

Date issued: May 2022

Structured Assessment 2022

Project Brief

Background

- 1 The Auditor General has a statutory requirement to satisfy himself that NHS bodies have proper arrangements in place to secure economy, efficiency, and effectiveness in the use of their resources as set out in Section 61 of the Public Audit Wales Act 2004. To help in the discharge of this responsibility, the Auditor General undertakes annual Structured Assessment work at each NHS body that examines arrangements relating to corporate governance, financial management, strategic planning, and other factors affecting the way in which NHS bodies use their resources.
- 2 Our 2022 Structured Assessment work is taking place at a time when NHS bodies are continuing to respond to the unprecedented and ongoing challenges presented by the COVID-19 pandemic. Health bodies are not only tackling the immediate challenges presented by the public health emergency but are also seeking to recover and transform services to respond to the significant numbers of people who are waiting for treatment and improve population health. Therefore, NHS bodies and their Boards need to have sound corporate governance arrangements that can provide assurance to themselves, the public, and key stakeholders that the necessary action is being taken to deliver high quality, safe and responsive services, and that public money is being spent wisely.

Audit approach

- 3 As in previous years, our work is focused on the corporate arrangements of NHS bodies for ensuring that resources are used efficiently, effectively, and economically.
- 4 Our structured assessment work will allow the Auditor General to answer the overall question: **Are the organisation's corporate arrangements supporting good governance and the efficient, effective, and economical use of resources?** The key lines of enquiry are set out in **Exhibit 1**.

Exhibit 1: key lines of enquiry

Are the organisation's corporate arrangements supporting good governance and the efficient, effective, and economical use of resources?

1. Is the organisation well led and well governed?

- Does the Board promote and demonstrate a commitment to public transparency of Board business?
- Are there proper and effective arrangements in place to support the effective conduct of business?
- Is the Board (and its committees) operating effectively?
- Does the Board and its committees receive timely, high quality information that supports effective scrutiny, assurance and decision making?
- Does the Board promote and demonstrate a commitment to continuous improvement?
- Does the Board promote and demonstrate a commitment to hear from patients / service-users and staff?
- Do the leadership arrangements and organisational structure / design support effective governance?
- Is there an appropriate and effective Board Assurance Framework (BAF) in place for managing the risks to delivery of organisational objectives?
- Is the BAF underpinned by an appropriate and effective risk management system?
- Is the BAF underpinned by an appropriate and effective performance management framework?
- Is the BAF underpinned by an appropriate and effective clinical / quality governance framework?
- Is the BAF underpinned by appropriate and effective information governance and information and cyber security frameworks?
- Does the Board receive assurance that there are appropriate and effective systems in place for tracking progress to address audit and review recommendations and findings?

2. Is there an effective approach to strategic planning?

- Does the NHS body have a clear vision and long-term strategy that is rooted in population health?
- Is the long-term strategy underpinned by a long-term clinical strategy?
- Does the IMTP satisfy Welsh Government requirements?

- Has the NHS body been able to produce an approvable IMTP in line with Welsh Government guidance and requirements?
- Are prudent healthcare and value based healthcare principles clearly evident within corporate strategies and plans?
- Do corporate strategies and plans identify and contain clear milestones, targets, and outcomes?
- Have corporate strategies and plans been developed in liaison with relevant partner agencies and stakeholders?
- Is there an effective approach to overseeing the development of corporate strategies and plans, and monitoring their implementation?

3. Is there an effective approach to financial sustainability?

- Did the NHS body meet its financial objectives for 2021-22?
- Is the NHS body likely to meet its financial duties in 2022-23?
- Are financial planning arrangements robust?
- Are savings and cost improvement plans designed to support financial sustainability and service transformation?
- Are the arrangements for financial management and control appropriate and effective?
- Are there appropriate and effective arrangements for accurate and timely oversight and scrutiny of financial performance?

4. Is there an effective approach to managing the workforce, digital resources, the estate, and other physical assets?

- Is there an effective approach to managing the workforce?¹
- Is there an effective approach to managing digital resources?
- Is there an effective approach to managing the estate and other physical assets?

5 Auditors will also pay attention to the progress made by NHS bodies to address all outstanding structured assessment recommendations from previous years, as well as outstanding recommendations from other relevant reviews.

