed from the Committee papers on iBabs and HEIW website.
	<ul style="list-style-type: none"> Undertake an assessment using HEIW's Confidentiality Breach Reporting Protocol to determine the reporting of the breach to the ICO. 	Board Secretary	Within 1 week	<p>Completed. Assessment undertaken to consider the breach and whether it is reportable.</p> <p>The assessment was based on the number of entries, the level of data that could potentially breach, and the issues that could be experienced if the data could be subject to a breach. The conclusion concurred with that of the formal ICO process, in that this is not a</p>

Minute Reference	Agreed Action	Lead	Target Date	Progress/ Completed
				reportable breach as it is a low risk to an individual's privacy. The incident has been reported on HEIW's incident reporting system 'DATIX' as an issue with no ongoing further work as the data has been removed from the Committee papers on iBabs and HEIW website.
AAC: 22/11/2.10	Board and Committee Governance Arrangements Internal Audit Report			
	<ul style="list-style-type: none"> The Committee Chair agreed to highlight the achievement to the Board in the Committee Chair's Summary Board report. 	Committee Chair	November 2020	Completed.
AAC: 22/11/2.12	Audit Recommendations Tracker			
	<ul style="list-style-type: none"> Remove recommendations 36 onwards relating to the WAO Management Letter and Baseline Review – Structured Assessment, as these are routinely followed up on an annual basis. 	Board Secretary	Within 1 week	Completed.
	<ul style="list-style-type: none"> Remove recommendations when the status is 'Green' and had been fully completed. 	Board Secretary	Within 1 week	Completed.
	<ul style="list-style-type: none"> Update the Audit Recommendations Tracker to remove any duplication for both the Limited Assurance and Follow- 	Board Secretary	Within 1 week	Completed.

Minute Reference	Agreed Action	Lead	Target Date	Progress/ Completed
	Up Audits relating to the recommendations for the Casual Workers Employment Status audit reports.			
AAC: 22/11/2.13	Job Evaluation and Recruitment			
	<ul style="list-style-type: none"> The formal thanks of the Committee to be passed to the People Team for their hard work in clearing the job evaluation backlog. 	Director of Workforce & OD	Within 1 week	Completed.
AAC: 22/11/2.14	Corporate Risk Register			
	<ul style="list-style-type: none"> Remove 'Green' risks from the risk register. 	Board Secretary	Within 2 weeks	Completed.
	<ul style="list-style-type: none"> A review of the impact of the risks on the register to be undertaken. The review to focus on the impact of the risk materialising and to re-class the risks into impact on the organisation. 	Board Secretary	January 2020	Executive Team reviewing the Corporate Risk Register on 18 December 2019
	<ul style="list-style-type: none"> The Board to review its risk tolerance and appetite. 	Board Secretary	December 2019	The Board is to consider its Risk Appetite at the December Board Development Session.
AAC: 22/11/2.15	Revised Standing Orders and Revised Terms of Reference			
	<ul style="list-style-type: none"> Future revisions to the Standing Orders to be tracked changed so that amendments are easily identified. 	Board Secretary	November 2020	Noted for future reviews of the standing orders

Minute Reference	Agreed Action	Lead	Target Date	Progress/ Completed
	<ul style="list-style-type: none"> The Committee to recommend to the Board the revisions to the Standing Orders. 	Board Secretary	November 2019	Completed.
AAC: 22/11/3.1	Completed Committee Self-Assessment Checklist			
	<ul style="list-style-type: none"> The next Committee Self-Assessment is scheduled for January 2020. 	Board Secretary	January 2020	Item on the January Committee Agenda.
AAC: 22/11/3.2	Forward Work Programme			
	<ul style="list-style-type: none"> Amend the third entry under Counter Fraud to read 'Annual Self Review against NHS Counter Fraud Authority Standards. 	Board Secretary	Within 1 week	Completed.
	<ul style="list-style-type: none"> WAO confirm the correct timetabling of their respective reporting items. 	Wales Audit Office	Within 1 month	Completed.
	<ul style="list-style-type: none"> Amend the fifth entry under NWSSP Audit & Assurance – Internal Audit to read 'Draft Internal Audit Opinion'. 	Board Secretary	Within 1 week	Completed.
AAC: 22/11/4.2	Date of Next Meeting			
	Arrangements to be made for Committee Members to have Private Discussions with Counter Fraud, Internal and External Audit at 10.00am, for 30 minutes, prior to the next Committee meeting.	Board Secretary	Within 1 week	Completed. E-Meeting request issued to Committee Members, Counter Fraud, Internal and External Auditors to meet at 10am on Monday, 27 January 2020 in the Conference Room, Ty Dysgu, Nantgarw.



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Addysg a Gwella Iechyd
Cymru (AaGIC)
Health Education and
Improvement Wales (HEIW)

Meeting Date	27 January 2020	Agenda Item	2.1
Report Title	Progress on Achieving Compliance with Statutory & Mandatory Training and Staff Appraisals on ESR		
Report Author	Foula Evans Head of People & OD, Mike Mogford Senior Business Partner and Jeremy Ashdown, Leadership and OD Practitioner		
Report Sponsor	Julie Rogers, Deputy CEO/Director of Workforce & OD		
Presented by	Julie Rogers, Deputy CEO/Director of Workforce & OD		
Freedom of Information	Open		
Purpose of the Report	To provide an update on progress towards achieving compliance with statutory and mandatory training and staff appraisal (PADR) targets.		
Key Issues	<p>To report on our approach to date in building compliance for Statutory and Mandatory Training and the completion of PADR.</p> <p>Although progress has been made, the key issue of low compliance still remains in the Medical directorate.</p> <p>A targeted plan is proposed to support the continuous improvement of the compliance rates.</p>		
Specific Action Required <i>(please ✓ one only)</i>	Information	Discussion	Assurance
			✓
Recommendations	<p>Members are asked to note:</p> <ul style="list-style-type: none"> The progress towards achieving compliance with statutory and mandatory training and PADR performance targets; The actions that we are taking to improve compliance rates across the medical, dental and pharmacy directorates. 		

Governance and Assurance				
Link to corporate objectives (please ✓)	As a new organisation establishing HEIW as a valued and trusted partner, an excellent employer and a reputable and expert brand	Building a sustainable and flexible health and care workforce for the future.	With Social Care Wales shaping the workforce to deliver care closer to home and to better align service delivery.	Improving quality and safety by supporting NHS organisations find faster and more sustainable workforce solutions for priority service delivery challenges.
	✓			
	Improving opportunities for use of technology and digitalisation in the delivery of education and care.	Reinvigorating leadership development and succession planning across health and social care in partnership with Social Care Wales and Academi Wales	Demonstrating value from investment in the workforce and the organisation.	
Quality, Safety and Patient Experience				
An engaged and trained workforce delivers improved quality, financial and service performance and levels of engagement directly correlate to the quality of patient outcomes.				
Financial Implications				
No financial implications from this update.				
Legal Implications (including equality and diversity assessment)				
As an NHS organisation, there is a legal responsibility to ensure that staff receive statutory and mandatory training to develop the knowledge and skills to ensure a safe and healthy workplace. No equality impact assessment is required.				
Staffing Implications				
No staffing implications.				
Long Term Implications (including the impact of the Well-being of Future Generations (Wales) Act 2015)				
By continuously improving the staff engagement levels in HEIW, this will positively impact all areas of "The Well-being of Future Generations (Wales) Act 2015, 5 ways of working through the resulting overall increase in financial, quality and performance improvement.				
Report History	Quarterly update to Audit and Assurance Committee.			
Appendices	<ol style="list-style-type: none"> 1. Actual PADR Compliance by Directorate for HEIW 'core' staff, excluding GP Appraisers & Pharmacy Assessors / Facilitators as at 30th November 2019 (Run on 18 January 2020) ; 2. Statutory / Mandatory Learning Compliance for core staff, excluding GP Appraisers & Pharmacy Assessors/Facilitators as at 30th November 2019 (Run on 18 January 2020). 			

Progress on Achieving Compliance with Statutory & Mandatory Training and Staff Appraisals on ESR

1. INTRODUCTION

- 1.1 This paper provides an update on progress towards achieving compliance with statutory and mandatory training and in meeting staff performance appraisal and development review (PADR) targets.

2. BACKGROUND

- 2.1 At the Audit and Assurance Committee meeting on November 2019, the issue of low compliance on ESR for statutory and mandatory training and staff PADRs was reported. Although since that time there has been a significant improvement in the performance against both targets, more work needs to be undertaken to improve further. Although it remains the responsibility of the individuals and their managers to ensure compliance in these areas a plan for targeted support is outlined in paragraph 6.
- 2.2 There are currently 383 HEIW staff. Of these, 111 people are GP Appraisers and Pharmacy Assessors/Facilitators. Of these 111 people, 8 have more than one role within HEIW, and 104 people in this group work less than 0.3 FTE (full time equivalent) – or a day and half per week. Together these staff equate to just over 14 FTE and are predominantly employed substantively by other healthcare organisations. We would therefore expect their mandatory training and PADR compliance to be registered and monitored with these organisations. For the purposes of this report therefore, we have separated the two groups of staff. The narrative in this section refers to the 272 ‘core’ staff unless otherwise indicated as at 30th November 2019.
- 2.3 The table below highlights the breakdown of staff in each of the directorates. The Medical directorate has the highest number of staff at 187.

Directorate	Head Count
Director of Nursing Directorate	11
Director of Workforce and OD Directorate	44
Executive Office Directorate	13
Finance and Corporate Services Directorate	17
Medical Director Directorate	187
Grand Total	272

3. PERFORMANCE APPRAISAL AND DEVELOPMENT REVIEW (PADR)

- 3.1 The Welsh Government Compliance target for PADR/Appraisal is 85%, with the data being compiled from the ESR system. This is an agreed measure, which recognises that factors such as long-term sickness, maternity leave, career breaks would mean that 100% full compliance is not realistic. Personal Appraisal Development Review (PADR) forms part of contractual arrangements for staff appointed on Agenda for Change terms and conditions. For HEIW our

PADR is a values-based approach, with the outcome being an agreed personal development plan for continuous improvement. PADR gives the individual staff member the opportunity to discuss their performance against agreed objectives.

- 3.2 The Agenda for Change pay agreement requires confirmation of the PADR taking place to enable ongoing pay progression. However, this does not affect former Cardiff University staff as under TUPE, their incremental progression takes place automatically on 1st August each year.
- 3.3 Appendices one and two shows the breakdown by Directorate and all have made positive progress with a significant improvement overall in staff recording the completion of PADR's on ESR from 11.4% in October 2019, rising to 40% in November 2019. This is set against a target figure of 85% and a current average across NHS Wales organisations of 68%.
- 3.4 The lowest performing Directorate in respect of PADR compliance is the Medical Directorate which has the largest staff group in the organisations. Currently this Directorate has a 26% completion rate. In line with these findings targeted work is now planned in with these areas to improve compliance levels. Details of this are provided in section 5 below.

4. STATUTORY / MANDATORY TRAINING

- 4.1 The Welsh Government performance target requires 85% compliance at minimum level 1 in the 10 UK Core Skills Framework for NHS Staff. These are:
 - Equality and Diversity (Treat me Fairly)
 - Fire Safety
 - Health and Safety
 - Infection Control
 - Information Governance
 - Moving and Handling
 - Prevention and Management of Violence and Aggression
 - Resuscitation
 - Safeguarding Adults
 - Safeguarding Children
- 4.2 All learning material related to this level is contained within the ESR system's e-learning content, and completion is automatically updated in the system. The majority of these learning modules require a 3 year refresher period, although specific modules may differ in this. New starters are excluded from this report for the first 3 months in post.
- 4.3 Within HEIW the compliance rate for statutory mandatory training for core staff is 65%. Current average rates of compliance for organisations within NHS Wales is 79%. As with PADR compliance, this demonstrates a significant improvement since October 2019 when the rate was 49%.

4.4 Of the 5 Directorates however, only the Medical Directorate is below 78%.

4.5 However, although compliance levels are on an upward trajectory they still fall short of the target figure and therefore, as with PADR compliance, some focussed work is planned, particularly in respect of the Medical, Dental and Pharmacy. This is outlined in section 5 below.

5. NEXT STEPS

5.1 To support continued improvement in compliance the People, Workforce and OD teams, are continuing in mandating a pro-active approach to driving up our compliance through:

- Additional ESR support both in respect of individual and group support where required
- Utilisation of team meetings, induction, routine internal publications etc. to promote the need for compliance
- Mandating in the HEIW study leave policy that staff must be compliant with statutory/mandatory training prior to attendance at other training.
- From 2020, providing directorate and department compliance rates p on a monthly basis to individual managers, SLT and Executive Teams.
- Targeted support and work in respect of the Medical Directorate where there are compliance issues in both categories. This is outlined in the timetable below and will start with analysing the barriers to compliance in these specific areas:

Activity	By when
People Team Senior People Business Partner to attend:	
Medical Directorate Senior Leadership Team meeting	21st January 2020
Meeting with Dental Dean	23rd January 2020
Pharmacy Directorate Senior Leadership Team	27th January 2020
People team People Business Partners to target managers in Medical, Dental and Pharmacy – one to one meetings with managers	15th February 2020
ESR training for all staff to raise awareness on the system and how to complete appraisals and statutory and mandatory training to be delivered by People team and Analytics team	6th February 2020 & 6th March 2020

Activity	By when
For new staff – the People team will be holding managers to account, by sending an email to prompt make sure they register the initial conversation, more importantly, set objectives and record this on the PADR system within the first week of employment.	20th January 2020

6. GOVERNANCE AND RISK ISSUES

- 6.1 As an NHS organisation, there is a legal responsibility to ensure that staff receive training to develop the knowledge and skills to ensure a safe and healthy workplace. We are also required to account for our performance as part of our national reporting. We have seen some improvement but overall, we are not achieving the required levels. However, refreshed and strengthened actions are in place to try to drive up performance and this remains a priority for the organisation, and a key indicator in our integrated performance framework.

7. FINANCIAL IMPLICATIONS

- 7.1 There are no financial implications arising from this update as all of the training and tools needed are currently available.

8. RECOMMENDATION

- 8.1 Members are asked to note:
- The progress towards achieving compliance with statutory and mandatory training and PADR performance targets;
 - The actions that are planned to continue the improvement trajectory.

END

Appendix 1

Actual PADR Compliance by Directorate for HEIW ‘core’ staff, excluding GP Appraisers & Pharmacy Assessors / Facilitators as at 30th November 2019 (Run on 18 January 2020)

Directorate	Assignment Count	Reviews Complete	Reviews Complete %
Director of Nursing Directorate	11	8	73%
Director of Workforce and OD Directorate	40	29	73%
Executive Office Directorate	13	13	100%
Finance and Corporate Services Directorate	15	10	67%
Medical Director Directorate	214	56	26%
Grand Total	*293	116	40%

**Difference in numbers tables in Assignment Count and headcount –*

PADR – 293

Stat and Mandatory - 272

The NHS Wales standard for reporting Stat and Mandatory and PADR requires staff to be excluded.

- For Statutory and Mandatory anyone who joins the organisation in the month of reporting is excluded from the Assignment count, there is an assumption that it will take someone 1 month to complete their training. So if you join in Jan and the report is showing Jan data you would be excluded.*
- For PADR this exclusion is extended for three months. So we would expect new starters to be in post for a couple of months before they have a PADR*

Because of this the assignment numbers in each metric to differ from each other.

Appendix 2

Statutory / Mandatory Learning Compliance for 'non-core' staff, excluding GP Appraisers & Pharmacy Assessors / Facilitators as at 30th November 2019 (Run on 18 January 2020)

Directorate	Head Count	Compliance %
Director of Nursing Directorate	11	87%
Director of Workforce and OD Directorate	44	86%
Executive Office Directorate	13	78%
Finance and Corporate Services Directorate	17	79%
Medical Director Directorate	187	57%
Grand Total	272	65%



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Improvement Wales (HEIW)

Meeting Date	27 January 2020	Agenda Item	2.2
Report Title	Wales Audit Office Reports – January 2020		
Report Author	Mike Usher, Dave Thomas		
Report Sponsor	Eifion Williams		
Presented by	Mike Usher		
Freedom of Information	Open		
Purpose of the Reports	<p>Four reports included:</p> <ul style="list-style-type: none"> - Audit and Assurance Committee Update; - Structured Assessment 2019; - Annual Audit Report 2019; - 2020 Indicative Audit Plan, including the proposed fee for 2020. 		
Key Issues	<p>Members are asked to note the completion of work against our 2019 plan.</p> <p>Member are asked to note the work undertaken and recommendations arising from our Structured assessment 2019.</p> <p>We have summarised the outcome of our 2019 audit work within our Annual Audit Report.</p> <p>I present our Indicative Audit Plan for 2020.</p>		
Specific Action Required <i>(please ✓ one only)</i>	Information	Discussion	Assurance
		x	
Recommendations	<p>Members are asked to:</p> <ul style="list-style-type: none"> • Note the Audit and Assurance Committee Update. • Note the Structured Assessment 2019. • Note the Annual Audit Report 2019. • Note the 2020 Indicative Audit plan, including the proposed fee for 2020. 		

WAO REPORTS

1. INTRODUCTION

I present four reports to the Committee which signify completion of our 2019 external audit work and commencement of our 2020 audit work.

2. BACKGROUND

Our Audit Plan 2019 was approved by the Committee on 12 February 2019.

Our financial audit work for 2019 was concluded in July 2019 with the presentation of our management letter to the Committee.

Our Structured Assessment is now complete and asked 'Does HEIW have arrangements in place to support good governance and the efficient, effective and economical use of resources?'

Our findings are positive overall with some recommendations mainly around further developing assurance arrangements for risk and performance management and IT governance.

The Annual Audit Report summarises the outcome of all audit work undertaken against our Audit Plan 2019.

My team has commenced initial planning work for the 2020 audit year, and hence I present to you our 2020 Indicative Audit Plan for your consideration. The purpose of this plan is to set out our proposed work for 2020, when it will be undertaken, how much it will cost and who will undertake it.

3. GOVERNANCE AND RISK ISSUES

Please refer to detail within our Structured Assessment for recommendations for further development of assurances arrangements for risk and performance management and IT governance.

4. FINANCIAL IMPLICATIONS

Our 2020 Indicative Audit Plan includes a proposed audit fee of £165,500, a 9% reduction on the actual fee charged for our 2019 audit work. Please note that this proposed fee currently remains subject to final moderation by the Auditor General.

5. RECOMMENDATION

Members are asked to

- Note our Audit and Assurance Committee Update.
- Note our Structured Assessment 2019.
- Note our Annual Audit Report 2019.
- Note our 2020 Indicative Audit Plan, including the proposed fee for 2020.

Governance and Assurance				
Link to corporate objectives <i>(please ✓)</i>	As a new organisation establishing HEIW as a valued and trusted partner, an excellent employer and a reputable and expert brand	Building a sustainable and flexible health and care workforce for the future.	With Social Care Wales shaping the workforce to deliver care closer to home and to better align service delivery.	Improving quality and safety by supporting NHS organisations find faster and more sustainable workforce solutions for priority service delivery challenges.
	Improving opportunities for use of technology and digitalisation in the delivery of education and care.	Reinvigorating leadership development and succession planning across health and social care in partnership with Social Care Wales and Academi Wales	Demonstrating value from investment in the workforce and the organisation.	
Quality, Safety and Patient Experience				
N/a				
Financial Implications				
N/a				
Legal Implications (including equality and diversity assessment)				
N/a				
Staffing Implications				
N/a				
Long Term Implications (including the impact of the Well-being of Future Generations (Wales) Act 2015)				
N/a				
Report History	N/a			
Appendices	N/a			



WALES AUDIT OFFICE
SWYDDFA ARCHWILIO CYMRU

Archwilydd Cyffredinol Cymru
Auditor General for Wales

Audit and Assurance Committee Update – **Health Education and Improvement Wales**

Date issued: January 2020

Document reference: HEIWAACU202001



This document has been prepared as part of work performed in accordance with statutory functions.

In the event of receiving a request for information to which this document may be relevant, attention is drawn to the Code of Practice issued under section 45 of the Freedom of Information Act 2000.

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General for Wales and the Wales Audit Office are relevant third parties. Any enquiries regarding disclosure or re-use of this document should be sent to the Wales Audit Office at

info.officer@audit.wales.

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Summary report

About this document

- 1 This document provides the Audit and Assurance Committee of Health Education and Improvement Wales (HEIW) with an update on current and planned Wales Audit Office work. Financial and performance audit work is considered, and information is also provided on the Auditor General's programme of national value-for-money examinations where they may be of interest or relevance to the NHS.

Financial audit update

Exhibit 1: Financial audit update

Work completed
Annual Accounts
2018-19 The financial reporting timetable for 2018-19 as prescribed by the Welsh Government was adhered to. The financial statements for the period ended 31 March 2019 were certified by the Auditor General on 11 June 2019 with an unqualified audit opinion and laid before the National Assembly for Wales on 12 June 2019. Our Management Letter was presented to the Audit and Assurance Committee on 15 July 2019 and concluded our 2018-19 financial audit work as set out within the 2019 Audit Plan.
2019-20 Quarterly update meetings with the Chair and Chief Executive have continued throughout the period. Our 2019-20 audit planning work commenced in December 2019 and we now present the 2020 Indicative Audit Plan to you.

Performance audit update

Exhibit 2: Performance audit update

Work completed				
Topic (year of Audit)	Key findings	Status	Executive lead	Received at Audit and Assurance Committee / other
Baseline Review (2019) - informal review of key areas to highlight what's going well and what needs more work	<p>Theme coming through strongly and at the heart of progress so far is HEIW's internal culture and engagement shown by high levels of staff engagement, the collegiate approach to working and strong, supportive leadership.</p> <p>We might have expected more progress on risk and performance management but there are plans in place with developments ongoing and picking up speed. We updated these findings in our Structured Assessment work below.</p>	Complete. Findings discussed in Board Development session 27 June 2019.	Dafydd Bebb	15 July 2019
Structured Assessment (2019)	<p>This work is now complete and asked 'Does HEIW have arrangements in place to support good governance and the efficient, effective and economical use of resources?'</p> <p>Our findings are positive overall with some recommendations mainly around further developing assurance arrangements for risk and performance management and IT governance.</p>	Complete. Report cleared with Executive Team 8/1/20.	Dafydd Bebb	27 January 2020
Work due to start in 2020				
Topic (year of Audit)	Focus of work	Status	Executive lead	Expected date of final report
Structured Assessment (2020)	This work will follow up on our 2019 Structured Assessment and focus on those areas still developing.	Not yet started	Dafydd Bebb	January 2021
Local project	We are currently reviewing topics for a local project at HEIW in 2020 to provide useful assurance and support.	Not yet started	TBC	TBC

Other Auditor General studies

The Audit and Assurance Committee may also be interested in the following studies / reports issued since the last Audit and Assurance Committee Update.

Exhibit 3: Other Auditor General Studies and reports

Product	Summary
Progress in implementing the Violence against Women, Domestic Abuse and Sexual Violence Act November 2019	<p>Victims and survivors of domestic abuse and sexual violence are often let down by an inconsistent, complex and fragmented system.</p> <p>We have examined how the new duties and responsibilities of the Violence against Women, Domestic Abuse and Sexual Violence (Wales) Act are being rolled out and delivered.</p> <p>http://www.audit.wales/publication/progress-implementing-violence-against-women-domestic-abuse-and-sexual-violence-act</p>
A joint review of quality governance arrangements at Cwm Taf Morgannwg University Health Board November 2019	<p>Our review has highlighted a number of fundamental weaknesses in the Health Board's governance arrangements in respect of the quality of care and patient safety.</p> <p>Significant and urgent improvements are needed at both the directorate and corporate level to either strengthen or more fundamentally overhaul existing arrangements, organisational structures and roles.</p> <p>http://www.audit.wales/publication/joint-review-cwm-taf-morgannwg-university-health-board</p>

Good Practice Exchange

The Good Practice Exchange (GPX) helps public services improve by sharing knowledge and practices that work. We run events where people can exchange knowledge face to face and share resources online.

Details of past and forthcoming events, shared learning seminars and webinars can be found on the [GPX page](#) on the Wales Audit Office's website. The table in **Exhibit 4** lists recent and forthcoming events since the last Audit and Assurance Committee.

Exhibit 4: Good Practice Exchange

Recent and forthcoming events
Recent events (http://www.audit.wales/events/past-events/)
Future proofing public services. This webinar identified practical examples of services doing things differently to plan for the future and optimise benefits across public services in Wales. (September)
Making an equal Wales a reality. This seminar looked at what public services are doing to contribute to a More Equal Wales. (September).
How technology is enabling collaborative working across public services. This seminar will showcase a range of digital tools and how they can improve collaboration between public services. (October).
Forthcoming events (http://www.audit.wales/forthcoming-events)
Unearth the value in your data (January 2020) This webinar is for organisations that want to transform the way they collect, analyse and use data, at all levels.
Working together to identify and reduce vulnerability (February 2020) This seminar will focus on how to achieve effective governance and accountability in partnership working to deliver efficient public services.
Adverse childhood experiences – alternative delivery models (March 2020)
Violence against women, domestic abuse and sexual violence (April 2020)

Further information on any of our past or planned GPX events can be obtained by contacting the local audit team or emailing good.practice@audit.wales.

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We welcome correspondence and telephone calls in Welsh and English.
Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.



WALES AUDIT OFFICE
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Archwilydd Cyffredinol Cymru
Auditor General for Wales

Structured Assessment 2019 – **Health Education and Improvement Wales**

Audit year: 2019

Date issued: January 2020

Document reference: 1662A2019-20



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infoofficer@audit.wales.

We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

The team who delivered the work comprised Andrew Strong, Clare James, Dave BurrIDGE and Urvisha Perez.

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Detailed report

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Summary report

About this report

- 1 This report sets out the findings from the Auditor General's 2019 structured assessment work at Health Education and Improvement Wales (HEIW). The work has been undertaken to help discharge the Auditor General's statutory requirement, under section 61 of the Public Audit (Wales) Act 2014, to be satisfied that NHS bodies have made proper arrangements to secure economy, efficiency and effectiveness in their use of resources.
- 2 As HEIW is a new NHS body, we have taken a different approach to that at other NHS bodies this year. Our work has been completed in two phases. Phase 1 was a baseline review looking at HEIW's progress in its first eight months. Findings were fed back informally to HEIW at a board development session in June 2019. This report presents the findings of phase 2 which builds upon and follows-up the baseline review findings.
- 3 Our structured assessment work has included interviews with officers and Independent Members, observations at Board and committee meetings and reviews of relevant documents, performance and financial data.
- 4 The key focus of structured assessment is on the corporate arrangements for ensuring that resources are used efficiently, effectively and economically. The report groups our findings under four themes: governance arrangements, strategic planning, managing financial resources and managing the workforce.

Background

- 5 The Welsh Government established HEIW as a Special Health Authority in October 2018 by bringing together three predecessor organisations: Wales Deanery, NHS Wales Workforce Education and Development Services, and the Wales Centre for Pharmacy Professional Education. As the only Special Health Authority within NHS Wales, it sits alongside the seven health boards and three NHS trusts as part of the NHS family. HEIW's role is to take the lead on education, training and development, and shaping of the Welsh healthcare workforce, to help drive high-quality care for the people of Wales.
- 6 The focus of HEIW's work was initially shaped by the Remit Letter it received from the Welsh Government. This letter set out nine key areas of focus including workforce intelligence, planning and improvement; education commissioning; and careers and widening access. The letter, issued in HEIW's infancy, recognised it was in a transitional period.
- 7 We undertook our baseline review approximately six months after HEIW was established to provide early informal feedback on whether the core corporate arrangements for ensuring that resources are used efficiently, effectively and economically were in place.

- 8 We found that HEIW had a strong focus on organisational culture and values, which had been at the heart of its progress to date. This was demonstrated by high levels of staff engagement, a collegiate and flexible approach to working, and strong, supportive leadership. Key policies and procedures were in place and a clear organisational vision communicated.
- 9 We identified the main areas for improvement were risk and performance management arrangements, including the development of operational plans, but noted that plans for development were in place, and the pace was starting to pick up in these areas.
- 10 HEIW met its financial duties for 2018-19, with a small revenue underspend. The Welsh Government wrote to HEIW in September 2019 confirming its Joint Escalation and Intervention status¹ as 'routine arrangements'. The letter stated that HEIW had started well after overcoming some initial difficulties. It also highlighted that HEIW has an approved one-year plan (2019-20) and is in the process of developing a three-year integrated medium-term plan (IMTP) for 2020-23.

Main conclusions

- 11 Our overall conclusion from the 2019 structured assessment work is **that strong leadership and sound arrangements have supported effective business and a positive staff culture in 2019. A one-year plan is in place and good progress has been made to date on the three-year plan for 2020-23. Improvement opportunities exist to formalise and improve assurance arrangements.**
- 12 A summary of our main conclusions is set out below and the findings that support these are described in greater depth in the detailed report:
- 13 **The Board and committees provide strong leadership and administer their business well, but risk, board assurance, performance management and information governance are areas for further development.** The Board and its committees are demonstrating strong, collegiate leadership supported by effective administrative processes and a sound organisational structure. Risk management arrangements can be improved, and work is needed on the Board Assurance Framework (BAF) to identify and map key sources of assurance. Internal controls provide some of the assurances required but development is needed, particularly on the performance management framework and information governance.
- 14 **A clear vision and strategic objectives are in place with plans for Integrated Medium-Term Plan production but supporting operational plans and monitoring IMTP delivery are areas for further work.** There is a clear vision underpinned by strategic objectives and a continuous learning and engagement approach to IMTP development. Arrangements are in place, though timescales are tight, to ensure demand and capacity are understood and enabler plans integrated,

¹ We meet with the Welsh Government and Health Inspectorate Wales twice a year to assess all NHS bodies against the Joint Escalation and Intervention Framework.

though Digital and IT plans need work. Documented arrangements for oversight and scrutiny of performance against strategic objectives and plans are needed, along with clear KPIs and targets.

- 15 **Financial controls and policies are in place, refinements to financial reporting continue and work to strengthen asset and contract management is underway.** Despite early staffing issues, key financial controls and policies have been prioritised with timely reporting to the Board. Further work is being taken around asset and contract management to facilitate good planning, governance and use of assets, along with continued development of financial reporting to the Board.
- 16 **Excellent staff engagement has helped drive a positive culture and there are plans in place to improve workforce management arrangements.** There is a strong focus on organisational culture, staff engagement, and staff wellbeing. The job evaluation backlog has been cleared and strategies are in place to manage vacancies. Training and development plans are progressing, and work is planned to improve recorded levels of staff appraisal and completion of statutory and mandatory training.

Recommendations

- 17 Recommendations arising from this audit are detailed in [Exhibit 1](#). We will publish the management response alongside our report once received by the relevant committee.
- 18 We have also included progress on our Baseline Review learning points within the relevant section of the detailed report.

Exhibit 1: 2019 recommendations

Recommendations	
Governance	
Conducting Business Effectively	
R1	Given the fast pace of change within HEIW's operational and governance arrangements, HEIW should review Board and committee oversight to ensure the breadth of its work is covered and there are no gaps in scrutiny arrangements.
Managing risk to achieve strategic priorities	
R2	HEIW's Board Assurance Framework (BAF) sets out clearly what a BAF should do and the processes involved. HEIW should now create the assurance map required by undertaking a process to identify and map the controls and key sources of assurance against the principle risks to achieving its strategic objectives.
R3	HEIW should improve its risk management by determining and clearly communicating its risk appetites to ensure a consistent approach to: <ul style="list-style-type: none">a) tolerance of risk;b) assessing and scoring of risks; andc) escalation/removal of risks to/from the Corporate Risk Register.
Embedding a sound system of assurance	
R4	HEIW should document its performance management framework, setting out: <ul style="list-style-type: none">a) operational performance management arrangements and lines of accountability; andb) what is reported to whom and by when, and Board / Committee oversight for performance management.
R5	HEIW should strengthen information governance and cyber security arrangements by: <ul style="list-style-type: none">a) appointing a full-time information governance and data protection manager to complete the GDPR action plan and work towards full compliance;b) developing and reporting information governance KPIs;c) achieving certification in cyber security arrangements;d) establishing effective cyber security resources and expertise to manage risks;e) documenting a cyber security incident response plan to manage attacks; andf) completing its planned and prioritised actions swiftly.
Strategic Planning	
Developing Strategic Plans	
R6	HEIW should strengthen its strategic approach to digital and IT by: <ul style="list-style-type: none">a) developing and approving a Digital and IT strategy;b) considering current capacity to deliver the Head of Digital role and whether it needs to appoint to the post;c) developing and reporting IT KPIs for challenge and scrutiny.

Recommendations

Monitoring delivery

- R7 HEIW has not set out a framework for monitoring performance against its strategic objectives and IMTP and should:
- a) formally document arrangements for the oversight and scrutiny of performance against strategic objectives; and
 - b) work with pace to develop KPIs and targets which are clearly linked to strategic objectives, against which the Board can scrutinise performance.

Detailed report

Governance

- 19 Our structured assessment work has examined HEIW's governance arrangements. We looked at the way in which the Board and its sub-committees conduct their business, and the extent to which organisational structures and arrangements are supporting good governance and clear accountabilities. We considered the information that the Board and its sub-committees receive to help it oversee and challenge performance and monitor the achievement of organisational objectives. We also reviewed how HEIW has progressed learning points from our baseline review.
- 20 In 2019, we found that **the Board and committees provide strong leadership and administer their business well, but risk, board assurance, performance management and information governance are areas for further development.**
- 21 The Board and its committees are demonstrating strong, collegiate leadership supported by effective processes and a sound organisational structure. Risk management arrangements can be improved, and work is needed on the Board Assurance Framework to identify and map key sources of assurance. Internal controls provide some of the assurances required but development is needed particularly on the performance management framework and information governance.

Conducting business effectively

The Board and its committees are demonstrating strong and collegiate leadership with a focus on continuous learning. Clear and comprehensive administrative arrangements are in place though there is an opportunity to review Board and committee oversight to ensure no operational areas are omitted from scrutiny.

Board and committees

- 22 HEIW's Board and committees demonstrate strong leadership with a collegiate approach within and across these fora. Our observations evidenced excellent knowledge of the business from independent members (IMs), with a challenging but solutions focused approach to supporting officers. Meetings are well run, with good chairing skills and time for engaged discussion, helped by a templated approach to papers and clear expectations for officers presenting.
- 23 A stable Board is in place, made up of seven IMs and five executives. There is a proactive and continuous approach to IM development including 121s with the Chair, Board development sessions and internal induction. Service improvement stories are a standing item at Board meetings and whilst only one committee has undertaken a self-assessment to date, plans are in place for the Board and other committees to do so in 2020. Each IM has a champion role to develop understanding and provide additional perspective to the Board.
- 24 We observed a responsive approach to issues, for example the establishment of the new Education, Commissioning and Quality Committee (ECQC) in year, in addition to the two statutory committees of Audit and Assurance (AAC) and Remuneration and Terms of Service (RATS), to mitigate conflict of interest risks. A Way of Workings document revisited the committees' terms of reference to ensure clear boundaries are set particularly over risk assurance. All committees have clear terms of reference, action plans and work programmes to support effective governance. We note that whilst

ECQC is responsible for scrutiny and assurance on risk within its remit, there is no standing item for risk review on their agenda.

- 25 Given the current fast pace of change of operational arrangements and governance within HEIW, we would encourage a review of Board and committee oversight to ensure the breadth of HEIW's work is captured by one of these fora and there are no gaps. This work should be linked to our comments later, on the Board Assurance Framework.

Arrangements that support the Board

- 26 HEIW made a good transition from shadow to operational body and put in place core arrangements swiftly. Clear standing orders including scheme of delegation are in place and were updated on a timely basis throughout 2019 to reflect changes such as to committee structures and authorities for expenditure approval, though we note that the IM champion roles have not been included in the scheme of delegation. Standing orders and financial instructions are available on HEIW's website. Breaches are required to be reported to the Board Secretary and Director of Finance and then to the AAC and we observed the reporting of a single tender action in year. A register of all single tender and quotation actions was reported to the AAC in November and should be used to track use and identify wider issues. Our short guide on the use of single tender actions may be helpful to the Audit Committee: [Ensuring value for money in the use of single tender actions](#).
- 27 A policy register is now in place which lists all policies along with key data to enable timely review, update and communication. A sensible approach to getting these in place was taken by adopting appropriate all Wales policies and then working on HEIW specific policies through the year.
- 28 Arrangements to promote probity and propriety are in place. Registers of Interests and Gifts and Hospitality are established and reviewed regularly by the AAC. The full Register of Interests (Board and staff) was reviewed in November 2019. A Whistleblowing Policy is in place as are other key probity policies such as email and internet use.

Progress on baseline review learning points

- 29 In our baseline review, we highlighted the following learning points relating to business conduct. [Exhibit 2](#) describes the progress made.

Exhibit 2: Effective business conduct: learning points

Learning point	Description of Progress
Board versus Board development session Ensure independent members understand the functions of and their role when participating at Board meetings versus Board Development Sessions.	Evidence that independent members are now comfortable with the two forums and their purpose.
Transparency of committee meetings To improve transparency, ensure meeting details and papers of all (open) committee meeting are available on HEIW's website.	All committee dates and papers are now available on the website on a timely basis.

Learning point	Description of Progress
Governance structure mapping As highlighted by internal audit, HEIW should map out how Board, committees and advisory groups link together. This will help highlight any gaps in assurance.	A basic diagram was included in the Annual Report of the Board and its three committees. Mapping of links for the new Education, Commissioning and Quality Committee could be used as a template for a wider map to set out how committees relate to each other and interact, including how steering groups feed into committees. See recommendation 1.
Scheme of delegation Update the Scheme of Delegation to include independent member champion roles and responsibilities.	Champion roles not included. It would be good practice to include champion roles in the scheme of delegation.
Register of single tender/quotation actions Keep a register of single tender/quotation actions and review periodically.	These are held by the NHS Wales Shared Services Partnership procurement team and will be reported to Audit and Assurance Committee. A register was taken to November's committee. It is good practice to keep such a register and report at least annually to AAC to track use and identify wider issues.

Managing risks to achieving strategic priorities

HEIW has a risk management framework though some risk registers are incomplete, risk appetite is not defined and the controls and assurances underpinning the Board Assurance Framework are not sufficiently clear

- 30 A Board Assurance Framework (BAF) is a structured way to identify and map the key risk to achieving each strategic objective, the specific controls in place to mitigate those risks, and the sources of assurance for each. This creates an assurance map, enabling alignment with committee oversight of risks and assurances.
- 31 HEIW's BAF was approved by the Board in September 2019 and will be reviewed annually by the Board and AAC. Whilst it sets out clearly what a BAF should do and the process in general terms, there is no evidence of the mapping we would expect. The BAF refers the reader to the Corporate Risk Register. Whilst the Corporate Risk Register sets out key risks and mitigations to those risks, it does not provide the assurance map that a BAF should. For the BAF to be effective, HEIW must have a good understanding of the flows of assurances from operational teams up to the Board and committees and map those that provide key sources of assurance on controls over the key risks to strategic objectives. Although HEIW has many of these elements, it needs to bring them together in an assurance map that also identifies any gaps and measures to bridge them. The BAF should be reviewed regularly by the Board to ensure effective co-ordination of assurance.

