



GIG
CYMRU
NHS
WALES

Bwrdd Iechyd Prifysgol
Abertawe Bro Morgannwg
University Health Board



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| Meeting Date | 17 May 2018 | Agenda Item | 2b |
| Report Title | Governance Work Programme 2018-19 | | |
| Report Author | Pam Wenger, Director of Corporate Governance | | |
| Report Sponsor | Pam Wenger, Director of Corporate Governance | | |
| Presented by | Pam Wenger, Director of Corporate Governance | | |
| Freedom of Information | Open | | |
| Purpose of the Report | The purpose of this report is to present to the Audit Committee an update on the Governance Work Programme. | | |
| Key Issues | <p>At the Audit Committee in March and April 2018, the outline Governance Work Programme was considered. The work programme has been updated to include the recommendations from the Structured Assessment and the outstanding recommendations from the Financial Governance Review.</p> <p>Members are invited to note and approve the work programme. The next update on progress against the recommendations will be reported in July 2018.</p> | | |
| Specific Action Required <i>(please ✓ one only)</i> | Information | Discussion | Assurance |
| | | | Approval ✓ |
| Recommendations | <p>Members are asked to:</p> <ul style="list-style-type: none"> • Note the report and approve the work programme | | |

| Governance and Assurance | | | | | |
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| Link to corporate objectives <i>(please ✓)</i> | Promoting and enabling healthier communities | Delivering excellent patient outcomes, experience and access | Demonstrating value and sustainability | Securing a fully engaged skilled workforce | Embedding effective governance and partnerships |
| | | | | | ✓ |
| Quality, Safety and Patient Experience | | | | | |
| Ensuring the Board and its Sub-Committee(s) makes fully informed decisions is dependent on the quality and accuracy of the information presented and considered by those making decisions. Informed decisions are more likely to impact favourably on the quality, safety and experience of patients and staff. | | | | | |
| Financial Implications | | | | | |
| There are no financial implications. | | | | | |
| Legal Implications (including equality and diversity assessment) | | | | | |
| There are no direct legal implications. | | | | | |
| Staffing Implications | | | | | |
| The delivery of the proposed work programme is set within the context of the existing resources. | | | | | |
| Long Term Implications (including the impact of the Well-being of Future Generations (Wales) Act 2015) | | | | | |
| No impact identified. | | | | | |
| Report History | Audit Committee: 15 th March 2018 and 19 th April 2018. | | | | |
| Appendices | Appendix 1 : Governance Work Programme 2018-19 | | | | |

GOVERNANCE WORK PROGRAMME 2018-19 AS AT END APRIL 2018

Performance Rationales Key

| Performance Rationales | Key |
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| Action(s) are either completed, require ongoing maintenance or on profile to achieve the target/objective. | GREEN |
| Actions are below target/milestone forecast but actions and resources are in place to ensure the target or measure will be achieved in the next period of performance review. | AMBER |
| Actions are below target/milestone forecast and no action plan / additional effort or resources are in place to ensure remedial action is timely and the objective/target will be achieved overall. | RED |

| Recommendation | Timescale | Lead Executive | Current position | Reference | Status |
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| ROLES AND RESPONSIBILITIES | | | | | |
| 1. Ensure all Board Members understand their respective roles and responsibilities | June 2018 | Director of Corporate Governance | <ul style="list-style-type: none"> Kings Fund Programme commenced in April 2018 and one of the streams will focus on "Well Led". | GS | |
| 2. The Health Board should prospectively consider programme management arrangements and the future role of the PMO in supporting wider strategic plans and change programmes. | June 2018 | Director of Finance | <ul style="list-style-type: none"> Project Management Office in place with 7 Executive Led Workstreams aligned to the financial plan. | SA R17 FGR R15 | |
| 3. The Executive team needs to adopt a more integrated approach to planning under the leadership of the strategy directorate. This has the potential to take on a more ambitious and transformational approach as the appetite exists within the Delivery Units. | June 2018 | Director of Strategy | <ul style="list-style-type: none"> Targeted support secured from Deloitte. | FGR R11 | |

