

Tertiary Services

Final Internal Audit Report

2024/25

Swansea Bay University Health Board



Limited Assurance

Contents

Executive Summary	1
Findings & Agreed Action Plan	3
Appendix A	9

Review Reference	SBU-2425-06
Fieldwork	August/September 2024
Executive Sign Off	Tertiary Services Oversight Group, 25 October 2024
Audit Committee	21 November 2024
Executive Lead	Nerissa Vaughan, Director of Strategy
Head of Internal Audit	Osian Lloyd, Head of Internal Audit
Deputy Head of Internal Audit	Felicity Quance, Deputy Head of Internal Audit

Executive Summary

Purpose

To undertake a review of the health board's planning arrangements for Tertiary Services (complex medical and surgical treatments that require specialised staff, equipment and facilities, and a large catchment area), including the principles in place to support the Regional and Specialised Services Provider Planning Partnership (RSSPPP) programme.

Overview

Cardiff and Vale (CVUHB) and Swansea Bay University Health Boards (the health board) are the main providers of specialised (tertiary) services for the Mid, South and West Wales region, with CVUHB providing 146 specialised services and the health board providing 87. The RSSPPP is a collaboration between CVUHB and the health board, which was set up in 2018 with the aim of developing a shared vision on the future delivery of sustainable specialised services across South Wales.

A significant number of specialised services are not commissioned as these have traditionally developed on a service-by-service basis, often in response to emerging demand for a new service or procedure. The health boards have recognised the need to further strengthen the partnership arrangements, with a view to developing the commissioning arrangements for specialised services and ensuring that they are equally accessible and sustainable.

Measures have been taken to strengthen the partnership arrangement including a recent review of the Memorandum of Understanding (MoU) for the RSSPPP programme and terms of reference for the partnership and programme boards. There have also been enhancements to the commissioning and development of specialised services process, particularly with the baseline assessment.

Despite the commitment of the Associate Programme Director and efforts of other staff, progress with taking the programme forward has been slow due to its volume and complexities, the number of interim appointments at Executive level as well as resourcing issues. The challenges with resource have been recognised by both health boards and have been clearly documented, with temporary staff put in place so that the programme does not lose momentum.

We have concluded **limited** assurance on this area. The matters requiring management attention include:

- Roles and responsibilities for the RSSPPP programme have been clearly documented but need strengthening so that the partnership's outcomes, monitoring, risk and financial arrangements are clearly defined.
- Once key executive positions have been filled on a permanent basis, the Specialised Services Strategy should be reviewed and finalised, both at a health board and a partnership level, to determine the longer-term direction of service provision, as well as identifying funding and staff resource required to deliver the programme.
- Design a work plan that clearly provides oversight of programme delivery and prioritisation of projects.
- Develop documented procedures to support the project management process. Finalise Standard Operating Procedures (SOPs) for the planning and developing of specialised services.
- There are mechanisms for recording risks in relation to specialised services, but the process requires improvement to ensure that risks are effectively documented, regularly monitored and reported with appropriate escalation as required.
- Review of the governance structure to ensure there is sufficient oversight over the performance of the programme and delivery of the RSSPPP's priorities.

Full details of matters arising are detailed within the Findings & Agreed Action Plan.

Scope & Assurance Summary

Objectives	Related Findings	Assurance
1 Roles and responsibilities are clear, both at health board and regional partnership levels, to support co-ordination and oversight over arrangements for identifying and addressing sustainability issues in specialised services.	1	Reasonable
2 There are detailed plans in place to underpin the health board's planning and development of specialised services, which are aligned with that of the regional programme and supported by robust measures to capture and monitor performance of the programme.	2, 3, 4, 5	Limited
3 The health board receives sufficient information on the collaborative programme's delivery, ensuring key risks and issues are reported and escalated where appropriate.	6, 7, 8	Limited

Summary of Management Actions

2	6		
High Priority	Medium Priority		
Planning, Delivery & Deadline Management Governance	Governance Policies & Procedures Performance Monitoring Performance Monitoring Risk Management Risk Management	Control Design Issues: Inadequate or poorly designed controls that do not address risks	6
		Control Operation Issues: Controls that are not executed correctly or consistently	2

Findings & Agreed Action Plan

Objective 1: Roles and responsibilities are clear, both at health board and regional partnership levels, to support co-ordination and oversight over arrangements for identifying and addressing sustainability issues in specialised services. **Reasonable**

There is a Memorandum of Understanding (MoU) between the health boards that supports the RSSPPP programme and includes the terms of reference for the partnership board. The document has been recently updated and approved by the RSSPPP in May 2024, but does not encompass some key elements, including funding arrangements (see **Key Finding 1**).