- 32 BAF arrangements are a natural extension of risk management and are reliant on good risk management arrangements to be successful. HEIW has a risk management policy with roles and responsibilities set out. Risk management training was received by the Board in February 2019, followed more recently by the senior leadership team. The training has been well received and will be rolled out further. HEIW operates a paper-based risk management process, having considered use of the DATIX risk management system it concluded its use would be disproportionate to need.
- 33 The Corporate Risk Register is reported in detail to AAC and reviewed by the executive and senior leadership teams monthly. A Corporate Risk Register should include strategic risks identified by the Board and those identified by directorates which need to be escalated (which could be operational). However, currently not all operational risk registers are in place and some are work in progress eg Digital and IT. Our review of registers and policies and discussions with officers indicate that risk appetites are not clearly understood or used. This is key for a consistent approach across HEIW to escalation and removal of risks from the Corporate Risk Register. A review of some risk registers identifies that the following attributes would be beneficial to include: risk identification date; RAG trend; committee with oversight; risk appetite; type of risk (per risk management policy). It might be helpful to consider using a risk register template across the organisation.

Progress on baseline review learning points

- 34 In our baseline review, we highlighted the following learning points relating to managing risk. **Exhibit 3** describes the progress made.

Exhibit 3: Managing risks: learning points

Learning point	Description of Progress
Board assurance framework Swift implementation of BAF (with assigned risks) and directorate registers.	A BAF document has been compiled and sets out useful guidance on the approach to developing a Board Assurance Framework, however there is no evidence that assurance mapping work has been done. See recommendation 2. Progress has been made in developing directorate and team risk registers. In updating registers HEIW should consider including the following attributes: risk identification date; RAG trend; oversight committee; tolerance / appetite; type (per risk management policy). Use of a risk register template could also be considered.
Risk management training Make sure staff receive appropriate training and ongoing support to ensure a consistent approach to risk management.	Training has now been rolled out to the Board and senior leadership team and has been welcomed.

Embedding a sound system of assurance

HEIW's system of assurance is supported by performance management and information governance frameworks although both need further development.

Performance management

- 35 HEIW is making progress to meet its target for an integrated performance management framework by 31 March 2020, though it has work to do to meet the aims for the framework, set out in its 2019-20 Annual Plan. Given HEIW's unique position in Wales, we recognise the challenges it faces in developing a framework from scratch: there are no national KPIs or benchmarks and significant data validation work to do on current data in the performance report. It is understandable that HEIW is using 2019-20 as a development year and our findings should be read in that context.
- 36 The performance report and dashboard were developed with Board input from January 2019 onwards, and formally reported to Board in September 2019. The report structure is clear and follows the aims set out in the Annual Plan to provide assurance on: projects and programmes; quality and outcomes; education, training and workforce development performance; corporate governance and management. Although content and coverage are still in development, it is pleasing to note that HEIW is starting to consider improving insight, with plans to build up historical data, triangulate data and think about control limitations.
- 37 Our review of the performance report and dashboard identified a lack of data on finance, legislative/regulatory compliance and nursing directorate performance (though we acknowledge some of this latter data is cyclical). We found ourselves asking the 'so what?' question when reading the data. There was no exception reporting for data or explanation of whether the data was good or bad, nor summary of responsive action. It is not clear what HEIW's KPIs or targets are, though we understand benchmarking is ongoing to help inform KPI targets. Whilst there is a sound base on which to develop the report and dashboard further, there is significant work to do, though we recognise this is seen as a development year by HEIW. We understand some teams are developing their own dashboards and would encourage that they ensure their own monitoring is aligned with reporting in the performance report and dashboard.
- 38 Although there is an informal timetable for monthly and quarterly performance reporting and good support and training from business partners reported by officers, there is currently no documented performance management framework setting out responsibilities, reporting, escalation arrangements, lines of accountability and Board / Committee oversight.

Quality management framework

- 39 There are no plans to develop an organisational wide quality framework, instead HEIW intends to embed quality in day to day working, monitored through a performance management framework. Given HEIW is not delivering front line NHS services this is a reasonable approach to take and its effectiveness can be revisited in future.
- 40 As we would expect, there is an established quality management framework for regulatory areas (such as medical and dental). It is pleasing to note that officers are currently looking at improvements to the

process and working with the Nursing Directorate to share good practice in helping them develop their own framework for non-regularity functions. There are clear oversight arrangements for monitoring quality through the newly established ECQC and a Quality and Postgraduate Education Support committee.

Information governance and cyber security arrangements

- 41 An Information Governance Steering Group reporting to AAC, was established in October 2019, and a Senior Information Risk Officer (SIRO) oversees the effectiveness of the information governance framework. However, interim arrangements for the management of information governance during 2019 have affected progress in developing an effective information governance framework. The information governance manager is currently seconded on a part-time basis and recent failure to appoint permanently means interim arrangements are set to continue.
- 42 HEIW adopted all Wales IT policies where appropriate, and has completed work on several IT policies, for example the information security and anti-virus policies, though per the latest Policy Register some appear outstanding. A digital and IT risk register remains work in progress with risk scoring and progress updates outstanding. Key IT and digital risks include incomplete GDPR activities; managing cyber-attack threats; vacancies impacting on digital enablement; and SLA agreement on key business information systems.
- 43 A Business Continuity and IT Disaster Recovery plan is in development and further work is required to assess the business impact of each IT system, a contacts list, backup location and procedures and review dates. A plan to test and evaluate the recovery plan is outstanding.
- 44 Progress on addressing the information governance requirements of the General Data Protection Requirements (GDPR) has also been affected by resource capacity. Some actions have been taken to respond to the requirements of the GDPR through:
- establishing a GDPR action plan and an Information Governance work plan;
 - requiring directorates complete Information Asset Registers;
 - completing privacy notices and privacy impact assessments; and
 - developing policies and procedures, for example, breach reporting protocol, data protection policy and information governance policy.
- 45 HEIW has yet to complete the GDPR action plan, Information Governance work plans and work towards full compliance. It recognises it can prioritise several information governance activities, which include completing:
- Information Asset Registers to identify the legal basis for information processing and the need for privacy notices;
 - the appointment of a permanent Data Protection Officer;
 - the development of the Information Governance risk register, and management through to the Information Governance steering group; and
 - the network of information asset owners and administrators to manage information assets and flows.
- 46 Staff training on information governance is essential. The all Wales Information Governance e-learning toolkit is used to train staff on information governance matters and annual training is mandatory with

compliance monitored. Although the compliance rate is improving, at November 2019 it was only 53.6% compared to a provisional (still being considered) target of 75%. Monitoring of performance at the Information Governance steering group and scrutiny at committee-level could also be strengthened by developing and reporting against key performance indicators.

- 47 Caldicott is a key element of the Information Governance and Confidentiality agenda in Wales, providing a set of recommendations and principles to help ensure that personally identifiable and sensitive information is adequately protected. It is good to see that the SIRO has been appointed at Senior Level and the Authority has been proactive in completing Caldicott Information Confidentiality self-assessment in March 2019 to assess applicability. Compliance is acceptable at 55% as an entry level assessment considering the Authority does not directly manage patient data. A new NHS Wales Information Governance Toolkit replaces the Caldicott assessments and is applicable to the whole of NHS Wales and should be completed by early 2020.
- 48 HEIW recognises the potential risks from cyber security attacks and plans to establish an integrated organisational wide cyber defence strategy and cyber resilience programme. In October 2019, in response to an update from NWIS that they were not fully supported on cyber security, a briefing paper was presented to the Executives to raise awareness of issues and a red risk around the consequences if insufficient steps are taken on cyber security was added to the corporate risk register and reported to AAC in November.
- 49 HEIW plans to take actions in 2020 to strengthen the cyber resilience programme supported by specialist resources and a reporting and governance structure. These include: working towards certification such as the cyber essentials scheme; recruiting specialist cyber resources; establishing a cyber incident response plan; and assessing cyber threats in the IT supply chain.

Tracking of recommendations

- 50 HEIW has had a recommendation tracker in place since May 2019. It is a paper-based system that tracks internal and external (WAO) audit recommendations. We will assess the effectiveness of this tracking process next year.
- 51 There is currently no tracker in place to monitor the implementation of recommendations for legislative or regulatory compliance and we encourage HEIW to establish one.

Progress on baseline review learning points

- 52 In our baseline review, we highlighted the following learning points relating to assurance systems. **Exhibit 4** describes the progress made.

Exhibit 4: Improving systems of assurance: learning points

Learning point	Description of Progress
Recommendations tracking Whilst internal and external audit are captured in HEIW recommendations tracker, this should be expanded to include Welsh Government and other recommendations.	Tracker now in place including Internal and External audit recommendations. There is no evidence of a tracker to monitor implementation of other regulator recommendations such as legislative or

Learning point	Description of Progress
	regulatory compliance. HEIW should consider establishing one.
Performance management HEIW will need to ensure it sufficiently understands its performance, whilst the performance dashboard is still in development.	The dashboard is now in place and being reported to the Board although its development continues. As dashboard and report development continues, HEIW should consider sufficiency of content for: finance; legislative/regulatory compliance; nursing directorate content; exception reporting and the ‘so what?’ question; summary of responsive action; KPIs and targets.

Ensuring organisational design supports effective governance

HEIW's organisational structures appear to support effective governance with clear lines of responsibility, formal and informal cross-organisational working and effective communication.

- 53 HEIW has a clear organisational structure which is reviewed, updated and shared through an organisational chart regularly. There is a flexible approach to the structure of the organisation and changes have been made in some areas to better align roles with projects and objectives.
- 54 We found a collegiate approach to working across directorate boundaries both in sharing good practice and supporting delivery of projects. Officers reported good informal and formal communication and were also positive about the office layout in facilitating this.
- 55 As might be expected in a new organisation, lots of changes to staff advisory, steering and working groups have been made during 2019. Mapping the structure below Board and committees (leadership teams and key steering and working groups for example) could help ensure a clear picture of reporting lines and oversight.

Progress on baseline review learning points

- 56 In our baseline review, we highlighted the following learning points relating to organisational design. **Exhibit 5** describes the progress made.

Exhibit 5: Organisational design: learning points

Learning point	Description of Progress
Clarifying remit boundaries Work with Welsh Government and regulators to clarify blurred boundaries.	Ongoing discussions between the Chief Executive and the Director General are taking place to clarify interface issues and regular meetings continue with key professional and policy leads to develop relationships and understanding.

Strategic planning

- 57 Our work considers how the Board sets strategic objectives for the organisation and how well HEIW plans to achieve these. We examined HEIW's arrangements for monitoring progress against its objectives. We also reviewed how HEIW has progressed lessons learned through our baseline review.
- 58 In 2019, we found that **a clear vision and strategic objectives are in place with plans for Integrated Medium-Term Plan production but supporting operational plans and monitoring IMTP delivery are areas for further work.** HEIW has a clear vision underpinned by strategic objectives and a continuous learning and engagement approach to IMTP development. Arrangements are in place, though timescales are tight, to ensure demand and capacity are fully understood and enabler plans integrated. IT and digital plans need work. Clear and documented arrangements for oversight and scrutiny of performance against strategic objectives are needed.

Setting the strategic direction

HEIW has a clear vision underpinned by strategic objectives developed with input from the Board, staff and stakeholders and evidence of continuous improvement.

- 59 HEIW has set and communicated its vision to staff and stakeholders. It has a long-term focus and puts patients at its core. Although not subject to the Well-being of Future Generations Act, the principles are aligned with its vision.
- 60 HEIW's seven strategic objectives flow from the vision and are clearly set out in its 2019-20 Annual Operating Plan. For each objective an executive summary sets out key milestones to be delivered by the end of 2020.
- 61 HEIW has developed and submitted its first Workforce Strategy for Health and Social Care in Wales to the Welsh Government. It is key to much of HEIW's vision and objectives and was developed using extensive engagement with a wide range of over 1,000 stakeholders.
- 62 The vision and objectives were developed through extensive internal engagement and a reasonable level of external engagement (given the short time frame), with final approval from the Board. HEIW undertook greater external engagement for the IMTP using various approaches both formal and informal such as: roadshows and stakeholder events throughout Wales; specific 121 meetings with key stakeholders; and regular stakeholder bulletins. Communication in HEIW is viewed as everyone's business and seen as central to success. HEIW committed on its website to develop a stakeholder map and model though its ambitions have been constrained by the capabilities of the NHS wide platform. It is working through these issues and meanwhile uses regular stakeholder bulletins and publicised events to ensure good communication. Given the importance and scale of stakeholder engagement we would encourage it to continue to find solutions to developing the interactive website model.
- 63 During 2019 the strategic objectives have been reviewed and updated for the three-year IMTP period 2020-23 to better align with activities and accountabilities.

Developing strategic plans

HEIW has strengthened its planning approach and is aiming to develop an approvable IMTP for 2020-23 although timescales are tight to ensure required resources are fully understood and enabler plans are aligned

- 64 HEIW is working to an 'approved' Annual Operating Plan (AOP) for 2019-20. It is applying lessons learnt from developing the AOP, including Welsh Government feedback, to its development of a 2020-23 IMTP. Key challenges identified included planning capacity and capability, ensuring effective two-way stakeholder engagement and integrating other elements such as financials into the plan. It is pleasing to see that many of these (and other) learning points have been addressed as set out below.
- 65 An outline plan and timescales for development went to the Executive team in May 2019 with updates following in July and September. The plan includes time for Board input and scrutiny, senior team sharing of initial proposals (crucial to ensuring co-ordination of plan elements) and stakeholder engagement.
- 66 There are clear roles and responsibilities for developing the IMTP. The Planning and Performance team (the Team) are leading on its development and have provided training materials and support to teams developing underpinning plans which have been welcomed and valued. The guidance has enabled good progress in a relatively short time, with a consistent approach across the organisation. The guidance on formulating objectives for the IMTP included promoting the use of PESTLE analysis in considering opportunities and threats; ensuring consideration of A Healthier Wales and the Well-being of Future Generations Act, and considering the support needed from enablers. Templates were also provided for developing directorate project submissions. As part of IMTP post project learning, we suggest that HEIW should consider refreshing the training materials and tools and developing them into a planning 'toolkit' for future years.
- 67 At the time of our review, much of the work to assess operational demand and capacity was ongoing as was the development of enabler plans such as finance, workforce, and IT and digital. All three of these enabler plans are being drafted currently with a view to December completion ready for IMTP submission in January 2020.
- 68 Benchmarking is in its infancy and has not played much part in this IMTP's development. HEIW should ensure that its benchmarking feeds into next year's IMTP development. Next year, we will review whether benchmarking has started to support service modernisation and improvement.
- 69 The Director and Assistant Director of Planning have engaged with their respective NHS peer groups throughout the year and participate in NHS wide planning activities, and staff planning capability is being improved through planning academy training.
- 70 The 2019-20 Annual Operating Plan includes the IT and digital activities required to support Plan delivery, but there is no IT and digital strategy in place although there are plans for its development in 2020-21. The IT and digital objectives for 2021-23 are currently being drafted for IMTP completion by January 2020.
- 71 Executive level responsibility for IT and digital remains with the Director of Workforce and Organisational Development supported by the Assistant Director of Planning and Performance. This has been an interim arrangement, however the appointment of a Head of Digital has been frozen. We would recommend that HEIW continue to consider capacity to deliver the Head of Digital role and the

need to appoint to post. HEIW has yet to develop and regularly report IT and digital performance indicators against which performance can be monitored.

Progress on baseline review learning points

- 72 In our baseline review, we highlighted the following learning points relating to strategic planning. **Exhibit 6** describes the progress made.

Exhibit 6: Improving strategic planning: learning points

Learning point	Description of Progress
Stakeholder engagement Timing of engagement with and feedback to key stakeholders in both your and their planning cycle will be critical. Look to develop clear website sign posting for stakeholders including trainees and potential trainees.	Comprehensive engagement with stakeholders throughout 2019. HEIW committed on its website to develop a stakeholder map and model and given the importance and scale of stakeholder engagement we would encourage it to continue to find solutions to developing the interactive website model.
Development of AOP and IMTP Action key lessons learnt from AOP in developing IMTP. Consider ways to increase planning capacity and capability both short and long term.	Lessons learnt evidenced clearly through approach to IMTP development in 2019. HEIW should ensure that benchmarking, which is currently in early stage of development, feeds into future IMTP development. As part of the IMTP post project learning HEIW should consider refreshing the training materials and tools and developing them into a planning 'e-toolkit' for future years.
Operational strategies and plans Think about how you will go about making informed choices on competing proposals given finite resource.	Head of Planning and performance is developing a streamlined approach to business case submission which should in part tackle this.

Monitoring delivery of the strategic plan

HEIW now has a performance report and dashboard in place but KPIs are still in development and documentation of arrangements for oversight and scrutiny of performance against strategic objectives and IMTP are recommended.

- 73 As reported earlier, there is currently no documented performance management framework in place which sets out what is reported to whom, frequency and Board / Committee oversight for performance management. However, although work in progress, a performance report and a dashboard are in place. The performance report format is clear and sets out progress on strategic objectives well via the

programmes and projects underpinning them. Information presented includes milestones, deadlines, responsible officers, progress status and RAG ratings. There is additional exception reporting on any projects RAG rated red. The dashboard summarises this and provides key data measures, and monitoring will strengthen as the report and dashboard develop.

- 74 However, there are no KPIs nor targets in place against which the Board can scrutinise performance, they are not linked clearly to strategic objectives and as reported earlier content is still in development. Whilst it may not be appropriate for all strategic objectives to have measurable KPIs, we would ordinarily expect KPIs to be linked to a strategic objective.
- 75 The performance report was presented to the September Board meeting for the first time, followed by a 'Mid-Year Review of Annual Plan' paper at the November Board to provide an update against commitments in the Annual Plan for 19/20 at the mid-year point. That document provides a detailed narrative description of progress against each strategic objective and the projects underpinning them, but no linked KPI or data from the performance report that we might expect to see alongside.
- 76 It also worth noting that given a significant part of 'day to day' activity involves change, would encourage HEIW to consider the need to establish a programme management office to manage change.

Progress on baseline review learning points

- 77 In our baseline review, we highlighted the following learning points relating to monitoring of the strategic plan. **Exhibit 7** describes the progress made.

Exhibit 7: Improving monitoring of the strategic plan: learning points

Learning point	Description of Progress
KPIs and monitoring of delivery Be clear about PIs v KPIs. Identify suitable benchmarks. Don't forget about providing insight with data.	Work in progress. See recommendation R7

Managing financial resources

- 78 We considered the action that HEIW is taking to achieve financial balance and create longer-term financial sustainability. We have assessed the financial position, the approach to financial planning, financial controls and stewardship, and the arrangements for financial monitoring and reporting. We also reviewed the progress made in taking forward the learning points from our baseline review.
- 79 Our work in 2019 found that **Financial controls and policies are in place, refinements to financial reporting continue and work to strengthen asset and contract management is underway.** Despite early staffing issues, key financial controls and policies have been prioritised with timely reporting to the Board. HEIW now has the necessary capacity and capability for financial planning with clear roles and responsibilities established. Further work is being taken around asset and contract management to facilitate good planning, governance and use of assets, along with continued development of financial reporting to the Board.

Financial planning

HEIW has established its financial planning arrangements, but needs to better understand its future capital and revenue needs

- 80 After a difficult start due to changes in key staff and a reliance on temporary finance staff, HEIW now has the necessary capacity and capability for financial planning with clear roles and responsibilities established. The production of the one-year 2019-20 financial plan and the Commissioning and Training Plan 2022-23 (which had significant finance input) are informing the development of the first three-year financial plan, which should be ready for inclusion in the 2020-23 IMTP.
- 81 Budgets appear to be based on realistic assumptions with the retained knowledge of staff from predecessor bodies, and extensive NHS Wales financial planning experience of new recruits bringing valuable knowledge and skills. Budgeting for new areas of spend such as capital and other accommodation costs where the historic information is not available are more challenging.
- 82 HEIW is working on establishing an Asset Management Strategy, a Fixed Asset Register and a complete list of all leases held. These will help ensure that buildings and equipment can be controlled, maintained and refreshed when required, and to inform planning and budget discussions with the Welsh Government. Although the current annual discretionary capital allocation is only £100,000 and the capital requirements of HEIW are relatively low, it is important that there is a clear picture of equipment and other assets for effective planning and use.
- 83 Given the largest element of expenditure is commissioned through other organisations, financial planning and budgeting require significant estimation in particular regarding the recruitment, bursary take-up and attrition of trainees for the year ahead. Progress has been made in establishing the necessary skills and expertise within HEIW and financial planning and budget management will continue to evolve. HEIW underspent in its first financial period to 31 March 2019 so there is no urgent requirement to identify efficiencies, cost improvement or savings plans, however HEIW should ensure it pursues efficiencies where it can.

Progress on baseline review learning points

- 84 In our baseline review, we highlighted the following learning points relating to financial planning. **Exhibit 8** describes the progress made.

Exhibit 8: Improving Financial Planning: learning points

Learning point	Description of Progress
Ensure there are linked procurement, contracting and commissioning strategies in place with clear management arrangements.	The Commissioning and Training Plan has been approved and procurement arrangements understood by key staff involved in the process.
Compile a lease register and fixed asset register.	HEIW plans to complete these in order to provide a list of leases and assets as at 1 April 2020.

Learning point	Description of Progress
	Ensure this is done and compile an asset inventory to ensure assets not on the fixed asset register are also captured for a full picture.
Develop an asset management strategy	This is currently outstanding and is considered low priority due to the low level of assets held.

Financial management and controls

HEIW is putting in place effective financial management controls but there is more to be done on asset and contract management

- 85 Budget responsibilities are clear with budget holders signing up to budgets and receiving management support from Finance Business Partners. Support provided has improved in year as vacancies have been filled, but some budget holders would like more support on contracting arrangements. Guidance was issued setting out the budget setting process. This was used for the Annual Financial Plan and is being used for the three-year financial plan.
- 86 A Contracts and Agreements Register was compiled in November 2019 which identified several arrangements that need to be revisited, updated and agreed with third parties, including out of date contracts. This work is being prioritised to ensure that arrangements are compliant with public procurement arrangements and that the risk of service withdrawal at short notice and need for single tender actions are reduced and managed.
- 87 A Register of Interests is maintained by the Board Secretary which is formally reviewed annually. A Declaration of Interest Policy is incorporated into the Policy for Standards of Business Conduct. It is intended to report the register annually to the AAC.
- 88 A Counter Fraud Strategy was approved in May 2019 by the AAC. The NHS Counter Fraud Service provided 30 days service to HEIW in 2019-20 most of which was awareness raising through presentations, briefings and newsletters. Presentations to date have been to senior leadership team and finance staff, with further rollout planned. As a new organisation, HEIW has not yet participated in the National Fraud Initiative.
- 89 The Auditor General is undertaking further work to examine the effectiveness of counter fraud arrangements across the public sector in Wales, with a view to publishing his findings in summer 2020. His work will be informed by local fieldwork commencing in late 2019.

Progress on baseline review learning points

- 90 In our baseline review, we highlighted the following learning points relating to financial management. **Exhibit 9** describes the progress made.

Exhibit 9: Improving financial management: learning points

Learning point	Description of Progress
Identify contracts and compile a contract register	<p>This has now been done, but it has highlighted further work that is needed to put appropriate contractual arrangements in place for several services being provided.</p> <p>HEIW should ensure this work is progressed speedily so that all contracts are within their contractual period to ensure:</p> <ul style="list-style-type: none">• procurement regulations are complied with;• only services required are included;• risk of single tender actions is minimised; and• value for money is obtained.

Oversight and scrutiny of financial performance

Reporting and scrutiny arrangements have improved during the year with more detailed financial information now being provided although continuous improvement is recommended

- 91 Since July 2019, the Board has received a more detailed finance report, including an appendix setting out each directorate's financial performance. The report is easy to understand and puts the financial position in context with resource planning activities and other key performance matters such as student numbers.
- 92 Since October 2019, the Board has also received the full Monthly Monitoring Return (MMR) submitted to the Welsh Government. Such a transparent approach is commendable, though Board reporting could be further improved by providing a more digestible summary. In general, use of dashboards, KPI and exception reporting could be considered. The finance reporting team intend reviewing reporting against good practice set out in the Finance Academy's Good Practice for Financial Board and Committee Reporting. We would also recommend they review the good attributes of a finance report as set out in Appendix 1 to our 2016 report 'Comparative Report of NHS Reporting' (previously provided to the Board Secretary).

Progress on baseline review learning points

- 93 In our baseline review, we highlighted the following learning points relating to financial reporting. **Exhibit 10** describes the progress made.

Exhibit 10: Improving financial reporting to Board: learning points

Learning point	Description of Progress
Opportunity to look at good practice in financial reporting to Board with aim to provide insight into operational areas and really use finance as an enabler.	<p>HEIW has improved the information provided to Board which now includes more of each Directorate's financial performance. Detail is also provided on action required to achieve financial balance.</p> <p>It intends to review the Finance Academy best practice guide for financial reporting to the Board to refine the information presented.</p> <p>HEIW should continue to develop improvements by also considering:</p> <ul style="list-style-type: none"> • the good attributes of a finance report as set out in Appendix 1 to our 2016 report 'Comparative Report of NHS Reporting'; and • revisiting Monthly Monitoring Reporting to the Board.

Financial performance

HEIW is forecasting a break-even position for the year ended 31 March 2020

- 94 HEIW reported a revenue underspend of £68,000 for the six months of activity to 31 March 2019 and broke-even against its capital budget. It worked closely with the Welsh Government during the period, monitoring the financial position and agreeing final budget changes to broadly match its revenue needs. The Welsh Government is content with this approach in this transitional period.
- 95 For the seven months to 31 October 2019, HEIW is reporting a net underspend in its revenue resource budget of £1,234,090 (1% of its revenue resource budget) and is forecasting to break-even at the year end. There are significant variances in the Nursing (£1,658,917 underspend) and Medical and Pharmacy Directorates (£961,633 overspend) which are understood and serve to highlight the difficulty in setting budgets during a period of increased student recruitment to training places. The changing number of funded students has an impact on setting commissioning budgets and will continue to do so going forward. This is explained in the finance report and variances are within reasonable tolerances given budget sizes and recruitment challenges.
- 96 Proposals are currently being considered for the £100,000 capital budget. HEIW will continue to work closely with the Welsh Government throughout the year to ensure final allocations are reasonable and realistic.

Managing workforce productivity and efficiency

- 97 We considered the action that HEIW is taking to ensure that its workforce is well managed and productive. We assessed arrangements for addressing training and development needs and action to engage and listen to staff and address wellbeing needs. We also reviewed the progress made in taking forward the learning points from our baseline review.
- 98 **Excellent staff engagement has helped drive a positive culture and there are plans in place to improve workforce management arrangements.** There is a strong focus on organisational culture, staff engagement, and staff wellbeing. The job evaluation backlog has been cleared and strategies are in place to manage vacancies. Training and development plans are progressing and work is planned to improve recorded levels of staff appraisal and completion of statutory and mandatory training.

Managing the workforce

HEIW has cleared its job evaluation backlog, has low sickness rates, and has strategies in place to manage its vacancies, however there is scope to strengthen workforce performance metrics

- 99 Our baseline review highlighted challenges with recruiting to key posts and completing timely job evaluation in line with NHS Wales Agenda for Change pay bands. Despite these challenges the organisation has continued delivering on its agenda, albeit in some areas pace has been affected.
- 100 Positively, in September 2019 HEIW cleared its job evaluation backlog. There are now 22 members of staff trained to undertake job matching panel duties, including two trade union members. This has helped address much of the recruitment bottleneck.
- 101 Whilst HEIW appears to hold significant vacancies (38 as at December 2019), these pose a low risk to the organisation as strategies have been put in place to manage them, such as using agency staff and temporary secondees. Given that the organisation is still evolving, it has at times taken the decision to add to the workforce as business needs occur and hold posts until a service is ready to recruit, for example the transformation roles in the Nursing Directorate. In addition, full-time equivalent vacancies are lower as many are for part-time posts. HEIW hopes to recruit to vacant posts within 12 months and as at December 2019 nine posts (FTE 6.3) are out to advert. However, some vacancies have been difficult to recruit to for example the Director of Finance and Corporate Services. For these posts it might be helpful to review the barriers to successful recruitment.
- 102 HEIW follows the 'NHS Wales Managing Attendance at Work Policy' and has designed an absence management course for managers. The training takes a preventative approach to illness prevention with tailored adjustments for staff and a compassionate management approach. A positive approach to well-being and culture appear to be reflected in their low levels of sickness absence: 0.7% in June 2019, compared to the Wales average of 5.4%.
- 103 Workforce matters are scrutinised through the performance report, reported to the Board for the first time in September 2019. The corporate performance section details workforce metrics with an accompanying narrative. The performance dashboard shows numbers of staff in post, leavers and starters. Given the current vacancy issues and use of agency staff, HEIW should consider including data on vacancies, agency staff and turnover rates.

- 104 The AAC scrutinises workforce matters in more detail, receiving updates in areas such as job evaluation, recruitment and mandatory training compliance.

Progress on baseline review learning points

- 105 In our baseline review, we highlighted the following learning points relating to workforce management. **Exhibit 11** describes the progress made.

Exhibit 11: Improving workforce management: learning points

Learning point	Description of Progress
Vacancies Ensure reporting is clear on whether posts are vacancies or future potential posts.	The organisation is now clear about which posts are vacant, filled by agency workers and on hold.

Training and development

HEIW is progressing its training and development plans, has introduced a values-based appraisal scheme, and has plans in place to improve low appraisal and mandatory training rates.

- 106 Our baseline review found that in its first six months, HEIW was focusing on developing a People and Organisational Development Strategy, delivering statutory and mandatory training, and getting a staff appraisal process in place.
- 107 The People and Organisational Development Strategy (which also houses the workforce plan) is due to be launched in December 2019. Staff were consulted on the draft strategy at roadshows across Wales with feedback reported to the executive team, and the intention to share results with staff shortly. Staff have also had the opportunity to feed into a separate training and development plan, currently in draft.
- 108 It is pleasing to see that HEIW is aiming for a 'careers' approach in its employment of staff. It is looking at succession planning, coaching and mentoring, and upwards and sideways job opportunities. A leadership and management programme is also in development, with the aim of launching next year.
- 109 However, at October 2019, HEIW's statutory and mandatory training rate was reported as 49.5%, well below the 85% national target. All statutory and mandatory training modules have been available on ESR since April 2019. A report to the November 2019 AAC highlighted that the People Team is trying to improve compliance, by communicating with staff through several forums and offering ESR training. The report also highlights issues with recording compliance for staff working across more than one organisation. The main complication being how to seek assurance where statutory and mandatory training has been completed at other health bodies, without double counting. HEIW reported that moving forward the performance report will split training compliance for core HEIW staff and staff on other types of contracts. To improve compliance with the national target, HEIW may wish to take a risk-based approach to prioritising statutory and mandatory training.
- 110 In April 2019, HEIW introduced its values-based appraisal scheme. It was developed in consultation with staff and aims to help staff review their performance using the organisation's 23 behaviours on a

six-monthly basis. Amendments to the system have been made for Medical staff (subject to a separate appraisal system) to avoid duplication. Managers are encouraged to take a coaching style approach to appraisal discussions with emphasis on staff ownership. A value-based 360-degree appraisal has been mandated for managers but is also available for others. We would encourage HEIW to clearly link the 360-degree approach to an individual's Personal Development Plan rather than their appraisal. This can be a more effective way of obtaining honest and valuable feedback. The People Team is completing a quality checking exercise on a sample of completed appraisals.

- 111 In October 2019, HEIW's appraisal rate was recorded at just 11.4%, significantly below the national target of 85%. A report to the November 2019 AAC suggests the low completion rate is due to inaccurate information on the electronic staff record (ESR). Records held by the People Team, suggest the actual appraisal rate is 76%. The People Team is addressing this issue through ESR training and awareness and there are plans in place to integrate appraisals into the ESR system. We would expect HEIW to progress this issue swiftly and see the appraisal rate and the accuracy of ESR data to improve over the coming months.

Progress on baseline review learning points

- 112 In our baseline review, we highlighted the following learning points relating to training and development. **Exhibit 12** describes the progress made.

Exhibit 12: Improving training and development: learning points

Learning point	Description of Progress
Statutory and Mandatory training Ensure delivering statutory and mandatory training is a priority.	HEIW still has a low statutory and mandatory training compliance rate (49.5%) and is not meeting the 85% national target. The People Team is taking steps to improve compliance. HEIW should consider taking a risk-based approach to prioritising training completion in its actions to improve compliance towards the national target.

Staff engagement and wellbeing

HEIW has strong organisation values and behaviours, is acting on the results of the staff survey and has a focus on staff wellbeing and engagement.

- 113 Our baseline review found that HEIW is building a strong organisational culture, with staff engagement being a positive feature. HEIW's NHS staff survey results were favourable compared to other NHS bodies.
- 114 HEIW continues to promote its values and behaviours. It introduces them at inductions, displays posters and ensures they are the starting point for policy development. Senior leaders support and demonstrate the values, for example, the Chief Executive holds quarterly open-door sessions and offers one-to-one sessions for staff.

- 115 HEIW had a 65% response rate to the 2018 NHS staff survey with results presented to staff at the June 2019 staff conference. In response to the findings a staff survey improvement plan has been developed. The plan is overseen by the Executive Team and the staff led Culture Group. The Culture Group (now the Staff Engagement Group) will be tasked with owning and implementing the improvement plan. Feedback from staff that the survey may not have been relevant to all staff groups has led to a changed approach for next year with the intention to use an NHS wide pulse survey, developed and delivered by the NHS for the NHS.
- 116 HEIW has a strong focus on staff wellbeing. It has a Health and Wellbeing Network with links into the national wellbeing network. Together the two networks have developed a health needs assessment for NHS staff to complete, being piloted at HEIW. HEIW's approach in using itself as a testing board for new NHS wide initiatives is positive and just one example of how it aims to live the values it is leading on throughout Wales. The health needs assessment closed at the end of October 2019 and the information will be used to develop HEIW's wellbeing strategy. In the meantime, HEIW is planning and running several wellbeing initiatives. These include free fruit on pay day, introducing a weekly wellbeing hour, exploring options for an employee assistance programme², lunch time walks and local gym concession. It is also exploring ways to make meetings more accessible for remote working staff not based in South Wales.
- 117 HEIW is working towards several nationally recognised accreditations such as Stonewall accreditation and the Corporate Health Standard. It has signed up to Time to Change and will be the first in Wales to have the Communication symbol, which recognises communication with disabled people.

² HEIW currently uses Cardiff and Vale University Health Boards employee assistance programme but the waiting times are long.

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This report was prepared for the Auditor General by Mike Usher, David Thomas, Helen Goddard and Clare James.

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Detailed report

About this report

- 1 This report summarises the findings from the audit work I have undertaken at Health Education and Improvement Wales (the Authority) during 2019. I did that work to carry out my responsibilities under the Public Audit (Wales) Act 2004. That Act requires me to:
 - a) examine and certify the accounts submitted to me by the Authority, and to lay them before the National Assembly;
 - b) satisfy myself that the expenditure and income to which the accounts relate have been applied to the purposes intended and in accordance with the authorities which govern it; and
 - c) satisfy myself that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.
- 2 I have reported my findings in **Key messages** under the following headings:
 - Audit of the Accountability Report and Financial Statements
 - Arrangements for securing economy, efficiency and effectiveness in the use of resources
- 3 I have issued several reports to the Authority this year. This annual audit report is a summary of the issues presented in these more detailed reports, a list of which is included in **Appendix 1**.
- 4 **Appendix 2** presents the latest estimate on the audit fee that I will need to charge to cover the actual costs of undertaking my work at the Authority, alongside the original fee that was set out in the 2019 Audit Plan.
- 5 The Chief Executive and the Interim Director of Finance have agreed this report is factually accurate. We presented it to the Audit and Assurance Committee on 27 January 2020. The Board will receive the report at a later Board meeting and every member will receive a copy. We strongly encourage the Authority to arrange wider publication of this report. We will make the report available to the public on the [Wales Audit Office website](#) after the Board have considered it.
- 6 I would like to thank the Authority's staff and members for their help and co-operation during the audit work my team has undertaken over the last 12 months.

Key messages

Audit of the Accountability Report and Financial Statements

- 7 I have concluded that the Authority's accounts were properly prepared and materially accurate, and my work did not identify any material weaknesses in the Authority's internal controls relevant to my audit of the accounts. I have therefore issued an unqualified opinion on their preparation.
- 8 However, in issuing this unqualified opinion, I have brought the following matters to the attention of officers and the Audit and Assurance Committee:
- classification of expenditure, accruals and accounting for prepayments could be improved, but in our view, this is not unexpected for an organisation still in its relative infancy where both staff and operating procedures are yet to be fully embedded; and
 - the core criteria and timing of bids invited for future supplementary allocations to Welsh Universities should be considered and strengthened, in order to ensure good value for money and appropriate use of resources.
- 9 The Authority achieved its first financial duty for the period ended 31 March 2019, to secure that its expenditure does not exceed the aggregate of the funding allotted to it for the period, and so I have issued an unqualified opinion on the regularity of the financial transactions within its accounts for the period then ended.
- 10 The Authority was issued with a Remit Letter on 25 October 2018, confirming that the period to 31 March 2019 would remain a transitional period as the Authority commenced full operations. The Authority was therefore not subject to a second financial duty for the period of account to 31 March 2019. As the Authority met its first financial duty, and there were no other issues which warranted highlighting, no substantive report was placed on the Authority's accounts. The Authority was required to prepare an annual plan for 2019-20 in accordance with the NHS Wales Planning Framework.

Arrangements for securing efficiency, effectiveness and economy in the use of resources

- 11 My programme of Performance Audit work at the Authority has led me to draw the conclusion that strong leadership and sound arrangements have supported **effective business and a positive staff culture in 2019. A one-year plan is in place with good progress so far on the three-year plan. Improvement opportunities exist to formalise and improve assurance arrangements.**

Audit of the Accountability Report and Financial Statements

- 12 This section of the report summarises the findings from my audit of the Authority's financial statements for the period ended 31 March 2019. These statements are how the organisation shows its financial performance and sets out its net assets, net operating costs, recognised gains and losses, and cash flows. Preparing the statements is an essential element in demonstrating appropriate stewardship of public money.
- 13 My responsibilities in auditing the Authority's financial statements are described in my [Statement of Responsibilities](#) publications, which are available on the Wales Audit Office website.

