

Bundle Pwyllgor Archwilio a Sicrwydd (Agored) 20 October 2020

AGENDA

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- 1.2 Ymddiheuriadau am Absenoldeb
- 1.3 Datgan Buddiannau
- 1.4 Cofnodion drafft cyfarfod y Pwyllgor Archwilio a gynhaliwyd ar 16 Gorffennaf 2020
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- 3.1 Unrhyw Fater Arall
- 3.2 Dyddiad y Cyfarfod Nesaf: Dydd Llun, 18 Ionawr 2021 am 10:00 am naill ai trwy Microsoft Teams neu yn Ystafell Gyfarfod 1 AaGIC, T Dysgu

Y PWYLLGOR ARCHWILIO A SICRWYDD

Dydd Mawrth, 20 Hydref 2020
Drwy Microsoft Teams/Telegynadledda

TRAFODAETHAU PREIFAT AELODAU'R PWYLLGOR GYDA'R GWRTH-DWYLL, ARCHWILWYR MEWNOL AC ALLANOL

10.00am – 10.10am

PWYLLGOR ARCHWILIO A SICRWYDD LLAWN 10.10am – 12.30pm

AGENDA

RHAN 1	MATERION RHAGARWEINIOL	10:10-10:20
1.1	Croeso a Chyflwyniadau	Cadeirydd/ Llafar
1.2	Ymddiheuriadau am Absenoldeb	Cadeirydd/ Llafar
1.3	Datgan Buddiannau	Cadeirydd/ Llafar
1.4	Cofnodion drafft cyfarfod y Pwyllgor Archwilio a gynhaliwyd ar 16 Gorffennaf 2020	Cadeirydd/ Ymlyniad
1.5	Log Gweithredu	Cadeirydd/ Ymlyniad
1.6	Materion yn Codi	Cadeirydd/ Ymlyniad
RHAN 2	MATERION I'W HYSTYRIED	10:20-12:20
2.1	Gwrth-dwyll: <ul style="list-style-type: none"> Adroddiad Cynnydd Adolygiad o Asesiad Gwybodaeth Strategol NHSCFA 2020 ar gyfer 2018-2019 ac Effaith ar AaGIC 	Rheolwr Gwrth-dwyll (CVUHB)/ Ymlyniadau
2.2	Archwilio Cymru: <ul style="list-style-type: none"> Adroddiad Cynnydd 'Codi Ein Gêm' Mynd i'r Afael â Thwyll yng Nghymru – Adroddiad Archwilydd Cyffredinol Cymru Effeithiolrwydd Trefniadau Gwrth-dwyll - AaGIC Adroddiad Cenedlaethol Llesiant Cenedlaethau'r Dyfodol Asesiad Strwythuredig 2020 	Archwilio Cymru/ Ymlyniadau

2.3	Archwilio Mewnol: <ul style="list-style-type: none"> • Adroddiad Cynnydd • Trefniadau Llywodraethu yn ystod COVID 19 • Adroddiad Archwilio Mewnol ac Ymateb y Rheolwyr • Adroddiad Archwilio Mewnol Monitro Comisiynu Meddygol 	Archwilio Mewnol/ Ymlyniadau
2.4	Adroddiad Llywodraethu Gwybodaeth	Ysgrifennydd y Bwrdd/ Ymlyniad
2.5	Adroddiad Cydymffurfio â Chaffael	Cyfarwyddwr Cyllid/ Rheolwr Busnes Caffael/ Ymlyniad
2.6	Adolygiad Annibynnol o Systemau a Phrosesau Caffael AaGIC	Cyfarwyddwr Cyllid/ Rheolwr Busnes Caffael/ Lafar
2.7	Adolygiad Blynyddol o Weithdrefnau Rheolaeth Ariannol	Cyfarwyddwr Cyllid/ Ymlyniad
2.8	Adolygiad o Fframwaith Sicrwydd y Bwrdd	Ysgrifennydd y Bwrdd/ Ymlyniad
2.9	Cofrestr Risg Gorfforaethol	Ysgrifennydd y Bwrdd/ Ymlyniad
2.10	Adolygiad o'r Gofrestr Datganiadau o Fuddiant	Ysgrifennydd y Bwrdd/ Ymlyniad
2.11	Adolygiad o'r Gofrestr Rhoddion, Lletygarwch a Nawdd	Ysgrifennydd y Bwrdd/ Ymlyniad
2.12	Cymeradwyo'r Polisi Cwynion	Ysgrifennydd y Bwrdd/ Ymlyniad
2.13	Argymhellion Archwilio Tracker	Ysgrifennydd y Bwrdd/ Ymlyniad
2.14	Adolygiad Blynyddol o Gylch Gorchwyl y Pwyllgor	Ysgrifennydd y Bwrdd/ Ymlyniad
2.15	Adolygiad o'r Diwygiad y cytunwyd arno i'r Terfynau Ariannol Dirprwyedig / Rheolau Sefydlog	Ysgrifennydd y Bwrdd/ Ymlyniad
RHAN 3	CAU	12:25-12:30
3.1	Unrhyw Fater Arall	Cadeirydd/ Llafar
3.2	Dyddiad y Cyfarfod Nesaf: <ul style="list-style-type: none"> • Dydd Llun, 18 Ionawr 2021 am 10:00 am nail ai trwy Microsoft Teams neu yn Ystafell Gyfarfod 1 AaGIC, Tŷ Dysgu 	

Yn unol â darpariaeth Adran 1(2) o Ddeddf Cyrff Cyhoeddus (Derbyn i Gyfarfodydd) 1960, penderfynir bod cynrychiolwyr y wasg ac aelodau eraill o'r cyhoedd yn cael eu heithrio o ran olaf y cyfarfod ar y sail y byddai'n niweidiol i fudd y cyhoedd oherwydd natur gyfrinachol y busnes a drawsweithio. Mae'r adran hon o'r cyfarfod i'w chynnal mewn sesiwn breifat.

HEB EI GADARNHAU

Cofnodion drafft y Pwyllgor Archwilio a Sicrwydd a gynhaliwyd ar 16 Gorffennaf 2020 Drwy Microsoft Teams/Telegynadledda

Yn bresennol:

Gill Lewis	Aelod Annibynnol (Cadeirydd)
John Hill Tout	Aelod Annibynnol (Is-gadeirydd AaGIC)
Dr Ruth Hall	Aelod Annibynnol

Yn bresennol:

Dafydd Bebb	Ysgrifennydd y Bwrdd
Eifion Williams	Cyfarwyddwr Cyllid
Martyn Pennell	Pennaeth Cyfrifyddu Ariannol
Paul Dalton	Pennaeth Archwilio Mewnol (Partneriaeth Cydwasanaethau GIG Cymru)
Emma Samways	Dirprwy Bennaeth Archwilio Mewnol (Partneriaeth Cydwasanaethau GIG Cymru)
Mike Usher	Cyfarwyddwr Ymgysylltu (Archwilio Cymru)
Clare James	Arweinydd Archwilio Perfformiad (Archwilio Cymru)
Craig Greenstock	Rheolwr Gwrth-dwyll, (Bwrdd Iechyd Prifysgol Caerdydd a'r Fro)
Pushpinder Mangat	Cyfarwyddwr Meddygol (Mynychu eitem 2.1 a Sylwedydd)
Carwyn Rees	Archwilio Cymru (Sylwedydd)
Kay Barrow	Rheolwr Gwasanaethau Corfforaethol (Ysgrifenyddiaeth)

RHAN 1	MATERION RHAGARWEINIOL	Gweithredu
AAC: 16/07/1.1	Croeso a Chyflwyniadau	
	Croesawodd y Cadeirydd bawb i'r cyfarfod ac, yn benodol, Pushpinder Mangat (Cyfarwyddwr Meddygol) a oedd yn bresennol ar gyfer eitem 2.1 ar yr agenda ac fel sylwedydd. Croesawyd Carwyn Rees (Archwilio Cymru) hefyd fel sylwedydd.	
AAC: 16/07/1.2	Ymddiheuriadau am Absenoldeb	
	Cafwyd ymddiheuriadau gan Helen Goddard (Rheolwr Archwilio Allanol, Archwilio Cymru) a Helen James (Pennaeth Caffael, Partneriaeth Cydwasanaethau GIG Cymru).	
AAC: 16/07/1.3	Datgan Buddiannau	
	Nid oedd unrhyw ddatganiadau o fuddiant.	
AAC: 16/07/1.4	Cofnodion y cyfarfod a gynhaliwyd ar 23 Mehefin 2020	
	Derbyniwyd cofnodion y cyfarfod a gynhaliwyd ar 23 Mehefin 2020 a'u cymradwyo fel cofnod cywir o'r cyfarfod.	

AAC: 16/07/1.5	Log Gweithredu	
	<p>Derbyniodd ac ystyriodd y Pwyllgor y Log Gweithredu o'r cyfarfod a gynhaliwyd ar 23 Mehefin 2020.</p> <p>Dywedodd Dafydd Bebb fod y Log Gweithredu yn cynnwys nifer o eitemau a ohiriwyd oherwydd y penderfyniad i symleiddio agendâu cyfarfodydd i ganolbwyntio ar eitemau sy'n feirniadol o fusnesau a'r materion hynny sy'n ymwneud â Pandemig COVID 19. Byddai'r eitemau hyn yn cael eu trefnu ym Mlaen raglen Waith y Pwyllgor fel y nodir yn y Log Gweithredu.</p> <p>Derbyniwyd y diweddariadau canlynol:</p> <ul style="list-style-type: none"> • AAC 27/01/2.1 Adolygiad Annibynnol o systemau a phrosesau caffael AaGIC: Cadarnhawyd bod yr unigolyn a gomisiynwyd i gynnal yr adolygiad annibynnol wedi'i ddargyfeirio i ganolbwyntio ar y materion caffael sy'n gysylltiedig â Pandemig COVID 19. Tynnwyd sylw at y ffaith y byddai'r adolygiad yn cael ei nodi yn ystod yr wythnosau nesaf ac y byddai adroddiad yn cael ei gyflwyno yng nghyfarfod y Pwyllgor ym mis Hydref. • AAC 23/06/2.1.1 Adroddiad Gwrth-dwyll Archwilio Cymru: Eglurwyd mai'r adroddiad ar agenda'r Pwyllgor oedd adroddiad lleol Gwrth-dwyll Archwilio Cymru. Rhagwelwyd y gellid ei drafod gyda'r adroddiad cenedlaethol. Fodd bynnag, byddai'r adroddiad cenedlaethol yn cael ei gyhoeddi ddiwedd mis Gorffennaf 2020. Byddai'r adroddiadau cenedlaethol a lleol yn cael eu trafod ym Mis Hydref. 	
Datryswyd	Nododd y Pwyllgor y diweddariadau ac y byddai'r cofnod gweithredu yn cael ei ddiweddarau i adlewyrchu'r diweddariadau.	
AAC: 16/07/1.6	Materion yn Codi	
	Nid oedd unrhyw faterion yn codi.	
RHAN 2	MATERION I'W HYSTYRIED	
AAC: 16/07/2.1	Y Gyfarwyddiaeth Feddygol ESR, Cydymffurfio â Hyfforddiant Gorfodol a PADR	
	<p>Cafodd y Pwyllgor y wybodaeth ddiweddaraf am gydymffurfiaeth yr ESR mewn perthynas â hyfforddiant gorfodol a PADR.</p> <p>Dywedodd Pushpinder Mangat fod y Gyfarwyddiaeth Feddygol yn cynnwys dros 50% o weithlu AaGIC a'i bod yn unigryw o ran ei gwneuthuriad o gymharu â Chyfarwyddiaethau eraill. Esboniodd nad oedd y mwyafrif helaeth o'r staff yn cael eu cyflogi'n llawn amser o fewn AaGIC a'u bod hefyd yn ymgymryd â rolau clinigol o fewn sefydliadau eraill. Oherwydd maint y Gyfarwyddiaeth cafodd effaith sylweddol ar gyfradd gydymffurfiaeth gyffredinol AaGIC.</p> <p>Roedd cydymffurfiaeth y Gyfarwyddiaeth Feddygol ar gyfer hyfforddiant statudol a gorfodol ar 38% cyn COVID 19. Tynnwyd sylw at y ffaith bod dirywiad pellach o 38% i 31% wrth i staff ddychwelyd i'w rolau clinigol i gefnogi ymateb y GIG i COVID 19. Gwaethygydd y sefyllfa ymhellach yn</p>	

	<p>dilyn llythyr y Cyngor Meddygol Cyffredinol at Brif Weithredwyr a hysbysodd yr ataliad dros ailddilysu a gwerthuso tan Hydref 2020. Fodd bynnag, oherwydd y gwaith â ffocws o fewn y Gyfarwyddiaeth a gefnogwyd gan y Tîm Pobl, roedd cydymffurfiaeth yn 61% ar hyn o bryd. Roedd hyn yn welliant sylweddol i'r sefyllfa cyn COVID 19 ond roedd yn is na'r targed gofynnol o 85%. Roedd camau wedi'u targedu yn mynd rhagddynt i wella'r sefyllfa ymhellach. Nodwyd y bu problemau gyda rhai aelodau o staff yn methu â manteisio ar lwyfan e-ddysgu'r ESR oherwydd problemau cysylltedd, tra'n gweithio o bell, ac felly'n methu ymgymryd â'u hyfforddiant. Gyda Thŷ Dysgu bellach ar agor dylai hyn alluogi'r staff hynny i fanteisio ar eu e-ddysgu.</p> <p>Mewn perthynas â PADRs, nodwyd bod cynnydd wedi'i wneud. Cadarnhawyd bod yr holl PADRs ar gyfer adroddiadau uniongyrchol y Cyfarwyddwr Meddygol wedi'u cwblhau. Roedd pob un o'r Uwch Reolwyr hynny wedi cael amcan i sicrhau bod yr holl PADRs yn cael eu cwblhau ar gyfer eu staff priodol. Fodd bynnag, tynnwyd sylw at y ffaith bod anghysondebau data yn dod i'r amlwg o fewn ESR ar gyfer cofnodi PADRs a oedd yn wahanol i'r cofnodion lleol hynny. Roedd hyn yn cael ei ymchwilio.</p> <p>Sicrhawyd y Pwyllgor bod cynnydd cyson yn cael ei wneud i wella cydymffurfiaeth.</p> <p>Cafwyd trafodaeth ynghylch a ellid darparu ac uwch lwytho mathau eraill o dystiolaeth i system ESR AaGIC i ddangos pryd yr oedd hyfforddiant statudol a/neu orfodol wedi'i gwblhau ar gyfer y staff hynny a oedd yn gweithio mewn sefydliad GIG Cymru eraill. Holodd y Pwyllgor a oedd y system ESR yn addas at ddibenion AaGIC o ystyried y gyfran uchel o staff a oedd yn gweithio mewn mwy nag un rôl GIG.</p> <p>Mynegwyd pryder ynglŷn â'r risg gorfforaethol bosibl o golli enw da i AaGIC, fel gweithlu a Sefydliad Datblygu Unigol sy'n wynebu sefydliad y GIG, a'i sefyllfa o ran cydymffurfio â hyfforddiant statudol a gorfodol, o gymharu â gweddill GIG Cymru</p>	
Datryswyd	<p>Mae'r Pwyllgor:</p> <ul style="list-style-type: none"> wedi nodi'r sefyllfa a'r cynnydd sy'n cael ei wneud; gofynwyd i'r archwilwyr mewnol a/neu allanol, fel rhan o'u gwaith archwilio, adolygu a yw'r system ESR yn addas at ddibenion AaGIC at gofnodi hyfforddiant statudol a gorfodol i'r staff hynny sy'n gweithio mewn mwy nag un sefydliad GIG. 	Archwiliad Mewnol/ Archwiliad Allanol
AAC: 16/07/2.2	Adroddiad Cynnydd Gwrth-dwyll	
	<p>Derbyniodd y Pwyllgor yr adroddiad.</p> <p>Wrth gyflwyno'r adroddiad, dywedodd Craig Greenstock fod 10 diwrnod o waith a gomisiynwyd wedi'i gwblhau. Roedd un ymchwiliad wedi'i gynnal a oedd yn dal i fynd rhagddo. Byddai'r wybodaeth ddiweddaraf am yr ymchwiliad yn cael ei rhoi i'r Pwyllgor yn y sesiwn gaeedig. Roedd lefel y diddordeb a ddangoswyd gan adrannau ynghylch twyll wedi cynyddu gyda nifer o wahoddiadau wedi'u derbyn i aelodau'r tîm Gwrth-dwyll</p>	

	<p>gymryd rhan mewn cyfarfodydd rhithwir Teams. Roedd y Tîm Gwrth-dwyll hefyd yn cynnal sesiynau codi ymwybyddiaeth o dwyll fel rhan o'r Rhaglen Sefydlu Gorfforaethol barhaus a oedd yn cael ei chynnal yn rhithwir gan ddefnyddio Timau Microsoft.</p> <p>Roedd y Pwyllgor yn falch o nodi y byddai AaGIC yn cymryd rhan yn y Fenter Twyll Genedlaethol ar gyfer 2020/2021 gyda'r nod o helpu Cyrff Cyhoeddus i adeiladu eu gallu i ganfod twyll drwy baru data ar lefel genedlaethol. Byddai canfyddiadau'r fenter yn cael eu gwerthuso'n lleol gan y Tîm Gwrth-dwyll a byddai hefyd yn bwydo i mewn i'r gwaith cenedlaethol a wneir gan Archwilio Cymru.</p>	
Datryswyd	<p>Mae'r Pwyllgor:</p> <ul style="list-style-type: none"> wedi nodi'r cynnydd; cytunwyd y dylid rhoi gwybod i'r Cyfarwyddwr Cyllid am y nifer sy'n manteisio ar sesiynau ymwybyddiaeth twyll a fynychwyd gan Gwrth-dwyll o fewn AaGIC; cytunwyd i gael adborth gan y Fenter Twyll Genedlaethol ar gyfer 2020/2021 mewn cyfarfod o'r Pwyllgor yn y dyfodol. 	CG EW
AAC: 16/07/2.3	Adroddiad Cynnydd yr Archwiliad Mewnol	
	<p>Derbyniodd y Pwyllgor yr adroddiad.</p> <p>Wrth gyflwyno'r adroddiad, tynnodd Paul Dalton sylw at statws y cynllun archwilio mewnol ar gyfer 2020/2021. Esboniodd fod yr adolygiad o Drefniadau Llywodraethu yn ystod COVID 19 yn archwiliad cyngori ac y byddai'n dod i ben o fewn y mis nesaf.</p> <p>Roedd y gwaith maes ar gyfer y gwaith monitro comisiynu meddygol archwilio mewnol wedi dod i ben a byddai'r adroddiad drafft yn cael ei ystyried gan y Cyfarwyddwr Meddygol a'i dîm cyn i'r adroddiad terfynol gael ei gyhoeddi.</p>	
Datryswyd	<p>Mae'r Pwyllgor:</p> <ul style="list-style-type: none"> wedi nodi'r adroddiad; cytunwyd y dylid cyflwyno'r adroddiadau mewnol ar gyfer y Trefniadau Llywodraethu yn ystod COVID 19 a'r Monitro Comisiynu Meddygol i Bwyllgor mis Hydref; cytunwyd y dylid rhannu unrhyw ganfyddiadau cynnar o'r Archwiliad Mewnol Monitro Comisiynu Meddygol â Chadeirydd y Pwyllgor Addysg, Comisiynu ac Ansawdd. 	Archwiliad Mewnol PM
AAC: 16/07/2.4	Archwilio Cymru:	
AAC: 16/07/2.4.1	Adroddiad Cynnydd	
	<p>Derbyniodd y Pwyllgor yr adroddiad.</p> <p>Wrth gyflwyno'r adroddiad, cadarnhaodd Mike Usher fod Adroddiad Atebolrwydd cymeradwy a Chyfrifon Blynnyddol 2019/2020 AaGIC wedi'u hardystio gan Archwilydd Cyffredinol Cymru ar 2 Gorffennaf 2020 ac wedi'u gosod yn y Senedd ar 3 Gorffennaf 2020.</p>	

	<p>O ran Astudiaethau Cyffredinol eraill, cadarnhawyd bod Offeryn Data Cyllid GIG Cymru wedi'i ddiweddarau ar gyfer 2019/2020 ac y byddai'n cynnwys AaGIC am y tro cyntaf. Byddai'r offeryn rhyngweithiol yn caniatáu dadansoddi tueddiadau ledled Cymru neu gan gorff gig unigol. Roedd prosiect dysgu cyflym COVID yn adnodd rhyngweithiol ar-lein a oedd yn darparu myfyrdodau a rhannu gwybodaeth sy'n dod i'r amlwg mewn amser real. Tynnwyd sylw hefyd at y ffaith y byddai'r Tîm Arfer Da yn ailddechrau eu digwyddiadau o fis Medi 2020.</p>	
Datryswyd	Nododd y Pwyllgor yr adroddiad.	
AAC: 16/07/2.4.2	Y wybodaeth ddiweddaraf am Raglen Archwilio Perfformiad y GIG Archwilydd Cyffredinol Cymru	
	<p>Derbyniodd y Pwyllgor y llythyr.</p> <p>Wrth gyflwyno'r llythyr, rhoddodd Clare James drosolwg o'r newidiadau a wnaed gan Archwilio Cymru o ran ei ddull o ymdrin â gwaith archwilio perfformiad y GIG. Esboniodd y rhesymeg dros y newidiadau i elfennau presennol y rhaglen waith a oedd â'r nod o ychwanegu gwerth at weithgareddau presennol.</p> <p>Mynegodd y Pwyllgor ddiddordeb yn y dysgu o adolygiad llywodraethu Pwyllgor Gwasanaethau Iechyd Arbenigol Cymru, sef y sefydliad agosaf at AaGIC o ystyried y lefel uchel o gomisiynu a wnaed gan y ddau sefydliad.</p>	
Datryswyd	<p>Mae'r Pwyllgor:</p> <ul style="list-style-type: none"> wedi nodi'r llythyr; gofynwyd i Archwilio Cymru rannu unrhyw bwyntiau dysgu perthnasol ar gyfer AaGIC o unrhyw waith archwilio perthnasol a wneir yn lleol ac yn genedlaethol. 	Archwilio Cymru
	Oherwydd cysylltedd gwael, roedd Clare James wedi gadael y cyfarfod. Byddai gweddill eitemau agenda Archwilio Cymru yn cael eu hystyried pan fyddai Clare James yn ail- ymgysylltu â'r cyfarfod.	
AAC: 16/07/2.5	Gwerthuso Effeithiolrwydd Pwyllgorau	
	<p>Derbyniodd y Pwyllgor yr adroddiad.</p> <p>Wrth gyflwyno'r adroddiad, rhoddodd Dafydd Bebb drosolwg o ganlyniadau'r ymarfer hunanasesu blynyddol ar gyfer 2019/2020 a gynhaliwyd yn unol ag Adran 8.2.1 o Reolau Sefydlog AaGIC.</p> <p>Croesawodd y Pwyllgor y gwerthusiad a oedd wedi rhoi adlewyrchiad cadarnhaol am flwyddyn lawn o weithredu ac roedd yn cefnogi'r meysydd ffocws ar gyfer 2020/2021. Eglurwyd bod y Strategaeth Gaffael wedi'i threfnu i gael ei hystyried gan y Pwyllgor yn ei gyfarfod ym mis Hydref.</p> <p>O ran y cynnydd o ran mapio sicrwydd sy'n cyd-fynd â Fframwaith Sicrwydd y Bwrdd, tynnwyd sylw at y ffaith bod cynnydd yn y meysydd hyn wedi oedi oherwydd Pandemig COVID ac ail-fframio'r risgiau mewn ymateb i hyn.</p> <p>Tynnwyd sylw at chwythu'r chwiban fel maes sy'n peri pryder. Eglurwyd bod polisi cenedlaethol wedi'i sefydlu ar gyfer codi pryderon. Cadeirydd</p>	

	<p>AaGIC oedd yr uwch aelod o'r Bwrdd am ddwysáu pryderon, a'r rheswm am hyn oedd ei fod yn eistedd y tu allan i'r Tîm Gweithredol. Ysgrifennydd y Bwrdd oedd yr uwch Weithredwr gyda goruchwyliaeth o'r broses chwythu'r chwiban.</p> <p>Dywedodd Dafydd Bebb fod AaGIC yn datblygu Polisi Cwynion fel corff hyfforddi ac addysg ac yn canolbwyntio ar fyfyrwyr a hyfforddeion. Dywedodd Pushpinder Mangat fod gwaith ar y gweill mewn perthynas â diogelu chwythu'r chwiban i feddygon a deintyddion mewn hyfforddiant i allu codi pryderon heb fod o dan anfantais. Nodwyd y byddai'r Archwilwyr Mewnol yn cynnal adolygiad archwilio o'r broses codi pryderon yn AaGIC yn ystod y flwyddyn.</p>	
Datryswyd	<p>Mae'r Pwyllgor:</p> <ul style="list-style-type: none"> wedi nodi'r gwerthusiad; cytunwyd y dylid tynnu sylw'r Bwrdd at y gwerthusiad fel rhan o Adroddiad Bwrdd Cryno Ar Faterion Allweddol Cadeirydd y Pwyllgor. 	GL
AAC: 16/07/2.6	Diwygiadau Dros Dro i Reolau Sefydlog AaGIC	
	<p>Derbyniodd y Pwyllgor yr adroddiad.</p> <p>Wrth gyflwyno'r adroddiad, darparodd Dafydd Bebb drosolwg o'r diwygiadau dros dro i'r Rheolau Sefydlog Enghreifftiol. Roedd y diwygiadau arfaethedig yn ymwneud ag ymestyn y dyddiad cau ar gyfer cynnal Cyfarfod Cyffredinol Blyneddol AaGIC a thymor swydd Aelodau Annibynnol. Fodd bynnag, er nad oedd yr un o'r diwygiadau dros dro yn berthnasol i AaGIC, tynnwyd sylw at y ffaith bod yn rhaid gwneud y newidiadau i Reolau Sefydlog AaGIC yn unol â'r cyfarwyddiadau a roddwyd gan Weinidogion Cymru a'r Rheoliadau perthnasol.</p> <p>Tynnwyd sylw at y ffaith bod y diwygiadau dros dro am gyfnod cyfyngedig o ran amser tan 31 Mawrth 2021.</p>	
Datryswyd	<p>Mae'r Pwyllgor:</p> <ul style="list-style-type: none"> wedi nodi'r diwygiadau dros dro; argymhell y dylid cyflwyno'r diwygiadau dros dro i Reol Sefydlog AaGIC i'r Bwrdd. 	DB
AAC: 16/07/2.7	Adroddiad Llywodraethu Gwybodaeth	
	<p>Derbyniodd y Pwyllgor yr adroddiad.</p> <p>Wrth gyflwyno'r adroddiad, dywedodd Dafydd Bebb fod cynnydd da wedi'i wneud mewn perthynas â'r camau rheoli sydd wedi'u cynnwys yn y cynllun gwaith llywodraethu gwybodaeth. Yn benodol, gwnaed cynnydd sylweddol o ran datblygu'r Gofrestr Asedau Gwybodaeth.</p> <p>Roedd y Pwyllgor yn falch o weld y cynnydd sy'n cael ei wneud ond awgrymodd y dylid sefydlu sesiynau hyfforddi rhithwir yn hytrach nag aros i sesiynau 'wyneb yn wyneb' gael eu trefnu pan fydd y gwaith arferol yn cael ei ailddechrau.</p> <p>O ran seiberddiogelwch, tynnwyd sylw at y ffaith bod Pennaeth Seiberddiogelwch wedi dechrau yn ei swydd ar 29 Mehefin 2020 a'i fod</p>	

	<p>yn cynnal adolygiad o drefniadau seiberddiogelwch ac yn datblygu cynllun gweithredu i fynd i'r afael ag unrhyw fylchau a nodwyd.</p> <p>Tynnwyd sylw at y ffaith bod y dull o ymdrin â cheisiadau Rhyddid Gwybodaeth a dderbyniwyd yn ystod Pandemig COVID 19 wedi'i ddiwygio. Gwahoddwyd ceisiadau i ohirio eu cais i ddyddiad diweddarach neu, os oedd angen o hyd, a dywedwyd wrthynt y gallai fod oedi wrth ymateb i'r cais. Derbyniwyd 16 o geisiadau o dan y Ddeddf Rhyddid Gwybodaeth am y cyfnod o chwe mis o 1 Ionawr 2020 i 30 Mehefin 2020 gyda chydymffurfiaeth o 100%.</p> <p>Roedd y Pwyllgor am gofnodi'n ffurfiol ei ddiolch i'r staff a oedd yn ymwneud â chynnal cydymffurfiaeth AaGIC â'r dyddiad cau o 20 diwrnod Rhyddid Gwybodaeth ar gyfer ymateb i geisiadau.</p>	
Datryswyd	Nododd y Pwyllgor yr adroddiad.	
AAC: 16/07/2.8	Adroddiad Cydymffurfio â Chaffael	
	<p>Eglurodd Eifion Williams i'r Pwyllgor fod y Pennaeth Caffael wedi'i ddargyfeirio yn ystod Pandemig COVID 19 i helpu yn yr ymateb caffael i'r argyfwng PPE. Fodd bynnag, oherwydd ymrwymadau gwyliau blyneddol, nid oedd yn bosibl derbyn yr adroddiad Cydymffurfio â Chaffael mewn pryd ar gyfer y Pwyllgor. Tynnwyd sylw at y ffaith bod gweithgarwch caffael ar gyfer AaGIC wedi gostwng yn ystod Pandemig COVID 19. Byddai'r adroddiad gweithgarwch caffael yn cael ei ddarparu fel arfer yng nghyfarfod nesaf y Pwyllgor.</p>	
Datryswyd	Nododd y Pwyllgor y sefyllfa.	
AAC: 16/07/2.9	Adolygiad o Bolisi Rheoli Risg	
	<p>Derbyniodd y Pwyllgor y Polisi.</p> <p>Wrth gyflwyno'r Polisi, dywedodd Dafydd Bebb fod y Polisi wedi'i ddiweddarau i adlewyrchu argymhellion archwilio'r adroddiad Archwilio Mewnol ac Asesiad Strwythuredig Archwilio Cymru 2019. Esboniodd fod un gwelliant ychwanegol nad oedd wedi'i adlewyrchu yn y Polisi a gyflwynwyd, gan fod gan y Bwrdd y pŵer hefyd i ddileu risg o'r Gofrestr Risg Gorfforaethol. Byddai'r Polisi'n cael ei ddiweddarau i adlewyrchu y gall y Bwrdd a'r Pwyllgor Archwilio a Sicrwydd ddileu risg o'r Gofrestr Risg Gorfforaethol.</p> <p>Ystyriodd y Pwyllgor y Polisi drafft a holodd y rhesymeg dros ddal archwaeth risg gan ddefnyddio statws RAG. Awgrymwyd y gellid adlewyrchu'r archwaeth risg yn well naill ai'n uchel, yn ganolig neu'n isel heb unrhyw ddarlunio lliw nac yn defnyddio graddfa 1-10 gydag 1 mor isel a 10 mor uchel.</p>	
Datryswyd	<p>Mae'r Pwyllgor:</p> <ul style="list-style-type: none"> yn argymell y Polisi Rheoli Risg i'r Bwrdd, ar yr un lefel â'r Tîm Gweithredol yn ystyried diwygio cynrychiolaeth yr archwaeth risg o fewn y gofrestr risg. 	DB
	Ail ymunodd Clare James â'r cyfarfod.	

AAC: 16/07/2.10	Olrhain Argymhellion Archwilio	
	<p>Derbyniodd y Pwyllgor yr adroddiad.</p> <p>Wrth gyflwyno'r adroddiad, dywedodd Dafydd Bebb fod nifer o'r argymhellion wedi'u gohirio oherwydd dargyfeirio adnoddau mewn ymateb i'r Pandemig COVID 19. Roedd hyn wedi arwain at gynnydd cyfyngedig mewn rhai meysydd a nifer uwch o argymhellion statws 'coch'.</p> <p>Roedd y 42 o argymhellion archwilio mewnol cyfredol. O'r 16 a oedd yn hwyr, roedd dau wedi'u categorïddio fel blaenoriaeth uchel. Roedd 16 o argymhellion archwilio allanol cyfredol, ac roedd saith ohonynt yn hwyr.</p> <p>Er bod y Pwyllgor yn falch o'r sefyllfa gyffredinol, tynnwyd sylw at y ffaith nad oedd yn arfer da peidio â gosod dyddiadau cau. Er y cydnabwyd bod yr ansicrwydd oherwydd cyfyngiadau Pandemig COVID a dychwelyd i waith 'normal' wedi ei gwneud yn anodd rhagweld dyddiadau cau newydd. Eglurwyd y byddai mwy o ffocws dros yr wythnosau nesaf ar sicrhau bod cynnydd yn cael ei wneud a bod camau'n cael eu cwblhau. Byddai'r Asesiad Strwythuredig ar gyfer 2020 hefyd yn golygu dilyn yr argymhellion blaenorol.</p> <p>Eglurwyd bod y Tîm Gweithredol wedi ystyried a llofnodi'r Tracer Argymhellion Archwilio cyn iddo gael ei gyflwyno yn y Pwyllgor.</p> <p>Dywedodd Mike Usher fod y Tracer Argymhellion Archwilio yn gweithio'n dda i roi sicrwydd i'r Pwyllgor.</p>	
Datryswyd	<p>Mae'r Pwyllgor:</p> <ul style="list-style-type: none"> • wedi nodi'r cynnydd; • cymeradwywyd dileu'r argymhellion gwyrdd yr aseswyd eu bod wedi'u cwblhau neu sydd wedi'u cwblhau. 	DB
	<p>Gadawodd Eifion Williams y cyfarfod.</p>	
AAC: 16/07/2.11	Asesiad Strwythuredig - Briff y Prosiect	
	<p>Derbyniodd y Pwyllgor friff y prosiect.</p> <p>Wrth gyflwyno'r briff, eglurodd Clare James fod y gwaith Asesu Strwythuredig wedi'i gyflwyno i gyd-fynd â'r gwaith cynghori cydymaith sy'n cael ei wneud gan yr Archwilwyr Mewnol ar y trefniadau llywodraethu yn ystod COVID 19. Tynnwyd sylw at y ffaith bod y dull ar gyfer eleni wedi'i addasu ar gyfer adolygiad byrrach a mwy penodol wedi'i strwythuro ar y meysydd canlynol:</p> <ul style="list-style-type: none"> • Arweinyddiaeth a llywodraethu; • Rheolaeth ariannol; A • Cynllunio gweithredol. <p>Byddai'r gwaith archwilio'n cael ei wneud bron i gynnwys ystod o gyfweiliadau ffurfiol. Byddai Archwilio Mewnol ac Archwilio Cymru yn cyfuno rhai elfennau o'u gwaith archwilio er mwyn osgoi dyblygu a'r baich ar gyrff y GIG.</p>	

	Cododd y Pwyllgor bryder am y ffocws llai ar agweddau ariannol ond cydnabu'r adolygiad mwy penodol o ran llywodraethu a gwneud penderfyniadau.	
Datryswyd	Nododd y Pwyllgor friff y prosiect.	
AAC: 16/07/2.12	Adroddiad Archwilio Cymru: Effeithiolrwydd Trefniadau Gwrth-dwyll – AaGIC	
	<p>Derbyniodd y Pwyllgor yr adroddiad.</p> <p>Wrth gyflwyno'r adroddiad, dywedodd Claire James mai'r bwriad oedd i Archwilio Cymru gyhoeddi canfyddiadau'r adolygiad ar draws y sector cyhoeddus o wasanaethau gwrth-dwyll ar 14 Gorffennaf 2020. Fodd bynnag, oherwydd problemau cyhoeddi, gohiriwyd yr adroddiad cenedlaethol.</p> <p>Yr adroddiad a gyflwynwyd oedd y crynodeb o ganfyddiadau lleol AaGIC. Fodd bynnag, tynnwyd sylw at y ffaith y byddai angen ystyried yr adroddiad lleol ochr yn ochr â'r adroddiad cenedlaethol hefyd er mwyn darparu trafodaeth fwy cyd-destunol.</p> <p>Mynegwyd pryderon mewn perthynas ag un maes penodol i'w wella ynghylch gwydnwch y Gwasanaeth Gwrth-dwyll Lleol (LCFS). Roedd y canfyddiad yn gwrth-ddweud sefyllfa Cymru gyfan ar gyfer adnoddau gwrth-dwyll a ddangosodd AaGIC gyda'r gymhareb uchaf o LCFS WTE fesul 1,000 o staff (nifer y staff). Eglurwyd bod y LCFS yn adnodd o dri aelod o staff. Er mwyn sicrhau cydnheredd pellach pe bai angen, roedd gallu i gefnogi'r LCFS gyda threfniadau 'cyfeillio' o fewn GIG Cymru a hefyd trefniadau cyfatebol ar waith o fewn awdurdod gwrth-dwyll cenedlaethol y GIG.</p> <p>O ran nifer y diwrnodau a ddarparwyd ar gyfer AaGIC, eglurwyd bod hyn yn cael ei adolygu'n gyson gan y Cyfarwyddwr Cyllid. Byddai unrhyw newidiadau i'r ddarpariaeth yn cael eu codi gyda'r Pwyllgor.</p> <p>Cydnabuwyd bod yr adroddiad yn adlewyrchu'r sefyllfa bresennol a'r gwaith cydweithredol a wnaed gyda hybu ac atal twyll.</p>	
Datryswyd	<p>Mae'r Pwyllgor:</p> <ul style="list-style-type: none"> wedi nodi yr adroddiad; cytunwyd i ystyried yr adroddiad lleol ochr yn ochr â'r adroddiad gwrth-dwyll cenedlaethol ym Mis Hydref. 	Archwilio Cymru
RHAN 3	ER GWYBODAETH/NODI	
AAC: 16/07/3.1	Adroddiad Blynyddol y Pwyllgor Addysg, Comisiynu ac Ansawdd 2019/2020	
	<p>Derbyniodd y Pwyllgor yr adroddiad.</p> <p>Wrth gyflwyno'r adroddiad, dywedodd Ruth Hall mai hwn oedd yr adroddiad blynyddol cyntaf i'r Pwyllgor. Roedd yr adroddiad yn adlewyrchiad ar ehangder busnes y Pwyllgor a ystyriwyd yn ystod 2019/2020 a'r themâu i ganolbwyntio arnynt yn ystod 2020/2021.</p>	
Datryswyd	<p>Mae'r Pwyllgor:</p> <ul style="list-style-type: none"> wedi nodi yr adroddiad; 	

	<ul style="list-style-type: none"> gofynwyd i unrhyw sylwadau gael eu hanfon at Gadeirydd y Pwyllgor Addysg, Comisiynu ac Ansawdd o fewn yr wythnos nesaf. 	Pawb
AAC: 16/07/3.2	Asesiad Gwybodaeth Strategol NHSCFA 2020 ar gyfer 2018-2019	
	<p>Derbyniodd ac ystyriodd y Pwyllgor yr adroddiad.</p> <p>Cydnabu'r Pwyllgor fod yr adroddiad yn ddefnyddiol. Fodd bynnag, gofynnodd a oedd meysydd yn yr adroddiad a oedd yn berthnasol i AaGIC yn cael eu datblygu. Eglurwyd bod yr adroddiad wedi'i adolygu mewn perthynas â'r effaith ar AaGIC a bod nifer o feysydd wedi'u nodi.</p>	
Datryswyd	<p>Mae'r Pwyllgor:</p> <ul style="list-style-type: none"> wedi nodi'r adroddiad; cytunwyd y byddai adroddiad ar y meysydd a nodwyd sy'n berthnasol i AaGIC, gan gynnwys enghreifftiau o achosion, yn cael ei gyflwyno ym Mis Hydref. 	CG
	Ail-ymunodd Eifion Williams â'r cyfarfod.	
AAC: 16/07/3.3	Memorandwm Cyd-ddealltwriaeth AaGIC ac Arolygiaeth Gofal Iechyd Cymru (AGIC)	
	<p>Derbyniodd y Pwyllgor y Memorandwm Cyd-ddealltwriaeth.</p> <p>Wrth gyflwyno'r Memorandwm Cyd-ddealltwriaeth, tynnodd Dafydd Bebb sylw at y ffaith mai diben y Memorandwm Cyd-ddealltwriaeth oedd diffinio'n glir y cytundeb a'r cydweithrediad ar y cyd rhwng AaGIC ac Arolygiaeth Gofal Iechyd Cymru sy'n nodi natur cyfnewid gwybodaeth gan y ddau barti. Er bod Tîm Gweithredol AaGIC yn cefnogi'r Memorandwm Cyd-ddealltwriaeth, tynnwyd sylw at y ffaith eu bod wedi gofyn am ddiwygio'r Memorandwm Cyd-ddealltwriaeth i egluro nad rheoleiddiwr oedd AaGIC ac y dylid pwysleisio'r safbwynt diogelu o ran rhannu data.</p> <p>Croesawodd Ruth Hall yr ymgyrch i wella ansawdd a'r angen i'r Pwyllgor Addysg, Comisiynu ac Ansawdd godi perchenogaeth o'r Memorandwm Cyd-ddealltwriaeth wrth symud ymlaen.</p>	
Datryswyd	Nododd y Pwyllgor y Memorandwm Cyd-ddealltwriaeth rhwng Arolygiaeth Gofal Iechyd Cymru ac AaGIC gan ystyried y gwelliannau a awgrymwyd gan y Tîm Gweithredol i egluro nad rheoleiddiwr oedd AaGIC ac y dylid pwysleisio'r safbwynt diogelu o ran rhannu data.	
RHAN 4	CAU	
AAC: 16/07/4.1	Unrhyw Fater Arall	
	Nid oedd unrhyw fusnes arall, penderfynodd y Pwyllgor fynd i sesiwn gaeedig.	
AAC: 16/07/4.2	Dyddiad y Cyfarfod Nesaf	
	Dyddiad y cyfarfod nesaf i'w gynnal ddydd Mawrth, 20 Hydref 2020 am 10:00am ac i'w gadarnhau i'w gynnal naill ai drwy Microsoft Teams/Telegynhadledd neu i'w gynnal yn Nhŷ Dysgu, Nantgarw.	

Y Pwyllgor Archwilio a Sicrwydd (Agored)
16 Gorffennaf 2020
Log Gweithredu

(Mae'r Daflen Weithredu hefyd yn cynnwys camau y cytunwyd arnynt yng nghyfarfodydd blaenorol y Pwyllgor Archwilio a Sicrwydd ac maent yn aros i'w cwblhau neu wedi'u hamserlennu i'w hystyried gan y Pwyllgor yn y dyfodol. Mae'r rhain wedi'u uwch oleuo yn yr adran gyntaf. Pan gaiff y Pwyllgor Archwilio a Sicrwydd ei lofnodi, bydd y camau hyn yn cael eu cymryd oddi ar y daflen weithredu dreigl.)

Cyfeirnod Munudau	Camau y cytunwyd arnynt	Arweinydd	Dyddiad Targed	Cynnydd/ Cwblhau
AAC: 27/01/2.1	Adolygiad Annibynnol o systemau a phrosesau Caffael AaGIC			
	<ul style="list-style-type: none"> AAC 27/01/2.1 Adolygiad annibynnol o systemau a phrosesau caffael AaGIC Y Pwyllgor i dderbyn copi o'r adroddiad yn dilyn yr Adolygiad Annibynnol o systemau a phrosesau Caffael AaGIC. 	Cyfarwyddwr Cyllid	Hydref 2020	Eitem a ychwanegwyd at agenda'r Pwyllgor ym mis Hydref.
AAC: 27/10/2.10	Datganiadau o Fuddiant – Adolygiad o Arferion o fewn sefydliadau eraill			
	<ul style="list-style-type: none"> Y Pwyllgor i gael adborth o'r adolygiad 'ôl-weithredol' o'r eitemau hynny yr adroddwyd yn yr Adroddiad Cydymffurfio â Chaffael fel rhai 'heb eu cymeradwyo' mewn perthynas ag unrhyw wrthdaro buddiannau. 	Pennaeth Caffael	I'w Gadarnhau	Yng ngoleuni Pandemig Coronafeirws, bydd yr adolygiad hwn yn cael ei gynnal unwaith y bydd 'busnes fel arfer' wedi aildechrau.
AAC: 01/04/3.1	Disgwyliadau Gafael a Rheoli Llywodraeth Cymru			
	<ul style="list-style-type: none"> Bydd unrhyw gynigion arfer da i'w mabwysiadu gan AaGIC yn cael eu cyflwyno mewn cyfarfod o'r Pwyllgor yn y dyfodol. 	Cyfarwyddwr Cyllid	I'w Gadarnhau	Mae'r Cynigion Arfer Da yn cael eu hadolygu. Bydd unrhyw angen ei fabwysiadu yn cael ei ychwanegu at Flaen raglen Waith y Pwyllgor yn ôl y gofyn i'w hystyried.