| Recommendation | Timescale | Lead Executive | Current position | Reference | Status |
|--|----------------------------------|----------------------------------|---|-------------|--------|
| 4. The HB should consider elevating the formal status of Divisional Medical Directors (and, subsequently, Clinical Directors) so that they have the same level of accountability and responsibility for delivery of all aspects of their unit/service agenda as Service Directors/Managers. This initiative should be driven by the Health Board Medical Director. | March 2018 | Medical Director | <p><i>NB The structure and roles within the existing triumvirates were considered in depth prior to the implementation of the new management arrangements. It should be noted that the new UMD roles are significantly larger than the previous Clinical Director roles (and CD roles in other health organisations) consequently require significant leadership and management experience and expertise. An immediate change to these arrangements has the potential to cause further disruption.</i></p> <p>Review the functioning and structure of the triumvirate arrangements when the management arrangements have been fully embedded.</p> | FGR R18 | |
| GOVERNANCE FRAMEWORK | | | | | |
| 5. Undertake a review of the Board and Committee Governance Structure (including the establishment of a Health & Safety Committee) | April 2018 | Director of Corporate Governance | <ul style="list-style-type: none"> Completed. The Board agreed the committee structure at the meeting in March 2018. | GS | |
| 6. Develop a Board Assurance Framework and determine whether further simplification of governance structures and reporting lines is required. | April 2018 (quarterly reporting) | Director of Corporate Governance | <ul style="list-style-type: none"> Presentation to the Board Development in February 2018. Paper to Audit Committee outlining the process March 2018 Workshop held in March and the process of board assurance | SA R5 GS | |

| Recommendation | Timescale | Lead Executive | Current position | Reference | Status |
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| | | | mapping will take place during May 2018. | | |
| <p>7. Ensure clarity and organisational understanding of the new structure and specifically, about what is a management group, partnership forum or scrutiny function as the current mapping groups them collectively.</p> <p>8. Reassess any gaps or duplication in the operation of the new arrangements once introduced.</p> | June 2018 | Director of Corporate Governance | <ul style="list-style-type: none"> Work on reviewing the high level committee structured has begun and was reported to the Board in March 2018 | SA R5 | |
| <p>9. The Executive-led Quality and Safety Forum Needs to ensure that:</p> <ul style="list-style-type: none"> All management groups, which are required to report into the Forum, do so on as regular basis to avoid gaps in assurance. Assurance reports from the Forum to the Quality and Safety Committee meet the committee's requirements in terms of discharging its scrutiny role It keeps the quality and safety sub-structures under review to determine whether further simplification of current structures would be desirable. There is clarity on the relationship between the Quality and Safety Forum and other groups, particularly the Assurance and Learning Group and the | September 2018 | Director of Therapies and Health Sciences | <ul style="list-style-type: none"> Mapping of groups reporting to the Forum is underway. | SA R6 | |

| Recommendation | Timescale | Lead Executive | Current position | Reference | Status |
|---|----------------|------------------------------|--|-----------|--------|
| Clinical Outcomes Steering Group. | | | | | |
| <p>10. The Health Board should strengthen the Workforce and Organisational Development Committee and Board assurance by:</p> <ul style="list-style-type: none"> ensuring committee meetings are held as planned making sure there is a greater focus on strategic risks, as opposed to operation matters Improve the timeliness of data reported to the committee, ensuring the Board is also appropriately sighted of performance information. Improve administration and reporting by ensuring completion dates and responsibilities for actions are provided and reports highlight risks more effectively. | June 2018 | Director of Workforce and OD | <ul style="list-style-type: none"> Board has considered the role of the Committee and agreed to seek the view of the incoming Director of Workforce and OD. Workforce and OD Meetings have now been regularised and improvements made to the content of the agenda ensuring it is strategically focussed. Workforce metrics are now be reported through to the Performance & Finance Committee and this was agreed in March 2018. The Board has agreed that 'ongoing' is not to be used and that all actions have a target date. | SA R7 | |
| <p>11. New Programme Board arrangements are being implemented within the Health Board. As part of this organisational change the Health Board needs to:</p> <ul style="list-style-type: none"> ensure that the new Programme Boards do not focus solely on areas of targeted intervention in secondary care, and that sufficient attention is paid to | September 2018 | Director of Strategy | <ul style="list-style-type: none"> Supporting delivery Boards have been established for USC, planned care, cancer, stroke and infection control. The supporting delivery Boards will take responsibility for: <ul style="list-style-type: none"> Short term performance improvement actions against the Targeted Intervention | SA R9 | |