I have issued an unqualified opinion on the accuracy and proper preparation of the financial statements of the Authority for the period ended 31 March 2019, although in doing so, I have brought matters to the attention of officers and the Audit and Assurance Committee

I have concluded that the Authority's accounts were properly prepared and materially accurate, and my work did not identify any material weaknesses in the Authority's internal controls relevant to my audit of the accounts

- 14 Officers submitted for audit a good quality draft account to timetable, supported by good quality working papers. Generally, we found the information provided to be relevant, reliable, comparable, material and easy to understand. We concluded that accounting policies and estimates are appropriate and financial statement disclosures unbiased, fair and clear. We did find that some classification of expenditure, accruals and accounting for prepayments could be improved, but in our view this is not unexpected for an organisation still in its relative infancy where both staff and operating procedures are yet to be fully embedded.
- 15 I must report issues arising from my work to those charged with governance before I issue my audit opinion on the accounts. My Financial Audit Engagement Lead reported these issues to the Authority's Audit and Assurance Committee on 29 May 2019. [Exhibit 1](#) summarises the key issues set out in that report.

Exhibit 1: issues identified in the Audit of Financial Statements Report

The following table summarises and provides comments on the key issues identified.

Issue	Auditors' comments
Uncorrected misstatements	IT assets included within Property, plant and equipment were overstated by £64,000 as the Authority was not in possession of these assets until April 2019. This misstatement was not corrected due to its immaterial impact upon the accounts.
Corrected misstatements	<p>The audit fee disclosure was increased by £87,000 to accrue for the full fee for 2019 audit and inspection work. A proportion of other operating costs totalling £825,000 was reclassified to Postgraduate Medical, Dental and Pharmacy Education costs, to more accurately reflect the nature of the transactions.</p> <p>Accruals increased, and non-NHS creditors decreased, by £1,481,000 to correctly classify those expenditure transactions incurred during the reporting period for which no invoice was received prior to the year-end.</p> <p>During our audit we recommended a number of additions, amendments and deletions to disclosures within the financial statements to ensure completeness, clarity, accuracy and consistency throughout, and to comply with best practice as set out in the NHS Wales 2018-19 Manual for Accounts.</p>
Other significant issues	The core criteria and timing of bids invited for future supplementary allocations to Welsh Universities should be considered and strengthened, in order to ensure timely receipt within the accounting period.

I have issued an unqualified audit opinion on the regularity of the financial transactions within the financial statements of the Authority

The Authority achieved its first financial duty for the period ended 31 March 2019, to secure that its expenditure does not exceed the aggregate of the funding allotted to it for the period, and so I have issued an unqualified opinion on the regularity of the financial transactions within its accounts for the period then ended

- 16 The Authority's financial transactions must be in accordance with authorities that govern them. It must have the powers to receive the income and incur the expenditure that it has. Our work reviews these powers and tests that there are no material elements of income or expenditure which the Authority does not have the powers to receive or incur.
- 17 Where an Authority does not meet its financial duty, I must qualify my regularity opinion. For the period ended 31 March 2019 the Authority achieved an

underspend of £68,000 against its Revenue Resource Limit and achieved break-even against its Capital Resource Limit, and hence met its financial duty.

The Authority was not subject to a second financial duty for the period of account to 31 March 2019. As the Authority met its first financial duty, and there were no other issues which warranted highlighting, no substantive report was placed on the Authority's accounts

- 18 I have the power to place a substantive report on the Authority's accounts alongside my opinions where I want to highlight issues.
- 19 The Authority was issued with a Remit Letter on 25 October 2018, confirming that the period to 31 March 2019 would remain a transitional period as the Authority commenced full operations. Hence the Authority was not subject to a second financial duty for the reporting period, and as there were no other issues warranting report, I did not issue a substantive report on the accounts.
- 20 The Authority is required to prepare an annual plan for 2019-20 in accordance with the NHS Wales Planning Framework.

Arrangements for securing efficiency, effectiveness and economy in the use of resources

- 21 I have a statutory requirement to satisfy myself that NHS bodies have proper arrangements in place to secure efficiency, effectiveness and economy in the use of their resources. I have undertaken a structured assessment at the Authority over the last 12 months to help me discharge that responsibility. This work has involved reviewing the Authority's arrangements for overall governance, strategic planning, managing financial resources, and managing workforce productivity and efficiency. As the Authority is a new NHS body, my work was undertaken in two stages: an initial baseline review in the spring to provide early feedback to the Board on key areas, and further work in the autumn which built upon and followed up on my baseline review findings.
- 22 My conclusions based on this work are set out below.

The Board and committees provide strong leadership and administer their business well, but risk, board assurance, performance management and information governance are areas for further development

- 23 My structured assessment work examined the Authority's governance arrangements, the way in which the Board and its sub-committees conduct their business, and the extent to which organisational structures are supporting good governance and clear accountabilities. I also looked at the information that the Board and its committees receive to help them oversee and challenge performance and monitor the achievement of organisational objectives. I found the following:
- the Board and its committees are demonstrating strong, collegiate leadership with a focus on continuous learning. They are supported by clear and comprehensive administrative processes and a sound organisational structure. There is an opportunity to review Board and committee oversight to ensure no operational areas are omitted from scrutiny.
 - there is a risk management framework in place though some risk registers are incomplete and risk appetite is not defined. Work is needed on the Board Assurance Framework (BAF) to identify and map key sources of assurance, some of which require development, particularly the performance management and information governance frameworks.
 - there is a recommendation tracker in place which tracks internal and external (Wales Audit Office) audit recommendations but it does not track recommendations for legislative or regulatory compliance. Generally reasonable progress has been made on the learning points raised in our baseline review.

A clear vision and strategic objectives are in place with plans for Integrated Medium Term Plan production but supporting operational plans and monitoring IMTP delivery are areas for further work

- 24 My structured assessment work examined how the Board engages partners and sets the strategic direction for the organisation. I also assessed how well the Authority plans the delivery of its objectives and how it monitors progress in delivering the plans. My findings are set out below:
- there is a clear vision underpinned by strategic objectives and a continuous learning and engagement approach to IMTP development. The vision and objectives were developed with input from the Board, staff and stakeholders.
 - the strategic planning approach has strengthened with the aim of developing an approvable IMTP for 2020-2023, although timescales are tight to ensure required resources are fully understood and enabler plans are aligned

- there is now a performance report and dashboard in place but KPIs are still in development and documentation of arrangements for oversight and scrutiny of performance against strategic objectives are recommended.

Financial controls and policies are in place, refinements to financial reporting continue and work to strengthen asset and contract management is underway

25 My structured assessment work examined the actions the Authority is taking to achieve financial balance and create longer-term financial sustainability. I also assessed the financial position of the organisation, the approach to financial planning, financial controls and stewardship, and the arrangements for financial monitoring and reporting. My findings are set out below:

- the early staffing issues have been resolved, with key financial controls, policies and financial management having been prioritised are in place;
- good financial planning arrangements have been established with financial plans developed for a 5 year period within the IMTP to be submitted;
- further work is being taken around asset and contract management to facilitate good planning, governance and use of assets;
- reporting and scrutiny arrangements have improved during the year with more detailed timely financial information now being provided to the Board and areas for further improvement being taken forward; and
- the Authority achieved break-even in 2018-19 and is forecasting a break-even position for the year ended 31 March 2020.

Excellent staff engagement has helped drive a positive culture and there are plans in place to improve workforce management arrangements

26 My structured assessment work examined the actions that the Authority is taking to ensure that its workforce is well managed and productive. I also assessed arrangements for addressing training and development needs and action to engage and listen to staff and address wellbeing needs. My findings are set out below:

- there is a strong focus on organisational culture, values and behaviours, staff engagement and staff wellbeing, with low sickness rates;
- the job evaluation backlog has now been cleared and strategies are in place to manage vacancies, though. there is scope to strengthen the workforce performance metrics currently reported in this area; and
- training and development plans are progressing, with a values-based appraisal scheme introduced, and plans are in place to improve recorded levels of staff appraisal and completion of statutory and mandatory training rates.

Appendix 1

Reports issued during 2019

Exhibit 2: reports issued during 2019

The following table lists the reports issued to the Authority in 2019.

Report	Date
Financial audit reports	
Audit of Financial Statements Report	May 2019
Opinion on the Financial Statements	June 2019
Management Letter	June 2019
Performance audit reports	
Structured Assessment 2019	December 2019
Other	
2019 Audit Plan	February 2019

Appendix 2

Audit fee

The 2019 Audit Plan set out the proposed audit fee of £175,000 (excluding VAT).

The fee for financial accounts work included within this total is £95,000. The skills mix required to deliver the accounts work in the Authority's inaugural year was higher than anticipated, and so we have agreed with the Interim Director of Finance an additional fee of £5,970.

The fee for performance audit work included within this total is £80,000. My latest estimate is that the actual fee will match this.

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WALES AUDIT OFFICE
SWYDDFA ARCHWILIO CYMRU

Archwilydd Cyffredinol Cymru
Auditor General for Wales

2020 Indicative Audit Plan – **Health Education and Improvement Wales**

Audit year: 2019-20

Date issued: January 2020

Document reference: 1689A2020-21



This document has been prepared as part of work performed in accordance with statutory functions.
Further information on this is provided in in Appendix 1.

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We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

This document was produced by Helen Goddard, Clare James, Dave Thomas and Mike Usher on behalf of the Auditor General for Wales.

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2020 Indicative Audit Plan

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2020 Indicative Audit Plan

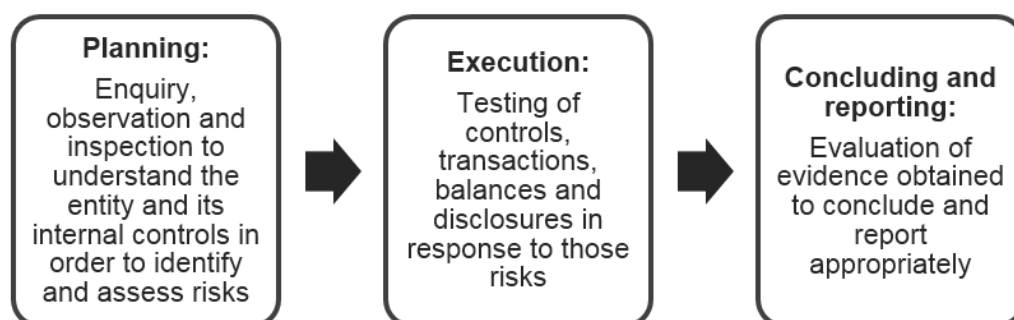
Summary

- 1 As the external auditor of the Health Education and Improvement Wales Special Health Authority (the Authority), my objective is to carry out an audit which discharges my statutory duties as Auditor General and fulfils my obligations under the Code of Audit Practice, namely to:
 - examine and certify whether your financial statements are 'true and fair' and lay them before the National Assembly together with any report that I make on them;
 - satisfy myself that the expenditure and income reported in your accounts have been incurred or received lawfully and in accordance with the authorities which govern them; and
 - assess whether you have made proper arrangements for securing economy, efficiency and effectiveness in the use of resources.
- 2 The purpose of this indicative plan is to set out my proposed work, when it will be undertaken, how much it will cost and who will undertake it.
- 3 There have been no limitations imposed on me in planning the scope of this audit however, as my detailed planning work only commenced earlier this month, it has not yet been possible to complete all aspects of my audit risk assessment. If any significant changes to my audit approach are required, I shall update the Audit and Assurance Committee at its next meeting.
- 4 My responsibilities, along with those of management and those charged with governance, are set out in [Appendix 1](#).

Financial audit

- 5 It is my responsibility to issue a certificate and report on the financial statements which includes an opinion on their 'truth and fairness' and the regularity of the expenditure and income within them. [Appendix 1](#) sets out my responsibilities in full.
- 6 The audit work we undertake to fulfil our responsibilities responds to our assessment of risks. This understanding allows us to develop an audit approach which focuses on addressing specific risks whilst providing assurance for the financial statements as a whole. Our audit approach consists of three phases as set out in [Exhibit 1](#).

Exhibit 1: my financial audit approach



- 7 The risks of material misstatement which I consider to be significant, and which therefore require special audit consideration, are set out in **Exhibit 2** along with the work I intend to undertake to address them. Also included are other key areas of audit attention that my team will be focusing on.

Exhibit 2: Financial audit risks

Financial audit risks	Proposed audit response
Significant risks	
<p>Financial statements production – timeliness and quality</p> <p>The timetable for producing and certifying financial statements within NHS Wales is demanding. Draft financial statements are required to be submitted for audit on 1 May 2020. The Board will need to approve the audited financial statements by the end of May, for Auditor General certification in early June.</p> <p>This is the first year the Authority is required to prepare financial statements to include a full year of operation and the comparative period. There is therefore a risk to the quality and delivery of the financial statements for audit within these set timescales.</p> <p>In 2018-19 I reported that some classification of expenditure, accruals and accounting for prepayments could be improved, but in our view this finding was not unexpected for an organisation still in its relative infancy where both staff and operating procedures are yet to be fully embedded.</p> <p>There is a risk that such deficiencies in year-end procedures still exist and may recur in the 2019-20 financial statements.</p>	<p>My audit team will:</p> <ul style="list-style-type: none"> • provide support and advice to the Authority wherever possible without compromising our independence; • provide an audit-deliverables report to assist the Authority in the preparation of relevant working papers in support of the financial statements; • review the closedown timetable and action plans to assess that arrangements are in place to produce robust and complete financial statements within the prescribed timetable; and • agree a timetable for the audit and certification of the financial statements. <p>My audit team will also review the 2019-20 year-end 'closing pack', which will be prepared to inform and train the Authority's finance staff on the key processes and requirements for preparing the accounting information which feeds into the financial statements.</p>

Financial audit risks	Proposed audit response
<p>Management override</p> <p>The risk of management override of controls is present in all entities. Due to the unpredictable way in which such override could occur, it is viewed as a significant risk.</p>	<p>My audit team will:</p> <ul style="list-style-type: none"> • check that there is appropriate segregation of duties in place over the operation of material financial systems; • test the appropriateness of journal entries and other adjustments made in preparing the financial statements; • review accounting estimates for biases; and • evaluate the rationale for any significant transactions outside the normal course of business.
Other areas of audit attention	
<p>New accounting standard</p> <p>Introduction of IFRS 16 Leases in 2020-21 may pose implementation risks.</p>	<p>My team will undertake some early work to review preparedness for the introduction of IFRS 16 Leases. See Appendix 2 Exhibit 7 for more detail.</p>
<p>Supplementary funding to universities</p> <p>I reported during my 2018-19 audit that arrangements for allocating supplementary funding to universities in-year should be strengthened.</p> <p>We understand the Authority is currently preparing to invite bids from universities in January 2020 for supplementary funding in the 2019-20 financial year.</p> <p>Hence there remains a risk that the funding will not be used for the purposes intended, and/or will not represent good value for money.</p>	<p>My audit team will:</p> <ul style="list-style-type: none"> • review the follow-up arrangements the Authority has undertaken to verify the procurement of assets purchased with the 2018-19 funding; and • review the Authority's updated conditions attached to the 2019-20 funding to ensure the money is awarded for the purposes intended.
<p>Related party disclosures</p> <p>I reported during my 2018-19 audit that procedures should be strengthened to ensure a complete and accurate record of related party transactions and supporting audit trail.</p> <p>Hence, there remains a risk that related party transactions are not identified and disclosures are incomplete.</p>	<p>My audit team will:</p> <ul style="list-style-type: none"> • provide support and advice to the Authority, wherever possible, to improve procedures without compromising our independence; • review the relationships identified by the Authority for completeness; • undertaken substantive audit procedures to test the accuracy of disclosures; and • agree the format of disclosures to those required for compliance with the NHS Manual for Accounts and Financial Reporting Manual.

- 8 I do not seek to obtain absolute assurance on the truth, fairness and regularity of the financial statements and related notes but adopt a concept of materiality. My aim is to identify material misstatements, that is, those that might result in a reader of the accounts being misled. The quantitative level at which we judge such misstatements to be material for the Authority is calculated as 1% of gross expenditure. Whether an item is judged to be material can also be affected by certain qualitative issues such as legal and regulatory requirements, or areas of the financial statements that we consider to be of particular interest to the reader that we therefore judge to be sensitive.
- 9 For reporting purposes, we will treat any misstatements below a 'trivial' level (set at 5% of materiality) as not requiring consideration by those charged with governance and, therefore, we will not report them.
- 10 Our proposed fees and planned timescales for completion of the audit are based on the following assumptions:
- the financial statements are provided in accordance with the agreed timescales, to the quality expected and have been subject to a robust quality assurance review;
 - information provided to support the financial statements is in accordance with the agreed audit deliverables document¹;
 - appropriate accommodation and facilities are provided to enable my audit team to deliver our audit in an efficient manner;
 - all appropriate officials will be available during the audit;
 - you have all the necessary controls and checks in place to enable the Accountable Officer to provide all the assurances that I require in the Letter of Representation addressed to me; and
 - Internal Audit's planned programme of work is complete and management has responded to issues that may have affected the financial statements.
- 11 Our proposed audit fee for this work is included in [Exhibit 4](#).

Performance audit

- 12 It is my responsibility to satisfy myself that the audited body has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. I do this by undertaking an appropriate programme of performance work each year.
- 13 I set out in this section, the programme of performance audit work to be undertaken at the Authority. The content of the programme is informed by an ongoing analysis of the risks and challenges facing NHS Wales, as well as

¹ The agreed audit deliverables document sets out the expected working paper requirements to support the financial statements and include timescales and responsibilities

consideration of issues and risks that are specific to the Authority. I have also taken account of the work programme of Healthcare Inspectorate Wales (HIW)^{2 3}.

- 14 The topics I plan to examine as part of my 2020 performance audit work are summarised in [Exhibit 3](#).

Exhibit 3: contents of my 2020 performance audit work programme

Theme	Approach/key areas of focus
NHS Structured Assessment	<p>Structured Assessment will continue to form the basis of the work I do at each NHS body to examine the existence of proper arrangements for the efficient, effective and economical use of resources.</p> <p>Building on previous years' work, I will seek to describe the progress that is being made in embedding sound arrangements for corporate governance and financial management, alongside other key processes such as strategic planning, workforce management, procurement and asset management.</p>
Locally focused work	<p>I will also undertake some local performance audit work that reflects issues specific to the Authority.</p> <p>The precise focus of this work will be agreed with executive officers and the Audit and Assurance Committee and will be reflected in the regular updates that are produced for the committee.</p>
Implementing previous audit recommendations	<p>The examination of governance arrangements I undertake as part of my structured assessment work, includes a review of the arrangements that the Authority has in place to track progress against my previous audit recommendations.</p> <p>This allows my team to obtain assurance that the necessary progress is being made in addressing areas for improvement identified in previous audit work. It also enables me to more explicitly measure the impact that my work is having.</p>

- 15 The performance audit projects included in last year's audit plan are all complete and there is no outstanding work.

² [An operational protocol between HIW and the Auditor General sets out how the two organisations will work together, March 2015](#)

³ [Wales Audit Office, Working Together to Provide Assurance describes the collective arrangements the AGW and HIW make use of to review governance arrangements in the NHS, November 2016](#)

Fee, audit team and timetable

Fee

- 16 Your estimated audit fee for 2020 is set out in [Exhibit 4](#). This figure represents an 8.5% decrease compared to the fee set out in the 2019 annual audit plan. This is due to the reduced level of financial audit work now required as the Authority moves towards 'business as usual' operations. Please note that this proposed fee currently remains subject to final moderation by the Auditor General.

Exhibit 4: audit fee

Audit area	Proposed fee for 2020 (£) ⁴	Actual fee for 2019 (£)
Financial accounts work	85,500	100,970
Performance audit work:		
• Structured Assessment	49,500	49,500
• Local projects	30,500	30,500
Performance audit work total	80,000	80,000
Total fee	165,500	180,970

- 17 Planning will be ongoing, and changes to my programme of audit work and therefore my fee, may be required if any key new risks emerge. I shall make no changes without first discussing them with the Interim Director of Finance.
- 18 [Further information on my fee scales and fee setting can be found on our website.](#)

Audit team

- 19 The main members of my local audit team, together with their contact details, are summarised in [Exhibit 5](#).

⁴ The fees shown in this document are exclusive of VAT, which is not charged to you.

Exhibit 5: my local audit team

Name	Role	Contact number	E-mail address
Mike Usher	Engagement Director and responsible for financial audit work	07890 564286	mike.usher@audit.wales
David Thomas	Director with responsibility for performance audit work	07798 503064	dave.thomas@audit.wales
Helen Goddard	Financial Audit Manager	02920 320642	helen.goddard@audit.wales
Clare James	Performance Audit Manager	07837 384617	clare.james@audit.wales
Carwyn Rees	Financial Audit Lead	02920 829375	carwyn.rees@audit.wales

20 I can confirm that my team members are all independent of the Authority and your officers. In addition, I am not aware of any potential conflicts of interest that I need to bring to your attention.

Timetable

21 I will provide reports, or other outputs as agreed, to the Authority covering the areas of work identified in this document. My key milestones are set out in [Exhibit 6](#).

Exhibit 6: timetable

Planned output	Work undertaken	Report finalised
2020 Audit Plan	January 2020	January 2020
Financial accounts work: <ul style="list-style-type: none"> Audit of Financial Statements Report Opinion on Financial Statements Management Letter 	February to June 2020	May 2020 June 2020 July 2020
Performance audit work: <ul style="list-style-type: none"> Structured Assessment Local project work 	Timescales for individual projects will be discussed with the Authority and detailed within the specific project briefings produced for each study, and also within our updates to the Audit Committee.	
Annual Audit Report for 2020	September to November 2020	December 2020

Planned output	Work undertaken	Report finalised
2021 Audit Plan	December 2020 to January 2021	January/February 2021

Future developments to my audit work

Details of other future developments, including forthcoming changes to key International Financial Reporting Standards (IFRS), the Wales Audit Office's Good Practice Exchange seminars my work published to date on the readiness of the Welsh public sector for Brexit, are set out in [Appendix 2](#).

Appendix 1

Respective responsibilities

My powers and duty to undertake your financial audit are set out in the Public Audit (Wales) Act 2004. It is my responsibility to issue a certificate and report on the financial statements which includes an opinion on:

- their 'truth and fairness', providing assurance that they:
 - are free from material misstatement, whether caused by fraud or error;
 - comply with the statutory and other applicable requirements; and
 - comply with all relevant requirements for accounting presentation and disclosure.
- whether the remuneration report is properly prepared.
- the regularity of the expenditure and income.
- the consistency of other information presented with the financial statements.

It must also state by exception if the Annual Governance Statement does not comply with requirements, if proper accounting records have not been kept, if disclosures required for remuneration and other transactions have not been made or if I have not received all the information and explanations I require.

In addition, I may place a substantive report on the financial statements if I wish to make additional observations on any matters within them.

My powers to undertake performance audit work at the Authority are set out in the Government of Wales Acts 1998 and 2006 and this work also discharges my duty under the Public Audit (Wales) Act 2004 to satisfy myself that the body has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

My audit work does not relieve management and those charged with governance of their responsibilities which include:

- the preparation of the financial statements and annual report in accordance with applicable accounting standards and guidance;
- the keeping of proper accounting records;
- ensuring the regularity of financial transactions; and
- securing value for money in the use of resources.

Appendix 2

Other future developments

Forthcoming key IFRS changes

Exhibit 7: changes to IFRS standards

Standard	Effective date	Further details
IFRS 16 Leases	2020-21	IFRS 16 will replace the current leases standard IAS 17. The key change is that it largely removes the distinction between operating and finance leases for lessees by introducing a single lessee accounting model that requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. It will lead to all leases being recognised on balance sheet as an asset based on a 'right of use' principle with a corresponding liability for future rentals. This is a significant change in lessee accounting.
IFRS 17 Insurance Contracts	2021-22 at earliest	<p>IFRS 17 replaces IFRS 4 <i>Insurance Contracts</i>, which permitted a variety of accounting practices resulting in accounting diversity and a lack of transparency about the generation and recognition of profits. IFRS 17 addresses such issues by requiring a current measurement model, using updated information on obligations and risks, and requiring service results to be presented separately from finance income or expense.</p> <p>It applies to all insurance contracts issued, irrespective of the type of entity issuing the contracts, so not relevant only for insurance companies. Entities will need to consider carefully whether any contractual obligations entered into meet the definition of an insurance contract. If that is the case, entities will need to determine whether they are covered by any of IFRS 17's specific scope exclusions.</p>

Good Practice Exchange (GPX)

The Wales Audit Office's GPX helps public services improve by sharing knowledge and practices that work. Events are held where knowledge can be exchanged face to face and resources shared online. [Further information, including details of forthcoming GPX events and outputs from past seminars.](#)

Brexit: preparations for the United Kingdom's departure from membership of the European Union

The Auditor General has reported on preparations in Wales for a 'no-deal Brexit', publishing a report in February 2019 and a follow-up letter to the External Affairs and Additional Legislation Committee in September 2019. At the time of reporting, there was a possibility that the UK would leave the EU without a Withdrawal Agreement in place (the no-deal scenario), which would potentially have had significant consequences for Welsh public services and the wider economy and society.

Following the general election, the United Kingdom seems set to leave membership of the European Union on 31 January 2020 under the terms of the Withdrawal Agreement concluded between the EU and UK in October 2019. The next phase will involve negotiating and agreeing the future relationship between the UK and EU.

There will be a transition period to 31 December 2020, during which the UK will continue to participate in EU programmes and follow EU regulations. The Withdrawal Agreement provides for the transition period to be extended by up to two years, with the agreement of the UK and EU. The deadline for agreeing to extend the transition is 31 June 2020. The UK Government has said that it does not intend to extend the transition period.

Despite there being an agreement on the terms of withdrawal, there remain some significant uncertainties:

- Given the very tight timetable for reaching agreement, there is a possibility of the UK leaving the transition period at the end of 2020 without an agreement about the future relationship in place. In this scenario many of the issues previously identified around a 'no-deal Brexit', such as disruption to supply chains, would arise again.
- The UK Government's position of seeking a future relationship based on a free trade agreement (rather than a more close relationship aligned to the single market) has implications that are not yet clear but which create opportunities and risks for Wales' economy, society and environment.
- There are also significant unresolved constitutional questions around how powers in areas where devolved governments were directly applying EU law, such as regional development and agriculture, will be exercised across the UK after the transition period.

In light of these uncertainties, the Auditor General will continue to keep a watching brief over developments and will make a decision later in the year as to what, if any, further work is required to look at public bodies' preparations for either a new relationship or a no-trade deal exit from the transition period.

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GIG
CYMRU
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WALES

Addysg a Gwella Iechyd
Cymru (AaGIC)
Health Education and
Improvement Wales (HEIW)

Meeting Date	27th January 2020	Agenda Item	2.3
Report Title	Annual Accounts Plan 2019/20		
Report Author	Martyn Pennell, Head of Financial Accounting		
Report Sponsor	Eifion Williams, Interim Director of Finance		
Presented by	Martyn Pennell, Head of Financial Accounting		
Freedom of Information	Open		
Purpose of the Report	This paper provides an overview of the proposed accounts closure plan for the 2019/20 financial year and highlights the key financial and technical issues impacting the accounts.		
Key Issues	There are no significant changes to the technical accounting requirements in 2019/20 that will affect the reported accounts.		
Specific Action Required <i>(please ✓ one only)</i>	Information	Discussion	Assurance
	✓		
Recommendations	Members are asked to: <ul style="list-style-type: none"> • note the paper 		

1. INTRODUCTION

This paper provides an overview of the proposed accounts closure plan for the 2019/20 financial year and highlights the key financial and technical issues impacting the accounts.

2. BACKGROUND

Welsh NHS bodies are required to prepare an annual report and accounts in compliance with the determination and directions given by Welsh Ministers. A Manual for Accounts (MfA) is prepared annually by the Health and Social Services Group in Welsh Government, which provides guidance on the statutory requirements to assist in the production of the reports. It is for each organisation to interpret the guidance and to apply the principles to their own individual circumstances.

Welsh Government issued the draft 2019/20 MfA on 20th December 2019 for consultation. The information provided within this paper is subject to any changes made to final version of the manual, due for publication in February 2020.

3. PROCESS & TIMETABLE

The accounting requirements and completion deadlines for the 2019/20 accounts remain largely unchanged from 2018/19 and therefore no significant changes are proposed to the closing process.

A summary of the key deadlines, including submission and approval dates, has been updated to reflect the draft 2019/20 timetable issued by Welsh Government (appendix 1). The dates of the required Audit & Assurance Committees and Board meetings are included on the timetable for information.

A detailed timetable will be maintained in the financial accounts team identifying each of the key tasks required to be completed throughout the process, with responsibility for each task being allocated to a named individual. The timetable will be monitored on a daily basis to ensure that any delays are identified as early as possible and for any mitigating actions to be implemented as required.

In 2019/20 the following additional actions will be carried out to improve the process:

- A closing pack will be issued to all finance staff providing them with further details of the tasks that they will be required to complete including specific deadlines for each item. The pack will also include a number of templates that will be used to ensure that accurate and auditable information is provided to feed into the accounts and associated notes.
- The financial accounts team will review and challenge areas identified in the internal and external audit reports issued since last year to ensure that the recommendations have been fully implemented.

4. AUDIT

Monthly meetings have been arranged with Wales Audit Office (WAO) starting in January 2020 to discuss progress and to work through any potential issues as they arise.

The interim audit will be carried out between 17th and 28th February and the final stage of the audit will commence on Monday 4th May.

5. FINANCIAL AND TECHNICAL ISSUES

There are no significant changes to the technical accounting requirements in 2019/20 that will affect the reported accounts.

International Financial Reporting Standard 16 (IFRS16) relates to the accounting treatment of leases and is effective in the public sector from 1 April 2020. This will require a single note in the 2019/20 accounts outlining the estimated impact in future years. Work has started to calculate these changes although we are awaiting further guidance from HM Treasury on some of the technical aspects. As HEIW only has a small number of leases affected by the new standard this will not be a significant piece of work to complete.

6. GOVERNANCE AND RISK ISSUES

This paper sets out the timetable and processes that are in place in HEIW to ensure that the accounts are produced in accordance with the statutory requirements.

7. FINANCIAL IMPLICATIONS

There are no direct financial implications as a result of this paper.

8. RECOMMENDATION

Members are asked to:

- note the paper.

Governance and Assurance				
Link to corporate objectives (please ✓)	As a new organisation establishing HEIW as a valued and trusted partner, an excellent employer and a reputable and expert brand	Building a sustainable and flexible health and care workforce for the future.	With Social Care Wales shaping the workforce to deliver care closer to home and to better align service delivery.	Improving quality and safety by supporting NHS organisations find faster and more sustainable workforce solutions for priority service delivery challenges.
	✓			
	Improving opportunities for use of technology and digitalisation in the delivery of education and care.	Reinvigorating leadership development and succession planning across health and social care in partnership with Social Care Wales and Academi Wales	Demonstrating value from investment in the workforce and the organisation.	
Quality, Safety and Patient Experience				
There is no impact on quality, safety and patient experience.				
Financial Implications				
There are no direct financial implications as a result of this paper.				
Legal Implications (including equality and diversity assessment)				
There are no legal implications.				
Staffing Implications				
There are no direct staffing implications.				
Long Term Implications (including the impact of the Well-being of Future Generations (Wales) Act 2015)				
There are no long-term implications.				
Appendices	Appendix 1 – Summary Year-end timetable 2019/20			

Appendix 1 – Summary Year-end Timetable 2019/20

Date	Activity	Responsible Person
07/04/2020	Indicative year-end outturn position submitted to Welsh Government	Rhiannon Beckett
01/05/2020	Draft accounts and financial returns sent to Welsh Government & Wales Audit Office (Midday)	Martyn Pennell
06/05/2020	Audit & Assurance Committee to review draft Annual Accounts	Eifion Williams
26/05/2020	Audit & Assurance Committee to review proposed final Annual Accounts	Eifion Williams
28/05/2020	Annual Report & Accounts to be approved by HEIW Board	Eifion Williams & Dafydd Bebb
29/05/2020	Signed final version of Annual Report & Accounts sent to Welsh Government by Wales Audit Office (Midday)	Wales Audit Office



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NHS
WALES

Addysg a Gwella Iechyd
Cymru (AaGIC)
Health Education and
Improvement Wales (HEIW)

Meeting Date	27 January	Agenda Item	2.4
Report Title	Annual Report Timetable 2019/20		
Report Author	Dafydd Bebb, Board Secretary and Martyn Pennell Head of Financial Accounting		
Report Sponsor	Dafydd Bebb, Board Secretary		
Presented by	Dafydd Bebb, Board Secretary		
Freedom of Information	Open		
Purpose of the Report	To provide the Committee with a Timetable that covers the process for drafting the 2019-20 Annual Report.		
Key Issues	<p>The Annual Report contains three main parts:</p> <ul style="list-style-type: none"> • The Performance Report • The Accountability Report (including the Annual Governance Statement) and • The Financial Statements. <p>Drafting the Annual Report is an iterative process and the Timetable details HEIW's plan for creating the document in accordance with statutory requirements.</p>		
Specific Action Required <i>(please ✓ one only)</i>	Information	Discussion	Assurance
			✓
Recommendations	<p>Members are asked to note :</p> <ul style="list-style-type: none"> • the Timetable for the Performance Report and the Accountability Report (including the Annual Governance Statement) as outlined in Appendix 1 for assurance. • the Timetable for the Financial Statements as outlined in Appendix 2 for assurance. 		

ANNUAL REPORT TIMETABLE 2019/20

1. INTRODUCTION

NHS bodies are required to produce an Annual Report for each financial reporting period. This report considers the Timetable for producing the Annual Report for this financial year 19/20.

2. BACKGROUND

NHS bodies are required to publish, as a single document, a three part Annual Report and Accounts which includes:

- i) The Performance Report, which must include:
 - An overview
 - A Performance analysis.
- ii) The Accountability Report, which must include:
 - A Corporate Governance Report
 - A Remuneration and Staff Report
 - A National Assembly for Wales Accountability and Audit Report.
- iii) The Financial Statements, including the Audited Annual Accounts **2019-20**.

The accounting requirements and completion deadlines for the 2019/20 accounts remain largely unchanged from 2018/19, and therefore no significant changes are proposed to the closing process.

A summary of the key deadlines, including submission and approval dates, has been updated to reflect the draft 2019/20 timetable issued by Welsh Government (appendices 1 & 2). The dates of the required Audit & Assurance Committees and Board meetings are included on the timetable for information.

An Annual Report working Group has been formed and this group will now meet on a weekly basis to progress the drafting of the Annual Report.

Accounts Production & Audit

Following a review of the 2018/19 ISA260 report and management letter issued by Wales Audit Office (WAO) the following additional actions will be carried out in 2019/20 to improve the process:

- A closing pack will be issued to all finance staff providing them with further details of the tasks that they will be required to complete including specific deadlines for each item. The pack will also include a number of templates that will be used to ensure that accurate and auditable information is provided to feed into the accounts and associated notes.
- The financial accounts team will review and challenge areas identified in the internal and external audit reports issued since last year to ensure that the recommendations have been fully implemented.

- A detailed timetable will be maintained in the financial accounts team identifying each of the key accounts tasks required to be completed throughout the process, with responsibility for each task being allocated to a named individual. The timetable will be monitored on a daily basis to ensure that any delays are identified as early as possible and for any mitigating actions to be implemented as required.

Monthly meetings have been arranged with WAO to discuss progress on the accounts completion and to work through any potential issues as they arise.

The interim audit will be carried out between 17th and 28th February and the final stage of the audit will commence on Monday 4th May.

Technical Accounting Issues

There are no significant changes to the technical accounting requirements in 2019/20 that will affect the reported accounts.

International Financial Reporting Standard 16 (IFRS16) relates to the accounting treatment of leases and is effective in the public sector from 1 April 2020. This will require a single note in the 2019/20 accounts outlining the estimated impact in future years. Work has started to calculate these changes although we are awaiting further guidance from HM Treasury on some of the technical aspects. As HEIW only has a small number of leases affected by the new standard this will not be a significant piece of work to complete.

3. GOVERNANCE AND RISK ISSUES

The timetable represents HEIW's plan for drafting the Annual Report and aims to mitigate risks associated with drafting the document which is a statutory requirement.

4. FINANCIAL IMPLICATIONS

There are no financial implications. Production of the Annual Report is deemed a core matter for HEIW.

5. RECOMMENDATION

Members are asked to **note**:

- the Timetable for the Performance Report and the Accountability Report (including the Annual Governance Statement) as outlined in Appendix 1 for **assurance**.
- the Timetable for the Financial Statements as outlined in Appendix 2 for **assurance**.

Governance and Assurance				
Link to corporate objectives (please ✓)	As a new organisation establishing HEIW as a valued and trusted partner, an excellent employer and a reputable and expert brand	Building a sustainable and flexible health and care workforce for the future.	With Social Care Wales shaping the workforce to deliver care closer to home and to better align service delivery.	Improving quality and safety by supporting NHS organisations find faster and more sustainable workforce solutions for priority service delivery challenges.
	✓			
	Improving opportunities for use of technology and digitalisation in the delivery of education and care.	Reinvigorating leadership development and succession planning across health and social care in partnership with Social Care Wales and Academi Wales	Demonstrating value from investment in the workforce and the organisation.	
Quality, Safety and Patient Experience				
na.				
Financial Implications				
There are no financial implications.				
Legal Implications (including equality and diversity assessment)				
Completing the Annual Report is a statutory duty for HEIW.				
Staffing Implications				
There are no staffing implications.				
Long Term Implications (including the impact of the Well-being of Future Generations (Wales) Act 2015)				
na				
Report History				
Appendices		<ul style="list-style-type: none"> • Timetable for the Performance Report and the Accountability Report (including the Annual Governance Statement) outlined in Appendix 1. • Timetable for the Financial Statements - outlined in Appendix 2. 		