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Cymru (AaGIC)
Health Education and
Improvement Wales (HEIW)

Eitem Agenda: 1.5

Cyfeirnod Munudau	Camau y cytunwyd arnynt	Arweinydd	Dyddiad Targed	Cynnydd/ Cwblhau
AAC: 26/05/2.2	Datganiad Llywodraethu Blynyddol Drafft			
	<ul style="list-style-type: none"> Cynllun gweithredu i'w ddatblygu a'r Pwyllgor i fonitro cynnydd y camau gweithredu o fewn yr AGS. 	Ysgrifennydd y Bwrdd	Hydref 2020	Eitem ar agenda'r Pwyllgor ar gyfer mis Hydref 2020.
AAC: 26/05/3.1.1	Rhaglen Waith Archwilio Cymru			
	<ul style="list-style-type: none"> Cyflwynir Adroddiad Cenedlaethol Llesiant Cenedlaethau'r Dyfodol i'r Pwyllgor yn hydref 2020. 	Ysgrifennydd y Bwrdd	Hydref 2020	Eitem ar agenda'r Pwyllgor ar gyfer mis Hydref 2020.
	<ul style="list-style-type: none"> Cyflwynir Adroddiad Cenedlaethol Llesiant Cenedlaethau'r Dyfodol i'r Bwrdd yn hydref 2020. 	Ysgrifennydd y Bwrdd	Hydref 2020	Yn ychwanegol at Flaen raglen Waith y Bwrdd ar gyfer mis Hydref 2020.
AAC: 23/06/2.1.1	Adroddiad Gwrth-dwyll Archwilio Cymru			
	<ul style="list-style-type: none"> Adroddiad cenedlaethol Archwilio Cymru ar drefniadau Gwrth-dwyll yng Nghymru i'w ystyried ym Mhwyllgor mis Hydref; 	Archwilio Cymru	Hydref 2020	Eitem ar agenda'r Pwyllgor ar gyfer mis Hydref 2020
AAC: 16/07/2.1	Y Gyfarwyddiaeth Feddygol ESR Cydydffurfio â Hyfforddiant Gorfodol a PADR			
	<ul style="list-style-type: none"> Mae'r archwilwyr mewnol a/neu allanol, fel rhan o'u gwaith archwilio, yn adolygu a yw'r system ESR yn addas at ddibenion AaGIC at gofnodi hyfforddiant statudol a gorfodol i'r staff hynny sy'n gweithio mewn mwy nag un sefydliad GIG. 	Archwilio Cymru/ Archwilio Mewnol	Amh	Mae Tîm Gwybodaeth am y Gweithlu AaGIC wrthi'n gweithio gyda NWSSP i alluogi dyblygu cofnod hyfforddiant cymhwysedd presennol ESR ar gyfer aelodau presennol a nodwyd o staff AaGIC sydd hefyd yn gweithio mewn sefydliad GIG Cymru arall. Ar gyfer man cychwyn newydd sy'n dal mwy nag un rôl mewn sefydliad GIG Cymru arall, caiff cofnod hyfforddiant cymhwysedd presennol yr ESR ei

Cyfeirnod Munudau	Camau y cytunwyd arnynt	Arweinydd	Dyddiad Targed	Cynnydd/ Cwblhau
				ddyblygu ar draws systemau'r ESR yn sefydliadau GIG Cymru ar ddechrau'r AaGIC.
AAC: 16/07/2.2	Adroddiad Cynnydd Gwrth-dwyll			
	<ul style="list-style-type: none"> Rhoddir gwybod i'r Cyfarwyddwr Cyllid am y nifer sy'n manteisio ar sesiynau ymwybyddiaeth twyll a fynychwyd gan Gwrth-dwyll yn AaGIC 	Rheolwr Gwrth-dwyll	Parhaus	Hyd yma, cynhaliwyd un (1) cyflwyniad Ymsefydlu Corfforaethol ynghyd ag un ar ddeg (11) o gyflwyniadau pellach i gyfanswm o 130 o staff HEIW. Trefnwyd nifer o gyflwyniadau tebyg eraill i'w cynnal dros y misoedd nesaf drwy'r gwahanol lwyfannau meddalwedd (Tîmau Microsoft, Nesáu ac ati).
	<ul style="list-style-type: none"> Y Pwyllgor i gael adborth gan y Fenter Twyll Genedlaethol ar gyfer 2020/2021 mewn cyfarfod o'r Pwyllgor yn y dyfodol. 	Cyfarwyddwr Cyllid	Parhaus	Dyma'r amserlen ar gyfer Fenter 2020/21: <ul style="list-style-type: none"> Data i'w gyflwyno i'r Fenter gan NWSSP ar ein rhan – Disgwyllir 9 Hydref 2020 Paru Data'r Fenter ar gael i'w hadolygu – O 28 Ionawr 2021 Anelu at adolygu gemau'n llawn – 31 Mawrth 2021. Adroddir ar gynnydd drwy adroddiadau cynnydd rheolaidd y Pwyllgor.
AAC: 16/07/2.3	Adroddiad Cynnydd yr Archwiliad Mewnol			
	<ul style="list-style-type: none"> Cyflwynir yr adroddiadau mewnol ar gyfer y Trefniadau Llywodraethu yn ystod COVID 19 a'r Monitro Comisiynu Meddygol i Bwyllgor mis Hydref 	Archwilio Mewnol	Hydref 2020	Eitemau ar agenda'r Pwyllgor ar gyfer mis Hydref 2020

Cyfeirnod Munudau	Camau y cytunwyd arnynt	Arweinydd	Dyddiad Targed	Cynnydd/ Cwblhau
	<ul style="list-style-type: none"> Bydd unrhyw ganfyddiadau cynnar o'r Archwiliad Mewnol Monitro Comisiynu Meddygol yn cael eu rhannu â Chadeirydd y Pwyllgor Addysg, Comisiynu ac Ansawdd. 	Cyfarwyddwr Meddygol	Cwblhawyd	Yr adroddiad i'w rhannu â'r Pwyllgor Addysg, Comisiynu ac Ansawdd yn ei gyfarfod ym mis Hydref 2020.
AAC: 16/07/2.4.2	Y wybodaeth ddiweddaraf am Raglen Archwilio Perfformiad y GIG Archwilydd Cyffredinol Cymru			
	<ul style="list-style-type: none"> Archwilio Cymru i rannu unrhyw bwyntiau dysgu perthnasol ar gyfer AaGIC o unrhyw waith archwilio perthnasol a wneir yn lleol ac yn genedlaethol. 	Archwilio Cymru	Parhaus	Bydd Archwilio Cymru yn bwydo unrhyw ddysgu drwy adroddiadau rheolaidd ar gynnydd y Pwyllgor
AAC: 16/07/2.5	Gwerthuso Effeithiolrwydd Pwyllgorau			
	<ul style="list-style-type: none"> Y gwerthusiad i'w dynnu sylw'r Bwrdd fel rhan o Adroddiad Bwrdd Cryno Materion Allweddol Cadeirydd y Pwyllgor. 	Gill Lewis	30 Gorffennaf 2020	Cwblhawyd. Ychwanegwyd y Gwerthusiad fel atodiad i Adroddiad Bwrdd Cryno Materion Allweddol Cadeirydd y Pwyllgor ym mis Gorffennaf.
AAC: 16/07/2.6	Diwygiadau Dros Dro i Reolau Sefydlog AaGIC			
	<ul style="list-style-type: none"> Y diwygiadau dros dro i Reolau Sefydlog AaGIC i'w cyflwyno i'r Bwrdd i'w hystyried ar 30 Gorffennaf 2020. 	Ysgrifennydd y Bwrdd	30 Gorffennaf 2020	Cwblhawyd. Cymeradwyodd y Bwrdd y Diwygiadau Dros Dro ar 30 Gorffennaf 2020.
AAC: 16/07/2.9	Adolygiad o Bolisi Rheoli Risg			
	<ul style="list-style-type: none"> Y Polisi Rheoli Risg i'w argymhell i'r Bwrdd, ar yr un lefel â'r Tîm Gweithredol yn ystyried diwygio'r gynrychiolaeth o'r archwaeth risg o fewn y gofrestr risg. 	Ysgrifennydd y Bwrdd	30 Gorffennaf 2020	Cwblhawyd. Cymeradwyodd y Bwrdd y diwygiadau i'r Polisi Rheoli Risg ar 30 Gorffennaf 2020.

Cyfeirnod Munudau	Camau y cytunwyd arnynt	Arweinydd	Dyddiad Targed	Cynnydd/ Cwblhau
AAC: 16/07/2.10	Olrhain Argymhellion Archwilio			
	<ul style="list-style-type: none"> Argymhellion gwyrdd yr aseswyd eu bod wedi'u cwblhau neu sydd wedi'u cwblhau i'w dileu o'r Tracer. 	Ysgrifennydd y Bwrdd	O fewn 1 mis	Cwblhawyd.
AAC: 16/07/2.12	Adroddiad Archwilio Cymru: Effeithiolrwydd Trefniadau Gwrth-dwyll – AaGIC			
	<ul style="list-style-type: none"> Y Pwyllgor i ystyried yr adroddiad lleol ochr yn ochr â'r adroddiad gwrth-dwyll cenedlaethol ym Mhwyllgor mis Hydref. 	Archwilio Cymru	Hydref 2020	Eitem ar agenda'r Pwyllgor ar gyfer mis Hydref 2020
AAC: 16/07/3.1	Adroddiad Blynnyddol y Pwyllgor Addysg, Comisiynu ac Ansawdd 2019/2020			
	<ul style="list-style-type: none"> Anfon unrhyw sylwadau ar yr adroddiad at Gadeirydd y Pwyllgor Addysg, Comisiynu ac Ansawdd o fewn yr wythnos nesaf. 	Pawb	O fewn 1 wythnos	Cwblhawyd.
AAC: 16/07/3.2	Asesiad Gwybodaeth Strategol NHSCFA 2020 ar gyfer 2018-2019			
	<ul style="list-style-type: none"> Adroddiad ar y meysydd a nodwyd sy'n berthnasol i CUGCC, gan gynnwys enghreifftiau o achosion, i'w gyflwyno ym Mhwyllgor mis Hydref. 	Pennaeth Gwrth-dwyll	Hydref 2020	Eitem ar agenda'r Pwyllgor ar gyfer mis Hydref 2020

GIG CYMRU

Addysg a Gwella lechyd Cymru

Y Pwyllgor Archwilio a Sicrwydd 20 Hydref 2020
Y Wybodaeth Ddiweddaraf am Atal Twyll

Craig Greenstock
Rheolwr Gwrth-dwyll
Bwrdd lechyd Prifysgol Caerdydd a'r Fro

Y PWYLLGOR ARCHWILIO 20 Hydref 2020

Y WYBODAETH DDIWEDDARAF AM ATAL TWYLL

- 1. Cyflwyniad**
- 2. Y Wybodaeth Ddiweddaraf am yr Achos**
- 3. Cynnydd a Materion Cyffredinol**
- 4. Atodiad 1 - Crynodeb o'r Cynllun**

Datganiad Cenhadaeth

Darparu Gwasanaeth Gwrth Dwyll GIG o ansawdd uchel i AaGIC, sy'n sicrhau yr ymchwilir i unrhyw adroddiad twyll yn unol â'r Cyfarwyddiadau ar gyfer Gwrthsefyll Twyll yn y GIG a bod pob ymchwiliad o'r fath yn cael ei gynnal mewn modd proffesiynol, tryloyw a chost-effeithiol.

1. CYFLWYNIAD

1.1 Yn unol â'r Cyfarwyddiadau ar Atal Twyll yn y GIG, mae'n ofynnol i Atal Twyll roi'r wybodaeth ddiweddaraf i'r Pwyllgor Archwilio a Sicrwydd am y gwaith sydd wedi'i wneud yn erbyn y cynllun gwaith y cytunwyd arno.

Mae'r diweddariad hwn yn rhoi'r wybodaeth ddiweddaraf i'r Pwyllgor Archwilio am 30 Medi 2020.

2. Y WYBODAETH DDIWEDDARAF AM YR ACHOS CYFREDOL

2.1 Ar 30 Medi 2020, treuliwyd cyfanswm o **25** diwrnod ar waith gwrth-dwyll o fewn AaGIC a manylir ar ddadansoddiad o'r gwaith hwn yn **Atodiad 1**.

2.2 Ar hyn o bryd, mae un (1) achos yn destun ymchwiliad a rhoddir diweddariad llafar ar y cynnydd a wnaed hyd yma i'r Pwyllgor Archwilio.

3. CYNNYDD A MATERION CYFFREDINOL

3.1 Cyflwyniadau Ymwybyddiaeth Twyll

Fel y cynghorwyd yn flaenorol ac oherwydd cyfyngiadau COVID-19, nid oeddem wedi gallu cynnal unrhyw sesiynau ymwybyddiaeth staff Gwrth-dwyll tan yn ddiweddar. Fodd bynnag, ers cyfarfod diwethaf yr AAC, mae cyfanswm o ddeuddeg (12) o sesiynau ymwybyddiaeth, gyda thros 130 o staff AaGIC, bellach wedi'u cynnal fel y nodir isod a chyda nifer o sesiynau eraill hefyd wedi'u trefnu ar gyfer y misoedd nesaf:

- Gweithlu a Datblygu Sefydiadol, Cynllunio a Digidol
- Ymsefydlu Corfforaethol
- Tîm Nyrsio AaGIC
- Tîm Moderneiddio'r Gweithlu
- Cyfarfod Datblygu'r Bwrdd
- Fferyllfa x 3
- Deoniaeth Feddygol x 2
- Yr Iaith Gymraeg a Llywodraethu Corfforaethol
- Uned Gymorth Aiddilysu

3.2 Menter Twyll Cenedlaethol 2020/21

Yn dilyn ymholiadau a wnaed gydag Archwilydd Cyffredinol Cymru ynghylch a oedd yn ofynnol cynnwys AaGIC a chymryd rhan ym mhoses y Fenter 2020-21, mae hyn wedi'i gadarnhau ers hynny ac mae cyfrif NFI unigol ar gyfer AaGIC bellach wedi'i sefydlu.

Mae'r Fenter wedi'i chynllunio i helpu Cyrff Cyhoeddus i adeiladu eu gallu i ganfod twyll drwy baru data ar lefel genedlaethol gan fod twyll yn drosedd amrywiol sy'n esblygu.

Mewn perthynas â'r gofyniad ar AaGIC i gyflwyno'r data gofynnol, gwnaed trefniadau gyda Phartneriaeth Cydwasanaethau GIG Cymru (h.y. Caffael a Chyflogres) er mwyn sicrhau bod y data gofynnol ar gael ac yn y fformat gofynnol i fodloni'r terfynau amser. Yn ogystal, mae Hysbysiadau Prosesu Teg hefyd wedi'u cynnwys ar slipiau cyflog staff i wneud staff AaGIC yn ymwybodol, fel sy'n ofynnol, bod eu data personol yn cael ei rannu yn y fformat hwn.

Mae'r amserlen bresennol, ar gyfer Fenter Genedlaethol 2020-21, fel a ganlyn:

Gweithgarwch	Dyddiad
Cyflwyno ffurflenni cydymffurfio hysbysiad preifatrwydd	Erbyn 25 Medi 2020
Dethol/cyflwyno data NFI 2020/21	9 Hydref 2020
Dyddiad cau ar gyfer cyflwyno data	1 Rhagfyr 2020
2020/21 uniad ar gael	O 31 Ionawr 2021

DADANSODDIAD O'R CYNLLUN GWRTH DWYLL 2020/21

MAES GWAITH	Cynllunio Dyddiau	Diwrnodau hyd yma
Gofynion Cyffredinol		
Presenoldeb LCFS yng Nghyfarfodydd Cymru Gyfan	1	0
Cynllunio/Paratoi Adroddiad Blynnyddol a Rhaglen Waith	1	0.5
Cynhyrchu Adroddiadau a phresenoldeb mewn Archwiliad a Sicrwydd	4	2
Cysylltu â'r Gronfa, CFA y GIG, Llywodraeth Cymru	0	0
Offeryn Hunan-Adolygu (SRT) ac Asesiad Sicrwydd Ansawdd	1	1
Gweithgaredd Blynnyddol		
Creu Diwylliant Gwrth-dwyll	2	1
Cyflwyniadau, Briffiau, Cylchlythyrau ac ati.	15	8
Digwyddiadau Ymwybyddiaeth Twyll	0	0
Atal		
Adolygu/datblygu Polisiâu/Strategaethau	2	0.5
Atal		
Lleihau'r cyfleoedd i dwyll a Llygredigaeth ddigwydd.	0	0
Canfod		
Ymarferion Rhagweithiol Cenedlaethol (e.e. Caffael)	2	0.5
Menter Twyll Cenedlaethol 2020/21	4	2
Ymchwilio, Sancsiynau ac lawndal		
Ymchwilio i unrhyw achosion honedig o dwyll	15	9
Sicrhau bod Sancsiynau'n cael eu cymhwyso i achosion fel y bo'n briodol	1	0
Ceisio iawndal, lle profwyd bod twyll wedi digwydd	2	0.5
CYFANSWM GWELLA ADDYSG IECHYD CYMRU	50	25



GIG
CYMRU
NHS
WALES

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

Dyddiad y Cyfarfod	20 Hydref 2020	Eitem ar yr Agenda	2.2
Teitl yr Adroddiad	Adroddiadau Archwilio Cymru		
Awdur yr Adroddiad	Anne-Marie Harkin, Clare James, Helen Goddard		
Noddwr yr Adroddiad	Eifion Williams		
Cyflwynwyd gan	Anne-Marie Harkin, Clare James, Helen Goddard		
Rhyddid Gwybodaeth	Agored		
Diben yr Adroddiadau	Mae'r adroddiad yn rhoi'r wybodaeth ddiweddaraf i Bwyllgor Archwilio a Sicrwydd Addysg a Gwella Iechyd Cymru (AaGIC) am waith presennol ac arfaethedig Archwilio Cymru. Ystyrir gwaith archwilio ariannol a pherfformiad, a darperir gwybodaeth hefyd am raglen waith ehangach yr Archwilydd Cyffredinol lle y gallent fod o ddiddordeb neu berthnasedd.		
Materion Allweddol	Cynhwysir pum adroddiad: <ul style="list-style-type: none"> • Y wybodaeth ddiweddaraf gan y Pwyllgor Archwilio a Sicrwydd; • 'Codi Ein Gêm' Mynd i'r Afael â Thwyll yng Nghymru - Adroddiad Archwilydd Cyffredinol Cymru a gyhoeddwyd ym mis Gorffennaf 2020; • Effeithiolrwydd Trefniadau Gwrth-dwyll – Addysg a Gwella Iechyd Cymru; • Adroddiad Cenedlaethau'r Dyfodol 2020; • Asesiad Strwythuredig 2020. 		
Camau Penodol i'w Cymryd (un ✓ yn unig)	Gwybodaeth	Trafodaeth	Sicrwydd
			✓
Argymhellion	Gofynnir i'r Aelodau nodi:: <ul style="list-style-type: none"> • Y wybodaeth ddiweddaraf gan y Pwyllgor Archwilio a Sicrwydd; • 'Codi Ein Gêm' Mynd i'r Afael â Thwyll yng Nghymru - Adroddiad Archwilydd Cyffredinol Cymru a gyhoeddwyd ym mis Gorffennaf 2020; • Effeithiolrwydd Trefniadau Gwrth-dwyll – Addysg a Gwella Iechyd Cymru; • Adroddiad Cenedlaethau'r Dyfodol 2020; • Asesiad Strwythuredig 2020. 		

Audit and Assurance Committee Update – Health Education and Improvement Wales

Date issued: October 2020

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Audit and Assurance Committee Update

About this document

- 1 This document provides the Audit and Assurance Committee with an update on current and planned Audit Wales work. Accounts and performance audit work are considered, and information is also provided on the Auditor General's wider programme of national value-for-money examinations and the work of our Good Practice Exchange (GPX).

Accounts audit update

- 2 **Exhibit 1** summarises the status of our key accounts audit work to be reported during 2020-21.

Exhibit 1 – Accounts audit work

Area of work	Current status
Annual Accounts 2019-20	<p>Complete</p> <p>We presented our Audit of Accounts Report to the Audit and Assurance Committee on 23 June 2020. We reported that:</p> <ul style="list-style-type: none">• There were no non-trivial misstatements identified in the accounts which remained uncorrected;• There was no need to correct any misstatements as a result of our audit work;• We summarised the more significant disclosure amendments to the draft accounts;• No significant issues arose from our audit; and• We proposed an unqualified audit report. <p>We reported one recommendation arising from our audit to ensure that delegated limits are in place for the approval of material in-year budget virements. Management accepted this recommendation and agreed to review and revise the Budgetary Control Procedure (FCP 1) by October 2020.</p> <p>HEIW Board approved the Accountability Report and Accounts 2019-20 on 25 June 2020.</p> <p>The Auditor General certified the Accountability Report and Accounts 2019-20 on 2 July 2020 and laid them at the Senedd on 3 July 2020.</p>

Area of work	Current status
Annual Accounts 2020-21	<p>Ongoing</p> <p>Quarterly meetings with the Chair, Chief Executive and Chair of the Audit and Assurance Committee have continued throughout the period.</p> <p>Ann-Marie Harkin will be the Engagement Director from October 2020, replacing Mike Usher due to his retirement.</p> <p>We will commence our audit planning and risk assessment for 2020-21 annual accounts in December 2020.</p>

Performance audit update

- The following tables set out the performance audit work included in our current and previous Audit Plans, summarising:
 - work that is currently underway (**Exhibit 2**); and
 - planned work not yet started (**Exhibit 3**).
- We also provided a local report for HEIW (on this Committee's Agenda) from the work we undertook as part of our national study 'Raising Our Game – Tackling Fraud in Wales' (see **Exhibit 4**).

Exhibit 2 – Work currently underway

Topic and relevant Executive Lead	Focus of the work	Current status and Audit and Assurance Committee consideration
<p>Structured Assessment</p> <p>Executive Lead: Dafydd Bebb, Board Secretary</p>	<p>The work focused on corporate arrangements to ensure the efficient, effective and economical use of resources. Our work this year was designed in the context of the on-going response to the pandemic and focused on three themes:</p> <ul style="list-style-type: none"> - governance arrangements; - managing financial resources; and 	<p>The report is currently in final clearance with management responses outstanding.</p>

Topic and relevant Executive Lead	Focus of the work	Current status and Audit and Assurance Committee consideration
	- operational planning to support the continued response to the pandemic balanced against the provision of other essential services.	

Exhibit 3 – Planned work not yet started

Topic and relevant Executive Lead	Focus of the work	Current status and Audit and Assurance Committee consideration
Local Project: to be confirmed Executive Lead: to be confirmed	To be confirmed	In development

Good Practice events and products

- 5 In addition to the audit work set out above, we continue to seek opportunities for finding and sharing good practice from all-Wales audit work through our forward planning, programme design and good practice research.
- 6 Details of past and future events are available on the [GPX website](#).
- 7 In response to the Covid-19 pandemic, we have established a **Covid-19 Learning Project** to support public sector efforts by sharing learning through the pandemic. This is not an audit project; it is intended to help prompt some thinking, and hopefully support the exchange of practice. We have produced a number of outputs as part of the project which are relevant to the NHS, the details of which are available [here](#).

NHS-related national studies and related products

- 8 The Audit and Assurance Committee may also be interested in the Auditor General's wider programme of national value for money studies, some of which focus on the NHS and pan-public-sector topics. These studies are typically funded through the Welsh Consolidated Fund and are presented to the Public Accounts Committee to support its scrutiny of public expenditure.
- 9 **Exhibit 4** provides information on the NHS-related work or relevant national studies published in the last three months. It also includes all-Wales summaries of work undertaken locally in the NHS.

Exhibit 4 – NHS-related work, relevant studies and all-Wales summary reports

Title	Commentary and link
<p>'Raising our Game' – Tackling Fraud in Wales</p>	<p>This July 2020 <u>report</u> identified a range of opportunities to improve on the current national position, including:</p> <ul style="list-style-type: none"> • strengthening strategic leadership, coordination and oversight for counter-fraud across the Welsh public sector; • increasing counter-fraud capacity and capabilities, especially across local government, and exploring the potential for sharing resources and expertise across public bodies; • getting the right balance between proactive and reactive counter-fraud activities; • improving awareness-raising and staff training in counter-fraud; and • better evaluation of fraud risks and sharing of fraud information, both within and across sectors. <p>The report made recommendations for public bodies and recommended the Welsh Government enhance its strategic leadership of counter-fraud across the public service in Wales, playing a coordinating role where it can, while recognising that individual bodies remain responsible for their own counter-fraud activities. The Auditor General's foreword welcomed the fact that, following our earlier June 2019 <u>report</u>, the Permanent Secretary had already given a commitment to provide Wales-wide leadership in raising the profile of counter-fraud activity.</p>

Title	Commentary and link
<p>NHS finances:</p> <ul style="list-style-type: none"> • Finances data tool update • NHS summarised accounts infographic • Agency staffing data tool update 	<p>In early July we issued a press release to draw attention to our <u>updated NHS finances data tool</u> after we completed our audits of individual NHS bodies' accounts. Four of the seven health boards in Wales once again failed to meet their financial duty to break-even over a three-year period. Across NHS Wales, the total in-year deficit fell from £96 million in 2018-19 to £89 million. The three-year cumulative over-spend across the NHS reduced from £411 million to £352 million.</p> <p>The Welsh Government increased its revenue spending on health by £650 million for 2019-20. Once inflation is factored in, that translated to a 6.8% increase in real terms. However, this extra funding included several one-off allocations for specific services, rather than a general increase for the day-to-day running of the NHS.</p> <p>In late August, we published a new <u>web-based infographic on the NHS (Wales) summarised accounts for 2019-20</u>.</p> <p>We have also recently updated our <u>NHS agency staffing expenditure data tool</u> (to include 2019-20 year-end data).</p>
<p>10 Opportunities for Resetting and Restarting the NHS Planned Care System</p>	<p>At the time the UK went into lockdown, we were concluding our work to follow up progress against our 2015 reports on waiting times for elective care and orthopaedic services. Across both studies we had found the same story: many patients still face long waiting times. Some progress has been made in specific areas, but we have not seen the sorts of whole system change that is needed to make the planned care system sustainable.</p> <p>We reframed the findings and key messages from both reviews to inform the emerging plans for restarting planned care and the wider discussions on what a post COVID-19 NHS needs to look like. In this September 2020 <u>report</u> we presented ten key opportunities – five longer-term opportunities to reset the system and five immediate opportunities to restart the system.</p>
<p>Cracking the Code: Management of Clinical Coding Across Wales</p>	<p>Our September 2020 <u>report</u> drew on our local audit work to highlight the current challenges and opportunities for clinical coding, including the potential to use COVID-19 related changes to working practices to secure new and more sustainable ways of delivering coding work.</p>

Title	Commentary and link
	<p>Over the last six years, there have been improvements in the timeliness and accuracy of clinical coding data. However, there are backlogs of uncoded activity in some parts of Wales which can date back several years. The current target of a one-month turnaround time does not support the availability of clinical coded data on a close to real-time basis, something which has been shown to bring significant benefits in helping to understand patterns of demand on hospital services during the current pandemic.</p> <p>Our audit work has shown that clinical coding continues to have a low profile at board level and that current arrangements could be enhanced by critically examining the level of investment in coding resources, by ensuring the availability of good quality source information for coders and by increasing the extent to which medical staff are engaged in the coding process.</p>
<p>The refurbishment of Ysbyty Glan Clwyd</p>	<p>Our September 2020 <u>report</u> sets out the key factors contributing to the significant increase in the cost of this project.</p> <p>Following two asbestos-related incidents in 2010, work to refurbish Ysbyty Glan Clwyd hospital became more urgent. The complex process of stripping asbestos and removing some 300,000 tonnes of contaminated waste from the site of a 'live' working hospital was successfully completed in 2019, only a few months later than planned, but at a cost of over £60 million more than the original budget.</p>
<p>Better law making: the implementation challenge</p>	<p>This September 2020 <u>report</u> highlighted some important common issues emerging from five of our previous reports that had each considered some of the challenges for local authorities – and other public bodies – in implementing new legislation. The report acknowledged that the Welsh Government has sought to improve how it develops legislation since the five Acts that were covered by our previous work.</p> <p>Drawing on our previous audit findings, the report emphasised the importance of four key considerations:</p> <ul style="list-style-type: none"> • How can public bodies implement the legislation? • What additional resources are needed to support implementation?

Title	Commentary and link
	<ul style="list-style-type: none"> • What guidance is needed by when? • How do the requirements of the legislation align with other requirements placed on public bodies?
Rough Sleeping in Wales – Everyone’s Problem; No One’s Responsibility	<p>Following our October 2019 report on public service boards, this further phase of our work looked at how public bodies were working together to address rough sleeping.</p> <p>Our July 2020 report concluded that responding to COVID-19 is an opportunity for public bodies to start addressing long standing weaknesses in partnership working which has stopped them from tackling rough sleeping in the past. Our report includes a self-assessment for public bodies to use to help formulate their response and we produced a data tool to help identify where they need to focus prevention work in the future to help people with complex needs in the long-term.</p>



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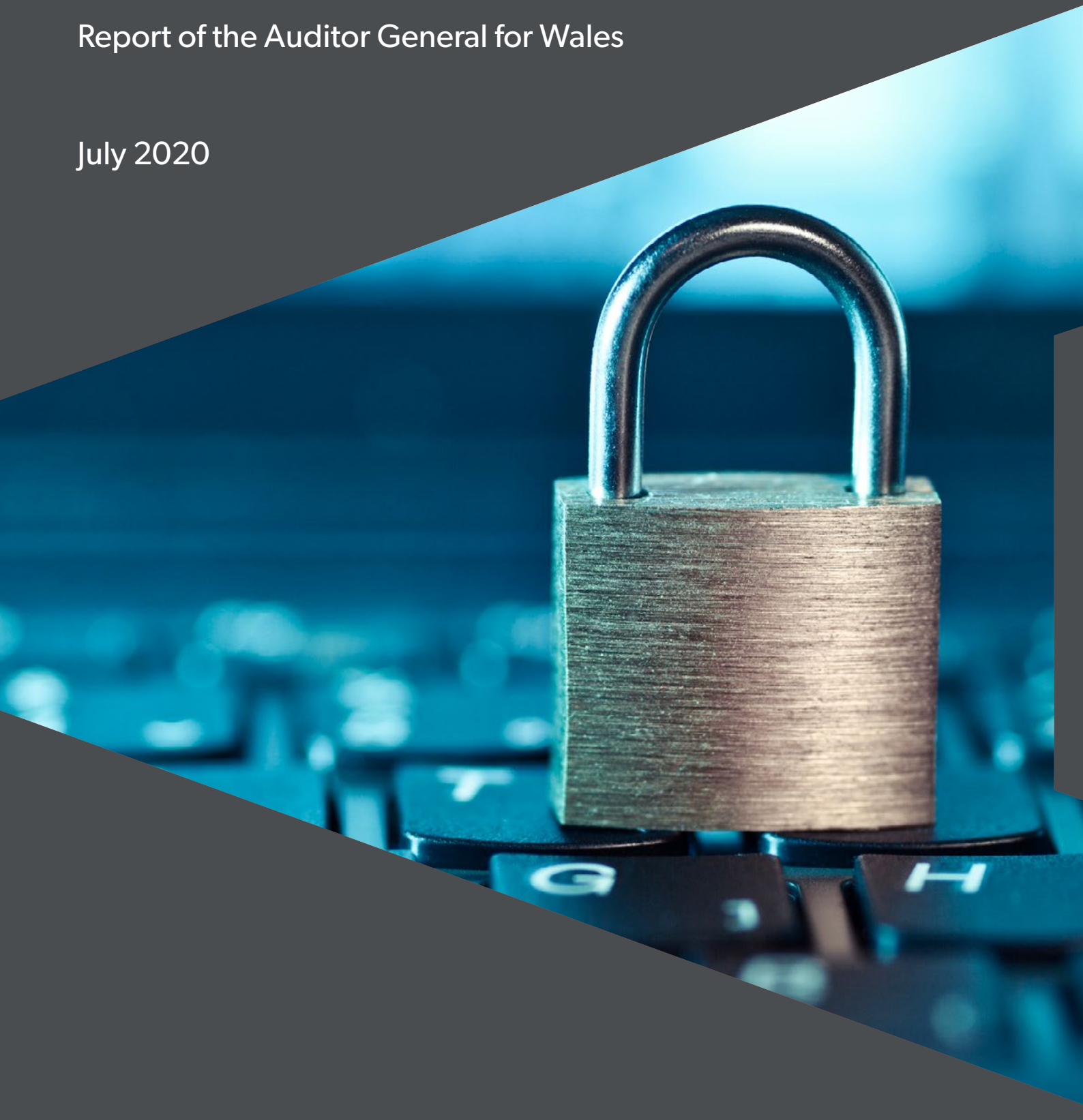
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'Raising Our Game'

Tackling Fraud in Wales

Report of the Auditor General for Wales

July 2020



This report has been prepared for presentation to the Senedd under the Government of Wales Acts 1998 and 2006 and the Public Audit (Wales) Act 2004.

The Audit Wales study team comprised Rachel Davies, Christine Nash and Ian Hughes, under the direction of Mike Usher.

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Mae'r ddogfen hon hefyd ar gael yn Gymraeg.

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Foreword by the Auditor General

- 1 In June 2019, I published a report giving an overview of the scale of fraud in the Welsh public sector, together with a description of counter-fraud arrangements across the Welsh Government, the NHS and Local Government. I noted that the sums lost annually in Wales to fraud and error are significant – and could be anywhere between £100 million and £1 billion. The Crime Survey for England and Wales recognises fraud as being one of the most prevalent crimes in society today.
- 2 However, some senior public sector leaders are sceptical about the levels of fraud within their organisations. As a result, they are reluctant to invest in counter-fraud arrangements and assign a low priority to investigating cases of potential fraud identified to them by the National Fraud Initiative, even though there are many examples of a good return on investment in this area. Their stance runs contrary to all the research being done by recognised leaders in the field such as CIPFA and the UK Government's Counter Fraud Function. This latest report, which examines the effectiveness of counter-fraud arrangements at over 40 public-sector bodies in Wales, has found that where such scepticism arises, it is not based on any significant local counter-fraud work or robust fraud risk assessments.
- 3 But we also know that fraudsters appear the very instant that an opportunity presents itself. Fifteen individuals have to date been jailed for fraud in the light of the Grenfell fire tragedy. Fraudsters and scammers were quickly on the scene earlier this year whilst the flooding in South Wales was ruining the homes and lives of local people. There has been an explosion in fraudulent activity, and especially in cyber crime, during the current COVID-19 pandemic. I welcome the proactive steps which the Welsh Government has taken to raise awareness across the public sector in Wales about this risk.

- 4 Public sector bodies can mitigate these risks by having the right organisational culture supported by strong counter-fraud arrangements. Many local authorities have invested so little in counter-fraud arrangements that they have only a few of the key components in place. Whilst the position is generally much more robust across the NHS in Wales, there is still a challenging agenda to make counter-fraud fit for the next decade where globalisation and the advent of digital technology have created new risks, and opportunities, for the fraudsters.
- 5 I was heartened to see the Welsh Government's positive response to my 2019 report and, following the one-day conference organised by the Public Accounts Committee in July 2019, the Permanent Secretary's commitment (see **Appendix 2**) to provide Wales-wide leadership in raising the profile of counter-fraud activity.
- 6 In this latest report, based on a more extensive programme of field work, we identify a significant range of further opportunities to improve on the current national position, including:
 - a strengthening strategic leadership, coordination and oversight for counter-fraud across the Welsh public sector;
 - b increasing counter-fraud capacity and capabilities, especially across local government, and exploring the potential for sharing resources and expertise across public bodies;
 - c getting the right balance between proactive and reactive counter-fraud activities;
 - d improving awareness-raising and staff training in counter-fraud; and
 - e better evaluation of fraud risks and sharing of fraud information, both within and across sectors.
- 7 There is also significant potential for Wales to take advantage, where appropriate, of many of the counter-fraud initiatives underway across the wider UK public sector. These include the recent establishment of a recognised government counter-fraud profession, with defined competencies and career paths, and the increasing focus on tackling fraud by smarter use of data analytics.

- 8 As I publish this report, Wales continues to grapple with the effects of the COVID-19 pandemic. This report contains a timely illustration of some of the ways in which fraudsters have moved rapidly in recent months to exploit the pandemic for criminal gain. I have already taken steps to extend the scope of our National Fraud Initiative (NFI) to enable local authorities in Wales to undertake eligibility checks on applications for COVID-19 support grants. I am also proposing to mandate that all local authorities, together with the Welsh Government, should submit COVID-19 grant and payment data to the NFI, to help identify fraudulent applications.



Adrian Crompton

Auditor General for Wales



Summary and recommendations

Ensuring that the arrangements for preventing and detecting fraud in the Welsh public sector are effective

This report examines seven '**key themes**' that all public bodies need to focus on in raising their game to tackle fraud more effectively:

- leadership and culture;
- risk management and control frameworks;
- policies and training;
- capacity and expertise;
- tools and data;
- collaboration; and
- reporting and scrutiny.

For each theme in turn, the report examines:

- why it is important;
- what our audit fieldwork identified in terms of current working practices and their effectiveness across the 40 Welsh public sector bodies that we examined (listed in **Appendix 1**); and
- what needs to happen next to generate improvement.

Our **recommendations for improvement** which are addressed to all public bodies in Wales within the Auditor General's remit, are as follows:

Theme

What needs to happen next?

Leadership and Culture



- R1** The Welsh Government should enhance its strategic leadership of counter-fraud across the public service in Wales, playing a coordinating role where it can, while recognising that individual bodies remain responsible for their own counter-fraud activities.
- R2** All public bodies should champion the importance of a good anti-fraud culture and actively promote its importance to give confidence to staff and members of the public that fraud is not tolerated.

Risk management and Control framework



- R3** All public bodies should undertake comprehensive fraud risk assessments, using appropriately skilled staff and considering national intelligence as well as organisation-specific intelligence.
- R4** Fraud risk assessments should be used as a live resource and integrated within the general risk management framework to ensure that these risks are appropriately managed and escalated as necessary.

Policies and Training



- R5** All public bodies need to have a comprehensive and up-to-date set of policies and procedures which together represent a cohesive strategy for identifying, managing and responding to fraud risks.
- R6** Staff working across the Welsh public sector should receive fraud awareness training as appropriate to their role in order to increase organisational effectiveness in preventing, detecting and responding to fraud.
- R7** Cases where fraud is identified and successfully addressed should be publicised to re-enforce a robust message from the top that fraud will not be tolerated.

Theme

Capacity and Expertise



What needs to happen next?

- R8** All public bodies need to build sufficient capacity to ensure that counter-fraud work is resourced effectively, so that investigations are undertaken professionally and in a manner that results in successful sanctions against the perpetrators and the recovery of losses.
- R9** All public bodies should have access to trained counter-fraud staff that meet recognised professional standards.
- R10** All public bodies should consider models adopted elsewhere in the UK relating to the pooling /sharing of resources in order to maximise the availability of appropriately skilled staff.

Tools and Data



- R11** All public bodies need to develop and maintain dynamic and agile counter-fraud responses which maximise the likelihood of a successful enforcement action and re-enforces the tone from the top that the organisation does not tolerate fraud.
- R12** All public bodies should explore and embrace opportunities to innovate with data analytics in order to strengthen both the prevention and detection of fraud.

Collaboration

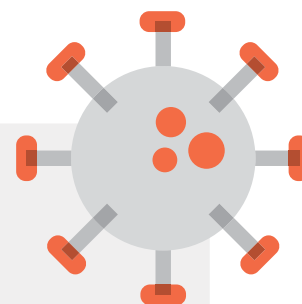


- R13** Public bodies should work together, under the Digital Economy Act and using developments in data analytics, to share data and information to help find and fight fraud.

Reporting and Scrutiny



- R14** Public bodies need to collate information about losses and recoveries and share fraud intelligence with each other to establish a more accurate national picture, strengthen controls, and enhance monitoring and support targeted action.
- R15** Audit committees must become fully engaged with counter-fraud, providing support and direction, monitoring and holding officials to account.



The COVID-19 pandemic: a case study in how scammers and fraudsters are ready to exploit a crisis

We know from experience that fraudsters appear the very instant that an opportunity presents itself. Fifteen individuals have to date been jailed for fraud in the light of the Grenfell fire tragedy. Fraudsters and scammers were quickly on the scene earlier this year whilst the flooding in South Wales was ruining the homes and lives of local people.

Predictably, there has been an explosion in fraudulent activity, and especially in cyber crime, during the current COVID-19 pandemic.

The first reported positive cases of COVID-19 were reported in the UK on 31 January 2020. By this time the fraudsters and scammers had mobilised and were already hard at work.

The first fraud report relating to COVID-19 was received on February 9 by Action Fraud, the UK's fraud reporting centre. Since that time, the number of reports has increased significantly across the UK – the media reporting an unprecedented number of scams linked to the virus.

We have seen examples of good practice by some public bodies and organisations in Wales in identifying the fraud risks and sharing them with other bodies and citizens. The Welsh Government is liaising with the UK Cabinet Office and is sharing its guidance and learning on counter-fraud with the rest of the public service in Wales, including Local Authority Counter Fraud leads. Welsh Government officials have agreed to maintain and develop this group post-COVID. The intelligence obtained from these meetings has also assisted the Head of Counter Fraud with fraud intelligence sharing with Cabinet Office and the three other devolved administration fraud leads.

But has the Welsh public sector response been more reactive than proactive? What can we do better? Whilst globalisation has benefited the fraudsters it can also be to the advantage of counter-fraud specialists; we had early notice of scams from thousands of miles away a few weeks before the first case of COVID-19 was identified in the UK.

The COVID-19 pandemic: a case study in how scammers and fraudsters are ready to exploit a crisis

We believe that the COVID-19 pandemic provides an important opportunity for the Welsh counter-fraud community to come together (by appropriate means) and reflect on the speed and effectiveness of its response to the scammers and fraudsters.

The key issues and recommendations set out in this report could help set an agenda or framework for such an event. There has never been a timelier opportunity for Welsh public sector leaders and counter-fraud specialists to consider how to:

- create stronger strategic leadership, coordination and oversight for counter-fraud across the Welsh public sector;
- make best use of counter-fraud capacity and capabilities and explore the potential for shared arrangements, resources and expertise;
- get a better balance between proactive and reactive counter-fraud activities;
- raise awareness amongst employees and provide the necessary training to those most likely to come across a fraud; and
- evaluate fraud risks more effectively and share fraud information both within and across sectors.

So, what do we already know about the fraudsters' response to the pandemic?

The mobilisation of fraudsters has benefited from a number of factors, for example:

- more people are spending time online to shop and socially interact. Elderly people are seen as particularly vulnerable, being generally less computer literate and more susceptible to scams such as phishing emails and ordering fake products such as face masks and sanitisers.
- working patterns have changed at short notice which can leave weaknesses in processes and procedures.
- an unprecedented amount of public money has been put into a range of new and innovative financial support schemes to businesses and individuals.

The COVID-19 pandemic: a case study in how scammers and fraudsters are ready to exploit a crisis

Fraudsters and scammers mobilised quickly for a number of reasons:

- they are very good at evaluating risks and exploiting vulnerabilities which can be at a process or at an individual level;
- they have well-established tools and methodologies and can adapt them at short notice to a new opportunity; and
- they do not recognise geographical boundaries and can be effective individually and by collaborating with like-minded individuals.

There are more examples of COVID-19 frauds and scams coming to light than can be mentioned here. There are, however, a number of themes emerging:

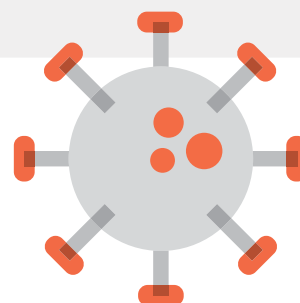
- the early reports related to the sale of Personal Protective Equipment such as face masks and hand sanitiser and testing kits. Typically, the items were fake or often failed to arrive after payment had been made¹.
- the next to emerge were phishing emails. For example, one claiming to be from the Department for Work and Pensions (DWP) asking the individual for debit or credit card details by saying that they are entitled to a council tax refund.
- as the attentions and resources of organisations were diverted to new ways of working and many staff were laid off, the incidence of cyber security attacks to steal business-sensitive and personal data increased.
- with more people working from home following the UK-wide lockdown, phishing campaigns then targeted applications that are being relied upon during remote working, in particular popular conference calling applications and parcel delivery firms.

¹ NHS in Wales introduced arrangements to mitigate against this fraud risk and it did not become an issue.

The COVID-19 pandemic: a case study in how scammers and fraudsters are ready to exploit a crisis

- as the national focus turned to test and track, the fraudster's net became wide and indiscriminate, as shown by a fake text message attempting to dupe people into believing they have been in contact with someone who has tested positive for the virus, directing recipients to a website for more information. The link is then used to harvest personal and financial data.

A world-leading counter-fraud response would mean that counter-fraud specialists had identified the risks at least at the same pace as the fraudsters, if not sooner. It would also mean they had the right tools to prevent and detect fraudsters exploiting any new opportunities; and that the counter-fraud response was mobilised rapidly through effective collaboration and information sharing.





Culture and leadership across the Welsh public sector

01

Why is it important?

- 1.1 The Crime Survey for England and Wales recognises fraud as one of the most prevalent crimes in society today. Every pound stolen from the public sector means that there is less to spend on key services such as health, education and social services. Public sector bodies can mitigate the risks from fraud by having the right organisational culture supported by effective counter-fraud arrangements.
- 1.2 Strong leadership sets the appropriate tone from the top of an organisation and plays a crucial part in fostering a culture of high ethical standards. It is important that senior management leads by example and sends a clear message that fraud will not be tolerated either from inside or outside of the organisation. A strong tone at the top can raise the profile of fraud risks and promote the best standards and approaches in counter-fraud work.

What did we find?

- 1.3 Other than in the NHS there is an absence of any overarching strategic approach, guidance, coordination and oversight.
- 1.4 In NHS Wales, the NHS Counter Fraud Service² provides leadership, specialist investigation skills, support and guidance to the sector and a Counter Fraud Steering Group³ provides strategic direction and oversight. This leadership model delivers a coordinated approach to counter-fraud across the NHS in Wales and a good counter-fraud culture complemented by inbuilt scrutiny of the arrangements. The legal framework specific to the NHS Wales and the levels of investment give counter-fraud a high profile and robust enforcement and recovery mechanisms. At a local level, strategic leadership was evident within Health Boards through the dissemination of a consistent message, both internally and externally, that fraud is not tolerated.

2 Which is hosted by the NHS Wales Shared Services Partnership

3 A sub-group of the All Wales Directors of Finance Forum

- 1.5 Across local authorities there is an absence of sector-wide strategic leadership, guidance, coordination and oversight of counter fraud. Within the individual authorities we found statements espousing a zero tolerance of fraud in policies and strategic documents. But there is much more that can be done to re-enforce the tone from the top at a practical level. We found examples where the leadership team actively promotes the importance of a good anti-fraud culture through awareness campaigns, newsletters to staff and active engagement with counter-fraud teams. But we also found in many authorities that there was little evidence that the message is driven down from the top and little priority is given to counter-fraud work. There were often competing priorities and, as a result, little time was given to counter-fraud and it often had a low profile.
- 1.6 In Central Government, the position is mixed. Within Welsh Government, we found evidence that counter-fraud is taken seriously, and a small team has achieved many successful outcomes, albeit its emphasis leans towards reactive rather than proactive work. We have been encouraged to see that the Welsh Government has accepted both of the recommendations made by the Public Accounts Committee following our first report. However, there remains a leadership gap that still needs to be addressed.
- 1.7 Across the other central government bodies that we examined, counter-fraud is not always given such a high priority. One reason for this appears to be the very low incidence of fraud being identified and reported; this poses the difficult question of whether this is due to a lack of investment in counter-fraud or a genuine low incidence of crime taking place. However, this latter explanation runs contrary to all the research being done by recognised leaders in the field such as CIPFA and the National Crime Agency.

- 1.8 The threat posed by fraud is also getting greater recognition within the UK. The UK government, for example, is working to make central government, and the public sector more widely, a place where fraud is actively found and robustly dealt with. It is transforming its whole approach to counter-fraud by:
- a establishing a counter-fraud function;
 - b developing and launching a Government Functional Standard (GovS013);
 - c establishing a 'Government Counter Fraud Profession' to develop people and increase capability;
 - d providing expert advice to the rest of government on how to deal with fraud;
 - e delivering specialist services to assist public bodies; and
 - f collaborating with overseas governments to bring further expertise to the UK.

What can the Welsh public sector do to improve?

Recommendations

- R1** The Welsh Government should enhance its strategic leadership of counter-fraud across the public service in Wales, playing a co-ordinating role where it can, while recognising that individual bodies remain responsible for their own counter-fraud activities. In doing so it could consider:
- forming strategic partnerships with the key players nationally and internationally;
 - developing and delivering an all Wales counter-fraud strategy and vision;
 - advocating/promoting minimum standards in terms of public sector counter-fraud arrangements similar to those established by the UK Government;
 - elevating the status of counter-fraud staff by recognising counter fraud as a profession with essential competencies;
 - supporting the other sectors by, for example, providing invest-to-save funding opportunities, and supporting the development of professional competencies across the Welsh public sector; and
 - providing timely advice and guidance on 'hot' issues by gathering and disseminating important information and analysing trends.
- R2** All public bodies should champion the importance of a good anti-fraud culture and actively promote its importance to give confidence to staff and members of the public that fraud is not tolerated.



Risk management and control frameworks

02

Why is it important?