Both health boards also have an Associate Medical Director with a specific remit for specialised services. There is a dedicated programme team consisting of the Associate Programme Director and a Project Support Officer, who are a shared resource across the two health boards. CVUHB pay the staffing costs for the programme team, but as the posts are jointly funded, there is a recharge to the health board. We were unable to obtain documentation to confirm the basis of this agreement (see **Key Finding 1**).

There was previously a Project Manager within the programme team, but this post is currently vacant and both health boards have provided additional temporary staffing support on an 'ad hoc' basis to progress elements of the programme, e.g. developing service specification and baseline assessment / gap analysis.

Both health boards have their own Tertiary Services Oversight Group (TSOG) (the programme board). TSOG's terms of reference have been reviewed and approved by the Management Board (June 2024).

Key Findings	Risk & Impact	Agreed Management Action
<p>1 Memorandum of Understanding</p> <p>The Memorandum of Understanding (MoU) was originally signed in 2021 but has been reviewed and approved by the Chief Executives of both health boards in May 2024. Due to staff capacity, there was a delay in submitting the MoU to the Management Board, but this was reported 16 October 2024.</p> <p>The MoU covers key elements expected of a partnership agreement including objectives, roles and responsibilities, and governance arrangements. However, the intended outcomes of the RSSPPP programme along with the monitoring, risk and financial arrangements, including the recharge of costs between the health boards, are not clearly defined.</p> <p>While the MoU details the principles for collaboration, there has been no reflection to consider whether the RSSPPP is meeting them.</p> <p>Theme: Governance</p>	<p>Unclear roles and responsibilities could lead to the partnership's objectives not being delivered, ineffective use of resources and a lack of value for money.</p> <div style="background-color: yellow; text-align: center; padding: 5px;">Medium Priority</div> <p>Control Design</p>	<p>We will develop an appendix to the Memorandum of Understanding to further define the areas that are not currently included, e.g. review of principles for collaboration, outcomes, financial, risk and monitoring arrangements. These will be signed and approved by the RSSPPP and SBUHB Management Board.</p> <p>Expected Evidence of Implementation: Additional appendix to existing MoU</p> <p>Officer: Ian Langfield, Associate Programme Director for Tertiary & Specialist Services Planning Partnership Date: 10/12/24 – submission to RSSPPP</p>

Objective 2: There are detailed plans in place to underpin the health board’s planning and development of specialised services, which are aligned with that of the regional programme and supported by robust measures to capture and monitor performance of the programme.

Limited

The development of a Specialised Services Partnership Strategy is a key priority, but progress has been impacted due to financial constraints (see **Key Finding 2**). While there is high level executive support for tertiary services including the Chief Executive, Medical Director, Chief Operating Officer and the Director of Strategy attending the RSSPPP. Many of these roles are held as interim which could impact the ability to clarify the longer-term direction for regional specialised services. A similar observation was made by Audit Wales during their Structured Assessment (October 2023) noting that, “departures from key senior leadership roles have been well managed” but “key executive positions need to be filled on a permanent basis at the earliest opportunity to provide stability and certainty in the medium to long term”.

There are mechanisms in place to assist with the planning and development of specialised services, including the baseline assessment (cataloguing the specialised services provided in both health boards and prioritising them based on risk) and completing service specifications (documenting what is currently within the specialised service and highlighting any gaps within its provision and resulting actions). Documented procedures to provide clarity and consistency within the process were being finalised at the conclusion of our review (see **Key Finding 3**). There are no documented procedures for the monitoring and management of projects within the programme (see **Key Finding 3**).

Improvements are needed to ensure there is appropriate oversight over the programme’s delivery and prioritisation. While the RSSPPP’s priorities have been clearly approved and documented within the health board’s Annual Plan and the Associate Programme Director completes an internal return noting the delivery of them, reporting of progress with the Plan does not clearly encompass priorities in relation to the programme (see **Key Finding 4**). Additionally, there is no overall mechanism to effectively monitor performance and provide focus on project prioritisation and the capacity required to deliver the programme (see **Key Finding 5**).