| Recommendation | Timescale | Lead Executive | Current position | Reference | Status |
|--|-----------|----------------|--|-----------|--------|
| <p>other service areas and improvements</p> <ul style="list-style-type: none"> • Re-map the Changing for the Better strategic change programmes formerly overseen by the Commissioning Boards and determine how they align to the new Programme Boards; • Ensure the new arrangements and interfaces between the Programme Boards and the delivery unit structures are clear and better understood than the previous arrangements; • Clarify reporting lines for the new Programme Boards and the relationship to the Strategy and Planning, and Performance and Finance Committees | | | <p>Areas</p> <ul style="list-style-type: none"> - Performance managing implementation of the Service Improvement Plans for the respective areas contained in the 2018/19 Annual Plan, taking corrective action where necessary if plans are not being delivered. - Developing the equivalent plans for the 2019/20 element of the IMTP/Annual Plan • The Executive Team will review the governance arrangements for developing the organisational and clinical services strategy, and how the outcomes will then be implemented. As part of reviewing these arrangements, the executive team will determine which commissioning boards will remain in place and those which will be superseded by the supporting delivery boards. • Each supporting delivery board has an Executive lead or sponsor, and appropriate | | |

| Recommendation | Timescale | Lead Executive | Current position | Reference | Status |
|--|----------------|----------------------------------|---|-----------|--------|
| | | | <p>senior clinical and managerial membership from corporate and Delivery Unit structures which will ensure clarity of interface and alignment of decision making and planning arrangements.</p> <ul style="list-style-type: none"> Reporting lines to Performance & Finance Committee and Strategy Planning and Commissioning Group to be confirmed as Terms of Reference are finalised. | | |
| 12. Review Officer and Non Officer Membership on the Board Committees | April 2018 | Director of Corporate Governance | <ul style="list-style-type: none"> Review undertaken and agreed by Non Officer Members | GS | |
| 13. Review the Health Board Standing Orders and Scheme of Delegation to include a scheme of delegation for capital project approvals. | May 2018 | Director of Corporate Governance | <ul style="list-style-type: none"> Review of Standing Orders has been completed and presented to Audit Committee in May. Further work on the scheme of delegation linked to the financial delegations is recommended. | SA R4, GS | |
| 14. Develop corporate standards and templates for all Board Papers (including the processes for agenda planning, timeliness of papers etc) | May 2018 | Director of Corporate Governance | <ul style="list-style-type: none"> Testing new template for Board Reports with a view to implementation fully in April/May 2018 | GS | |
| 15. Develop a Governance Toolkit that provides relevant guidance to staff in | September 2018 | Director of Corporate | <ul style="list-style-type: none"> As procedures are developed these will be incorporated into the | GS | |

| Recommendation | Timescale | Lead Executive | Current position | Reference | Status |
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| Corporate Teams and Units | | Governance | Toolkit | | |
| 16. Review the mechanisms for committees to report to the Board | June 2018 | Director of Corporate Governance | <ul style="list-style-type: none"> Revised Chair Reporting in place and will be developed over time. Single report to the Board with assurance reports from each of the Chairs. This template will be included in the Governance Toolkit. | GS | |
| 17. The HB should consider the introduction of greater standardisation in relation to divisional governance and leadership and define the parameters for operating within an Accountability Framework. This should include guidance on reporting templates, meeting agendas and performance management arrangements. | July 2018 | Director of Corporate Governance | | FGR R19 | |
| 18. Review the Executive Team meeting arrangements including the groups that report to the Executive | September 2018 | Director of Corporate Governance | <ul style="list-style-type: none"> Completed in part. The structure of Executive Team meetings has been modified. Further work on this is still required and it is proposed that this will be informed by some of the Kings Fund Development Programme. | GS | |