- 2.1 Fraudsters are becoming more sophisticated and are evaluating opportunities and risks on a real-time basis. The management and mitigation of risk in public bodies often fails to keep up with changes in the nature and impact of potential fraud. The recent flooding in South Wales created opportunities for scams within days of the floods. Security experts have reported an explosion in fraudulent activity during the COVID-19 outbreak as the pandemic has created a myriad of opportunities for fraudsters (see **Case Study on page 10**).
- 2.2 A fraud risk assessment should be an honest appraisal of risks using a range of sources such as national intelligence, local intelligence, audit reports, brainstorming exercises and data-matching results. Risk assessments should be live documents and kept under constant review. Having identified the risks, bodies can then evaluate them, assessing their likelihood and the impact if the fraud were to occur. It is only when risks are properly identified and evaluated that public bodies can tackle the risks in a prioritised and proportionate way and put appropriate actions and controls in place to manage or mitigate these risks.
- 2.3 It is important that organisations have an effective control framework to help mitigate the risks identified. A strong internal control environment can help to prevent fraud from happening in the first place and detect fraud if an instance has occurred. Fraudsters will try to circumvent established controls and it is important that controls are regularly reviewed. A strong control programme whereby fraudsters are faced with a real prospect of detection helps mitigate the risk. When frauds are discovered, controls should be reviewed to identify weaknesses and introduce improvements. Internal Audit have expertise in designing and testing controls and they should undertake work on key systems on a risk-based approach.

What did we find?

- 2.4 The quality of counter-fraud risk assessment and mitigation varies significantly in the Welsh public sector and there is generally scope to improve their quality and timeliness.
- 2.5 In the NHS, National Fraud Risk Alerts are produced by the NHS Counter Fraud Authority. These are routinely circulated to all Local Counter Fraud Specialists (LCFS) and Directors of Finance across NHS Wales. The LCFS are also required to conduct their own local risk assessments. This is a relatively new requirement and we found that these assessments are still being developed and embedded. The NHS Fighting Fraud Strategy recognises that a key challenge for the sector is the need to develop a comprehensive analysis of specific fraud risks to ensure counter-fraud resources are being directed to the most appropriate areas within the sector. The Counter Fraud Steering group has undertaken an overall risk assessment and produced assurance maps in respect of each main area of fraud. These maps will be used to target area of proactive work.
- 2.6 Our work identified that while some local authorities and central government bodies have undertaken fraud risk assessments, there were many who had not prepared a fraud risk assessment for several years. Some bodies in these sectors did not have a fraud risk assessment and therefore had not properly assessed the likelihood or impact of the risk. Without this key component, bodies cannot direct resources appropriately or adequately mitigate the risks of losses due to fraud. As a result, fraud strategies and work programmes are not particularly useful or relevant as they are not targeting the key areas of risk.
- 2.7 Our work also identified that, even where risk assessments were undertaken, they may not be integrated within the wider risk management framework. Fraud is not commonly reflected in corporate risk registers. We did not find many coordinated mechanisms for ensuring that fraud risks are appropriately communicated, owned and monitored within the audited body. Instead, fraud risk assessments are often held as standalone documents without any corporate ownership or active management of the risk. As a result of this approach, fraud risks are not adequately shared across departments.

- 2.8 We did identify some good practice in the sharing of fraud risks. In response to the Coronavirus pandemic, the Welsh Government issued a fraud risk bulletin early in April 2020, highlighting the emerging risks to the Welsh public sector. Ahead of the Welsh Government's bulletin, the UK Government Counter Fraud Function published its own guide: Fraud Control in Emergency Management – COVID-19 UK Government Guidance. The guide highlights the importance of risk assessment, effective payment verification and due diligence arrangements and the need for robust claw-back arrangements to recover funds that are paid out incorrectly. There were also good examples in local authorities of raising awareness of scams with local residents.
- 2.9 We found that, in general, public bodies across all sectors have internal control frameworks that are well established and internal audit teams test controls as part of their annual programmes of assurance work. However, we found that internal audit teams do not always consider the fraud risks associated with systems as part of their work programmes. Furthermore, where new systems and processes are established, we found that organisations are not always using counter-fraud contacts and internal audit teams to try to design fraud out of systems.

What can the Welsh public sector do to improve?

Recommendations

- R3** All public bodies should undertake comprehensive fraud risk assessments, using appropriately skilled staff and considering national intelligence as well as organisation-specific intelligence.
- R4** Fraud risk assessments should be used as a live resource and integrated within the general risk management framework to ensure that these risks are appropriately managed and escalated as necessary.



Policies and training

03

Why is it important?

- 3.1 A sound policy framework enables organisations to direct their approach to counter-fraud and to promote good ethical behaviour. There should be a suite of policies and procedures in place that set out what is expected and what the consequences are for breaking the rules. Codes of conduct should set out the standards expected of employees and highlight the importance of declaring conflicts of interest and establish rules around gifts and hospitality.
- 3.2 Publicising frauds and the recovery action undertaken, helps to re-enforce the message from the top that fraud will not be tolerated. Publicity can help to discourage wrongdoing by others as it can highlight the damaging repercussions of their actions.
- 3.3 Staff are often the first to notice something irregular or potentially fraudulent and are often the first line of defence in the fight against fraud. These staff need easy access to a good counter-fraud policy and whistleblowing policy so they can be clear about their roles and responsibilities and the process they must follow if they suspect a fraud.
- 3.4 Effective training helps staff interpret policies and codes of conduct, giving them the confidence and skills to report suspected fraud. However, training and awareness-raising campaigns should be kept under continual review and must be linked to the live risk assessments so that new frauds or risks facing public bodies are quickly shared amongst staff and contractors if appropriate.

What did we find?

- 3.5 Generally, we found that public bodies have prepared and approved a range of policies setting out the processes to follow if staff suspect that they have uncovered a fraud. However, we identified that some policies were outdated, some were still in draft form and some were not easily accessible to staff.
- 3.6 Whilst NHS bodies have each developed comprehensive counter-fraud strategies (informed by an over-arching national strategy), we found that only a few other public sector bodies had done so. Such strategies set out clear approaches to managing fraud risks along with responses and actions, they define roles and responsibilities and are cross-referenced to other policies so that they can be readily understood by staff.

- 3.7 The NHS has a policy of proactively publicising successful fraud cases. The NHS Counter Fraud Service does this by issuing press releases and engaging with local media for interviews and promotional opportunities. Publicity helps raise awareness of fraud risks and also deters staff and contractors from committing fraud. By publicising counter-fraud work and raising awareness of the effects of fraud, the NHS involves staff, key stakeholders and the public in the fight against fraud.
- 3.8 We did not identify the same level of proactive publicity work in other sectors. Some local authorities take the view that publicising cases can be reputationally damaging and are therefore reluctant to publish such information. The Welsh Government recognises that more can be done to publicise fraud cases. The very low levels of fraud identified at central government bodies also means there is little publicity that can act as a further deterrent.
- 3.9 Our audit work also identified wide variation in levels of training and awareness-raising specifically relating to counter-fraud across the Welsh public sector. We found that a few public bodies provide fraud awareness training to all their staff. Some others provide training as part of the induction of new staff but do not provide this training for longstanding staff. We found some examples of refresher training sessions and e-learning modules provided for staff, but these are not widespread. There are many bodies that do not provide any counter-fraud training or awareness-raising events.
- 3.10 These findings suggest that there could be a significant proportion of the public sector workforce in Wales who have either received no fraud-awareness training at all or have not received training for several years.
- 3.11 There are good examples of awareness-raising in the NHS where the LCFS has an ongoing work programme to develop and maintain an anti-fraud culture within their health board. These programmes include the preparation of presentations and publications to raise awareness of fraud. There are also examples of LCFS undertaking staff surveys to capture the levels of staff awareness of fraud in order to act if necessary. In addition, the NHS has developed a fraud awareness e learning package for all staff and levels of compliance across organisations is reported the Directors of Finance on a quarterly basis. However, even in the NHS sector, counter-fraud training for new staff is generally not a mandatory requirement.

What can the Welsh public sector do to improve?

Recommendations

- R5** All public bodies need to have a comprehensive and up-to-date set of policies and procedures which together represent a cohesive strategy for identifying, managing and responding to fraud risks.
- R6** Staff working across the Welsh public sector should receive fraud-awareness training as appropriate to their role in order to increase organisational effectiveness in preventing, detecting and responding to fraud.
- R7** Cases where fraud is identified and successfully addressed should be publicised to re-enforce a robust message from the top that fraud will not be tolerated.



Capacity and expertise

Why is it important?

- 4.1 It is important that public bodies each designate a counter-fraud champion who understands fraud and leads the organisation's approach and response. Public bodies need access to sufficient appropriately skilled counter-fraud specialists to prevent, detect and investigate suspected fraud and protect their assets. As fraud risks change, public bodies should have resources available to provide a response that is appropriate to the threat.
- 4.2 Skilled and experienced staff will also help to ensure investigations are undertaken properly with evidence being obtained and handled lawfully in order to secure successful sanctions and the recovery of losses.
- 4.3 Investigations, whilst crucial, can be time consuming and costly and the low numbers of successful prosecutions mean that public bodies cannot rely on investigations alone to combat fraud. Public bodies need to have the capacity to undertake both proactive counter-fraud work and reactive investigation work. Proactive work includes fraud awareness campaigns, training, designing policies and strategies and strengthening controls to prevent attacks.

What did we find?

- 4.4 Insufficient capacity arose frequently as a key challenge faced by public bodies in their efforts to combat fraud. On the ground, capacity and skills in counter-fraud vary widely across and within public sector bodies in Wales. Most of the capacity is allocated to responsive work and investigations with any spare capacity being used in preventative counter-fraud work.
- 4.5 In local government, some officers are sceptical about the levels of fraud within their organisations and question the need for additional resources. However, these same local authorities allocate little resource to counter-fraud arrangements, do not have robust fraud risk assessments and the following up of matches from the National Fraud Initiative is assigned a low priority. Their assumptions about low levels of fraud run contrary to all the research being done by recognised leaders in the field such as CIPFA and the National Crime Agency.

- 4.6 Local authorities suffered a significant loss in counter-fraud capacity when the independent Single Fraud Investigation Service (SFIS) was created in 2014. SFIS is a partnership between the Department for Work and Pensions, HMRC and local authorities and which covers welfare benefit fraud. Most of the counter-fraud specialists left the sector to work for this new organisation. A small number of authorities have retained experienced and skilled counter-fraud staff, but the workload has mostly fallen on Internal Audit teams.
- 4.7 Our work found that the counter-fraud arrangements were generally more advanced in the local authorities that retained a dedicated and specialist counter-fraud resource. Where Internal Audit teams carry out the counter-fraud work we found a trade-off between counter-fraud work and the general programme of assurance work due to limited resources and competing priorities.
- 4.8 We also found that, within some local authorities, several teams play a role in counter-fraud work; for example, Internal Audit, Council Tax, and Human Resources teams all contribute. Whilst helpful in terms of adding capacity, we found that this can result in a lack of coordination and integration between these teams and a lack of clarity in the overall picture of counter-fraud activity.
- 4.9 Counter-fraud is generally better resourced in the NHS than other public sector bodies and there has been an increase in LCFS resource over recent years. There is a central team within the NHS Counter Fraud Service Wales which investigates complex, large scale frauds and provides a financial investigation resource. The team also provides guidance, intelligence and investigative support to the network of finance directors and LCFS at health bodies in Wales. In addition, Welsh Government Directions require that each health body should appoint at least one LCFS who is an accredited counter-fraud professional. These LCFS are the primary points of contact for counter-fraud work at their respective health bodies and have a key role in fraud prevention and detection. Increasing staffing levels above the minimum number is a matter of local discretion.
- 4.10 The mixture of LCFS and support and guidance from the NHS Counter Fraud Service and the Counter Fraud Steering Group has resulted in improved counter-fraud arrangements within the NHS sector in comparison to the other sectors. However, whilst LCFS staff are often shared between individual health boards, they are not pooled across the entire sector. As a result, the relatively low counter-fraud staff numbers in some health boards can cause issues if staff members are absent from work. Even within the NHS Wales, there is a general recognition that more proactive work should be undertaken.

- 4.11 The Counter Fraud Team at the Welsh Government is skilled and experienced and has secured a number of high-profile prosecutions over recent years. However, a recent Government Internal Audit Agency review of the Welsh Government in 2017 concluded that the counter-fraud function could achieve more with increased resources. The Counter Fraud Team is able to draw on resources from within the Welsh Government to assist with investigations where appropriate and there are plans to increase the resource in the team in the near future.
- 4.12 Our audit also found that public bodies in Wales are generally following traditional counter-fraud approaches with a focus on detection and investigation rather than prevention. Most public bodies recognise that more proactive and preventative work should be done, but they acknowledge that the lack of time, resources and expertise are barriers to making this shift of focus.
- 4.13 We did not find many examples of public bodies in Wales outside the NHS pooling resources to help reduce duplication of effort and improve the efficiency and effectiveness of counter-fraud arrangements across sectors. Pooled resources could also help to improve continuity and add flexibility to adapt to changing needs going forward.
- 4.14 In 2018 the UK government launched the Counter-Fraud Profession to enhance overall counter-fraud capability across government. The profession develops the skills of specialist staff and moves beyond the traditional focus of investigations, placing greater emphasis on fraud prevention and the use of data analytics. Membership across UK Government Departments has been steadily increasing, and the Welsh Government is engaged with this initiative. Organisations joining the profession are required to have learning environments that support their staff to develop and maintain professional standards.

What can the Welsh public sector do to improve?

Recommendations

- R8** All public bodies need to build sufficient capacity to ensure that counter-fraud work is resourced effectively, so that investigations are undertaken professionally and in a manner that results in successful sanctions against the perpetrators and the recovery of losses.
- R9** All public bodies should have access to trained counter-fraud staff that meet recognised professional standards.
- R10** All public bodies should consider models adopted elsewhere in the UK relating to the pooling and/or sharing of resources in order to maximise the availability of appropriately skilled staff.



Tools and data

05

Why is it important?

- 5.1 An effective counter-fraud function will ensure that those responsible for it are equipped with up-to-date methodologies and the right tools for the job. Counter-fraud staff must make best use of data and intelligence in order to:
 - a prevent fraud by 'fraud-proofing' systems and processes; and
 - b mounting an effective response to suspicions of fraud.
- 5.2 New fraud threats are continually emerging, both globally and nationally. It is important that public bodies have flexible, cutting-edge counter-fraud approaches that are fit for a digital age and agile enough to keep up with, or better still, ahead of the fraudsters.
- 5.3 Cyber-attacks are an alternative means of committing traditional frauds such as the theft of assets, cash or intellectual property. PricewaterhouseCoopers' most recent global economic crime survey found that cyber crime is now the most common fraud facing UK businesses, overtaking asset misappropriation for the first time since the survey began. We can see this in the explosion in number of cyber scams linked to the COVID-19 pandemic.
- 5.4 Preventing fraud is always preferable to responding to an instance. Many organisations are now looking to 'fraud-proof' systems at the point of entry using the latest developments in data analytics. For example:
 - a the Cabinet Office has developed on-line tools that can look at 10,000 records in seven seconds to provide due diligence checks on grant applications; and
 - b the Department of Work and Pensions have been trialling an Artificial Intelligence system that detects fraudulent claims by searching for certain behaviour patterns, such as benefit applications that use the same phone number or are written in a similar style. Any suspicious activity is then passed on to specialist investigators.
- 5.5 Data analytics provide an increasingly important tool in preventing fraud as well as in its detection. We look at how public bodies can share data to help find fraud in the next section of this report.
- 5.6 Sophisticated technology and data analytics are of little use if they are not used effectively and this requires adequately trained resource to understand it. Therefore, it is important that public bodies have access to staff adept in data analytics in order to achieve better counter-fraud results.

- 5.7 Knowing what to do in the event of a suspected fraud improves the chances of a successful enforcement action. It also re-enforces the tone from the top that the organisation does not tolerate fraud. Fraud response plans need to provide a clear direction to relevant parties so that bodies are able to respond to allegations quickly and appropriately. A response plan should be reviewed regularly to ensure that responses to fraud keep abreast with changing times and emerging risks. They should outline:
- a the fraud investigation process from receipt of allegation to outcome report;
 - b roles and procedures for securing evidence and undertaking interviews;
 - c details of how and when to contact the police;
 - d a commitment to pursuing a range of sanctions;
 - e reporting arrangements; and
 - f how lessons learned will be used to strengthen system and process controls.

What did we find?

- 5.8 Generally speaking, we found that more work is needed to bring counter-fraud tools and methodologies up to date to reflect the new world of cyber attacks and digitally-facilitated crimes. Many local authorities and central government bodies we looked at as part of our fieldwork did not have information security policies that reflected the risks associated with cyber crime. The situation was more positive in NHS Wales bodies.
- 5.9 Our review identified only a few examples of data analytics being used as a means of preventing fraud. Data analytics are used more widely to detect fraud, in following up on NFI data matches, for example, but our previous audit work⁴ has shown that the level of engagement with the NFI varies considerably across Welsh public bodies.
- 5.10 We found that some local authorities and central government bodies did not have a fraud response plan that was communicated to all staff and which made it clear that all allegations of fraud would be investigated. The Welsh Government had a fraud response plan, but this was in draft form at the time of our audit work and was not, therefore, available to staff. Again, the position was much more positive in NHS Wales.

4 Our October 2018 NFI report stated that 'most Welsh public sector bodies participating in the NFI were proactive in reviewing the data matches, but a small number of participants did not review the matches in a timely or effective manner'.

- 5.11 NHS bodies all use the same case management system to record and monitor the progress of potential fraud cases. In other sectors, few bodies have a case management system although some do have a spreadsheet log that records information. The variation in the information collected makes it very difficult to report an all-Wales position on the level of fraud taking place. The reasons that many local authorities and central government bodies do not have a case management system or detailed records was the very low numbers of fraud cases that were being identified and handled.
- 5.12 Most of the public bodies we looked at consider the full range of possible sanctions (disciplinary, regulatory, civil and criminal) against fraudsters and will seek redress including the recovery of assets and money where possible. However, many bodies report such low levels of fraud that it is impossible to substantiate their claims. For any internal frauds identified, most bodies tend to deal with the perpetrators through internal disciplinary procedures.
- 5.13 Most of the public bodies we looked at reflected on the weaknesses revealed by instances of proven fraud and corruption and fed back to departments and teams so that they might fraud-proof their systems. The arrangements at local NHS bodies were particularly robust because fraud cases in their case management system cannot be closed down without providing assurance that any system weaknesses have been considered and remedied if necessary.

What can the Welsh public sector do to improve?

Recommendations

- R11** All public bodies need to develop and maintain dynamic and agile counter-fraud responses which maximise the likelihood of a successful enforcement action and re-enforce the tone from the top that the organisation does not tolerate fraud.
- R12** All public bodies should explore and embrace opportunities to innovate with data analytics in order to strengthen both the prevention and detection of fraud.



Collaboration

06

Why is it important?

- 6.1 Fraudsters do not respect geographical or other boundaries. This means that individual public sector bodies cannot establish effective counter-fraud arrangements by themselves. They must work collaboratively to maximise the effectiveness of their response to fraud.
- 6.2 Collaboration is an increasingly important aspect of public service, particularly in the context of reduced funding and the need to do more with less. Collaboration is also one of the 'five ways of working' as defined in the Welsh Government's 'Well-being of Future Generations (Wales) Act 2015: the essentials'⁵ document. It is therefore essential that collaboration and the sharing of intelligence and good practice take place between public, private and third-sector bodies across the UK and internationally.
- 6.3 Collaboration can mean sharing people or pooling resources and, more commonly these days, in the sharing of information. This information can be shared between departments, between bodies, across different elements of the public sector and with other key stakeholders such as law enforcement authorities and the private sector. The information shared can be about the nature of a fraud or information about the identities of the perpetrators.
- 6.4 The sharing of data to help find fraud is a rapidly evolving area and is being facilitated by changes in the law. In 2017, the Digital Economy Act became law, enabling public authorities to share personal data to prevent, detect, investigate and prosecute public sector fraud. The Act recognises that the wider use of data-sharing could improve the prevention, detection and investigation of fraud in a number of ways, including:
 - a improved targeting and risk-profiling of potentially fraudulent individuals;
 - b streamlining processes, enabling the government to act more quickly; and
 - c simplifying the legislative landscape.

5 Well-being of Future Generations (Wales) Act 2015: the essentials', Welsh Government (2015)

What did we find?

- 6.5 Our field work across forty public sector bodies in Wales found that collaboration was insufficiently developed, reinforcing the findings of our 2019 review.
- 6.6 Within local authorities and central government bodies there are some good examples of bodies working jointly and some regional networks, but these tend to be informal arrangements and there is no consistency in approach. Formalising arrangements can help improve accountability and governance and can influence commitment and results.
- 6.7 The picture is generally more positive across local NHS bodies and the Welsh Government than in local authorities and central government bodies. However, there is scope for all public bodies to work more closely with each other and with other stakeholders to tackle fraud.
- 6.8 Because of the tiered approach to counter-fraud within NHS Wales and established formal partnerships with the NHS Counter Fraud Authority, there is good access to specialist fraud investigation teams such as surveillance, computer forensics, asset recovery and financial investigations. The NHS Counter Fraud Service Wales provide the surveillance, asset recovery and financial investigations services to NHS Wales, while the NHS Counter Fraud Authority provides forensic computing services and other specialist support services to NHS Wales under the terms of their annual agreement with Welsh Government.
- 6.9 The existence of these formal access arrangements is less well established within other sectors, but most organisations told us that they could access specialist services if required. The low level of fraud being identified was one of the reasons given for the absence of formal partnerships between public sector bodies.
- 6.10 We also found wide variations in the amounts of data that are shared. In most bodies, the sharing of data was typically limited to the National Fraud Initiative (NFI), although not all central government bodies currently take part in NFI. We found that some local authorities do not invest much resource into following up NFI matches and these are often the same authorities in which counter-fraud arrangements were limited.
- 6.11 There were very few examples of organisations working frequently across internal and external boundaries and sharing information. Common reasons for this lack of collaboration was lack of time and resources, and concerns about the sharing of data.

What can the Welsh public sector do to improve?

Recommendations

R13 Public bodies should work together, under the Digital Economy Act and using developments in data analytics, to share data and information to help find and fight fraud.



Reporting and scrutiny

07

Why is it important?

- 7.1 Arriving at a reliable estimate for the cost of fraud is a difficult task. This is particularly so for the Welsh public sector as our 2019 report highlighted. Whilst the UK Government produces annual estimates, there is no breakdown of this estimate to each of the devolved administrations in the UK. CIPFA's most recent analysis estimates that fraud costs the UK public sector £40.3 billion annually. The Cabinet Office⁶ estimates losses due to fraud and error at between 0.5% and 5% of budget. Applying this range to annual public expenditure in Wales of around £20 billion gives a possible estimated value of losses to fraud and error between £100 million and £1 billion per annum. The losses are therefore significant and take valuable funding away from our public services.
- 7.2 Fraud is often under-reported as some suspicious activity identified through NFI matches, for example, is not classified as fraudulent and therefore not reported. Also, some public bodies fail to report fraud as it can attract unwanted publicity and perceived reputational damage. This situation leads to an incomplete national intelligence picture.
- 7.3 The International Public Sector Fraud Forum⁷ has recognised that 'finding fraud is a good thing' and this is one of their 'Key Fraud and Corruption Principles'. The Forum noted that, if bodies do not find fraud, then they are unable to fight it, and that a change of perspective is needed so that the identification of fraud is seen as a positive and proactive achievement.
- 7.4 Reporting fraud to those charged with the governance of public sector organisations is important as it provides managers and audit committees, for example, with the information and intelligence they need to challenge and scrutinise. To facilitate accountability, public bodies should provide copies of counter-fraud reports detailing numbers of cases and outcomes to audit committees so that they are fully informed of any issues of concern and can hold management and counter-fraud teams to account. Audit committees can also promote the message that fraud will not be tolerated, supporting the efforts of counter-fraud teams.

6 Cabinet Office Cross Government Fraud Landscape Report 2018

7 International Public Sector Fraud Forum A Guide to Managing Fraud for Public Bodies in Feb 2019

What did we find?

- 7.5 The arrangements in NHS Wales to record, collate and share information about fraud losses and recoveries are well established. The NHS Counter Fraud Service collates information on the number of fraud cases and recoveries from each health body as a matter of course. There are quarterly and annual Operational Performance Reports which summarise information about resources, referrals and the work of the Counter-Fraud Service and LCFS based at each health body. These reports are reviewed by the Counter Fraud Steering Group and shared with Directors of Finance and the audit committees of each health body, helping to facilitate meaningful comparisons within the sector. The NHS Counter Fraud Authority also reports to the Welsh Government on a quarterly basis.
- 7.6 In other sectors, audit committees are not generally provided with as much information:
- a in the Welsh Government, the Audit and Risk Assurance Committee is not provided with, nor does it request, detailed information about fraud cases, although information about major cases and anti-fraud activity is included in the regular report from the Head of Internal Audit;
 - b in the local government sector, fewer than half the authorities report information about fraud cases, losses and recoveries to their audit committees on a regular basis; and
 - c even fewer central government bodies report on cases of fraud, reflecting a very low incidence of fraud being identified and managed.
- 7.7 The absence of both the reporting of information and arrangements to collate and share this information across the Welsh public sector is troubling for a number of reasons. It does little to help re-enforce a zero-tolerance message from the top of an organisation to both staff and external stakeholders. It may also send the wrong message to fraudsters that Wales does not see fraud as a priority and makes it difficult to assess the level of risk and how best to respond to it by senior public sector officials and politicians.
- 7.8 When frauds are identified, Internal Audit (or, where they exist, counter-fraud specialists) provide audit committees with reports and updates. On balance, however, audit committees outside of the NHS Wales have not been sufficiently proactive in recognising the increasing risk of fraud and in asking the searching questions necessary about the matching of resources to risk or about the lack of information being supplied about fraud risk.

What can the Welsh public sector do to improve?

Recommendations

- R14** Public bodies need to collate information about losses and recoveries and share fraud intelligence with each other to establish a more accurate national picture, strengthen controls, and enhance monitoring and support targeted action.
- R15** Audit committees must become fully engaged with counter-fraud, providing demonstrable support and direction, monitoring and holding officials to account if insufficient information is being provided about counter-fraud activity.



Appendices

- 1 Audit methods
- 2 The Welsh Government's response to the July 2019 recommendations of the Public Accounts Committee

1 Audit methods

Our audit was structured around seven key lines of enquiry to help us answer the overall question: 'Are the arrangements for preventing and detecting fraud in the Welsh public sector effective?':

- Does the top tier demonstrate a commitment to counter-fraud and provide the necessary leadership to fight fraud?
- Does the organisation have a suitable structure and sufficient skilled resources to prevent and detect fraud?
- Does the organisation have a sound policy framework to support effective counter-fraud arrangements?
- Does the organisation have an effective fraud risk assessment together with appropriate responses to emerging issues?
- Does the organisation's internal control environment support effective arrangements for preventing and detecting fraud?
- Does the organisation have an appropriate response to fraud?
- Does the organisation have proper reporting and scrutiny in place to ensure its counter-fraud culture and framework is operating effectively?

The audit fieldwork was carried out by our local audit teams between November 2019 and February 2020. Their fieldwork included:

- structured interviews – interviews with key individuals in order to understand the counter-fraud arrangements in place at each audited body; and
- document reviews – where these existed, they typically included the counter-fraud strategy, risk assessment, work plans, corporate risk register, fraud response plan, Codes of Conduct, whistleblowing policy, guidelines and procedures for local fraud investigators and counter-fraud reports/updates provided to Audit Committee.

Teams also issued a core information request in order to gather some information directly from audited bodies.

The project team collated and reviewed the local findings to distil the key messages for inclusion in this report. Our audit teams have been providing tailored feedback on their local findings to relevant staff at each audited body.

The audited bodies included in this study are:

Local Government bodies:

- Blaenau Gwent County Borough Council
- Bridgend County Borough Council
- Caerphilly County Borough Council
- Cardiff Council
- Carmarthenshire County Council
- Ceredigion County Council
- Conwy County Borough Council
- Denbighshire County Council
- Flintshire County Council
- Gwynedd Council
- Isle of Anglesey County Council
- Merthyr Tydfil County Borough Council
- Monmouthshire County Council
- Neath Port Talbot County Borough Council
- Newport City Council
- Pembrokeshire County Council
- Powys County Council
- Rhondda Cynon Taf County Borough Council
- City and County of Swansea
- The Vale of Glamorgan Council
- Torfaen County Borough Council
- Wrexham County Borough Council

NHS Wales bodies:

- Aneurin Bevan University Health Board
- Betsi Cadwaladr University Health Board
- Cardiff and Vale University Health Board
- Cwm Taf Morgannwg University Health Board
- Hywel Dda University Health Board
- Powys Teaching Health Board
- Swansea Bay University Health Board
- Health Education and Improvement Wales
- Velindre University NHS Trust
- Public Health Wales Trust
- Welsh Ambulance Service NHS Trust

Central Government bodies:

- Welsh Government
- Welsh Revenue Authority
- Arts Council for Wales
- Higher Education Funding Council for Wales
- National Museums and Galleries Wales
- Natural Resources Wales
- National Library of Wales
- Sport Wales
- Senedd Commission

2 The Welsh Government's response to the July 2019 recommendations of the Public Accounts Committee

PAC Recommendation

We ask that the Welsh Government consider whether there is scope and potential to support a national counter fraud team to work across Wales to ensure that at least a basic level of counter fraud work is undertaken in each local authority area by suitably trained staff.

We ask that the Welsh Government consider how it can best provide stronger national leadership and better quality guidance on the sharing of information to help strengthen and improve the impact of counter fraud activities across the Welsh public sector.

Response from the Welsh Government's Permanent Secretary

The Welsh Government recognises and fully supports local authorities addressing fraud within the £8 billion of their general revenue expenditure.

As independent democratically led organisations, the prime responsibility for the detection and prevention of fraud is for each of the 22 councils themselves. As such, we would expect all to be fully engaged in this work and for local politicians to understand and provide leadership.

To make sure that the recommendation is understood and given priority, officials will raise the matter with Ministers to secure an item on the Partnership Council agenda as well as its Finance Sub Committee. Subject to Ministers' agreement, we will agenda an item for the next possible meeting.

I am supportive of any move to increase the understanding of fraud and the consistent application of best practice techniques across the Welsh Public Sector and there exists already a vehicle to bring together counter-fraud practitioners and other interested parties and drive forward a common understanding of this important area.

The Welsh Government's Head of Counter-Fraud is Deputy Chair of the Wales Fraud Forum (WFF), which is a not-for-profit company run by a strategic board of volunteers. Its aims are to help prevent fraud in Wales by raising awareness in the public and private sectors and amongst individuals. In particular, its stated objectives include to:

- bring the public and private sectors together to fight fraud and financial crime and to protect the economy of Wales;

PAC Recommendation

Response from the Welsh Government's Permanent Secretary

- promote fraud awareness amongst its membership, organisations and individuals throughout the region;
- create good practice cultures by encouraging and developing anti-fraud strategies for its membership to utilise;
- establish a best practice between its members for fraud prevention, investigation and detection; and
- promote an open and co-operative environment between the membership in both the public and private sectors.

The Forum is held in high regard; in 2017 the current First Minister gave the keynote address at its annual conference and outlined his support for effective counter-fraud arrangements across Wales. Forum membership includes the Audit Wales as well as a number of public and private sector organisations.

Therefore, I believe the Welsh Government can achieve the outcome desired by identifying strategies to support the work of the Forum, raising its profile within the Welsh Public Sector and seek a high level of commitment to support it. I will ask Officials to engage with the Forum to discuss strategies for strengthening its effectiveness by the end of the calendar year.

We agree there is potential in the use of data sharing between Welsh public bodies to improve the impact of counter-fraud activities. The introduction of the Digital Economy Act gives the Welsh Government and certain scheduled Welsh public bodies useful new powers to share data with each other compliantly to identify potential fraud. Officials are working on setting up the appropriate governance for taking forward the use of these new powers in Wales, and are aiming for a panel to be in place by the end of the financial year to consider potential uses of the powers.



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Effectiveness of Counter-Fraud Arrangements – Health Education and Improvement Wales

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Purpose of this document

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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.

Mae'r ddogfen hon hefyd ar gael yn Gymraeg. This document is also available in Welsh.

The person who delivered the work was Emily Howell.

Contents

HEIW demonstrates a commitment to counter-fraud, has suitable arrangements to support the prevention and detection of fraud and is able to respond appropriately where fraud occurs.

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Summary report

Background

- 1 On 11 June 2019, the Auditor General published Counter-Fraud Arrangements in the Welsh Public Sector: An Overview for the Public Accounts Committee. The report was a high-level, descriptive review of the arrangements in place within the Welsh Government, the NHS and local government (unitary authorities only), and highlighted some important messages:
 - Losses caused by fraud in the public sector are significant. In a time of austerity, every pound lost to fraud is a pound that could be spent on public services.
 - Fraud in all its forms is constantly evolving, so counter-fraud measures need to keep pace with the fraudsters.
 - Resources devoted to counter-fraud activity vary widely across the public sector in Wales.
- 2 Following publication of the report, the Public Accounts Committee endorsed the Auditor General's proposal to undertake further work across a range of Welsh public sector bodies to examine how effective counter-fraud arrangements are in practice and to make recommendations for improvement. This work was undertaken during December 2019 – February 2020.
- 3 [Paragraph 3,4 and 5 will refer to the national counter-fraud report we intend to publish on 14 July 2020, and will be added to this report after the national report is published]
- 4 [To be added].
- 5 [To be added].
- 6 This summary report sets out our assessment of Health Education and Improvement Wales' (HEIW's) arrangements for preventing and detecting fraud. Our assessment is based on document reviews, including board and committee papers, and interviews with a small number of staff.

Main findings and areas for improvement

- 7 Our assessment identified that HEIW demonstrates a commitment to counter-fraud, has suitable arrangements to support the prevention and detection of fraud and is able to respond appropriately where fraud occurs. Our key findings from the work are set out in more detail in the following section of this report.
- 8 In undertaking this work, we identified some areas for improvement (**Exhibit 1**), they should be considered alongside the themes identified in the national report. HEIW's management response to the areas for improvement is available in **Appendix 2**.

Exhibit 1: areas for improvement

Areas for improvement

Counter-fraud training

- I1 Implement mandatory counter-fraud training for some or all staff groups.

Counter-fraud staff capacity

- I2 Consider the Local Counter-Fraud Specialist capacity required to resource required levels of proactive and investigative work, including staff training, and build in resilience to the team.

Recording and monitoring of economic fraud risk

- I3 Implement consistency in the recording and monitoring of economic fraud risk in line with the HEIW's risk management policy and strategy.

Exhibit source: Audit Wales

Detailed report

Our findings

9 The following table sets out the areas of focus within our work and our findings.

Areas of work	Findings
<p>We considered whether the top tier demonstrates a commitment to counter-fraud and provides the necessary leadership to fight fraud.</p> <p>We expected to see:</p> <ul style="list-style-type: none">• The Board/Executive team promoting a clear commitment to zero tolerance of fraud and championing counter-fraud work.• Senior leadership actively promoting and cascading an anti-fraud culture.• An organisation-wide understanding of responsibilities for preventing fraud and reporting suspected fraud.• An organisational commitment to counter-fraud and ethics awareness training, with appropriate and targeted mandatory counter-fraud training for all staff.	<p>We found the following good practice:</p> <ul style="list-style-type: none">• The Executive Director of Finance is the Board executive responsible for counter-fraud.• Counter-fraud is a standing item on the Audit Committee agenda.• All fraud related issues are treated as a priority by the organisation, and there is a clear commitment from the Executive Director of Finance and the Chair of the Audit Committee.• Policies and strategies send out a consistent message that fraud will not be tolerated, and that all steps will be taken to take criminal or disciplinary sanctions against perpetrators.• HEIW publicises proven frauds and the action taken. <p>We identified the following area for improvement:</p> <ul style="list-style-type: none">• HEIW was established in October 2018. At the time of our review, counter-fraud training had been delivered to the executive team, senior leaders and the finance team, and arrangements are in place to ensure that fraud awareness training is cascaded to other staff. Attendance at counter-fraud awareness training is not mandatory for all staff, and counter-fraud awareness is not included in induction training for new-starters.

Areas of work	Findings
<p>We considered whether the organisation has a suitable structure and sufficient skilled resources to prevent and detect fraud.</p> <p>We expected to see:</p> <ul style="list-style-type: none"> • A designated Local Counter-Fraud Specialist (LCFS) with designated responsibility for counter-fraud and the ability to influence the level of counter-fraud resources. • An appropriate level of experienced, trained and accredited counter-fraud staff to undertake investigations and counter-fraud work. • Clarity in respect of counter-fraud roles, responsibilities and lines of accountability. • Investment in counter-fraud based on informed decisions derived from a fraud risk assessment which highlights risks and determines the resources needed to address them. • An annual programme of proactive counter-fraud work (fraud prevention work) which covers the risks identified in the risk assessment with ring fenced time allocated to proactive work. 	<p>We found the following good practice:</p> <ul style="list-style-type: none"> • HEIW has a dedicated LCFS, with the ability to influence the level of counter-fraud resources designated by the Executive Director of Finance. • HEIW employs accredited and trained counter-fraud staff, who attend training and professional development courses as required. • The level of counter-fraud resources within HEIW is above the average for Wales (Appendix 1). The whole time equivalent (WTE) of local counter-fraud resources per 1,000 staff is 0.71 WTE compared to the average for NHS Wales of 0.19 WTE. • HEIW has clearly articulated counter-fraud roles and responsibilities. • The LCFS and counter-fraud staff have access to all systems, records and premises required to do their work. • The LCFS has completed the NHS Counter-Fraud Authority Self-Review Tool (SRT) and will continue to do so on an annual basis. The SRT identifies proactive work priorities for the year. The number of days allocated to proactive and reactive counter-fraud work will be reviewed overtime to determine whether the number of days allocated for counter-fraud work is appropriate. HEIW has indicated that funding is available if more days are required. <p>We identified the following area for improvement:</p> <ul style="list-style-type: none"> • Although staffing levels are just above the average for Wales, staffing levels are just 0.2 WTE. If the level of investigative work increased, or if any member of staff were to be absent, this could impact the ability to deliver the agreed level of proactive counter-fraud work..

Areas of work	Findings
<p>We considered whether the organisation has a sound policy framework to support effective counter-fraud arrangements.</p> <p>We expected to see:</p> <ul style="list-style-type: none"> • A counter-fraud strategy/policy which sets out the organisation's approach to managing fraud risks and defines specific counter-fraud responsibilities. • A Code of Conduct setting out acceptable behaviours and how to report and manage conflicts of interest. • Sound whistleblowing arrangements which set out mechanisms for reporting fraud. • Maintained registers of gifts and hospitalities. • Pre-employment screening. 	<p>We found the following good practice:</p> <ul style="list-style-type: none"> • HEIW has developed a counter-fraud, bribery and corruption policy (the policy). It is intended that the policy will be reviewed, evaluated and updated regularly. The policy includes a counter-fraud response plan. • The policy was scrutinised and signed off by the LCFS, senior management and the Audit Committee. • The Policy was disseminated across HEIW and placed on the intranet and internet websites. • HEIW has appropriate whistleblowing and cyber security policies with review and renewal processes in place. • HEIW has appropriate arrangements to maintain and review registers of interests, gifts and hospitality. • At the time of review, HEIW was in the process of implementing a Standards of Behaviour Policy which would confirm the roles and responsibilities for declarations of interest, receipt of gifts, hospitality and sponsorship and associated monitoring arrangements. • HEIW has arrangements in place to ensure that all new staff are subject to the pre-employment checks before commencing employment within the organisation. <p>We did not identify any areas for improvement.</p>

Areas of work	Findings
<p>We considered whether the organisation has an effective fraud risk assessment together with appropriate responses to emerging issues.</p> <p>We expected to see:</p> <ul style="list-style-type: none"> • Regular and comprehensive fraud risk assessments discussed and agreed with senior leaders and the Audit Committee. • Fraud risk assessments featuring as part of the organisation's overall risk management framework. • Fraud risk built into system design to minimise opportunities for fraud. 	<p>We found the following good practice:</p> <ul style="list-style-type: none"> • HEIW has completed the NHS Counter-Fraud Authority's SRT and will continue to do so on an annual basis. • Annual work plans will be based upon intelligence received and identified, a review of ongoing cases, referrals and proactive work priorities identified across Wales. HEIW has indicated that counter-fraud resource levels will be proportionate to the risk level identified, and measures to mitigate identified risks will be included in the workplan. • Policies and paper-based procedures are fraud proofed using guidance issued by NHS Counter-Fraud Authority. The LCFS reviews policies and proposes changes where it is deemed necessary. <p>We identified the following area for improvement:</p> <ul style="list-style-type: none"> • HEIW does not currently record and monitor economic fraud risk in line with its overall risk management policy and framework. Risk assessments should be integrated within the wider risk management framework, to ensure wider corporate ownership and active management of risks.
<p>We considered whether the organisation's internal control environment support effective arrangements for preventing and detecting fraud.</p> <p>We expected to see:</p>	<p>We found the following good practice:</p> <ul style="list-style-type: none"> • HEIW's Internal Audit team review fraud risks and test controls designed to prevent and detect fraud as part of its annual programme of work. Information and intelligence are shared with local counter-fraud services in line with the agreed information sharing protocol.

Areas of work	Findings
<ul style="list-style-type: none"> • Internal controls designed and tested to address identified fraud risks and help prevent fraud occurring. • Internal Audit reviews of fraud risks and testing of controls designed to prevent and detect fraud. • The organisation acting on recommendations to strengthen controls if internal controls are found to be not operating as well as intended and lessons learned from fraud incidents. • The organisation uses data matching to validate data and detect potentially fraudulent activity. 	<ul style="list-style-type: none"> • HEIW acts upon recommendations to strengthen controls if internal controls are found to be not operating as well as intended and learn lessons from fraud incidents. • HEIW participates in the National Fraud Initiative data matching exercise, primary care post-payment verification checks and other local checks (such as payroll). • HEIW uses case management software to record all system weaknesses as identified as a result of investigations and/or proactive prevention and detection exercises. An important aspect of this software is recording lessons learned. <p>We identified the following area for improvement:</p> <ul style="list-style-type: none"> • Our national review identified only a few examples of data analytics being used as a means of preventing fraud, predominantly the National Fraud Initiative data matching exercise.
<p>We considered whether the organisation has an appropriate response to fraud.</p> <p>We expected to see:</p> <ul style="list-style-type: none"> • A comprehensive fraud response plan which sets out clear arrangements for reporting and investigating allegations of fraud. 	<p>We found the following good practice:</p> <ul style="list-style-type: none"> • HEIW's Fraud Response Plan follows best practice as advised by the NHS Counter-Fraud Authority. • Qualified staff investigate all cases of suspected fraud, and in line with the Fraud Response Plan. Outcomes of investigations are reported to the Audit Committee and to the NHS Counter-Fraud Authority.

Areas of work	Findings
<ul style="list-style-type: none"> • Action to ensure that all allegations of fraud are assessed. Documented procedures for conducting fraud investigations. • Investigations which follow proper professional practice and in line with the fraud response plan • Consideration of the full range of sanctions available, and redress sought (for example the recovery of money and assets) where appropriate. • An appropriate case management system to record and monitor the progress of potential fraud cases. • Collaboration with external partners to tackle fraud. 	<ul style="list-style-type: none"> • All investigations will be documented on case management software. HEIW has indicated that learning from fraud will be shared with appropriate staff to action and implement changes to systems and procedures where appropriate. • HEIW liaises proactively and on a regular basis with other organisations and agencies such as NHS Legal and Risk Services, the police, Home Office Immigration Services, local authorities, and regulatory and professional bodies to assist in countering fraud, bribery and corruption. Specialist services can be purchased from the NHS Counter-Fraud Authority where necessary. <p>We did not identify any areas for improvement.</p>
<p>We considered whether the organisation has proper reporting and scrutiny in place to ensure its counter-fraud culture and framework is operating effectively. We expected to see:</p> <ul style="list-style-type: none"> • A record kept of fraud losses and recoveries. • The Audit Committee taking a proactive approach to prevent fraud and promote an effective anti-fraud culture. 	<p>We found the following good practice:</p> <ul style="list-style-type: none"> • HEIW maintains a record of fraud losses and recoveries. • Counter-fraud is a standing item on the Audit Committee agenda. • The annual plan is presented to the Audit Committee along with regular progress reports on delivering the annual programme of work, along with identified fraud risks and actions to minimise them. • Case updates are produced for the private session of Audit Committee outlining the case, status, and recoveries of money/assets.

Areas of work	Findings
<ul style="list-style-type: none"> • The Audit Committee challenging and reviewing counter-fraud work, and ensuring it discharges its duties in relation to counter-fraud. 	<p>We did not identify any areas for improvement.</p>

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Appendix 1

Counter-fraud resources

The following exhibit sets out the number of LCFS resources per 1,000 staff.

Exhibit 1: Number of LCFS resources per 1,000 staff (in order of highest to lowest)

	LCFS WTE	Total number of staff within the organisation	LCFS WTE per 1,000 staff (headcount)
Health Education and Improvement Wales ¹	0.2	280	0.71
Welsh Ambulance Services NHS Trust	2.0	3,535	0.57
Powys Teaching Health Board ²	1.2	2,286	0.52
Cwm Taf Morgannwg University Health Board ²	2.6	11,944	0.22
Hywel Dda University Health Board	2.0	10,032	0.20
Aneurin Bevan University Health Board	2.6	13,659	0.19
NHS Wales (average)	18.2	94,614	0.19
Swansea Bay University Health Board ²	2.2	12,962	0.17
Betsi Cadwaladr University Health Board	2.9	18,491	0.16
Public Health Wales NHS Trust ¹	0.3	1,903	0.16
Velindre University NHS Trust ¹	0.4	4,411	0.16
Cardiff and Vale University Health Board ¹	1.8	15,111	0.12

¹ The Cardiff & Vale University Health Board LCFS Team also provide services to Health Education and Improvement Wales, Public Health Wales NHS Trust and Velindre University NHS Trust via an annual Service Level Agreement.

² The Swansea Bay University Health Board LCFS Team also provide services to Cwm Taf Morgannwg University Health Board and Powys Teaching Health Board via an annual Service Level Agreement.

Source: Counter-Fraud Authority NHS Wales, Operational Performance Report 2019-20 (Quarter 3), and Stats Wales Headcount as at 30 September 2019 (extracted from the NHS Electronic Staff Record system)

Appendix 2

Management response

The following table sets out the HEIW's management response to the areas for improvement.

Ref	Area for improvement	Management response	Completion date	Responsible officer



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Rydym yn croesawu gohebiaeth a
galwadau ffôn yn Gymraeg a Saesneg.

So, what's different?

Findings from the Auditor General's Sustainable
Development Principle Examinations

May 2020



I have prepared this report under section 15 of the Well-being of Future Generations (Wales) Act 2015.

My examination team was led by Catryn Holzinger and directed by Mike Usher.

Adrian Crompton
Auditor General for Wales
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The Auditor General is independent of the Senedd and government. As well as auditing the accounts of Welsh public bodies, the Auditor General undertakes examinations of the extent to which public bodies have applied the sustainable development principle when setting and pursuing well-being objectives. The Well-being of Future Generations (Wales) Act 2015 requires the Auditor General to report such examinations to the Senedd.

The Auditor General has a wide range of audit and related functions. These include auditing the accounts of the Welsh Government and its sponsored and related public bodies, including NHS bodies, and reporting to the Senedd on the economy, efficiency and effectiveness with which those organisations have used their resources. The Auditor General also audits and reports on local government bodies in Wales. The Auditor General undertakes his work using staff and other resources provided by the Wales Audit Office, which is a statutory board established for that purpose and to monitor and advise the Auditor General.

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Mae'r ddogfen hon hefyd ar gael yn Gymraeg.

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Auditor General's Foreword

When we began the work that underpins this report, none of us imagined that we would today be engaged in an effort to tackle the biggest crisis in most of our lifetimes.

