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Bwrdd Iechyd Prifysgol
Bae Abertawe
Swansea Bay University
Health Board



Meeting Date	18 May 2023	Agenda Item	6.3	
Report Title	Audit Wales Structured Assessment Management Response			
Report Author	Liz Stauber, Head of Corporate Governance			
Report Sponsor	Hazel Lloyd, Director of Corporate Governance			
Presented by	Hazel Lloyd, Director of Corporate Governance			
Freedom of Information	Open			
Purpose of the Report	This report presents the management response to Audit Wales's structured assessment of Swansea Bay University Health Board for 2022.			
Key Issues	The structured assessment report (appendix one) examines the health board's arrangements that support good governance and the efficient, effective and economic use of resources. It was received by the Audit Committee in March 2023 and subsequently submitted to board along with a management response (appendix two), which board members approved. Progress against the management response will now be monitored by the Audit Committee, with all actions due to be completed by December 2023.			
Specific Action Required <i>(please choose one only)</i>	Information	Discussion	Assurance	Approval
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Recommendations	Members are asked to: <ul style="list-style-type: none"> • NOTE the structured assessment report; • NOTE that the executive team will address the improvement opportunities as outlined management response to the structured assessment (appendix two). The Director of Corporate Governance will ensure that the response is delivered and reported to the Management Board; and • NOTE that the Audit Committee will continue to scrutinise the delivery of the recommendations by December 2023. 			

AUDIT WALES STRUCTURED ASSESSMENT MANAGEMENT RESPONSE

1. INTRODUCTION

This report presents the management response to Audit Wales's structured assessment of Swansea Bay University Health Board for 2022.

2. BACKGROUND

The structured assessment report (appendix one) examines the health board's arrangements that support good governance and the efficient, effective and economic use of resources. Fieldwork included interviews with executive directors and independent members of the board, observations of board and committee meetings and a review of relevant documents, as well as performance and financial data.

The report sets out the findings under three themes:

- Governance arrangements;
- Approach to strategic planning; and
- Wider arrangements that support the efficient, effective and economical use of resources.

3. GOVERNANCE AND RISK ISSUES

The key findings are summarised below:

- The health board has generally good governance arrangements in place but there is scope to enhance these arrangements further by ensuring key governance structures, processes, and resources are fully aligned to strategic objectives and risks;
- There needs to be more clarity across all the health board strategies to ensure there is oversight of these;
- The board assurance framework (BAF) continues to evolve, and systems of assurance are improving but there is a need to tighten-up sources of assurance and align the framework with the refreshed long-term strategy. The Board and its committees are generally operating well; however, opportunities exist to enhance public transparency, and strengthen staff and patient feedback. The committee structure needs to align with the BAF and self-review mechanisms need to be in place;
- There is currently a stable executive team, but there remains considerable fragility in the Morriston Hospital Service Group;
- The health board failed to meet some of its financial duties for 2021-22 and will also fail to meet some of them in 2022-23, despite forecasting a break-even position. It is on-track to deliver the required savings, but cost pressures and discretionary capital are a challenge. Appropriate arrangements for financial management and controls are in place, and arrangements for monitoring and scrutinising the financial position are robust;
- The health board has adequate arrangements in place to support and oversee staff well-being but does not systematically seek staff views;
- The health board is prioritising digital transformation but lacks the resources to fully implement its ambitions;
- The health board has good operational arrangements for the management of estates and physical assets, but these matters are currently not visible within the committee structure;
- The Audit Committee reviews progress against all internal and external audit reports as part of their assurance role on behalf of the board. Updates will be reported through the Audit Committee exception report.

It was received by the Audit Committee in March 2023 and subsequently submitted to board along with a management response (appendix two), which board members approved. There has been one change to the management response since it was received by the board in March, with the timescale for publishing board and committee confirmed minutes on the website extended to September 2023. While the majority of the minutes are now available for the committees, the remainder and those for the board will be added over the summer. Due to limited capacity and an upcoming vacancy in the team, the process will take longer than anticipated to complete.

Following receipt at Audit Committee, it will be submitted to Audit Wales for publishing and inclusion on the health board's audit tracker. Progress against the management response will now be monitored by the Audit Committee, with all actions due to be completed by December 2023.

4. FINANCIAL IMPLICATIONS

There are no direct financial implications arising from the recommendations in this report.

5. RECOMMENDATIONS

Members are asked to:

- **NOTE** the structured assessment report;
- **NOTE** that the executive team will address the improvement opportunities as outlined management response to the structured assessment (appendix two). The Director of Corporate Governance will ensure that the response is delivered and reported to the Management Board; and
- **NOTE** that the Audit Committee will continue to scrutinise the delivery of the recommendations by December 2023.

Governance and Assurance		
Link to Enabling Objectives <i>(please choose)</i>	Supporting better health and wellbeing by actively promoting and empowering people to live well in resilient communities	
	Partnerships for Improving Health and Wellbeing	<input checked="" type="checkbox"/>
	Co-Production and Health Literacy	<input type="checkbox"/>
	Digitally Enabled Health and Wellbeing	<input type="checkbox"/>
	Deliver better care through excellent health and care services achieving the outcomes that matter most to people	
	Best Value Outcomes and High Quality Care	<input checked="" type="checkbox"/>
	Partnerships for Care	<input type="checkbox"/>
	Excellent Staff	<input type="checkbox"/>
	Digitally Enabled Care	<input type="checkbox"/>
	Outstanding Research, Innovation, Education and Learning	<input type="checkbox"/>
Health and Care Standards		
<i>(please choose)</i>	Staying Healthy	<input type="checkbox"/>
	Safe Care	<input checked="" type="checkbox"/>
	Effective Care	<input checked="" type="checkbox"/>
	Dignified Care	<input checked="" type="checkbox"/>
	Timely Care	<input checked="" type="checkbox"/>
	Individual Care	<input checked="" type="checkbox"/>
	Staff and Resources	<input checked="" type="checkbox"/>
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 direct financial implications arising from this report.		
Legal Implications (including equality and diversity assessment)		
Ensuring the board carries out its business appropriately in accordance with the governance and legal frameworks as set down by Welsh Government.		
Staffing Implications		
No staffing implications arising from this report.		
Long Term Implications (including the impact of the Well-being of Future Generations (Wales) Act 2015)		
The Act requires the Health Board to think more about the long term, how we work better with people and communities and each other, look to prevent problems and take a more joined up approach with partners. There will be long term risks that will affect both the delivery of services, therefore, it is important that you use these five ways of working (Long Term Thinking, Prevention, Integration, Collaboration and Involvement) and the wellbeing goals identified in the Act in order to frame what risks the Health Board may be subject to in the short, medium and long term. This will enable The Health Board to take the necessary steps to ensure risks are well managed now and in the future.		
Report History	Annual report to the board	
Appendices	Appendix one – structured assessment 2022 Appendix two – structured assessment management response	