| STRATEGY AND BOARD DEVELOPMENT | | | | | |
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| 19. | Develop a programme of Board Workshops for the forthcoming year to ensure that the focus is on strategy | May 2018 | Director of Corporate Governance | <ul style="list-style-type: none"> To be discussed with Exec Team during April for discussion with the Non Officer Members. | GS FGR R17 |
| 20. | To develop a consolidated action plan to address the issues raised by the reviews, and to help identify whether any further governance review would be of value. | April 2018 | Director of Corporate Governance | <ul style="list-style-type: none"> Action Plan in place which picks up outstanding actions from the Financial Governance Review, Structured Assessment and Governance Stocktake. The NHS Delivery Report actions will be incorporated once considered by the Quality and Safety Committee. | SA R3 |
| 21. | <p>Work to revise the Health Board's clinical strategy is underway, recognising the changes to the landscape within and outside of the Health Board since the Changing for the Better strategy was developed in 2013. The Health Board now needs to:</p> <ul style="list-style-type: none"> Produce a clear timetable for completing the development of its revised clinical strategy. Ensure the emerging clinical strategy aligns to other strategic plans and change programmes within the Health Board. Ensure that the clinical strategy is underpinned by supporting strategies and plans in key areas such as workforce, estates and asset management. | September 2018 | Director of Strategy/Medical Director | <ul style="list-style-type: none"> Agreed process for refresh and development of ABMU Clinical Strategy (taking into account recent announcement of boundary changes) | SA R8 |

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| <p>22. It is imperative that the Health Board formulates an over-arching strategic document, underpinned by a clinical strategy, which brings together the various work streams and sets the longer term vision for the organisation. This over-arching vision would then establish clear direction for the development of the IMTP, whilst also providing a framework against which to test proposed CIPs and service transformation plans.</p> | <p>September 2018</p> | <p>Director of Strategy</p> | <ul style="list-style-type: none"> Agreed process for refresh and development of ABMU Clinical Strategy (taking into account recent announcement of boundary changes) | <p>FGR R16</p> | |
| <p>RISK MANAGEMENT</p> | | | | | |
| <p>23. In taking forward its plans to improve risk management, the Health Board needs to ensure that:</p> <ul style="list-style-type: none"> It more clearly identifies risks to the achievement of objectives on the corporate risk register, rather than just listing issues such as “unscheduled care” and “public health”. It critically reviews the number of risks on the corporate risk register, as there are too many for proper collective scrutiny. It re-maps risks to committees to reflect the new committee structure All committees provide oversight and scrutiny for the risks assigned to them. | <p>June 2018</p> | <p>Director of Nursing and Patient Experience</p> | <ul style="list-style-type: none"> The work on the development of the Board Assurance Framework is being progressed. The re-mapping of the risks will now be completed to take into account the Committee Structure. | <p>SA R10</p> | |
| <p>24. To review the risk management escalation process</p> | <p>June 2018</p> | <p>Director of Nursing and Patient</p> | <p>To be picked up as part of the risk management arrangements. No</p> | <p>GS</p> | |