For all of us – as individuals, communities and public bodies – the world is suddenly a very different place. The global pandemic has affected and is affecting all of us. The last few months have been frightening, stressful, pressured and distressing. But every day we have been comforted and uplifted by the stories of ingenuity, commitment and bravery of public sector workers. We are all proud and eternally grateful for their efforts.

For some time to come, the focus will be on responding to the crisis. Further down the line, there will be an opportunity to pause and reflect. Innovation is often born out of crisis and I am sure there will be much that public bodies will have learned in their response to Covid-19. I am determined that Audit Wales supports that learning process and that we work with public bodies to capture and draw out those lessons.

The evidence for this report was gathered in a different time. It does not cover emergency planning or the response to Covid-19. This report summarises the findings from our examinations of 44 public bodies under the Well-being of Future Generations (Wales) Act 2015 in the first reporting period, from 2015-2020.

It would be tempting to dismiss the Act as irrelevant in the face of such a crisis. But the best public sector leaders will recognise that the ways of working it sets out – planning for the long term, preventing problems, working with and listening to others and taking a broader perspective – are sound principles for dealing with whatever challenges the future might hold. On that basis, I hope this report provides some insights that can help public bodies develop their foresight and resilience.

In these early years, our main objective has been to add value by helping public bodies learn and improve. We worked with public bodies, the Future Generations Commissioner and other stakeholders to understand how we could best do that. We co-designed a methodology that focuses on ways of working and on behaviours. It promotes self-reflection. It aims to help bodies learn and develop their own actions in response to our findings. The sustainable development principle is not something that can be uniformly applied or audited. So, we have listened, tried to understand context and to appreciate differences. We have learned so much that we can carry forward into our future work.

Overall, we have found that public bodies can demonstrate that they are applying the sustainable development principle. But it is also clear that they must improve how they apply each of the five ways of working if they are going to affect genuine cultural change – the very essence of the Act. In the next five-year reporting period, public bodies across Wales will need to work together in taking a more system-wide approach to improving well-being if they are to take their work to the next level.

I understand it may be some time before all of the 44 bodies are able to consider and respond to these findings. It may also be some time before Members of the Senedd, civic society and others can be part of a conversation about what we have found. When appropriate, the Commissioner and I will create the time and space to explore the findings and recommendations.



Adrian Crompton

Auditor General for Wales



What you'll find in this report

- 1 This report sets out the main findings from the Auditor General for Wales's (the Auditor General) sustainable development principle examinations, carried out under the Well-being of Future Generations (Wales) Act 2015 (the Act).
- 2 During 2018-19 and 2019-20, we carried out 71 examinations across the 44 Welsh public bodies named under the Act.¹ We published reports on each examination, which can be viewed on our [website](#).²
- 3 This report provides an overview of what we looked for, what we found and what we will expect to see in future. It also draws on other relevant findings across the breadth of our audit work.
- 4 The Future Generations Commissioner for Wales (the Commissioner) has also published a report today, the **Future Generations Report**. Together, these reports describe how public bodies in Wales are applying the Act and improving well-being across Wales.³

-
- 1 The 44 public bodies named under the Act are Welsh Ministers (the Welsh Government), Local Authorities, Local Health Boards, Public Health Wales NHS Trust, Velindre NHS Trust, National Park Authorities, Fire and Rescue Authorities, Natural Resources Wales, the Higher Education Funding Council for Wales, the Arts Council of Wales, Sport Wales, the National Library of Wales and the National Museums and Galleries of Wales.
 - 2 The Auditor General must examine each public body at least once in a five-year period and report on the examinations to the Senedd before each Senedd election.
 - 3 The Commissioner must publish a Future Generations Report 12 months before a Senedd election giving her assessment of the improvements public bodies should make to set and meet well-being objectives in accordance with the sustainable development principle.

Exhibit 1 – key concepts for this report⁴

The Well-being Duty requires...

...public bodies to carry out sustainable development. As part of this, they must set well-being objectives and take all reasonable steps to meet them.

Sustainable development is...

‘...the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the well-being goals.’

Well-being goals

More Equal

Healthier

Resilient

Prosperous

Globally Responsible

Vibrant Culture and
Thriving Welsh Language

Cohesive Communities

The sustainable development principle is defined as acting in a manner...

‘...which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.’

To do this, they must take account of the ‘five ways of working’.



Long-term



Prevention



Integration



Collaboration



Involvement

The **Auditor General** must examine public bodies and assess the extent to which they have acted in accordance with the sustainable development principle when a) setting well-being objectives, and b) taking steps to meet those objectives.

The **Future Generation’s Commissioner** must promote the sustainable development principle.

This includes monitoring and assessing the extent to which public bodies are meeting their well-being objectives.

⁴ For more information see **Well-being of Future Generations (Wales) Act 2015** and **Shared Purpose: Shared Future Statutory Guidance on the Well-being of Future Generations (Wales) Act 2015 (2016)**.

◀ What we've done and why

Exhibit 2 – audit for future generations: What we've done and why

The duty

1

We must assess the extent to which 44 public bodies have acted in accordance with the sustainable development principle when **setting well-being objectives** and **taking steps to meet them**



The conversation

3

We ran a consultation with the public sector and wider stakeholders

We ran engagement sessions with staff and stakeholders

We worked closely with the Commissioner and her team

We ran a programme of nine pilots to help us co-create and test audit methods



The challenge

2

Assessing 'ways of working'

44 bodies, that are very different!

Understanding how the sustainable development principle fits with value for money

Coordinating with and complementing the Commissioner's work



The ask from stakeholders

4

'You need to look beyond strategic planning and corporate arrangements and include a focus on more operational issues'

'You need to focus ways of working and take account of behaviours, rather than focusing on processes and arrangements'

'You should engage with a range of people – including partners and citizens'

'You need to work with the Commissioner so that you set consistent expectations and coordinate your activity'

'You need to avoid a focus on compliance and consistency'



Our commitment

5

Focus on the ‘five ways of working’

Focus on ‘how’ organisations are working, as well as ‘what’ they are doing

Help public bodies to self-reflect and explore what they could do differently

Capture narrative and seek the views of a cross-section of staff and stakeholders

Give early feedback

Encourage public bodies to develop their own actions in response to our findings



The delivery

6

We conducted 71 examinations in 2018-19 and 2019-20 at all 44 bodies

We looked at steps they were taking to meeting their well-being objectives

We looked at a diverse range of steps, including health and social care, economy and regeneration, healthy lifestyles, waste management, employment and skills

We published reports, which included actions the bodies committed to take in response to our findings

We have summarised the findings in this report, to be laid before the Senedd



The future

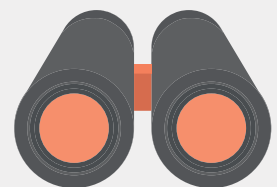
7

We are asking for and will respond to feedback from public bodies

We will integrate our sustainable development principle and value for money work

We will do more joint working with the Commissioner

We will continue to apply the sustainable development principle in the way we carry out our work



Our focus for the first reporting period, 2015-2020

- 5 This first reporting period under the 2015 Act has been unique. Public bodies (excluding Welsh Ministers) were required to publish their first well-being objectives part way through, by April 2017.⁵ They then needed some time and space to start delivering against those objectives. This meant that the time available for carrying out our examinations was shorter than it will be in future reporting periods.
- 6 We appreciate that applying the Act well, and doing that consistently, is difficult. Public bodies are still learning, and so we have aimed to strike a careful balance between support and constructive challenge in this first reporting period.
- 7 We have made sure that we covered the elements required by law, while being mindful of the total amount of audit work and the load this could place on public bodies. We therefore built our picture of how public bodies are applying the Act by carrying out some specific examinations, as well as gathering useful information from other audit work. In the first reporting period we have:
 - published an initial [report](#) **Reflecting on year one: How Have Public Bodies Responded to the Well-being of Future Generations (Wales) Act 2015?** which explored how public bodies were beginning to apply the Act and how they developed their first set of well-being objectives;
 - asked public bodies how they are embedding the Act more generally to help inform our overall understanding and the planning of future work;
 - gathered relevant information through our local and national studies; and
 - undertaken detailed examinations of how the sustainable development principle has been applied in relation to specific activities ('steps').
- 8 Our detailed examinations covered a variety of themes including health and social care, economy and regeneration, healthy lifestyles, waste management, employment and skills. **Exhibit 3** provides an overview of these themes. This has meant we have been able to report practical findings that provide insight and support service improvements.
- 9 This report gives an overview of the diverse findings, important themes and main learning points from those examinations, each of which contained our conclusions on how public bodies were applying the sustainable development principle.

5 Welsh Ministers were required to publish their well-being objectives six months after the Assembly election

Exhibit 3 – themes we examined across the 44 public bodies

The steps we examined covered...		
Digital	Natural environment	Schools & Youth Services
Public involvement	Health & social care	Leisure services
Antisocial behaviour	Service transformation	Healthy lifestyles
Partnership working	Housing	Arts & culture
Waste and recycling	Tackling poverty	Employment & skills
Strategic planning	Children & families	Economy & regeneration

Working with the Future Generations Commissioner

- 10 The Commissioner must (among other things) ‘monitor and assess’ the extent to which public bodies are meeting their well-being objectives. This is closely related to what the Auditor General must do. In broad terms, the Auditor General must look at the way public bodies have **planned and carried out** their work, while the Commissioner must look at what they have **achieved**.
- 11 The Commissioner’s **Future Generations Report** must summarise the work she has undertaken and set out the improvements that public bodies need to make so that they can better apply the sustainable development principle.
- 12 We have worked closely with the Commissioner’s office while developing our two statutory reports. The findings in this report have helped to inform the recommendations the Commissioner has made in her report.
- 13 This report contains two recommendations; one to the Welsh Government and one to the Senedd (see **page 50**), but does not include a separate set of recommendations to the 44 public bodies. Our individual reports to each body identified areas for improvement, which they developed an action plan in response to. Setting another set of recommendations in this report would risk ‘recommendation overload’. As the Commissioner has set recommendations in her report, this means there is a single set of national recommendations for public bodies to focus on. This fits with the Auditor General’s and Commissioner’s previous commitments to set clear and consistent expectations of public bodies.



The implementation challenge: Is it getting easier?

- 14 Our year one report **Reflecting on year one: How Have Public Bodies Responded to the Well-being of Future Generations (Wales) Act 2015?** highlighted several constraints that make it difficult for public bodies to fully embed the Act and maximise its potential across their work. These included short-term funding, legislative and governance complexity and performance reporting (see **Exhibit 4**). These constraints provide important context to our findings on how public bodies are applying the sustainable development principle.
- 15 It is also reasonable to assume that if the constraints set out in **Exhibit 4** can be addressed, public bodies are likely to make more rapid progress in applying the Act. This is perhaps even more important, in the context of the major, complex challenges they will face in the next reporting period (see **page 48**). **If we want to see a greater rate of progress and increase public bodies' capacity to deal with the prevailing challenges, then these barriers need to be addressed.** The Welsh Government, the Commissioner and the Auditor General all need to play their part in helping to create the conditions for change.

- 16 The Welsh Government itself has multiple roles to play. Clearly, it is responsible for the legislation, issuing guidance and supporting its implementation. It is also itself bound by the legislation as one of the 44 bodies. In addition, it has a wider leadership role, which would include modelling the behaviours it expects from others, demonstrating how the Act can be applied and communicating that clearly. This means that the Welsh Government has a responsibility not only to address the barriers that are in its direct control, but also to help other public bodies implement the Act. This is particularly challenging for the Welsh Government, as it requires a comprehensive approach to applying the Act so that new policy, legislation and funding reflect the sustainable development principle (see **Exhibit 4**), and to do all of this ahead of other bodies. The leadership role should also include considering how it interacts with other public bodies and how it can best support the changes it wants to see.⁷ However, the Commissioner has criticised the resourcing and support the Welsh Government has put in place. In essence, to help other bodies to get it right, the Welsh Government must itself get it right.
- 17 The Commissioner and Auditor General can help by focusing on the right things, setting consistent expectations and not over-burdening public bodies with monitoring requirements. Both also have a role in promoting good practice and supporting learning and improvement. Our two offices have worked together closely to try to achieve this, but we recognise more can be done. We will continue to strengthen the co-ordination of our work in the next period.
- 18 Audit Wales' examination methodology was designed to respond to the concerns and requests from public bodies and other stakeholders. We restate our own commitment to ensuring our approach helps drive the right behaviours and supports, rather than impedes, progress.



The Welsh Government has not sufficiently resourced the implementation of the Well-being of Future Generations (Wales) Act in terms of leadership development, support for transformational change and delivering the infrastructure required by the Act; both within their own organisation and the organisations they sponsor.

Future Generations
Commissioner for Wales⁶

6 Future Generations Commissioner for Wales, **Progress towards the Well-being of Future Generations Act**, October 2019

7 See also our summary and supplementary reports on **The Well-being of Young People**, September 2019.

Exhibit 4 – barriers to progress, as identified by public bodies in 2017 and how things have changed since

Then...	...Now
<p>Public bodies were clear that short term funding hampers their ability to plan effectively over the long term. Some sponsored bodies stated that the annual remit letter poses the same challenge. Linked to this, public bodies cited a lack of flexibility over how grant funding can be spent and disproportionate monitoring requirements as inhibiting long term planning and a focus on outcomes.</p>	<p>Short term funding and late notifications remain a reality. There are some examples of grants being merged and flexibility being increased. The Commissioner is recommending that, starting with Welsh Government, financial planning should move to a model of well-being budgets and remit letters to national bodies should be reformed so that they are set in a longer-term context.⁸</p>
<p>Some bodies described the challenge of legislative complexity and the difficulty of joining-up statutory requirements in practice. Specifically, they referred to the need to find a practical means of meeting the requirements of the Act whilst also meeting the requirements of the Social Services and Well-being (Wales) Act 2014, the Environment (Wales) Act 2016 or planning policy and legislation.</p>	<p>This remains a practical challenge. Our national studies have identified references to and consideration of the Well-being of Future Generations Act as part of the development of national policy. However, we have seen examples of policy, guidance and legislation making only marginal or unclear references to the Act.</p>
<p>There were some concerns about existing national reporting requirements and a focus on indicators, which were considered to detract from a focus on long term outcomes and preventative benefits. A few bodies expressed concerns that audit and regulatory requirements could drive a focus on compliance with a process, rather than promoting the spirit of the Act.</p>	<p>There have been some changes in national reporting requirements for local authorities, who are no longer required to report on national performance measures. However, national performance measures in health are based on the performance of acute services. The Commissioner is considering undertaking a review to explore this.</p>
<p>Public bodies highlighted some challenges that need to be overcome if Public Services Boards are to be as effective as intended. These included; the complexity of the partnership governance environment, some potentially influential partners not being engaged, different levels of commitment and different ways of working.</p>	<p>The debate on partnership governance in Wales continues, informed by various published reviews since devolution in 1999. The Local Government and Elections (Wales) Bill potentially adds to an already complex and crowded partnership environment by creating statutory Joint Committees.</p>



What we found

This section covers

- **Setting the first well-being objectives:** Our findings on how public bodies set their first well-being objectives, taken from our 2018 [report](#) **Reflecting on year one: How Have Public Bodies Responded to the Well-being of Future Generations (Wales) Act 2015?**
- **Taking steps to meet well-being objectives:** An overview of our findings on how public bodies have taken steps to meet their well-being objectives, based on the examinations we undertook in 2018-19 and 2019-20.

Setting the first well-being objectives: Findings from our 2018 report

- 19 We explored how public bodies had set their first well-being objectives in our 2018 report. We found that most public bodies had set their first objectives in 2017 and were able to provide some examples of how they applied the five ways of working as part of that process.

Challenges

- 20 We reported in 2018 that publishing well-being objectives had posed some difficulties for public bodies. The Act prescribed a challenging planning timetable and, of course, none of the 44 bodies was starting with a blank sheet. Some were required to publish their first well-being objectives mid-way through an existing planning cycle. Local authorities, fire and rescue authorities and national park authorities had to meet the requirements of the Local Government (Wales) Measure 2009, but the Act also required them to publish well-being objectives shortly before the local elections. Individual bodies were required to publish their objectives before Public Services Boards (PSBs) and this was also highlighted as a barrier to integration by some.

- 21 Public bodies took different approaches to aligning or integrating their well-being objectives with existing strategies and corporate objectives. Our 2018 report identified that in 2017 most public bodies had developed well-being objectives that either added to or replaced their previous corporate objectives. A few chose not to set well-being objectives by the statutory deadline and others said that they intended to revise them soon after setting them.
- 22 Where public bodies had not integrated their well-being and corporate objectives, it was sometimes unclear how their various objectives related to each other, or fitted with their corporate planning processes, performance measures and budget setting. This was despite clear guidance that corporate planning (and corporate plans where relevant) should be the mechanism for setting well-being objectives.⁹

Applying the sustainable development principle

- 23 For our 2018 report, we asked public bodies how their process for setting well-being objectives had differed from how they had set corporate objectives in the past. Most told us it had been different, but often failed to give a detailed explanation of ‘how’ or give examples of how they had used all of the five ways of working. Where they did give examples, these tended to relate to collaboration, involvement or integration.
- 24 Most local authorities said that they had drawn on work they had done in **collaboration** through the PSBs to help them develop their well-being objectives. They described how they had used the PSBs’ well-being assessment as part of their evidence base, as did some health bodies.¹⁰
- 25 Most local authorities made reference to how they had engaged the public in developing their well-being objectives. It was not always clear how this differed from engagement and consultation they had undertaken in the past and made the shift to ‘**involvement**’. Some described how they had drawn on the engagement undertaken by the PSB as part of the development of the well-being assessment. However, our recent **Review of Public Services Boards** [report](#) found that:

‘Whilst engagement activity has been time consuming and extensive it has nonetheless tended to follow traditional approaches focused on informing rather than involving people and consequently falls short of meeting the new expectations of the Act.’¹¹

9 Welsh Government ‘**Shared Purpose: Shared Future**’ – statutory guidance on the **Well-being of Future Generations (Wales) Act 2015**, 2016

10 PSBs are required to prepare and publish an assessment of well-being under section 37 of the Act.

11 Auditor General for Wales, [Review of Public Services Boards](#), October 2019

- 26 Most health bodies said they had engaged internal and external stakeholders as part of the process of developing their well-being objectives, though few referred to engaging the public (beyond drawing on the results of any engagement included in the well-being assessment). A few said they intended to undertake greater involvement when they revised their well-being objectives.
- 27 Similarly, the Welsh Government and sponsored bodies tended to involve staff and stakeholders in the development of their well-being objectives and some stated that they had involved a wider circle than they had in previous years. However, only a few of these bodies directly involved the public in developing their well-being objectives, though others went on to launch large-scale public engagement processes.
- 28 Some public bodies said that they had taken a more ‘**integrated**’ approach by involving people from different backgrounds and disciplines, who had helped them think more broadly about their work. While public bodies may feel that they have improved the process, this did not necessarily result in objectives that reflected all the aspects of well-being. The Commissioner found that:
- ‘Overwhelmingly, objectives have a focus on improving the economic and social well-being of localities, with little emphasis on the environment or culture.’¹²
- 29 We received limited information on how public bodies had considered the **long term** when setting their well-being objectives. There was even less information on **prevention**. Some of this had been drawn from well-being assessments, though the Commissioner also highlighted weaknesses in the information those assessments included on long-term trends. There were, however, references to preventative activities in plans. These included references to delivering the Social Services and Well-being (Wales) Act 2014. Notably, fire and rescue authorities emphasised that prevention is a well-established and successful way of working for them and gave examples, such as work with health and police partners on falls prevention and home fire safety.

12 Future Generations Commissioner for Wales, **Well-being in Wales: The journey so far**, May 2018.

- 30 While public bodies may have felt they applied the five ways of working, it was not always clear how the process was different or what changed as a result. The Commissioner's analysis also highlighted that:
- 'At the moment, public bodies are committing to well-being objectives that largely resemble the corporate objectives they would have set prior to 2017.'¹³
- 31 In our recent work, we identified the need for a few public bodies to clarify how they were going to deliver and monitor progress towards their well-being objectives. This included two public bodies that had set well-being objectives without setting out the steps they would take to meet them. As this is necessary for them to meet their statutory obligations, we reported it to those bodies.
- 32 We will conduct further work on the setting of well-being objectives in the next reporting period and we will be looking to see full and meaningful consideration of all five ways of working.

13 Ibid.

Taking steps to meet well-being objectives

The following sections set out findings from our examinations of specific steps that public bodies are taking to meet their well-being objectives, and how they applied the five ways of working. They also include some references to our other published reports. There are some case studies from Wales which are designed to illustrate effective application of the five ways of working. There are also some case studies from beyond Wales, which we hope are helpful resources.

Long-term



Why it's important: Planning for the long term is at the heart of the Act. If public bodies do not look ahead and balance what they need to achieve today with what they and future generations need to achieve in the future, they risk reducing well-being and increasing costs over the long term.

The expectation¹⁴

Public bodies must...

Take account of balancing short-term needs with the need to safeguard the ability to meet long-term needs, especially where things done to meet short-term needs may have detrimental long-term effect.

Public bodies could demonstrate this by...¹⁵

- Having a clear understanding of 'long term', in the context of the Act.
- Designing actions to deliver well-being objectives and contributing to long-term vision.
- Designing actions to deliver short or medium-term benefits, balanced with long-term impact.
- Designing actions based on a deep understanding of current and future needs, trends and pressures.
- Having a comprehensive understanding of current and future risks and opportunities.
- Allocating resources to ensure long-term, as well as short-term, benefits.
- Focusing on delivering outcomes and, where this is long term, identifying milestone steps.
- Being open to new ways of doing things which could help deliver benefits over the longer term.
- Valuing intelligence and pursuing evidence-based approaches.

¹⁴ Expectations are set out in section 5 of the Act and associated statutory guidance.

¹⁵ These 'positive indicators' were developed through our pilot work with public bodies.

What we found: Our work identified many examples where public bodies had thought about what they want to achieve over the long term. In the next reporting period, public bodies will need to undertake more sophisticated planning for the future, informed by a rounded understanding of both current needs and future trends and supported by appropriate measures of progress and impact.

Understanding the present and the future

- 33 Clearly, public bodies can't predict the future with complete certainty. But we do expect to see them thinking about the future and engaging with uncertainty. That means better understanding needs, risks and opportunities as they are now and exploring how they could play out over the long term. It means being clearer about what they want the future to look like and what they can do to get there. There are a number of tools that can help them do this.
- 34 Linked to this, the definition of long term under the Act goes beyond simply 'thinking about the future'. It requires public bodies to think about balancing what they want and need to achieve now, with what they or future generations will want or need to achieve over the long term.
- 35 We found that many public bodies had a reasonable understanding of current needs and demand pressures. Some were also able to describe how demand and other pressures were likely to change over time. They were using performance data, the results of consultations and local research, such as population needs assessments and well-being assessments, to help them understand the needs of people and places.¹⁶
- 36 While some public bodies could describe some of the likely changes in demand and the factors that might affect it, we found limited examples of forecasting and scenario planning. We identified opportunities for public bodies to think about how wider intelligence and trends might impact on what they were seeking to achieve. They need to think about the connections between social, economic, environmental and cultural trends, rather than focusing only on those that are most obviously and directly related. They also need to ensure they update their trend analyses, as appropriate.¹⁷

¹⁶ Regional Partnership Boards are required to produce a Population Needs Assessment under the Social Services and Well-being Act.

¹⁷ See also Future Generations Commissioner for Wales, **Progress towards the Well-being of Future Generations Act**, October 2019.

- 37 The Commissioner previously highlighted weaknesses in well-being assessments because they:

‘... did not meaningfully consider the long-term, future trends or multigenerational policy challenges’ and ‘implicit messages from the data needed further exploration to better understand the causes and effects of key issues and trends’.¹⁸

If well-being assessments are to be an important source of evidence for public bodies to continually draw upon, then PSBs will need to strengthen their information on future trends. The Welsh Government’s forthcoming Future Trends report should provide a valuable source of information for public bodies across Wales. Inevitably, all public bodies will need to reconsider medium and long-term trends as they begin responding to the aftermath of the global pandemic.

Case study – Gwent Futures Report

In March 2018, Ash Futures published its horizon scanning report for the Gwent area Public Services Boards (PSBs). It described the global and local trends and what they might mean for the people, business and the environment of Gwent over the next 10 to 20 years.

They used the ‘three horizons model’, which explores external factors in a) the present b) the less near future and c) the medium to long term. Whilst this work recognises the inherent unpredictability of the future, it also provides a helpful baseline from which to ask questions.

For more information on the Gwent Futures Report please follow this [link](#)

18 Future Generations Commissioner for Wales, **Well-being in Wales: Planning today for a better tomorrow**, 2017.

Planning for the future

- 38 We found a few notable examples of public bodies setting out and working towards a genuinely long-term vision, looking 10 or more years ahead. This should help guide the actions and decisions they take in the short and medium term. The Commissioner also notes that well-being objectives tend to be long term.¹⁹ We also saw a few examples of public bodies appraising the risk and benefits of projects over the very long term, for example 40 to 60 years.
- 39 More typically, we saw public bodies were planning to deliver activities over the short and medium term. But this didn't mean they weren't thinking further ahead. We found many examples of public bodies thinking about what they wanted to achieve over the long term, though we highlighted that some of those activities were disadvantaged by the lack of a clear long-term vision, actions, resources and measures. Overall, we saw more evidence of long-term thinking than long-term planning.
- 40 We also highlighted opportunities for public bodies to work together more to plan for the future. This would help them explore interconnected issues and work towards shared, long-term outcomes that tackle the root causes of problems.
- 41 Some public bodies were clear about how they would measure progress and impact over the long term. This was often not the case and we challenged many public bodies to think about how they could do this. We understand this can be difficult; different partners are involved in delivery, outcomes can be difficult to measure and it can be resource intensive. Nevertheless, it is important to be clear about what they want to achieve over the long term and whether they are on track to achieve it (see also '**prevention**').

Natural Resources Wales (NRW) is facilitating the development of a shared vision for the natural environment in Wales to 2050. NRW will monitor the natural environment in Wales through its State of Natural Resources Reports (SoNaRR) looking at Wales as a whole, together with medium-term performance measures and short-term annual targets to monitor NRW's own contribution.

View the report [here](#).



A view from the auditor

It's positive to see that public bodies are thinking about what they need to do to improve well-being over the long term. To make that a reality, they need to be clear about what they want to achieve, how they will deliver, resource and measure it and over what time horizon. We want to see evidence of long-term thinking that is informed and supported by long-term planning.

Investing for the future

- 42 Public bodies need to think about the resources they need to deliver improvements in well-being over the long term. They need to think about how risks and opportunities could shape their investment decisions, as well as the impact that using resources now is likely to have on the resources that are available in future. This means thinking about financial sustainability and value over the long term and how costs might be avoided by taking preventative action.
- 43 We saw many public bodies investing for the medium and long term by building capacity, developing specific expertise and investing core or grant funding. We saw that public bodies were often redesigning services so that they would better meet need and be financially sustainable over the medium to long term. However, where public bodies were relying on grant funding there were concerns about long-term sustainability and development of 'exit strategies' (see also '**prevention**').
- 44 Many public bodies are grant funders, as well as grant recipients. We found a few examples of public bodies working to give the organisations they fund more certainty or encourage them to plan for the long term.

Things for public bodies to think about...

- Developing a more sophisticated understanding of the different factors that will shape the future and what this might mean.
- Being clear about what they want to achieve over the long term and how they will measure progress and impact.
- Investing resources to deliver well-being over the long term.



Prevention



Why it's important: Prevention is about protecting the well-being of people and places by building capacity, stopping problems from occurring or worsening. It's also about using resources in a smarter way and, ultimately, delivering better value as well as better well-being.

The expectation

Public bodies must...

Take account of how deploying resources to prevent problems occurring, or getting worse may contribute to meeting the body's well-being objectives, or another body's objectives.

Public bodies could demonstrate this by...

- Seeking to understand root causes of problems so that negative cycles and intergenerational challenges can be tackled.
- Seeing challenges from a system-wide perspective, recognising and valuing long-term benefits they can deliver for people and places.
- Allocating resources to preventative action likely to contribute to better outcomes and use of resources even where this may limit the ability to meet some short-term needs.
- Having decision-making and accountability arrangements that recognise the value of preventative action and accept short-term reductions in performance and resources in the pursuit of improved outcomes and use of resources.

What we found: Public bodies are thinking preventatively, but are sometimes missing opportunities to deliver and measure system-wide preventative benefits.

Thinking preventatively

- 45 We examined some activities that had been designed with prevention in mind. For example, projects to reduce ecosystem decline, improve health and well-being and ensure that children have the best start in life.

- 46 We also examined activities where prevention was not the foremost consideration but could still help to deliver wider preventative benefits. For example, town centre regeneration could be designed to improve the local economy, but could also promote active travel, improve air quality and improve health and well-being. In these cases, public bodies were often aware of the potential wider benefits, but they were not always planning to deliver or measure them.
- 47 We found that public bodies were sometimes missing opportunities to identify preventative benefits and to make the connections between their work and the outcomes that other bodies were seeking to achieve. Prevention cannot be the responsibility of one service or organisation and may require innovative thinking that connects different parts of the system. For example, actions undertaken by leisure or culture services could reduce demand for social care and health. Public bodies will need to integrate different agendas and work with a broader range of partners to deliver wider preventative benefits. This will enable them to focus their efforts far upstream so they can undertake 'primary' prevention.²⁰

20 The Commissioner has agreed a definition of prevention with the Welsh Government that is based on four tiers; primary prevention, secondary prevention, tertiary prevention and acute spending. See the **Future Generations Report** for further information.

Understanding the root causes of problems

- 48 Some bodies were able to describe the reasons that certain problems were occurring or getting worse. For example, the connection between physical activity and health and mental health or the importance of early years and outcomes later in life. Public bodies often drew on national research for this, combined with local data and a few commissioned their own research.
- 49 We did identify several opportunities for public bodies to deepen their understanding of the root causes of problems. They need to understand the reasons behind an issue and how it might have developed over time, in some cases over multiple generations.
- 50 We know that comprehensive analysis of root causes can be technically challenging and time-consuming and might not always be feasible. However, public bodies can delve into root causes by working with partners, service users and the public to understand the factors affecting people's lives, ask why they are choosing not to take part in an activity or service or why interventions have not been successful. They can gather information that helps them interpret research in their local context. Understanding root causes, and having a common understanding, is important if public bodies are going to work together in a system-wide approach to prevention.

The Higher Education Funding Council for Wales' 'Learning Analytics Cymru' project will collect and analyse retrospective and real-time student data to help improve student support and learning outcomes. The analysis of learning patterns will also provide anonymised nationwide insights into:

- a) what causes different educational outcomes for students;
- b) the success or otherwise of student support interventions; and
- c) tracking improvements in learning and teaching on individual programmes.

View the report [here](#).

Investing in prevention

- 51 We found many examples of public bodies investing in prevention; often through leveraging external funding and making smarter use of existing resources. They were accessing grant funding, drawing funding streams together and adapting roles and responsibilities to help deliver preventative benefits.²¹

21 For information on the shift towards preventative delivery in adult social care, please see our report **The 'Front Door' to Adult Social Care**, September 2019.

- 52 Public bodies were often proactively seeking grant funding to help make a shift to more preventative models and deliver long-term, preventative benefits. But they often lacked a plan for sustaining the work when the funding had ended.
- 53 One source of funding for health and social care is the Integrated Care Fund; many of the projects focus on prevention and earlier intervention. Our [report](#) on the fund found that while there has been a clear expectation from the Welsh Government that effective projects should be mainstreamed into core budgets, funding pressures have made that difficult. Many have effectively become core services and regional partners may have to make some difficult decisions to disinvest from some services.²²
- 54 Public bodies find it difficult to redirect core resources to deliver new, preventative delivery models. Reasons include rising demand pressures, core funding constraints and performance monitoring that focuses on outputs. However, they need to consider how best to sustain or mainstream activities that are likely to help manage demand over the long term. Over time, public bodies will need to make a more extensive and fundamental shift to preventative working that connects different parts of their organisations and their partners. We will explore this further in future work, including through our planned thematic review of ‘prevention’ across local government in 2020-21.



A view from the auditor

Examining investment in prevention is an important way for us to understand whether and how public bodies are delivering value for money in the present and over the longer term. Our future examinations will explore whether they understand cost and benefits over time and whether these are informing the difficult choices they will inevitably face.

Measuring prevention

- 55 We saw that some public bodies had developed, or were developing, ways of measuring prevention. This included measuring the wider impact, such as in Cardiff where targets have been set to measure interventions to address poor air quality (for further information see [page 46](#)). It also included measuring the difference a service has made to individuals (see ‘**Connect**’ case study below).

22 Auditor General for Wales, **Integrated Care Fund**, July 2019.

56 For most of the steps we reviewed, public bodies had not identified a way of measuring the impact of prevention. This is difficult, but public bodies should consider how best to measure impacts on individuals, and how their efforts add up to overall improvements in well-being. This would help build the evidence base for preventative work, inform decisions about resources and strengthen the case for external funding, particularly when wider benefits are being delivered. This also needs to be a collective endeavour; public bodies can only really plan for and measure the impact of prevention across the delivery system. Benefits delivered by one partner may reduce demand for another. This underlines the importance of linking prevention with integration.

57 Furthermore, to work preventatively and improve well-being, public bodies need to understand what well-being means to individuals. This underlines the importance of linking involvement with prevention.²³

Working with key partners and using data, Mid and West Wales Fire and Rescue Authority's Arson Reduction Team spent time understanding the unique nature of the arson problem in the area. This included understanding the cyclical pattern of incidents, identifying the key community leaders, a lack of trust in emergency services, and a cultural acceptance of arson attacks as 'the norm'.

Things for public bodies to think about...

- Taking opportunities to work with others to deliver a broader prevention agenda.
- Measuring the impact of prevention.
- Investing in prevention and making sure that preventative benefits can be sustained.
- Exploring with the Welsh Government how preventative spend could best be supported and incentivised.



²³ See also our summary and supplementary reports on **The Well-being of Young People**, September 2019.

Case study – Oldham warm homes

The Warm Homes Oldham scheme was set up by Oldham Council, NHS Oldham Clinical Commissioning Group and Oldham Housing Investment Partnership (OHIP) in 2013. It offers advice, support and energy saving measures to residents in fuel poverty.

Sheffield Hallam University have evaluated this programme, considering savings to the NHS as well as wider economic benefits, using self-reported health outcomes. An investment of £250,000 per year from Oldham CCG resulted in a monetary benefit from an increase of Quality Adjusted Life Years (QALYs) of between £399,000 and £793,000 depending on the method used. The study reported £178,000 of extra GDP due to higher employment rates, £37,700 of extra GDP due to reductions in sickness absence, and £137,300 of reductions in benefits claims.

Source: Ashden Consulting, [A toolkit for city regions and local authorities: Chapter 2 Health and Well-being.](#)

Case study – New Connect: Weight Management Service for Children and Young People, Aneurin Bevan University Health Board

In May 2019, the Health Board launched 'Connect', a new Gwent-wide team of health care professionals working together to support children, young people and their families, to improve their physical and emotional health and to treat the complications of obesity. It was developed as a partnership between physical and mental health services.

The service was designed with a long-term, preventative focus. Staff worked collaboratively to identify the cost of obesity, as well as to estimate the current and future demand for the specialist service, service capacity and required resources both finance and workforce. They evaluated the resources used to provide care for children and young people with obesity to identify how much could be reinvested in the new service.

The Health Board worked with a range of partners to map services and resources for tackling obesity, for example in relation to physical activity and access to healthy affordable food choices. Connect is helping to shape a whole-systems approach to tackling childhood obesity. For example, Connect is linking with Health Visiting teams implementing the Healthy Child Wales Programme and the School Health Nursing Service, which undertakes the childhood measurement programme.

An outcomes framework was developed alongside, to inform service delivery and improvements, to monitor clinical outcomes and to understand the impact and experience of children and their families. Measures include specially developed patient (child) reported outcome measures, patient (child) experience measures and quality of life measures.

Developing a new service (the first in Wales) required trust, risk-taking and support from senior leaders within the organisation to commit resources where outcomes may not be evident in the short term.

View the report [here](#).

Integration



Why it's important: Integration requires public bodies to take a different perspective; one that considers social, economic, environmental and cultural well-being in combination. Thinking in an integrated way will help public bodies balance different factors, identify a broader range of benefits and work in a more co-ordinated way. It should also facilitate preventative work.

The expectation

Public bodies must...

Consider how the body's well-being objectives may impact on each other, on other public bodies' well-being objectives and on the well-being goals.

Public bodies could demonstrate this by...

- Everyone understanding their contribution to delivering the vision and well-being objectives.
- Everyone understanding what different parts of the organisation do and seeking opportunities to work across organisational and public sector boundaries.
- Everyone recognising that achieving the vision and objectives depends on working together.
- Having an open culture where information is shared.
- Gaining a well-developed understanding of how the well-being objectives and steps to meet them impact on other public sector bodies.
- Proactively working across organisational boundaries to maximise their contribution across the well-being goals and minimise negative impacts.
- Having governance structures, processes and behaviours that support this.

What we found: Public bodies can often describe connections between their objectives, their partners' objectives and the national goals. However, there are further opportunities for integration to add value and help deliver wider benefits.

Making the links

- 58 Public bodies were often able to describe some of the connections between their work and the national goals or, in more general terms, how they might improve social, economic, environmental or cultural well-being.²⁴ Many public bodies had formally documented the contributions and connections (see **paragraphs 65 and 66**).
- 59 We also found many public bodies aligning activity to other public bodies' plans and PSBs' well-being plans. We found good examples of joined-up planning with partners, often based on a good understanding of their objectives in related areas of activity. However, there were many other examples where we highlighted the need to develop or strengthen these links or to extend the range of organisations and issues public bodies were considering.
- 60 Many public bodies told us how what they were doing was helping to deliver their own well-being objectives. They could describe how those activities related to different parts of their business and we found some good examples of cross-organisational working. For example, Newport Council recognised that their city centre regeneration required a whole-system approach, linking environment, community safety and health and well-being. This demonstrated the council's consideration of impact on a number of different objectives.
- 61 Departments (in the same organisation) and partner organisations were often making important connections in areas where there is a clear need for integration; for example, health and social care, social care and housing, education and leisure. However, we also identified many examples where internal integration could be strengthened. There are opportunities for public bodies to challenge themselves to make the less typical connections and think more systematically about the range of potential positive and negative impacts on their own and their partners' well-being objectives.²⁵

24 See also our report, **The Effectiveness of Local Planning Authorities in Wales**, June 2019.

25 See also Future Generations Commissioner for Wales, **Progress towards the Well-being of Future Generations Act**, October 2019.

Case study – Sport Wales: understanding sport and well-being

Sport Wales commissioned the Sport Industry Research Centre (SIRC) at Sheffield Hallam University to conduct research on the overall impact that sport has on well-being. The research explored the value (or social return on investment) that sport has to the nation and the contribution that it can make towards health, crime, education, social cohesion and overall well-being.

Read our report [here](#).

Understanding and valuing integration

- 62 Integration is central to the Act. Public bodies will need to take it seriously if they want to use the Act to add value to their work.
- 63 It has a unique focus under the Act. It requires public bodies to think about social, economic, environmental and cultural well-being in combination. Public bodies that work in this way will take a wider view and ensure coherence between their own activities and the work of others. Integration is a precursor to effective collaboration and can facilitate a system-wide response, which enables public bodies to work preventatively. Ultimately, it enables them to deliver a broader range of benefits for people and places.
- 64 We found that ‘integration’ is still sometimes misunderstood as being ‘service integration’ or ‘joint working’ between organisations. This is partly a result of the language used in the Social Services and Wellbeing (Wales) Act 2014.
- 65 It is important that public bodies properly consider and can demonstrate integration. We highlighted opportunities for public bodies to more clearly and explicitly show these links.

- 66 However, there is a risk that integration can be approached as a bureaucratic exercise, mainly focused on showing the links between steps and well-being objectives or the national goals. Retrofitting or cosmetic alignment of objectives and actions is both a missed opportunity and a waste of time.



A view from the auditor

With integration, seeing the links is important but we need to ask the 'so what?' question. Clear links between strategic documents are good to see, but what practical differences do they make, how are they shaping the thinking and what is going to be different as a result?

Case study – Nottingham Good Food Partnership: improving health and cutting the carbon footprint of food

The Nottingham Good Food Partnership is part funded by Nottingham City Council. It is a growing coalition of over 50 member organisations working together to transform the sustainability of Nottingham's local food system.

As part of the Sustainable Food Cities (SFC) Network, the Partnership aims to improve the health and well-being of all and to create a more connected, resilient and sustainable Nottingham.

It is addressing several key issues including:

- promoting the importance of healthy and sustainable food to the diverse local communities;
- working towards a circular food economy;
- radically reducing the ecological footprint of the food system; and
- aiming for zero edible food waste.

Source: Ashden Consulting, [A toolkit for city regions and local authorities: Chapter 2 Health and Well-being](#)

Case study – Building a greener and fairer Scotland

The Scottish Government has set up a ‘Just Transition Commission’ to advise Ministers on how ‘just transition principles’ can be applied to climate change action in Scotland. The aim is to help ensure that climate targets can be met, whilst also considering the economic and social impacts of climate action:

‘The imperative of a just transition is that Governments design policies in a way that ensures the benefits of climate change action are shared widely, while the costs do not unfairly burden those least able to pay, or whose livelihoods are directly or indirectly at risk as the economy shifts and changes.’

The Commission’s interim report can be viewed [here](#). It will share its final recommendations with the Scottish Ministers by January 2021.

Things for public bodies to think about...

- Being clear about what integration means and how they can use it to add value to their work.
- Challenging themselves to expand their thinking so that they better understand how they can take every opportunity to improve the social, economic, environmental and cultural well-being of Wales.



Collaboration



Why it's important: Collaboration is a longstanding feature of policy and service delivery in Wales. Thinking about collaboration alongside the other ways of working helps define why it's important and what it can achieve. By working together public bodies can have a wider impact, tackle the root causes of problems and prevent them from occurring in future.

The expectation

Public bodies must...

Take account of how collaborating with others could assist the body to meet its well-being objectives, or assist another body to meet its objectives.

Public bodies could demonstrate this by...

- Focusing on place, community and outcomes not organisational boundaries.
- Understanding partners' objectives and their responsibilities, which helps to drive collaborative activity.
- Having positive and mature relationships with stakeholders, where information is shared in an open and transparent way.
- Recognising and valuing the contributions that all partners can make.
- Seeking to establish shared processes and ways of working, where appropriate.

What we found: There are many positive examples of collaboration, but we identified opportunities for public bodies to work with a broader range of partners to increase impact. They could also continue to strengthen their collaborations by reviewing their effectiveness and applying the learning.

Working with the right partners

- 67 We found many examples of public bodies working with key partners to deliver shared outcomes. In some cases, this was an extensive range of partners, often co-ordinated through the PSBs and in some cases with regional partners through the Regional Partnership Boards (RPBs) or city region and growth deals. However, we did identify valuable opportunities for public bodies to work with different partners (both internal and external) to increase and broaden their impact (see also 'integration' and 'prevention').

- 68 We identified a good degree of trust, mutual respect and shared understanding between partners for many of the examples we reviewed. These public bodies described how they valued their partners and recognised the need to work with others to deliver better outcomes.
- 69 We saw examples of joined-up delivery, including through shared processes, co-located and multi-agency teams and multi-agency steering groups. However, we found some instances where under-developed processes were getting in the way. Examples include unclear roles and arrangements, lack of common vision and data sharing challenges.
- 70 A significant amount of partnership working is coordinated through the PSBs. However, our **‘Review of Public Services Boards’ report** found that inconsistent attendance and a sense among some third sector representatives that the agenda is owned by the local authority were seen to reduce effectiveness and collective ownership. The review also found that PSBs invite a wide range of organisations to participate but there were opportunities to involve other partners, including from the private sector and faith groups.²⁶



A view from the auditor

We have continued to look at arrangements – they will always be important – but effective collaboration relies on **relationships** and **trust**. We’ve explored both in these examinations and we’ll continue to do so in future work.

Resourcing collaboration

- 71 This report has already set out some of the challenges associated with grant funding (see **‘prevention’**). Our review of PSBs highlighted that resources and capacity are key risks and PSBs feel there is a need for a dedicated PSB funding stream.²⁷
- 72 RPBs can access funding through the Integrated Care Fund. Our 2019 **report** on the fund found that it has ‘helped bring organisations together to plan and deliver services’. However, it also found that short-term funding horizons hampered regional delivery.²⁸

26 Auditor General for Wales, Review of Public Services Boards, October 2019.

27 Ibid.

28 Auditor General for Wales, **Integrated Care Fund**, July 2019.

- 73 The disparity in resourcing these two related partnerships has also been identified as an issue by the Commissioner, who reported that it has:

‘...meant that the attention of Health Board staff is often diverted from the work of Public Services Boards to Regional Partnership Boards, where the scope of improving well-being is more limited’.²⁹

This is due to the PSB having broader representation and the potential to influence the wider determinants of health.³⁰

- 74 Some public bodies can also struggle with the capacity to work in partnership, both at a strategic and operational level. Our ‘year one’ report highlighted the difficulties that smaller bodies and national bodies face when engaging with PSBs.

Assessing the impact and effectiveness of collaboration

- 75 We found that some public bodies needed to ensure they could assess the impact of an activity and progress towards well-being objectives. However, the challenges of measuring long-term, preventative impacts that have already been outlined clearly also relate to measuring the impact of collaborative activities.
- 76 We also highlighted opportunities for public bodies to assess the effectiveness of their collaborative activity. We saw a few examples of public bodies doing this through citizen stories, scrutiny and formal evaluation. Public bodies need to understand whether their collaborations are delivering what was originally intended, whether they are still fit for purpose and how they can strengthen partnership working in future.
- 77 Our review of PSBs found that scrutiny arrangements were ‘too inconsistent and variable’, and that ‘despite some positive and effective work to embed and make scrutiny truly effective, more work is required to ensure a consistent level of performance and impact’.³¹
- 78 Similarly, our report on the Integrated Care Fund found that ‘despite some positive examples, the overall impact of the fund on improving outcomes for services users remains unclear’.³²

29 Future Generations Commissioner for Wales, **Progress towards the Well-being of Future Generations Act**, October 2019.

30 Future Generations Commissioner for Wales, **Future Generations Report**, May 2020.

31 Ibid.

32 Ibid.

Case study – North Powys Well-Being Programme, Powys County Council and Powys Teaching Health Board

The North Powys Wellbeing Programme (NPWBP) is focused on the development of a new integrated delivery model in North Powys. It brings partners together across health, social care and the third sector with linkages to education, housing, leisure, police and ambulance services.

The scope of the NPWBP includes working with local communities to co-design, test and deliver a new integrated model to a rural population. The programme has taken a robust and innovative approach to gathering and visualising Health and Social Care data. An example of this is the Well-being Information bank, and the North Powys Population Assessment which is available online [here](#). The intention is to use the visualised data to help engage stakeholders and citizens in the development of the NPWBP.

View the report [here](#).

Case study – Greater Manchester Combined Authority (GMCA): Cost Benefit Analysis Tool for Partnerships

The GMCA is made up of ten local authorities and the Mayor of Greater Manchester, who work with other partners, and serve a city region of 2.8 million people. The GMCA has also had a series of ‘devolution deals’, giving the region more powers and control of budgets.