APPENDIX 1 - ANNUAL REPORT (Excluding Accounts) TIMETABLE

Annual Report 2019/20 – Welsh Government (WG) Submission Dates

Table 1

Draft Accountability Report to WG	Monday, 11 May
Draft Performance Report	Friday, 29 May
Audited Accounts & Accountability Report	Friday, 29 May
Annual Quality Statement	Friday, 29 May
Annual Report, including Performance Report, Accountability Report & Financial Statements, as a single unified PDF document	Friday, 29 May
Public Meeting	No later than Wednesday, 31 st July

Table 2 Timeline for drafting the Annual Report

Requirement	Lead	Date	Scrutiny
1. <u>Accountability Report</u>			
1.1 Annual Governance Statement			
Board & Committee Attendance Table (Checked & verified)	Dafydd Bebb (DB)	13 March	
Register of Interests (can be provided via web-link)	DB	13 March	
Board's assessment of its compliance with the Corporate Governance Code	DB	13 March	
Partnership Governance Framework	DB and Angharad Price (AP)	13 March	
Completion of Governance & Accountability Standard	DB	13 March	
Record of any Ministerial Directions	DB	13 March	
Reconciliation of IA/WAO Reports to HoIA Opinion + Table & detail of Low Assurance Reports	DB	13 March	
Capacity to Handle Risk- Risk profile Newly identified risks and clinical risks (Ignore Emergency Preparedness)	DB	13 March	
BAF & BAF Risks	DB	13 March	
HIW Reports	DB	13 March	
Legislative Assurance Framework	DB	13 March	
Audit & Review Tracker	DB	13 March	

Requirement	Lead	Date	Scrutiny
Write/ Collate 1 st Draft AGS	DB	13 March	
Review 1 st Draft AGS	DB	16 March	
Finalise/Review Draft AGS	DB	16 March	Executive Team 18 March/ Audit Committee 1 April
Make any final amendments	DB	15 May	
Review Final AGS	DB	15 May	Audit Committee 26 May/ Board Meeting 28 May
1.2 Directors Report			
Table 1 Board Composition	DB	13 March	
Table 2 Board Member's Interests	DB	13 March	
Table 3 Audit Committee Membership	DB	13 March	
Information on personal data related incidents formally reported to ICO	DB - Cross reference to AGS	13 March	
Any relevant information on environmental, social and community issues.	Chris Payne (CP)	13 March	
Statement re compliance with cost allocation & charging requirements.	Eifion Williams (EW)	13 March	
Review 1 st Draft Directors Report	DB	16 March	
Finalise/Review Draft Directors Report	DB	16 March	Executive Team 18 March/ Audit Committee 1 April
Make any final amendments	DB	15 May	
Review final Directors Report	DB	15 May	Audit Committee 26 May/ Board Meeting 28 May
1.3 Signature for Statement of Accounting Officer's Responsibilities	Alex Howells (AH)	26 May – Audit Committee/ 28 May Board Meeting	

Requirement		Lead	Date	Scrutiny
1.4 Signature Statement of Director's responsibilities in respect of the accounts		Chris Jones/AH/EW	26 May Audit Committee/ 28 May Board Meeting	
1.5 Workforce Intelligence		Foula Evans (FE) and Ryan Cunningham (RC)	All elements complete by 17 April	
Remuneration & Staff Report		Martyn Pennell	17 April	
Draft Accountability Report (1.1-1.5) to WG		DB	11 May	
Review Final Accountability Report		DB	15 May	
Performance Report				
Draft Performance Report		CP and AP	17 April	Executive Team 22 April
Final Performance Report				Audit Committee 26 May/ Board Meeting 28 May
Annual Quality Statement		DB	13 March	Audit Committee 26 May/ Board Meeting 28 May
Annual Report, including Performance Report, Accountability Report & Financial Statements as a single unified PDF document				To WG by 29 May
Approval of Committee Annual Reports		Need to be before sign off of Audited Accounts on 28 st May if to evidence that work of committees contribute to the working of the Board.		
Audit Committee			6 May and 26 May	

Appendix 2 – Summary Year-end Timetable 2019/20

Date	Activity	Responsible Person
07/04/2020	Indicative year-end outturn position submitted to Welsh Government	Rhiannon Beckett
01/05/2020	Draft accounts and financial returns sent to Welsh Government & Wales Audit Office (Midday)	Martyn Pennell
06/05/2020	Audit & Assurance Committee to review draft Annual Accounts	Eifion Williams
26/05/2020	Audit & Assurance Committee to review proposed final Annual Accounts	Eifion Williams
28/05/2020	Annual Report & Accounts to be approved by HEIW Board	Eifion Williams & Dafydd Bebb
29/05/2020	Signed final version of Annual Report & Accounts sent to Welsh Government by Wales Audit Office (Midday)	Wales Audit Office



GIG
CYMRU
NHS
WALES

Addysg a Gwella Iechyd
Cymru (AaGIC)
Health Education and
Improvement Wales (HEIW)

Meeting Date	27 January 2020	Agenda Item	2.5
Report Title	HEIW Information Governance Report		
Report Author	Dafydd Bebb, Board Secretary		
Report Sponsor	Dafydd Bebb, Board Secretary		
Presented by	Dafydd Bebb, Board Secretary		
Freedom of Information	Open		
Purpose of the Report	To update the Audit and Assurance Committee on matters relating to Information Governance.		
Key Issues	<p>HEIW is implementing an Information Governance Workplan to ensure compliance with Information Governance Principles and Data Protection legislation.</p> <p>The report provides an updated on:</p> <ul style="list-style-type: none"> the current position in respect of the implementation of the Information Governance Workplan; a summary on Freedom of Information Requests; a summary on Data Subject Access Requests. 		
Specific Action Required (please ✓ one only)	Information	Discussion	Assurance
			✓
Recommendations	Members are asked to note the report for assurance .		

HEIW INFORMATION GOVERNANCE REPORT

1. INTRODUCTION

Effective Information Governance (IG) requires HEIW as an organisation to understand its obligations for compliance and ensure that all staff understand the importance of ensuring information is managed effectively.

The purpose of this paper is to provide the Audit and Assurance Committee (A&AC) with an update of the current position in respect of the Information Governance Workplan (Workplan) currently being undertaken by the IG function. The Workplan is attached in Appendix 1.

The paper also provides an update in respect of Freedom of Information Requests and Data Subject access Requests received by HEIW.

2. BACKGROUND

IG within HEIW has the following fundamental aims:

- to promote the effective and appropriate use of information (including confidential, personal information, and commercially sensitive data) in the NHS;
- to provide staff with the appropriate tools and support to enable them to manage information in a responsible and professional way; and
- to ensure that all processing of information is done fairly, effectively and in accordance with the law.

3. INFORMATION GOVERNANCE WORK PLAN

The overall aim of the Information Governance Work Plan (Workplan), attached at Appendix 1, is to ensure that information within HEIW is being used effectively, efficiently, securely, responsibly and legally, regardless of format and that activity required to achieve these obligations is undertaken.

In accordance with the discussion at the last meeting of the A&AC the use of the colour grey, to denote a piece of work that requires continual review and assessment, has been reviewed and deleted. Where the policies and procedures are in place to undertake such a continual review then this is now assessed as a Green status.

The Workplan contains a total of 31 management actions with the following RAG status: 24 Green, 6 Amber and 1 Red.

Red Status: Management action no.15 – This relates to the requirement that HEIW's records management audits are completed to measure the levels of

archived and stored information that are held within HEIW. This will ensure that HEIW is only keeping records and files that are required and that archived records are destroyed within the compliance timeframe. This however is subject to completion of the Information Asset Register which is due for completion in March 2020.

4. FREEDOM OF INFORMATION

HEIW received 8 FOI requests for the period 1 October to 31 December 2019. 7 of the requests were responded to within the timescales as set out in the Freedom of Information Act 2000. The compliance rate (response within the 20 working days) of the requests received was 87.5%. There have been no requests for review or complaints received from the Information Commissioner's Office.

- **Sources of Requests**

Private Individual	3
Researcher/Analyst	0
Private Company	2
Media	0
Group, Association, Chartered Society	0
Campaigner (Whatdotheyknow.com)	0
Welsh Government	0
Employees of NHS Wales	0
Health Board/Trust	1
MP/Assembly Member	0
Local Government	1
Student	1
Legal	0
Royal College	0
TOTAL	8

- **Subjects of Requests**

Subject of Information Request	Number
Corporate	3
Personnel/Employment	1
Contract/Commissioning	
Training/Education	2
Financial	1
Statistical	
Information Governance	1
TOTAL	8

- **Exemptions Applied**

The Freedom of Information Act contains a number of exemptions that allow organisations to withhold information from a requester. In some cases, these will also allow HEIW to refuse to confirm or deny whether the information is held by the organisation.

Some exemptions relate to a particular type of information, whilst other exemptions are based on the harm that would arise or would be likely to arise from disclosure, for example, if disclosure would be likely to prejudice a criminal investigation or prejudice someone's commercial interests. There is also an exemption for personal data if releasing it would be contrary to the General Data Protection Regulation.

3 exemptions were applied to the 8 responses closed during this reporting period, with some responses having more than one exemption applied.

Exemption	Number of Times Applied
Section 16: To Advise and Assist	1
Section 21: Information Accessible by other Means	1
Section 43(2): Protecting Commercial Interests	1
TOTAL	3

Requests received by HEIW that are considered to be sensitive or contentious in nature are reported to Welsh Government as part of the all Wales weekly reporting. Copies of those responses are also forward to Welsh Government for information.

5. DATA SUBJECT ACCESS REQUESTS (DSARS)

There were no DSARs during the period from 1 October to 31 December.

6. GOVERNANCE AND RISK ISSUES

The implications of a lack of IG compliance may result in formal investigation procedures, poor publicity and potential monetary penalties by the Information Commissioner's Office (ICO).

7. FINANCIAL IMPLICATIONS

There are no financial implications.

8. RECOMMENDATION

Members are asked to note this report for assurance.

Governance and Assurance				
Link to corporate objectives (please ✓)	As a new organisation establishing HEIW as a valued and trusted partner, an excellent employer and a reputable and expert brand	Building a sustainable and flexible health and care workforce for the future.	With Social Care Wales shaping the workforce to deliver care closer to home and to better align service delivery.	Improving quality and safety by supporting NHS organisations find faster and more sustainable workforce solutions for priority service delivery challenges.
	✓			
	Improving opportunities for use of technology and digitalisation in the delivery of education and care.	Reinvigorating leadership development and succession planning across health and social care in partnership with Social Care Wales and Academi Wales	Demonstrating value from investment in the workforce and the organisation.	
	✓			
Quality, Safety and Patient Experience				
It is important that HEIW provides service users with assurance that Information Governance is considered and maintained within an effective culture of confidentiality.				
Financial Implications				
No financial implications to consider.				
Legal Implications (including equality and diversity assessment)				
If not considered, legal implications of a lack of IG compliance leaves the organisation open to a potential of formal investigation procedures and monetary penalties by the Information Commissioner's Office.				
Staffing Implications				
Currently, there is a seconded IG Manager in post. It is anticipated that a permanent IG Manger will be appointed in Q4.				
Long Term Implications (including the impact of the Well-being of Future Generations (Wales) Act 2015)				
None identified.				
Report History	An Information Governance Report is provided to the A&AC on a quarterly basis.			
Appendices	Appendix 1 – Information Governance Workplan			

Appendix 1 – Summary of the HEIW Information Governance Work Plan (April 2019 to March 2020)

Key

Green denotes complete or actions that have a rolling basis have been considered within this work plan

Amber denotes some action required to complete and has been considered

Red denotes that the action is outstanding, however it has been considered but nothing has been completed to date

Objective/ Recommendation	Management Action	Responsible Lead	RAG status/ Complete by	Progress	Benefits
1. Review and assessment of the EU General Data Protection Regulation (GDPR) for HEIW	1.1 Ensuring that the GDPR is reflected in the documents and HEIW processes	Board Secretary/ Information Governance Manager	March 2020	Some areas have been completed. The main priority is the Information Asset Register. Work has commenced in respect of completing the Asset Register.	Provides assurance that the organisation is compliant with up to date legislation
2. Development of IG centric documentation.	2.1 Development of IG protocols and guidance to ensure that the organisation has the correct list of documentation and this includes references to GDPR legislation (including Project initiation documents) and Privacy Notices.	Board Secretary/ Information Governance Manager	Completed Development will need to be considered in future work	The HEIW IG function has developed HEIW centric protocols, forms and documents for the IG function. This has included development of Privacy Notices for Staff.	Provides assurance that the organisation is compliant with up to date legislation
3. Information Governance involvement in requests for data sharing	3.1 Ensuring that the IG function is made aware of processes that require agreements and process documents developed and identifying where there are none	Information Governance Manager	This is marked as completed as the potential requirement has been identified and this will be ongoing where the need for data sharing is identified	There is a developed standard access agreement and non-disclosure agreement for use with requests for data and for processing purposes.	Documents all parties responsibilities on what is required for acceptance

Objective/ Recommendation	Management Action	Responsible Lead	RAG status/ Complete by	Progress	Benefits
4. Information Governance involvement on the creation, use and rollout of new work using Privacy by Design processes	4.1 Ensuring that the IG function is informed of new services being transferred from other organisations (not just NHS Wales) to HEIW and any new projects involving identifiable information	Project Owner/ Information Governance Manager	Complete HEIW staff have an increased awareness that a PIA will be developed when a service requires it	There will be IG involvement on the specific requirements of each service and whether confidentiality changes or use are measured and evaluated.	Confidentiality and IG is considered for all new projects/ systems and existing changes to working/or proposals/ changes
5. Ensure that CCTV systems are correctly sited and that the appropriate assessments have been carried out	5.1 Ensuring that the Information Governance Manager is informed of proposals to install CCTV security systems	Project Owner/lead/ Information Governance Manager	Completed	HEIW has a CCTV protocol that includes information on siting, compliance and correct signage, retention, etc.	CCTV is monitoring within correct compliance and does not breach any of the SCC laws or the HEIW protocol
6. Ensure that suspected, alleged or confirmed incidents of confidentiality breach or loss are reported and investigated reactively/proactively	6.1 Staff are aware of the breach reporting process and know how to identify an incident of suspected breach and where to report it.	Information Governance Manager	Complete However, the process of breach reporting will be something that will never be complete	The current HEIW Confidentiality Breach Reporting protocol is in place to reflect the changes made under the new Regulations. This has been approved by the Executive Team.	Promoting a culture of confidentiality, whilst managing risks to the organisation in regards to breaches of information and prevention of these.

Objective/ Recommendation	Management Action	Responsible Lead	RAG status/ Complete by	Progress	Benefits
7. Ensure that the Privacy Impact Assessment (PIA) process is used to ensure that all new processes, services, information systems, and other relevant information assets are developed, implemented and used in a secure and structured manner, whilst complying with IG Security accreditation, Information Quality, Confidentiality and Data Protection requirements	7.1 Documented procedures established to ensure all new processes undergo a privacy impact assessment to check compliance with confidentiality and Data Protection requirements	Information Governance Manager/ Project Owner/Project Manager	Complete Staff have an awareness and appreciation that there is a PIA processes where new projects or uses of existing PII that will possibly require assessment under the principles when considered or implemented	The PIA document is approved and being used where necessary. All staff are made aware of the Privacy Impact Assessment process within training and awareness sessions to ensure that the IG function is engaged when new projects or services are proposed within the organisation.	Confidentiality issues are always being identified, answered and resolved in line with Data Protection requirements for all new systems/ processes/work streams
	7.2 All final Privacy Impact Assessments are approved and signed off by a senior level group when recommendations are completed by the Project Owner and agreed by the Information Governance Manager	Information Governance Manager/ Information Governance Steering Group/ Senior Management Team	Complete There will be no end date to consider as all PIAs will require approval as and when required	There are new PIA templates that reflect changes under the new Regulations, these have now been approved for use. Once completed, the IG Manager will sign them off and table them for information and discussion at the Executive Team.	

Objective/ Recommendation	Management Action	Responsible Lead	RAG status/ complete by	Comments	Benefits
8. Information Governance awareness and training are in place and all appropriate staff are given training (classroom and eLearning)	8.1 Active campaign promoting IG training and the requirement that face to face training must be completed bi-annually by staff who have been identified staff as handling identifiable data.	All Heads of Service/Line managers/ Individual staff	Biennial basis for specific staff, no end date to consider	Information Governance training is being promoted and rolled out across the organisation. IG training commenced in August 2019. There is a register of the headcount, department and the total number of staff trained to date	Staff training is vital to ensuring continued compliance and awareness of information security and confidentiality responsibilities
	8.2 Ensuring that all staff are aware of and complete their annual compliance using the eLearning core skills module	Information Governance Manager/ Workforce	Complete eLearning is required on an annual basis for all staff and this is connected to the PADR process. There will be no end date to consider	Reminders are sent within ESR on the Information Governance eLearning modules. These will form part of any IG training reporting for the mandatory section of any updates provided to the Executive Team.	Staff training is vital to ensuring continued compliance and awareness of information security and confidentiality responsibilities
	8.3 Development of HEIW intranet pages to include Information Governance	Information Governance Manager	Complete	These have now been published. Marked as complete but will need an annual review and updates where required	Staff awareness of their obligations with IG principles

Objective/ Recommendation	Management Action	Responsible Lead	RAG status/ complete by	Comments	Benefits
	8.4 Development of an Information Governance introduction for the HEIW internet page	Information Governance Manager	Complete	These have now been published. Marked as complete but will need an annual review	The public are aware of the responsibilities of the organisation to hold and safeguard any PII
	8.5 Development of Information Governance handouts and guides to good practice	Information Governance Manager	Complete	Handouts relating to IG, GDPR and email have been created and are being used and have been published on the HEIW intranet	Staff awareness of their obligations with IG principles
9. A full review undertaken of how information is being used throughout the organisation through the Information Asset Register function	9.1 Management of the process for Information Asset recording or "Mapping" this includes the: <ul style="list-style-type: none"> • Information subject • Types of information • legal basis for processing • accountability of information stored 	Information Governance Manager/ Executive Team/ Information Asset Owners/ Administrators	There is no end date for this objective. This is due to the work involved in realising any outstanding information assets or changes	As part of the compliance for the General Data Protection Regulation (GDPR), information asset ownership is a requirement. This is only partly completed at present. A register and a list of nominated contacts has been established and work has started with meetings being held in October 2019. A register of assets relating to the HEIW Sharepoint site has been completed and is awaiting review	Identifies areas and priorities for improvement to ensure organisational compliance with Information Security and FOI requirements

Objective/ Recommendation	Management Action	Responsible Lead	RAG status/ complete by	Comments	Benefits
	9.2 Ensuring that, on identification and recording of Information Assets, risks are identified to the assets held and recorded on a risk register and work undertaken to reduce any issues	All Information Asset Owners/ Administrators	Considered to be a continuous process of work	The process of initially collecting Information Assets is currently underway.	Ensures that risks that have been identified are addressed against all Information Assets within HEIW
	9.3 Ensuring that there is a continual process to capture all future Information assets and removal of information no longer value to ensure that the register is accurate	All Information Asset Owners and Administrators	Once complete this work area will be considered as a rolling process of work	This process will be addressed on an annual basis and the practices of update will be reinforced.	Ensures a comprehensive picture of all Information Assets within HEIW.
10. Effective reporting on the monitoring and management of Information Governance risks in statements of internal controls. This is to include details of data loss and confidentiality breaches within HEIW	10.1 Provide the HEIW Executive Team with regular updates and visibility of Information Governance topics, concerns and/or risks	Information Governance Manager/ Senior Information Risk Owner (SIRO)	A suggested list of IG risks has been passed to the Board Secretary for consideration	A list of suggested Information Governance risks has been passed to the Board Secretary for consideration.	Greater communication and understanding of IG related topics, risks and/or concerns at the highest level

Objective/ Recommendation	Management Action	Responsible Lead	RAG status/ complete by	Comments	Benefits
	10.2 Identification of further risks following Information Asset Register processes	Information Governance Manager/ IAOs/IAs	Complete. However, a continual process of review and identification of IG risk will need to be completed	The Information Asset Register serves to collect organisational information and identify any potential risks that could cause a breach of confidentiality.	Greater communication and understanding of IG related topics, risks and/or concerns at the highest level
11. Ensuring that the organisation continues to be compliant with all Information Governance assessments including self-assessment exercises	11.1 Ensuring that all exercises to comply with all relevant laws and ethics are completed to provide assurance that personal identifiable information is handled and controlled effectively	Executive Team/ Information Governance Manager	Complete However, assessments are completed on an annual basis	The IG Toolkit will be part of IG assessment going forward in 2020. Data Protection registration is completed on an annual basis in October. Internal audits and Information Commissioner exercises will be completed on an ad-hoc basis.	Organisations and Service Users are assured that HEIW hold and process all identifiable data in a legal and ethical manner
	11.2 Ensuring that effective reporting of Information Governance activity is completed on a timely basis to the Executive Team. This will include Information Governance function developments, training compliance and breach reporting	Information Governance Manager	No end date expected The IG Manager will write and present papers when there is a need	Information Governance activity should be reported to the Executive Team when there is a requirement. This activity should also help inform areas such as annual reports and Governance statements.	Organisations and Service Users are assured that HEIW hold and process all identifiable data in a legal and ethical manner and progress is reflecting in timely and accurate reporting

Objective/ Recommendation	Management Action	Responsible Lead	RAG status/ complete by	Comments	Benefits
12. Inclusion and awareness of IT security incidents that directly or indirectly could affect Information Governance	12.1 Inclusion of IT security within Information Governance work	IT Security/ Information Governance Manager	Ongoing basis, no end date to consider	Colleagues to work together when there is an overlap between IT security and Information Governance	Ensuring that issues relating to IT security that could impact on Information Governance are given full awareness
13. Co-operating with supervisory authorities on incident reporting and ensuring that all parties are aware of IG related incidents	13.1 Assurance that the Information Governance function is involved with any breach reporting and the steps to take following an incident	Information Governance Manager/ SIRO	Ongoing basis, no end date to consider	HEIW has a Confidentiality Breach Reporting procedure in place and will link in with the Executive Team in the instance of high-level incidents	Ensuring appropriate representation for the organisation
14. Represent HEIW in any all Wales IG forums and formal engagements relevant to the role	14.1 Ensure that Information Governance is involved in meetings where advice around confidentiality is required	Information Governance Manager/SIRO	Ongoing basis, no end date to consider	Involvement with meetings and committees on behalf of HEIW will be decided as and when required	Ensuring appropriate representation for the organisation
15. Records Management audits are completed to measure the levels of archived and stored information that are held within HEIW	15.1 To ensure that, following GDPR, HEIW are only keeping records and files that are required and that archived records are destroyed within the compliance timeframe	Records Managers/ Information Governance Manager/ SIRO	Ongoing, subject to completion of IAR required	The clarification of Records Management arrangements and proposed audits are still required and this will be part of the Information Asset process that is ongoing within the organisation	To ensure that the organisation is only keeping records in line with current RM standards
16. Data Subject Access requests are completed effectively and thoroughly	16.1 Development of a Subject Access request protocol	Information Governance Manager	Complete	The HEIW Executive Team have approved this as part of the suite of IG protocols in place	Promotes fair and lawful access to Data Subject's own information

Objective/ Recommendation	Management Action	Responsible Lead	RAG status/ complete by	Comments	Benefits
	16.2 Development of a rectification procedure for Data Subjects to request a change/revision or deletion of information from their own records	Information Governance Manager	Ongoing		Promotes fair and lawful revision to Data Subject's own information
17. Work related to the HEIW Information Governance Steering Group	17.1 Production of a Terms of Reference	Information Governance Steering Group members	Ongoing	Currently in draft form and awaiting final approval	
	17.2 Biannual review of the Information Governance Steering Group Terms of Reference	Information Governance Steering Group members	Biannual basis	Initial draft awaiting approval	Ensures that the ToR remains accurate and up to date
	17.3 Production of an annual report for the HEIW Board on Information Governance	Information Governance Manager/ Information Governance Steering Group members	Annual basis	First annual report would be expected to be completed at the end of March 2020.	Provides assurance that the organisation remains compliant
18. Regular communication to staff on specific topics relating to Information Governance	18.1 Regular communications in both Welsh and English to staff via the Comms and Engagement Team	Information Governance Manager/ Communications Team officers	No completion date to consider	Communications are completed as and when required.	Provides staff with useful information around the need to be compliant within the organisation

Objective/ Recommendation	Management Action	Responsible Lead	RAG status/ complete by	Comments	Benefits
19. Information Governance involvement on the introduction of new services through standardised procurement exercises	19.1 Ensuring that the Information Governance Manager is informed of new services being purchased that may involve and require use of confidential information	Project Owner/ Information Governance Manager	Complete as it has been noted as a consideration However, there no end date to Consider due to the ongoing procurement of services required by HEIW	This includes whether there has been consideration of any issues with the use of PII when tendering or procuring a new service. This will include Cyber Security Essentials and cooperation with IT security staff.	Confidentiality issues are always being identified, answered and resolved in line with Data Protection requirements for procurement exercises that require



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Addysg a Gwella Iechyd
Cymru (AaGIC)
Health Education and
Improvement Wales (HEIW)

Meeting Date	27 January 2020	Agenda Item	2.6
Report Title	Update on the current position of the Strategic review of Healthcare Education in Wales		
Report Author	Martin Riley		
Report Sponsor	Stephen Griffiths		
Presented by	Stephen Griffiths		
Freedom of Information	Closed		
Purpose of the Report	To update the Audit & Assurance Committee on the themes emerging from the KPMG Review and the engagement plan to ensure that a contract specification is developed to fully meet the needs of Wales by May 2020 when the tender will go live.		
Key Issues	<ul style="list-style-type: none"> • Engagement Plan • Emerging themes, <ul style="list-style-type: none"> ○ Inter-Professional Education ○ Build tripartite relationships ○ Dispersed Learning ○ More flexible training pathways ○ Multi-Disciplinary Placements ○ More placements in Primary Care ○ More local and regional commissioning ○ Commissioning for whole career pathway ○ Support for newly qualified staff • Project Plan 		
Specific Action Required <i>(please ✓ one only)</i>	Information	Discussion	Assurance
	✓		
Recommendations	<p>The Audit & Assurance Committee is asked to:</p> <ul style="list-style-type: none"> ➤ Note the contents of the draft key themes emerging from the KPMG Review ➤ Note the response to the KPMG Review, the work already being undertaken in each area and the work planned to fully address the recommendations ➤ Note the Communication strategy ➤ Note the project management arrangements and the detailed project plan. 		

UPDATE ON THE CURRENT POSITION OF THE STRATEGIC REVIEW OF HEALTHCARE EDUCATION IN WALES

INTRODUCTION

On the 18th June 2019 the Minister for Health and Social Services announced that the current NHS Bursary scheme would be extended for a further year (2020/21) to enable the Welsh Government to *‘undertake further engagement with stakeholders on the top four options that emerged from the consultation. Engaging on these options would allow us to build on the 80 responses received to the consultation, whilst taking into consideration the new financial support, as a result of the Diamond Review, available through Student Finance Wales.’*

The results of the further engagement exercise undertaken by the Welsh Government in response to the announcement above is due in the autumn. This meant that the original procurement timescale was not feasible due to the risk associated with the uncertainty of the outcome of the consultation process and what a future funding model may look like.

The Executive Team agreed to a revised procurement timescale as set out below.

Key Action	Date
Place OJEU Notice to trigger procurement	May 2020
Clarification with bidders	August 2020
Evaluation of bids	September – October 2020
Clarifications / Award procedures / sign-off	November – December 2020
Award of Contracts	December 2020
Contract Commencement	August 2021
New education programmes commence	September 2022

The benefits of the revised timescales ensures that;

1. The recommendations of the KPMG Report can be evaluated
2. The Nursing Directorate can undertake more research in the areas of best-practice from around the world
3. Pre-tender engagement with the Universities can be more extensive thus ensuring the final contract specification is innovative, collaborative and deliverable
4. More time to develop the terms of the contract to ensure the maximum benefits materialise
5. Enhanced engagement with the Service and other key stakeholders to meet local, regional and national needs and priorities
6. Universities will be afforded more time to consider and prepare their bids
7. More time after the award of the contract for successful bidders to establish new programmes and ensure they meet the contract requirements and are approved by the relevant regulatory body

8. Potential for clarity around the implications of the Augur Review should the UK Government make a statement on its intent as
9. Key themes and service priorities arising from the long-term workforce strategy can be incorporated into the development of the new Education Contract so that the new contract is “future-proofed” and can be an “enabler for change”
10. HEIW can work with Universities during the first year of the contract (the “set-up year”) to assist and ensure that the new contract is in place, accredited and in line with the tender submission for students to commence in September 2022.

Extending the existing contracts

HEIW intends to issue a modification notice to extend all current contracts, due to expire on 31st July 2021, by a further year to 31st July 2022. HEIW are working closely with Legal and Procurement colleagues in NWSSP to finalise a process for the extension. This notice will be placed in October 2019.

New contracts

The new contracts will commence in August 2021 but there will be no expectation that students will start on the new contract until September 2022.

For existing providers that are awarded new contracts there will be two contracts in place in 2021/22.

- a) The first will be the current contract, supporting students in the system and this will be subject to the current contract performance and quality scrutiny.
- b) The second will be the new contract which will be in its set up phase. HEIW, through formal contract meetings, will monitor the progress against the delivery plan and assist in ensuring that all commitments for the new contract are delivered on time and in line with the contract specification.

If, on award of the new contract it is feasible and all conditions of the new contract is met then students could start in September 2021 on the new contract.

For any new providers the contract will start in August 2021 and HEIW will commence contract meetings to monitor the progress against the delivery plan and assist in ensuring that all commitments for the new contract are delivered on time and in line with the contract specification for student commencement in September 2022.

Key themes from the KPMG Review and the Nursing Directorate

The KPMG Report has been received and the final report is due at the end of September. KPMG concluded by stating,

“The findings and recommendations made in this review should help to ensure that HEIW develops and clarifies its role in shaping the future healthcare workforce. HEIW has an opportunity to do this through the commissioning of education programmes

and developing the collaborative relationship between education providers and healthcare providers. HEIW's upcoming procurement exercise provides an ideal opportunity to put this into action and secure the education programmes required. It is proposed that HEIW do this in a flexible and collaborative way given the expected developments and changes in the healthcare workforce in the future, as the Workforce Strategy for Health and Social Care is finalised and delivered."

The key themes include,

- develop role in **supporting newly qualified staff**
- further develop a strategic role in ensuring the **placement provision** of education programmes across Wales meets the needs of the service as well as the aims set out in 'A Healthier Wales'
- lead and **facilitate closer working** between education providers and health and care services. This should ensure that changing demands, locally, regionally and nationally, are taken into account in the development of commissioned education programmes and workforce needs
- consider a **local / regional approach to commissioning** to ensure that all regions of Wales have available education provision, for those programmes where the numbers commissioned are feasible and are reflective of the need in that area
- to build resilience consider the feasibility of commissioning **additional providers** for the programmes that currently have a single provider in Wales
- develop role across the **whole career pathway** of healthcare professionals by commissioning a broad range of programmes across professionals' careers and with a mix of qualification levels, to meet future workforce demands
- in partnership with education providers, Health Boards and Trusts, to establish an enhanced approach to **inter-professional education** which facilitates the delivery of the generalist skills and core common education requirements across professions. HEIW should consider requiring education providers to deliver a minimum amount of set inter-professional activity as a part of the commissioned programme and encourage education providers to innovate and develop this further
- consider **Welsh language provision** as a part of its commissioning approach, setting requirements or targets for the proportion of students that qualify from commissioned programmes that have a defined level of Welsh language skill

The outcomes are identified in appendix 1 where the 22 KPMG recommendations are listed. Many of the areas identified by KPMG already form an integral part of the commissioning and performance management currently in place within HEIW. Therefore, appendix 1 additionally identifies the work already being undertaken by HEIW across all recommendations. Appendix 1 also includes the Nursing Directorates draft plan to fully address the 22 recommendations.

High Level Engagement Plan

To ensure the new contract derives the maximum benefit and meets the needs of the Service and Universities the following engagement plan has been developed to explore the key themes above further,

Date	Engagement
11th October 2019	Event in Cardiff for all interested bidders. The morning will be a series of presentations delivered by HEIW on the emerging themes, draft lotting strategy and key procurement information. The afternoon will be available for interested parties to book 25 minute individual sessions with key HEIW staff.
November / December 2019	HEIW to visit each Health Board and Trust to share emerging themes, draft lotting strategy and key procurement information. The focus of these visits will be to ensure that, as far as possible, the new contract addresses the needs of individual regions to act as an enabler in providing the right workforce at the right time with the necessary skills to support quality and safe patient care.
November/ December 2019	<p>HEIW, will visit all Universities:</p> <ul style="list-style-type: none"> a) For currently contracted Universities a “Part B” will be added to the scheduled Contract Quality visit b) For other interested parties a separate visit will be arranged <p>This will provide the Universities the opportunity to seek further clarification and provide more feedback on the draft contract and strategy.</p>
January 2020	<p>Student Engagement events to be held across Wales</p> <p>Key themes will be tested with students and this will assist the Commissioner in ensuring that the new contracts are fit for purpose and reflect student needs.</p>
February 2020	<p>Engagement with service users and patient groups across Wales</p> <p>Key themes will be tested with patients and service users and this will assist the Commissioner in ensuring that the new contracts are fit for purpose and reflect patient needs.</p>
March 2020	<p>Final stakeholder events where final contract and strategy are presented to all interested parties.</p> <p>There will be 3 events: North, West and South Wales.</p>

In addition, regular updates will be posted on the HEIW website and a brief monthly summary will be developed to ensure that all stakeholders with which KPMG engaged are kept informed and afforded the opportunity to share their views.

The Project Plan

The work is overseen by a Project Management Group, Chaired by the Director of Nursing. There are two sub-groups focusing on communication and documentation. The groups comprise key internal staff from HEIW including the Nursing Directorate, Workforce and Finance and external colleagues from Legal and Risk Services and Procurement Services in NWSSP. HEIW's inclusion officer and Welsh Language Manager are co-opted in when appropriate.

When necessary task and finish groups are established to lead on specific aspects of the plan. Currently there are two task and finish groups that are operational covering evaluation and TUPE.

A full range of project management tools are being utilised to manage the process, including a risks and issues register.

The detailed project plan is attached at appendix 2.

The Audit & Assurance Committee are asked to,

- Note the contents of the draft key themes emerging from the KPMG Review
- Note the response to the KPMG Review, the work already being undertaken in each area and the work planned to fully address the recommendations
- Note the Communication strategy
- Note the project management arrangements and the detailed project plan.

Appendix 1: KPMG Recommendations and HEIW Response

- 1. HEIW and education providers to consider their role in supporting newly qualified and registered nurses, midwives and allied health professionals and whether a consistent approach across HEIW would be appropriate and have a positive impact.**

Current:

HEIW is currently developing a learning and development multi professional careers framework for Wales which includes preceptorship aspects of a registrants first year in practice.

Future:

HEIW will implement the newly created professional careers framework for Wales

HEIW will scope, in partnership with both Service and Universities, measures to build confidence and resilience in students and will work to find innovative solutions and common principles.

- 2. HEIW to consider how practice learning funding is provided to education providers and placement providers across all programmes. In particular, linking to recommendation 6 and the aims to increase multi-professional education and the breadth of placement provision to include increased primary and community experience.**

Current/Previously addressed:

The 2002 Fitness for Practice Initiative (nursing only) introduced funding to help students to transition from 'chalk board to ward'. The initiative established a new role of the Practice Education facilitator to support students in placement. It introduced a unified approach to mentor preparation, mentor support in the clinical setting, audit of the clinical environment and a single documentation for the clinical assessment of student nurses.

In 2016 the Workforce Education and Development Service commissioned a report seeking to understand how fitness for practice funding (FfP) has been applied to support the quality of practice learning and the transition from student to registrant practitioner in light of the changing healthcare environment. In 2019, having transitioned into HEIW the Nursing Directorate revisited the report, conducting a further internal review of the fund. Both reviews highlighted three overarching issues. Firstly a lack of accountability in how HEIs utilise the funding, secondly a lack of consistency in the role and remit of the practice education facilitator (PEF) and thirdly a lack of parity of support across all preregistration professions. These findings led to the development of a set of recommendations for the future of the fund which will be implemented in conjunction with the 2021 Health Education Contracts.

Future:

Placement provision is primarily secondary care focussed and this will need significant expansion given the aims for placement learning to provide a much broader range of experience in the future. In particular, incorporating primary and community sectors as well as independent providers into the practice learning elements of programmes.

HEIW will assume strategic responsibility for pre-registration student placements in conjunction with managerial oversight of The Fitness for Practice fund and will ensure that broader placement experience is delivered; redirecting the focus from hospital to community care to support the move to provide care closer to home. Students will experience placement in multiple health boards and care environments; enabling the widest experience, the sharing of best practice and a uniform approach to care. Secondary Care, Primary, Community and Social Care placements, when feasible will enable inter professional education.

HEIW are creating a role for a National Placements Lead, supported by Regional Practice Education Facilitators to oversee the modernisation of the placement experience. In alignment with the 2021 Health Education contracts, all practice funding relating to the Universities will be absorbed into the contract price and all funding relating to service will be paid directly to service. Initially the short-term plan proposed includes:

- Scope all current Practice Education Facilitators across all Health Boards and staff groups.
- Review Job Descriptions and standardise responsibilities ensuring equitable level of support and service across all parts of Wales.
- Establish baseline of current configuration and support.
- Scope areas with potential for new placements – work closely with University and Health Board colleagues to deliver new safe, quality placement opportunities.
- Scope opportunities for multi-professional placement opportunities – both within Universities where students are being prepared for placements and within the Service.
- Establish links with HEIW Primary Care Board to create a plan to develop new multi-professional placement opportunities within Primary Care clusters.

Current service provision will be mapped to enable parity of funding across all professional groups. The role of the PEF will be clarified, with the introduction of a uniform remit enabling Health Board and Trust staff to have a clearer understanding of the PEFs role. In addition to this PEFs will support all students in their placement areas regardless of which university they are enrolled at.

HEIW will ensure the placement provision of education programmes across Wales includes placements that are broader than secondary care. This should meet the multi-professional needs of the service as well as the aims set out in 'A Healthier Wales'.

Enhanced usage of technology within a multi-disciplinary team approach to placements and preparation for placements helps prepare the students for the changing and digital and technology world within a modern healthcare system.

Students learning more holistically together as part of Multi-Disciplinary Teams will lead to improved safety and quality patientcare.

Improved quality student experience.

3. HEIW to continue to consider routinely how student views inform its work, including the quality of education provision.

Current:

The Student Health Forum is an innovative group of health students who represent their wider peer group. Comprised of 60+ students covering nursing, midwifery, AHPs, Sciences, Clinical Psychology and Medicine across all Universities we contract with. These students have a passion to ensure a quality learning experience is provided for both current and future students. Facilitated by HEIW the group meets quarterly to provide HEIW with a student's perspective on specific health education related topics. The forum allows them to share their views and therefore have a voice in how HEIW performance and quality manages its contractual relationships with HEIs.

Student health forum members network with their wider cohort, garnering views on strategic developments in HEIW, the NHS and Welsh Government that may affect them as a student or as part of the future health workforce of Wales.

HEIW facilitates the bi-annual Health Student Conference. Delegates benefit from various presentations which aid them to learn more about their NHS whilst also benefiting from sharing and networking with fellow students. These events always incorporate a number of "new speaker slots" in which students feedback on their work and experiences. This event is always well attended with 250+ students from across Wales attending.