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| | | Experience | specific update at this stage. | | |
| PERFORMANCE MANAGEMENT | | | | | |
| 25. In taking forward its Recovery and Sustainability Programme, the Health Board needs to ensure that it facilitates greater ownership of performance improvement actions by the Delivery Units. | April 2018 | Director of Finance | <ul style="list-style-type: none"> The new format for the recovery meetings have been put in place from April 2018 with Finance and Performance Recovery Meetings. There are now two meetings with each Unit per month, one meeting focusing on the financial position and savings targets and a second integrating all of our Targeted Integration performance indicators, including finance. | SA R11 | |
| 26. The establishment of a Performance and Finance Committee has been a positive development. Whilst the Committee's work to date has necessarily focused on the specific challenges related to the Health Board's targeted intervention status, the Committee needs to ensure that this approach does not result in insufficient scrutiny of the Health Board's wider performance. | July 2018 | Director of Finance | <ul style="list-style-type: none"> It is proposed to bring a paper to the Performance and Finance Committee which sets out proposed performance reporting arrangements to Committees and Board. This will be prepared once the Board's revised governance arrangements are approved. The proposal is to bring an initial paper to Performance and Finance Committee in April | SA R12 FGR R8 | |
| 27. As part of the Performance Management Framework update the Health Board should review its | March 2018 | Director of Strategy | <ul style="list-style-type: none"> The Board Performance Report has been revised and was agreed at the Board Meeting in | SA R13 | |

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| <p>performance dashboard, so that there is a greater focus on focus on targets, trajectories, and outcomes.</p> | | | <p>March 2018.</p> <ul style="list-style-type: none"> The Board agreed the trajectories required as a minimum for delivery in 2018/19 and the assurance and escalation arrangements as part of the approval of the Annual Plan. In addition, and through the Performance & Finance Committee Digitally-enabled Balanced Scorecard is being prepared which will give greater insight across a balanced scorecard of indicators. This will enable interrogation of performance at a Health Board and Unit level. It will also introduce a fixed date each month to “lock down” data for reporting. | | |
| <p>28. Generally, the performance report to Board receives sufficient information to support scrutiny. However, the current format could be further strengthened by:</p> <ul style="list-style-type: none"> Making it easier to determine performance against target, Providing more clarity on the trend period being considered, | <p>June 2018</p> | <p>Director of Strategy</p> | <ul style="list-style-type: none"> The Board Performance Report has been reviewed and approved by the Board in March 2018. The Board has agreed that it will review the format of the Board over time as this gets embedded across the organisation. In addition, and through the Performance & Finance | <p>SA R14</p> | |

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| <ul style="list-style-type: none"> Better linkage between reported actions, outcomes and timescales for improvement, and More performance reporting on commissioned, primary care and partner provided services. | | | <p>Committee an interactive balanced scorecard is being prepared which will give greater insight across a balanced scorecard of indicators. This will enable interrogation of performance at a Health Board and Unit level. It will also introduce a fixed date each month to “lock down” data for reporting.</p> | | |
| <p>29. In progressing the planned work to develop a more integrated approach to the provision of management information, the Health Board needs to clarify:</p> <ul style="list-style-type: none"> executive accountabilities for performance information and management, where business intelligence sits and how it relates to informatics. | June 2018 | Chief Executive | <ul style="list-style-type: none"> The Chief Executive will review the Executive Directors responsibilities. This review will clarify where responsibilities and accountabilities sit, including those for performance information, reporting and management. | SA R15 | |
| <p>30. The Health Board should :</p> <ul style="list-style-type: none"> Take steps to increase mandatory training rates to meet the Health Board target of 85%. Address access issues with the Electronic Staff Record to allow accurate recording of compliance. Ensure the Mandatory Training Governance Committee meets. The committee was established in | July 2018 | Director of Workforce and OD | <p>The new Director of Workforce and OD has taken up post and will be reviewing the current arrangements as a matter of priority.</p> | SA R18 | |