The GMCA sought to develop a rigorous means of understanding how benefits – whether to the public, the public purse, the planet or the wider economy – are likely to be accrued by different organisations and communities. The GMCA worked with New Economy to produce its ‘Partnerships Cost Benefit Analysis’ (CBA) model, which helps them consider the value for money offered by different interventions that might otherwise be difficult to compare. It quantifies economic benefits and social benefits, including improved health and well-being. It helps inform decisions by showing how money flows between organisations that invest and those that accrue the benefits.

The CBA model has been used by different sectors and applied to different issues. For more information follow this [link](#).

Things for public bodies to think about...

- Working with the appropriate range of partners to ensure they can deliver a wider range of benefits, including system-wide approaches to prevention.
- Assessing the effectiveness of collaboration, determining whether it is delivering intended outcomes and using the learning to help them improve.
- The Welsh Government should consider how it can better incentivise and enable public bodies (including via funding flows) to work together to deliver national strategic priorities.³³



33 See also recommendation 3 in our Review of Public Services Boards report.

Involvement



Why it's important: Involvement can help public bodies understand what people might need and want now and in the future; how they can effectively tackle the root causes of problems; and how they can identify opportunities to deliver a broader range of benefits.

The expectation

Public bodies must...

Take account of the importance of involving people with an interest in achieving the well-being goals and ensuring they reflect the diversity of the population.

Public bodies could demonstrate this by...

- Understanding who needs to be involved, and why.
- Reflecting on how well the needs and challenges facing those people are currently understood.
- Working co-productively with stakeholders to design and deliver.
- Seeing views of stakeholders as vital information to help deliver better outcomes.
- Ensuring the full diversity of stakeholders is represented and that they are able to take part.
- Having mature and trusting relationships with its stakeholders.
- Sharing with stakeholders in an open and transparent way.
- Ensuring stakeholders understand the impact of their contribution.
- Seeking feedback from key stakeholders which is used to help learn and improve.

What we found: Public bodies are often not creating opportunities for citizens to be involved from the early stages of design through to evaluation and they need to do more to involve the full diversity of the population.

Involvement: What and when?

- 79 The definition of involvement in the Act and guidance challenges public bodies to go further by ‘involving people in decisions that affect them’.³⁴ This suggests an open, iterative and shared process – a progression from seeking more narrowly defined information at a set point in time. It suggests that public bodies should speak to people early and look for opportunities to involve them in delivery through to evaluation.
- 80 We found many examples of public bodies seeking the views of the public and stakeholders to help inform their activities. These examples were often consultation and engagement exercises, aimed at gathering views on specific issues as part of the process of designing a given activity. Public bodies were speaking to established forums and networks to engage with specific groups. In some cases, they were drawing on the expertise of others to help them connect with the public, recognising that they were not always best placed to do it themselves.
- 81 We found some examples of bodies involving the public early, working with them to shape the design of new services or buildings. Taken one step further, public bodies could consider how they involve people in ‘problem definition’, i.e. what they are trying to solve and why. This could help them better understand the root causes of problems and help identify preventative solutions that improve well-being. Early involvement can also help to deliver better value for money by ensuring public bodies design services that people want and need and that they get it right first time.

Conwy County Borough Council has worked with families to design family centres.

Families have helped shape the concept of the family centre; the location of centres and the services they offer; and the way centres measure outcomes.

View the report [here](#).

³⁴ Welsh Government ‘Shared Purpose: Shared Future’ – statutory guidance on the Well-being of Future Generations (Wales) Act 2015, 2016.

82 Some public bodies are using the language of ‘co-production’, which is a more radical approach to working with others, characterised by sharing power and responsibility.³⁵ We examined some steps where people and community groups were directly involved with delivering solutions. We saw a few notable examples in NHS bodies, where patients and former patients share their experiences to inform others or champion certain issues. There were other examples of public bodies recruiting volunteers and working with community groups.

83 We saw a few examples where public bodies were working directly with individuals to involve them in decisions about their well-being and the services they receive, often taking a ‘strengths-based’ approach. This included ‘what matters’ conversations undertaken as part of work under the Social Services and Well-being (Wales) Act 2014.³⁶ Our report **The ‘Front Door’ to Adult Social Care** also found that local authorities are making good progress.

‘...and there has been a positive change in focus to strengths-based assessments, ‘what matters’ conversations and citizens have voice, choice and control’.³⁷

84 We found a few examples of public bodies seeking and responding to views on a routine basis. This included creating opportunities for ‘real time’ feedback, often using digital technology. However, we also challenged bodies to consider how they could continually seek and respond to the views of service users and communities. Public bodies should make sure that people who use their services can comment and contribute to their ongoing improvement.

Hywel Dda Health Board’s Education Programmes for Patients (EPP) offers educational opportunities for people to implement changes to improve their health and wellbeing particularly those living with a long-term/chronic condition and that of their families. Staff and volunteers work together to deliver the programme. Volunteers are recruited to provide their personal perspective; for example, in relation to mental health, disability, substance misuse, and gender identity.

35 The Coproduction Network for Wales defines **co-production** as:

‘... an asset-based approach to public services that enables people providing and people receiving services to share power and responsibility, and to work together in equal, reciprocal and caring relationships. It creates opportunities for people to access support when they need it, and to contribute to social change.’

36 ‘The 2014 Act and its Codes require practitioners to work with individuals as equals – sharing power and esteem by co-producing the ‘what matters’ conversation’. Social Care Wales.

37 Auditor General for Wales, **The ‘Front Door’ to Adult Social Care**, September 2019.

- 85 Overall, we sense that most public bodies are still consulting and engaging more often than involving. Similarly, our review of PSBs found that they have ‘tended to follow traditional approaches focused on informing rather than involving’.³⁸
- 86 The definition may be more stretching, but there has been a longstanding drive to encourage a more responsive, citizen-centred public service in Wales. Existing legislative requirements, alongside the Citizen-Centred Governance Principles, National Principles for Public Engagement and the National Participation Standards for Children and Young People should have provided a good foundation for public bodies to carry out ‘involvement’. However, findings from our examinations and other reviews, and from work conducted by the Commissioner show that there remains more to do.
- 87 Public bodies and PSBs need to consider how they make the shift to a more open, responsive and inclusive way of working with others. The level of actual involvement will vary, but the Act requires public bodies to challenge themselves to look for opportunities to involve others throughout design and delivery.

Involvement: Who?

- 88 We challenged many public bodies to involve a broader range of people in design and delivery. We highlighted some instances where certain stakeholders who could add value had not yet been involved. We also identified opportunities for public bodies to go beyond involving partner organisations, community groups or even current service users and speak directly to the public, or those who might use a service or facility in future.
- 89 We found many examples where public bodies needed to do more to involve the full diversity of the population. They need to think about how they can best involve vulnerable people and those with different protected characteristics, recognising that decisions and activities will impact different people differently.³⁹ To do this they need to understand the make-up of their populations, use appropriate methods and build sufficient time into the process.
- 90 Public bodies have opportunities to connect involvement to their equality duties, which include engagement and carrying out equality impact assessments. This would help ensure they are listening to different voices and reflecting them in their decisions.

38 Auditor General for Wales, [Review of Public Services Boards](#), October 2019.

39 The Equality Act 2010 sets out nine protected characteristics; age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation.

- 91 Public bodies should also ensure they review the effectiveness of their involvement activity. They could review the rate and diversity of responses and ask for feedback on the quality of the process to help learn lessons for the future. The numbers of people involved might be an important measure, but public bodies should also review the outcomes of involvement. This could include the impact and people's experience of the process.

Case study – Cardiff Council: Working with others to develop the 'big ideas' for sustainable travel

In March 2018 the council launched its Green Paper on Transport and Clean Air containing 18 'big ideas' for the future of transport in the city. These ideas included a wide range of initiatives such as; the 'Future of the Metro and buses', 'Clean Air Zones', a 'comprehensive cycle super-highway and primary cycle route network' and 'autonomous vehicles'. One of the main drivers for this work was research from the local public health team that clearly showed that investment in sustainable and active travel has both short and long-term preventative benefits on the environment and on health and well-being.

These are potentially big changes, which could be unpopular with some, so the council wanted to engage its citizens in helping to prioritise the initiatives. In early 2018 it undertook an extensive, independent and well-resourced consultation process. This included a survey which received over 3,500 responses, face-to-face conversations with seldom-heard groups and sessions as part of geography lessons in secondary schools. The results have directly informed the Transport and Clean Air White Paper published in 2019.

For more information on Cardiff's approach to sustainable travel and clean air service please follow this [link](#) to the council's Green Paper.

View the report [here](#).

Case study – Amgueddfa Cymru: Involving others in the future of St. Fagans

Amgueddfa Cymru set up ‘participatory forums’ and other collaborative ways of working to involve people in redeveloping St. Fagans National Museum of History. The forums have given a large number of people, from different backgrounds, the opportunity to genuinely shape work at the museum.

This approach won the ‘Art Fund Museum of the Year Award’ in 2019 and was described by the chair of judges as ‘a monument to modern museum democracy... a major development project involving the direct participation of hundreds of thousands of visitors and volunteers, putting the arts of making and building into fresh contexts’.

View the report [here](#).

Things for public bodies to think about...

- Involving others throughout planning and decision-making, from the early stages of defining problems through to delivering and evaluating the solutions.
- Creating opportunities for people who are likely to be affected to be involved. This means current and potential service users and the full diversity of the population.
- Asking for feedback, learning and improving involvement.



So, what's next?

What's next for public bodies?

The challenges ahead

- 92 The Act is intended to bring about changes in culture and practice that will help public bodies address the major challenges facing Wales, both now and over the long term. Findings from our 2018 report suggest that most public bodies recognise that the Act should indeed be central to what they do, and that it can help them in designing and delivering more sustainable services and better outcomes.⁴⁰
- 93 This initial 2015-2020 reporting period has been a time of very considerable change, during which a combination of significant economic, political and social factors have affected trends, strategies and plans. New issues and challenges – some foreseen, and others unexpected – have appeared or have risen in prominence. One constant factor has been the rising demand pressures on public services, despite some recent easing of the public finance austerity that began in 2008. For Wales in 2020, grappling with the immediate and unprecedented emergency pressures of the COVID-19 pandemic, the challenges and problems facing public services are complex and immense.
- 94 **Exhibit 5** looks ahead at the next reporting period (2020-2025), giving an overview of four of the major challenges that those leading Welsh public services will have to address.
- 95 In the next reporting period, we will expect to see public bodies using the framework of the Act to address these and other challenges. When we look at the setting of well-being objectives, we will expect these key trends to have been considered. When developing our audit work programmes, we will consider the significance of activities and the contribution they make to meeting well-being objectives.

40 Auditor General for Wales **Reflecting on Year One: How Have Public Bodies Responded to the Well-being of Future Generations (Wales) Act 2015?** May 2018.

Exhibit 5 – four defining challenges for Welsh public services from 2020-25

The impact of the COVID-19 pandemic

The Covid-19 crisis response is necessarily focused on saving lives and putting in place measures to reduce the immediate economic impacts on businesses and individuals.



The wider implications of the crisis are extremely complex and are likely to have wide-ranging and long-lasting consequences, particularly for the most vulnerable.

Public bodies already appear likely to come through this period with even stronger collaborative relationships, having supported each other with dedication and ingenuity in the face of the crisis. This should stand them in good stead to tackle the medium and longer-term impacts. The framework of the Act can help build the foresight and resilience that can ensure bodies are well-placed to plan for and respond to emergencies.

Tackling inequality

Inequality continues to be a particularly important issue in Wales. There remains a 'stark gap between the experiences and opportunities of different people, particularly people born into poverty, disabled people, and some ethnic minority groups in Wales'.⁴²



Evidence shows that health inequalities have continued to grow.⁴³ Homelessness has risen dramatically since 2015-16, despite spend on homelessness increasing. Public bodies will need to do even more to improve well-being for disadvantaged groups, against a challenging social and economic backdrop as Wales grapples with the medium and longer-term effects of the COVID-19 emergency.

Climate change and biodiversity loss

Climate change is increasingly a defining issue in public and political debate, as countries across the world struggle to meet their commitments to reduce carbon emissions. The Welsh Ministers and 11 local authorities have declared a 'climate emergency', and the Welsh Government has stated its ambition for the Welsh public sector to be carbon neutral by 2030.



We depend on biodiversity in a number of ways, including regulating the climate and reducing the impact of natural hazards, such as the devastating flooding experienced in South Wales in February 2020. But biodiversity is declining faster than ever before and the World Economic Forum included major biodiversity loss and ecosystem collapse as one of its top three global risks in 2020.⁴¹

A key challenge will be how the Welsh Government and other public bodies can ensure a fair transition to a low carbon economy, and how they can protect the most disadvantaged from the effects of climate change and biodiversity loss.

The UK's departure from the European Union

The UK's departure from the European Union is an historic event and one that will have a very significant impact across the entire public sector, including here in Wales.



Whilst negotiations on the nature of the UK's future relationship with the European Union continue, much remains uncertain. However, the risks of 'no-deal' appear considerable and, whatever the eventual outcome, the immediate, medium and longer-term effects will all need to be carefully managed.⁴⁴

When considered in combination with the still-developing impacts of the COVID-19 pandemic and the resultant pressures on public services and economies across the globe, it is clear that the UK's new trading status will pose a wide range of new challenges, risks and opportunities.

41 'Top risks are environmental, but ignore economics and they'll be harder to fix', World Economic Forum 15 January 2020.

42 Equality and Human Rights Commission, **Is Wales Fairer?** 2018.

43 Public Health Wales, **Life Expectancy and Mortality in Wales**, 2020.

44 Auditor General for Wales, **Preparations in Wales for a 'no-deal' Brexit**, February 2019.

What's next for the Well-being of Future Generations Act?

- 96 Public services are changing. The Local Government and Elections (Wales) Bill proposes significant changes in governance, including a general power of competence for local authorities and the establishment of joint committees. These changes will sit within an already complex system of local and regional partnerships, which span different sectors and geographies. Public bodies are operating in a complex environment, seeking to navigate these arrangements to address multifaceted problems.
- 97 The Well-being of Future Generations Act has the potential to provide a common purpose and consistent culture, to simplify some of this complexity. However, five years on from its enactment, we have learned a lot about the Act and its practical workings.
- 98 Public bodies will need to use the Act when addressing the major challenges outlined in **Exhibit 5**. To do so effectively, the barriers to successful implementation described in this, and the Commissioner's, report will need to be overcome. Early consideration of how this can be achieved, by the Senedd and the Welsh Government after the next election, would help Wales remain at the forefront of actions to improve well-being and maintain its reputation as a global leader on sustainable development.

Recommendation 1

The Auditor General therefore recommends that:

- The **Senedd** and the **Welsh Government** should give post-legislative consideration to the Act to explore:
 - a. how the barriers to successful implementation described in this report, and that of the Commissioner, can be overcome; and
 - b. how Wales can remain at the forefront of actions to improve well-being.

- 99 The public sector landscape has also changed since the original designation of the 44 bodies under the Act, and the schedule of designation could usefully be revisited. The Act requires a collective and co-ordinated effort across the public sector. However;
- several new public bodies have been established since 2015 but have not been designated under the Act;⁴⁵ and
 - other pre-existing bodies (such as the Wales Ambulance Service NHS Trust) may also warrant designation.

Recommendation 2

The Auditor General therefore recommends that:

- The **Welsh Government** considers whether additional public bodies should be designated by Order to be subject to the Act.

What's next for our audit approach?

- 100 We are continuing to involve and collaborate to ensure our examination methodology adds value. We will soon be seeking feedback on the approach taken so far.
- 101 We will have discussions with stakeholders, including the Commissioner, to help inform the strategic direction of our work under the Act from 2020-2025. We intend to invite views on our proposals through a formal consultation, which will launch at an appropriate point later in 2020.

45 The new bodies include: Health Education and Improvement Wales, Social Care Wales and the Welsh Revenue Authority.



Appendix

1 Examination methodology

1 Examination methodology

- The evidence base for this report is drawn from a wide range of sources, including relevant value for money examinations undertaken and published by the Auditor General in the period 2015-2020:
 - [The Effectiveness of Local Planning Authorities in Wales](#), June 2019
 - [The 'Front Door' to Adult Social Care](#), September 2019
 - [Integrated Care Fund](#), July 2019
 - [Preparations in Wales for a 'no-deal' Brexit](#), February 2019
 - [Reflecting on Year One: How Have Public Bodies Responded to the Well-being of Future Generations \(Wales\) Act 2015?](#), May 2018
 - [Review of Public Services Boards](#), October 2019
 - [The Well-being of Young People](#), September 2019
- However, the bulk of the evidence is derived from the specific examinations that we conducted at all 44 public bodies named in the Act:

Our examinations of the 44 public bodies

- We undertook a total of 71 examinations across the 44 public bodies. In local government, fire and rescue authorities and national parks we carried out examinations in both 2018-19 and 2019-20 as part of our programmes of audit work. At the other bodies we carried out an examination in either 2018-19 or 2019-20.
- For each of these examinations, we selected a single 'step' that the body was taking to meet its well-being objectives. At the Welsh Government itself, we examined three separate steps to ensure appropriate coverage of its main delivery groups.
- In considering the extent to which bodies acted in accordance with the sustainable development principle in taking steps to meet their well-being objectives, we also sought to understand the corporate context in which 'steps' are being taken. This information will also help inform our future planning.

Method

The table below describes our core activities for each examination:

Activity	Description
Planning	In discussion with each public body, we identified an appropriate 'step' for detailed examination.
Fieldwork scoping workshop	<p>We ran a structured workshop at the beginning of our fieldwork to understand:</p> <ul style="list-style-type: none"> • why key officers/members/other stakeholders involved in designing and delivering the step/activity did so in the way that they did. • what they felt they achieved and what they learned. Specifically, considering how they had applied the five ways of working. <p>The output from this workshop was a narrative informed by attendees' contributions, which formed an important part of our audit evidence.</p>
Document reviews	We reviewed documents relevant to the delivery of the selected step.
Interviews	We conducted interviews and focus groups to seek the views of a wide cross-section of staff and other stakeholders.
Feedback and response workshop	We ran a workshop where we shared our findings to promote discussion and encourage the body to reflect on what we found, then develop its own improvement actions in response.
Summary report	<p>These reports included:</p> <ul style="list-style-type: none"> • a summary of the key findings from the examination grouped under each of the five ways of working; and • the actions the body decided upon in response to our findings, agreed at the Feedback and Response workshop. <p>We reserved the right to make proposals for improvement in addition to the action identified by the body.</p>

Main examination questions

The table below sets out the main questions we sought to answer in undertaking this examination, and these centred on the ‘five ways of working’:

To what extent has the body acted in accordance with the sustainable development principle when taking the step?

- 1 To what extent has the body considered how the step will meet short-term and long-term need?
- 2 To what extent has the body considered how the step will prevent problems from occurring or getting worse?
- 3 To what extent has the body considered the need to take an integrated approach in delivering the step?
- 4 To what extent has the body taken account of the need to collaborate in delivering the step?
- 5 To what extent has the body taken account of the need to involve the right people and ensure those people represent the diversity of the population?

Reporting on the examinations

- The findings from each examination were set out in a report. These reports also included the bodies’ actions in response to our findings.
- This report provides an overview of the diverse findings, important themes and main learning points from those examinations. It does not set out definitive conclusions on the performance of each body, sector or of the 44 public bodies as a whole.



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This document has been prepared for the internal use of Health Education and Improvement Wales as part of work performed in accordance with statutory functions.

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Summary report

About this report

- 1 This report sets out the findings from the Auditor General's 2020 structured assessment work at Health Education and Improvement Wales (HEIW)¹. 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 This year's Structured Assessment work took place at a time when NHS bodies were responding to the unprecedented and ongoing challenges presented by the COVID-19 pandemic. On 13 March 2020, the Minister for Health and Social Services issued a framework of actions to help prepare the system for the expected surge in COVID-19 cases. The framework included the cessation of non-urgent planned activity and the relaxation of targets and monitoring arrangements across the health and care system. Emergency funding arrangements were also introduced to facilitate the wide range of actions needed to respond urgently to the COVID-19 pandemic.
- 3 Shorter planning cycles were agreed for 2020-21 and supported by quarterly guidance setting out key considerations for the planning of the next phase of the pandemic, for maintaining delivery of essential services, and a movement towards the gradual reinstatement of routine services.
- 4 Our work² was designed in the context of the on-going response to the pandemic to ensure a suitably pragmatic approach to help the Auditor General discharge his statutory responsibilities whilst minimising the impact on NHS bodies as they continue to respond to the next phase of the COVID-19 pandemic. The key focus of the work is on the corporate arrangements for ensuring that resources are used efficiently, effectively and economically. We also paid attention to progress made to address previous recommendations³ where these related to important aspects of organisational governance and financial management especially in the current circumstances.
- 5 The report groups our findings under three themes:
 - governance arrangements;
 - managing financial resources; and

¹ HEIW is a Special Health Authority with a leading role in the education, training, development, and shaping of the healthcare workforce in Wales. More information can be found on [HEIW's website](#).

² The conduct of our work was coordinated with Internal Audit's rapid governance review which includes further testing of key controls noted in this report.

³ Previous recommendations can be found in our [2019 report](#).

- operational planning: to support the continued response to the pandemic balanced against the provision of other essential services.

Key messages

- 6 Overall, we found that **HEIW quickly adapted its governance, risk management and assurance arrangements to respond effectively to COVID-19. The Board and senior leaders showed strong leadership and maintained oversight of the quality and safety of training and staff wellbeing. HEIW's arrangements for managing its financial resources continue to work well, though we identified an opportunity for it to identify and report on cost and value opportunities. HEIW developed effective operational plans and has robust arrangements to monitor and report against progress. It has embraced new ways of working and taken the lead on developing NHS staff wellbeing resources.**
- 7 HEIW has adapted well to revised governance arrangements, shown strong leadership throughout the crisis, and maintained transparency in the conduct of Board business. It has communicated openly with its internal and external stakeholders and is taking the opportunity to learn lessons from new ways of working. HEIW continues to strengthen its risk management processes and regularly scrutinises its corporate and operational risk registers, which appropriately reflected the risks posed by COVID-19. Throughout this period, HEIW maintained oversight of the quality and safety of its training adapting quality assurance methods where necessary. The Board received assurance on staff wellbeing and previous internal and external audit recommendations continued to be monitored. There is scope though, to consider the frequency of Education, Commissioning and Quality Committee meetings.
- 8 HEIW is meeting its financial objectives and is in a good position to continue doing so. Whilst there is not a requirement for HEIW to deliver cost improvements, identifying and reporting efficiencies and economies would further improve good financial management for future sustainability. It has strong financial controls that have remained in place throughout this period of remote working, with appropriate changes made in response to the immediate challenges posed by Covid19. HEIW's monitoring and reporting of its financial position supports Board oversight and scrutiny, and is clear, timely and insightful.
- 9 HEIW responded well to Welsh Government's planning guidance, reflecting its own operations and contribution to the national COVID-19 response. It took a pragmatic approach to prioritising its work programme and embraced new ways of working. HEIW continued to have a focus on staff wellbeing and took the lead in developing wellbeing resources for NHS Wales. HEIW's quarter 1 operating plan was regularly monitored by Welsh Government, the Board and senior leaders. For quarter 2, HEIW has developed a clear monitoring framework.

Recommendations

- 10 Recommendations arising from this audit are detailed in Exhibit 1. HEIW's management response to these recommendations is summarised in Appendix 1.

Exhibit 1: 2020 recommendations

Recommendations

Corporate risk register scrutiny

- R1 We found that the Audit and Assurance Committee scrutinises the corporate risk register at its in-committee sessions. For transparency, unless risks are of a sensitive nature, we recommend the corporate risk register is considered at the public session of the Audit Committee.

Cost and value improvements

- R2 Whilst HEIW is not required to deliver cost improvement plans and does not refer to any in its financial reports, identifying and reporting efficiencies and economies would further improve good financial management for future sustainability. We recommend that HEIW seek to identify cost and value improvement opportunities and record and report those both within HEIW and more widely from its work. This would also clearly evidence tangible benefits and support buy-in to a one NHS approach.

Detailed report

Governance arrangements

- 11 Our structured assessment work considered HEIW's ability to maintain sound governance arrangements while having to respond rapidly to the unprecedented challenges presented by the pandemic. We also reviewed the progress made in addressing our previous recommendations around creating an assurance map, identifying gaps in assurance and scrutiny, and improving its risk management system.
- 12 We found that **HEIW quickly adapted its governance, risk management and assurance arrangements to respond effectively to COVID-19. It continued to show strong leadership and maintained oversight of quality and safety and staff wellbeing.**

Conducting business effectively

HEIW has adapted well to revised arrangements, shown strong leadership throughout the crisis, maintained transparency and open communications and is learning lessons

- 13 HEIW has maintained open and transparent business and communications despite restrictions on public meetings. Since March, HEIW has been unable to hold its meetings in public and moved well to virtual meetings, the first in May, the second in June, the third in July. To ensure continued transparency, HEIW quickly moved to publishing short meeting summaries within 48 hours and unconfirmed minutes within 14 days on its website. In July, HEIW live streamed its Board meeting for the first time allowing the public to observe once again. Although no public observers were present, any observers would be able to ask questions using the chat function, to be addressed after the meeting. Board and committee papers were available in good time on the internal electronic Board papers system and on HEIW's public website.
- 14 Our observations of Board and committee meetings found that members have adapted well to the virtual environment. The chairs and members were well versed with virtual meeting etiquette and adequate time was allowed for questions and discussions. Notwithstanding those observations, we noted that chairs were not always consistent in setting ground rules and as more meetings are live streamed it would be good practice to routinely set out ground rules at the start of all meetings.
- 15 One of the inevitable risks of holding virtual meetings are ICT issues which could leave meetings inquorate, disrupting decision making and scrutiny. HEIW has mitigated this risk appropriately and pragmatically by having a stand-by member for each committee, allowing members to pre-submit questions and ensuring members can join meetings by phone if needs be. The July Education, Commissioning and Quality (ECQ) Committee was temporarily inquorate but the issue was dealt with quickly and appropriately.

- 16 Communication is key during crisis periods, particularly given the remote working context. HEIW maintained good communication with internal and external stakeholders. The Board received a weekly briefing paper, which was available on the intranet for staff. Staff also received regular newsletters. In April, the Chief Executive was seconded to Welsh Government (see paragraph 22). In her absence the Deputy Chief Executive continued to produce the Chief Executive's newsletters for stakeholders and partners. HEIW created a COVID-19 page on its website to update students, trainers and employers on available resources and guidance. HEIW has worked closely with counterparts in England, Scotland and Northern Ireland throughout, which HEIW report has been beneficial in forging stronger relationships.
- 17 HEIW's revised governance and business continuity arrangements have supported decision making and scrutiny. Like other organisations, HEIW adapted its governance arrangements in line with Welsh Government guidance. The Board had sight of the proposed changes prior to approval at its March meeting. Aside from varying standing orders to allow Board and committee meetings to run virtually and omit the public (the only chair's action taken during this time), HEIW largely maintained business as usual in relation to governance. No committees were stood down and all ran as scheduled. The Audit and Assurance Committee held an additional meeting in May to review the accounts and agreed appropriate dates for audited accounts and related documents submission in light of revised deadlines. Board development sessions continued virtually but with a COVID-19 focus.
- 18 Board and committee agendas reduced and focussed on responses to COVID-19 and essential business. Non-urgent action log items were deferred to a suitable future date and where appropriate work programmes updated. Despite the refocused agendas, the length of meetings we observed remained unchanged, some lasting around 3 hours without a break. Particularly for virtual meetings, we would suggest the inclusion of a short break to help avoid fatigue and improve effectiveness.
- 19 Our Board and committee meeting observation found engaged and knowledgeable members, providing robust scrutiny alongside offering expertise and support. The Board and independent members are experienced, effective and well supported by the governance team. Meeting papers were well written and of a good quality. Independent members we spoke to fed back that there have been no issues with the clarity or timeliness of papers.
- 20 The Board received timely updates on HEIW's response to COVID-19 at each meeting. The Board also ratified operational plans and continued to receive routine performance and annual reports. More frequent updates were provided throughout the peak of the pandemic to Board members via weekly COVID-19 briefing papers. The Chair continued routine twice weekly conversations with the Chief Executive, Deputy Chief Executive and the vice-chair, and weekly conversation with other independent members. HEIW has a relatively small Board structure, so flows of information between committee chairs and the Board has been relatively easy to

manage. All these arrangements were in line with the business continuity plan (discussed further below).

- 21 In March, HEIW deployed its Crisis and Business Continuity Plan for the second time (the first being in February in response to severe flooding near HEIW's headquarters in Nantgarw). To manage arrangements during the pandemic, whilst strategic decisions were taken at weekly Executive Team meetings, HEIW established a Crisis Management Team (CMT) to focus on the operational response. The CMT, chaired by the deputy CEO, was made up of the Executive Team and other senior leaders and met three times per week at the height of the crisis. It was responsible for developing HEIW's COVID-19 response plan, which was formally submitted to Welsh Government. HEIW reported weekly to the Welsh Government on progress against its COVID-19 action plan, which was also made available to Board members. HEIW has reflected on the operation of the CMT, which was stood down in July. At the peak of the crisis there were approximately 30 participants, which was good for communication. However, on reflection, HEIW feels that a smaller, discrete group would benefit critical decision making, whilst engaging others where needed.
- 22 HEIW has a stable and resilient Board and continues to have a focus on continuous learning. Our 2019 Structured Assessment found that the Board and senior leaders demonstrated strong and collegiate leadership. This remains the case, holding HEIW in good stead during this crisis. Between April and June, HEIW's Chief Executive was seconded to Welsh Government as the Deputy Chief Executive of NHS Wales. HEIW managed this change well, with the Deputy Chief Executive overseeing day to day operations. No changes were needed to the scheme of delegation. Whilst seconded the Chief Executive continued to attend weekly Executive Team meetings and hold regular one-to-ones with the Deputy CEO to maintain a degree of oversight. In May the Director of Nursing retired, after which HEIW swiftly secured an interim, part-time, replacement who started in June.
- 23 HEIW has had a stable Board throughout the pandemic, three independent members were reappointed just before the pandemic (in February) for periods between 2 to 4 years. As stated earlier, the Board has arrangements in place to ensure committees remain quorate and vice-chairs will step in should the chair be unavailable. In response to our 2019 recommendation, a review of Board and Committee structures was undertaken, and proposals reported to and approved by the Board in September 2019, with standing orders updated appropriately in November 2019. There is an intention to review reporting structures within directorates over the coming months.
- 24 HEIW's focus on continuous learning has continued throughout the pandemic. Board development sessions have continued and been used as a forum to capture lessons learned. At its June Board development session, the Board received a presentation about the 'new normal' in education and training in Wales, covering opportunities and lessons learned in response to COVID-19. In addition, HEIW's quarter 2 plan starts to explore how HEIW might work differently, embed new ways of working and its role should there be a second peak. Clearly there is more work

to be done and the situation is changeable, but it is positive that HEIW has started this process.

- 25 The Chair has held conversations with independent members about the strengths and weakness of current working and his findings will be reflected in personal development plans. Those we spoke to have cited several positives from this period to take forward, for example virtual working and asking questions in advance of meetings. Unintended benefits have also been identified, for example virtual meetings feeling more focused. It is just as important to identify what does not work so well, such as members preferring face to face Board development sessions.
- 26 HEIW is giving considerable thought to lessons learned over this period in different parts of the business. We suggest it brings this learning together to identify common themes and help share its learning wider, both internally and externally. Areas which could benefit include organisational working, governance arrangements, working with partners and running training.

Managing risk

HEIW continues to strengthen its risk management processes and regularly scrutinises corporate and operational risks, which appropriately reflect those posed by COVID-19

- 27 HEIW amended its risk management arrangements to reflect the risks posed by COVID-19. The corporate risk register was aligned to reflect the risks emerging from the pandemic, setting out seven key risk areas directly related to COVID-19. Apart from red risks, all non-COVID-19 corporate risks were temporarily de-escalated to ensure focus on key risks. The seven COVID-19 risk areas are:
- Impact on progress / completion of education and training for current students and trainees.
 - Impact on recruitment to/fill rates of future education and training programmes.
 - Disruption to current major change programmes that are underway.
 - Disruption to delivery of new work programmes in the IMTP.
 - Financial implications.
 - Impact on the Wellbeing of HEIW staff.
 - New ways of working.
- 28 The Audit and Assurance Committee received the revised corporate risk register for the first time in April during its in-committee session and continued to review it at most meetings during the pandemic. Whilst this is positive, unless risks are of a sensitive nature, for transparency, we would suggest the corporate risk register is considered at the public session of the Audit committee. In March the Board received a high-level assessment of risks posed by COVID-19, which were

included in HEIW's quarter 1 operational plan. The Board is due to receive the corporate risk register in September and the Board Assurance Framework in October. As recommended in 2019, levels of risk appetite were agreed at January Board and the corporate risk register now shows the risk appetite for each risk. In July HEIW held a workshop to review and agree its risk appetite for quarter 2 and review delivery risks and mitigating actions.

- 29 At an operational level, HEIW maintained a COVID-19 risk log which feeds into the corporate risk register. This was regularly reviewed and updated by members of the CMT and executive leads. The log has a simple clear format, grouping risks into the seven risk areas set out above, then setting out risk detail, mitigating actions, progress and whether the risk should be escalated to the corporate risk register.
- 30 Most key COVID-19 risks on the corporate risk register have now been de-escalated, except for risks related to a second peak and impacting on education. As crisis management arrangements are stood down, risk management will return to routine arrangements. The COVID-19 risk log will remain in place though will be aligned with directorate risk registers. Risks associated with delivering the quarter 2 operational plan will be managed within directorates and escalated as per normal procedures.
- 31 Last year we made several recommendations relating to risk management. It is pleasing to see that HEIW has progressed these despite the circumstances and in March, Internal Audit issued a reasonable assurance report for its review of risk management. Like us, Internal Audit identified some improvement points including one high priority recommendation around the processes for escalating and de-escalating risks between directorate and corporate risk registers. HEIW has now updated its risk management policy, which includes clear processes for escalating and deescalating risks. The updated policy was approved by the Board in July.
- 32 In 2019, we found that whilst HEIW had developed a Board Assurance Framework (BAF), it needed to better map assurance and controls to support the BAF. This work has been paused due to COVID-19 and is due to recommence in quarter 2.
- 33 In 2019, we also made several recommendations relating to information governance and cyber security arrangements. Cyber security is a red risk on HEIW's corporate risk register. Limited progress has been made to address the recommendations due to a lack of specialist cyber security resource, however a Head of Cyber Security was appointed in June so we would expect outstanding recommendations to be addressed at pace. Some progress has been made in completing the General Data Protection Regulation (GDPR) action plan and Information Asset Registers under interim arrangements. Once the Information Governance Officer is recruited (the position was advertised for the third time in June) we would expect progress to pick up. The IGIM Group has developed information governance key performance indicators (KPIs). This group meets quarterly and will report into the Audit and Assurance Committee.

Systems of assurance

HEIW maintained oversight of the quality and safety of its training and staff well-being, and continued to track audit recommendations, despite limited frequency of Education, Commissioning and Quality Committee meetings

- 34 Protecting students and patients alike, HEIW's Quality Management Framework ensures the quality and safety of medical education and training. HEIW has a Quality Unit which monitors training in several ways such as national General Medical Council (GMC) surveys of medical trainers and trainees, quality assurance visits and regular feedback from education leads within the NHS. Before the COVID-19 pandemic hit, HEIW had taken part in the GMC's quality assurance pilot receiving a positive report about its approach to quality management.
- 35 Throughout the pandemic HEIW has continued to monitor the quality and safety of the training it commissions but has had to adapt, and will continue to adapt, some of its processes to do so. For example, using existing sources of evidence for assurance on concerns management such as placement feedback received prior to the pandemic and responses to risk reports. All local education providers (heath boards) submitted self-assessments before the pandemic giving assurance on governance arrangements and raising concerns. HEIW is exploring elements of the self-assessments with the providers, especially high-risk issues. HEIW holds virtual meetings held with Assistant Medical Directors every three weeks, focusing in part on the infrastructure of education to deliver quality. HEIW has also been proactively engaging with the GMC and other professional bodies, such as the Nursing and Midwifery Council (NMC), throughout this period, especially in relation to arrangements for students supporting frontline services.
- 36 In maintaining quality assurance NHS wide, HEIW contributed by developing the quality management and assurance process for field and private hospitals to ensure they could be considered training sites. It was also responsible for monitoring NHS Wales sickness rates and developing critical care training for those new to or returning to work in critical care.
- 37 The Education, Commissioning and Quality (ECQ) Committee is responsible for providing quality assurance to the Board. Whilst continuing to maintain oversight on routine matters, it has been receiving updates on the impact of the pandemic. In April it received papers on the impact on the provision of education and training and the role of students in helping during the pandemic. Following on from that in July it received an overview of HEIW's approach to quality management of Post Graduate Medical Education during the pandemic. The committee will be receiving a further report on the quality assurance of education for other multi-professional areas at its October meeting.
- 38 The ECQ Committee meets on a quarterly basis so has met only twice since the start of the pandemic (April and July). HEIW should review whether this frequency

is adequate both for regular business and at a time of crisis where quality and safety issues are crucial. The papers received at the April and July meetings provide clear and comprehensive information and assurance, however the committee may have benefited from receiving the July paper earlier. We also note that most papers going to the ECQ committee were labelled 'for information' with very few for assurance, discussion or approval and would ask whether this is appropriate.

- 39 Board members received updates on operational and quality and safety matters through weekly briefing papers. Updates included the status of training courses and HEIW's contribution to the deployment of students and clinical staff to the frontline during the COVID-19 response.
- 40 Although HEIW is not required to produce an annual quality statement it is pleasing that it intends to work with Welsh Government in 2020-21 to develop its own annual quality statement.
- 41 HEIW has a strong focus on staff wellbeing, which we highlighted in our 2019 Structured Assessment. This focus has continued throughout the pandemic. Board members received regular assurance on staff wellbeing through the weekly briefing papers and at public Board meetings. This included information on the number of staff impacted by COVID-19 (displaying symptoms and self-isolating), an overview of staff wellbeing initiatives and HEIW's work leading on NHS wide online wellbeing resources. Further detail on wellbeing initiatives is outlined in paragraphs 60 and 61.
- 42 Throughout this period the Audit and Assurance Committee has continued to receive the audit recommendations tracker to assist scrutiny of the progress being made to address recommendations. HEIW conducted a review of tracking systems across NHS Wales and adopted the tracker style used by the Welsh Ambulance NHS Trust (WAST). This new format was presented to the Audit and Assurance Committee in April and contained eight recommendations, four of which were complete. Our 2019 Structured Assessment⁴ recommendations and recommendations from several internal audit reports were added on a timely basis to the tracker. HEIW has made progress against our 2019 recommendations but the pandemic has stalled progress on some recommendations. Audit and Assurance Committee continued to receive internal audit reports where fieldwork had been complete prior to the pandemic. The Committee also received the Head of Internal Audit's opinion and Internal Audit's Annual Report for 2019-20.

Managing financial resources

- 43 Our work considered HEIW's financial performance, changes to financial controls during the pandemic and arrangements for monitoring and reporting financial

⁴ The management response to our 2019 Structured Assessment was received by the Audit and Assurance Committee in April 2020.

performance. We made no recommendations in this area in our work last year and are pleased to note that HEIW has taken forward some learning points highlighted.

- 44 We found that **HEIW's arrangements for managing its financial resources continue to work well, though identifying and reporting cost and value improvements would further improve good financial management for future sustainability.**

Achieving key financial objectives

HEIW is meeting its financial objectives and is in a good position to continue doing so but there is potential to identify and report cost and value improvements

- 45 HEIW met its 2019-20 financial duty to break even in the year, with a £0.084m revenue underspend and a break-even position for capital spend. As required, an annual plan was submitted to Welsh Government for 2019-20.
- 46 At the end of month 5 it is on track to achieve financial balance in 2020-21. Although only minimal additional expenditure is anticipated as a direct result of COVID-19, there have been impacts in key areas such as training delivery and examination completion where activities are on hold. HEIW undertook a detailed review to understand the position and will be returning surplus funding back to Welsh Government, and through effective working with other home nations and regulators identified solutions to extending training and study periods, which mitigated future cost risks without compromising training and professional standards expectations. HEIW has also reviewed its cash holding policy in line with resource accounting principles to ensure cash is not drawn down before needed.
- 47 Whilst HEIW is not required to deliver cost improvement plans and does not refer to any in its financial reports, identifying and reporting efficiencies and economies would further improve good financial management for future sustainability. Recording and reporting the resulting cost and value improvement (both within HEIW and perhaps more widely from its work) would also clearly evidence tangible benefits and buy into a one NHS approach.
- 48 Looking to the future, for 2020-23 onwards HEIW is required to produce a rolling three-year Integrated Medium-Term Plan (IMTP). It has already submitted its IMTP to Welsh Government, though the process of approval is paused at this time and instead quarterly plans are being submitted as required. It is pleasing to see that HEIW has developed a five-year financial plan within the three-year IMTP to reflect the timescales that current and envisaged programmes take to establish their full annual cost commitment. Our operational planning section below sets out more detail on the quarterly plans.

Financial controls

Strong financial controls have remained in place throughout this period of remote working with appropriate changes made in response to the immediate challenges posed by COVID19

- 49 Despite the huge additional challenges due to the pandemic and the pressures of remote working, HEIW produced good quality draft financial statements to the original Welsh Government deadline, clearly demonstrating the continued robustness of their financial controls through this period, including year-end closedown procedures.
- 50 No changes were made to systems and controls over the period, not unexpected given there are likely to be minimal cost increases directly related to COVID-19. HEIW intends to manage these costs within its current 2020-21 funding allocation and identify them manually rather than through additional ledger codes, which seems appropriate in the circumstances.
- 51 Primarily then for financial systems and controls it's been business as usual, however where appropriate HEIW has made required changes to implement Welsh Government guidance, for example updating standing orders around independent member's terms and appointments.

Monitoring and reporting

Financial monitoring and reporting are clear, timely and insightful and supports Board oversight and scrutiny

- 52 The Board has continued to receive timely financial reports throughout this period. In June it received the month 2 (May) financial report and in July the month 3 (June) financial report. The reports are clearly aligned with the monthly financial reports to Welsh Government which continue to be submitted on a timely basis and in line with reporting requirements.
- 53 The financial reports are clear, setting out the current position, forecast to year end, explanations of budget variances and importantly, proposed changes to the in-year plan in response to the identified issues and risks. The month 3 report sets out details of the work undertaken around the expenditure slippage in year (see paragraph 46) due to COVID-19 and the action proposed. This picks up on the key financial risks identified on the COVID-19 risk log (delays in education and training programmes, study leave and budgets) which were escalated appropriately to the corporate risk register.

Operational planning

- 54 Our work considered HEIW's progress in developing and delivering quarterly operational plans to support the ongoing response to COVID-19 and to provide other essential services and functions in line with Welsh Government planning guidance. At the time of our work, the focus was on essential business with the aim of restoring routine activities when it is safe and practicable to do so.
- 55 We found that **HEIW has developed effective operational plans and has robust arrangements to monitor and report progress. It has embraced new ways of working and has taken the lead on staff wellbeing nationally.**

Developing the plan

HEIW responded well to Welsh Government's planning guidance, reflecting its own operations and contribution to the national response

- 56 HEIW submitted its quarter 1 and quarter 2 operational plans to Welsh Government by the required submission dates. The sequencing of Board meetings and the operational plan submission dates meant that formal board approval for both plans was retrospective. However, the Board had an opportunity to comment on draft plans before submission to Welsh Government. The short time for plan production reduced the scope for external engagement however opportunities for engagement and intelligence gathering through national peer groups such as the directors of planning group were taken. Throughout the pandemic HEIW has continued to meet regularly with its Local Partnership Forum and with professional bodies such as the British Medical Association (BMA) and the Royal Collage of Nursing (RCN) when needed.
- 57 The requirements of the quarter 1 and 2 operating frameworks were geared towards health boards and clinical services. HEIW responded to the requirements to reflect their own operations. The plans set out how HEIW has and will contribute to the COVID-19 response through their programme of delivery. Exhibit 2 shows how HEIW responded to the requirements of the operating frameworks.

Exhibit 2: HEIW's response to Welsh Government operating framework requirements

Managing COVID-19 demand

HEIW has managed COVID-19 demand by closing its offices in line with Welsh Government guidance. From quarter 2, it has allowed limited access to its offices.

Both operational plans express HEIW's readiness to work with the wider NHS to support the COVID-19 response and find opportunities to contribute to workforce sustainability and innovation. For example:

- Welsh Government set up the Nosocomial Transmission group and an Infection Prevention and Control working group to develop guidance on infection control and prevention issues. HEIW is an active member of both groups, specifically looking at workforce, training and strategy to reduce transmission in care homes.

HEIW supported the provision of critical care in a number of ways including by:

- Sourcing critical care training for NHS staff being redeployed to new areas or those returning to practice.
- Providing advice and guidance on surge plans to flex critical care capacity.
- Identifying where extra critical care capacity was needed, identifying redeployment opportunities.
- Releasing HEIW clinical staff to reduce their sessions for HEIW and increase their clinical sessions in health care settings.

Essential services

The plans recognise that HEIW does not deliver essential clinical services but does deliver essential workforce support and workforce education and training. In quarter 1 HEIW paused some of its activity to focus on its contribution to the COVID-19 response. The quarter 2 plan has a stronger focus on where HEIW can support 'essential services', such as:

- Leading the workforce development and training requirements to support single cancer pathway and diagnostic and imaging services.
- Restarting the workforce planning and workforce development requirements for the Major Trauma Network, taking account of the impact of COVID-19.
- HEIW is in early discussions with Welsh Government and Social Care Wales to develop a mental health workforce plan.

Routine services

HEIW has interpreted routine services as getting back to its routine activities. The plans state that HEIW will work with health bodies to understand their plans for re-establishing routine services and will then assess what this means for education and training. In particular they will look at what this means for clinical placements and programmes, and workforce capacity.

Primary care

Both quarter 1 and 2 plans express HEIW's intention to support the implementation of the primary care workforce model, supporting the Strategic Programme for Primary Care, including taking forward the lessons learnt from COVID-19 into future work plans.

Social care resilience

In quarter 2, HEIW, in partnership with Social Care Wales, re-established the workforce strategy steering group. This enabled the group to refocus on implementation priorities, to provide further advice to Welsh Government and consider opportunities to support workforce capacity. HEIW is also supporting social care resilience by:

- Developing a paper to consider how it can support the increasing pressure on the care home sector as a result of COVID-19.
- Ensuring that social care employees have access to the national wellbeing resources it has developed.

Public communications

HEIW does not communicate with the public like other health bodies, but communication with internal and external stakeholders is still important. Both quarter 1 and 2 plans state HEIW's intention to maintain regular communication with its staff, Board and stakeholders and support the national COVID-19 safety messages.

Exhibit source: Audit Wales analysis of HEIW's quarter 1 and 2 operating plans.