Aimed at undergraduates, the National Student Survey (NSS) commissioned by the Office for Students on behalf of the Higher Education Funding Council for Wales (HEFCW) gathers opinion from students about their time in higher education. The NSS asks 27 questions relating to eight aspects of the student experience. In addition students studying NHS funded courses are asked questions about placements. This feedback provides HEIs with a picture of the learning experience of students completing their courses that year. Benchmarking course by course and against other HEIs the NSS scores allow HEIs identify areas of strength and weakness across specific course provision which aids the HEI to make changes to improve the learning experience for both current and prospective students. Results from the NSS are presented to HEIW as part of the annual quality contract meeting. Should any concerns be raised HEIW directs the HEI to make improvements as part of the quality action plan.

Annually HEIW undertakes contract meetings with each contracting HEI focusing on the quality of education provided. The contract team leads a focus group of students who respond to semi structured questions that aim to highlight areas of satisfaction and dissatisfaction with the quality of service they have experienced. The outcome of this is fed back to the HEI with a quality action plan for improvement when necessary.

Future:

The student voice is an important indicator of the quality of education and as such engagement is a priority of HEIW. We will continue to strengthen student's opportunities to share their experiences with us and May 2020 will see the finalisation of the commissioning teams' student engagement strategy which will include –

- Continued support of the Student Health Forum.
- Continued engagement with students as part of the annual quality contract meetings.

- Continued issuing of action plans to HEIs following the publication of NSS scores.
- Annual presentations on the role of HEIW to all Health Education Students during University induction week; giving students the opportunity to ask any questions around the scope and remit of the commissioning team.

In addition to this In January 2020 HEIW will undertake nine engagement events across Wales, inviting all health education students from every contracting HEI to provide feedback on the proposed themes of the 2021 contracts.

The current structure and agenda of the three business meetings each year is currently being reviewed. One of the challenges to be addressed is how HEIW incorporates the student voice and student experience into this forum. This will be scoped early in 2020.

HEIW staff will present to students as part of the Universities induction weeks for new students. This will raise awareness of HEIW, its strategic objectives and its role in funding / supporting students and their value to NHS Wales.

HEIW recognise that with a growing and diversifying student population that more engagement needs to happen to fully reflect the student voice in the development and enhancement of education provision and placement experience. This “enhanced student engagement strategy” will be scoped and presented to the Exec team for consideration in (March 2020) – it will include a review of the current arrangements and recommend improved engagement

- 4. HEIW to consider taking a lead role in facilitating closer working between education providers and health and care services. This should ensure that changing demands, locally, regionally and nationally, are taken into account in the development of commissioned education programmes and workforce needs.**

Current:

Currently HEIW utilises various forums to garner the views of health services which are then fed back to education providers and vice versa. In addition to this the Post Graduate Deanery meets with each Health Board annually.

Future:

The health sector relies on universities to produce large parts of its future workforce, which they do in collaboration with Health Boards/Trusts and other providers of clinical placements. Healthcare is a significant portfolio area for universities across Wales. The relationship between HEIW, Universities and the Health Boards/Trusts is critical, and it is essential this operates in an open and collaborative environment. HEIW as the lead health organisation for education and training needs to establish formal and informal mechanisms to ensure its relationship with the university sector and NHS organisations is strong and robust.

The Nursing Directorate will create a Health, Care and Education Tripartite Collective, led by HEIW, bringing together Health board and Trust colleagues with HEIs to discuss areas specific to the delivery and management of nursing, midwifery, science and allied health professional education. The focus of the proposed biannual meetings, will be to ensure that key themes

and objectives arising out of the Workforce Strategy for Health and Social Care, to address the increasing demands and new challenges as set out in *A Healthier Wales*, are met.

These meetings would address, local and national need, the expansion of placements into primary, community and the independent sectors; quality of placements; preceptorship; new training requirements and the creation of new roles and professions, student streamlining, staff pathways to registered practitioner and other matters pertaining to health education

- 5. HEIW to consider taking a strategic role in ensuring the placement provision of education programmes across Wales includes placements that are broader than secondary care. This should meet the multi-professional needs of the service as well as the aims set out in 'A Healthier Wales'.**

Current:

At this time the responsibility for developing and managing placements sits with Universities working with Health Boards/Trusts and other placement providers.

Future:

As outlined in recommendation two, HEIW will be revising how HEIs utilise Fitness for Practice Funding. HEIW will assume strategic oversight for placement quality and student placement allocation through newly appointed National and Regional Leads. These new leads will actively engage with Health Boards and Trusts to facilitate the expansion of quality placements in Primary and Community Care and in the Independent sector.

- 6. HEIW to consider the strategic, contractual and financial roles it currently has and develop these further to facilitate broader placement experience to be achieved by education providers and placement providers, in collaboration with Regional Partnership Boards.**

Current:

HEIW utilises bespoke digital tools, which link together IMTP workforce needs and commissioning trends. This data is used in conjunction with the commissioning teams experience to create an annual student placement matrix. The placement matrix guides HEIs in the allocation of student placements across Health Boards and Trusts.

Future:

As outlined in recommendation 2, HEIW is revising Fitness for Practice funding allocation. We will strengthen both how we direct HEIs in the utilisation of funds and the contractual obligations we place upon HEIs in their management of student placements.

The proposed tripartite meetings afford the opportunity to share best practice with medical colleagues that have a sophisticated quality management system in place for placements and this will enable sharing good practice and building common principles across all Healthcare professions. The introduction of the Health and Education Tripartite Collaborative and the introduction of National and Regional Lead Practice Education Facilitators will further allow HEIW to take a strategic partnership approach to broadening placements.

The HEIW led national simulation work will also ensure that resources, training equipment and facilities are utilised more effectively across all health professionals in addition to doctors and dentists.

HEIW will scope and explore the Scottish national placement model and evaluate whether a similar system in Wales will add value to the current system.

7. HEIW, education providers, Health Boards and Trusts to consider the current and future digital skills required from the health and care workforce and incorporate within education programmes.

Current :

HEIW is reviewing the scope of digital learning that partner HEIs need to encompass going forward; considering strategic drivers including the new NMC standards and the Topol review.

Future:

HEIW's 2021 Health Education contracts will direct education providers to embed the use of digital technologies within their courses as a key enabler of change; ensuring that our health education system is 'fit for the future' and better able to respond more quickly to future challenges and opportunities.

HEIW will work to ensure education providers, Health Boards and Trusts consider the current and future digital skills required from the health and care workforce and incorporate within education programmes. The Topol review (2019) makes numerous recommendations for the preparation of the future healthcare workforce - *"Within five years, ensure that the education and training for future employees equips them to achieve their full potential as staff in the technology enhanced NHS."*

Initially there will be a specific focus on:

- Future healthcare professionals to understand the possibilities of digital healthcare technologies and the ethical and patient safety considerations.
- Ensure students gain an appropriate level of digital literacy at the outset of their study for their prospective career pathway
- Investment in VR to enhance student skills and learning opportunities

8. HEIW and the Welsh Government to consider developing a longer-term strategic healthcare professional workforce plan, in partnership with Health Boards, Trusts and education providers

Current:

A Healthier Wales set the path for HEIW and Social Care Wales' development of a long-term workforce strategy in partnership with NHS, Local Government, the Voluntary and Independent Sectors as well as regulators, professional bodies and education providers. This workforce strategy will be finalised in November 2019.

Future:

HEIW will ensure that the annual education and training plan aligns with the health and social care workforce strategy. We will plan and commission education and training for the future which focuses on service challenges, improving population health, ill-health prevention and reducing health inequalities.

9. HEIW to consider developing its added value approach to consider the wider value of education and return on investment to inform the commissioning.**Current:**

Return on investment is currently assessed through both financial and non-financial measures. Significant emphasis is placed on the quality of course provision and HEIs ability to prepare students to transition seamlessly into the workforce as newly qualified professionals. Annually HEIs and HEIW meet to review the quality of education offered, focusing on the student experience and the quality of support delivered by HEIs.

Financial measures are calculated using bespoke mathematical formulas which take into account the investment in education as compared to the output of newly qualified professionals. These figures are benchmarked against English comparators to provide a more comprehensive measure of performance

Future:

HEIW will continue to utilise current financial formulas, continuing to take into account fees and attrition as measures which impact on outputs. We will continue to benchmark our performance against English comparators.

HEIW is expanding the scope of performance metrics and setting challenging KPIs to ensure the highest quality education is provided to Welsh Health Education students. There will be greater expectations for HEIs to widen access to disadvantaged and underserved groups and enable the entry of students from non-traditional pathways into higher education.

Set up a group and mechanisms within the contractual framework to ascertain the impact of the investment in Education and Training, including,

1. Improved decision-making powers
2. Impact on work of others in the MDT (including doctors)
3. More efficient patient pathway
4. Better quality patient experience
5. Improved safety for patients in service delivery
6. Cost reductions or cost savings

- 10. HEIW to consider a regional approach to commissioning to ensure that all regions of Wales have available education provision, for those programmes where the numbers commissioned are feasible and are reflective of the need in that region. HEIW should allow potential new and existing providers to demonstrate how their proposed programmes meet the regional demand for future healthcare professionals.**

Current:

Education is currently commissioned largely from the land-based universities in Wales with students attending at campus to fulfil academic requirements. We are mindful that this has impacted on the ability of all potential students to have access to education. In September 2018, to overcome some of these barriers, HEIW commissioned distance learning education from the Open University which widened access to pre-registration nursing for NHS employed Health Care Support Workers across all of Wales. In 2019/20 this distance learning route will also be open to our Support Worker colleagues working in independent care homes.

Future:

The future contracts will be designed to better meet local need. Commissioning education will be influenced by a bespoke weighted formula that takes account of the shape of Wales and the needs of different regions. Commissions will be tailored to match population levels, DGH provision, primary care clusters and staff challenges all based around each Health board footprint; separating Wales into 10 regions. The plan is, where financially viable and where an excellent student experience can still be delivered, to move away from single providers to widen access, build resilience in the system and ensure that workforce needs are better met.

Digitalisation has allowed HEIW to reimagine the delivery of Healthcare Education for Wales. The new contracts will require all contractors to deliver courses through traditional, distance and blended routes of study both full, part time and accelerated where feasible. Contractors will be required to take their education out to the student in their own community, widening access to people who may previously have been unable to access health education due to caring or financial responsibilities.

HEIW will support students from the poorest regions of Wales to enter our commissioned courses. To ensure our NHS workforce reflects the Welsh population as a whole by allocating additional funding to HEIs that actively recruit students from the poorest areas to further engage with deprived communities, schools and colleges. We will fund HEIs to provide tailored support services for students from these areas in the form of additional tutoring, mentorship and peer support.

Contractors will be directed to interview all eligible applicants who have studied an access to higher education diploma or similar level 3 course. Ensuring that mature applicants entering education through non-traditional routes are equally represented in the workforce.

- 11. HEIW to consider the feasibility of commissioning additional providers for the programmes that currently have a single provider in Wales.**

Current:

There is risk in the current “shape of contracts” across Wales. Notably,

- Diagnostic Radiography: the recent increases in commissioning numbers to meet the growing needs of the cancer network have placed pressures on the two providers and fully meeting the commissioning numbers is significantly more difficult than if there were three providers.
- ODP: The all Wales course is not fit for purpose for meeting the workforce need in North Wales where only two graduating students from the South Wales course have taken up employment in BCU in the last 5 years.
- The LD nursing field is a UK wide problem and despite enhanced marketing campaigns delivered by the current two providers, supported by HEIW, full recruitment to commissioned places is very unlikely. A third provider, strategically placed within Wales, would assist in addressing this problem.

Future:

The new contracts will be vital in addressing these issues. A draft lotting strategy has been developed which is being shared widely with Universities and Health Board and Trust Executive Teams. The lotting strategy will be modified following the stakeholder engagement and will represent the “best fit” for Wales.

12. HEIW to consider requiring those education providers who are sole providers of a programme in Wales to demonstrate how their programmes supply sufficient numbers of qualified professionals to service demand within the whole of Wales.

Current:

There are several sole providers. This is being reviewed and evaluated as part of the Strategic Review of Health Professional Education.

Future:

As outlined in recommendation 11, HEIW will, where appropriate, move away from single providers to widen access and ensure that multiple health board’s workforce needs are better met. However, where a single provider is the only feasible option the provider will be expected to deliver some or all their provision through distance and blended routes. Contractors bidding as sole providers will be evaluated on their ability to supply sufficient numbers of qualified professionals to service demand within the whole of Wales.

13. HEIW to consider increasing the availability of part time and shortened programmes across Wales and increase the number of commissioned places on these programmes, in line with regional workforce plans and availability of part time students.

Current:

HEIW currently commissions several part time and accelerated routes to registration along with many post registration and modular part time and short courses. The agreed 2020/21 education plan sees an increase in both part time and accelerated commissioned places.

Future:

This provision is being reviewed as part of the Strategic Review of Health Professional Education. Equity surrounding the principles and application across the full range of education provision is being considered.

Our new contracts will require all contractors to deliver courses through traditional, distance and blended routes of study both full, part time and accelerated where feasible to meet the needs of all potential healthcare students across Wales.

HEIW will review each area commissioned and consult with the Service on,

1. Offering enough routes across a broad range of professions
2. Ensuring routes are equitable – i.e. same principles apply for AHPs and sciences as well as nursing
3. The challenge surrounding should we be training more students at differing levels of education within each area we currently commission
4. If areas are being missed
5. Reviewing the Workforce Strategy to ensure the new contracts are an enabler for service delivery and development.

14. HEIW, Health Boards, Trusts and the Welsh Government to consider developing a standard and equitable approach for the funding arrangements for all part time programmes, including 'back fill' cover costs.

Current:

There are currently several financial models of the funding of both pre and post registration part time programmes. Each funding stream was developed within our legacy organisations to meet the workforce needs of service. Support may include bursary funding, salary during training or backfill for staff.

Future:

HEIW is currently undertaking a review to establish the feasibility of standardising approaches to funding arrangements for all part time courses.

15. HEIW and Welsh Government to consider the increased use of apprenticeships in health and care professions if it meets the 'Workforce Strategy for Health and Social Care'.

Current:

HEIW works closely with the Welsh Government and NHS organisations in the development of apprenticeships, this however do not currently include apprenticeships leading to professional registration as a health care professional.

Future:

HEIW is considering applying to be a main contractor to draw down funding from Welsh Government to deliver health apprenticeships. If this progresses HEIW will develop a draft Quality Assurance Framework for Work Based Learning to include HEIW's role in standardisation of work-based learning. In order to achieve this HEIW will,

- Scope organisations' current models of work based learning delivery, including Apprenticeships and identify the added value that HEIW could bring to this arena. This might include the development of models for the delivery of the very specialist support worker qualifications
- Work with Welsh Government to develop a suite of health apprenticeship frameworks that meet the needs of the NHS Wales workforce. Following a review of all the health HCSW qualifications, relevant Apprenticeship Frameworks need to be amended to reflect the changes to the qualifications.
- Identify any other areas across health where an Apprenticeship Framework would be the appropriate resource to develop and work with WG to develop them.
- HEIW to be the NHS Wales representative on all appropriate workforce and education subgroups of the 3 Regional Skills Partnerships (RSPs). These partnerships pull together representatives from all sectors to look at the future skills needs of their region. HEIW has a strong presence on the Human Foundation Economy sub group of the South East Wales Regional Skills Policy. However, most of the issues that with regards to the NHS Wales workforce are not confined to the south east wales area but affect the whole of Wales. Working in partnership with organisations, HEIW would be best placed to provide this information to all 3 RSPs
- Identification of those qualifications which HEIW should manage the delivery of in order to achieve value for money, e.g. highly specialist qualifications which only attract low numbers of learners.
- HEIW to expand the number and range of qualifications it is permitted to deliver by Agored and City and Guilds.
- Scope the resources required to deliver and assess the qualifications identified
- Support NHS Wales with all Wales standardisation events
- Draft Quality Assurance Framework

16. HEIW to consider requiring increased flexibility to be incorporated in the programmes commissioned, such as exit award qualifications, potential combined programmes or other approaches education providers may be open to develop, to allow for flexible career pathways to be developed. This should be considered with the requirements for 'A Healthier Wales' and the 'Workforce Strategy for Health and Social Care'.

Current:

Students graduate with a certificate or diploma at the end of years 1 and 2 respectively but these awards are not mapped to the HCSW framework.

Future:

HEIWs new contracts will require HEIs to provide exit qualifications following completion of each undergraduate academic level. Incorporating the Health Care Support Worker Framework, students will develop core competencies allowing students to step on and off courses whilst still possessing skills which allow them to work in clinical roles. In addition this will reduce attrition levels and provide the NHS with staff which could potentially have been lost to healthcare.

- 17. HEIW to consider its role across the whole career pathway of healthcare professionals by commissioning a broad range of pre and post registration programmes across professionals' careers and with a mix of qualification levels, to meet future workforce demands. HEIW should work with Health Boards, Trusts, Welsh Government and education providers in planning the education needs to support healthcare professional career pathways and frameworks.**

Current:

Currently HEIW works with, utilises various forums to garner the views of health services which are then fed back to education providers and vice versa. Responding to Health Boards IMTPs with a focus on priority areas and engaging directly with Welsh Government ensures that HEIW is commissioning a broad range of pre and post registration programmes from levels 3 to 8 that meet current and future need

Future:

To be sufficiently responsive to changing health care needs contractors will be required to provision generic core modules across pre-registration programmes. Core learning will support our health professionals to be adaptable to meet the requirements of existing, changing and emerging occupational groups. It will enable the future workforce to expand their skills and capabilities without having to return to the beginning of a new qualification or programme.

The contracts will allow us to direct Universities to integrate emerging evidence-based initiatives such as MECC (Make every contact count) and PROMPT (Practical obstetric multi professional training) into the curriculum as needed. Our direction will ensure students integrate improvement into everyday working; eliminating harm, variation and waste. Education will promote prevention, anticipating health needs, preventing illness, and reduce the impact of poor health.

The Tripartite Collaborative will further support for a direct conduit between Education Providers, Health Boards and Trusts. The collaborative will allow for better coordination of research, innovation and improvement, in pursuit of higher quality and value on a local as well as national level.

18. HEIW to continue to assess and consider, in partnership with education providers, the potential and appetite for education providers to provide additional healthcare programmes.

Current:

The shape of training is currently being reviewed with all stakeholders as part of the Strategic Review of Health Professional Education.

Future:

The Tripartite Collaborative will further support the conduit between Education Providers, Health Boards and Trusts. The Collaborative will facilitate communication to allow for proposals and subsequent planning of future roles and the education required to facilitate those roles.

19. HEIW to consider continuing to require multiple intakes for the programmes providing them and to consider whether multiple intakes for other programmes would be beneficial.

Current:

HEIW currently contracts with HEIs to provision multiple intakes for pre and post registration courses.

Future:

As part of the new contracts HEIW will continue to require HEIs to recruit to multiple intakes where student numbers make course provision feasible.

20. HEIW to consider taking a lead role, in partnership with education providers, Health Boards and Trusts, to establish an enhanced approach to inter-professional education which facilitates the delivery of the generalist skills and core common education requirements across professions. HEIW should consider requiring education providers to deliver a minimum amount or standard of inter-professional activity as a part of the commissioned programme and encourage education providers to innovate and develop this further.

Current:

The WHO define IPE as “When two or more professions learn about, from and with each other to enable effective collaboration and improve health outcomes”. HEIW has reviewed IPE in Wales and there are differing interpretations of IPE between Universities and differing levels of IPE being delivered.

- All HEIs are undertaking some form of IPE. There are some excellent examples of best practice, however but not all in line with the IPE definition.
- Two institutions are rolling out a new IPE strategy that does meet the definition of IPE and will be delivered across all three levels of learning.

- Significant internal barriers exist to the successful delivery of IPE in all institutions and no cross-institution activity was found.
- Teams are open to using e-learning for the purposes of IPE but raised concerns about losing valuable face-to-face contact and team working opportunities.
- Very little IPE facilitated activity is happening in placement settings and there are no specific placement requirements set by PSRBs.
- Some students have given poor feedback resulting in modules being withdrawn. Primary reason is lack of engagement with assessed group work.

Future:

A Healthier Wales requires seamless services and information which are less complex and better co-ordinated for the individual; close professional integration, joint working, and information sharing between services and providers to avoid transitions between services which create uncertainty for the individual.

This provides a real opportunity to re-evaluate education and training, develop more flexible career pathways, increase skills and the understanding and recognition of the value and role of other professionals in a MDT. It also encourages and enables challenge which can lead to improved student outcomes.

HEIWs new contracts will require HEIs to embed a minimum level of credits of inter professional learning across all pre-registration courses (IPE). Embedding IPE in undergraduate learning will enable professional integration and joint working skills, ultimately improving professional collaboration and the quality of care in service following registration.

IPE core modules will also allow students to develop generalist skills enabling flexible career pathways where students will be able to build on existing qualifications without having to return to the start of a new programme.

Rather than classroom learning and shared lectures, this will be focused on the preparation for practice with students from all healthcare professions plus medical students, where appropriate, learning together.

To achieve this HEIW will ensure Universities:

- Provide the students with learning that meets the WHO IPE definition '*when two or more professions learn about, from and with each other to enable effective collaboration and improve health outcomes*'.
- Provide students with the opportunity to work collaboratively with the professional groups that they are likely to work with in their future careers.
- Identify the professional groups that their students would benefit from working with from outside of their portfolio of training programmes. They should then aim to work with some partner institutions that deliver IPE across a reasonable range of professions. Where appropriate online and distance learning could be utilised to facilitate cross institution learning.
- Provide the students with BOTH formative and summative assessment experiences that meet the WHO definition of IPE.

- Deliver immersive simulation activities where the students are required to work with other healthcare professionals in multi-disciplinary teams.
- Provide the students with opportunities to learn with other healthcare professions during their placement weeks. The minimum requirement for joint placement provision is 4 weeks of total placement learning.
- Provide the students with IPE opportunities to work with and learn from each other at all levels of study.

21. HEIW, Health Boards and Trusts to consider incorporating the Welsh language skills required from the workforce in their workforce plans.

HEIW will work with Health Boards and Trusts to improve workforce planning, including ensuring welsh language needs are identified.

22. HEIW to consider Welsh language provision as a part of its commissioning approach, possibly setting requirements or targets for the proportion of students that qualify from commissioned programmes that have a defined level of Welsh language skill. HEIW could monitor this and adjust the requirement or target based on information that becomes available from Health Boards and Trusts about the number of Welsh speaking professionals the service requires.

This is currently being discussed and scoped with the HEIW Welsh Language Services Manager who is undertaking a stakeholder engagement exercise. The Welsh Language Manager has agreed to assist in developing the terms to incorporate into the new contract and advice on the Welsh Language aspects contained submitted within bids as part of the tender evaluation process.



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Meeting Date	27 January 2020	Agenda Item	2.7
Report Title	HEIW Procurement Compliance Report		
Report Author	Christine Thorne, Head of Procurement, NWSSP		
Report Sponsor	Eifion Williams, Interim Director of Finance		
Presented by	Eifion Williams, Interim Director of Finance		
Freedom of Information	Open		
Purpose of the Report	The purpose of this report is to provide the Audit & Assurance Committee with an update in relation to procurement activity undertaken during the period 31 st October 2019 – 17 th January 2020 and in accordance with reference 1.2 (Schedule 2.1.2 Procurement and Contracts Code for Building and Engineering Works) of the Standing Financial Instructions.		
Key Issues	An explanation of the reasons, circumstances and details of any further action taken is also included in the appendices to the report.		
Specific Action Required <i>(please ✓ one only)</i>	Information	Discussion	Assurance
			✓
Recommendations	Members are asked to: <ul style="list-style-type: none"> • Note the report for assurance 		

HEIW PROCUREMENT COMPLIANCE REPORT

1. INTRODUCTION

It is a requirement of HEIW's Standing Financial Instructions that all requests for Single Quotation Actions (SQA), Single Tender Actions (STA), Single Tenders for consideration following a call for an OJEU Competition, Contract Extensions and the Award of additional funding outside the terms of the contract (executed via Contract Change Note (CCN) or Variation of Terms), be reported to the Audit and Assurance Committee.

2. BACKGROUND

The purpose of this report is to provide the Audit Committee with an update in relation to procurement activity undertaken during the period 31st October 2019 – 17th January 2020 and in accordance with reference 1.2 (Schedule 2.1.2 Procurement and Contracts Code for Building and Engineering Works) of the Standing Financial Instructions.

An explanation of the reasons, circumstances and details of any further action taken is also included.

SFI Reference	Description	Items
3.5	Single Quotation Actions	1
4.2	Single Tender Actions	1
5.3	Single Tenders for consideration following a call for an OJEU Competition	0
10.8	Contract Extensions	1
14.2	Award of additional funding outside the terms of the contract (executed via Contract Change Note (CCN) or Variation of Terms)	0

3. GOVERNANCE AND FINANCIAL IMPLICATIONS

The Audit & Assurance Committee should note the detail of the attached Appendices and monitor the number and value of business that is being submitted for a Single Tender or Single Quotation approval. The overarching guidelines on spending of public money are that it should be carried out in a fair, transparent and open manner, ensuring that competition is sought wherever possible. Therefore, the number of single action requests should be kept to a minimum.

4. RECOMMENDATION

The Committee is asked to:

- **note** the report for assurance.

Governance and Assurance				
Link to corporate objectives <i>(please ✓)</i>	As a new organisation establishing HEIW as a valued and trusted partner, an excellent employer and a reputable and expert brand	Building a sustainable and flexible health and care workforce for the future.	With Social Care Wales shaping the workforce to deliver care closer to home and to better align service delivery.	Improving quality and safety by supporting NHS organisations find faster and more sustainable workforce solutions for priority service delivery challenges.
	✓			
	Improving opportunities for use of technology and digitalisation in the delivery of education and care.	Reinvigorating leadership development and succession planning across health and social care in partnership with Social Care Wales and Academi Wales	Demonstrating value from investment in the workforce and the organisation.	
Quality, Safety and Patient Experience				
There are no specific quality and safety implications related to the activity outlined in this report.				
Financial Implications				
SFIs, SOs, Financial controls and accounting systems and processes form the basis of many organisational controls which form part of the delivery of financial targets and good governance. The overarching guidelines on spending of public money are that it should be carried out in a fair, transparent and open manner, ensuring that competition is sought wherever possible. Therefore, the number of single action requests should be kept to a minimum.				
Legal Implications (including equality and diversity assessment)				
There are no specific legal implications related to the activity outlined in this report.				
Staffing Implications				
There are no specific staffing implications related to the activity outlined in this report.				
Long Term Implications (including the impact of the Well-being of Future Generations (Wales) Act 2015)				
Not applicable to this report				
Report History				
Appendices		Appendix 1 Summary Information Appendix 2 Further Matters		

Health Education Improvement Wales - Audit Committee Report – January 2020

Appendix 1 – Summary Information

Trust	Division	Procurement Ref No	Period of Agreement/ Delivery Date	SFI Reference	Agreement Title/Description	Supplier	Anticipated Agreement Value (ex VAT)	Reason/Circumstance and Issue	Compliance Comment	Procurement Action Required	First Submission or repeat
HEIW	Pharmacy	HEIW-STA-41586	1 st January 2020- 31 st December 2021	Single Tender Action	Pharmacy Pre-registration Technician Training	Buttercups Training Ltd.	£390,000 ex VAT	Only training provider able to deliver the training to meet the needs of the service.	Endorsed.	Procurement to undertake review with the service in July 2020 to see if this is going to be brought in-house.	First Submission
HEIW	Dental	ECM_113316	1 st February 2020 – 31 st January 2021	Contract Extension	Software Development Contract	Maxinity Software Ltd.	£15,000 ex VAT	Extended to allow continuity of service.	Endorsed.	Procurement to undertake review with the service in July 2020 to see if this is still required.	First Submission

Health Education and Improvement Wales - Audit Committee Report – January 2020

Appendix 2 - Further Matters

Trust	Division	Procurement Ref No	Period	SFI Reference	Agreement Title/Description	Supplier	Anticipated Agreement Value (ex VAT)	Reason/Circumstance and Issue	Compliance Comment	Procurement Action Required	First Submission or repeat
HEIW	Primary Care	HEIW-FN-059	03/01/2020	File Note	Actors for GP Recruitment	Fluellen Theatre Company	£9,100	Requirements are unique in nature. Misunderstanding of the process in relation to legacy activity versus NHS Process.	Not Endorsed.	Procurement to meet with the service during Jan 2020 to ensure future requirements are contracted using the relevant procurement route.	First Submission



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Meeting Date	27 January 2020	Agenda Item	2.8
Report Title	Internal Audit Progress Report		
Report Author	Internal Audit		
Report Sponsor	Head of Internal Audit		
Presented by	Internal Audit		
Freedom of Information	Open		
Purpose of the Report	To update the Audit and Assurance Committee regarding Internal Audit activity		
Key Issues	<p>Updates on the delivery of the 2019/20 Internal Audit Plan.</p> <p>Updates on the Planning for the 2020/21 Internal Audit Plan.</p>		
Specific Action Required <i>(please ✓ one only)</i>	Information	Discussion	Assurance
			✓
Recommendations	The Committee is asked to note the report		

Governance and Assurance				
Link to corporate objectives <i>(please ✓)</i>	As a new organisation establishing HEIW as a valued and trusted partner, an excellent employer and a reputable and expert brand	Building a sustainable and flexible health and care workforce for the future.	With Social Care Wales shaping the workforce to deliver care closer to home and to better align service delivery.	Improving quality and safety by supporting NHS organisations find faster and more sustainable workforce solutions for priority service delivery challenges.
	Improving opportunities for use of technology and digitalisation in the delivery of education and care.	Reinvigorating leadership development and succession planning across health and social care in partnership with Social Care Wales and Academi Wales	Demonstrating value from investment in the workforce and the organisation.	
Quality, Safety and Patient Experience				
N/A				
Financial Implications				
N/A				
Legal Implications (including equality and diversity assessment)				
N/A				
Staffing Implications				
N/A				
Long Term Implications (including the impact of the Well-being of Future Generations (Wales) Act 2015)				
N/A				
Report History	N/A			
Appendices	Appendix 1 – Internal Audit Progress Report			



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INTERNAL AUDIT PROGRESS REPORT

Audit and Assurance Committee - January 2020

NHS Wales Shared Services Partnership

Audit and Assurance Services

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3. Delivery of 2019/20 Internal Audit plan	1
4. Planning for 2020/21 Internal Audit plan	

Appendix A: Table 1 - Status of 2019/20 assignments

Please note:

This audit progress report has been prepared for internal use only. Audit & Assurance Services reports are prepared, in accordance with the Internal Audit Charter and the Annual Plan, approved by the Audit and Assurance Committee.

Audit reports are prepared by the staff of the NHS Wales Shared Services Partnership – Audit and Assurance Services, and addressed to Independent Members or officers including those designated as Accountable Officer. They are prepared for the sole use of the Health Education and Improvement Wales 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

- 1.1. This progress report provides the Audit and Assurance Committee (the 'committee') with the current position regarding the work undertaken by Internal Audit as at 17 January 2020.
- 1.2. The report includes details of the progress made to date against individual assignments along with details regarding the delivery of the 2019/20 programme of work, and any required updates.

2. Outcomes from completed audit reviews

- 2.1 Since the November meeting of the committee one report has been issued in draft relating to the 2019/20 programme of work.

Assignments 2019/20	Assurance rating
Risk management (Draft)	Reasonable

3 Delivery of 2019/20 Internal Audit plan

- 3.1 The detail of the scheduling and current progress of the audit work is outlined in the assignment status schedule, which is included at Appendix A, table 1.
- 3.2 The schedule includes the planned timing of the audits. These dates may be subject to change as the audit work progresses, and any alterations will be communicated to the committee via future progress reports.

4 Planning for 2020/21 Internal Audit plan

- 4.1 We have scheduled meetings with officers and members in January and February to discuss the requirements of the plan.

Table 1: Status of 2019/20 reviews to be reported to Audit and Assurance Committee

Assignment	Indicative audit days	Status	Assurance	Timing	Notes
Workforce review (Values and Behaviours Framework)	10	Final	Reasonable	Q1	Reported in July 2019
Health & Safety	10	Final	Reasonable	Q1	Reported in July 2019
Board and Committee - Governance arrangements	10	Final	Substantial	Q2	Reported in November 2019
Freedom of Information (FoI)	5	Final	Reasonable	Q2	Reported in November 2019
Casual workers employment status – follow up	5	Final	Reasonable	October	Reported in November 2019
Risk management	10	Draft	Reasonable	Q3	Findings and recommendations report issued 23 December and full report issued 9 January
Performance management	10	WIP	-	Q3	Fieldwork concluding
Core Financial Systems	15	WIP	-	Q3	Fieldwork started 17 December 2019

Assignment	Indicative audit days	Status	Assurance	Timing	Notes
IMTP planning	15	WIP	-	Q3	Audit brief approved and fieldwork started
Data Protection (GDPR)	5	Scoped	-	Q2 Q4	HEIW requested to delay as HEIW have GDPR officer starting in Q4. Audit brief approved and fieldwork starting 23 January
Service review – Medical training commissioning	10	Scoped	-	Q4	Planning meeting held, audit brief issued and fieldwork planned for February
IT/digital review	15	Scoped	-	Q2 Q4	HEIW requested to delay. Review considers our 2018/19 baseline report and HEIW developments. Audit brief issued
Workforce strategy review	10	Scoping	-	Q4	Planning – Following approval of strategy at Board on 19 December



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Meeting Date	27 January 2020	Agenda Item	2.11
Report Title	Audit Recommendations Tracker		
Report Author	Kay Barrow, Corporate Governance Manager		
Report Sponsor	Dafydd Bebb, Board Secretary		
Presented by	Dafydd Bebb, Board Secretary		
Freedom of Information	Open		
Purpose of the Report	<p>To present to the Audit and Assurance Committee, for compliance and assurance purposes, the Audit Recommendations Tracker (Tracker) that contains the current agreed actions in response to the recommendations within Audit reports received from sources such as Internal Audit and WAO.</p> <p>To provide an update on the RAG status of a number of recommendations following a review of the progress of the actions within the Tracker by the Executive Team.</p>		
Key Issues	<p>The Tracker, the status of which is represented using a Red; Amber; Green (RAG) rating, currently covers 16 recommendations.</p> <p>The Tracker is attached at Appendix 1.</p>		
Specific Action Required <i>(please ✓ one only)</i>	Information	Discussion	Assurance
			Approval
Recommendations	<p>The Audit and Assurance Committee is asked to:</p> <ul style="list-style-type: none"> • Approve that the green recommendations that have been assessed as completed, or are complete, are proposed to be withdrawn from the Tracker. 		

AUDIT RECOMMENDATIONS TRACKER

1. INTRODUCTION

In line with good practice, the Audit and Assurance Committee (Committee) should closely monitor progress with the programme of internal and external audit reports undertaken at HEIW. A detailed Audit Recommendations Tracker (Tracker) has been established to record the progress of all the recommendations contained within each of the Internal and External Audit reports completed since the establishment of HEIW.

The Tracker will be a source of assurance for the Audit and Assurance Committee that those recommendations are being progressed, monitored and completed.

2. BACKGROUND

The Committee should play a crucial role in supporting the effective governance of HEIW. It should play a pivotal role in ensuring that HEIW functions in accordance with good governance, applying appropriate accounting and auditing standards, and adopting appropriate risk management arrangements.

3. GOVERNANCE AND RISK ISSUES

In line with good governance, the coordination and reporting of organisational actions for audit activity are key elements of HEIW's overall assurance arrangements.

The Tracker indicates those recommendations that have been completed and are proposed to be taken off the tracker, those that have made significant progress but are still not fully complete and those where some progress has been made but a number of factors still remain which prevents the action being fully completed. There is 1 recommendation that is yet to reach its deadline date.

There are currently **16** recommendations within the database, as per the table below:

Red	5	Good progress being made, but outside the target deadline.
Green	10	Action has been assessed as completed, or is complete.
Amber	1	Significant progress but still not fully completed or Action has not yet reached the deadline date.

The Executive Team have reviewed the Audit Tracker and the progress being made. The **10** 'Green' actions that have been assessed as completed, or are complete, and are proposed to be withdrawn from the Tracker with the agreement of the Audit and Assurance Committee.

Further work is underway to ensure that the remaining actions on the database are completed as agreed.

4. FINANCIAL IMPLICATIONS

There may be financial consequences of individual actions however there is no direct financial impact associated with this report at this stage.

5. RECOMMENDATION

The Audit and Assurance Committee is asked to:

- **Approve** that the green recommendations that have been assessed as completed, or are complete, are proposed to be withdrawn from the Tracker.

Governance and Assurance				
Link to corporate objectives (please ✓)	As a new organisation establishing HEIW as a valued and trusted partner, an excellent employer and a reputable and expert brand	Building a sustainable and flexible health and care workforce for the future.	With Social Care Wales shaping the workforce to deliver care closer to home and to better align service delivery.	Improving quality and safety by supporting NHS organisations find faster and more sustainable workforce solutions for priority service delivery challenges.
	✓			
	Improving opportunities for use of technology and digitalisation in the delivery of education and care.	Reinvigorating leadership development and succession planning across health and social care in partnership with Social Care Wales and Academi Wales	Demonstrating value from investment in the workforce and the organisation.	
Quality, Safety and Patient Experience				
Impact on quality, safety and patient experience where appropriate will be highlighted within the individual actions and assurance requirements.				
Financial Implications				
There may be financial consequences of individual actions however there is no direct financial impact associated at this stage.				
Legal Implications (including equality and diversity assessment)				
There are no legal implications.				
Staffing Implications				
There are no staffing implications.				
Long Term Implications (including the impact of the Well-being of Future Generations (Wales) Act 2015)				
WBFGA considerations will be included within the consideration of individual actions where appropriate.				
Report History	Reviewed at Executive Team			
Appendices	<ul style="list-style-type: none"> Audit Recommendations Tracker Appendix 1. 			