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| <p>October 2016 to monitor the mandatory training framework, but to date has not met.</p> | | | | | |
| <p>31. The Health Board has taken steps to increase information governance training for staff and independent members alike, but compliance as at December 2017 was 52%. The Health Board therefore needs to take action to increase information governance training compliance rates.</p> | <p>December 2018</p> | <p>Medical Director</p> | <p>Unit and corporate IGB leads have been required to implement plans to improve the compliance of IG training in their SDU / Department.</p> <p>The Board received an update at the meeting in March in relation to GDPR and noted that investment into the team had been agreed and that progress was being made to recruit staff.</p> <p>ABMU expects to achieve the required standard of compliance by December 2018.</p> | <p>SA R16</p> | |
| <p>32. The Board and Executive team must ensure that Delivery Unit plans are refreshed as a matter of urgency, in order to ensure that they are: in line with current financial circumstances; realistically achievable; drawn up early in the financial year to allow sufficient time for delivery.</p> | | <p>Director of Strategy</p> | | <p>FGR R12</p> | |
| <p>FINANCIAL GOVERNANCE</p> | | | | | |
| <p>33. To foster a more sustainable approach to managing savings, the Health Board should:</p> <ul style="list-style-type: none"> • set realistic savings targets. • Make better use of benchmarking data | <p>September 2018</p> | <p>Director of Finance</p> | | <p>SA R1</p> | |

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| <p>and internal performance intelligence to better identify inefficiencies (and efficiencies) to feed into savings planning.</p> <ul style="list-style-type: none"> • Link financial budgets to activity through zero based budgeting to identify efficient and inefficient areas and to effectively benchmark against good practice • Ensure savings schemes are not planned in isolation but are linked to wider programmes of work or changes in activity. • Adequately profile savings over the course of the year so that delivery is not concentrated in the last six months of the year. • Reduce reliance on short-term transactional savings in favour of long-term and transformational savings which aim to reduce pressure on future budgets. For example by ensuring savings related to pay are linked to long-term service change. | | | | | |
| <p>34. The Health Board should further improve the arrangements for monitoring, reporting and scrutiny of savings:</p> <ul style="list-style-type: none"> • Improve the ownership of budgets and savings plans by budget holders through strengthened corporate leadership and improving the relationship between delivery units and the corporate centre. | September 2018 | Director of Finance | <ul style="list-style-type: none"> • A more robust approach to budget (including benefits realisation) allocations and delegations, linked to operational performance is being introduced for 2018/19. • Monitoring is taking place via fortnightly Financial and | SA R2 FGR R9, R14 | |

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| <ul style="list-style-type: none"> • Ensure that Financial Recovery meetings within Delivery Units have a more explicit focus on the actions needed and are sufficiently long enough to allow good coverage of issues. • Improve operational scrutiny of savings by encouraging senior finance business partners to be more proactive in holding Delivery Units to account in respect of managing budgets, and both the development of, and delivery against savings plans. • Standardise the monitoring of financial performance of Delivery Units both in terms of the approach and reporting. the monitoring of financial performance of Delivery Units both in terms of the approach and reporting which is currently inconsistent. | | | <p>Performance Recovery Meetings.</p> <ul style="list-style-type: none"> • The Finance Business Partnering team, reporting to their Finance team line managers, will take a more proactive approach. The operating model of the Finance Business Partnering (FBP) team is being examined to ensure it is as effective as it needs to be. • A standard pack has been produced, with input from the FBPs, and issue to Unit. It will be used formally from 1 April 2018 and reviewed after 6 months. | | |
| <p>35. The Health Board should adopt a revised approach to financial planning which includes more sophisticated financial modelling of future requirements, is not so focused on investment and which is consistent with a longer-term, over-arching strategy.</p> | <p>March 2018</p> <p>Advertise by March 2018</p> | <p>Director of Finance</p> | <ul style="list-style-type: none"> • Explore Swansea University support / advice on modelling. The need for mature financial, statistical and service modelling has been recognised and is factored into future strategy and IMTP preparation, and into emerging 2018/9 Budgeting planning. • Designing a Band 8C role to lead on Medium Term Financial | <p>FGR R10</p> | |

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| | | | Planning with view to growing skills and capability of finance team to address this deficit. | | |
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Key

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| GS | Governance Stocktake |
| SA | Structured Assessment |
| FGR | Financial Governance Review |