Resources to deliver the plan

HEIW took a pragmatic approach to prioritising its work programme, continued to focus on staff wellbeing, took the lead nationally for developing wellbeing resources, and embraced new ways of working

- 58 In March, HEIW reviewed its 2020-23 IMTP work programme to ensure that only essential activities were being delivered. This review gave HEIW a clear idea of the demand and resource supply to respond during the pandemic. HEIW took a pragmatic approach to prioritising its work programme. It recognised that for some activities it would need to work with health boards, albeit that this was challenging given the pressures and time constraints in health boards at the time. As stated earlier, as health bodies work to cautiously resume routine services, HEIW will be working with them to understand what this means for education and training programmes, in particular clinical placements.
- 59 At its March meeting, the Board received an overview of HEIW's work programme, detailing which activities would be paused, continued, redirected or accelerated to support the COVID-19 response. An updated document was presented to the May Board. The quarter 1 plan summarised key actions but did not include the work programme; this was appended to the quarter 2 operational plan.
- 60 HEIW staff have adapted well to remote working, which has been in place since March. Part of this success is due to the wellbeing initiatives HEIW has put in

place. For example, by creating opportunities for colleagues to connect informally through 'virtual cuppas', quizzes and short talks on interests outside work. HEIW has run three pulse surveys to collect information about staff wellbeing and weekly bulletins to keep staff updated. As well as monitoring the impact of COVID-19 on staff, HEIW has risk assessed individual staff at greatest risk⁵ and making necessary adjustments, in addition to encouraging staff to take annual leave. One unintended benefit of remote working is that those who worked remotely previously now feel far more part of the organisation. It will be important that this benefit is not lost when working returns to a 'new normal'.

- 61 Nationally, one of HEIW's strategic objectives is to support workforce wellbeing across the NHS. During the pandemic HEIW has been a key contributor of the Workforce Deployment and Wellbeing Planning and Response Group (Workforce Cell). It has taken the lead in developing the online COVID-19 health and wellbeing resources for NHS staff. The resources range from compassionate leadership, mental and general wellbeing support to financial and bereavement support. The online resource also signposts to wellbeing sites and resources from health bodies across NHS Wales. HEIW has been monitoring access to its wellbeing resource, at the end of quarter 1 it had been accessed over 70,000 times.
- 62 HEIW has embraced new ways of working, both in terms of how it operates as an organisation and how it supports and delivers training. During this period the organisation has adapted to remote working, has developed virtual training and provided NHS wide online resources. The quarter 2 operational plan reflects on lessons learned from COVID-19 and areas that HEIW intends on developing further. For example:
- Digital leadership – accelerating plans to strengthen digital leadership. HEIW has recruited a Head of Digital Services and plans to recruit a Director of Digital who will lead the development of a digital and IT strategy.
 - Clinical leadership – HEIW has continued to build its digital leadership portal and scope new leadership and talent programmes. From quarter 2 it intends accelerating plans to develop a national offer to complement local arrangements.
 - Remote Consultation and Clinical Decision Making – given that remote consultation and clinical decision making will be the way forward. HEIW is in early discussions with unscheduled care services, such as out of hours, 111 and WAST, to develop and formalise a whole career pathway for telephone conversation and call-handling, with progression to remote consultation and clinical decision making.
 - Behavioural science – HEIW will be hosting a series of virtual masterclasses based on a behavioural science approach using Care Aims. The masterclasses aim to help reduce the risk that professionals will return to

⁵ For example, BAME, older and pregnant staff and those with underlying health conditions.

pre-COVID-19 practice patterns by encouraging a culture shift towards positive risk taking.

Monitoring delivery of the plan

The quarter 1 plan was regularly reviewed and HEIW has developed a clear monitoring framework for quarter 2

- 63 HEIW's approach to monitoring the quarter 1 operating plan was led by the requirements set by Welsh Government. The quarter 1 operating plan included five key areas of focus and high-level action points, which was translated into HEIW's COVID-19 action plan. Progress against the action plan was reported to Welsh Government on a weekly basis and considered by the Executive Team and CMT. In addition to detailed weekly briefings the Board also received a bi-monthly progress report. In July, the Board received the quarter 1 integrated performance report covering the period between 1 April and 30 June. The performance report covered the following:
- performance against the 2020-23 IMTP objectives;
 - corporate performance in line with the agreed elements of the integrated performance framework;
 - performance in response to COVID-19; and
 - performance in relation to activity outlined in the quarter 1 operating plan.
- 64 The crisis management arrangements were stood down in July, meaning that the quarter 2 operational plan will be subject to routine monitoring arrangements. Welsh Government feedback on the quarter 1 plan was largely positive but indicated that ownership and timescales for the actions was limited. For quarter 2, HEIW has developed a framework for tracking progress, this was presented to the Board in July along with the plan itself. There is an owner for each action, but timescales are still unclear.
- 65 As recommended in 2019, HEIW has developed a performance management framework, which is currently in draft form. Prior to finalising it HEIW intends to update the framework to reflect the impact of COVID-19 on future performance management arrangements. HEIW will also be developing key performance indicators aligned to its IMTP.

Appendix 1

Management response to audit recommendations

Recommendation	Management response	Completion date	Responsible officer
R1 Corporate risk register scrutiny We found that the Audit and Assurance Committee scrutinises the corporate risk register at its in-committee sessions. For transparency, unless risks are of a sensitive nature, we recommend the corporate risk register is considered at the public session of the Audit Committee.	There is a presumption that the CRR is considered in the public session of the Audit and Assurance Committee. Where there is a risk on the CRR deemed to be of a sensitive nature then this risk only will be considered in-committee with the remainder of the CRR considered in the public session.	Q3 of 2020-21	Board Secretary
R2 Cost and value improvements Whilst HEIW is not required to deliver cost improvement plans and does not refer to any in	Cost savings will be separately coded and thereby facilitate easier regular reporting. This will commence during	Q4 of 2020-21	Director of Finance

Recommendation	Management response	Completion date	Responsible officer
<p>its financial reports, identifying and reporting efficiencies and economies would further improve good financial management for future sustainability. We recommend that HEIW seek to identify cost and value improvement opportunities and record and report those both within HEIW and more widely from its work. This would also clearly evidence tangible benefits and support buy-in to a one NHS approach.</p>	<p>q3 of 2020-21 financial year with retrospective analysis undertaken for the first 2 quarters of the year. Value opportunities / assessments will be incorporated within business cases where appropriate and possible.</p>		



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Cymru (AaGIC)
Health Education and
Improvement Wales (HEIW)

Dyddiad y Cyfarfod	20 Hydref 2020	Eitem ar yr Agenda	2.3
Teitl yr Adroddiad	Adroddiad Cynnydd		
Awdur yr Adroddiad	Archwilio Mewnol		
Noddwr yr Adroddiad	Pennaeth Archwilio Mewnol		
Cyflwynwyd gan	Archwilio Mewnol		
Rhyddid Gwybodaeth	Agored		
Diben yr Adroddiad	Y wybodaeth ddiweddaraf am weithgarwch archwilio mewnol		
Materion Allweddol	Y wybodaeth ddiweddaraf am weithgarwch archwilio mewnol		
Camau Penodol i'w Cymryd (un ✓ yn unig)	Gwybodaeth	Trafodaeth	Sicrwydd
	✓		
Argymhellion	Gofynnir i'r Aelodau nodi'r adroddiad er gwybodaeth		



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Health Education and Improvement Wales

INTERNAL AUDIT PROGRESS REPORT

Audit and Assurance Committee - October 2020

NHS Wales Shared Services Partnership

Audit and Assurance Services

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3. Delivery of 2020/21 Internal Audit plan	1

Appendix A: Table 1 - Status of 2020/21 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 1 October 2020.
- 1.2. The report includes details of the progress made to date against individual assignments along with details regarding the delivery of the 2020/21 programme of work, and any required updates.

2. Outcomes from completed audit reviews

- 2.1 Since the July meeting of the committee two reports have been finalised, we have also completed our fieldwork on one review and have ongoing fieldwork for another. The two reports that have been finalised are:

Assignments	Assurance rating
Medical commissioning monitoring	Reasonable
Governance arrangements during Covid-19	N/A - Advisory review

3 Delivery of 2020/21 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.

Covid-19 impact

- 3.3 As time moves on we are seeing a continuing disruption caused by Covid-19 across our health bodies. The experience of the year to date leads us to anticipate that it may not be possible to deliver our programmes of work in full. Therefore, we need to explore alternative routes to the provision of the Head of Internal Audit opinion if fewer reviews are delivered than planned, or the scopes of reviews are limited. We are regularly discussing our approach with the Board Secretaries group.

- 3.4 For HEIW, we will monitor the situation over the coming months to continually assess, based upon the reviews completed and planned, if we need to consider an opinion approach that differs from that delivered in a 'normal' year. For example, would we be able to give a full or limited scope opinion, and what level of assurance can be given to inform the Annual Governance Statement.
- 3.5 We will give a further update at the next committee meeting.

Table 1: Status of 2020/21 assignments

Assignment	Indicative audit days	Status	Assurance	Timing	Notes
Annual Governance Statement	2	Complete	N/A	Q1	No formal report. Internal Audit feed into annual reporting process.
Medical commissioning monitoring	-	Final	Reasonable	-	-
Governance arrangements during Covid-19	-	Final	N/A	-	Advisory work.
Personal development process	12	WIP	-	Q2	Fieldwork completed and in internal review process.
Workplace culture	15	WIP	-	Q2 Q4	Review brought forward due to other delays. Fieldwork ongoing.
Cyber security	15	Planned	-	Q2 Q3	Fieldwork to start w/c 05.10.20.
Financial systems	10	Planning	-	Q3	Brief has been issued to finance. Fieldwork planned for 12.10.20.
Risk management	10	Planning	-	Q3	Planned for 26.10.20.

Assignment	Indicative audit days	Status	Assurance	Timing	Notes
Performance management	15	Planning	-	Q3	Planned for 26.10.20
Governance arrangements	15	Planning	-	Q2 Q4	HEIW undertaking an internal review. Our work will be informed by the outcome of this review.
Information Governance toolkit	10	-	-	Q3	-
Communication and engagement strategy	15	-	-	-	Timing to be agreed.
Pharmacy – pre-registration	15	-	-	-	Timing to be agreed.



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Governance Arrangements during Covid-19 Pandemic

Advisory Review Report

2020/21

Health Education and Improvement Wales

Audit and Assurance Services

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Review reference:	HE2021.12
Report status:	Final
Fieldwork commencement:	29 June 2020
Fieldwork completion:	12 August 2020
Draft report issued:	19 August 2020
Management response:	18 September 2020
Final report issued:	23 September 2020
Auditors:	Paul Dalton, Head of Internal Audit Ken Hughes, Audit Manager
Executive sign off:	Eifion Williams, Interim Director of Finance Dafydd Bebb, Board Secretary
Distribution:	Executive Board
Committee:	Audit and Assurance Committee



Audit and Assurance Services conform with all Public Sector Internal Audit Standards as validated through the external quality assessment undertaken by the Institute of Internal Auditors.

ACKNOWLEDGEMENT

NHS Wales Audit and Assurance Services would like to acknowledge the time and co-operation given by management and staff during the course of this review.

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1. INTRODUCTION

The NHS in Wales continues to face unprecedented pressure in planning and providing services to meet the needs of those who are affected by Covid-19 and other essential services.

At the time of this report, the number of cases of Covid-19 in Wales is in decline and there is an opportunity for NHS Wales organisations to take stock following the initial peak of cases experienced between March and May 2020.

This rapid advisory review was requested by the All Wales Finance Directors group to assess the adjusted financial and overall governance arrangements that were put in place to enable health organisations to maintain appropriate governance whilst enabling senior leadership teams to respond to the rapidly developing emergency.

During the peak of the pandemic HEIW closed its office with all staff operating remotely until the office began to re-open early July 2020. During this period the Chief Executive of Health Education and Improvement Wales (HEIW or the 'organisation'), with the approval of its Board, acted as Deputy Chief Executive of the NHS in support of the Director General of NHS Wales. Whilst the Chief Executive continued to be closely involved with HEIW as the Accountable Officer, the day to day running of the organisation was overseen by the organisation's Deputy Chief Executive.

As a Special Health Authority, the main focus for HEIW during the pandemic has been to support and enable colleagues in the front line to carry out their roles, and to support the organisation's own staff, students and trainees.

It is against this backdrop that we have assessed the effectiveness of those arrangements, and whether they complied with Welsh Government guidance. The key objective of this review was to provide independent, timely feedback to enable changes to be made to temporary governance arrangements if they are to be used in the future.

We undertook our fieldwork for our rapid review during July which involved interviewing members of the Board and senior executives and reading relevant documentation. However, whilst we have assessed this information against Welsh Government and other guidance, we have not undertaken detailed testing of the arrangements in place. We worked closely with Audit Wales to avoid unnecessary duplication with their work, sharing information where relevant and undertaking a number of interviews together.

Further detail regarding the scope of this review, the guidance used as the basis of the assessment and the review work undertaken are included in the appendices to this report.

2. EXECUTIVE SUMMARY

Main Observations

Overall the temporary governance arrangements operated effectively during the peak and complied with the guidance and principles issued by the Welsh Government.

HEIW implemented its crisis and business continuity plan, which meant that while its command structure remained largely unchanged, a temporary Crisis Management Team (CMT) was set up. The command structure operated effectively and enabled the organisation to make decisions whilst conducting virtual meetings.

The Board, Audit and Assurance committee, and the Education, Commissioning and Quality committee meetings continued through the peak, and the business of these meetings appears to be appropriate and balanced. The organisation had a designated 'standby' member for each committee that could attend a meeting to ensure quoracy should a regular attendee become sick. In addition to this formal process, management regularly briefed independent members outside of the committee forums.

'Virtual' meetings using Skype and latterly Microsoft Teams have developed over time, with initial 'teething troubles' and connectivity issues not causing any lasting problems. All of the planned Board and committee meetings have gone ahead, and the disciplines and etiquette involved are now quite well established.

Existing financial governance arrangements were maintained, with no changes made to the Scheme of Delegation. Changes made to Standing Orders, such as temporarily delaying the deadline for holding the AGM from the end of July to the end of November 2020 and removing the maximum tenure for an Independent Member until the 31 March 2021, were in line with those required by the Welsh Government.

At the time of our fieldwork Covid-19 related expenditure was minimal and while no dedicated areas have been set up within the financial system, related costs are separately identified using a spreadsheet system.

Covid-19 specific risk management arrangements were put in place with the development of a separate Covid-19 risk register that was updated each week.

The organisation continues to assess the ongoing applicability of the temporary meeting arrangements and staff working arrangements, and is looking ahead to securing some of the benefits from working in a more flexible way.

Priority considerations for the future

We have not assigned priority ratings to our considerations, but believe the following to be useful key priorities:

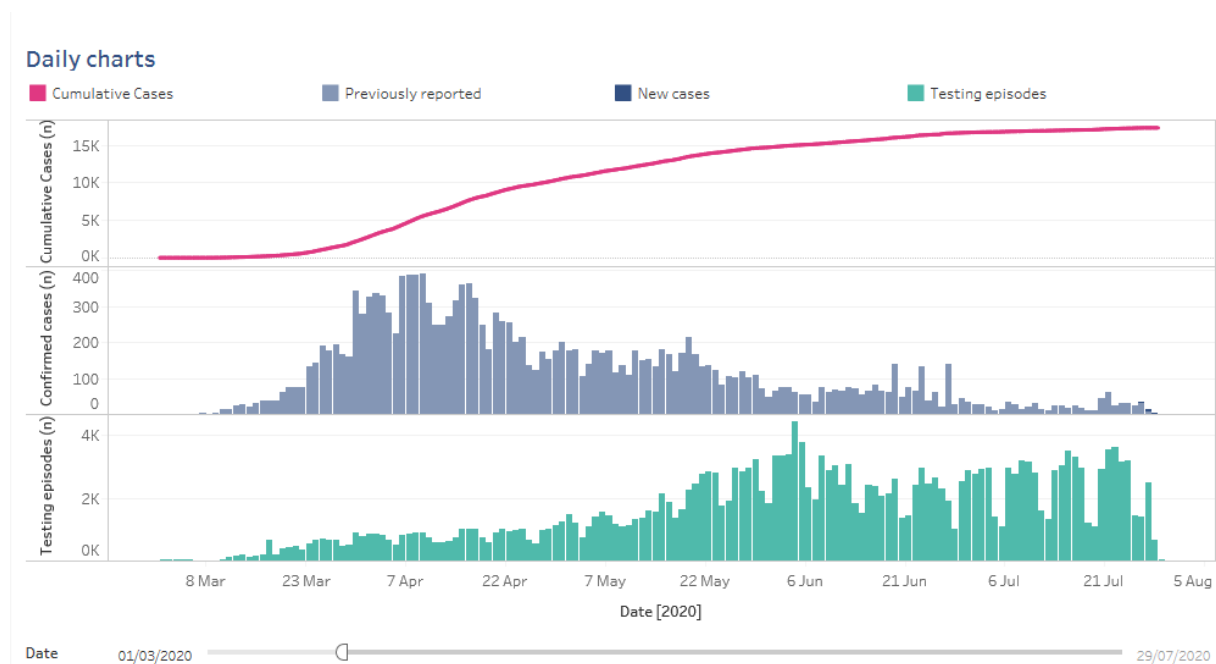
- Management should consider refreshing the crisis and business continuity plan to ensure that there is a process to capture lessons learned and experiences.
- To help maintain quoracy of committees of the Board the Terms of Reference could be updated to formally capture the use of 'standby' independent members.
- Should there be a continued use of virtual meetings, consider how these can be used to both widen and improve the level of public engagement.

3. DETAILED REPORT

Overview of the impact of the pandemic on HEIW

In the period of a few weeks (13 March to 4 April 2020) a rapid escalation of the pandemic impacted across Wales. The graph below illustrates the acceleration of the cases of Covid-19 in Wales.

Public Health Wales All Wales Daily Reports



Source: <https://public.tableau.com/profile/public.health.wales.health.protection#!/vizhome/RapidCOVID-19virology-Public/Headlinesummary>

It is within this environment that HEIW was operating. At this time the impact of the pandemic on both staff and the wider public was not clear.

Command and control structure

At the 20 March briefing the Board was informed that the Emergency Planning team had implemented the HEIW Crisis and Business Continuity plan. In accordance with the plan a temporary Crisis Management Team (CMT) made up of senior executives and key individuals from across the organisation was set up to: maintain the organisation's core functions;

support staff wellbeing; and to proactively support NHS colleagues during the crisis.

4. DETAILED FINDINGS

This section sets out the detailed findings of our review, under the headings of Strategic Governance, Financial Governance and Other Areas of Governance. It provides commentary on the temporary arrangements put in place and considerations for HEIW to take into account as it plans for potential further Covid-19 peaks in the future.

Strategic Governance

1. Board and Committee Meetings
2. Scheme of Reservation and Delegation (SoRD) and Decision-Making Arrangements
3. Risk Management

Financial Governance

4. Annual Accounts and Reporting
5. Financial Systems and Processes
6. Covid-19 Expenditure (Revenue and Capital)
7. Workforce
8. Budget and Savings

Other Governance Areas

9. Partnership Arrangements
10. Information Governance

Each section provides commentary on the adjusted governance arrangements put in place and considerations for HEIW to take into account as it plans for potential further Covid-19 peaks in the future.

Where we consider it appropriate we have suggested areas which should be given greater priority.

Further considerations from our work across NHS Wales will be reported upon conclusion of these reviews.

Strategic Governance

Board and committee meetings

What we found

Our review identified the following:

- The Board, Audit and Assurance Committee and the Education, Commissioning and Quality Committee continued to operate, no committees of the Board were suspended.
- During the pandemic there was regular dialogue between the Chair of the Board, independent members, senior executives and the Welsh Government.
- The organisation moved quickly to ensure that Board and committee meetings could be held virtually in order to comply with social distancing and other Welsh Government guidance, with executive directors and independent members showing flexibility.
- The move to virtual meetings inevitably encountered some minor 'teething problems' but meetings have flowed well with members adapting to the new approach. The default medium has become Microsoft Teams which is proving to be robust. Further development in the formalising of virtual meeting etiquette would be helpful.
- Meeting agendas have been streamlined to focus on Covid-19 and business critical issues in compliance with Welsh Government guidance, although it appears that there was no significant change in the length of meetings. As such, the organisation may need to look at the length of meetings when full agendas are re-introduced. However, the experience of members of the Board and committees has been generally positive in terms of connectivity and the effectiveness of technology.
- Standing Orders were varied via a Chair's Action to enable meetings to be held virtually and to exclude members of the public. This Action was extended to the end of July 2020 at the Board meeting held in May 2020.
- Quoracy requirements remained unchanged, but an additional 'standby' independent member was appointed to each committee of the Board to help ensure committees remained quorate in the event of a late withdrawal of a member or technical issues arising during meetings.
- A Crisis Management Team (CMT) which was established in accordance with the organisation's crisis and business continuity plan operated throughout the period and was stood down on 21 July 2020.
- Relevant risks continued to be escalated to the Board.
- Board and committee papers have continued to be published in advance of meetings, and HEIW has aimed to post meeting notes on

its website within 48 hours of their meetings, with full (unconfirmed) minutes posted within 14 days.

What could be done differently in the future

We suggest the following considerations as the organisation looks forward:

- Refreshing the crisis and business continuity plan to ensure lessons learned and experiences can be incorporated.
- If an additional 'standby' independent member approach is to be maintained, the terms of reference of the committees should be updated to reflect this.
- Investigate the feasibility of offering 'freephone' dial-in access numbers for members of the public who may not have access to suitable conferencing technology.
- Investigate the feasibility of recording committee sessions (most video-conferencing software has this functionality), including written chat - this should help with recording accurate minutes (by reviewing the recording). HEIW should also consider making this recorded session available to the public to view post-meeting.
- Ensure all members and participants are suitably trained or offered training to make the best use of conference software.
- To clearly set out the etiquette arrangements at the start of each meeting, such as muting microphones when not in use, or the process for raising questions.

Scheme of Reservation and Delegation (SoRD) and decision-making arrangements

What we found

Our review identified the following:

- Authorisation levels were reviewed by management, but no changes were made to delegated limits, and no additions to the SoRD were required as a result of Covid-19.
- The CMT, which had up to 30 members, met up to three times a week at the height of the pandemic, and included the senior leadership team and senior staff from across the organisation.
- Meeting notes were prepared, and a Covid-19 risk register and action log were maintained and updated following each CMT meeting.
- The CMT provided weekly updates to the Board and Welsh Government.

What could be done differently in the future

We suggest the following consideration as the organisation looks forward:

- The effectiveness of the CMT, and in particular the number of members, should be reviewed to ensure decision making is as efficient and streamlined as possible.

Risk management

What we found

Our review identified the following:

- The Board continued to receive the corporate risk register throughout the pandemic.
- A specific Covid-19 risk register was developed by the CMT and was reported to the Board and also to members of the Board informally on a weekly basis.
- Significant risks from the Covid-19 risk register have been escalated to the corporate risk register.

What could be done differently in the future

There were no considerations identified from our rapid review.

Financial Governance

Annual accounts and reporting

What we found

Our review identified the following:

- The organisation had worked to the original accounts production timetable, with draft accounts submitted to the Welsh Government and Audit Wales by the agreed time. This is a notable success as the accounts were produced by the Finance team whilst working remotely.
- Audit Wales reported that there were no significant issues identified in the audit of the draft accounts.
- The Annual Governance Statement was produced within the required timescales and complied with Welsh Government guidance.

What could be done differently in the future

There were no considerations identified from our rapid review.

Financial systems and processes

What we found

Our review identified the following:

- Management did not consider there was a need to update Financial Control Procedures (FCPs) as a result of the pandemic.

- No significant investments have been made or assets purchased as a result of the pandemic.
- At the time of our fieldwork no losses or write offs had been recorded during the pandemic.
- Some nursing and medical trainees were re-deployed into front line duties, and revenue expenditure was incurred on a specialist critical care course for trainees that volunteered for re-deployment to the front line.

What could be done differently in the future

There were no considerations identified from our rapid review.

Covid-19 expenditure (revenue and capital)

What we found

Our review identified the following:

- All expenditure has continued to be made through the organisations financial and payroll systems.
- No new financial codes were set up within the financial system specifically to record Covid-19 related expenditure.
- There were no payments made in advance

What could be done differently in the future

We suggest the following consideration as the organisation looks forward:

- Financial codes could be set up within the financial system specifically to record Covid-19 related expenditure. This approach was commonly taken by other health organisations.

Workforce

What we found

Our review identified the following:

- Medical and nursing trainees were re-deployed to the front line on a voluntary basis.
- Critical care training was procured and provided to re-deployed trainees.
- No new posts were created as a result of the pandemic. Recruitment continued as normal with all pre-employment checks being carried out.
- No non-agenda for change rates, overtime, bonuses or other incentives were offered to attract staff.

What could be done differently in the future

There were no considerations identified from our rapid review.

Budget and savings

What we found

Our review identified the following:

- There is a budget in place for 2020/21 to support financial reporting.
- At the time of our review it was unclear whether the 2020/21 budget and financial reporting would require differentiation between Covid-19 and non-Covid-19 expenditure.
- HEIWs' small capital allocation has not been impacted by Covid-19.

What could be done differently in the future

We suggest the following considerations as the organisation looks forward:

- Management should consider the impact of Covid-19 on the financial statements for 2020/21 so that if any adjustments are necessary, these can be identified and made in a timely manner.

Other governance areas

Partnership arrangements

What we found

Our review identified the following:

- Risk assessments continued to be completed by the counter fraud team to identify emerging risks relating to fraud, such as malware attacks.
- A counter fraud steering group and counter fraud management group was set up that met weekly to discuss any potential frauds.
- There is a central fraud risk assessment in place and the promotion of local counter fraud arrangements has continued throughout the pandemic.

What could be done differently in the future

There are no considerations identified from our rapid review.

Information governance

What we found

Our review identified the following:

- A consistent approach across Wales has been established via the National Information Governance Managers' Group (IGMAG), which helps set processes and guidance for the use of technology at home.
- Information governance advice and guidance has been provided to staff as normal throughout the pandemic.
- Operational processes for cyber security, which rest with NWIS, have not changed during the pandemic.

- More laptops and other IT equipment were issued but encryption and other security measures were maintained.
- Existing security arrangements have continued. For example, monitoring mail for viruses and malware.
- The NHS liaised with the National Cyber Security Centre, with increased vulnerability assessments completed.

What could be done differently in the future

We suggest the following considerations as the organisation looks forward:

- The need to maintain privacy in the household when using video conference / telephone call or other applicable work from other household members.
- Ensuring that laptops are locked when not in use or when staff are away from their desk. This is even more important in a public environment if agile working is to be promoted, for example, at a coffee shop. Consideration could be given to reducing the screen lock functionality within Windows.
- How physical copies of information are held and how they should be securely stored away from other household members or visitors.
- The risk that staff using their own devices at home are potentially more susceptible to malware / phishing attacks, as they may have insufficient security on their phones or home computers. This is likely to be more relevant with staff able to access the OneDrive / Office 365 with just an internet connection from any device.

Appendix One - Guidance, principles and scope

Guidance and principles

In its response (dated 26 March 2020) to a letter received on behalf of the Board Secretaries Group, Welsh Government agreed the Governance Principles (the 'principles') that are designed to help focus consideration of governance matters.

The Principles are:

- public interest and patient safety;
- staff wellbeing and deployment;
- governance and risk management;
- delegation and escalation;
- departures from existing policies and processes;
- one Wales (acting in the best interest of the whole of Wales); and
- communication and transparency.

In particular, the Welsh Government reiterated the importance of continuing the role of both the Audit Committee and the Quality and Patient Safety Committee during the Covid-19 outbreak, in supporting the Board with discharging its responsibilities.

Further detailed guidance was issued regarding financial governance in Covid-19 Financial Guidance to NHS Wales' Organisations and the Covid-19 Decision Making and Financial Governance letter from Welsh Government dated 30 March 2020.

Scope of this advisory review

We assessed the adequacy and effectiveness of internal controls in operation during the Covid-19 outbreak, with particular regard to the principles set out by the Welsh Government regarding maintaining financial governance.

This review focused on the following principles:

- governance and risk management;
- delegation and escalation; and
- departures from existing policies and processes.

In particular, we undertook interviews and review of documentation:

- to ensure that appropriate key decisions were made through the revised management arrangements, with risk, impact and value for money adequately assessed;
- to confirm, where appropriate, that the (revised) Scheme of Delegation and escalation requirements were adhered to;

- to ensure appropriate oversight and scrutiny remains by the Board over applicable matters – for example, the risk appetite level set;
- to ensure that departures from existing standards, frameworks, policies and procedures were appropriately documented and reviewed regularly, but still in accordance with the principles; and
- to determine if the command structure established was appropriate. For example, achieving the principles set out by the Welsh Government.

In our interviews with Board Members we discussed the remaining Principles and where appropriate commentary on those is include in the detail of this report.

The potential risks considered in this review are as follows:

- decisions are not completed in the best interest of the public;
- statutory requirements are not met;
- inappropriate expenditure and financial commitments;
- insufficient scrutiny of the risks associated with each key decision;
- the Welsh Government Principles are not adhered to; and
- inappropriate governance arrangements.

As this is an advisory review, the assignment is not allocated an assurance rating, but we have suggested some considerations for the future, should temporary governance arrangements be required in response to further peaks in the future.

Appendix Two - What we did

We undertook the following review activities:

- Interviewed the following:
 - Chief Executive;
 - Deputy Chief Executive and Director of Workforce and OD
 - Board Secretary;
 - Deputy Director of Financial Management, Costing and Contracting;
 - Chair of the Board;
 - Chair of the Audit and Assurance Committee; and
 - Chair of the Education, Commissioning and Quality Committee.
- Read notices, agendas and minutes of the Board, Audit Committee and Education, Commissioning and Quality Committee from March 2020.
- Reviewed the public availability of the respective committee papers and in particular the hosting of them onto the organisation's webpage.
- Reviewed the Corporate and Covid-19 risk registers.
- Reviewed documentary evidence of assessment of committee business.
- Reviewed the Chair's Actions.
- Reviewed the Crisis Management Team notes and Action Log.
- Reviewed the business continuity arrangements.
- Reviewed the temporary command structure for managing Covid-19 arrangements.

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**GOVERNANCE ARRANGEMENTS DURING COVID-19 PANDEMIC 2020/21 INTERNAL AUDIT ADVISORY REPORT
MANAGEMENT RESPONSE**

STRATEGIC GOVERNANCE		
BOARD AND COMMITTEE MEETINGS		
WHAT WE FOUND	WHAT COULD BE DONE DIFFERENTLY	COMMENTS
<p>Our review identified the following:</p> <ul style="list-style-type: none"> The Board, Audit and Assurance Committee and the Education, Commissioning and Quality Committee continued to operate, no committees of the Board were suspended. During the pandemic there was regular dialogue between the Chair of the Board, independent members, senior executives and the Welsh Government. The organisation moved quickly to ensure that Board and committee meetings could be held virtually in order to comply with social distancing and other Welsh Government guidance, with executive directors and independent members showing flexibility. The move to virtual meetings inevitably encountered some minor 'teething problems' but meetings have flowed well with members adapting to the new approach. The default medium has become Microsoft Teams which is proving to be robust. Further development in the formalising of virtual meeting etiquette would be helpful. Meeting agendas have been streamlined to focus on Covid-19 and business critical issues in compliance with Welsh Government guidance, although it appears that there was no significant change in the length of 	<p>We suggest the following considerations as the organisation looks forward:</p> <ul style="list-style-type: none"> Refreshing the crisis and business continuity plan to ensure lessons learned and experiences can be incorporated. If an additional 'standby' independent member approach is to be maintained, the terms of reference of the committees should be updated to reflect this. Investigate the feasibility of offering 'freephone' dial-in access numbers for members of the public who may not have access to suitable conferencing technology. Investigate the feasibility of recording committee sessions (most video-conferencing software has this functionality), including written chat - this should help with recording accurate minutes (by reviewing the recording). HEIW should also consider 	<p>The revised BC Plan is in final draft stage and will be taken through the Executive Team for approval in October.</p> <p>At September Board HEIW increased the membership of the Audit and Assurance Committee and the Education Commissioning and Quality Committee with the aim of improving the capacity and resilience of these committees.</p> <p>Internal Audit have agreed to review the approach of other organisations on 'freephone' dial and revert to HEIW with further information.</p> <p>The July and August Board were livestreamed via the Zoom platform. This requires significant resource and in line with other NHS organisations we do not have current plans to extend this to Committees.</p>

<p>meetings. As such, the organisation may need to look at the length of meetings when full agendas are re-introduced. However, the experience of members of the Board and committees has been generally positive in terms of connectivity and the effectiveness of technology.</p> <ul style="list-style-type: none"> • Standing Orders were varied via a Chair's Action to enable meetings to be held virtually and to exclude members of the public. This Action was extended to the end of July 2020 at the Board meeting held in May 2020. • Quoracy requirements remained unchanged, but an additional 'standby' independent member was appointed to each committee of the Board to help ensure committees remained quorate in the event of a late withdrawal of a member or technical issues arising during meetings. • A Crisis Management Team (CMT) which was established in accordance with the organisation's crisis and business continuity plan operated throughout the period and was stood down on 21 July 2020. • Relevant risks continued to be escalated to the Board. • Board and committee papers have continued to be published in advance of meetings, and HEIW has aimed to post meeting notes on its website within 48 hours of their meetings, with full (unconfirmed) minutes posted within 14 days. 	<p>making this recorded session available to the public to view post-meeting.</p> <ul style="list-style-type: none"> • Ensure all members and participants are suitably trained or offered training to make the best use of conference software. • To clearly set out the etiquette arrangements at the start of each meeting, such as muting microphones when not in use, or the process for raising questions. 	<p>The Open Board meeting and AGM in September were recorded and the recordings have been placed on the website. We will explore this capability further.</p> <p>All members have received appropriate training when moving to new platforms for holding virtual meetings.</p> <p>Chair's outline basic etiquette for Board and Committee meetings at the beginning of meetings.</p>
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SCHEME OF RESERVATION AND DELEGATION (SORD) AND DECISION-MAKING ARRANGEMENTS		
WHAT WE FOUND	WHAT COULD BE DONE DIFFERENTLY	COMMENTS
<p>Our review identified the following:</p> <ul style="list-style-type: none"> • Authorisation levels were reviewed by management, but no changes were made to delegated limits, and no additions to the SoRD were required as a result of Covid-19. • The CMT, which had up to 30 members, met up to three times a week at the height of the pandemic, and included the senior leadership team and senior staff from across the organisation. • Meeting notes were prepared, and a Covid-19 risk register and action log were maintained and updated following each CMT meeting. • The CMT provided weekly updates to the Board and Welsh Government. 	<p>We suggest the following consideration as the organisation looks forward:</p> <ul style="list-style-type: none"> • The effectiveness of the CMT, and in particular the number of members, should be reviewed to ensure decision making is as efficient and streamlined as possible. 	<p>At the peak of the crisis there were approximately 30 participants on the CMT, which was good for communication. However, on reflection, HEIW feels that a smaller, discrete group would benefit critical decision making, whilst engaging others where needed.</p>

RISK MANAGEMENT		
WHAT WE FOUND	WHAT COULD BE DONE DIFFERENTLY	COMMENTS
<p>Our review identified the following:</p> <ul style="list-style-type: none"> • The Board continued to receive the corporate risk register throughout the pandemic. • A specific Covid-19 risk register was developed by the CMT and was reported to the Board and also to members of the Board informally on a weekly basis. • Significant risks from the Covid-19 risk register have been escalated to the corporate risk register. 	<p>There were no considerations identified from our rapid review.</p>	<p>n/a</p>

FINANCIAL GOVERNANCE		
ANNUAL ACCOUNTS AND REPORTING		
WHAT WE FOUND	WHAT COULD BE DONE DIFFERENTLY	COMMENTS
<p>Our review identified the following:</p> <ul style="list-style-type: none"> The organisation had worked to the original accounts production timetable, with draft accounts submitted to the Welsh Government and Audit Wales by the agreed time. This is a notable success as the accounts were produced by the Finance team whilst working remotely. Audit Wales reported that there were no significant issues identified in the audit of the draft accounts. The Annual Governance Statement was produced within the required timescales and complied with Welsh Government guidance. 	<p>There were no considerations identified from our rapid review.</p>	<p>n/a</p>

FINANCIAL SYSTEMS AND PROCESSES		
WHAT WE FOUND	WHAT COULD BE DONE DIFFERENTLY	COMMENTS
<p>Our review identified the following:</p> <ul style="list-style-type: none"> Management did not consider there was a need to update Financial Control Procedures (FCPs) as a result of the pandemic. No significant investments have been made or assets purchased as a result of the pandemic. At the time of our fieldwork no losses or write offs had been recorded during the pandemic. Some nursing and medical trainees were re-deployed into front line duties, and revenue expenditure was incurred on a specialist critical care course for trainees that volunteered for re-deployment to the front line. 	<p>There were no considerations identified from our rapid review.</p>	<p>n/a</p>

COVID-19 EXPENDITURE (REVENUE AND CAPITAL)		
WHAT WE FOUND	WHAT COULD BE DONE DIFFERENTLY	COMMENTS
<p>Our review identified the following:</p> <ul style="list-style-type: none"> • All expenditure has continued to be made through the organisations financial and payroll systems. • No new financial codes were set up within the financial system specifically to record Covid-19 related expenditure. • There were no payments made in advance 	<p>We suggest the following consideration as the organisation looks forward:</p> <ul style="list-style-type: none"> • Financial codes could be set up within the financial system specifically to record Covid-19 related expenditure. This approach was commonly taken by other health organisations. 	<p>As spend wholly related to Covid 19 is at a low level within HEIW and we are able to identify and report it without specific financial codes we have not set them up. We do however understand that specific financial codes would be useful should the level of spend increase or it be indistinguishable from other expenditure.</p>

WORKFORCE		
WHAT WE FOUND	WHAT COULD BE DONE DIFFERENTLY	COMMENTS
<p>Our review identified the following:</p> <ul style="list-style-type: none"> • Medical and nursing trainees were re-deployed to the front line on a voluntary basis. • Critical care training was procured and provided to re-deployed trainees. • No new posts were created as a result of the pandemic. Recruitment continued as normal with all pre-employment checks being carried out. • No non-agenda for change rates, overtime, bonuses or other incentives were offered to attract staff. 	<p>There were no considerations identified from our rapid review.</p>	<p>n/a</p>

BUDGET AND SAVINGS		
WHAT WE FOUND	WHAT COULD BE DONE DIFFERENTLY	COMMENTS
<p>Our review identified the following:</p> <ul style="list-style-type: none"> • There is a budget in place for 2020/21 to support financial reporting. • At the time of our review it was unclear whether the 2020/21 budget and financial reporting would require differentiation between Covid-19 and non-Covid-19 expenditure. • HEIWs' small capital allocation has not been impacted by Covid-19. 	<p>We suggest the following considerations as the organisation looks forward:</p> <ul style="list-style-type: none"> • Management should consider the impact of Covid-19 on the financial statements for 2020/21 so that if any adjustments are necessary, these can be identified and made in a timely manner. 	<p>We will consider the impact of Covid-19 in preparing the financial statements for 2020-21.</p>

OTHER GOVERNANCE AREAS		
PARTNERSHIP ARRANGEMENTS		
WHAT WE FOUND	WHAT COULD BE DONE DIFFERENTLY	COMMENTS
<p>Our review identified the following:</p> <ul style="list-style-type: none"> • Risk assessments continued to be completed by the counter fraud team to identify emerging risks relating to fraud, such as malware attacks. • A counter fraud steering group and counter fraud management group was set up that met weekly to discuss any potential frauds. • There is a central fraud risk assessment in place and the promotion of local counter fraud arrangements has continued throughout the pandemic. 	<p>There are no considerations identified from our rapid review.</p>	<p>n/a</p>

INFORMATION GOVERNANCE		
WHAT WE FOUND	WHAT COULD BE DONE DIFFERENTLY	COMMENTS
<p>Our review identified the following:</p> <ul style="list-style-type: none"> • A consistent approach across Wales has been established via the National Information Governance Managers' Group (IGMAG), which helps set processes and guidance for the use of technology at home. • Information governance advice and guidance has been provided to staff as normal throughout the pandemic. • Operational processes for cyber security, which rest with NWIS, have not changed during the pandemic. • More laptops and other IT equipment were issued but encryption and other security measures were maintained. • Existing security arrangements have continued. For example, monitoring mail for viruses and malware. • The NHS liaised with the National Cyber Security Centre, with increased vulnerability assessments completed. 	<ul style="list-style-type: none"> • We suggest the following considerations as the organisation looks forward: • The need to maintain privacy in the household when using video conference / telephone call or other applicable work from other household members. • Ensuring that laptops are locked when not in use or when staff are away from their desk. This is even more important in a public environment if agile working is to be promoted, for example, at a coffee shop. Consideration could be given to reducing the screen lock functionality within Windows. • How physical copies of information are held and how they should be securely stored away from other household members or visitors. • The risk that staff using their own devices at home are potentially more susceptible to malware / phishing attacks, as they may have insufficient security on their phones or home computers. This is likely to be more relevant with staff able to access the OneDrive/ Office 365 with just an internet connection from any device. 	<p>HEIW will create a guidance document for staff by November to create awareness of the privacy risks around remote working. This will include information on data protection and cyber security risks and tips for mitigating these.</p>

Service Review - Medical Commissioning Monitoring

Internal Audit Report

HEIW 2019/20

September 2020

NHS Wales Shared Services Partnership

Audit and Assurance Services



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Review reference:	HEIW-1920-10
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Auditors:	Ken Hughes, Audit Manager Emma Samways, Deputy Head of Internal Audit
Executive sign off:	Professor Pushpinder Mangat, Medical Director
Distribution:	Tom Lawson, Post Graduate Medical Dean Malcolm Gajraj, Director of Quality Management Anton Saayman, Director of Educational Improvement & Governance Mandy Martin, Quality Manager
Committee:	Audit and Assurance Committee



Audit and Assurance Services conform with all Public Sector Internal Audit Standards as validated through the external quality assessment undertaken by the Institute of Internal Auditors.

ACKNOWLEDGEMENT

NHS Wales Audit and Assurance Services would like to acknowledge the time and co-operation given by management and staff during the course of this review.

Disclaimer notice - Please note:

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

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1. Introduction and Background

As part of the 2019/20 Internal Audit Plan for Health Education and Improvement Wales ('HEIW' or 'the organisation') a review of medical commissioning monitoring was undertaken. The review sought to provide assurance to the Audit and Assurance Committee that there were effective processes in place to manage any medical commissioning monitoring risks.

Each year, HEIW commissions approximately 2,800 postgraduate medical and dental training posts. Health Boards and Trusts act as the Local Education Providers (LEPs) and are commissioned to provide foundation and speciality training on behalf of HEIW. HEIW have a responsibility to adopt the General Medical Council (GMC) 'Principles for Commissioning'. As such, they are responsible for undertaking annual commissioning review meetings with each LEP to monitor their compliance with the GMC principles. A range of activities are in place to review and monitor the standard of training provision at each LEP and to inform the annual commissioning review meeting. Activities include the completion of self-assessments by the LEPs against the GMC standards, appraisals of the faculty teams based in each Health Board or Trust, and cyclical quality reviews and processes for managing concerns raised.

This review focused on medical contracts and the arrangements HEIW has in place for monitoring the quality of the training places it commissions from the LEPs, as opposed to reviewing the processes around the numbers of training places commissioned.

The relevant lead for the review was the Medical Director.

2. Scope and Objectives

The overall objective of the audit was to evaluate and determine the adequacy of the systems and controls in place in relation to the organisation's medical commissioning monitoring arrangements. The review sought to provide assurance to the Audit and Assurance Committee that risks material to the system's objectives are managed appropriately.

The areas that the review sought to provide assurance on were:

- Agreements are in place between individual trainees, trainers, LEPs, and education organisers.
- Mechanisms are in place to monitor the provision of training by LEPs including:
 - review of the LEPs completed self-assessments;
 - completion of faculty team appraisals within each LEP; and
 - using a risk based approach to carry out quality reviews.
- HEIW has a suitable system in place to record training concerns raised or identified by trainees, or any other individuals involved with training provision and facilitates investigations, which identifies patterns and monitors remedial action.

- Annual commissioning review meetings take place with each LEP triangulating training quality data obtained over the year.
- The outcome of training quality monitoring is reviewed at an appropriate level within the organisation and is reported and scrutinised by an appropriate HEIW committee with clear links to the organisation's performance management framework.

3. Associated Risks

The potential risks considered in the review were as follows:


- Detrimental impact on patient quality and safety where training is poorly delivered.
- Reputational damage and failure to attract students to training placements where training provision is deemed poor.

OPINION AND KEY FINDINGS

4. Overall Assurance Opinion

We are required to provide an opinion as to the adequacy and effectiveness of the system of internal control under review. The opinion is based on the work performed as set out in the scope and objectives within this report. An overall assurance rating is provided describing the effectiveness of the system of internal control in place to manage the identified risks associated with the objectives covered in this review.

The level of assurance given as to the effectiveness of the system of internal control in place to manage the risks associated with medical commissioning monitoring is **Reasonable Assurance**.

RATING	INDICATOR	DEFINITION
Reasonable assurance		The Board can take reasonable assurance that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Some matters require management attention in control design or compliance with low to moderate impact on residual risk exposure until resolved.

Our audit has identified a wide range of controls in place to monitor the quality of post graduate medical training in Wales. These include regular risk based quality reviews undertaken by HEIW, annual self-assessments undertaken by LEPs, the faculty teams within each LEP that provide ongoing monitoring and detailed discussion of quality issues at the annual commission meetings held between senior executives of HEIW and each





LEP. Trainees and trainers are also able to raise concerns about the quality of training either with their LEP or directly with HEIW.

However, there are opportunities to improve the control environment by working with LEPs to help them increase trainees confidence that concerns raised will be dealt with. In addition, the organisation should consider whether there is still a need for the HEIW Education Contract. The terms of reference and reporting lines of the Trainer Recognition Group are also in need of review.

The overall level of assurance that can be assigned to a review is dependent on the severity of the findings as applied against the specific review objectives and should therefore be considered in that context.

5. Assurance Summary

The summary of assurance given against the individual objectives is described in the table below:

Assurance Summary					
1	Medical agreements			✓	
2	Mechanisms to monitor training				✓
3	Record of training concerns			✓	
4	Annual commissioning reviews				✓
5	Training quality monitoring & reporting				✓

** The above ratings are not necessarily given equal weighting when generating the audit opinion.*

Design of Systems/Controls

The findings from the review have highlighted no issues that are classified as weaknesses in the system control/design for medical commissioning monitoring.

Operation of System/Controls

The findings from the review have highlighted three issues that are classified as weaknesses in the operation of the designed system/control for medical commissioning monitoring.

6. Summary of Audit Findings

In this section, we highlight areas of good practice that we identified during our review. We also summarise the findings made during our audit fieldwork. The detailed findings are reported in the Management Action Plan (Appendix A).

Objective 1: Agreements are in place between individual trainees, trainers, LEPs and education organisers.

We note the following areas of good practice:

- There is a standard Medical Trainer Agreement for each of the two postgraduate trainer roles between individual trainers, LEPs and education organisers.
- We understand that during each placement, trainees develop and agree a Personal Development Plan with their trainer for the placement.

We identified the following finding:

- Whilst HEIW Education Contracts exist for the majority of specialities, they are out of date as they no longer reflect the curriculum and HEIW no longer require trainees to sign them (Finding 2).

Objective 2: Mechanisms are in place to monitor the provision of training by LEPs including:

- 1. Review of the LEPs completed self-assessments;**
- 2. Completion of Faculty Team appraisals within each LEP; and**
- 3. Using a risk based approach to carry out quality reviews.**

We note the following areas of good practice:

- HEIW have developed a LEP self-assessment process to help monitor training provision.
- The self-assessment is discussed in detail at annual commissioning meetings that are held between senior executives from HEIW and each LEP.
- There are faculty teams within each LEP which monitor quality and concerns on an ongoing basis.
- Faculty teams are subject to an annual formal Faculty Team Appraisal (FTA) by HEIW.
- Risk registers are maintained by the Quality Manager for each LEP, and these help inform the approach to quality reviews of each LEP.
- There is a Trainer Recognition Group responsible for advising HEIW on all matters relating to the implementation of the GMC's trainer recognition implementation plan within Wales.