Audit Recommendations Tracker – January 2020

No.	Report title and date reported to Audit Committee	Recommendation	Deadline	Responsible Officer	Management Response – Update on Current Progress	RAG STATUS
25. (IA)	Corporate Transitional Plan May 2019	<p>The organisation should ensure that all contracts held by the three predecessor organisations have been properly assessed to ensure that they are either cancelled or novated across to HEIW. A register of contracts should be put in place that captures both contracts that have been novated and new contracts entered into by HEIW. The review of contracts should consider if there are any outstanding liability risks.</p> <p>High Priority</p>	August 2019	Deputy Director Planning, Performance & Digital	<p>We are currently working on the development of a contract register. This register will detail a wide range of arrangements relating to the activities of HEIW including identifying known contractual arrangements, value and termination dates to manage risks associated with procurement. The deadline for completing the contracts register is August. The contracts register will be presented at an Executive Team meeting in August and an update provided to the Audit Committee in September.</p> <p>Progress as at July 2019: Progress has continued with significant progress made on identifying financial contracts and SLA/MOU arrangements in place. Further work is ongoing to identify further details and to identify respective risks of arrangements to allow further work to be undertaken.</p> <p>Progress as at November 2019: A contracts/ agreements register has been collated and is to be presented to the Audit and Assurance Committee in November. Responsibility for maintaining the register will now transfer to the Board Secretary and Governance team to monitor in the future and ensure actions identified are progressed.</p> <p>Current Progress: An update was shared with the Audit and Assurance Committee in November of progress with recommendations and how work on the actions was to be taken forward.</p>	Jan 2020

Audit Recommendations Tracker – January 2020

No.	Report title and date reported to Audit Committee	Recommendation	Deadline	Responsible Officer	Management Response – Update on Current Progress	RAG STATUS
					A contracts/agreements register has been collated and transferred to the Board Secretary and Governance Team for ongoing monitoring.	
26. (IA)	Corporate Transitional Plan May 2019	<p>The three tasks removed from the finance project plan should be re-instated on the task list and updated to reflect their current status, even if they have now been completed as this ensures a complete record of all actions. This should be reported to the Board. Responsibility for carrying out the HMRC check with casual staff to determine their employment status for tax and NI purposes should be clarified. A process should be put in place to ensure that the employment status of all casual staff is assessed prior to them undertaking any work for HEIW.</p> <p>Medium Priority</p>	September 2019	Head of People & OD & Head of Financial Accounting	<p>Finance and HR jointly held workshop training sessions for the recruiting managers in November 2018, on their roles and responsibilities in recruiting these workers and how to undertake the HMRC check. Further guidance was issued to the recruiting managers such as a toolkit and guidance flow charts on how to complete these checks. Although training and support has been provided, more training is being commissioned from an external specialist provider to further train these recruiting managers. A procurement exercise to source an external provider is currently underway.</p> <p>The remaining items relating to staff induction and budgetary control training have been reinstated on the finance transition plan and marked as complete.</p> <p>Progress as at July 2019: The People Team have completed the toolkits and flow charts for the recruiting managers.</p> <p>Please note narrative above for the external training.</p> <p>Progress as at November 2019: Please note narrative above.</p>	Jan 2020

Audit Recommendations Tracker – January 2020

No.	Report title and date reported to Audit Committee	Recommendation	Deadline	Responsible Officer	Management Response – Update on Current Progress	RAG STATUS
					Current Progress: Training to be delivered by Ernst & Young for recruiting managers has been arranged for 6 February 2020.	
30. (IA)	Health & Safety July 2019	<p>A timescale should be drawn up for completion of the outstanding safe work procedures. The Risk Assessment procedure should include a template for carrying out risk assessments. Management should consider developing a Lone Working policy to help protect staff that are not working out of the main office at Ty Dysgu. All policies and procedures should be made available to staff as they are approved.</p> <p>Medium Priority</p>	October 2019	Business Partner, Planning & Performance	<p>It is acknowledged that procedures need to be put in place. It is anticipated that this will be completed over the course of the next 3 months.</p> <p>Progress as at November 2019: A number of the Health and Safety procedures that underpin the H&S Policy have been drafted and reviewed by the H&S Group and forwarded to the Executive Team for approval. These are being actioned during October for formal release to the staff shortly:</p> <ul style="list-style-type: none"> • Assessment and use of DSE • Fire safety • PEEP • First Aid • New and expectant mothers • Young persons • Incident reporting and investigation <p>The H&S Group also reviewed a draft homeworking procedure and identified a number of issues regarding what standard equipment should be issued to HEIW contracted staff working in Ty Dysgu, HEIW contracted staff working remotely and remote staff employed by the Health Boards (but salary is recharged to HEIW). This also highlighted what additional equipment was available on request and specialised equipment</p>	Jan 2020

Audit Recommendations Tracker – January 2020

No.	Report title and date reported to Audit Committee	Recommendation	Deadline	Responsible Officer	Management Response – Update on Current Progress	RAG STATUS
					<p>identified through DSE and OH referrals. This discussion also aided agreement on who should have a face to face or online DSE assessment and which groups of staff would be financially supported with a contribution to an eye test, and those items of equipment that will require PAT testing and a process for undertaking this for remote workers.</p> <p>It was felt that the homeworking procedure should be led by the People team and informed by this piece of work.</p> <p>On the 26 September, the H&S Group reviewed the following procedures:</p> <ul style="list-style-type: none"> • driving for work • risk assessments • drugs and alcohol • mental health • manual handling and control of contractors <p>A number of these required further amendment and will return to the H&S Group in December prior to submission to the Senior Executive team for formal approval. It was also agreed that the drugs and alcohol and mental health procedures should be paused because of the current Health Needs Assessment being undertaken and agreed that these two specific procedures should then be taken forward by the people team.</p>	

Audit Recommendations Tracker – January 2020

No.	Report title and date reported to Audit Committee	Recommendation	Deadline	Responsible Officer	Management Response – Update on Current Progress	RAG STATUS
					<p>Current Progress: We have broadened out the Driving for Work Procedure to a Travelling for Work Procedure to be inclusive of other methods of transport i.e. cyclists/walkers. The Risk Assessment Procedure has been expanded and templates for a standard risk assessment form, corporate risk assessment form and a risk assessment inventory list have been revised. The Manual Handling Procedure and Control of Contractors has been rewritten by the Facilities Manager. These procedures were reviewed at the H&S Sub Group on 18 December 2019 and are due to be submitted to the Executive Team for approval during January 2020.</p> <p>The Drugs and Alcohol and Mental Health Procedures have been paused because of the current Health Needs Assessment and will sit now with the People Team.</p>	
32. (IA)	Health & Safety July 2019	<p>The Health and Safety Committee and Board should consider what information the Health and Safety Committee should report to the Board, and what format reports will take.</p> <p>Medium Priority</p>	October 2019	Business Partner, Planning & Performance	<p>The next scheduled committee is due to take place on 31st July where this will be discussed and where options can be considered to include appropriate data on H&S on the performance framework dashboard that will be provided to Board in line with other organisational performance data on a quarterly basis</p> <p>Progress as at November 2019: The H&S Group proposed the following items could be reported to Board as part of the performance dashboard.</p>	Jan 2020

Audit Recommendations Tracker – January 2020

No.	Report title and date reported to Audit Committee	Recommendation	Deadline	Responsible Officer	Management Response – Update on Current Progress	RAG STATUS
					<ul style="list-style-type: none"> Frequency and levels of attendance at committee meetings Report the number of incidents and any remedial action Number of H&S related policy and procedures equality impact assessments Number of H&S representatives (fire wardens, DSE assessors, first aiders etc.) Number of training courses undertaken by staff. <p>Work to develop the H&S Dashboard as part of the overall Performance Reporting has commenced and is expected to be finalised during Q4 this year.</p> <p>Current Progress: Work to develop the H&S Dashboard as part of the overall Performance Reporting has commenced and is expected to be finalised during Q4 this year.</p>	
51. (IA)	Casual Workers Employment Status – Follow Up November 2019	<p>Advice should be sought from HMRC and guidance issued in relation to how to treat workers who are assessed as self-employed but request to be treated as employed and for cases where the ESS toolkit decision is ambiguous. In the meantime:</p> <p>A) Workers assessed as self-employed via the ESS toolkit should be treated as self-employed and not</p>	December 2019	Head of People & OD	<p>A previous staff member who worked in the Finance department with extensive experience in this area, advised that if an ESS check determines someone as 'self-employed' but they are unable to raise invoices, then we should process them as a casual worker. If that is not appropriate, we will look to work with the Finance team to develop a pro-forma invoice. We will also let recruiting managers know that if there are instances where people are unable to raise invoices, then they need to make a request in writing to be treated as a casual worker (employed). The People team will remind all recruiting managers that if an ESS check is unable to</p>	Jan 2020

Audit Recommendations Tracker – January 2020

No.	Report title and date reported to Audit Committee	Recommendation	Deadline	Responsible Officer	Management Response – Update on Current Progress	RAG STATUS
		<p>have the HMRC decision overturned. Consideration should be given to developing a pro-forma invoice that can be used to facilitate payment to those self-employed workers that are unable to raise their own invoices. Invoices should be signed by the worker prior to being processed for payment. If there are instances where this is not possible, HEIW should ensure the request to be treated as employed is made in writing and appropriately approved.</p> <p>B) In cases where the ESS check is unable to determine the tax status of casual workers, to reduce exposure to the risk of making income tax and NI payments on behalf of casual workers and incurring financial penalties, the HEIW default position should be that the worker is inside</p>			<p>determine the tax status of an individual, they are to be treated as inside the scope of IR35.</p> <p>Current Progress: The People Team has further tightened up this process and an email to recruiting managers on 18th December 2019, has advised them that with immediate effect, if an ESS check determines someone as self-employed for tax purposes, but they are unable to raise an invoice, they must make a request in writing to be processed as a casual worker. In the meantime, the People Team will liaise with Finance to discuss the possibility of developing a pro-forma invoice for those who are deemed as self-employed but cannot raise invoices.</p> <p>The above email also advised managers that if an ESS check is unable to determine the status of an individual, they need to be processed as a casual worker.</p>	

Audit Recommendations Tracker – January 2020

No.	Report title and date reported to Audit Committee	Recommendation	Deadline	Responsible Officer	Management Response – Update on Current Progress	RAG STATUS
		the scope of IR35 and liable for the deduction of income tax and NI contributions from their fees. Medium Priority				
52 (IA)	Casual Workers Employment Status – Follow Up November 2019	<p>A) The 'reference' field on the ESS check should be used to record the casual workers name and allow the reconciliation of checks to individuals.</p> <p>B) Staff should ensure the date that the ESS check was completed is recorded on the supporting documentation forwarded to the People Team.</p> <p>C) Letters notifying the casual worker of their employment status should be sent out promptly after the check has been completed.</p> <p>D) Timesheets should be fully completed and authorised.</p> <p>Medium Priority</p>	December 2019	Head of People & OD	<p>The People Team will be sending a communication to remind recruiting managers that the reference field on the ESS check should be used to record the casual workers name, and that the date the check was completed is recorded on supporting documentation. The People Team will also remind managers that the employment status letter needs to be sent out promptly after the check has been done and, ideally, before they do any work for us. Timesheets that are not fully completed and authorised will be returned to the recruiting manager and not processed until fully completed. Recruiting managers have been reminded of this.</p> <p>Current Progress: An email has been sent to recruiting managers on 16th December 2019, to advice all of the above. The People Team has amended the timesheet to make it more user friendly, by removing the assignment number as it is often left blank, as until casual workers receive a payslip they will not know the assignment number. Managers have been asked to use this going forward.</p>	Jan 2020

Audit Recommendations Tracker – January 2020

No.	Report title and date reported to Audit Committee	Recommendation	Deadline	Responsible Officer	Management Response – Update on Current Progress	RAG STATUS
53 (IA)	Casual Workers Employment Status – Follow Up November 2019	<p>The checks that are undertaken on the supporting documentation by the People Team should be recorded and evidenced. This could be achieved by developing the existing Casual Worker list maintained by the People Team into a checklist that records the checks carried out, the person carrying out the check and the date was carried out.</p> <p>Medium Priority</p>	Completed	Head of People & OD	<p>The People Team have added a column to our casual worker list to show when document checks are completed.</p> <p>Current Progress: The column has been added updated twice as we have only had 2 new engagements since implementing the column. Will continue to monitor.</p>	Jan 2020
54 (IA)	Casual Workers Employment Status – Follow Up November 2019	<p>Management should establish a documented operational procedure (Procurement Manual) for the engagement of casual workers to ensure a standard approach is used across HEIW.</p> <p>Medium Priority</p>	December 2019	Head of People & OD/Head of Financial Accounting	<p>HEIW is in discussion with NWSSP Procurement Team regarding further training and support for staff undertaking procurement within HEIW. Also, Ernst & Young who will be delivering the specialist training to the recruiting managers, will also include specific training and guidance for on the engagement of casual workers in HEIW within that context. The training will also include operational guides, which will be available to the recruiting managers after the training.</p> <p>Current Progress: Training to be delivered by Ernst & Young for recruiting managers has been arranged for 6 February 2020.</p>	Jan 2020

Audit Recommendations Tracker – January 2020

No.	Report title and date reported to Audit Committee	Recommendation	Deadline	Responsible Officer	Management Response – Update on Current Progress	RAG STATUS
55 (IA)	Casual Workers Employment Status – Follow Up <i>November 2019</i>	The training requirements for staff involved in the engagement of casual workers should be assessed against the three quotations obtained to date to establish whether training is required and if so which is the most appropriate provider. Medium Priority	December 2019	Head of People & OD/Head of Financial Accounting	The People Team received the quotes from Deloitte, KPMG and Ernst & Young. The People team has been working with NWSSP Procurement and have appointed Ernst & Young as the training providers. The People team are awaiting confirmation of dates to deliver a training session to all recruiting managers of casual workers. Current Progress: Training to be delivered by Ernst & Young for recruiting managers has been arranged for 6 February 2020.	Jan 2020
56 (IA)	Freedom of Information (Fol) <i>November 2019</i>	The publication scheme should be finalised and published as soon as practically possible. High Priority	End of October 2019	Board Secretary	Draft Publication Scheme finalised and published on the HEIW website. Current Progress: Completed	Jan 2020
57 (IA)	Freedom of Information (Fol) <i>November 2019</i>	A disclosure log should be developed and published. Medium Priority	End of October 2019	Board Secretary	Disclosure Log published on the HEIW website. Current Progress: Complete	Jan 2020
58 (IA)	Freedom of Information (Fol) <i>November 2019</i>	Work should continue to bed in the process and ensure all stages are retained. Low Priority	Immediate	Board Secretary	HEIW will continue to embed the Fol process and ensure that information from all areas of the process are retained providing an audit trail for all requests. Current Progress: Complete. Process now in place for all correspondence relating to FOI request information	Jan 2020

Audit Recommendations Tracker – January 2020

No.	Report title and date reported to Audit Committee	Recommendation	Deadline	Responsible Officer	Management Response – Update on Current Progress	RAG STATUS
					gathering to enable FOI responses to be drafted is kept and electronically filed for auditing purposes.	
59 (IA)	Freedom of Information (Fol) November 2019	The reporting process should be developed as outlined. Low Priority	Immediate	Board Secretary	<p>Going forward it is confirmed that HEIW will provide a report on FOI compliance to each Audit and Assurance Committee as part of its Information Governance reporting. An annual report, on the previous year's compliance and performance, will be provided in Q1 of each financial year.</p> <p>Current Progress: Complete. An update on the current position and compliance with FOI requests was provided at the Audit and Assurance Committee at its meeting held on 22 November 2019. An FOI update will be provided within the Information Governance quarterly reporting to the Audit and Assurance Committee.</p>	Jan 2020
60 (IA)	Freedom of Information (Fol) November 2019	The reference to the leaflet should be removed from the procedures.	End of October 2019	Board Secretary	<p>A draft leaflet for people seeking to make and FOI request has been developed and has been appended to the FOI procedure.</p> <p>Current Progress: Complete.</p>	Jan 2020
61 (IA)	Board and Committee Governance Arrangements November 2019	The Board should undertake a self-assessment of their effectiveness, within an appropriate timeframe, and thereafter on an annual basis. While we acknowledge that the Education,	31 March 2020 31 March 2020 30 June 2020	Board Secretary	<ul style="list-style-type: none"> Self-assessment for the Board scheduled for Q4 of 2019/20. Self-assessment for the Remuneration and Terms of Service Committee scheduled for Q4 of 2019/20 Self-assessment for the Education, Commissioning and Quality Committee scheduled for Q1 of 2020/21 	Jan 2020

Audit Recommendations Tracker – January 2020

No.	Report title and date reported to Audit Committee	Recommendation	Deadline	Responsible Officer	Management Response – Update on Current Progress	RAG STATUS
		<p>Commissioning and Quality Committee has been in existence for less than 12 months, the Board should consider when it would be appropriate for the Education, Commissioning and Quality Committee and Remuneration and Terms of Service Committee to undertake a self-assessment, and plan accordingly.</p> <p>Medium Priority</p>			<p>Current Progress: All self-assessments are scheduled into the appropriate Forward Work Programme.</p>	
62 (IA)	Board and Committee Governance Arrangements November 2019	<p>For consistency and clarity, the full standard template should be used for all covering reports taken to the Board and its Committees. Any sections not deemed necessary should be marked as such.</p> <p>Low Priority</p>	31 December 2019	Board Secretary	<p>The Board Secretary will ensure that the standard covering report template is used for all Board and Committee reporting.</p> <p>Current Progress: The Board Secretary has issued an email reminder to all internal and external parties to ensure that the HEIW reporting template is used for all reporting to the Board and Committees.</p> <p>The Board Secretary will continue to monitor compliance on an ongoing basis.</p>	Jan 2020



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Addysg a Gwella Iechyd
Cymru (AaGIC)
Health Education and
Improvement Wales (HEIW)

Meeting Date	27 January 2020	Agenda Item	2.12
Report Title	Corporate Risk Register		
Report Author	Kay Barrow, Corporate Governance Manager		
Report Sponsor	Dafydd Bebb, Board Secretary		
Presented by	Dafydd Bebb, Board Secretary		
Freedom of Information	Open		
Purpose of the Report	This report provides an overview of the profile of the risks that are assessed as the key risks to HEIW's successful achievement of its strategic objectives within the IMTP.		
Key Issues	<p>The report :</p> <ul style="list-style-type: none"> • provides an update on the current position in relation to the Corporate Risk Register which is attached at Appendix 1; • confirms the addition of 2 new assessed risks; • confirms the reduced score of five reassessed risks; • confirms that two risks are currently assessed as 'red'; • Confirms that four risks are currently assessed as 'green' and recommended for removal from the Corporate Risk Register. 		
Specific Action Required <i>(please ✓ one only)</i>	Information	Discussion	Assurance
			Approval ✓
Recommendations	<p>The Audit and Assurance Committee are asked to:</p> <ul style="list-style-type: none"> • Note the contents of the report for assurance purposes. • Approve the removal of the assessed 'green' risks. 		

CORPORATE RISK REGISTER

1. INTRODUCTION

The Audit and Assurance Committee is asked to note the current position with regards to the Corporate Risk Register (**Appendix 1**) as outlined within this report.

2. BACKGROUND

The Corporate Risk Register is aligned with the objectives set out in the Annual Plan for 2019/20 and any other areas of inherent risk. Each risk within the Corporate Register is allocated to a specific Annual Plan or Remit letter objective in the left hand column of the register.

3. ASSESSMENT

There are currently 28 risks on the Corporate Risk Register. These risks have been assessed as follows: 2 red status risks, 22 orange status risks and 4 green status risks.

The two red risks are detailed below:

Risk 10 – NHS Bursary Terms and Conditions: If students are unhappy with receiving an invoice to repay part or all of their NHS Bursary it could cause significant financial and emotional harm to the individuals. It could also be a source of adverse publicity for HEIW. Procedures and Protocols are being developed. A meeting was held with Welsh Government on 4 December 2019. At that meeting it was agreed in principle that the payback of cost would only apply to students who qualify and do not fulfil their commitment to work in Wales. HEIW is awaiting official confirmation from Welsh Government of this position before it informs students.

Risk 28 – Cyber Security: If HEIW does not ensure that all reasonable steps are taken in respect of cyber security it may be vulnerable to a data breach, possible fines from the Information Commissioner's Office and associated bad publicity. The Executive Team approved the recommendations within HEIW's Cyber Security Assessment Report on 23 October 2019 which have or are being implemented.

- **Risk with a Reduced Score:**

Risk 11 – Shortfall in Recruitment to all Dental Foundation Training Posts and Disengagement and Lack of Future Commitment of Educational Supervisors: Shortfall in recruitment to all Dental Foundation Training posts resulting in unfilled posts mainly in one Health Board area where there is already a shortage of dentists and unallocated training practices may consider redundancy of Dental Nurses. Disengagement and lack of future commitment of Educational Supervisors. This could mean

insufficient approved Educational Supervisors for subsequent years. Offer sent to all training practices and Welsh Government and HEIW communication sent to relevant Health Board CEOs. All offers accepted. Educational Supervision secured for subsequent years. This risk has reduced from 10 to 4 and is now a 'green' risk.

Risk 15 – Welsh NHS Bursary Policy for 2021/22: If the Welsh Government change the NHS Bursary Policy for 2021/22 and beyond it could impact on student recruitment and the supply of healthcare staff to deliver patient care. On 2 December 2019, Welsh Government confirmed continuation of the Welsh NHS bursary for 2021/22 and 2022/23 pending a long term decision. HEIW engaging with stakeholders to inform them of this position and to promote security of the bursary for the next 3 academic years. This risk has therefore reduced from 12 to 4 and is now a 'green' risk.

Risk 18 – Impact of the Increase in GP Training Places and Impact of GP Educational Supervisor Role not covered by GMPI: Following GP trainee business case for increasing GP trainees to 160, if insufficient training facilities are not identified and effective training not provided, this could adversely impact on the reputation of HEIW. If GP educational supervisor role is not covered by the GMPI (Indemnity) Scheme, as this only covers claims relating to clinical negligence, then the supervisor role may not have appropriate insurance cover in place.

Sufficient numbers of trainee applications have been received and sufficient training facilities for GP and Pharmacy Pre-Registration training. The GP indemnity issue has also been resolved. This risk has therefore been reduced from 8 to 4 and is now a 'green' risk.

Risk 19 – Impact of Welsh Government not accepting the Annual Education and Training Plan 2020/21 Recommendations: If Welsh Government does not accept the recommendations within the annual Education and Training Plan for 2020/21 it could impact on the future supply of the healthcare workforce and directly impact on the quality of patient care. The Plan and recommendations were accepted in full by Welsh Government. This risk has therefore been reduced from 9 to 1 and is now a 'green' risk.

Risk 30 – NHS Bursary Policy from 2023/24 and Beyond: If the Welsh Government change the NHS Bursary Policy for 2023/24 and beyond it could impact on the contract procurement process which has been initiated. Further work has been undertaken to consider the impact of any changes to the bursary after 2023/24 and the impact of this has now been reduced as it will not detract from the contracts being let in 2020/21. This risk has therefore been reduced from 15 to 9 and is now an amber risk.

- **Risk with an Increased Score:** None

- **New Risks:**

Risk 30 – Welsh NHS Bursary Policy: If the Welsh Government change the NHS Bursary Policy for 2023/24 and beyond it could impact on the contract procurement process which has been initiated. This has been initially assessed as a score of 9 and is an ‘amber’ risk

Risk 31 – Welsh NHS Bursary Versus the New Scheme Introduced in England: If the Welsh NHS bursary is considered to be of less benefit than the new scheme introduced in England it could adversely impact on student recruitment to commissioned places. This has been initially assessed as a score of 9 and is an ‘amber’ risk.

- **Green Risks Recommended for Removal:**

There are four assessed ‘green’ risks (risks number 11, 15, 18 and 19) which are recommended for removal from the Corporate Risk Register.

4. GOVERNANCE AND RISK ISSUES

Risk management through the Corporate Risk Register is a core tool for the governance of risk within HEIW.

5. FINANCIAL IMPLICATIONS

Risk management through the Corporate Risk Register is a core function of HEIW as a Special Health Authority. There are no anticipated additional cost implications.

6. RECOMMENDATION

The Audit and Assurance Committee are asked to:

- **Note** the contents of the report for assurance purposes.
- **Approve** the removal of the assessed ‘green’ risks.

Governance and Assurance				
Link to corporate objectives (please ✓)	As a new organisation establishing HEIW as a valued and trusted partner, an excellent employer and a reputable and expert brand	Building a sustainable and flexible health and care workforce for the future.	With Social Care Wales shaping the workforce to deliver care closer to home and to better align service delivery.	Improving quality and safety by supporting NHS organisations find faster and more sustainable workforce solutions for priority service delivery challenges.
	✓			
	Improving opportunities for use of technology and digitalisation in the delivery of education and care.	Reinvigorating leadership development and succession planning across health and social care in partnership with Social Care Wales and Academi Wales	Demonstrating value from investment in the workforce and the organisation.	
Quality, Safety and Patient Experience				
The Corporate Risk Register is the core tool to ensure effective risk management within HEIW. A robust approach to the management of risk is more likely to impact favourably on the safety and experience of patients and staff.				
Financial Implications				
Risk management is a core function of HEIW as a Special Health Authority. There are no anticipated additional costs.				
Legal Implications (including equality and diversity assessment)				
N/A				
Staffing Implications				
There are no additional staffing implications.				
Long Term Implications (including the impact of the Well-being of Future Generations (Wales) Act 2015)				
The Corporate Risk Register is HEIW's core tool to manage risk going forward.				
Report History	The Risk Register is presented to the Executive Team and the Senior Leadership Team on a monthly basis			
Appendices	Appendix 1 – Corporate Risk Register			

January HEIW Corporate Risk Register

Date Added	Ref (Objective)	Risk Description	Inherent Risk			Mitigating Action	Residual Risk			RAG Status	Progress
		Details of risk If...then... impact...	Impact	Probability	Overall Score	Summary of action to date or proposed action to reduce risk impact or proximity	Impact	Probability	Overall Score	R/A/G & trend	
Apr 2019	1. Obj. 1	If staff do not integrate effectively as part of the new organisation this could affect delivery of the annual plan commitments resulting in poor performance and reputational damage. DIRECTOR OF WORKFORCE & OD	4	4	16	<ul style="list-style-type: none"> Co-production with staff of a People and OD strategy by the autumn of 2019 Execs and SLT to maximise opportunities for matrix working, and to encourage staff to work across Culture Champion Group to monitor and feedback Review of structures 1 year on to ensure they support integrated working. 	4	3	12		Work underway across all actions to mitigate this risk. More to be done on use of the physical space within Ty Dysgu as some issues emerging that may be working against better integration. People & OD strategy engagement & development well underway.

Date Added	Ref (Objective)	Risk Description	Inherent Risk			Mitigating Action	Residual Risk			RAG Status	Progress
		Details of risk If...then... impact...	Impact	Probability	Overall Score	Summary of action to date or proposed action to reduce risk impact or proximity	Impact	Probability	Overall Score	R/A/G & trend	
Apr 2019	2. Obj. 1	<p>If the values and behaviours framework is not effectively embedded in the organisation this could impact on morale, engagement and reputation affecting service delivery and reputation.</p> <p>DIRECTOR OF WORKFORCE & OD</p>	4	3	12	<ul style="list-style-type: none"> Refresh of the action plan for embedding values & behaviours framework into core business People and OD strategy to reinforce the importance and expectations on all staff Response to staff survey is framed in context of our values and behaviours and is seen to be acted upon. 	3	3	9		<p>Work in hand; stock take on progress scheduled for October 2019.</p> <p>Values based appraisal system implemented from April 2019.</p>

Date Added	Ref (Objective)	Risk Description	Inherent Risk			Mitigating Action	Residual Risk			RAG Status	Progress
		Details of risk If...then... impact...	Impact	Probability	Overall Score	Summary of action to date or proposed action to reduce risk impact or proximity	Impact	Probability	Overall Score	R/A/G & trend	
Apr 2019	3. Obj 1	<p>If the organisation does not have effective programme and project management capacity and expertise this may impact on delivery of the annual plan objectives and result in failure to deliver agreed commitments and levels of performance.</p> <p>DIRECTOR OF CORPORATE SERVICES</p>	4	3	12	<ul style="list-style-type: none"> Identified as a priority area for training in 2019-20 from initial observations in relation to submission and preparation of project plans to deliver annual plan objectives Training in project management to be sourced and rolled out Skills assessment to be undertaken as part of a HEIW TNA to identify prior learning/expertise Best practice examples to be highlighted and shared. 	3	3	9		Limited progress to date due to capacity. Further discussion with interim DoFCS in coming month.

HEIW Corporate Risk Register – Updated January 2020

Date Added	Ref (Objective)	Risk Description	Inherent Risk			Mitigating Action	Residual Risk			RAG Status	Progress
		Details of risk If...then... impact...	Impact	Probability	Overall Score	Summary of action to date or proposed action to reduce risk impact or proximity	Impact	Probability	Overall Score	R/A/G & trend	
Apr 2019	4. Obj 1	If the role and functions of HEIW are not fully understood this may impact on engagement and involvement in delivery of objectives, and lead to a mismatch between ambitions and expectations, and reputational damage. DIRECTOR OF WORKFORCE & OD	4	3	12	<ul style="list-style-type: none"> Publication of the Comms & engagement strategy and implementation plan early 2019-20 Regular stakeholder bulletins Targeted comms highlighting specific activities and projects Execs and staff to maximise opportunities to engage and spread understanding. 	3	3	9		Strategy published and in place. Regular bulletins being prepared & distributed. End of 1 st year events organised and happening in next month, feedback will be sort at these to identify further actions or improvements in engagement methods.

Date Added	Ref (Objective)	Risk Description	Inherent Risk			Mitigating Action	Residual Risk			RAG Status	Progress
		Details of risk If...then... impact...	Impact	Probability	Overall Score	Summary of action to date or proposed action to reduce risk impact or proximity	Impact	Probability	Overall Score	R/A/G & trend	
Apr 2019	5. Obj 1	<p>If the relationship with the NHS is not effective this will impact on HEIW service delivery and implementation of the annual plan.</p> <p>DIRECTOR OF WORKFORCE & OD</p>	4	3	12	<ul style="list-style-type: none"> Implementation of the Comms & engagement plan for 2019-20 Regular stakeholder bulletins Execs to be active members of peer networks and national groups Proactive engagement with NHS organisations including as part of the development of our IMTP and through the annual planning cycle Understanding of NHS to continue to be a theme through staff events and training in 2019. 	3	3	9		<p>See above. Plus, all execs are now regularly attending peer networks. Ops to support national programmes are clear and allocated to key individuals within the organisation</p> <p>Engagement with NHS orgs has been built into our IMTP process for this year.</p>

HEIW Corporate Risk Register – Updated January 2020

Date Added	Ref (Objective)	Risk Description	Inherent Risk			Mitigating Action	Residual Risk			RAG Status	Progress
		Details of risk If...then... impact...	Impact	Probability	Overall Score	Summary of action to date or proposed action to reduce risk impact or proximity	Impact	Probability	Overall Score	R/A/G & trend	
Apr 2019	6. Obj 1	If the interface with WG is not clear this could impact on delivery and reputation, and could undermine a good relationship with WG. CHIEF EXECUTIVE	5	4	20	<ul style="list-style-type: none"> Regular 1:1s with DG Regular 1:1s with policy leads Quality and delivery meetings start on 23 September Regular JET meetings Agreed plans and remit letter. 	4	3	12		Quality and Delivery meetings commenced on 23 September which will provide a regular forum for addressing the interface, reducing the probability of this risk.

Date Added	Ref (Objective)	Risk Description	Inherent Risk			Mitigating Action	Residual Risk			RAG Status	Progress
		Details of risk If...then... impact...	Impact	Probability	Overall Score	Summary of action to date or proposed action to reduce risk impact or proximity	Impact	Probability	Overall Score	R/A/G & trend	
Apr 2019	8. Obj 1	<p>If HEIW doesn't have sufficient capacity & capability, there is a risk of delay in clearing the job evaluation backlog/appointing to remaining vacancies in the organisational structure, with a consequent impact on delivery of plans and objectives.</p> <p>DIRECTOR OF WORKFORCE & OD</p>	5	4	20	<p>This requires:</p> <ul style="list-style-type: none"> • additional short-term HR capacity to be secured by HEIW to support the initial peak in recruitment & HR activity over the next 6 - 12 months • substantive recruitment to be progressed to HR roles asap. Prioritisation of work for People team including recruitment activity. • investment in training managers across HEIW in job evaluation and job design • Trade Union partners to agree to support local JE panels. 	4	2	8		<p>Internal job evaluation panels commenced in March and have run regularly since then with support from staff representatives and partners.</p> <p>The backlog of job evaluation was finally cleared in September and that has enabled recruitment to be commenced in large volumes.</p> <p>Managers and People Team staff have been trained to undertake online recruitment processes and/or be panel members.</p> <p>Significant improvement in the number of vacancies stuck in the JE pipeline and recruitment campaigns undertaken has been reported to exec team monthly.</p> <p>Volumes have now reached 'steady state'</p>

Date Added	Ref (Objective)	Risk Description	Inherent Risk			Mitigating Action	Residual Risk			RAG Status	Progress
		Details of risk If...then... impact...	Impact	Probability	Overall Score	Summary of action to date or proposed action to reduce risk impact or proximity	Impact	Probability	Overall Score	R/A/G & trend	
Jun 2019	9. Obj. 1	<p>If Staff do not comply with Welsh Language Legislation, then HEIW could be subject to Welsh Language Commissioner Investigations and ultimately a potential fine , reputational damage and decrease in staff morale. Instructing external translators is currently challenging due to increased demand for their work.</p> <p>BOARD SECRETARY</p>	4	5	20	<ul style="list-style-type: none"> Set up staff group to increase awareness and address concerns of generic staff groupings Set up ongoing Communication and Engagement programme to highlight specific risk areas with solutions Identify 10 highest risk areas and report regularly against these Set up training and awareness sessions against the highest areas of risk Proposals presented to the NHS's Heads of Communication Group in respect of improving translation provision. 	4	2	8		Progress being made to embed the Welsh Language Policy within HEIW.

Date Added	Ref (Objective)	Risk Description	Inherent Risk			Mitigating Action	Residual Risk			RAG Status	Progress
		Details of risk If...then... impact...	Impact	Probability	Overall Score	Summary of action to date or proposed action to reduce risk impact or proximity	Impact	Probability	Overall Score	R/A/G & trend	
Apr 2019	10. Obj. 1	<p>If students are unhappy with receiving an invoice to repay part or all of their NHS Bursary it could cause significant financial and emotional harm to the individuals. It could also be a source of adverse publicity for HEIW</p> <p>DIRECTOR OF NURSING</p>	4	4	16	<ul style="list-style-type: none"> HEIW to work with professional bodies and student groups Develop a clear communication plan Clarify T&C of the contract renewal Develop sensitive processes to deal with the requests for reimbursement 	4	4	16		<p>Procedures and protocols are being developed.</p> <p>Meeting held with WG on the 4.12.2019 where it was agreed in principle that the payback of cost would only apply to students who qualify and do not fulfil their commitment to work in Wales. HEIW are awaiting official confirmation from WG of this position before it informs students.</p>

Date Added	Ref (Objective)	Risk Description	Inherent Risk			Mitigating Action	Residual Risk			RAG Status	Progress
		Details of risk If...then... impact...	Impact	Probability	Overall Score	Summary of action to date or proposed action to reduce risk impact or proximity	Impact	Probability	Overall Score	R/A/G & trend	
Apr 2019	11. Obj. 1	<p>Shortfall in recruitment to all Dental Foundation Training posts resulting in:</p> <ul style="list-style-type: none"> unfilled posts mainly in one Health Board area where there is already a shortage of dentists Unallocated training practices may consider redundancy of Dental Nurses <p>Disengagement and lack of future commitment of Educational Supervisors. This could mean insufficient approved Educational Supervisors for subsequent years</p> <p>MEDICAL DIRECTOR</p>	5	3	15	<p>HEIW have agreed with Welsh Government to support those Dental Foundation Training practices without a Foundation Dentist for the 2019 / 2020 training year via a choice of options. Preferred options needs to be submitted to HEIW by the end of August to ensure appropriate funding is allocated</p> <p>Workforce development/ communications/ careers engagement is required within HEIW to address this risk going forward re short term and long term strategy</p>	2	2	4		<p>15/08/2019 Offer sent to all training practices WG HEIW communication to relevant HB CEOs</p> <p>All offers accepted. Educational Supervision secured for subsequent years</p> <p>This risk could be removed</p>

Date Added	Ref (Objective)	Risk Description	Inherent Risk			Mitigating Action	Residual Risk			RAG Status	Progress
		Details of risk If...then... impact...	Impact	Probability	Overall Score	Summary of action to date or proposed action to reduce risk impact or proximity	Impact	Probability	Overall Score	R/A/G & trend	
Apr 2019	12. Obj 2	If current approaches to professional boundaries remain this will affect HEIW's ability to transform approaches to workforce planning, development and education. DIRECTOR OF NURSING/ MEDICAL DIRECTOR	4	4	16	<ul style="list-style-type: none"> HEIW Execs to be an active member of executive peer groups Ensure learning opportunities are multi-professional Ensure the HEIW annual plan includes areas of work which challenge professional boundaries, e.g. promotion of delegation guidelines, Development of advanced practice/extended skills, roll out behavioural science approach etc. 	3	3	9		Actively engaging with Peer groups and through HEIW work programme to influence and challenge. Early discussions with Universities to encourage Multiprofessional Undergraduate Education

Date Added	Ref (Objective)	Risk Description	Inherent Risk			Mitigating Action	Residual Risk			RAG Status	Progress
		Details of risk If...then... impact...	Impact	Probability	Overall Score	Summary of action to date or proposed action to reduce risk impact or proximity	Impact	Probability	Overall Score	R/A/G & trend	
Apr 2019	13. Obj. 2	If the quality of postgraduate medical education is not maintained this could impact on patient safety and quality as well as recruitment into education programmes in Wales. MEDICAL DIRECTOR	3	3	9	<ul style="list-style-type: none"> Maintained previous levels of scrutiny by methods sanctioned by the GMC Engage with GMC to review QA process and act as pilot site for review. Ensure effective communication of high-risk areas to CEO and MDs of Health Boards and Trust. 	3	3	9	Ongoing risk Core Business	GMC QA Pilot ongoing HEIW training role related to recent issues in one Health Board communicated to all CEOs, CMO and CNO.

Date Added	Ref (Objective)	Risk Description	Inherent Risk			Mitigating Action	Residual Risk			RAG Status	Progress
		Details of risk If...then... impact...	Impact	Probability	Overall Score	Summary of action to date or proposed action to reduce risk impact or proximity	Impact	Probability	Overall Score	R/A/G & trend	
Apr 2019	14. Obj.2	If universities review their provision of UG programmes and determine to withdraw from the market this will impact on HEIW's ability to deliver commissioned numbers and impact on workforce planning for NHS Wales. DIRECTOR OF NURSING	4	4	16	<ul style="list-style-type: none"> Ensure active communication with HEI to understand their priorities and challenges Through the contracting process work with universities to ensure they are adequately funded for the programmes Work with education providers to determine what other alternatives are possible.	3	3	9		HEIW engaging with universities and all current programmes will continue to be delivered until 2022 as a minimum. The work surrounding the new contract and "lotting" strategy should minimise this risk beyond 2022.