Progress with taking the programme forward has been delayed in some areas due to its increasing volume and complexity, and staff capacity. There have been several discussions on this at the partnership board (RSSPPP), with actions taken forward to discuss the direction of the Cardiac programme with the Joint Commissioning Committee (JCC) to determine resourcing requirements, along with undertaking a joint workforce planning review to build resilience. As discussed under Objective 1, periodic temporary staffing support has been provided.

Benchmarking of performance has been carried out, e.g., an assessment of current service provision in CVUHB and the health board was undertaken against NHS England’s Service Specification for Complex Spinal Surgery Services. The self-assessment demonstrated that a number of standards were either partially or not met. This led to the development of an Operational Delivery Network to co-ordinate patient flow across the spinal surgery pathway and support cross-organisational collaboration.

Key Findings	Risk & Impact	Agreed Management Action
<p>2 Specialised Services Strategy</p> <p>The health board’s Integrated Medium-Term Plan (IMTP), also known as the Recovery & Sustainability Plan (2023/24 – 2025/26), detailed the development of a Specialised Services Partnership Strategy as a workstream for the RSSPPP during 2023/24. The IMTP also references a health board Tertiary Services Strategy, although we note there isn’t one in place currently.</p>	<p>Inequity of service provision and sustainability issues.</p>	<p>The partnership tertiary services vision and principles will be submitted to the RSSPPP and each of the respective management boards for approval and formal adoption. Development of the partnership tertiary services strategy will be fast tracked and submitted to the RSSPPP and each of the respective management boards for approval and formal adoption by Summer 2025. Once this is completed, work will commence on the development of the SBUHB tertiary services strategy.</p> <p>Expected Evidence of Implementation:</p>

Key Findings	Risk & Impact	Agreed Management Action
<p>Evidence was provided of several dedicated workshops to develop the partnership strategy and share the principles of collaboration, but progress has been impeded due to financial constraints in developing the proposed specialised services provider collaborative board and its delivery models. Once key executive positions have been filled on a permanent basis, there is an opportunity to reflect on the long-term direction of the RSSPPP programme, taking into account the financial and staffing resources available.</p> <p>Theme: Planning, Delivery & Deadline Management</p>	High Priority	<p>Project Plan; Partnership Strategy Document</p> <p>Officer: Ian Langfield, Associate Programme Director for Tertiary & Specialist Services Planning Partnership</p> <p>Date:</p> <ul style="list-style-type: none"> • Partnership vision and principles – 11/11/24 – submission to RSSPPP • Development of Partnership Strategy – September 2025 – subject to agreement at RSSPPP
<p>3 Documented Procedures</p> <p>Draft Standard Operating Procedures (SOPs) have been developed to establish a consistent process for the identification, assessment and management of specialised services, and are in the process of being finalised (they were approved by Management Board 16 October 2024).</p> <p>Similarly, there are no documented procedures for ensuring consistency when identifying and monitoring projects within the programme. We focused on the South Wales Spinal Network project, during the course of our fieldwork, and while a Project Initiation Document and business case had been appropriately approved, lessons learnt from the project were not widely shared.</p> <p>Theme: Policies & Procedures</p>	<p>Inconsistent processes leading to a lack of accountability and oversight.</p> <p style="text-align: center;">Medium Priority</p>	<p>SOPs for the identification, assessment and management of specialised services have been approved by the Management Board, and will be formally adopted. Draft SOPs have been developed for the management of projects, including the dissemination of lessons learned, and will be submitted to the TSOG for approval in early 2025.</p> <p>Expected Evidence of Implementation:</p> <p>SOPs for the management of projects, including the dissemination of lessons learned</p> <p>Officer: Ian Langfield, Associate Programme Director for Tertiary & Specialist Services Planning Partnership</p> <p>Date: 05/12/24 – submission to TSOG</p>
<p>4 IMTP Priorities</p> <p>The health board’s IMTP detailed several workstreams that would be progressed by the RSSPPP during 2023/24. Similarly, the Annual Plan (2024/25-2025/26) details the programme’s priorities for 2024/25 that were approved by RSSPPP (March 2024) and reported to TSOG (April 2024) and the Health Board (May 2024).</p> <p>There has been limited reporting of the delivery of these priorities to the RSSPPP, TSOG or wider within the health board. RSSPPP does receive a quarterly highlight that covers some of the priorities, but this is not shared elsewhere. The agenda item for progress with delivering the Annual Plan was deferred from Performance & Finance Committee (September 2024) until the</p>	<p>Failure to deliver strategic objectives.</p> <p style="text-align: center;">Medium Priority</p>	<p>The RSSPPP quarterly report will be updated to include progress against IMTP priorities and will be submitted to the respective management boards.</p> <p>Expected Evidence of Implementation:</p> <p>Amended RSSPPP report</p> <p>Officer: Ian Langfield, Associate Programme Director for Tertiary & Specialist Services Planning Partnership</p>