We identified the following finding:

- The Terms of Reference for the Trainer Recognition Group and its reporting lines are in need of review (Finding 3).

Objective 3: HEIW has a suitable system in place to record training concerns raised or identified by trainees or any other individuals involved with the training provision and facilitates investigation, identifies patterns and monitors remedial action.

We note the following areas of good practice:

- Trainees are able to raise concerns relating to patient safety or the quality of their training with their LEP via the Datix system, or directly with HEIW through a dedicated e-mail address.
- Each LEP has their own procedure for investigating concerns raised which are reviewed with HEIW at the annual commissioning meeting.
- HEIW undertakes a programme of targeted visits for those areas where there are multiple or consistent concerns raised.

We identified the following finding:

- There are currently no timescales in place for providing feedback to trainees that raise concerns (Finding 1).

Objective 4: Annual commissioning review meetings take place with each LEP triangulating training quality data obtained over the year.

We note the following areas of good practice:

- Annual commissioning meetings are held between HEIW and each LEP, with meetings attended by senior executives from both HEIW and the LEP.
- Annual commissioning review meetings included the dissemination and discussion of training quality data obtained over the year.

We did not identify any findings under this objective.

Objective 5: The outcome of training quality monitoring is reviewed at the appropriate level within the organisation and is reported and scrutinised by an appropriate HEIW committee with clear links to the organisation's performance management framework.

We note the following areas of good practice:

- The outcome of the various forms of training quality monitoring is being undertaken at an appropriate level within the organisation by the Quality Manager.
- The outcome of training quality monitoring is reported to the Education, Commissioning and Quality Committee in line with their terms of reference.

- Our review of the Quarter 4 Performance Report for 2019/20 confirmed that there are links between the outcome of training quality monitoring and the performance management framework. Though we note our previous audit work has made recommendations to strengthen the organisation's performance reporting.

We did not identify any findings under this objective.

7. Summary of Recommendations

The audit findings and recommendations are detailed in Appendix A together with the management action plan and implementation timetable.

A summary of these recommendations by priority is outlined below.

Priority	H	M	L	Total
Number of recommendations	0	2	1	3

Finding 1 - Feedback to trainees relating to concerns they have raised (Operating effectiveness)	Risk
<p>Local Education Providers (LEPs) are responsible for investigating concerns raised by trainees in relation to patient safety or the quality of training, and for providing feedback on any investigation and action taken. Each LEP has their own procedures for investigation and reporting, but in all cases a trainee should report a concern to the LEP they are currently placed with in the first instance.</p> <p>However, we understand that an issue has been raised through the Assistant Medical Directors' (AMD) Forum, in respect of the lack of feedback to trainees that raise concerns with the LEPs. The latest GMC National Training Survey results highlighted that within Wales the percentage of trainees that feel confident their concerns will be dealt with is 59.05%, and the percentage who agree that when concerns are raised, actions are fed back appropriately is 54.9%. These results are the lowest of all the home nations.</p> <p>In order for trainees to feel confident in the concerns process and to use it as a tool to improve the quality of services, a feedback mechanism should be in place. There are currently no timescales in place for LEPs to provide feedback to trainees (or trainers) that raise concerns.</p> <p>While we acknowledge that some issues can take time to investigate, and it is not always possible to provide detailed feedback, trainees should be provided with an explanation where this is the case. It would also be beneficial to have a structured and consistent mechanism across Wales for providing timely feedback to trainees in respect of concerns raised.</p>	<p>Detrimental impact on patient quality and safety where training is poorly delivered.</p>

<p>In recent months HEIW has launched a dedicated email address for trainees to use where they feel a concern cannot be raised directly with the LEP or where concerns need escalating. We understand that the generic email account was designed to complement rather than supersede local processes. However the LEP representatives at the AMD forum expressed the concern that the existence of this option may mean trainees' by-pass the preferred route of raising the concern with the LEP in the first instance.</p>	
<p>Recommendation</p>	<p>Priority level</p>
<p>HEIW should work with LEP's to help develop a clear action plan to help them improve their responses to concerns raised by trainees. Improvement actions could include specifying content and timescales for responding, for example to acknowledge receipt of a concern, to provide an initial response, and a timescale for periodical updates where necessary and a detailed final response. Consideration should be given to monitoring throughout the year the LEP's performance in managing the concerns raised as such data can help inform the quality reviews undertaken.</p> <p>Clear guidance should be in place for use of the HEIW dedicated email address for raising concerns, the circumstances when it should be used and the link back to the concerns process in place in each LEP.</p>	<p>Medium</p>
<p>Management Response</p>	<p>Responsible Officer/ Deadline</p>
<p>We accept this recommendation, while being mindful that the responsibility for investigating concerns of this sort sit with the LEP. We will engage the LEPs via</p>	<p>Medical Director & PG Medical Dean Deadline December 2021</p>

the Associate Medical Director (Education) Group and ask for specific updates on this issue.

We will publish clear guidance on the use of the HEIW dedicated email address for raising concerns.

Medical Director & PG Medical Dean
Deadline June 2021


Finding 2 - Individual Trainee Agreements (Operating effectiveness)	Risk
<p>There are HEIW Education Contracts published on the Wales Deanery website which act as an agreement between the trainee, the LEP and the Medical Deanery in HEIW, setting out the expectations of all parties. The contracts are applicable to all trainees, but speciality specific appendices allow for detailed expectations in terms of numbers of sessions trainees are required to attend. Some 47 Education Contracts have been developed however not all specialties have contract agreements in place. We were informed that HEIW no longer requires trainees to sign these contracts which do not reflect current curriculum requirements.</p>	<p>Detrimental impact on patient quality and safety where training is poorly delivered.</p>
Recommendation	Priority level
<p>The purpose and necessity of the HEIW Education Contract should be reviewed and either removed, or if deemed applicable should be updated to reflect curriculum changes ensuring a consistency in approach for all trainees.</p>	<p>Medium</p>
Management Response	Responsible Officer/ Deadline
<p>We accept this recommendation. We will review the need for these contracts and update the website accordingly.</p>	<p>Medical Director & PG Medical Dean Deadline June 2021</p>


Finding 3 - Trainer Recognition Group (Operating effectiveness)	Risk
<p>The Trainer Recognition Group was originally set up to oversee the GMC's 'Recognising and approving trainers: the implementation plan', and is responsible for advising HEIW on all matters relating to the implementation of trainer recognition in Wales. The group is hosted by HEIW and has representatives from each of the Health Boards and Trusts, key stakeholders and HEIW.</p> <p>The group is currently meeting two or three times per year as opposed to at least every two months in line with the groups' terms of reference.</p> <p>In addition, while the terms of reference requires the group submit reports to the "Quality and Postgraduate Education Support Committee within the Wales Deanery", there is no requirement to report to the HEIW Education, Commissioning and Quality Committee. We saw no such reports going to that committee of HEIW.</p>	<p>Detrimental impact on patient quality and safety where training is poorly delivered.</p>
Recommendation	Priority level
<ol style="list-style-type: none"> 1) The Trainer Recognition Group should endeavour to meet every two months in line with their approved terms of reference. Alternatively the group's terms of reference should be reviewed and amended to reflect their current meeting requirements. 2) The Group should consider whether the current reporting arrangements are appropriate, or whether they should be reporting to the HEIW Education, Commissioning and Quality Committee as well as, or instead of to the Quality 	<p>Low</p>


and Postgraduate Education Support Committee within the Wales Deanery. The terms of reference should be updated to reflect any change.	
Management Response	Responsible Officer/ Deadline
We accept this recommendation in relation to the Trainer Recognition Group. 1. We will align the terms of reference with the frequency of the meetings. 2. We will clarify the reporting arrangements of this group and update the terms of reference accordingly.	Medical Director & PG Medical Dean Deadline June 2021


Appendix B - Assurance opinion and action plan risk rating

Audit Assurance Ratings

 **Substantial assurance** - The Board can take **substantial assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Few matters require attention and are compliance or advisory in nature with **low impact on residual risk** exposure.

 **Reasonable assurance** - The Board can take **reasonable assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Some matters require management attention in control design or compliance with low to **moderate impact on residual risk** exposure until resolved.

 **Limited assurance** - The Board can take **limited assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. More significant matters require management attention with **moderate impact on residual risk** exposure until resolved.

 **No assurance** - The Board can take **no assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. More significant matters require management attention with **high impact on residual risk** exposure until resolved.

Prioritisation of Recommendations

In order to assist management in using our reports, we categorise our recommendations according to their level of priority as follows.

Priority Level	Explanation	Management action
High	Poor key control design OR widespread non-compliance with key controls. PLUS Significant risk to achievement of a system objective OR evidence present of material loss, error or misstatement.	Immediate*
Medium	Minor weakness in control design OR limited non-compliance with established controls. PLUS Some risk to achievement of a system objective.	Within One Month*
Low	Potential to enhance system design to improve efficiency or effectiveness of controls. These are generally issues of good practice for management consideration.	Within Three Months*

* Unless a more appropriate timescale is identified/agreed at the assignment.



GIG
CYMRU
NHS
WALES

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

Dyddiad y Cyfarfod	20 Hydref 2020	Eitem ar yr Agenda	2.4
Teitl yr Adroddiad	Adroddiad Llywodraethu Gwybodaeth a Rheoli Gwybodaeth AaGIC		
Awdur yr Adroddiad	Kay Barrow, Rheolwr Llywodraethu Corfforaethol		
Noddwr yr Adroddiad	Dafydd Bebb, Ysgrifennydd y Bwrdd		
Cyflwynwyd gan	Dafydd Bebb, Ysgrifennydd y Bwrdd		
Rhyddid Gwybodaeth	Agored		
Diben yr Adroddiad	Rhoi'r wybodaeth ddiweddaraf i'r Pwyllgor Archwilio a Sicrwydd am faterion sy'n ymwneud â Llywodraethu Gwybodaeth (IG) a Rheoli Gwybodaeth (IM).		
Materion Allweddol	<p>Mae'r adroddiad yn rhoi'r wybodaeth ddiweddaraf am feysydd allweddol sy'n ymwneud â Llywodraethu Gwybodaeth a Rheoli Gwybodaeth gan gynnwys:</p> <ul style="list-style-type: none"> • y Cynllun Gwaith Llywodraethu Gwybodaeth; • crynodeb ar Geisiadau Rhyddid Gwybodaeth a Cheisiadau am Fynediad i'r Pwnc Data; • Seiber Ddiogelwch. 		
Camau Gweithredu Penodol Gofynnol (un ✓ yn unig)	Gwybodaeth	Trafodaeth	Sicrwydd
			✓
Argymhellion	Gofynnir i'r Aelodau nodi'r adroddiad am sicrwydd .		

ADRODDIAD LLYWODRAETHU GWYBODAETH A RHEOLI GWYBODAETH

1. CYFLWYNIAD

Mae Llywodraethu Gwybodaeth Effeithiol (IG) a Rheoli Gwybodaeth (IM) yn ei gwneud yn ofynnol i AaGIC fel sefydliad ddeall ei rwymedigaethau o ran cydymffurfio. Mae hefyd yn golygu sicrhau bod yr holl staff yn deall pwysigrwydd sicrhau bod gwybodaeth yn cael ei rheoli'n effeithiol.

2. CEFNDIR

Diben y papur hwn yw darparu'r Pwyllgor Archwilio a Sicrwydd (A&AC) gyda diweddariad o'r sefyllfa bresennol mewn perthynas â'r Cynllun Gwaith Llywodraethu Gwybodaeth (Atodiad 1), a diweddariad mewn perthynas â Cheisiadau Rhyddid Gwybodaeth, Ceisiadau am Fynediad i'r Pwnc Data a dderbyniwyd gan AaGIC ynghyd â Seiber Ddiogelwch..

Mae gan Lywodraethu Gwybodaeth a Rheoli Gwybodaeth o fewn AaGIC y nodau sylfaenol canlynol:

- hyrwyddo'r defnydd effeithiol a phriodol o wybodaeth (gan gynnwys gwybodaeth gyfrinachol, bersonol, a data sy'n fasnachol sensitif) yn y GIG;
- rhoi'r offer a'r cymorth priodol i staff i'w galluogi i reoli gwybodaeth mewn ffordd gyfrifol a phroffesiynol; a
- sicrhau bod yr holl brosesu gwybodaeth yn cael ei wneud yn deg, yn effeithiol ac yn unol â'r gyfraith.

2.1 Cynllun Gwaith Llywodraethu Gwybodaeth

Nod cyffredinol y Cynllun Gwaith Llywodraethu Gwybodaeth (Cynllun Gwaith), sydd ynghlwm yn Atodiad 1, yw sicrhau bod gwybodaeth o fewn AaGIC yn cael ei defnyddio'n effeithiol, yn effeithlon, yn ddiogel, yn gyfrifol ac yn gyfreithlon, waeth beth fo'i fformat a bod y gweithgarwch sydd ei angen i gyflawni'r rhwymedigaethau hyn yn cael ei wneud.

Mae'r Cynllun Gwaith yn cynnwys cyfanswm o 32 o gamau rheoli sydd i gyd â statws RAG o wyrdd.

2.2 Rhyddid Gwybodaeth (Rhyddid Gwybodaeth)

Derbyniodd AaGIC 8 cais Rhyddid Gwybodaeth am y cyfnod rhwng 1 Gorffennaf a 30 Medi 2020. Ymatebwyd i bob cais o fewn yr amserlenni fel y'u nodir yn Neddff Rhyddid Gwybodaeth 2000. Cyfradd cydymffurfio (ymateb o fewn yr 20 diwrnod gwaith) o'r ceisiadau a dderbyniwyd **oedd 100%**. Ni chafwyd unrhyw geisiadau am adolygiad na chwynion gan Swyddfa'r Comisiynydd Gwybodaeth.

- **Ffynonellau Ceisiadau**

Unigolyn Preifat	5
Ymchwilydd/Dadansoddwr	0
Cwmni Preifat	1
Cyfryngau	0
Grŵp, Cymdeithas, Cymdeithas Siartredig	1
Ymgyrchydd (Whatdotheyknow.com)	1
Llywodraeth Cymru	0
Cyflogeion GIG Cymru	0
Bwrdd Iechyd/Ymddiriedolaeth	0
AS/Aelod Cynulliad	0
Llywodraeth Leol/Awdurdod Lleol/Y Trydydd Sector	0
Myfyriwr/Hyfforddai	0
Cyfreithiol	0
Coleg Brenhinol/Coleg Brenhinol y Nyrsys	0
Cyfanswm	8

- **Pynciau Ceisiadau**

Cais am Wybodaeth	Nifer
Corfforaethol	1
Personél/Cyflogaeth	2
Contract/Comisiynu	0
Hyfforddiant/Addysg	5
Ariannol	0
Ystadegol	0
Llywodraethu Gwybodaeth	0
Cyfanswm	8

- **Eithriadau a Gymhwyswyd**

Mae'r Ddeddf Rhyddid Gwybodaeth yn cynnwys nifer o eithriadau sy'n caniatáu i sefydliadau atal gwybodaeth oddi wrth ymholwr. Mewn rhai achosion, bydd y rhain hefyd yn caniatáu i AaGIC wrthod cadarnhau neu wadu a yw'r wybodaeth yn cael ei chadw gan y sefydliad.

Mae rhai eithriadau'n ymwneud â math penodol o wybodaeth, tra bod eithriadau eraill yn seiliedig ar y niwed a fyddai'n codi neu a fyddai'n

debygol o ddeillio o ddatgelu, er enghraifft, pe bai datgelu'n debygol o ragfarnu ymchwiliad troseddol neu ragfarnu buddiannau masnachol rhywun. Mae eithriad hefyd ar gyfer data personol os byddai ei ryddhau yn groes i'r Rheoliad Diogelu Data Cyffredinol. Darparodd AaGIC ddatgeliad llawn ar gyfer 7 o'r 8 ymateb a gaewyd. Cymhwyswyd 2 eithriad fel y nodir isod:

Eithriad	Nifer yr Amseroedd a Gymhwyswyd
Adran 16: Cyngori a Chynorthwyo	1
Adran 21: Gwybodaeth sy'n Hygyrch drwy Ddulliau eraill	0
Adran 22(1): Bwriedir cyhoeddi yn y dyfodol	0
Adran 43(2): Diogelu Buddiannau Masnachol	1
Cyfanswm	2

Mae ceisiadau a dderbynnir gan AaGIC yr ystyrir eu bod yn sensitif neu'n ddadleuol eu natur yn cael eu hadrodd i Lywodraeth Cymru fel rhan o adroddiadau wythnosol Cymru gyfan. Mae copïau o'r ymatebion hynny hefyd yn cael eu hanfon ymlaen at Lywodraeth Cymru er gwybodaeth.

2.3 Ceisiadau am Fynediad i Bwnc Data (DSARS)

Nid oedd unrhyw DSAR yn ystod y cyfnod rhwng 1 Ionawr a 30 Mehefin.

2.4 Seiber Ddiogelwch

Derbyniwyd cyflwyniad ar Seiber Ddiogelwch, gan Bennaeth Seiber Ddiogelwch AaGIC, yng Nghyfarfod Datblygu'r Bwrdd ym mis Awst. Roedd y cyflwyniad yn cynnwys y wybodaeth ddiweddaraf am gynllun gweithredu gwaith seiber ddiogelwch AaGIC. Mae'r cynllun yn parhau i gael ei ddatblygu a'i gryfhau ac mae'n canolbwyntio ar dri amcan strategol Amddiffyn, Ymateb a Datblygu a phum blaenoriaeth strategol allweddol:

Amcan	Blaenoriaethau Strategol
Amddiffyn	<ul style="list-style-type: none"> • Deall cyflwr presennol seiber ddiogelwch. • Cael seiber hylendid yn iawn ac adeiladu sylfaen ddiogel.
Ymateb	<ul style="list-style-type: none"> • Ymateb yn gyflym ac yn effeithiol i seiber fwlio digwyddiadau diogelwch.
Datblygu	<ul style="list-style-type: none"> • Ymgysylltu â swyddogaethau AaGIC a thu hwnt. • Hyrwyddo diwylliant sy'n ymwybodol o seiber fwlio.

Mae gweithgareddau i gefnogi'r gwaith o gyflawni gweledigaeth seiber ddiogelwch AaGIC, cyflawni ei amcanion a'i flaenoriaethau strategol a nodwyd wedi'u cofnodi yn y cynllun gweithredu gwaith.

3. Cynnig

Bod yr adroddiad yn cael ei nodi am sicrwydd.

4. MATERION LLYWODRAETHU A RISG

Gall goblygiadau diffyg cydymffurfiaeth Llywodraethu Gwybodaeth arwain at weithdrefnau ymchwilio ffurfiol, cyhoeddusrwydd gwael a chosbau ariannol posibl gan Swyddfa'r Comisiynydd Gwybodaeth (ICO).

5. GOBLYGIADAU ARIANNOL

Nid oes unrhyw oblygiadau ariannol.

6. ARGYMHELLIAD

Gofynnir i'r Aelodau **nodi'r** adroddiad hwn er mwyn cael sicrwydd.

Llywodraethu a Sicrwydd			
Linc i nodau strategol Cynlluniau Tymor Integredig Clwstwr (os gwelwch yn ddau)	Nod Strategol 1: Arwain y gwaith o gynllunio, datblygu a lles gweithlu cymwys, cynaliadwy a hyblyg i gefnogi'r gwaith o gyflawni 'Cymru Iachach'	Nod Strategol 2: Gwella ansawdd a hygyrchedd addysg a hyfforddiant i'r holl staff gofal iechyd gan sicrhau ei fod yn diwallu anghenion y dyfodol	Nod Strategol 3: Gweithio gyda phartneriaid i ddylanwadu ar newid diwylliannol o fewn GIG Cymru drwy feithrin gallu arweinyddiaeth dosturiol a chyfunol ar bob lefel
	✓	✓	✓
	Nod Strategol 4: Datblygu'r gweithlu i gefnogi'r gwaith o sicrhau diogelwch ac ansawdd	Nod Strategol 5: Bod yn gyflogwr enghreifftiol ac yn lle gwych i weithio	Nod Strategol 6: I gael ei gydnabod fel partner, dylanwadwr ac arweinydd rhagorol
	✓	✓	✓
Ansawdd, Diogelwch a Phrofiad Cleifion			
Mae'n bwysig bod AaGIC yn rhoi sicrwydd i ddefnyddwyr gwasanaeth bod Llywodraethu Gwybodaeth a Rheoli Gwybodaeth yn cael eu hystyried a'u cynnal o fewn diwylliant effeithiol o gyfrinachedd.			
Goblygiadau Ariannol			
Dim goblygiadau ariannol i'w hystyried.			
Goblygiadau Cyfreithiol (gan gynnwys asesu cydraddoldeb ac amrywiaeth)			
Os na chaiff ei gysidro, mae goblygiadau cyfreithiol diffyg cydymffurfiaeth Llywodraethu Gwybodaeth a Rheoli Gwybodaeth yn gadael y sefydliad yn agored i botensial gweithdrefnau ymchwilio ffurfiol a chosbau ariannol gan Swyddfa'r Comisiynydd Gwybodaeth.			
Goblygiadau Staffio			
Dim goblygiadau staffio.			
Goblygiadau Hirdymor (gan gynnwys effaith Deddf Llesiant Cenedlaethau'r Dyfodol (Cymru) 2015)			
Ni nodwyd unrhyw un.			
Hanes yr Adroddiad	Darperir Adroddiad Llywodraethu Gwybodaeth a Rheoli Gwybodaeth i'r Adran Damweiniau ac Achosion Dysgu bob chwarter.		
Atodiadau	Atodiad 1 – Cynllun Gwaith Llywodraethu Gwybodaeth.		

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	Completed	<p>Most areas have been completed. The Information Asset Register is a live document which needs to be updated on a continual basis.</p> <p>In regards to progress, over 160 staff have confirmed (or denied) the use of identifiable data and completed a return or a collective departmental response. As this is regarded as a “moving feast”, there will be no completed date but progress as and when required.</p>	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
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 DPIA 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

	4.2 Communication and awareness raising of Privacy Impact Assessment requirements	Information Governance Manager	Complete	A communication was developed and sent to all staff on the requirements for completing a PIA and when there is a need to complete one at the end of June 2020.	Confidentiality and IG is considered for all new projects/ systems and existing changes to working/or proposals/ changes
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Objective/ Recommendation	Management Action	Responsible Lead	RAG status/ Complete by	Progress	Benefits
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 and will need monitoring	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 and is placed on the intranet	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	<p>The PIA document is approved and being used where necessary.</p> <p>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.</p> <p>A bulletin with information around when a PIA is required and what do do next has been developed and released at the end of June 2020.</p>	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 and these will require monitoring	<p>There are new PIA templates that reflect changes under the new Regulations, these have now been approved for use.</p> <p>Once completed, the IG Manager will sign them off and table them for information and discussion at the Executive Team.</p>	

Objective/ Recommendation	Management Action	Responsible Lead	RAG status/ Complete by	Progress	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	<p>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</p> <p>Due to commitments of the IG Manager and the staff uptake (hunger) for sessions organised, there have been no further classroom sessions arranged in 2020 to date.</p>	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	<p>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.</p> <p>There is currently an action required to increase the level of compliance by staff within HEIW.</p>	Staff training is vital to ensuring continued compliance and awareness of information security and confidentiality responsibilities

Objective/ Recommendation	Management Action	Responsible Lead	RAG status/ Complete by	Progress	Benefits
	8.3 Development of HEIW intranet pages to include Information Governance	Information Governance Manager	Complete	<p>These have now been published.</p> <p>Marked as complete but will need an annual review and updates where required</p>	Staff awareness of their obligations with IG principles
	8.4 Development of an Information Governance introduction for the HEIW internet page	Information Governance Manager	Complete	<p>These have now been published. Marked as complete but will need an annual review.</p> <p>More information has been added to the site to include an IG section with policies and procedures.</p>	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

Objective/ Recommendation	Management Action	Responsible Lead	RAG status/ complete by	Comments	Benefits
<p>9. A full review undertaken of how information is being used throughout the organisation through the Information Asset Register function</p>	<p>9.1 Management of the process for Information Asset recording or “Mapping” this includes the:</p> <ul style="list-style-type: none"> • Information subject • Types of information • legal basis for processing • accountability of information stored 	<p>Information Governance Manager/ Executive Team/ Information Asset Owners/ Administrators</p>	<p>There is no end date for this objective.</p> <p>Ongoing work required to maintain the IAR.</p>	<p>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.</p> <p>A register of assets relating to the HEIW Sharepoint site was completed in May 2019 and is awaiting review by individual departments. This is an exercise to asset the suitability of the legacy and older documents retained in Sharepoint at present.</p> <p>An email has gone out to all staff to ask for information around individual processing of identifiable data within the organisation and a further email sent to all staff in May 2020 has resulted in over 160 staff who have provided a response to confirm or deny the use of identifiable data and have provided an individual or a collective response to catalogue their use.</p>	<p>Identifies areas and priorities for improvement to ensure organisational compliance with Information Security and FOI requirements</p>

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	<p>The process of collecting Information Assets is currently underway and staff are individually confirming (or denying) use of personal data and completing a return if applicable to them.</p> <p>However, there has not been any high risk processing identified to date.</p>	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	This work area is to be considered as a rolling process of work	<p>This process will be addressed on an annual basis and the practices of update will be reinforced.</p> <p>Sharepoint retained information will need to be thoroughly reviewed to remove old and unused legacy documents.</p>	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	<p>A list of suggested Information Governance risks has been passed to the Board Secretary for consideration.</p> <p>To date, no IG risk register is in place but will be a standard agenda item on the IGIM Group.</p>	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	a continual process of review and identification of IG risk will need to be completed	<p>The Information Asset Register serves to collect organisational information and identify any potential risks that could cause a breach of confidentiality.</p> <p>Work is currently ongoing to collect and review information assets within the organisation to make those decisions around risks.</p>	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	<p>The IG Toolkit will be part of IG assessment going forward in 2020. Due to the progress of IG within HEIW in April 2019, the initial exercise was not completed until more progress has been made. Due to Covid-19, there has been no 2020/21 toolkit release to date.</p> <p>Data Protection registration is completed on an annual basis in October.</p> <p>Internal audits and Information Commissioner exercises will be completed on an ad-hoc basis.</p>	Organisations and Service Users are assured that HEIW hold and process all identifiable data in a legal and ethical manner

Objective/ Recommendation	Management Action	Responsible Lead	RAG status/ complete by	Comments	Benefits
	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. Papers will be tabled at the IGIM group on a quarterly basis.	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
12. Inclusion and awareness of IT security incidents that directly or indirectly could affect Information Governance	12.1 Inclusion of IT and Cyber 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, Cyber 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

Objective/ Recommendation	Management Action	Responsible Lead	RAG status/ complete by	Comments	Benefits
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	This is an ongoing task.	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. Any records management will be considered based on the returns provided by staff within HEIW and whether there is a concern around the paper that has been stored.	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
	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	Complete	The rectification procedure has been developed and sent to the Board Secretary for circulation	Promotes fair and lawful revision to Data Subject's own information

Objective/ Recommendation	Management Action	Responsible Lead	RAG status/ complete by	Comments	Benefits
17. Work related to the HEIW Information Governance Steering Group	17.1 Production of a Terms of Reference	Information Governance Steering Group members	Complete	The IGIM Group has reviewed and approved a final terms of reference.	
	17.2 Annual review of the IGIM terms of Reference	Information Governance Steering Group members	Biannual basis	ToR has now been approved and will be reviewed annually.	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	An annual report will be completed in April 2021	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. Some guidance and signposting emails have been sent out to all staff as the IG pages are now on the intranet.	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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Dyddiad y Cyfarfod	20 Hydref 2020		Eitem ar yr Agenda	2.5
Teitl yr Adroddiad	Adroddiad Cydymffurfio â Chaffael AaGIC			
Awdur yr Adroddiad	Helen James, Pennaeth Caffael, Partneriaeth Cydwasaethau GIG Cymru			
Noddwr yr Adroddiad	Eifion Williams, Cyfarwyddwr Cyllid Dros Dro			
Cyflwynwyd gan	Eifion Williams, Cyfarwyddwr Cyllid Dros Dro			
Rhyddid Gwybodaeth	Agored			
Diben yr Adroddiad	Diben yr adroddiad hwn yw rhoi'r wybodaeth ddiweddaraf i'r Pwyllgor Archwilio a Sicrwydd mewn perthynas â gweithgarwch caffael a gynhaliwyd yn ystod y cyfnod1 Gorffennaf 2020- 30 Medi 2020 ac yn unol â'r cyfeirnod 1.2 (Atodlen 2.1.2 Cod Caffael a Chontractau ar gyfer Gwaith Adeiladu a Pheirianneg) o'r Cyfarwyddiadau Ariannol Sefydlog.			
Materion Allweddol	Mae esboniad o resymau, amgylchiadau a manylion unrhyw gamau pellach a gymerwyd hefyd wedi'i gynnwys yn yr atodiadau i'r adroddiad.			
Camau Penodol i'w Cymryd (un ✓ yn unig)	Gwybodaeth	Trafodaeth	Sicrwydd	Cymeradwyo
			√	
Argymhellion	Gofynnir i'r Aelodau: <ul style="list-style-type: none"> • Nodi'r adroddiad am sicrwydd 			

ADRODDIAD CYDYMFFURFIO CAFFAEL AaGIC

1. Cyflwyniad

Mae'n un o ofynion Cyfarwyddiadau Ariannol Sefydlog AaGIC bod pob cais am Gamau Gweithredu Dyfynbris Sengl (SQA), Camau Gweithredu Tendr Sengl (STA), Tendrau Sengl i'w hystyried yn dilyn galwad am Gystadleuaeth OJEU, Estyniadau Contract a Dyfarnu cyllid ychwanegol y tu allan i delerau'r contract (a wneir drwy Nodyn Newid Contract (CCN) neu Amrywio Telerau), yn cael eu hadrodd i'r Pwyllgor Archwilio a Sicrwydd.

2. Cefndir

Diben yr adroddiad hwn yw rhoi'r wybodaeth ddiweddaraf i'r Pwyllgor Archwilio mewn perthynas â gweithgarwch caffael a gynhaliwyd yn ystod y cyfnod rhwng 1 Gorffennaf 2020 a 30 Medi 2020 ac ynunol â'r cyfeirnod 1.2 (Atodlen 2.1.2 Cod Caffael a Chontractau ar gyfer Gwaith Adeiladu a Pheirianeg) o'r Cyfarwyddiadau Ariannol Sefydlog.

Mae esboniad hefyd o resymau, amgylchiadau a manylion unrhyw gamau pellach a gymerwyd wedi'u cynnwys.

Cyfeirnod SFI	Disgrifiad	Eitemau
3.5	Camau Gweithredu Dyfynbris Sengl	5
4.2	Camau Tendro Sengl	3
5.3	Tendrau Sengl i'w hystyried yn dilyn galwad am Gystadleuaeth OJEU	0
10.8	Estyniadau Contract	0
14.2	Dyfarnu cyllid ychwanegol y tu allan i delerau'r contract (a wneir drwy Nodyn Newid Contract (CCN) neu Amrywio Telerau)	0

3. GOBLYGIADAU LLYWODRAETHU AC ARIANNOL

Dylai'r Pwyllgor Archwilio a Sicrwydd nodi manylion yr Atodiadau amgaeedig a monitro nifer a gwerth y busnes sy'n cael ei gyflwyno ar gyfer cymeradwyaeth Tendr Sengl neu Gwota Sengl. Y canllawiau cyffredinol ar wario arian cyhoeddus yw y dylid ei gynnal mewn modd teg, tryloyw ac agored, gan sicrhau y ceisir cystadleuaeth lle bynnag y bo modd. Felly, dylid cadw cyn lleied â phosibl o geisiadau am weithredu unigol.

4. ARGYMHELLIAD

Gofynnir i'r Pwyllgor:

- **nodi'r** adroddiad am sicrwydd.

Llywodraethu a Sicrwydd			
Linc i nodau strategol IMTP (os gwelwch yn dda ✓)	Nod Strategol 1: Arwain y gwaith o gynllunio, datblygu a lles gweithlu cymwys, cynaliadwy a hyblyg i gefnogi'r gwaith o gyflawni 'Cymru Iachach'	Nod Strategol 2: Gwella ansawdd a hygyrchedd addysg a hyfforddiant i'r holl staff gofal iechyd gan sicrhau ei fod yn diwallu anghenion y dyfodol	Nod Strategol 3: Gweithio gyda phartneriaid i ddylanwadu ar newid diwylliannol o fewn GIG Cymru drwy feithrin gallu arweinyddiaeth dosturiol a chyfunol ar bob lefel
	Nod Strategol 4: Datblygu'r gweithlu i gefnogi'r gwaith o sicrhau diogelwch ac ansawdd	Nod Strategol 5: Bod yn gyflogwr enghreifftiol ac yn lle gwyh i weithio	Nod Strategol 6: I gael ei gydnabod fel partner, dylanwadwr ac arweinydd rhagorol
			✓
Ansawdd, Diogelwch a Phrofiad Cleifion			
Nid oes unrhyw oblygiadau penodol o ran ansawdd a diogelwch yn gysylltiedig â'r gweithgaredd a nodir yn yr adroddiad hwn.			
Goblygiadau Ariannol			
Mae SFIs, SOs, Rheolaethau ariannol a systemau a phrosesau cyfrifyddu yn sail i lawer o reolaethau sefydliadol sy'n rhan o gyflawni targedau ariannol a llywodraethu da. Y canllawiau cyffredinol ar wario arian cyhoeddus yw y dylid ei gynnal mewn modd teg, tryloyw ac agored, gan sicrhau y ceisir cystadleuaeth lle bynnag y bo modd. Felly, dylid cadw cyn lleied â phosibl o geisiadau am weithredu unigol.			
Goblygiadau Cyfreithiol (gan gynnwys asesu cydraddoldeb ac amrywiaeth)			
Nid oes unrhyw oblygiadau cyfreithiol penodol yn gysylltiedig â'r gweithgaredd a amlinellir yn yr adroddiad hwn.			
Goblygiadau Staffio			
Nid oes unrhyw oblygiadau staffio penodol yn gysylltiedig â'r gweithgaredd a amlinellir yn yr adroddiad hwn.			
Goblygiadau Hirdymor (gan gynnwys effaith Deddf Llesiant Cenedlaethau'r Dyfodol (Cymru) 2015)			
Ddim yn berthnasol i'r adroddiad hwn			
Hanes yr Adroddiad			
Atodiadau	Atodiad 1 Gwybodaeth Gryno Atodiad 2 Materion Pellach		

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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	Workforce and Organisational Development	HEIW-SQA-541	July 2020 – July 2021	Single Quotation	Provision of Online Assessment Platform	Questback	£24,000	Due to time constraints a solution urgently needed as result of Covid-19; provider undergone previous work to good standard.	Endorsed	No further action required.	First Submission
HEIW	Workforce and Organisational Development	HEIW-SQA-528	August 2020 – November 2020	Single Quotation	Clinical Learning and Development Consultancy	Judith Morgan Ltd	£7,400	Work already conducted by provider, more cost effective to not go out to market due to additional spend and time.	Endorsed	No further action required.	Fist submission of single tender, previous exercise obtained quotes from other providers.
HEIW	Corporate	HEIW-SQA-539	September 2020 – July 2021	Single Tender	Copmed Subscription	Academy of Medical Royal Colleges	£6,000	No other supplier offering this conference.	Endorsed	No further action required.	First Submission.

HEIW	Workforce	HEIW-SQA-543	September 2020 – September 2021	Single Tender	Packaged Licence and Support Plan	Panopto Emea Ltd	£26,400	Significant additional cost and resource to utilise different provider.	Endorsed	No further action required.	First Submission.
HEIW	Pharmacy	HEIW-SQA-544	September 2020 – August 2023	Single Tender	Registration of City and Guilds	City & Guilds	£16,832	No other provider available to meet criteria.	Endorsed	No further action required.	First Submission.
HEIW	Workforce	HEIW-STA-536	August 2020 – July 2021	Single Tender	The delivery of Medical Trauma and Resilience Training to NHS staff	DNA Definitive	£33,600	Continuation of work previously conducted as continuity required.	Endorsed	Will be reviewed in timely manner to ensure any future need is captured.	First Submission
HEIW	Workforce	HEIW-STA-540	August 2020 – June 2021	Single Tender	Leadership Programme	The Kings Fund	£80,000	Critical for delivery against strategic objectives and only provider to meet criteria.	Endorsed	Market to be reviewed approaching end of contract to understand options available.	First Submission
HEIW	Medical	HEIW-STA-538	August 2020 – March 2023	Single Tender	Evaluation of Health Education and Improvement Wales Work Programmes relating to the Education and Training of the NHS Wales Healthcare Workforce	Curemede	£105,000	Supplier has delivered phase 1 & 2, required from same supplier for continuity of research.	Endorsed	Reviewing all evaluation needs of HEIW to create framework.	Two previous FN submissions. Second Submission.

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Appendix 2 – Summary 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	Corporate	HEIW-FN-078	April 2018 – March 2020	File Note	Trainee Doctor/Dentist Whistleblowing Legal Advice	Hill Dickinson	£5,405	Supplier introduced prior to the establishment of HEIW, was not anticipated work would take this length of time.	Not Endorsed.	No further action required as confirmed no longer a requirement	First Submission
HEIW	Pharmacy	HEIW-FN-080	May 2020 – May 2022	File Note	User licences and functionality developments	Skillwise UK	£20,000	Service unaware of correct process therefore underwent requirement without procurement input.	Not Endorsed.	Procurement to provide session for service to gain understanding of requirements.	First Submission.
HEIW	Secondary Care	HEIW-FN-081	July 2020 – July 2020	File Note	CST Bootcamp	Cardiff University	£8,272.80	Service unaware of correct process.	Not Endorsed.	Procurement to provide session for service to gain understanding of requirements.	First Submission

HEIW	Pharmacy	HEIW-FN-077	July 2020 – July 2021	File Note	HEIW Pharmacy Web Platform	Overt Software Solutions Ltd	£13,800	Continuation of contract without extension being issued.	Endorsed	Procurement exercise for all of HEIW underway to fulfil this demand.	First Submission
HEIW	Workforce	HEIW-FN-079	August 2020 – September 2020	File Note	The delivery of Medical Trauma and Resilience Training to NHS staff	DNA Definitive	£10,000	Correct process not followed and change of contract issued without procurement involvement.	Not Endorsed.	Procurement to ensure CCN procedure is covered in procurement sessions.	One previous Single Tender. First File Note.



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Dyddiad y Cyfarfod	20 Hydref 2020	Eitem ar yr Agenda	2.7
Teitl yr Adroddiad	Adolygiad Blynyddol o Weithdrefnau Rheolaeth Ariannol		
Awdur yr Adroddiad	Martyn Pennell, Pennaeth Cyfrifyddu Ariannol		
Noddwr yr Adroddiad	Eifion Williams, Cyfarwyddwr Cyllid		
Cyflwynwyd gan	Martyn Pennell, Pennaeth Cyfrifyddu Ariannol		
Rhyddid Gwybodaeth	Sesiwn Agored		
Diben yr Adroddiad	Cyflwyno'r adolygiad blynyddol o'r FCP i'r Pwyllgor Archwilio a Sicrwydd.		
Materion Allweddol	<p>Mae'n ofynnol i'r adolygiad rheolaidd o Weithdrefnau Rheolaeth Ariannol sicrhau bod AaGIC yn gweithredu o fewn gofynion y Rheolau Sefydlog a'r Cyfarwyddiadau Ariannol Sefydlog.</p> <p>Mae pob un o'r pymtheg Gweithdrefn Rheoli Ariannol sydd ar waith yn AaGIC wedi'u hadolygu ar gyfer 2020/21.</p>		
Camau Penodol i'w Cymryd (un ✓ yn unig)	Gwybodaeth	Trafodaeth	Sicrwydd
			Cymeradwyo
Argymhellion	<p>Gofynnir i'r Pwyllgor Archwilio a Sicrwydd:</p> <ul style="list-style-type: none"> Gymeradwyo'r diwygiadau arfaethedig i Weithdrefnau Rheolaeth Ariannol rhifau 1 – 13, fel yr amlinellir yn atodiad 1. Cymeradwyo dileu FCP rhif 14 a 15. 		

ADOLYGIAD BLYNYDDOL O'R GWEITHDREFNAU RHEOLI ARIANNOL

1. Cyflwyniad

Mae'r papur hwn yn rhoi'r wybodaeth ddiweddaraf am yr adolygiad blynyddol o Weithdrefnau Rheolaeth Ariannol (FCP) yn AaGIC.

2. Cefndir

Wrth ffurfio AaGIC ym mis Hydref 2018 cymeradwyodd y Pwyllgor Archwilio a Sicrwydd gyfres o bymtheg o'r Cynlluniau Cynghori Cenedlaethol i'w defnyddio yn y sefydliad newydd. Mae'r FCP yn trosi'r Rheolau Sefydlog lefel uchel a'r Cyfarwyddiadau Ariannol Sefydlog yn rheolau a rheoliadau gweithredol y mae'n rhaid i bob aelod o staff eu dilyn.

Er mwyn sicrhau bod y FCP yn parhau i adlewyrchu'r holl reoliadau perthnasol a'u bod yn caniatáu i AaGIC weithredu yn y ffordd y mae angen iddi, caiff y FCP eu hadolygu'n flynyddol. Yng nghyfarfod y Pwyllgor ar 22 Tachwedd 2019 cymeradwywyd diweddariadau ar gyfer nifer o'r gweithdrefnau a mabwysiadwyd y rhain wedyn gan y sefydliad.

Mae'r papur hwn yn rhoi'r wybodaeth ddiweddaraf am y broses adolygu ar gyfer 2020/21 ac yn gofyn i'r Pwyllgor gymeradwyo'r newidiadau a nodir yn adran 3 isod.

3. CYNNIG

Yn ystod 2020/21 mae'r holl FCP sydd ar waith yn AaGIC wedi cael eu hadolygu. Mae'r adolygiadau hyn wedi ystyried, ond nid ydynt wedi'u cyfyngu i:

- Unrhyw newidiadau mewn rheoliadau neu ofynion allanol, gan gynnwys deddfwriaeth a chanllawiau Llywodraeth Cymru.
- Adborth ac argymhellion archwiliadau mewnol ac allanol.
- Newidiadau mewn systemau a phrosesau.
- Newidiadau i ofynion gweithredol o fewn AaGIC.

Mae fformat cyson a phenawdau penodol hefyd wedi'u cyflwyno ar gyfer pob FCP a gynhyrchir yn fewnol i wneud y dogfennau'n haws eu darllen ac i dynnu sylw at y newidiadau a wnaed i'r gweithdrefnau ym mhob diwygiad.

O ganlyniad i'r adolygiad cynigir gwelliannau i dri ar ddeg o'r FCP a chynigir nad oes angen dau FCP mwyach. Ceir crynodeb isod:

Gwelliannau

Mae Atodiad 1 yn crynhoi'r prif newidiadau sy'n cael eu cynnig ar gyfer FCP 1 i 13. Rhoddir hefyd y cyfeiriadau at y Cynlluniau FCP wedi'u diweddarau, sydd wedi'u cynnwys fel atodiadau ar wahân i'r adroddiad hwn i'w hadolygu a'u cymeradwyo.

Darperir dogfennau newidiadau wedi'u tracio sy'n dangos y diwygiadau arfaethedig ar gyfer pob FCP ac eithrio rhifau 6 (cerdyn prynu) ac 11 (cyfrifon sy'n daladwy).

Mae'r rhain yn ailysgrifennu sylweddol ar y dogfennau gwreiddiol ac ar gyfer y ddwy eitem hyn mae'r dogfennau gwreiddiol a diwygiedig wedi'u cynnwys i'w hadolygu a'u cymeradwyo.

Mae unrhyw newidiadau i fformat y dogfennau unigol eisoes wedi'u derbyn ar y dogfennau a olrheiniwyd felly ni sylwir ar y rhain.

Dileu

Fel rhan o'r adolygiad, nodwyd nad oes angen dau FCP mwyach, a gofynnir i'r Pwyllgor gymeradwyo dileu'r rhain. Mae manylion y ddwy ddogfen hyn, a'r rhesymau dros eu dileu arfaethedig, fel a ganlyn:

- FCP14 – Cydwasanaethau
 - Darperir gwasanaethau cymorth gan Bartneriaeth Cydwasanaethau GIG Cymru (NWSSP) i AaGIC drwy Gytundeb Lefel Gwasanaeth (CLG). Y ddogfen CLG sy'n nodi'r ystod o wasanaethau sydd i'w darparu a'r targedau perfformiad gofynnol ar gyfer pob un. Cynhelir cyfarfodydd adolygu rheolaidd gyda Phartneriaeth Cydwasanaethau GIG Cymru i drafod perfformiad, a mesurir hyn yn erbyn y Dangosyddion Perfformiad Allweddol yn y CLG. Felly nid yw'r FCP yn ychwanegu unrhyw werth nac unrhyw reolaethau ychwanegol sy'n ychwanegol at y rhai yn y CLG y cytunwyd arno.
 - Mae meysydd o fewn FCP 1 i 13 lle mae gan Bartneriaeth Cydwasanaethau GIG Cymru rôl o ran sicrhau bod y rheolaethau a'r systemau priodol ar waith. Fel rhan o adolygiad 2020/21 mae pob FCP bellach yn cynnwys adran 'Cyfrifoldebau', sy'n diffinio rolau pob plaid yn glir. Mae hyn yn rhoi gwell lefel o fanylder na FCP 'Cydwasanaethau' cyffredinol.
- FCP15 – Caffael
 - Mae AaGIC wedi datblygu canllaw caffael i gynorthwyo aelodau staff i brynu nwyddau a gwasanaethau. Mae'r ddogfen hon yn troi gofynion y Cyfarwyddiadau Ariannol Sefydlog yn ganllaw cam wrth gam sy'n amlinellu'r broses brynu. Mae hon yn ddogfen ddeinamig sy'n cael ei diweddarau a'i chynnal gan y tîm cyllid i adlewyrchu anghenion y sefydliad, ac felly ystyrir ei bod yn fwy priodol na FCP sefydlog.
 - Mae elfennau hanfodol y FCP hwn eisoes wedi'u cynnwys yn y Cynlluniau FCP eraill i roi manylion am ofynion penodol lle y bo'n briodol. Y rhain yw:
 - FCP1 – Rheoli Cyllidebau
 - FCP3 – Prosesau Diwedd Mis
 - FCP5 – Cynllun y Diwydiant Adeiladu
 - FCP6 – Cerdyn Prynu
 - FCP9 – Arian Môn
 - FCP11 – Cyfrifon derbynnydd
 - FCP13 – Gwrth-dwyll

4. MATERION LLYWODRAETHU A RISG

Gall methu â chynnal fframwaith rheolaeth fewnol addas arwain at broblemau sylweddol i sefydliad. Bydd y broses o adolygu a diweddarau'r FCP yn rhoi sicrwydd bod rheolaethau priodol ar waith.

O dan y Cyfarwyddiadau Ariannol Sefydlog, mae'r Cyfarwyddwr Cyllid yn gyfrifol am sicrhau bod gweithdrefnau ariannol manwl yn cael eu cynnal. Mae'r SFI hefyd yn mynnu bod y Pwyllgor Archwilio a Sicrwydd yn cymeradwyo'r holl weithdrefnau ariannol a fabwysiedir gan y sefydliad.