Date Added	Ref (Objective)	Risk Description	Inherent Risk			Mitigating Action	Residual Risk			RAG Status	Progress
		Details of risk If...then... impact...	Impact	Probability	Overall Score	Summary of action to date or proposed action to reduce risk impact or proximity	Impact	Probability	Overall Score	R/A/G & trend	
Apr 2019	15. Obj.2	<p>If the Welsh Government change the NHS Bursary Policy for 2021/22 and beyond it could impact on student recruitment and the supply of healthcare staff to deliver patient care.</p> <p>DIRECTOR OF NURSING</p>	4	4	16	<ul style="list-style-type: none"> Keep in regular contact with the Welsh Government and provide any assistance they require Update the university sector on Governments thinking as this develops Monitor student uptake of the NHS bursary. 	2	2	4		<p>2.12.2019 - WG confirmed continuation of bursary for 2021/22 and 2022/23 pending long term decision. HEIW engaging with stakeholders to inform them of this position.</p> <p>HEIW to promote security of the bursary for the next 3 academic years</p>

Date Added	Ref (Objective)	Risk Description	Inherent Risk			Mitigating Action	Residual Risk			RAG Status	Progress
		Details of risk If...then... impact...	Impact	Probability	Overall Score	Summary of action to date or proposed action to reduce risk impact or proximity	Impact	Probability	Overall Score	R/A/G & trend	
Apr 2019	16. Obj.2	If the Strategic Review of Health Professional Education does not meet the timescale and future aspirations as agreed by HEIW, this will impact on the quality and suitability of education in the future. DIRECTOR OF NURSING	5	3	15	<ul style="list-style-type: none"> Ensure robust project management arrangements are in place Secure additional resource for the project Ensure robust stakeholder engagement Ensure it links to the 10 year health and social care workforce strategy. 	4	3	12		<p>Project plans are in place and on target to undertake the procurement of health professional education.</p> <p>Engagement with HEI and HB/Trusts currently underway.</p>

Date Added	Ref (Objective)	Risk Description	Inherent Risk			Mitigating Action	Residual Risk			RAG Status	Progress
		Details of risk If...then... impact...	Impact	Probability	Overall Score	Summary of action to date or proposed action to reduce risk impact or proximity	Impact	Probability	Overall Score	R/A/G & trend	
Apr 2019	18. Obj. 2	<p>Following GP trainee business case for increasing GP trainees to 160, if we do not identify sufficient training facilities and provide effective training, this could adversely impact on the reputation of HEIW.</p> <p>If GP educational supervisor role is not covered by the GMPI (Indemnity) Scheme, as this only covers claims relating to clinical negligence, then the supervisor role may not have appropriate insurance cover in place.</p> <p>MEDICAL DIRECTOR</p>	4	3	12	<ul style="list-style-type: none"> We have actively sought applications for training practices. We have created a framework for selection GP indemnity issue flagged to NWSSP and WG. 	2	2	4		<p>We have had 186 applications and have sufficient training facilities for GP and Pharmacy Pre-reg Training.</p> <p>Indemnity Issue resolved</p> <p>This risk could be closed</p>

Date Added	Ref (Objective)	Risk Description	Inherent Risk			Mitigating Action	Residual Risk			RAG Status	Progress
		Details of risk If...then... impact...	Impact	Probability	Overall Score	Summary of action to date or proposed action to reduce risk impact or proximity	Impact	Probability	Overall Score	R/A/G & trend	
Apr 2019	19. Obj.2	<p>If Welsh Government does not accept the recommendations within the annual Education and Training Plan for 2020/21 it could impact on the future supply of the healthcare workforce and directly impact on the quality of patient care.</p> <p>DIRECTOR OF NURSING</p>	4	3	12	<ul style="list-style-type: none"> Ensure the annual plan is robust and evidence based Ensure the annual education training plan reflects priorities which are reflected in the 10 year workforce strategy Liaise with Welsh Government so they are sighted in advance on the possible level of investment required. 	1	1	1		Plan agreed in full by Welsh Government

Date Added	Ref (Objective)	Risk Description	Inherent Risk			Mitigating Action	Residual Risk			RAG Status	Progress
		Details of risk If...then... impact...	Impact	Probability	Overall Score	Summary of action to date or proposed action to reduce risk impact or proximity	Impact	Probability	Overall Score	R/A/G & trend	
Apr 2019	20. Obj.2	<p>Apprenticeship Frameworks If Welsh Government do not provide a means for the newly developed health qualifications to be recognised within Apprenticeship frameworks, health care staff will continue to undertake outdated qualifications as part of their apprenticeship.</p> <p>DIRECTOR OF NURSING</p>	3	4	12	<ul style="list-style-type: none"> Working with WG to develop for health apprenticeships to be revised and updated. 	3	3	9		Group set up. Right staff engaged and processes being updated.

Date Added	Ref (Objective)	Risk Description	Inherent Risk			Mitigating Action	Residual Risk			RAG Status	Progress
		Details of risk If...then... impact...	Impact	Probability	Overall Score	Summary of action to date or proposed action to reduce risk impact or proximity	Impact	Probability	Overall Score	R/A/G & trend	
Apr 2019	21. Obj 3	If the relationship with Social Care Wales is not effective, then this could impact on delivery of key priorities for A Healthier Wales, and in particular the delivery of the workforce strategy which is a high-profile commitment. CHIEF EXECUTIVE	4	3	12	<ul style="list-style-type: none"> Joint exec team and joint Board meetings twice a year 1:1 meetings between CEOs Joint steering group for development and delivery of the health & care workforce strategy, as well as underpinning operational management groups. 	3	3	9		Agreed actions continue.

Date Added	Ref (Objective)	Risk Description	Inherent Risk			Mitigating Action	Residual Risk			RAG Status	Progress
		Details of risk If...then... impact...	Impact	Probability	Overall Score	Summary of action to date or proposed action to reduce risk impact or proximity	Impact	Probability	Overall Score	R/A/G & trend	
Apr 2019	22. Obj 3	If the Workforce Strategy for Health and Social Care does not meet expectations this will impact on reputation and future delivery. DIRECTOR OF WORKFORCE & OD	4	4	16	<ul style="list-style-type: none"> Joint steering group chaired by CEOs Clear project plan and reporting Additional capacity in terms of consultants Significant engagement periods built into the programme to develop ownership, buy-in and understanding. 	4	3	12		Actively engaging with partners, stakeholders and staff. Significant activity underway during consultation phase. Project on course.

Date Added	Ref (Objective)	Risk Description	Inherent Risk			Mitigating Action	Residual Risk			RAG Status	Progress
		Details of risk If...then... impact...	Impact	Probability	Overall Score	Summary of action to date or proposed action to reduce risk impact or proximity	Impact	Probability	Overall Score	R/A/G & trend	
Apr 2019	23. Obj 5	If the loss of Eduroam portal provision following transition out of Cardiff University is not addressed by an effective replacement, it will impact on trainees and trainers ability to undertake and complete appropriate training through a dedicated internet connection. Risk of reputational risk to Wales and Welsh offer. CHIEF EXECUTIVE	5	4	20	<ul style="list-style-type: none"> WG and NWIS aware of the issue and working on an amendment to GOVROAM to address our needs and the specific authentication requirements which were previously facilitated by Cardiff University. We are continuing to monitor and press WG for a solution, and will escalate to the CEO NHS Wales as appropriate Communications with trainees and trainers are being handled through consistent messaging Positive meetings facilitated with NWIS and JISC to highlight the benefits and added value Eduroam provides over GOVROAM . 	4	3	12		<p>CEO held meeting with Director of NWIS and WG to agree position and actions on 2 July. Following consultation with WG and NWIS we are engaging with Eduroam with a view to entering into a new Eduroam license.</p> <p>NWIS completed and have approved infrastructure design to support Eduroam rollout.</p> <p>Awaiting build of servers to support authentication. Planned testing and confirmation of go live date due end September/Early October depending on time taken to build infrastructure.</p>

Date Added	Ref (Objective)	Risk Description	Inherent Risk			Mitigating Action	Residual Risk			RAG Status	Progress
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Apr 2019	25. Obj 7	<p>If there is no agreement on the future arrangements for allocation of SIFT this could undermine HEIW's ability and levers to redesign education.</p> <p>INTERIM DIRECTOR OF FINANCE</p>	5	3	15	<ul style="list-style-type: none"> • Work closely with WG colleagues to progress SIFT discussions • Participate in the development of proposals for the future allocation of SIFT • Use lessons and experience from across UK to inform plans • Ensure that the plans are confirmed and agreed prior to transfer to HEIW. 	5	2	10		<p>This is discussed as a regular item during interface meetings with WG</p> <p>No progress on this to date.</p>

Date Added	Ref (Objective)	Risk Description	Inherent Risk			Mitigating Action	Residual Risk			RAG Status	Progress
		Details of risk If...then... impact...	Impact	Probability	Overall Score	Summary of action to date or proposed action to reduce risk impact or proximity	Impact	Probability	Overall Score	R/A/G & trend	
Jul 2019	26. Remit Letter	If 80 new DN are not recruited to NHS Wales by summer 2020 it could affect plans for strengthening primary and community services. DIRECTOR OF NURSING	4	4	16	<ul style="list-style-type: none"> Revisit original plan agreed with WG Meeting with WG on the 22.7.2019 Review projected expenditure and develop additional options Discuss with DON to raise profile and gain support Continue to work with Health Boards to encourage an increased uptake. 	4	3	12		<p>Meetings and correspondence over the summer indicate progress towards the target.</p> <p>It is anticipated that over 50 new DN will be trained however significant level of education going into the community nursing workforce which will be highlighted as well as the DN qualified staff.</p>

Date Added	Ref (Objective)	Risk Description	Inherent Risk			Mitigating Action	Residual Risk			RAG Status	Progress
		Details of risk If...then... impact...	Impact	Probability	Overall Score	Summary of action to date or proposed action to reduce risk impact or proximity	Impact	Probability	Overall Score	R/A/G & trend	
Nov 2019	27. Obj 1	<p>If the capacity in the People Team is not addressed there is a risk of delay in progressing 'desirable' policies and practices and levels of service provided to managers and staff, with a consequent impact on reputation of & confidence in the team.</p> <p>DIRECTOR OF WORKFORCE & OD</p>	4	4	16	<p>This requires:</p> <ul style="list-style-type: none"> • additional short-term HR capacity to be secured to support the current gaps • substantive recruitment to be progressed to HR roles asap • prioritisation of work for People team including recruitment activity • communication with managers and staff throughout HEIW 	4	3	12		<p>Interviews held w/c 4th November for HR Business Partner; agreement given to appoint 2nd individual from BP recruitment campaign</p> <p>Experienced new starter joined 4/11/19</p> <p>Discussions with TUS re solutions & prioritisation</p> <p>Execs asked to brief staff on turnover and gaps in People Team and asked to cascade to their teams.</p>

Date Added	Ref (Objective)	Risk Description	Inherent Risk			Mitigating Action	Residual Risk			RAG Status	Progress
		Details of risk If...then... impact...	Impact	Probability	Overall Score	Summary of action to date or proposed action to reduce risk impact or proximity	Impact	Probability	Overall Score	R/A/G & trend	
Nov 2019	28. Obj 5	If HEIW does not ensure that all reasonable steps are taken in respect of cyber security it may be vulnerable to a data breach, possible fines from the Information Commissioner's Office and associated bad publicity. DIRECTOR OF WORKFORCE & OD	5	5	25	This requires the implementation of recommendations highlighted within HEIW's Cyber Security assessment report.	5	4	20		Executive team approved the recommendations within HEIW's Cyber Security assessment report on 23 October which have or are being implemented.

HEIW Corporate Risk Register – Updated January 2020

Date Added	Ref (Objective)	Risk Description	Inherent Risk			Mitigating Action	Residual Risk			RAG Status	Progress
		Details of risk If...then... impact...	Impact	Probability	Overall Score	Summary of action to date or proposed action to reduce risk impact or proximity	Impact	Probability	Overall Score	R/A/G & trend	
Nov 2019	29. Obj. 1	<p>If HEIW does not ensure that all of its contracts are, where appropriate renewed, within the contract term there is a risk that a supplier may withdraw from a contract at short notice which may impact HEIW's services.</p> <p>BOARD SECRETARY</p>	4	4	16	<p>A Contract and Agreement Register has been compiled to provide assurance in respect of contract management.</p> <p>The Contracts and Agreement Register shall be used as a tool to ensure that contracts are renewed within the contract term.</p> <p>The Corporate team supported by procurement and legal and risk will put together a clear procedure to support HEIW's contract renewal process.</p>	4	3	12		

Date Added	Ref (Objective)	Risk Description	Inherent Risk			Mitigating Action	Residual Risk			RAG Status	Progress
		Details of risk If...then... impact...	Impact	Probability	Overall Score	Summary of action to date or proposed action to reduce risk impact or proximity	Impact	Probability	Overall Score	R/A/G & trend	
Dec 2019	30. Obj 2	<p>If the Welsh Government change the NHS Bursary Policy for 2023/24 and beyond it could impact on the contract procurement process which has been initiated.</p> <p>DIRECTOR OF NURSING</p>	5	3	15	<p>Seek procurement and legal advice</p> <p>Discuss impact of the bursary extension for a further 2 years with WG to determine when a final decision is to be made</p>	3	3	9		Further work has been undertaken to consider the impact of any changes to the bursary after 2023/24 and the impact of this has now been reduced as it will not detract from the contracts being let in 2020/21.

Date Added	Ref (Objective)	Risk Description	Inherent Risk			Mitigating Action	Residual Risk			RAG Status	Progress
		Details of risk If...then... impact...	Impact	Probability	Overall Score	Summary of action to date or proposed action to reduce risk impact or proximity	Impact	Probability	Overall Score	R/A/G & trend	
Jan 2020	31. Obj 2	<p>If the Welsh NHS bursary is considered to be of less benefit than the new scheme introduced in England it could adversely impact on student recruitment to commissioned places</p> <p>DIRECTOR OF NURSING</p>	4	3	12	<p>Assess the impact of the new English bursary and compare to Wales.</p> <p>Brief HEIW Exec on 29.1.2020</p> <p>Consider advising WG following the assessment of the different schemes</p>	3	3	9		New Risk

Risk Scoring Matrix

–	Probable	5	10	15	20	25
	Likely	4	8	12	16	20
	Possible	3	6	9	12	15
	Unlikely	2	4	6	8	10
	Rare	1	2	3	4	5
		Negligible	Minor	Moderate	Major	Critical
IMPACT						

Level	Colour	Score Range
Low		1 – 6
Moderate		7 – 14
High		15 – 25

HEIW Strategic Objectives – Annual Plan 2019-20

Strategic Objective 1: As a new organisation establishing HEIW as a valued and trusted partner, an excellent employer and a reputable and expert brand.
Strategic Objective 2: Building a sustainable and flexible health and care workforce for the future.
Strategic Objective 3: With Social Care Wales shaping the workforce to deliver care closer to home and to better align service delivery.
Strategic Objective 4: Improving quality and safety by supporting NHS organisations find faster and more sustainable workforce solutions for priority service delivery challenges.
Strategic Objective 5: Improving opportunities for use of technology and digitalisation in the delivery of education and care.
Strategic Objective 6: Reinvigorating leadership development and succession planning across health and social care in partnership with Social Care Wales and Academi Wales.
Strategic Objective 7: Demonstrating value from investment in the workforce and the organisation.



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Addysg a Gwella Iechyd
Cymru (AaGIC)
Health Education and
Improvement Wales (HEIW)

Meeting Date	27 January 2020	Agenda Item	2.13
Report Title	Counter Fraud Progress Report - 31 st December 2019		
Report Author	Craig Greenstock – LCFS		
Report Sponsor	Eifion Williams, Interim Director of Finance		
Presented by	Nigel Price, Local Counter Fraud Specialist		
Freedom of Information	Open		
Purpose of the Report	The purpose of the Counter Fraud Progress Report is to provide the Audit and Assurance Committee with an updated report of all NHS Counter Fraud work undertaken, for the period ended 31 st December 2019, within the Health Body. The report's style has been adopted, in consultation with the Finance Director, with the prime objective of informing, and updating, the Audit and Assurance Committee members of the outline detail of significant changes in cases that have been worked on during the period, in addition to any current operational issues.		
Key Issues	<p>In compliance with the Secretary of State for Health Directions on Countering Fraud in the NHS, regular progress update reports are required to be presented to the Health Bodies' Audit and Assurance Committee, which should outline the current standing of any Counter Fraud and Corruption work carried out within the Health Body as at the date of the Audit and Assurance Committee meeting.</p> <p>The LCFS to plan and agree, with the Finance Director, an Annual Work-Plan containing a suggested number of days that is a framework on which to build and develop robust Counter Fraud arrangements and which recommends, to the Health Bodies' Audit and Assurance Committee, the resources necessary to undertake work effectively across the areas of action outlined in NHS Counter Fraud Policy and Procedures</p>		
Specific Action Required (please ✓ one only)	Information	Discussion	Assurance
		✓	
			Approval

COUNTER FRAUD PROGRESS REPORT - 31ST DECEMBER 2019

1. INTRODUCTION

The purpose of the Counter Fraud Progress Report is to provide the Audit and Assurance Committee with and update report of all NHS Counter Fraud work undertaken, for the period ended 31st December 2019, within the Health Body. The report's style has been adopted, in consultation with the Finance Director, with the prime objective of informing, and updating, the Audit and Assurance Committee members of the outline detail of significant changes in cases that have been worked on during the period, in addition to any current operational issues.

2. BACKGROUND

In compliance with the Secretary of State for Health Directions on Countering Fraud in the NHS, regular progress update reports are required to be presented to the Health Bodies' Audit and Assurance Committee, which should outline the current standing of any Counter Fraud and Corruption work carried out within the Health Body as at the date of the Audit and Assurance Committee meeting.

The LCFS to plan and agree, with the Finance Director, an Annual Work-Plan containing a suggested number of days that is a framework on which to build and develop robust Counter Fraud arrangements and which recommends, to the Health Bodies' Audit and Assurance Committee, the resources necessary to undertake work effectively across the areas of action outlined in NHS Counter Fraud Policy and Procedures.

3. GOVERNANCE AND RISK ISSUES

By adopting a strong governance structure, the focus of the Health Body should be on effective processes for fraud risk assessment which, in turn, must be followed by a focus on fraud prevention, fraud detection and fraud investigation. Fraud risk assessments must be considered and the three (3) key elements being:

- identifying inherent fraud risk (the risk of frauds)
- assessing the likelihood and significance of each inherent fraud risk
- responding to likely and/or significant inherent risks

In order to assess the risk issues, HEIW staff must understand that the majority relate to false documents, false and/or forged signatures, fraudulent reporting, misappropriation and/or corruption.

When looking at such areas, the following should be considered:

- Incentives, pressures and opportunities due to system weaknesses
- The risk of Senior Management not adhering to policy and/or overriding controls
- Information Technology
- Regulatory, legal and/or reputational fraud risks

When assessing the likelihood and significance of any fraud risks, any assessment should consider the following:

- The past history of the fraud in the organisation
- The incidence of the fraud within the NHS with any “like” cases
- The complexity of the risk
- The risks for particular individuals and/or departments
- The number of people and/or transactions involved

When estimating significance, consideration should be given to the organisation’s operations, reputation and legal liability (criminal, civil and regulatory).

The Health Bodies’ fraud risk assessment should also be documented using a structured framework and any findings then reported to the Audit and Assurance Committee.

The entire process should be a “living” document and ongoing with the main focus being on continuous improvement. This can be taken forward by ensuring, through the various fraud awareness sessions, events and publications, that all levels of management and staff within HEIW are made aware of and have the following:

- read and understand their responsibilities, as outlined in the Health Bodies’ Counter Fraud policy/procedure
- understanding of fraud and identifying any areas of concern
- understanding their individual roles and responsibilities in the internal control framework and especially in relation to any potential system weaknesses
- create an anti-fraud culture by ensuring a strong control environment
- report any suspicions and/or alleged incidences of fraud
- full co-operation in any fraud related investigation

4. FINANCIAL IMPLICATIONS

Fraud committed against the NHS has a financial impact, since the Health Body would have suffered an initial financial loss as a result of the subject’s actions.

The work of the Health Body’s Counter Fraud staff is undertaken in order to attempt reduce the level of fraud and/or corruption within HEIW to a minimum and keep it at that level in order to free up resources for patient care.

5. RECOMMENDATION

Any negative publicity received as a result of media reports may have an effect on the reputation of the Health Body. However, by publicising any action taken against the individual(s) would also show that fraud committed against the NHS will not be tolerated and this may also serve as a deterrent to others.

The Committee is, therefore, asked to:

- **RECEIVE** and **DISCUSS** the Counter Fraud Progress Report
- **NOTE** the progress made to date

Governance and Assurance				
Link to corporate objectives (please ✓)	As a new organisation establishing HEIW as a valued and trusted partner, an excellent employer and a reputable and expert brand	Building a sustainable and flexible health and care workforce for the future.	With Social Care Wales shaping the workforce to deliver care closer to home and to better align service delivery.	Improving quality and safety by supporting NHS organisations find faster and more sustainable workforce solutions for priority service delivery challenges.
	✓			
	Improving opportunities for use of technology and digitalisation in the delivery of education and care.	Reinvigorating leadership development and succession planning across health and social care in partnership with Social Care Wales and Academi Wales	Demonstrating value from investment in the workforce and the organisation.	
Quality, Safety and Patient Experience				
None identified				
Financial Implications				
<p>Fraud committed against the NHS has a financial impact, since the Health Body would have suffered an initial financial loss as a result of the subject's actions. The work of the Health Body's Counter Fraud staff is undertaken in order to attempt reduce the level of fraud and/or corruption within HEIW to a minimum and keep it at that level in order to free up resources for patient care.</p>				
Legal Implications (including equality and diversity assessment)				
Where there is any evidence of prima facie fraud identified then advice as to how best to proceed and whether there is sufficient evidence to support a criminal prosecution is sought from the CPS Specialist Fraud Division.				
Staffing Implications				
None				
Long Term Implications (including the impact of the Well-being of Future Generations (Wales) Act 2015)				
None				
Report History	None			
Appendices	Summary of Planned vs. Actual Days for 2019-20 CF Plan			



NHS WALES

Health Education & Improvement Wales

Audit & Assurance Committee 27th January 2020
Counter Fraud Update

Craig Greenstock
Counter Fraud Manager
Cardiff and Vale University Health Board

AUDIT COMMITTEE 27th January 2020

COUNTER FRAUD UPDATE

1. Introduction
2. Case Update
3. Progress and General Issues
4. Appendix 1 - Summary of Plan

Mission Statement

To provide the HEIW with a high quality NHS Counter Fraud Service, which ensures that any report of fraud is investigated in accordance with the Directions for Countering Fraud in the NHS and all such investigations are carried out in a professional, transparent and cost effective manner.

1. INTRODUCTION

1.1 In compliance with the Directions on Countering Fraud in the NHS, Counter Fraud is required to provide updates to the Audit and Assurance Committee on the work that has been carried out against the agreed work-plan.

This update provides the Audit Committee with an update at 31st December 2019.

2. CURRENT CASE UPDATE

2.1 As at 31st December 2019, a total of **38** days have been spent on counter fraud work within HEIW and the breakdown of this work is detailed in **Appendix 1**.

2.2 There is currently one (1) case currently under investigation for which a verbal update on the progress made to date will be given to the Audit and Assurance Committee.

3. PROGRESS AND GENERAL ISSUES

3.1 Fraud Awareness Presentations

Following discussion with the Interim Director of Finance, various awareness sessions have already taken place with both the Finance and Senior Leadership Teams with further sessions also to be arranged to take place within HEIW throughout the remainder of the financial year.

3.2 Quarterly CF Newsletter

The next edition of the quarterly CF Newsletter has now been issued to HEIW Communications Department and is available on the HEIW intranet SharePoint site.

The [newsletter](#), includes information about recent cases that appeared in the public domain. The same newsletter also contains further details to HEIW staff as to how and where they can report any concerns relating to NHS fraud.

3.3 NHS Counter Fraud Authority - Procurement Risk Management Exercise

Fraud within NHS Procurement has been identified as a strategy priority area, for the NHS Counter Fraud Authority, for 2019-20 and that this has also, in the past been a serious area of concern across the NHS in England and Wales and especially most recently with one (1) particular well publicised case within a Welsh NHS Trust.

Procurement accounts for a significant amount of NHS spend and activity with indications that compliance with procurement is uneven across all sectors, but with no central information on tenders and contract awards, it is difficult to actually quantify the level of fraud. However, it is estimated that the annual value of fraud in procurement is around £351m.

As a result, the NHS CFA has launched a National Pro-Active Exercise working in collaboration with NHS providers to obtain information on fraud risk vulnerability indicators, which will also contribute to improving the overall intelligence picture of procurement fraud in the NHS.

Following discussions with relevant Heads of Procurement within NWSSP, the first submission of the quite detailed information, was made within the required deadline (12th July 2019) and additional guidance on how to identify and report, together with the processes that should be in place, was also issued by NHS CFA and then distributed to all NHS Bodies in Wales.

It is understood that there will be one (1) further stage to the process (April 2020) and this will be undertaken following further guidance that is to be issued by the NHS CFA.

3.4 Compliance Survey - System Weaknesses

In 2018/19, the NHS Counter Fraud Authority (NHSCFA) issued a number of Circulars and a Fraud Prevention Notice (FPN) in response to identified system weaknesses that required further action by NHS Bodies in Wales and England.

The NHSCFA's Fraud Prevention Unit then developed a new system weakness referral process to target fraud risks, threats and vulnerabilities that the Local Counter Fraud Specialists identify in their system weakness reporting.

The new process covers reporting of system weaknesses by LCFS' and the assessment of those reports to determine what action, if any, is required.

These risks are addressed by the NHSCFA issuing Fraud Prevention Notices (FPNs) which include guidance on effective solutions and recommended mitigating actions for NHS bodies to take at a local level.

The success of the new process obviously depends on LCFS' reporting system weaknesses in detail following an incident and at all stages of fraud investigations via the FIRST case management system, to enable the Fraud Prevention Unit to develop practical prevention solutions.

In order to measure the potential impact of the original guidance a compliance statement survey was then disseminated to NHS Bodies in Wales and England, in mid-November 2019, to identify whether the Health Body had taken action in response to the Circulars and the FPN, through the implementation of appropriate fraud prevention measures and to identify any potential cost savings.

This compliance statement survey was completed, by the LCFS, on behalf of HEIW and returned to NHSCFA within the given deadline, with copies also sent to the Director of Finance and Chair of the Audit Committee for their information.

3.5 Fraud Prevention Guides

In early November 2019 and following the deadline for submission of the required data in relation to the National Exercise on Procurement Fraud, the NHSCFA launched new

guidance, in the form of [eight fraud prevention quick guides](#) focusing on specific areas of fraud risk in procurement and finance processes. The purpose of the quick guides was to alert NHS staff to known fraud risks and provide clear and practical information on effective measures staff and managers can take to identify and stop fraud and improve their own systems. Each guide included a brief overview of the fraud risk, along with information on how to spot fraud, how to stop it and how to report any suspicions of fraud.

These guides, which can be found on the NHSCFA website, have been issued to all NHS Wales Finance Directors and Audit Committee Chairs and can also be accessed using the link detailed above.

APPENDIX 1

COUNTER FRAUD SUMMARY PLAN ANALYSIS 2019/20

AREA OF WORK	Planned Days	Days to Date
General Requirements		
LCFS Attendance at All Wales Meetings	1	0
Planning/Preparation of Annual Report and Work Programme	1	1
Production of Reports and attendance at Audit & Assurance	4	3
Liaison with the DoF, NHS CFA, Welsh Government	0	0
Self Review Tool (SRT) and QA Assessment	1	1
Annual Activity		
Create an Anti-Fraud Culture	5	5
Presentations, Briefings, Newsletters etc.	15	12
Fraud Awareness Events	0	0
Deterrence		
Review/develop Policies/Strategies	3	3
Prevention		
The reduction of opportunities for Fraud and Corruption to occur.	0	0
Detection		
National Pro-Active Exercises (e.g. Procurement)	2	2
Investigation, Sanctions and Redress		
The investigation of any alleged instances of fraud	15	11
Ensure that Sanctions are applied to cases as appropriate	1	0
Seek redress, where fraud has been proven to have taken place	2	0
TOTAL HEALTH EDUCATION IMPROVEMENT WALES	50	38



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Meeting Date	27 January 2020	Agenda Item	2.14
Report Title	Review of Committee Effectiveness		
Report Author	Kay Barrow, Corporate Governance Manager		
Report Sponsor	Dafydd Bebb, Board Secretary		
Presented by	Dafydd Bebb, Board Secretary		
Freedom of Information	Open		
Purpose of the Report	To present the Audit and Assurance Committee (Audit Committee) with the draft Committee Effectiveness Review Document and to outline the approach to undertaking the review process.		
Key Issues	<p>Self-assessment of the Audit Committee is to be undertaken on annual basis.</p> <p>Members are invited to consider and approve the draft Committee Effectiveness Review Document (Appendix 1).</p>		
Specific Action Required <i>(please ✓ one only)</i>	Information	Discussion	Assurance
			Approval
Recommendations	<p>The Audit and Assurance Committee is asked to:</p> <ul style="list-style-type: none"> • Approve the content of the Committee Effectiveness Review Document (Appendix 1). 		

REVIEW OF COMMITTEE EFFECTIVENESS

1. INTRODUCTION AND BACKGROUND

The members of the Audit and Assurance Committee (Audit Committee) will be aware that annually the Committee undertakes a self-evaluation of its effectiveness and impact through completing an effectiveness checklist.

Last year, the Committee completed the Checklist on a collective basis. However, this year, it is intended to distribute the Checklist to the members, and those officers who work with the Committee, for completion on an individual basis.

2. GOVERNANCE AND RISK ISSUES

Undertaking an annual self-assessment provides assurance to the Board that the Committee is discharging its duties effectively. In order to inform the evaluation of the Committee Effectiveness and the key themes for discussion at the Committee on 1 April 2020, the Committee members and wider respondents will be asked to complete the self-assessment checklist drawn from the National Audit Office Audit and Risk Committee Checklist. They will also be asked to reply to a number of evaluation questions, outlined at the beginning of the Effectiveness Review document (Appendix 1) by Friday, 21 February 2020. An evaluation of the Review will be presented at the Audit and Assurance Committee on 1 April 2020.

3. FINANCIAL IMPLICATIONS

There are no financial implications associated with the Committee Effectiveness Review.

4. RECOMMENDATION

The Audit and Assurance Committee is asked to:

- **Approve** the content of the Committee Effectiveness Review Document (Appendix 1).

Governance and Assurance				
Link to corporate objectives (please ✓)	As a new organisation establishing HEIW as a valued and trusted partner, an excellent employer and a reputable and expert brand	Building a sustainable and flexible health and care workforce for the future.	With Social Care Wales shaping the workforce to deliver care closer to home and to better align service delivery.	Improving quality and safety by supporting NHS organisations find faster and more sustainable workforce solutions for priority service delivery challenges.
	✓			
	Improving opportunities for use of technology and digitalisation in the delivery of education and care.	Reinvigorating leadership development and succession planning across health and social care in partnership with Social Care Wales and Academi Wales	Demonstrating value from investment in the workforce and the organisation.	
Quality, Safety and Patient Experience				
Undertaking an annual self-assessment provides assurance to the Board that the Committee is discharging its duties effectively.				
Financial Implications				
There are no financial implications.				
Legal Implications (including equality and diversity assessment)				
There are no legal implications.				
Staffing Implications				
There are no staffing implications.				
Long Term Implications (including the impact of the Well-being of Future Generations (Wales) Act 2015)				
The review of effectiveness will be completed regularly and supported by a rolling programme of improvement and assessment.				
The review of effectiveness assesses whether the Committee is discharging its duties in accordance with the Committee Terms of Reference				
The review is integral to the Governance report included in the organisation's annual report.				
Report History				
Appendices				
<ul style="list-style-type: none"> Appendix 1 – Audit & Assurance Committee Effectiveness Review Document. 				

Audit and Assurance Committee Effectiveness Review

The members of the Audit and Assurance Committee and those officers who work with the Committee, will be aware that annually the Committee undertakes a self-evaluation of its effectiveness and impact. This has historically been drawn from the National Audit Office Audit and Risk Committee Checklist.

It is intended to undertake a similar exercise this year with an evaluation of the Review being presented at the Audit and Assurance Committee on 1 April 2020. In order to inform the evaluation and the key themes for discussion, and also to allow everyone to prepare their thoughts prior to the meeting, please find attached a number of key questions and also the self-assessment checklist.

It would be helpful if you would be able to complete this document by **Friday 21 February 2020** and return your contributions to Kay Barrow – kay.barrow@wales.nhs.uk

The checklist has been partially completed for the procedural questions, however, if you wish to comment on these please do so.

Committee Overview Questions

	Strongly Agree	Agree	Disagree	Strongly Disagree
The Audit and Assurance Committee has a positive impact on the good governance of HEIW's affairs				
The Audit and Assurance Committee contributes effectively to improving HEIW's overall performance				
The Audit and Assurance Committee's role is well understood within the overall governance framework				
The Audit and Assurance Committee's relationship with other committees is productive				

Committee Evaluation Questions

- 1. What aspects of the work of the Audit and Assurance Committee do you think have improved over the last year and why (please give examples)?**
- 2. What are the continuing challenges for the way we work and what are your suggestions for improvement?**
- 3. What other areas of HEIW's business should the Committee consider to add value to organisational delivery of the IMTP?**
- 4. Have you any other suggestions which would improve the ways in which the Audit and Assurance Committee works and engages with the wider organisation?**

Please include any comments you wish to make about the evaluation questions in the box below.

AUDIT AND ASSURANCE COMMITTEE: SELF ASSESSMENT CHECKLIST

Question/Checklist		Yes	No	N/A	Comments
Principle 1 – Membership, Independence, Objectivity and Understanding					
1	Do we have a minimum of three members, all Independent Members, at least two of whom, including the Audit and Assurance Committee Chair, are Independent Members of the organisation's Board?	√			
2	Does the Director of Finance, the Head of Internal Audit and the External Auditor routine attend Audit and Assurance Committee meetings?	√			
3	Are we satisfied with the range, frequency and number of Executives and other participants attending the Audit and Assurance Committee meetings? (Numbers of attendees should be sufficient to deal adequately with the agenda, but not so many as to blur the issues).				
4	Is our relationship and communication with the wider organisation effective in support of the Annual Governance Statement?				
5	Are conflicts recorded and declared at the start of every meeting, and is appropriate action taken when relevant matters are discussed?	√			

6	Do we have a clear understanding of our terms of appointment, including what is expected of us, how our individual performance will be appraised, the duration of our appointment, training required and how this will be provided?				
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Conclusion

Are we performing effectively in this area?	
Are there any actions we want to take to build our effectiveness?	

Question/Checklist		Yes	No	N/A	Comments
Principle 2 – Skills					
7	Are we satisfied that, collectively, we have the range of skills we need to ensure that the Accountable Officer and the Board gain the assurance they need to governance, risk management, the control environment and on the integrity of all elements of the Annual Report and Accounts?				
8	Do we possess the wider skills necessary to be fully effective (e.g. in relation to the core business of the organisation, change management, the wider political landscape and other strategically relevant issues)?				

9	Does at least one member have recent and relevant financial experience sufficient to allow them to competently analyse the financial statements and understand good financial management discipline?	√			
10	Where we need additional skills are we empowered to co-opt additional members or procure specialist advice?				
11	Do we have effective induction and training arrangements for new members and does the Audit and Assurance Committee Chair ensure that all members have an appropriate programme of engagement with the organisation to help build sufficient understanding?				

Conclusion

Are we performing effectively in this area?	
Are there any actions we want to take to build our effectiveness?	

Question/Checklist	Yes	No	N/A	Comments
Principle 3 and 4 – The Role and Scope of the Committee				
12	Do we have a clear understanding of the role and responsibilities of the Audit and Assurance Committee?	√		

13	Does our work programme cover the assurance needs of the Board and Accountable Officer through a balance of agenda items?				
14	Do we provide insight and strong, constructive challenge to the organisation where required?				
15	Do we have sufficient understanding of the organisation's overall control environment, including its governance and any outsourcing arrangements, and review its effectiveness regularly to provide assurance that arrangements are responding to risks within the organisation?				
16	Do we use assurance mapping to target the areas of greatest risk in our organisation?				
17	Do we critically review the comprehensiveness and reliability of assurances that we receive from across the organisation?				
18	Are we proactive in commissioning additional assurance work where we have identified a risk or control issues which is not subject to sufficient review?				
19	Do we draw the Accountable Officer and the Board's attention to the results of our work on risk?	√			Key Issue Reports from Committee Chair at each Board meeting.

20	Do we lead on the assessment of the Annual Governance Statement for the Accountable Officer and Board, including the provision of advice on its preparation and scope?				
21	Do we give sufficient and timely attention to financial management and reporting issues, including consideration of key accounting policies, estimates and judgements and the quality of the year-end financial statements?				
22	Do we sufficiently consider and challenge the work of internal audit and external audit?				
23	Do we track all audit recommendations (internal and external) and hold the organisation to account for their implementation?				
24	Do we regularly review anti-fraud and corruption arrangements?				
25	Do we regularly review the organisation's cyber risk management and consider the appropriateness of the organisation's risk mitigation strategies?		√		
26	Do we ensure that a senior Board member has overall responsibility for whistleblowing arrangements within the organisation?				

27	Do we regularly review our Terms of Reference?	√			
Conclusion					
Are we performing effectively in this area?					
Are there any actions we want to take to build our effectiveness?					

Question/Checklist		Yes	No	N/A	Comments
Principle 5 – Communication and Reporting					
28	Is our work effectively and promptly reported to the Board and Accountable Officer?				
29	Are our relationships and communications sufficiently well developed with those we seek briefings from and those we provide assurance to, including where risks cross organisational boundaries?				
30	Do we provide an Annual Report to the Board, timed to support the Governance Statement; is our report open and honest in presenting our views and opinions from the work we have done during the year; and is its content consistent with good practice?				

31	Does the Audit and Assurance Committee Chair have regular bilaterals with the key attendees (e.g. Accountable Officer, Director of Finance, the Head of Internal Audit and the External Auditor)?				
32	Where appropriate, do we communicate our work across the organisation?				

Conclusion

Are we performing effectively in this area?	
Are there any actions we want to take to build our effectiveness?	

Question/Checklist		Yes	No	N/A	Comments
Principle 6 – Meetings					
33	Has the Committee established a plan of matters to be dealt with across the year?	√			
34	Does the Committee meet sufficiently frequently to deal with planned matters and is enough time allowed for questions and discussions?				
35	Does the Committee's calendar meet the Board's requirements and financial and governance calendar?				

36	Are Committee papers distributed in sufficient time for members to give them due consideration?				
37	Are Committee meetings scheduled prior to important decisions being made?				
38	Is the timing of Committee meetings discussed with all the parties involved?				
Conclusion					
Are we performing effectively in this area?					
Are there any actions we want to take to build our effectiveness?					