Key Findings		Risk & Impact	Agreed Management Action
	next meeting but review of the report prepared did not detail progress against the RSSPPP's priorities.		Date: 10/12/24 – submission to RSSPPP
	Theme: Performance Monitoring	Control Operation	
5	<p>Programme Delivery</p> <p>While a quarterly highlight report is submitted to RSSPPP and TSOG receives a regular monitoring report, noting progress and any key issues with some of the programme's projects, there is no overall mechanism that clearly determines:</p> <ul style="list-style-type: none"> • which specialised services have been taken forward as projects within the programme. • their current status, e.g. project approval. • that projects have been appropriately prioritised. • the timescales for delivery. 	<p>Inequity of service provision and sustainability issues, which can lead to poor patient experience and outcomes, harm and reputational damage.</p> <p>Medium Priority</p>	<p>The RSSPPP quarterly highlight report will be updated to include project priority, status, and timescales, and will be submitted to the respective management boards.</p> <p>Expected Evidence of Implementation:</p> <p>Amended RSSPPP report</p> <p>Officer: Ian Langfield, Associate Programme Director for Tertiary & Specialist Services Planning Partnership</p> <p>Date: 10/12/24 – submission to RSSPPP</p>
	Theme: Performance Monitoring	Control Design	

Objective 3: The health board receives sufficient information on the collaborative programme’s delivery, ensuring key risks and issues are reported and escalated where appropriate.

Limited

There are mechanisms for recording risks in relation to specialised services. These include the baseline assessment which is a key priority for the RSSPPP in delivering a balanced and coherent portfolio of sustainable services and providing opportunities for improvement. It was recognised that the baseline assessment process required improvement, and efforts have been made to strengthen, e.g. providing documented guidance. However, there were two returns that have not been submitted during the latest exercise (see **Key Finding 6**).

The risk management process requires improvement to ensure that risks are effectively recorded, monitored and reported with appropriate escalation as required, e.g., the Risk Action Issue Decision (RAID) log and recording risk mitigations within the TSOG monitoring report (see **Key Finding 7**).

The RSSPPP (partnership board) reports into the NHS Wales Joint Commissioning Committee and the NHS Wales Chief Executive Management Team. TSOG (the programme board) reports into RSSPPP, Management Board and to Board. Review of a sample of these meetings (February – August 2024) confirmed that they were quorate; the action log is updated following each meeting; there are detailed meeting minutes and written reports supported most agenda items. Meetings had to be cancelled for June (RSSPPP and TSOG) and August 2024 (RSSPPP) due to staff availability.





While there has been quarterly reporting to Board, there has been little oversight of the programme’s delivery and escalation of key risks and issues, noting the delays identified in taking the programme forward (see **Key Finding 8**).

Key Findings	Risk & Impact	Agreed Management Action
<p>6 Baseline Assessment</p> <p>The baseline assessment includes a risk assessment using the following criteria – quality and patient safety, service sustainability and delivery and performance. Services that have a score of 15 or above are deemed high risk (68% for the health board). Service groups were given until 15 July 2024 to update the assessment, but there were two outstanding at the conclusion of our review.</p>	<p>Inconsistent management with inadequate escalation of key risks.</p>	<p>Baseline Assessment has been completed and will be presented to the next available TSOG meeting.</p>
<p>Theme: Risk Management</p>	<p>Medium Priority Control Design</p>	<p>Expected Evidence of Implementation: Completed Baseline Assessment</p> <p>Officer: Ian Langfield, Associate Programme Director for Tertiary & Specialist Services Planning Partnership</p> <p>Date: 05/12/24 – submission to TSOG</p>
<p>7 Programme Risks</p> <p>The RAID log (programme board risk register) has been amended, but the document would still benefit from a review as information including risk owner; date risk reviewed; and date completed was not captured. Further, there was no evidence that the risk scores have been reviewed and the RAID log is not regularly reported. This would be beneficial to ensure that any key risks are escalated appropriately.</p>	<p>Inconsistent management with inadequate escalation of key risks.</p>	<p>Enhancements to the RAID log have already been discussed and will be put in place to address the gaps highlighted. The RAID log will be subject to regular monitoring and escalated as appropriate.</p>
		<p>Expected Evidence of Implementation: Amended RAID log</p>