6 Our work will be based on a review of relevant documentation, observations at Board and committee meetings, and structured discussions with the appropriate

¹ Please note that, as set out in our Audit Plans for 2022, auditors will be undertaking a separate review into workforce planning arrangements later in 2022. As a result, our structured assessment work in 2022 will focus primarily on arrangements in place at NHS bodies to support staff wellbeing.

people at the NHS body. We will work with the Board Secretary to agree the precise timing of the work, who we need to speak to at the NHS body, and any information required to support our work that is not in the public domain. In the main, we will be undertaking our audit work remotely. If attendance in person is deemed necessary, we will agree this in advance with the Board Secretary and ensure all appropriate risk assessments are undertaken in line with current COVID-19 guidelines.

Reporting our findings

- 7 We will prepare a report for individual NHS bodies setting out local findings and any recommendations arising from our work.
- 8 If any immediate concerns emerge during our work, we will liaise with the Board Secretary to agree the most appropriate way of sharing these.
- 9 In line with Audit Wales arrangements for public reporting, we will publish the final report on our website once it has been formally considered by the relevant Board committee.

Timing of the work

- 10 The indicative timescales for the key stages of the work are shown in **Exhibit 2**.

Exhibit 2: timing of the work

Key stage	Timing
Set up	May 2022
Evidence gathering	May to August 2022
Draft report	End of October 2022
Final report	End of November 2022

Audit Wales contacts

- 11 Further information can be obtained from Anne Beegan, Performance Audit Manager (anne.beegan@audit.wales) and/or Sara Utley Performance Audit Lead (sara.utley@audit.wales).

Data Protection

Where we process personal data, this is in accordance with data protection legislation, including the Data Protection Act 2018 and the General Data Protection Regulation. Further information is set out in our fair processing notice attached at [Appendix 1](#). We ask that you share this project brief with Board members, and anyone we intend to interview, to ensure they understand the purpose and scope of our review and how information may be used and shared.

Appendix 1 – Fair Processing Notice

This privacy notice tells you about how the Wales Audit Office processes personal data provided by you in connection with our Structured Assessment of NHS Trusts and Health Boards in Wales.

Who we are: The Auditor General for Wales examines how public bodies manage and spend public money, and the Wales Audit Office (WAO) provides staff and resources to enable him to carry out his work.

Data Protection Officer (DPO): Our DPO is Martin Peters, who can be contacted by telephone on 029 20320500 or by email at: infoofficer@audit.wales.

The relevant laws (legal basis): We process personal data in accordance with the Data Protection Act 2018 (DPA) and the General Data Protection Regulation (GDPR). Our lawful basis for processing is the statutory powers and duties under the Public Audit (Wales) Act 2004, the Government of Wales Act 1998 and Well-being of Future Generations (Wales) Act 2015.

Purpose of processing: We are collecting opinions and information to help us carry out our Structured Assessment of health bodies. Some of this information may be about identifiable individuals, which would make it personal information, even though the purpose of our work is not in itself to collect information about identifiable individuals. The information collected will be used for this work and may also be used in our wider statutory audit work.

Who will see the data? The Auditor General and the WAO audit team will have access to the information you provide. We may share some information with senior management at the audited bodies involved, and our published report may include some information. We may share some data with the NHS Wales Audit and Assurance Service for the purpose of its internal audit and such information will be processed in accordance with the NHS Wales Audit and Assurance Service privacy policies.

How long we keep the data? We will keep the information collected, including your personal data, for a period of 6 years following publication of our report, or 25 years if published within a report, and we will hold your data securely in accordance with our Information Security Policy.

Your rights: You have rights to ask for a copy of the current personal information held about you or to object to data processing that causes unwarranted and substantial damage and distress. Contact the Information Officer, Wales Audit Office, 24 Cathedral Road, Cardiff, CF11 9LJ or email infoofficer@audit.wales.

Our rights: The Auditor General has rights to information, explanation and assistance under paragraph 17 of schedule 8 Government of Wales Act 2006 and/or section 52 Public Audit (Wales) Act 2004 and/or section 26 of the Local Government (Wales) Measure 2009. It may be a criminal offence, punishable by a fine, for a person to fail to provide information.

The Information Commissioners Office: If you require further information in relation to your rights under data protection law or are dissatisfied with how we are handling your personal data you may contact the Information Commissioner at: Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire SK9 5AF, or email casework@ico.gsi.gov.uk or telephone 01625 545745.