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Meeting Date	27 January 2020	Agenda Item	2.15
Report Title	Development of a Tariff Arrangement for Secondary Care Training Programme Directors across Wales to support Professionalisation of the Role		
Report Author	Tom Lawson/Helen Baker		
Report Sponsor	Pushpinder Mangat		
Presented by	Pushpinder Mangat		
Freedom of Information	Open		
Purpose of the Report	This briefing paper informs the Audit and Assurance Committee of the introduction of a tariff based remuneration package for all Secondary Care Training Programme Directors (TPDs) across Wales.		
Key Issues	<p>Wales needs highly motivated and enthusiastic TPDs with protected time to innovate, and who work to attract, recruit and retain high quality trainees to our training programmes. We have a significant issue in that the current model does not provide this in Wales. Our volunteer TPDs are struggling with increasing service pressures and becoming disillusioned due to inequality across roles with a significant number wanting to resign from the role with no succession plan in place to maintain stability.</p> <p>This proposal has the support of the Executive Team and the Education Commissioning and Quality Committee. It is also specifically supported by the Director of Finance</p>		
Specific Action Required <i>(please ✓ one only)</i>	Information	Discussion	Assurance
			Approval ✓
Recommendations	<p>The Committee is asked to:</p> <ul style="list-style-type: none"> • support the recommendation to introduce a tariff-based remuneration package for all secondary care TPDs from 1st April 2020; • support the recommendation to introduce Tariff 2 as detailed in the attached business case. 		

DEVELOPMENT OF A TARIFF ARRANGEMENT FOR SECONDARY CARE TRAINING PROGRAMME DIRECTORS ACROSS WALES TO SUPPORT PROFESSIONALISATION OF THE ROLE

1. INTRODUCTION

The Training Programme Director (TPD) role is key to supporting the delivery of sustainable and innovative training programmes within Wales. The role is of central importance to the quality of training and the trainee/trainer experience and therefore to securing GMC approval of training programmes. Without TPDs, training programmes in Wales cannot be appropriately managed, risking loss of GMC approval and impacting our ability to train the future workforce. Secondary Care TPDs in Wales, unlike England, Scotland and Ireland are not consistently remunerated via HEIW.

Within the attached business case we are proposing that a funding tariff is introduced to support professionalisation of this essential role in Wales. This will signal HEIW's commitment to professionalising education and training across Wales, raising standards to support recruitment, retention and innovation and ensuring a consistent approach to the TPD role across all training programmes.

2. BACKGROUND

The attached business case details the case for implementing a new Tariff structure; reasons include:

- high quality training infrastructure delivers high quality training;
- Wales is the only nation that does not remunerate their secondary care TPDs;
- disparity across other TPD roles in Wales and
- a need to professionalise the TPD role.

Three Tariff based options are considered within the attached business case all of which would provide benefits to Wales including:

- An opportunity to attract a new cohort of TPDs likely to bring innovations and options to improve the quality of education and training available.
- Increased engagement with and support for TPDs; a crucial link between HEIW and the trainees.
- An opportunity to be clear around the TPD role, responsibilities and expectations.
- Parity across TPD roles within Wales as well as across other nations of the UK.

3. GOVERNANCE AND RISK ISSUES

By introducing a tariff-based payment system there will be additional operational activity within HEIW primarily within the Finance and Medical Deanery sections. HEIW will also need to liaise regularly with the employing Health Boards of these individuals to ensure that:

- any performance issues are appropriately addressed;
- the role is incorporated into the whole scope of practice for revalidation purposes and
- any existing SPA arrangements are amended accordingly.

With the current pension issues facing consultants we are aware that direct remuneration of consultants for the TPD role on top of their consultant salary may not be the desired model for all individuals. We are working with finance colleagues to explore alternative ways in which this remuneration package can be put together to ensure that individuals are not at a disadvantage when taking on these crucial roles.

4. FINANCIAL IMPLICATIONS

Three tariff based models have been developed, the cost implications of which are summarised below and considered in the attached paper.

	Tariff 1	Tariff 2	Tariff 3
Total amount required	£762,835	£650,285	£615,895
Current funding allocation	£218,846	£218,846	£218,846
Additional funding required	£543,989	£431,439	£397,049

It is considered that the appropriate means of funding the introduction of this mechanism is to include an element of supervision cost to the new foundation doctor expansion numbers and the GP Trainee numbers from August 2020 onwards. With the tapered expansion in numbers, the supervision value attached to each post can reduce with each cohort. A model has been produced which could consistently generate the sum required to introduce the TPD Payment mechanism. It is suggested therefore that Tariff 2 option is taken forward, on a recovery basis of the funding sought for Foundation Doctor Expansion and the GP Trainee programme.

5. RECOMMENDATION

The Committee is asked to:

- **Support** the recommendation to implement the TPD Tariff system from April 2020;
- **Support** the implementation of Tariff 2 summarised below and detailed in the attached at an additional cost of £431,439.

Tariff 2	
0.5 session is allocated to all TPDs irrespective of the number trainees on the programme due to minimum expectations of the role.	
20-50 trainees	0.5 session
51-100 trainees	1.0 session
101-200 trainees	1.5 session
201+ trainees	2.0 session

Governance and Assurance				
Link to corporate objectives (please ✓)	As a new organisation establishing HEIW as a valued and trusted partner, an excellent employer and a reputable and expert brand	Building a sustainable and flexible health and care workforce for the future.	With Social Care Wales shaping the workforce to deliver care closer to home and to better align service delivery.	Improving quality and safety by supporting NHS organisations find faster and more sustainable workforce solutions for priority service delivery challenges.
	✓	✓		
	Improving opportunities for use of technology and digitalisation in the delivery of education and care.	Reinvigorating leadership development and succession planning across health and social care in partnership with Social Care Wales and Academi Wales	Demonstrating value from investment in the workforce and the organisation.	
	✓		✓	
Quality, Safety and Patient Experience				
<p>Implementation of the tariff will ensure trainees are placed in appropriate training environments to enable them to meet their curriculum requirements and provide safe service and patient care.</p> <p>The role is of central importance to the quality of training and the trainee/trainer experience and therefore to securing GMC approval of training programmes.</p>				
Financial Implications				
The total cost of implementing Tariff 2 is £650,285 as a result an additional £431,439 is required.				
Legal Implications (including equality and diversity assessment)				
Nil				
Staffing Implications				
Introduction of this tariff model will have workload implications for individuals within the Medical Directorate and also Finance teams. Whilst additional work is anticipated for the Secondary Care team it is also anticipated that this will offset against current workload issues resulting from a lack of TPD engagement.				
Long Term Implications (including the impact of the Well-being of Future Generations (Wales) Act 2015)				
N/A				
Report History	Considered at Executive Team and Education, Commissioning and Quality Committee			
Appendices	Appendix 1 – Developing a Tariff Business Case Appendix 2 – Detailed financial breakdown			

TEMPLATE A – SIGNIFICANT INVESTMENT PROPOSAL

Title of Business Case:	Development of a Tariff Arrangement for Secondary Care Training Programme Directors across Wales to Support Professionalisation of the Role
Submitted to Welsh Government by:	Dr Tom Lawson
Senior Executive Sponsor:	Professor Pushpinder Mangat
Document Author:	Dr Helen Baker
Date:	14 th May 2019

1. Executive Summary

The Training Programme Director (TPD) role is key to supporting the delivery of sustainable and innovative training programmes within Wales. They ensure trainees are placed in appropriate training environments to enable them to meet their curriculum requirements and provide safe service and patient care. They provide leadership on quality management, annual reviews of trainee progression (ARCPs), training innovation and support, engagement and training for trainees and trainers within their specialty areas. They have a responsibility to liaise with Health Boards to ensure co-ordination between training requirements of individuals and service needs across Wales. The role is of central importance to the quality of training and the trainee/trainer experience and therefore to securing GMC approval of training programmes.

Across England, Scotland and Northern Ireland tariff systems are in place to remunerate TPDs; recognising the importance of this role and supporting appropriate performance management. Within Wales remuneration packages are in place for Foundation Programme Directors and General Practice Programme Directors with Secondary Care Specialty Programme Directors being outliers. As a result of this inconsistency Secondary Care TPDs in Wales are becoming increasingly disillusioned, with a significant number wanting to resign from the role and with no succession plan in place to maintain stability.

In the current climate Wales needs to deliver high quality training or risk a detrimental impact on recruitment and retention, which are already major challenges. To achieve this and to maintain GMC approval of our training programmes we require highly motivated and enthusiastic TPDs with protected time to innovate, and who work to attract, recruit and retain high quality trainees to our training programmes. It is important that these individuals feel valued, identify with HEIW and its values and take responsibility for and are accountable for their performance. We currently have a significant issue in Wales; increasing service pressures are leading to individuals reconsidering any roles they undertake on a voluntary basis - the role of secondary care TPD falls into this category for the majority. Furthermore the highest calibre individuals are often sought after for numerous leadership roles in NHS Wales and as most others are remunerated the TPD role is often not considered attractive by comparison. Existing TPDs are becoming increasingly disillusioned with the arrangements when compared to their TPD colleagues in primary care and foundation within Wales and their secondary care counterparts across the UK. Without

TPDs, training programmes in Wales cannot be appropriately managed, risking loss of GMC approval and impacting our ability to train the future workforce.

We are proposing that funding is identified to support professionalisation of this essential role in Wales. This will signal HEIW's commitment to professionalising education and training across Wales, raising standards to support recruitment, retention and innovation and ensuring a consistent approach to the TPD role across all training programmes.

2. Background of proposal

The delivery of high-quality education and training programmes form the foundation of a sustainable workforce model for the NHS. Attracting high quality trainees who are then retained within the workforce as future consultants is critical to the future delivery of sustainable and innovative services across Wales.

Professionalising the role of the TPD to facilitate recruitment and performance management of high calibre individuals is one of a number of priority areas for HEIW over the next 3 years, which will help facilitate the delivery of high-quality training and support to our trainee doctors. Other priority areas include changes to the study leave arrangements, considering options for a single lead employer, increased wellbeing support, reviewing the commissioning and quality management framework and improving access to training and education through the use of simulation and digital technology.

In the current climate with continued challenges to recruitment and retention Wales needs inspiring and dedicated trainers and TPDs. There are a number of factors influencing trainees' recruitment and retention decisions such as location at time of application or that of family and friends which are outside of the control of HEIW or NHS Wales, however other key factors such as the quality of training or reputation of education providers can be influenced and changed. TPDs have a significant role to play in influencing trainee's future career decisions with doctors tending to feel drawn towards supportive teams and teachers who engaged with or inspired them or where a community is generated amongst the trainees making them feel valued as part of a wider team.

Secondary Care TPDs are consultants working in accordance with the policies set by the Postgraduate Dean. The TPD is responsible for supporting the professional development of trainees, managing progression and placements, providing advice and support to trainees and trainers and is often seen as the key link to HEIW for the vast majority of trainees and trainers. Within Wales there are 10 specialty training Schools each led by a Head of School employed directly by HEIW for the role. The Specialty Programmes, Training Committees and TPDs sit within one of these Schools (please see Appendix 1 for further details). There are 55 Specialty Training programmes currently delivered within Secondary Care with approximately 1700 trainees in post.

The role of the TPD predates the introduction of Modernising Medical Careers in 2007, however, with the introduction of specialty training in 2007 and various improvements to training the role has expanded considerably.

The TPD role is pivotal to the development and delivery of a high quality and sustainable training programme and includes following responsibilities:

- Supporting the Quality management framework including participation in local visits, evaluation of end of placement and GMC National Trainee survey data and contribute to the annual specialty report to HEIW
- Supporting recruitment and selection into programmes by participating in interview panels,
- participate in or provide advice to the Postgraduate Dean, School Board and HEIW as requested;
- chair/participate in local arrangements (including Specialty Training Committees (STCs) developed by the Postgraduate Dean to support and advise on the management of the specialty training programme(s) within

- leading on HEIW's response to the differential attainment agenda within the specialty
- work with delegated College/Faculty representatives (e.g. college tutors, regional advisors) and represent HEIW at national College/Faculty training or Specialty Advisory Committees (SACs) to ensure that programmes deliver the specialty curriculum and enable trainees to gain the relevant competences, knowledge, skills, attitudes and experience;
- the trainee experience taking into account the collective needs of trainees in the programme when planning training for individual trainees;
- ensure the allocation of trainees to appropriate placements and the coordination of rotational arrangements.
- coordinate and participate in the Annual Review of Competence Progression (ARCP) process;
- provide leadership in recruiting and performance managing educational supervisors and supporting clinical supervisors within the programme;
- ensure that all trainees receive a comprehensive induction into the specialty and to ensure that any subsequent induction to placements within the programme takes place in a timely manner;
- help the Postgraduate Dean manage trainees who are running into difficulties by supporting educational supervisors in their assessments and in identifying remedial placements where required;
- provide advice on Out-of-Programme activities and how these may be accessed
- provide pastoral support for trainees and trainers
- provide careers advice for trainees both within and outside of the specialty
- Representing HEIW at trainee ARCP independent appeal hearings.
- Supporting Heads of Schools in delivering initiatives to improve the quality of training available across Wales.

Whilst the volume of work varies for some of the above duties dependent upon the number of trainees on the programme the activities themselves must be completed irrespective of the size of the programme.

Case for change

1. High quality training infrastructure delivers high quality training

The delivery of a high quality and innovative training programme is heavily reliant upon a good, proactive and innovative TPD. All training programmes are unique and each have a set of challenges which could include recruitment and retention issues, high rates of less than full time training, quality issues at various sites, curriculum changes and trainees with complex training requirements. The TPD plays a pivotal role in responding to these challenges and attracting good quality trainees to Wales, supporting trainees through their training, investigating quality concerns and managing programmes to meet the requirements and maintain trainee satisfaction. Trainees, through the 2019 GMC National Trainee Survey continue to report high levels of satisfaction with training in Wales with 87% of trainees in Wales confident that their posts will enable them to acquire the competencies they need at their current stage of training and 90.69% of trainees reporting that their posts will be useful for their future careers. The TPD role is fundamental to this.

2. Wales is the only nation that does not remunerate their secondary care TPDs

Across the UK, with the exception of Wales, tariffs are in place to remunerate the Secondary Care TPD role through the Deanery/LETBs, each of which varies in their levels slightly but does recognise and support this vital role in training programme management. Feedback from lead Deans in other UK nations is that introducing a tariff based system for the secondary care TPD role has significantly increased interest in the role, recruitment of high calibre individuals and an improvement in standards.

Table 1 – UK Sessional Tariffs for TPDs

England	Scotland	Ireland
Various models in place but the most common model detailed below	Revised tariff introduced in 2016 for 2016-2019	Revised a couple of years ago although requires review
1-2 trainees = 0.0625 PAs 3-5 trainees = 0.1250 PAs 6-10 trainees = 0.25 PAs 11-20 trainees = 0.50 PAs 21-30 trainees = 1 PAs 31-40 trainees = 1.5 PAs 41-60 trainees = 2 PAs 61+ trainees = 2.5 PAs	0 – 6 trainees = 0 PAs 7 – 12 trainees = 0.5 PAs 13 – 34 trainees = 1 PA 35 – 59 trainees = 1.5 PAs 60 – 84 trainees = 2 PAs 85 – 109 trainees = 2.5 PAs 110 – 134 trainees = 3 PAs 135 – 159 trainees = 3.5 PAs >160 trainees = 4 PAs >200 trainees = 4.5 PAs	1-4 trainees = 0.25 PAs 5-12 trainees = 0.5 PAs 13-20 trainees = 0.75 PAs 21-40 trainees = 1 PA

Of note programmes in Ireland are much smaller compared to England and Scotland hence the variation.

TPDs have become increasingly frustrated about the lack of remuneration and recognition for the role. This frustration is becoming exacerbated as TPDs are becoming aware of the discrepancy across the roles, where individuals within the other nations are receiving remuneration for doing the same job. These frustrations are impacting upon TPDs' willingness to undertake certain duties or the role and the perception they give to UK colleagues of Wales at specialty and College meetings.

3. Disparity across TPD roles in Wales

There is significant disparity in employment/contractual arrangements and remuneration for TPD roles across the Medical Deanery with all Foundation Training Programme Directors and GP Programme Directors receiving remuneration (see Table 1).

	Secondary Care Programme Directors (current allocation)	Foundation Programme Director	GP Programme Director
Employment arrangement	No formal arrangement. HEIW interview.	Health Board employed. Appraised within faculty team appraisal	HEIW employed and appraised
Total funding for TPDs	£218,846	£150,000	£732,509
TPD WTE funded	17.5	15	6.4
Number of TPDs	60	15	26
Number of Training posts	1954	678	638
Funding allocated per training post	£112	£221	£1148

Table 1 – Current disparity of funding allocations across the Medical Deanery.

Funding for Secondary Care TPDs has fallen behind that for Foundation and GP for a number of reasons.

- Prior to the introduction of MMC in 2007 a small amount of funding was available to the higher specialty programmes to support the delivery of education and training. Following 2007 specialty training programmes grew considerably in size as the SHO grade was incorporated into the Deanery's management of training. As a result, the funding allocated at the time was redistributed and apportioned across programmes according to size and complexity. Therefore, of the 55

Specialty Training Programmes now in place across Wales funding is currently allocated to the largest and more complex programmes to manage (11 programmes in all) and so 44 training programmes and associated TPDs are not remunerated.

- Historically funding was not earmarked for TPDs as individuals were able to obtain SPA (Supporting Professional Allocation) allocation within their employing Health Board to undertake this role. However, with inconsistency in approaches across and within Health Boards and increasing service and clinical demands this is becoming a challenge. A survey of TPDs asking about SPA allocation to support their TPD role has shown that over half of the respondents did not have any SPA time within their job plan to undertake their TPD role. New TPDs are experiencing significant challenges associated with SPAs whilst existing TPDs with long-established SPAs for the role have reported that this time was not sufficient to undertake the role and it has been made clear to them that the SPA allocation “remains under heavy review and could be taken away at any point in time”.

Implementing a tariff system as detailed in Appendix 1 would increase the amount allocated to TPDs across secondary care from £112 per post to £309-383 per post.

4. A need to professionalise the TPD role

It is becoming an increasing challenge to manage the issues associated with a lack of professionalisation (remuneration and performance management) of the role of the TPD.

Heads of Schools for Secondary Care and TPDs continue to report that it is becoming increasingly difficult to attract and retain good quality TPDs. Succession planning within training is becoming an increasing problem because of this lack of remuneration. We currently have 2 TPDs who have requested to resign from their TPD role having undertaken the role for in excess of 5 years however they have not yet done so as no member of the training committee is prepared to take on the role without remuneration. Where succession plans have been in place identified individuals have then chosen to take on the roles that are funded rather than the current unfunded TPD roles. For over 12 months the role of the ACCS TPD was undertaken by the Head of School for Emergency Medicine due to no applicants. Once funding was identified to support the role an excellent candidate stepped forward and has been successful in obtaining the post.

Over 10 Training Programmes have had the same TPD for 10 years or more, the role usually has a tenure of 3-5 years, because no-one else will take on the role due to the lack of funding. Whilst maintaining the same TPD has benefits in terms of corporate knowledge it does hamper innovation within training programmes. A significant number of TPDs took on the role knowing it was not remunerated expecting to be doing it as a development opportunity for a couple of years and then pass it on to a more junior colleague which has not now occurred due to the funding issue.

From feedback we know that TPDs often do not see themselves as part of the Deanery/HEIW team, however the Medical Deanery is heavily reliant on the TPD for the management of our training programmes. When considering the evidence from the 2019 GMC National Trainer Survey both primary and secondary care trainers reported strong levels of local support for their training roles. In terms of support for the training role from their Medical Deanery, 66% of secondary care reported that they received good support compared to 90% of primary care trainers. Whilst this result clearly illustrates that there is a significant variance between primary and secondary care, this is predictable given that the professionalisation of training roles for secondary care trainers is still at an early stage relative to primary care.

In considering time for the training roles, 29% of secondary care trainers reported that they didn't have time in their job plan for their training role. Of those trainers who did have time only 38% reported that they were able to use the time for the purpose it was intended.

To address some of these challenges and recognise the importance of this role we have introduced a number of initiatives and changes to provide further support to our TPDs these include:

- The introduction of a generic job description and appointments process for all TPDs.
- A quarterly TPD newsletter to improve communications between TPDs and HEIW and ensure TPDs have easy access to information around developments in education and training
- A quarterly TPD development day; however engagement has been variable across the TPDs with individuals unable to attend due to pressing clinical commitments.

Alongside the introduction of a tariff-based remuneration package we will also be:

- introducing an appraisal process which will feed into the NHS appraisal process,
- identifying development objectives for our TPDs to identify education and development needs,
- sharing best practice
- developing a network of support
- introducing a performance management framework to address of concern and to ensure individuals are appropriately undertaking the role for which they are being remunerated.

Over the years the role has grown and is becoming more challenging, trainees are requiring more flexibility which is increasingly challenging to manage and support everyone within a structured training programme. Where trainees are not progressing at the expected rate these cases are difficult to manage and often lead to tension and appeals requiring further support and input. With no remuneration it is difficult to expect TPDs to do this.

3. Strategic Priorities aligned to HEIW

The delivery of a high quality and innovative training programme is heavily reliant upon a good, proactive and innovative TPD therefore the professionalisation of the role of the Training Programme Director is integral to the delivery of HEIW's Strategic Objective 2 – *Building a sustainable and flexible health and care workforce for the future.*

TPDs are often seen as the 'face' of HEIW acting as the closest link trainees and trainers have with the organisation. A supportive and good quality TPD can make a trainee feel highly valued within their training programme impacting future recruitment and retention.

Alongside this TPDs have a fundamental role in supporting the delivery of a number of the key functions of HEIW including:

- Quality Management – The TPD is essential to the Quality Management Framework within HEIW. These individuals play a role in local programme Quality control, identifying and exploring issues and developing solutions to negate a need for formal escalation. These individuals also interrogate quality data from trainee surveys to ensure the training environments meet the required standard.
- Education delivery – These roles play a key part in delivering the education and training of Junior Doctors across Wales but also going forward can support the education and training of other roles within the multiprofessional team.
- Workforce intelligence and planning – TPDs play a key role in supporting the workforce planning process for medical training numbers providing essential detail around service challenges, developments, enabling HEIW to obtain a clear understanding of what is happening on the ground

along with acting as a conduit for obtaining information around other roles within departments, information not readily available at present.

- Supporting other roles within the team – TPDs along with supporting trainee doctors can also provide support to other multiprofessional roles within team aligned to HEIW strategic and workforce priorities i.e. Physicians Associates, Advanced Care Practitioners all of which require support, education and training.

4. Option Appraisal

Option 1 – Maintain the status quo

Wales is currently an outlier in the UK in terms of how it supports its TPDs and this option would maintain this, risking an impact on quality of training, recruitment of trainers and trainees and creating a negative perception of training in Wales.

Option 2 - Implement a Tariff based system for remuneration

Implementing a tariff-based system in Wales would address the current imbalance when compared to the other 3 nations of the UK. It would ensure that all TPDs across Wales receive a remuneration package commensurate with the role they are undertaking recognising that the demands of the TPD role have grown considerably over recent years and continue to do so.

This remuneration package could vary to offer flexibility to TPDs in that the tariff could either be paid to HB directorates to buy the individuals time and support backfill or paid directly to individuals but with either option ensuring clear job plan accountability so that there is always complete transparency

The proposed tariff-based allocation values the role of all TPDs irrespective of the size of the programme by ensuring that key functions such as recruitment and selection, ARCPs, representing Wales at UK meetings, programme management, Quality control and monitoring undertaken by all TPDs is recognised with additional funding issued to those larger programmes where increased numbers of trainees places additional demands upon TPDs.

Due to the short term nature of these roles it is anticipated that any sessional allocation for a specialty which exceeds 2 sessions would be split amongst several individuals each taking on lead portfolios.

The tariff allocation could be broken down as follows:

Tariff Arrangement			
0.5 session is allocated to all TPDs irrespective of the number trainees on the programme due to minimum expectations of the role.			
With <i>Tariff 2b</i> this has been reduced to 0.25 session for small specialties with 3 or less trainees.			
In addition to the basic sessional allocation further allocations will be distributed based upon the number of trainees on the programme:			
Tariff 1		Tariff 2	
20-50 trainees	0.5 session	20-50 trainees	0.5 session
51-100 trainees	1.5 session	51-100 trainees	1.0 session
101-200 trainees	2.5 session	101-200 trainees	1.5 session
201+ trainees	3.5 session	201+ trainees	2.0 session

5. Financial Analysis (Develop with Finance Business Partner)

A detailed financial breakdown of allocations across the programmes is available in Appendix 1.

These projections are based upon the number of training posts for each specialty as of the end of April 2019 and payment of 1 session costing £12,505.49 p.a.

The Tariff model would substantially increase the funding requirement for TPDs across Specialty Training but will provide a remuneration package that reflects the work of the TPDs now but also in the future to support HEIW's strategic priorities.

It is anticipated that if supported this revised funding allocation would be issued to all TPDs as soon as possible but projected from April 2020.

	Tariff 1	Tariff 2	Tariff 2b
Total amount required	£ 762,835	£ 650,285	£615,895
Current funding allocation	£218,846	£218,846	£218,846
Additional funding required	£543,989	£ 431,439	£397,049

Please note these costings are based upon TPDs being paid at the top of the consultant scale at the 2019/2020 rate. Reimbursement is based upon actual costs and so the above outlines the maximum amount of funding required. Once information is gathered from all TPDs actual figures can be confirmed.

6. Investment Appraisal and Value

As detailed within this business case the TPD role is essential delivering a sustainable training programme model across Wales. By remunerating TPDs and professionalising the role as detailed within section 2.3 appropriate benefits for implementation include:

- An opportunity to attract a new cohort of TPDs likely to bring innovations and options to improve the quality of education and training available which will have future impact upon the attractiveness of the programme, recruitment and retention.
- Increased engagement with and support for TPDs who are a crucial link between HEIW and the trainees thereby improving the trainee experience and impacting upon recruitment and retention.
- An opportunity to be clear around the role, responsibilities and expectations and for HEIW to introduce effective performance management.
- Parity across TPD roles within Wales as well as across other nations of the UK.

If not supported the problems currently experienced are likely to exacerbate as TPDs become increasingly concerned about the discrepancies and how the role is valued in Wales compared to elsewhere. Across Wales we are currently in a precarious position. Our TPDs are becoming increasingly disillusioned with the current arrangements. We are heavily reliant on goodwill which is rapidly running out. The worst case scenario would be that if this tariff arrangement is not supported TPDs would resign with no one wishing to take on the role without remuneration. If this occurred Wales would have to cease training in those specialties which would affect our reputation and the sustainability of our future workforce.

7. Timescale of recommended implementation

	Task Description	Deadline
1	Notify all existing TPDs and Health Boards of the change to the new tariff	January 2020
2	Implement new tariff	1 st April 2020

8. Major risks

In implementing this process within HEIW there will be additional operational activity associated with notifying, paying and processing invoices associated with these TPDs with the majority of work falling within the Secondary Care Training Section and Finance departments. Given that these individuals will remain employees of the Health Boards and not HEIW this will not impact upon the PEOPLE team however consideration may be given to developing a contract with these individuals to ensure any future performance issues can be managed appropriately.

In addition it will be important to liaise with the employing Health organisation to ensure that:

- where performance issues are identified these are fed into the primary employer
- this role is incorporated into the whole scope of practice for revalidation purposes
- any previous SPA arrangements for the TPD role are amended accordingly to ensure no double counting of time to support this function.

With the current pension issues facing consultants we are aware that direct remuneration of consultants for the TPD role on top of their consultant salary may not be the desired model for all individuals. We are working with finance colleagues to explore alternative ways in which this remuneration package can be put together to ensure that individuals are not at a disadvantage when taking on these crucial roles.

There is the risk that despite these changes we continue to encounter problems recruiting individuals to TPD roles. If this were to occur then individuals within HEIW would need to engage with the training community and employing organisations to clearly understand the barriers to implementation.

9. Recommendation

In the current climate Wales needs to deliver high quality training. To achieve this we require highly motivated and enthusiastic TPDs who lead innovations within their training programmes and work to attract, recruit and retain high quality trainees to our training programmes.

Health and wellbeing is high on the agenda for organisations across the UK. Without time in their job plan or funding to release sessions these enthusiastic educationalists are increasingly using their own time, annual and professional leave to undertake these roles; a model which is not sustainable going forward. In Wales we aim to attract and retain high quality individuals. To support this, individuals need to feel valued in the roles they play. In supporting this business case and the professionalisation of the secondary care TPD role, HEIW will be demonstrating the value it places on supporting high quality education and training across Wales.

It is recommended that a Tariff model for TPD remuneration is introduced across Wales in line with the other nations of the UK and that action is taken to adopt one of the Tariffs recommended within this paper from April 2020 onwards.

This will signal HEIW's commitment to professionalising education and training across Wales and raising standards to support recruitment, retention and innovation.

Introducing a tariff structure for Training Programme Directors in Wales.

Assumptions
Cost of 1 consultant session for 19/20 £ 12,505.49 Assuming maximum of clinical scale
If, due to the size of the programme, the sessional allocation exceed 2 sessions it is anticipated this allocated will be shared across more than one role.

Tariff Arrangement				Tariff 2		Tariff 2b	
0.5 session is allocated to all TPDs irrespective of the number trainees on the programme due to minimum expectations of the role. In addition to the 0.5 basic sessional allocation further allocations will be distributed based upon the number of trainees on the programme.				0.5 sessions 1 sessions 1.5 sessions 2 sessions		0.25 as basic sessional allocation for small programmes with 3 or fewer trainees 0.5 sessions 1 sessions 1.5 sessions 2 sessions	
20-50 trainees		0.5 session					
51-100 trainees		1.5 session					
101-200 trainees		2.5 session					
201+ trainees		3.5 session					

Specialty	Training Posts	Current sessional allocation	Current funding allocation	Tariff 1				Tariff 2			Tariff 2(b)		
				Basic payment	Additional sessional allocation	Total sessional allocation	Cost (£)	Additional sessional allocation	Total sessional allocation	Cost (£)	Additional sessional allocation	Total sessional allocation	Cost (£)
School of Anaesthetics													
Anaesthetics	238	2	£ 25,011	0.5	3.5	4	£ 50,022	2	2.5	£ 31,264	2	2.5	£31,264
Intensive Care Medicine	23		£ -	0.5	0.5	1	£ 12,505	0.5	1	£ 12,505	0.5	1	£12,505
School of Surgery													
Core Surgical training	97	1	£ 12,505	0.5	1.5	2	£ 25,011	1	1.5	£ 18,758	1	1.5	£18,758
Cardiothoracic surgery	7		£ -	0.5	0	0.5	£ 6,253	0	0.5	£ 6,253	0	0.5	£6,253
General surgery	61	1	£ 12,505	0.5	1.5	2	£ 25,011	1	1.5	£ 18,758	1	1.5	£18,758
Neurosurgery	8		£ -	0.5	0	0.5	£ 6,253	0	0.5	£ 6,253	0	0.5	£6,253
Ophthalmology	39		£ -	0.5	0.5	1	£ 12,505	0.5	1	£ 12,505	0.5	1	£12,505
Oral and maxillofacial surgery	8		£ -	0.5	0	0.5	£ 6,253	0	0.5	£ 6,253	0	0.5	£6,253
Otolaryngology	17		£ -	0.5	0	0.5	£ 6,253	0	0.5	£ 6,253	0	0.5	£6,253
Paediatric surgery	3		£ -	0.5	0	0.5	£ 6,253	0	0.5	£ 6,253	0	0.25	£3,126
Plastic surgery	10		£ -	0.5	0	0.5	£ 6,253	0	0.5	£ 6,253	0	0.5	£6,253
Trauma and Orthopaedic Surgery	46	0.5	£ 6,253	0.5	0.5	1	£ 12,505	0.5	1	£ 12,505	0.5	1	£12,505
Urology	17		£ -	0.5	0	0.5	£ 6,253	0	0.5	£ 6,253	0	0.5	£6,253
Vascular Surgery	8		£ -	0.5	0	0.5	£ 6,253	0	0.5	£ 6,253	0	0.5	£6,253
School of Pathology													
Chemical pathology	4		£ -	0.5	0	0.5	£ 6,253	0	0.5	£ 6,253	0	0.5	£6,253
Histopathology	20		£ -	0.5	0.5	1	£ 12,505	0.5	1	£ 12,505	0.5	1	£12,505
Paediatric and perinatal pathology	2		£ -	0.5	0	0.5	£ 6,253	0	0.5	£ 6,253	0	0.25	£3,126
School of Radiology													
Clinical Radiology	72	1	£ 12,505				£ -			£ -			£0
North Wales	12			0.5	0	0.5	£ 6,253	0	0.5	£ 6,253	0	0.5	£6,253
South Wales	60			0.5	1.5	2	£ 25,011	1	1.5	£ 18,758	1	1.5	£18,758
School of Obstetrics & Gynaecology													
Community sexual and Reproductive Health	2		£ -	0.5	0	0.5	£ 6,253	0	0.5	£ 6,253	0	0.25	£3,126
Obstetrics and Gynaecology	86	1	£ 12,505	0.5	1.5	2	£ 25,011	1	1.5	£ 18,758	1	1.5	£18,758
School of Emergency Medicine													
Acute Care Common Stem (ACCS)	92		£ -	0.5	1.5	2	£ 25,011	1	1.5	£ 18,758	1	1.5	£18,758
Emergency medicine	75	1	£ 12,505	0.5	1.5	2	£ 25,011	1	1.5	£ 18,758	1	1.5	£18,758
Pre-hospital emergency medicine	2		£ -	0.5	0	0.5	£ 6,253	0	0.5	£ 6,253	0	0.25	£3,126
School of Medicine													
Internal Medicine (CMT)	244	4	£ 50,022				£ -		0	£ -		0	£0
IMT (SE Wales)	87			0.5	1.5	2	£ 25,011	1	1.5	£ 18,758	1	1.5	£18,758
IMT (S Wales)	82			0.5	1.5	2	£ 25,011	1	1.5	£ 18,758	1	1.5	£18,758
IMT (W Wales)	26			0.5	0.5	1	£ 12,505	0.5	1	£ 12,505	0.5	1	£12,505
IMT(N Wales)	49			0.5	0.5	1	£ 12,505	0.5	1	£ 12,505	0.5	1	£12,505
General Internal Medicine	237	2	£ 25,011	0.5	3.5	4	£ 50,022	2	2.5	£ 31,264	2	2.5	£31,264
Acute Internal Medicine	12		£ -	0.5	0	0.5	£ 6,253	0	0.5	£ 6,253	0	0.5	£6,253
Audio vestibular medicine	1		£ -	0.5	0	0.5	£ 6,253	0	0.5	£ 6,253	0	0.25	£3,126
Clinical genetics	4		£ -	0.5	0	0.5	£ 6,253	0	0.5	£ 6,253	0	0.5	£6,253
Cardiology	37		£ -	0.5	0.5	1	£ 12,505	0.5	1	£ 12,505	0.5	1	£12,505
Clinical immunology	1		£ -	0.5	0	0.5	£ 6,253	0	0.5	£ 6,253	0	0.25	£3,126
Clinical neurophysiology	1		£ -	0.5	0	0.5	£ 6,253	0	0.5	£ 6,253	0	0.25	£3,126
Clinical oncology	19		£ -	0.5	0	0.5	£ 6,253	0	0.5	£ 6,253	0	0.5	£6,253
Clinical pharmacology and therapeutics	2		£ -	0.5	0	0.5	£ 6,253	0	0.5	£ 6,253	0	0.25	£3,126
Dermatology	13		£ -	0.5	0	0.5	£ 6,253	0	0.5	£ 6,253	0	0.5	£6,253
Endocrinology and diabetes mellitus	21		£ -	0.5	0.5	1	£ 12,505	0.5	1	£ 12,505	0.5	1	£12,505
Gastroenterology	21		£ -	0.5	0.5	1	£ 12,505	0.5	1	£ 12,505	0.5	1	£12,505
Genito-urinary Medicine	4		£ -	0.5	0	0.5	£ 6,253	0	0.5	£ 6,253	0	0.5	£6,253
Geriatric medicine	51		£ -	0.5	1.5	2	£ 25,011	1	1.5	£ 18,758	1	1.5	£18,758
Haematology	15		£ -	0.5	0	0.5	£ 6,253	0	0.5	£ 6,253	0	0.5	£6,253
Medical oncology	6		£ -	0.5	0	0.5	£ 6,253	0	0.5	£ 6,253	0	0.5	£6,253
Neurology	7		£ -	0.5	0	0.5	£ 6,253	0	0.5	£ 6,253	0	0.5	£6,253
Occupational Medicine	1		£ -	0.5	0	0.5	£ 6,253	0	0.5	£ 6,253	0	0.25	£3,126
Palliative medicine	13		£ -	0.5	0	0.5	£ 6,253	0	0.5	£ 6,253	0	0.5	£6,253
Rehabilitation Medicine	1		£ -	0.5	0	0.5	£ 6,253	0	0.5	£ 6,253	0	0.25	£3,126
Renal Medicine	14		£ -	0.5	0	0.5	£ 6,253	0	0.5	£ 6,253	0	0.5	£6,253
Respiratory medicine	29		£ -	0.5	0.5	1	£ 12,505	0.5	1	£ 12,505	0.5	1	£12,505
Rheumatology	9		£ -	0.5	0	0.5	£ 6,253	0	0.5	£ 6,253	0	0.5	£6,253
Stroke Medicine	2		£ -	0.5	0	0.5	£ 6,253	0	0.5	£ 6,253	0	0.25	£3,126
School of Psychiatry													
Core psychiatry training	83	1	£ 12,505	0.5	1.5	2	£ 25,011	1	1.5	£ 18,758	1	1.5	£18,758
Child and adolescent psychiatry	11		£ -	0.5	0	0.5	£ 6,253	0	0.5	£ 6,253	0	0.5	£6,253
Forensic psychiatry	6		£ -	0.5	0	0.5	£ 6,253	0	0.5	£ 6,253	0	0.5	£6,253
General psychiatry / Old age psychiatry	26		£ -	0.5	0.5	1	£ 12,505	0.5	1	£ 12,505	0.5	1	£12,505
Psychiatry of Learning Disability	5		£ -	0.5	0	0.5	£ 6,253	0	0.5	£ 6,253	0	0.5	£6,253
School of Paediatrics													
Paediatrics	135	3	£ 37,516				£ -		0	£ -		0	£0
Paediatrics South Wales	101			0.5	2.5	3	£ 37,516	1.5	2	£ 25,011	1.5	2	£25,011
Paediatrics North Wales	34			0.5	0.5	1	£ 12,505	0.5	1	£ 12,505	0.5	1	£12,505
School of Public Health Medicine & Medical Microbiology													
Public health medicine	22		£ -	0.5	0.5	1	£ 12,505	0.5	1	£ 12,505	0.5	1	£12,505
Combined Infection Training	10		£ -	0.5	0	0.5	£ 6,253	0	0.5	£ 6,253	0	0.5	£6,253
Total	1990	17.5	£218,846			61	£ 762,835	22	52	£ 650,285	£ 22	£ 49	£615,895

Additional Cost incurred by implementing new Tariff structure	£543,989	£ 431,439	£397,049
Cost per trainee	£ 383.33	£ 326.78	£309.50