Key Findings		Risk & Impact	Agreed Management Action
	Risks are also documented within the TSOG monitoring report, but did not always record mitigations. Theme: Risk Management	Medium Priority Control Design	Officer: Ian Langfield, Associate Programme Director for Tertiary & Specialist Services Planning Partnership Date: 05/12/24– submission to TSOG
8	Reporting and Escalation within the Health Board RSSPPP provides quarterly reports to Board (evidenced to January and May 2024) noting outcomes of their recent meetings. Reporting could be enhanced to capture progress, and key risks and issues to the programme's delivery. Governance arrangements also include reporting to the Management Board (as detailed in the terms of reference for both RSSPPP and TSOG). Apart from when TSOG's terms of reference were approved in July 2024, there has been no regular reporting of the partnership at this forum. Similarly, there has been no reporting of the partnership arrangements at committee level. Theme: Governance	Lack of escalation of key risks and issues for addressing by the health board, potentially resulting in poorly designed and unsustainable services. High Priority Control Operation	An update on RSSPPP activity is included as part of the Partnership Reports submitted to the Board on a quarterly basis. The RSSPPP section will be revised to include progress against the programmes aim and objectives, and the status of programme risks and issues. A 'Four A's' report will be submitted to Management Board to ensure it is alerted, advised and assured on issues raised in RSSPPP and TSOG meetings. Expected Evidence of Implementation: Revisions to RSSPPP section of quarterly report. Tertiary Services 'Four A's' Management Board Report Officer: Ian Langfield, Associate Programme Director for Tertiary & Specialist Services Planning Partnership Date: 05/12/24 – submission to TSOG

Appendix A

Assurance Opinion

	Substantial	Few matters require attention and are compliance or advisory in nature. Low impact on residual risk exposure.
	Reasonable	Some matters require management attention in control design or compliance. Low to moderate impact on residual risk exposure until resolved.
	Limited	More significant matters require management attention. Moderate impact on residual risk exposure until resolved.
	Unsatisfactory	Action is required to address the whole control framework in this area. High impact on residual risk exposure until resolved.
	Advisory	Given to reviews and support provided to management which form part of the internal audit plan, to which the assurance definitions are not appropriate. These reviews are still relevant to the evidence base upon which the overall opinion is formed.

Prioritisation of Findings

Priority	Explanation
High	Significant risk to achievement of a system objective OR evidence present of material loss, error, or misstatement. Poor system design OR widespread non-compliance.
Medium	Some risk to achievement of a system objective. Minor weakness in system design OR limited non-compliance.

Website: [Audit & Assurance Services - NHS Wales Shared Services Partnership](#)

Disclaimer

This audit report has been prepared for internal use only. Audit and Assurance Services reports are prepared, in accordance with the agreed audit brief, and the Audit Charter as approved by the Audit Committee.

Audit reports are prepared by the staff of the NHS Wales 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 Swansea Bay University Health Board 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.

The report is based on the review work undertaken and is not necessarily a complete statement of all weaknesses that exist or potential improvements. Whilst every care has been taken to ensure that the information provided in this report is as accurate as possible, no complete guarantee or warranty can be given with regard to the advice and information contained.

Our work does not provide absolute assurance that material errors, loss or fraud do not exist. Responsibility for a sound system of internal controls and the prevention and detection of fraud and other irregularities rests with management of the Swansea Bay University Health Board. Work performed by internal audit should not be relied upon to identify all strengths and weaknesses in internal controls, or all circumstances of fraud or irregularity. Effective and timely implementation of recommendations is important for the development and maintenance of a reliable internal control system.

Public Sector Internal Audit Standards

Audit work undertaken by NHS Wales Audit and Assurance Services conforms with the International Standards for the Professional Practice of Internal Auditing and associated Public Sector Internal Audit Standards as validated through the external quality assessment undertaken by the Chartered Institute of Public Finance & Accountancy in April 2023.