5. GOBLYGIADAU ARIANNOL

Nid oes unrhyw oblygiadau ariannol uniongyrchol o ganlyniad i'r papur hwn.

6. Argymhelliad

Gofynnir i'r Aelodau:

- Gymeradwyo'r diwygiadau arfaethedig i Weithdrefnau Rheolaeth Ariannol 1 i 13, fel yr amlinellir yn atodiad 1.
- Cymeradwyo dileu FCP 14 a 15.

Llywodraethu a Sicrwydd			
Linc i nodau strategol Cynlluniau Tymor Integredig Clwstrwr (os gwelwch yn dda ✓)	Nod Strategol 1: Arwain y gwaith o gynllunio, datblygu a lles gweithlu cymwys, cynaliadwy a hyblyg i gefnogi'r gwaith o gyflawni 'Cymru Iachach'	Nod Strategol 2: Gwellu ansawdd a hygyrchedd addysg a hyfforddiant i'r holl staff gofal iechyd gan sicrhau ei fod yn diwallu anghenion y dyfodol	Nod Strategol 3: Gweithio gyda phartneriaid i ddylanwadu ar newid diwylliannol o fewn GIG Cymru drwy feithrin gallu arweinyddiaeth dosturiol a chyfunol ar bob lefel
	✓	✓	
	Nod Strategol 4: Datblygu'r gweithlu i gefnogi'r gwaith o sicrhau diogelwch ac ansawdd	Nod Strategol 5: Bod yn gyflogwr enghreifftiol ac yn lle gwych i weithio	Nod Strategol 6: I gael ei gydnabod fel partner, dylanwadwr ac arweinydd rhagorol
Ansawdd, Diogelwch a Phrofiad Cleifion Nid oes unrhyw effaith ar ansawdd, diogelwch a phrofiad cleifion.			
Goblygiadau Ariannol Nodir y goblygiadau ariannol yn adran 3 uchod.			
Goblygiadau Cyfreithiol (gan gynnwys asesu cydraddoldeb ac amrywiaeth) Nid oes unrhyw oblygiadau cyfreithiol.			
Goblygiadau Staffio Nid oes unrhyw oblygiadau staffio uniongyrchol.			
Goblygiadau Hirdymor (gan gynnwys effaith Deddf Llesiant Cenedlaethau'r Dyfodol (Cymru) 2015) Nid oes unrhyw oblygiadau hirdymor.			
Hanes yr Adroddiad	Cymeradwywyd y Gweithdrefnau Rheoli Ariannol gwreiddiol yn y Pwyllgor Archwilio a Sicrwydd Cysgodol ar 02/10/2018. Ystyriwyd yr adolygiad blynyddol cyntaf yn y Pwyllgor ar 22/11/2019.		
Atodiadau	Atodiad 1 - Crynodeb o'r Newidiadau Arfaethedig i'r FCP Atodiadau 2 i 18 – Dogfennau FCP diwygiedig.		

Atodiad 1 – Crynodeb o'r Newidiadau Arfaethedig i'r FCP

Cyfeiriad	Disgrifiad	Prif Welliannau a Wnaed	Cynnig	Atodiad
FCP1	Rheoli Cyllidebau	<ul style="list-style-type: none"> Fformat a phenawdau templed FCP safonol wedi'u mabwysiadu. Adran 'Amcanion Rheoli' ychwanegol Rhifau a fformat wedi'u diweddarau 	Cais i gymeradwyo newidiadau	Atodiad 2
FCP2	Rheoli Asedau Sydd ddim yn Gyfredol / Sefydlog a Chynnal a Chadw'r Gofrestr Asedau	<ul style="list-style-type: none"> Hanes fersiwn ychwanegol Fformat a phenawdau templed FCP safonol wedi'u mabwysiadu (sy'n gofyn am symud ac ailrifo testun) 		Atodiad 3
FCP3	Cau ar ddiwedd Mis	<ul style="list-style-type: none"> Hanes fersiwn ychwanegol Fformat a phenawdau templed FCP safonol wedi'u mabwysiadu (addasiadau rhifo yn unig) Adran 'cyfrifoldebau' ychwanegol Teitlau swyddi wedi'u diweddarau Dileu'r dyddiad cau mewnol ar gyfer cau'n fisol (Caiff hwn ei bennu'n fisol i adlewyrchu gofyniad gwasanaeth). 		Atodiad 4
FCP4	Adennill Gordaliadau'r Gyflogres	<ul style="list-style-type: none"> Fformat a phenawdau templed FCP safonol wedi'u mabwysiadu. Rhifau a fformat wedi'u diweddarau (sy'n gofyn am rywfaint o symudiad testun) 		Atodiad 5
FCP5	Cynllun y Diwydiant Adeiladu	<ul style="list-style-type: none"> Hanes fersiwn ychwanegol Statws eglurach AaGIC at ddibenion CIS Fformat a phenawdau templed FCP safonol wedi'u mabwysiadu Nodi amcanion rheoli'r FCP a diffinio cyfrifoldebau unigolion 		Atodiad 6
FCP6	Cerdyn Prynu	<ul style="list-style-type: none"> Diweddariad sylweddol i adlewyrchu gofynion y model gweithredu o fewn AaGIC. Math diwygiedig o ddeiliaid cardiau a gofynion pob un Adran ychwanegol ar gyfrifoldebau (gan gyfuno nifer yr elfennau o fersiwn 1.0 FCP). 		Atodiad 7 – Cyfredol Atodiad 8 - Cynigir

Cyfeiriad	Disgrifiad	Prif Welliannau a Wnaed	Cynnig	Atodiad
		<ul style="list-style-type: none"> Hanes fersiwn ychwanegol Fformat a phenawdau templed FCP safonol wedi'u mabwysiadu. 		
FCP7	Treth ar Werth	<ul style="list-style-type: none"> Hanes fersiwn ychwanegol Fformat a phenawdau templed safonol FCP safonol wedi'u mabwysiadu, gan gynnwys ychwanegu 'Amcanion Rheoli' ac adran 'Cyfrifoldebau' Rhifau paragraff ychwanegol Dileu cyfraddau TAW penodedig i ganiatáu ar gyfer unrhyw newidiadau Dileu'r gofyniad i argraffu ffurflenni TAW a chyfrifiadau gan eu bod bellach yn cael eu storio'n electronig. Ychwanegu adran ar y pwynt cyswllt ar gyfer ymholiadau TAW. 		Atodiad 9
FCP8	Ledger Cyffredinol	<ul style="list-style-type: none"> Ychwanegwyd Hanes y Fersiwn Diweddarwyd teitlau swyddi Tabl Cynnwys wedi'i ychwanegu Fformat a phenawdau templed FCP safonol wedi'u mabwysiadu 		Atodiad 10
FCP9	Arian Môn	<ul style="list-style-type: none"> Ychwanegwyd hanes y fersiwn Diweddarwyd rhifau paragraffau Templed FCP safonol wedi'i fabwysiadu Amcanion rheoli ychwanegol Adran cyfrifoldebau diwygiedig Tynnwyd cyfeiriadau at arian môn ychwanegol a ddelir gan y gwasanaeth. Cynhelir yr arian ychwanegol yn y tîm cyllid ar ran y sefydliad cyfan. Ad-drefnu paragraffau i esbonio'r broses ar gyfer ad-dalu. 		Atodiad 11
FCP10	Cyfrifon derbyniadwy	<ul style="list-style-type: none"> Hanes fersiwn ychwanegol Fformat a phenawdau templed FCP safonol wedi'u mabwysiadu. Adran ychwanegol ar gyfrifoldebau 		Atodiad 12

Cyfeiriad	Disgrifiad	Prif Welliannau a Wnaed	Cynnig	Atodiad
		<ul style="list-style-type: none"> Dileu categorieiddio manwl o fathau o ddyledion (nid oes eu hangen oherwydd cyfaint/gwerth cymharol isel dyledwyr AaGIC) Dileu nodiadau gweithdrefn manwl ac atodiadau ar gyfer y broses o gasglu dyledion - bydd y FCP yn nodi nodau cyffredinol a bydd nodiadau proses manwl yn cael eu cynnal yn y tîm cyllid. 		
FCP11	Cyfrifon sy'n Daladwy	<ul style="list-style-type: none"> Diweddariad sylweddol i adlewyrchu gofynion gweithredu'r sefydliad ac i gwmpasu'r holl ddulliau talu ar gyfer anfonebau cyflenwyr. Fformat a phenawdau templed FCP safonol wedi'u mabwysiadu. Cyfrifoldebau wedi'u diweddarau i nodi'r rhaniad rhwng Partneriaeth Cydwasanaethau GIG Cymru ac AaGIC 		Atodiad 13 – Cyfredol Atodiad 14 - Arfaethedig
FCP12	Bancio	<ul style="list-style-type: none"> Ychwanegwyd hanes y fersiwn Diweddarau teitlau a chyfrifoldebau swyddi Adran ychwanegol ar ragolygon arian parod Archwiliad diwygiedig o welliannau i'r system o bob hanner blwyddyn i fis Gofyniad diwygiedig i ddiweddarau a chysoni'r banc o bob dydd i o leiaf bob wythnos i adlewyrchu maint, gwerth a natur y trafodion. 		Atodiad 15
FCP13	Gwrth-dwyll	<ul style="list-style-type: none"> Diweddarwyd manylion cyswllt 		Atodiad 16
FCP14	Swyddogaethau Cydwasanaethau	AMHERTHNASOL	Cais i dynnu'r FCP	Atodiad 17 – Cyfredol
FCP15	Caffael	AMHERTHNASOL		Atodiad 18 - Cyfredol

Appendix 2

Financial Control Procedure 1

Budgetary Control

Tracked Changes Document



GIG
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NHS
WALES

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

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WALES (HEIW)†

FINANCIAL CONTROL PROCEDURE (FCP) 1

BUDGETARY CONTROL

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Version	Version 1.1
Issue Date	TBC
Next Review Date	October 2021
Author	Martyn Pennell
Reviewed	Adam Dugdale
Approved	Audit & Assurance Committee – TBC

<u>Version Number</u>	<u>Review Date</u>	<u>Review Description</u>	<u>Editor</u>	<u>Status</u>
1.0	Oct 2018	• Original document	Interim Head of Financial Accounting	Approved 02/10/18
1.1	Oct 2020	• Adopted standard FCP template format & headings. • Added 'Control Objectives' section • Updated numbering & format	Head of Financial Accounting	Awaiting Approval

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1 SCOPE AND PRINCIPLES

- 1.1 This Financial Control Procedure is written in conjunction with HEIW's Standing Financial Instructions (SFIs) and aims to provide guidance to Budget Holders & Budget Managers.
- 1.2 This procedure defines the function and objectives of budgetary control and the links to the Financial Strategy.
- 1.3 The purposes of this procedure are:
 - To inform managers of the issues to be taken into consideration when preparing budgets and to establish a HEIW-wide framework within which budgetary control will operate; and
 - To assist Budget Holders & Budget Managers in understanding their roles and responsibilities.
- 1.4 This procedure will therefore describe the whole approach to budgeting and provide a document that will enable Budget Holders & Budget Managers to meet and fully adhere to the responsibilities given to them.
- 1.5 This procedure also outlines how the Finance Department will provide support to Budget Holders & Budget Managers.

2 RELATED AND RELEVANT DOCUMENTS

- 2.1 This procedure should be read alongside the following document:
 - HEIW Standing Orders & Standing Financial Instructions

3 CONTROL OBJECTIVES

- 3.1 The control objectives of this financial control procedure are as follows:
 - To ensure HEIW manages its budgets in line with the agreed purposes
 - To ensure that all staff who have been given delegated budget responsibilities are aware of their responsibilities.
 - To ensure budget holders are provided with appropriate information to enable them to discharge their responsibilities appropriately

4 RESPONSIBILITIES

Chief Executive and Executive Directors

- 4.1 The Chief Executive, as the Accountable Officer, has delegated budgetary responsibility to Executive Directors. The Executive Directors, as budget holders, have also been given the flexibility to further delegate to named Senior Managers, who will be defined as Budget Managers. Executive Directors are encouraged to delegate to the organisational level at which the use of financial resources can be most effective. Budget Holders' control must enable effective

Deleted: DELEGATION OF BUDGETS

service delivery. As a result, the delegation of budgetary control will normally follow the lines of accountability described in the HEIW and Executive management structures.

- 4.2 The Chief Executive may delegate the management of a budget to permit the performance of a defined range of activities. This must be documented in writing clearly stating:
- The amount of the budget
 - The individual able to authorise expenditure
 - The authority to exercise virement
- 4.3 Any budgeted funds not required for their designated purposes, must revert to the control of the Chief Executive or Director of Finance, subject to the appropriate authorised virement.
- 4.4 **Non-recurring budgets must not be used to finance recurring expenditure without the authority in writing of the Chief Executive or Director of Finance.**

Budget Holders

- 4.5 Budget Holders & Budget Managers will be supported by Finance Business Partners. The Finance Business Partners are the [primary](#) contact for budget holders and budget managers for any issue on finance. The Finance Business Partner will advise on revenue and capital matters and explain the impact on the budgets in undertaking any financial action. The Finance Business Partner role is to advise on ensuring that net expenditure does not exceed the delegated budget limits. The Finance Business Partner will produce monthly reports for Budget Holders and Budget Managers to enable the budgets to be [appropriately](#) managed. It is expected that Budget Holders will meet with their Finance Business Partners each month to review and discuss their budget position. [Budget Holders will also be provided with access to the NHS Wales Budget Holder Dashboard to allow them to directly monitor their budget position, with Finance Business Partners providing support in understanding and interpreting the information.](#)
- 4.6 New Budget Holders & Budget Managers will be provided with the appropriate level of training and guidance by their Finance Business Partner.
- 4.7 Budget Holders & Budget Managers can only authorise expenditure within their delegated limits of the **recurring funding available**.
- 4.8 Budget Holders & Budget Managers are responsible for the goods and services for which their budget is delegated, which would include any procurement activities required.

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- 4.9 It is the Budget Holder's & Budget Manager's responsibility to check for accuracy of the monthly budget report issued by the finance team. If inaccuracies are identified, the finance team should be notified.
- 4.10 It is the Budget Holder's/ Budget Managers' responsibility to ensure that all new starters, leavers, and changes to existing staff details are correctly processed to ensure budget reports remain accurate and up to date.
- 4.11 Budget Holders/ Budget Managers should notify their Finance Business Partner of any potential overspend or unexpected expenditure as soon as they are aware of it.
- 4.12 Budget Holders/ Budget Managers are responsible for taking corrective action for any forecast overspend. The budget holders will be expected to meet Business Partners at least 8 times a year to ensure any corrective action is agreed, monitored and resolved. Where a Budget Holder/ Budget Manager has forecast an overspend, it is their responsibility to produce an urgent action plan to the Director of Finance to show how this overspend will be brought back to a balanced financial position. If a balanced financial position cannot be achieved, the CEO or Director of Finance can remove the budgets from the Budget Holder/ Budget Manager.

5 FINANCIAL STRATEGY

- 5.1 The Finance Team will start planning for the Financial Strategy of HEIW, in the autumn before the new financial year. Budget Setting meetings will therefore take place from November each year and by February, the Deputy Director of Finance will ensure that the Finance Business Partners have agreed a provisional budget plan for the following year, subject to approval from the CEO & Director of Finance. These individual budgets will be totalled and compared to the agreed expenditure control limit and an initial budget position discussed between the Business Partners, Deputy Director of Finance and the Executive Director. Several iterations of this process may be necessary in order to present a balanced departmental strategy or to include a plan of how each division plans to achieve financial balance. This process is usually supported from an early stage by the Director of Finance who will share top level financial planning information with the Executive Team.
- 5.2 When the draft budget has been agreed by the Director of Finance and the Budget Holder, the strategy is passed to the Deputy Director of Finance who will combine each department's strategies to form the basis of the overall HEIW financial strategy.
- 5.3 The Director of Finance will present the draft HEIW Financial Strategy, detailing each departments expenditure control limit, assumed income levels and any risks included in the strategy to the March HEIW Board for approval.

- 5.4 Once the overall Financial Strategy is approved by the HEIW Board all Budget Holders will be made aware that their budgets have been accepted and that they are now the agreed budget for the year. These approved budgets will then be reflected in the general ledger on the Oracle financial system.
- 5.5 Budget reports will be issued by the Finance Business Partners to Budget Holders/ Budget Managers on a monthly basis and significant variances will need to be investigated.
- 5.6 The Director of Finance must be informed of all significant shortfalls in income at the earliest opportunity by the finance team. The reasons for any income shortfalls, together with management action to mitigate these shortfalls, must be provided by the Budget Holder to the Director of Finance.

6 BUDGET SETTING

- 6.1 Following discussions with individual Budget Holders/ Budget Managers, Finance Business Partners will prepare and submit a budget plan within the limits of the departmental expenditure control limit to the Director of Finance for approval in February of each year. As described in the section above, the approved plans will be consolidated into the overall HEIW Financial Strategy and these draft plans will be shared with the Executive Team, before being approved by the HEIW Board in March of each year, prior to the start of the financial year on 1st April. Approved budgets will then be issued to Budget Holders.
- 6.2 Budgets will be reviewed annually and will be set with consideration to service reviews and the HEIW Planning & Performance Framework. Changes to budgets will reflect agreed changes in the level or the way in which services are delivered.
- 6.3 The budgets will be agreed with each delegated budget holder and the Finance Manager. In agreeing the budget the following aspects will be discussed and taken into account:
- An assessment of service costs
 - Current budget levels
 - Changes in patterns of service delivery and management
 - The overall financial resources and financial strategy of the HEIW
 - Service Development through the planning process and consistency with the agreed Integrated Medium Term Plan (IMTP)
 - Level at which Commissioners fund cost pressures and require efficiency savings to be made
 - Statutory costs.

This list is not exhaustive.

- 6.4 Budget Holders shall not assume any increase in the available recurring funding unless confirmed by the Director of Finance. Where the results of budget setting identify a need for additional funds, all efforts should be made in the first instance for this to be met from within the Budget Holders' recurring funds.
- 6.5 The Deputy Director of Finance will review the budgets prior to the Director of Finance submitting to the Board.
- 6.6 Any changes in budgets may be carried out through a 'virement' with the approval of the finance department. A virement procedure will be developed to provide a transparent framework to Budget Holders & Budget Managers.
- 6.7 Within the overall financial resources the Director of Finance will ensure appropriate reserves are held for unexpected cost pressures and contingencies.
- 6.8 The budgets will be recorded at Budget Holder level summarised to HEIW level. Each Budget Holder will be required to certify acceptance of the budget and the responsibilities therein, as outlined in this finance policy.

7 BUDGET INFORMATION

- 7.1 To ensure sufficient relevant and reliable information is available for budget holders, budget reports will be issued monthly by the finance team.
- 7.2 The monthly budget report will include the following information:
- The total annual budget
 - Details of the actual income and expenditure for the current month
 - Details of the actual income and expenditure for the year to date
 - Individual variances from the agreed income and expenditure budget
 - Forecast expenditure, income and variances
- 7.3 In addition, each Business Partner will produce a written monthly budget report, as required, for the Budget Holder. This report will detail the financial position to date along with explanations of any significant variances and details of the departments forecast outturn position. Where an overspend is being forecast by the Budget Holder, the Budget Holder must provide an action plan to the Director of Finance to explain the reasons for this overspend and management actions which will be undertaken to mitigate this overspend.

8 BUDGET MONITORING & VARIANCE ANALYSIS

- 8.1 It is important that Budget Holders & Budget Managers, review their monthly reports and highlight any variances to their Finance Business Partner, to ensure they are investigated to confirm accuracy and ascertain whether or not they represent a significant trend in expenditure and a potential problem. Variances fall into two categories: overspend and underspend.

- 8.2 Any overspend should be identified at an early stage and the Budget Holder/ Budget Manager should inform their Finance Business Partner in advance of any potential overspend. Where an overspend is being forecast by the Budget Holder, the Budget Holder must provide an action plan to the Director of Finance to explain the reasons for this overspend and management actions which will be undertaken to mitigate this overspend. Should an overspend continue, the Budget Holder will be asked to attend the Executive Team meeting and/ or the Audit Committee to provide an explanation.
- 8.3 Where there is a forecast underspend, the Director of Finance may vire the funds for use on other corporate priorities, as agreed by the Executive Team.
- 8.4 A monthly meeting is held between the Deputy Director of Finance and all Business Partners to review budgetary performance on a departmental and overall HEIW basis.
- 8.5 Following the Business Partners meeting a financial position review meeting takes place between the Director of Finance and Deputy and Head of Financial Accounting to review both the income & expenditure (I&E) position and the balance sheet. This meeting is the basis for the financial report to the HEIW Board and the monthly monitoring returns to Welsh Government.

Appendix 3

Financial Control Procedure 2

Management of Non-Current / Fixed Assets & Maintenance of Asset Register

Tracked Changes Document



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Cymru (AaGIC)
Health Education and
Improvement Wales (HEIW)

Financial Control Procedure (FCP) 2

Management of Non-Current / Fixed Assets & Maintenance of Asset Register

Version	Version <u>2.1</u>
Issue Date	<u>TBC</u>
<u>Next</u> Review Date	<u>October 2021</u>
Author	Martyn Pennell
Reviewed	Adam Dugdale
Approved	Audit & Assurance Committee – <u>TBC</u>

Version History

<u>Version Number</u>	<u>Review Date</u>	<u>Review Description</u>	<u>Editor</u>	<u>Status</u>
<u>1.0</u>	<u>Oct 2018</u>	<ul style="list-style-type: none">• <u>Original document</u>	<u>Interim Head of Financial Accounting</u>	<u>Approved 02/10/18</u>
<u>2.0</u>	<u>Nov 2019</u>	<ul style="list-style-type: none">• <u>FCP rewritten to reflect requirements of HEIW</u>• <u>Approval process for capital expenditure added</u>• <u>Decision flow chart added for the disposal of assets</u>• <u>Various forms added as appendices</u>	<u>Head of Financial Accounting</u>	<u>Approved 22/11/19</u>
<u>2.1</u>	<u>Oct 2020</u>	<ul style="list-style-type: none">• <u>Added version history</u>• <u>Adopted standard FCP template format & headings (requiring movement and renumbering of text)</u>	<u>Head of Financial Accounting</u>	<u>Awaiting Approval</u>

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1. Scope & Principles

- 1.1. This procedure details how the assets of HEIW are safeguarded and managed by relevant staff within the organisation. HEIW is required to have appropriate arrangements in place and a system available to be able to identify, record and maintain its individual assets.
- 1.2. This procedure includes information on the purchase and disposal of assets, the transfer of assets, the maintenance of the asset register and the requirement to carry out annual validation checks on all non-current assets held. It also sets out the responsibilities of officers employed by HEIW in relation to the above areas.
- 1.3. The contents of this document are applicable to staff with responsibility to safeguard the assets in their management area and to staff in central finance teams.

2. Related and Relevant Documents

- 2.1. This procedure should be read alongside the following documents:
 - HEIW Standing Orders & Standing Financial Instructions
 - NHS Wales Manual for Accounts
 - Procedure for the Development of Capital Business Cases requiring Discretionary Capital Funding

3. Control Objectives

- 3.1. The control objectives of this financial control procedure are as follows:
 - To ensure that non-current assets are correctly and accurately recorded in the accounts
 - To ensure that the purchase and disposal of non-current assets is in accordance with the Standing Financial Instructions and is in line with the strategic objectives of the organisation.
 - To ensure that there is appropriate control and verification of assets in place to safeguard the funds of HEIW.

4. Responsibilities

Director of Finance

- 4.1. The Director of Finance and Corporate Services is required to compile and maintain an up to date capital asset register to ensure proper management and control over HEIW assets. This responsibility is delegated to the Head of Financial Accounting who is supported by the Financial Accounting Team.

Moved (insertion) [1]

Head of Financial Accounting

4.2. The Head of Financial Accounting is responsible for ensuring that the:

- Asset register is updated to reflect any changes that have been notified to them.
- List of asset managers is reviewed annually.
- Register is reconciled to the general ledger on a monthly basis, and that information regarding asset valuation and capital charges are available for management purposes.

Moved (insertion) [2]

Moved (insertion) [3]

Asset Manager

4.3. The asset manager is responsible for:

- Ensuring that the assets under their control are secured as can be reasonably expected, and that they are maintained to the appropriate level.
- Notifying the Head of Financial Accounting of any changes to the assets under their control as soon as is practicable.

Moved (insertion) [4]

5. Definitions

5.1. Capital expenditure is expenditure in excess of £5,000 on:

- Acquisition of land and buildings
- Individual works schemes for the initial provision, extension, improvement of, adaptation (including upgrading), renewal, replacement or demolition of buildings, building elements (e.g. roofs), external works, engineering services or plant
- A single item of equipment
- A vehicle

5.2. Grouped assets are a collection of assets which individually may be valued at less than £5,000 but which together form a single collective asset with a group value of £5,000 or more (including VAT where this is not recoverable) because the items fulfil all the following criteria:

- The items are functionally interdependent;
- The items are acquired at about the same date and are planned for disposal at about the same date;
- The items are under single managerial control; and
- Each individual asset so grouped has a value of at least £250, (except in the initial equipping of hospitals or office refits where this de minimis value does not apply).

IT hardware will be considered interdependent if it is attached to a network, the fact that it may be capable of stand-alone use notwithstanding. Therefore,

effectively all IT equipment purchases, where the final three criteria above apply, will be treated as capital expenditure.

- 5.3. **Directly attributable costs** - The cost of an item of property, plant or equipment comprises its purchase price, any directly attributable costs, and the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. Directly attributable costs include the following:
- Costs of employee benefits arising directly from the construction or acquisition of the item of property, plant and equipment
 - Costs of site preparation
 - Initial delivery and handling costs
 - Installation and assembly costs
 - Costs of testing whether the asset is functioning properly
 - Professional fees

These costs will include VAT where the VAT cannot be recovered.

- 5.4. Included in the above definitions would be items forming part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost. In addition, any expenditure incurred relating to costs in relation to safety regulations or statutory legislation will also be treated as capital expenditure.
- 5.5. **Non-attributable costs** that should be regarded as revenue expenditure include the following:
- Costs of opening a new facility
 - Costs of introducing a new product or service (including costs of advertising and promotional activities)
 - Costs of conducting business in a new location or with a new class of customer (including costs of staff training)
 - Administration and other general overhead costs
 - Training costs
- 5.6. Expenditure on maintaining capital assets in effective working order, or in good repair, is charged to revenue irrespective of cost, unless the repairs include improvements to the original standard, in which case that cost will be treated as capital expenditure if it falls within the above definition.

6. Asset Register

- 6.1. The form, type and basis of the asset register will be decided by the Director of Finance, ensuring that it meets the requirements of HEIW's Standing Orders, Standing Financial Instructions and the NHS Wales Manual for Accounts.

Moved up [1]: <#>The Director of Finance and Corporate Services is required to compile and maintain an up to date capital asset register to ensure proper management and control over HEIW assets. This responsibility is delegated to the Head of Financial Accounting who is supported by the Financial Accounting Team.¶

Deleted: and Corporate Services

- 6.2. All assets in the register will be allocated as the responsibility of a named asset manager, which must be agreed by the relevant department when the item is procured.

Moved up [4]: The asset manager will be responsible for notifying the Head of Financial Accounting of any changes to the assets under their control as soon as is practicable.

Management of the Asset Register

- 6.3. Management of the asset register will be carried out within the Financial Accounting team. Desk notes will be held for all processes relating to the asset register, which as a minimum will include:

Moved up [3]: <#>The Head of Financial Accounting is responsible for ensuring that the list of asset managers is reviewed annually.¶

- Additions
- Disposals
- Transfers
- Depreciation
- Indexation
- Revaluation

Moved up [2]: <#>The Head of Financial Accounting is responsible for ensuring that the asset register is updated to reflect any changes that have been notified to them.¶

- 6.4. All non-current assets must be managed and accounted for in line with the requirements of the Manual for Accounts.

7. Purchase of Assets

Basic Principles

- 7.1. Assets are classified as non-current/fixed if they meet the criteria identified in paragraphs 5.1 to 5.6 above.
- 7.2. Revenue budgets cannot be used to purchase capital items.
- 7.3. Welsh Government (WG) issues HEIW with a Capital Resource Limit (CRL) each financial year that can be used for the purchase of non-current/fixed assets. The organisation has an annual financial duty not to exceed this allocation within the relevant period. The funding can comprise of two elements:
- **Discretionary Capital** – This funding does not relate to specific projects and therefore the organisation can decide how it is spent.
 - **Specific Capital Projects** – This funding relates to specific schemes that the organisation will agree with WG. The funding can only be used for the specific scheme within the agreed financial year(s). Any underspend will need to be returned to WG unless approval is received to reallocate the funding to other projects. Monitoring and performance measures will be agreed with WG as part of the project application and approval.

Discretionary Capital Expenditure Application Process

- 7.4. Following approval of the CRL, a prioritised list of directorate proposed discretionary capital schemes should be submitted to the Director of Finance and Corporate Services for consideration using the form in Appendix 1. A

deadline for submission will be agreed at the Senior Leadership Team meetings.

- 7.5. An initial round of bids for the capital funding should take place prior to the start of the financial year once the approved CRL has been received. Further bids may be considered during the year where discretionary funding remains available e.g. additional award from WG or where slippage in the agreed projects has been identified.
- 7.6. Each directorate must, in the first instance, work with its finance business partner to develop each project application and ensure that it fully considers:
 - The anticipated costs of the projects – This also includes the identification of any on-going revenue costs as these cannot be funded by the capital allocation. Agreement for any additional revenue budget must be in place before the project can be approved.
 - Any risks of the project – Where these are financial an appropriate risk cost should be built into the project.
 - Timescales – Discretionary capital funding is only available in the year in which it is approved. Where there is a chance that the project may not be completed within the relevant timescales this must be identified in the risk section.
 - Procurement Resources – The appropriate procurement route must be identified, and where appropriate, early engagement with the procurement team must be sought to ensure that the project can be delivered on time. Complex, high-value projects may have a significant lead-time and require additional procurement support.
- 7.7. The Director of Finance and Corporate Services will review all prioritised schemes and will determine, after consultation with the appropriate directorate, which discretionary capital schemes should be recommended to the Executive Management Board for approval.
- 7.8. All capital funding requests over £250,000 must also be approved by the HEIW Board.
- 7.9. The authorisation limits for Capital Spend are included within the HEIW Standing Orders & Standing Financial Instructions.
- 7.10. Once a project/procurement is approved, the scheme manager will be given a specific cost centre where all capital expenditure must be coded.
- 7.11. The Financial Accounting Team will provide a monthly monitoring report of actual expenditure compared to budget to the Scheme Managers, the Capital Budget holders and the Director of Finance and Corporate Services for reporting to the board. As each scheme is completed, this will be indicated on the report.

- 7.12. Should an overspend occur at any point in the procurement, the scheme manager will be required to provide an explanation for the variance(s), along with proposals to resolve the issue, to the next Board meeting.

Specific Capital Projects Application Process

- 7.13. The process for applying for specific capital projects will vary depending on the scheme. Early discussions with WG are encouraged to identify the funding streams available.
- 7.14. Directorates must ensure that they develop and maintain suitable evaluation measures that meet the specific requirements of any approved project.
- 7.15. The requirements in paragraphs 7.6 to 7.12 will also apply to specific capital schemes.

Record Acquisition on Asset Register

- 7.16. On completion of the project/purchase of the asset, the scheme manager is required to complete the addition form in Appendix 2 and send it to the Financial Accounting Team.
- 7.17. Once received, the Financial Accounting Team are required to add the asset to the asset register prior to the closedown of the month-end in order that the expenditure is reflected in the statement of financial position (subject to the correct information included on the form).
- 7.18. It is a requirement that all non-current assets are tagged in order that they can be individually identified (see exceptions in paragraph 7.19 below). Where easily accessible, the Financial Accounting Team will tag the asset following receipt of the addition form. Where the asset is not accessible, the Financial Accounting Team will issue a tag to the asset manager, who must attach it to the asset as soon as possible.
- 7.19. Where a tag cannot be attached to an asset (e.g. due to size or hygiene reasons) the asset manager should identify an alternative method of recording the asset and its location.
- 7.20. All assets acquired will be added to the asset register at cost. The cost will include all direct costs to bring the asset into operation, and will also include VAT where the VAT is not recoverable.

8. Disposal of Assets

Basic Principles

- 8.1. Assets may be selected for disposal if they are:

- No longer able to perform the required operational tasks (or are incapable of being upgraded to do so) i.e. obsolete;
 - No longer required due to changes in usage patterns, functions or procedures;
 - Non-compliant with health and safety requirements;
 - Beyond economical repair.
- 8.2. Where it is identified that an asset is surplus to requirements, the asset manager must use the flow-chart in appendix 3 to decide the most appropriate method of disposal.
- 8.3. All IT equipment (hardware and software including telephony and communications goods) must be given to the IT Department for disposal.
- 8.4. For any surplus asset, the head of department or authorised deputy will determine and advise the Director of Finance of the estimated market value of the item, taking account of professional advice where appropriate.
- 8.5. The asset manager will authorise the disposal or sale of the surplus asset using the form in Appendix 4. As required in the Standing Orders, this authorisation will be countersigned by a second officer. This second authorisation must be made by an officer who is identified in HEIW's scheme of delegation, and authorisation must be in line with their delegated limit. The asset value will be the higher of the net book value (available from the Financial Accounting Team) or the estimated market value.
- 8.6. Where an asset is sold or disposed of this must be done in a safe and secure manner and in line with any relevant legislation, such as WEE regulations, data protection protocols etc.
- 8.7. Prior to disposal, the asset manager should confirm that asset is owned by HEIW, is not procured under a lease/contract hire agreement, and that the organisation has the right to dispose of the asset.

Transfer of Assets Within HEIW

- 8.8. Where an asset has not been condemned, the first option must be to identify if it can be used by another directorate or team within the organisation.
- 8.9. Only those items that are considered to be safe in use can be transferred within the organisation.
- 8.10. When an asset is transferred the asset manager should complete the form in Appendix 5.

Sale of Assets

- 8.11. Where the surplus asset has a value, consideration should be given to selling the asset on the open market. HEIW must seek to achieve the highest sale proceeds in order to protect public money. The asset manager, in consultation with the head of department, will decide upon the most appropriate method of sale, taking into account the likely administration costs of the sale.
- 8.12. Assets can only be offered for sale if they comply with all relevant and current legislation. The authorising officer must confirm that the asset meets these requirements.
- 8.13. Assets will be sold without warranty and the purchaser will be required to agree to and sign the terms and conditions of sale in appendix 6.
- 8.14. If the asset is to be sold, the anticipated proceeds net of VAT should be noted on the Asset Disposal form (appendix 4) and a Debtor Invoice Request form raised, if appropriate, and attached. VAT must be charged on all sales of surplus goods.

Disposal

- 8.15. Where an asset cannot be transferred or sold, it must be scrapped through the correct disposal procedure as soon as possible.

Theft

- 8.16. Appendix 4 must be used where an asset has been stolen and should include details of the incident and a police crime number.
- 8.17. All cases of theft will be reported through the Audit & Assurance Committee.

9. Validation of Assets

- 9.1. On an annual basis, the Financial Accounting Team will carry out a validation of all HEIW assets with support from the finance team and / or divisional managers.
- 9.2. Asset managers will be asked to:
 - Verify that the equipment's assets are physically present in the organisation
 - Make any required corrections to the asset details & complete any missing information
 - Review the start depreciation date & estimated end date of the asset
 - Highlight any disposals & complete an asset disposal form
 - Provide information on any missing assets via an Asset Additions form.

- 9.3. Prior to the year-end, the Financial Accounting Team will review all expenditure incurred by HEIW over £5,000 to identify if any capital expenditure has incorrectly been charged to revenue. Where additional capital expenditure has been identified, the relevant directorate must prepare a retrospective application to the Director of Finance and Corporate Services, including an explanation of why the correct processes were not followed. Overspending the agreed total capital allocation will be reported in the annual accounts and could have significant implications for HEIW.

10. Non Compliance of Procedure

- 10.1. If any HEIW employee fails to comply with this policy, the matter may be dealt with in accordance with HEIW's Disciplinary Policy. The action taken will depend on the individual circumstances and will be in accordance with the appropriate disciplinary procedures. Under some circumstances failure to follow this policy could be considered to be gross misconduct.



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Appendix 1 – Discretionary Capital Expenditure Request Form

This form is to be used to provide details of any requests for discretionary capital expenditure. All requests will be considered by the Executive Team.

Overview:

Directorate/Service:	
Project Lead:	
Asset Manager:	
Authorising Officer:	

Details:

Summary of scheme / asset to be purchased:	
What are the anticipated benefits of the Scheme / Asset?	
How will the benefits be measured?	
How does the scheme / asset contribute towards the aims of the IMTP?	

Options:

What options were considered?	
How was the final option selected?	
Name of selected supplier (if known at this point)	

Procurement & Timescales:	
Which procurement route is to be followed? Refer to procurement guidance for contract value thresholds.	
Where required, have NWSSP procurement been contacted for advice?	Yes/No
Are there any implications for other departments in HEIW?	
What is the anticipated date of completion/ installation/ delivery?	
What is the estimated lifespan of the asset?	

Financial Summary:				
Capital Costs	Year 1 £	Year 2 £	Year 3 £	Total £
Building Works				
Fees				
Furniture & Fittings				
IT Equipment				
Other (please specify)				
Total Capital Costs				
Revenue				
Additional Pay Costs				
Additional Non-Pay Costs				
Pay Savings (show as negative)				
Non-Pay Savings (show as negative)				
Total Additional Revenue Costs				
Are additional revenue costs approved?	Yes/No			

All costs should include VAT where it is not recoverable. Contact the Financial Accounting Team for further information.

Risks:	
Please identify any risks associated with the proposal e.g. estimated costs, delivery timescales.	
Please identify any risks of not proceeding with proposal.	
What risk mitigations are in place?	

Any other comments:

Please return form to HEIW.FinancialAccountsTeam@wales.nhs.uk

For Finance Use:	
Date Received:	
Date considered at Executive Team Meeting:	
Approved:	Yes / No
Date applicant notified:	
Date asset addition form received:	

Appendix 2 – Asset Addition Form

This form is used to record the addition of any fixed asset onto the asset register.

Asset Description:	
Type of Asset (e.g. IT equipment, Furniture, Medical Equipment)	
Serial Number:	
Installation/Received Date:	
Location (including room name/number if appropriate):	
Directorate/Service:	
Asset Manager:	
Supplier(s):	
Invoice Number(s):	
Cost Including VAT:	

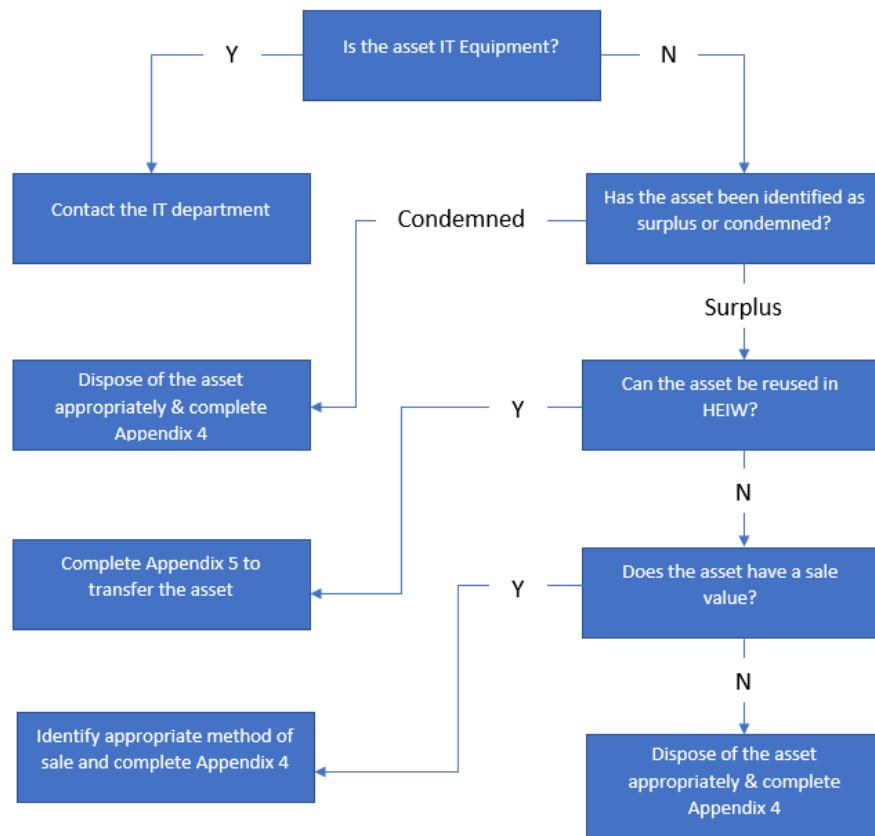
Where the purchase relates to a number of individual items the breakdown can be provided on a separate sheet.

Please return form to HEIW.FinancialAccountsTeam@wales.nhs.uk

For Finance use:	
Date Added to Register:	
Asset Tag Number:	
Date Asset Tagged:	

Appendix 3 – Disposal Flowchart

This Flowchart is to be used to identify the correct treatment for the disposal of all Fixed Assets



Appendix 4 – Sale / Disposal of Asset Form	
This form is used to record the sale/disposal of any fixed asset	
Asset Description:	
Asset Tag Number:	
Serial Number:	
Location:	
Directorate / Service:	
Asset Manager:	
Nature of disposal:	Sold / Disposed / Stolen
Reason for sale/disposal:	
Condition of asset:	
Where asset is being sold, does it comply with all relevant and current legislation?	
Estimated Value (£)	
Current net book value (contact Financial Accounting Team) (£)	
Agreed Sale Price (Including VAT) (£)	
Is asset held under any lease or contract hire agreement?	Yes/No
Where asset is being sold, confirm that purchaser has signed the terms and conditions of sale (Appendix 6).	
Other information, including crime number where asset has been stolen.	
Name of Officer Requesting sale / disposal:	
Name of Officer Authorising sale / disposal:	

The authorising officer must have approval limits in line with scheme of delegation for the higher of the net book value and the estimated market value.

Please return form to HEIW.FinancialAccountsTeam@wales.nhs.uk

If the asset is being sold, please complete an Invoice request form and submit with this form.

For Finance use:	
Date removed from register:	

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Appendix 5 – Transfer of Asset Form		
This form is used to record any changes to the location or management of any fixed asset.		
Asset Description:		
Asset Tag Number:		
	Original	Revised
Directorate/Service:		
Location (Including room name/ number where appropriate):		
Asset Manager:		
Comments:		

Please return form to HEIW.FinancialAccountsTeam@wales.nhs.uk



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Appendix 6 – Terms & Conditions of Sale

1. Inspection

The goods shall be open to inspection before tendering and the Purchaser shall be deemed to have inspected them. If purchased within previous inspection the Purchaser shall do so at his own risk.

2. Condition of Goods

The goods are sold as they lie and, after the acceptance of a tender/quotation for any or all of them, no question concerning their condition or the purchase price will be entertained. For any goods or article sold and intended to be re-used, the Purchaser shall be deemed to have satisfied himself as to the condition thereof. For any equipment to which the Electrical Equipment (Safety) Regulations 1975 (as amended) apply, subject to any information giving by markings on the equipment itself or in a notice accompanying the equipment, the equipment sold on the basis that it complies with the provision of the Regulations. In the case of vehicles, these are offered for sale without guarantee as to their condition and on the understanding that:

- a) the Purchaser will either tow or transport them away
- b) if they are to be used on the road the purchase will ensure that all markings indicating previous ownership are removed from the vehicle prior to the vehicle being taken from the organisation's premises.

3. Risk

The goods shall be, and remain in every aspect at the risk of the Purchaser from the expiration of the period of ten days beginning with the day of acceptance of the tender, and the Special Health Authority shall not be under any liability for the safe custody of preservation of the goods thereafter. PROVIDE THAT, if the purchaser removes the goods before the expiration of such period, then, as from the time of such removal, the risk in such goods so removed shall pass to the Purchaser and the Trust shall be relieved from all further liability in respect of these goods.

4. Payment

An invoice will be issued by HEIW for the agreed sale price. Payment in full shall be made before collection or within ten days of acceptance of the tender, whichever is the sooner, unless other special arrangements are agreed by the Trust. Cheques not guaranteed may be required to be cleared before collection of goods is permitted. The issue of a receipt shall be satisfactory evidence of the transfer of the title of the goods to the purchase. Where tenders are submitted for goods by weight, payment should be No warranty is given or implied, except as required by law.

made after the goods have been check-weighed over a public weighbridge. The Trust reserves the right to send an officer to accompany the vehicle to the weighbridge.

5. Removal

The whole of the goods must be removed by, and at the expense of the purchaser, within seven days from the date of payment, at such time as may be mutually agreed between the Purchaser and HEIW's officers. The site is to be left in a clean and tidy condition. Containers, where required, must be provided by the Purchaser.

6. Failure to remove the goods

(a) If the purchase, having paid the full amount of the purchase price, fails to remove all the goods within seven days of the date of the receipt, HEIW may, on giving seven days' notice to the purchaser, make a charge for removing and warehousing of the goods, all of which charges shall be paid before the goods, or any part thereof, are removed by the purchaser and HEIW may re-sell, or attempt to re-sell, the goods, and retain out of the proceeds the cost of such re-sale, and any attempted re-sale, and any charges for removal and warehousing and all other expenses incurred in connection with the goods, any balance remaining of the monies received in respect of such re-sale shall, after payment of such costs, charges and expenses, be paid or allowed to the original purchaser.

(b) If, on any such re-sale, the price realised is insufficient to pay such costs, charges and expenses, the original purchaser shall pay the deficiency.

7. Warranty

No warranty is given or implied, except as required by law.

8. Accidents and Damage

The Purchaser shall pay HEIW the cost of making good any loss or damage suffered by the HEIW arising out of the negligence of the purchaser, his agents and employees, arising from the sale of goods, and the purchaser shall indemnify the Trust in respect of all claims, demands, proceedings and costs arising from the death of, injury to, or damage suffered by, any third party, due to negligence of the purchaser in the course of, or arising out of, the removal of goods.

9. Health and Safety at Work Act 1974

The attention of the tender is directed to the requirements of Section 6 of the Health and Safety at Work Act 1974, or any statutory amendment or re-enactment thereof, and the duties it imposes in relation to the sale of goods for use at work. Any tenderer may be required to sign an undertaking to this effect.

Sale of (Asset name/type/serial number)	
<p>Further to the purchase by _____ of the above equipment. I, the undersigned, am fully aware of the condition of such equipment and as such, will absolve, on behalf of the purchasing body, the above organisation, from any responsibility whatsoever concerning the equipment.</p> <p>I accept the Terms & Conditions of sale that have been provided to me.</p> <p>In particular, this indemnity applies to personal injury or death caused to any person whilst using or in contact with the equipment however caused. Any damages to property caused by or through the equipment are also included in the terms of this indemnity as is any claim or action brought about under the Health and Safety at Work Act 1974 or relevant legislation.</p>	
Signed:	
For and on Behalf of:	
Date	

Appendix 4

Financial Control Procedure 3

Month End Closedown

Tracked Changes Document



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Financial Control Procedure (FCP) 3

Month End Closedown

Version	Version 1.2
Issue Date	TBC
Next Review Date	October 2021
Author	Martyn Pennell
Reviewed	Adam Dugdale
Approved	Audit & Assurance Committee – TBC

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Version History

Version Number	Review Date	Review Description	Editor	Status
1.0	Oct 2018	• Original document	Interim Head of Financial Accounting	Approved 02/10/18
1.1	Nov 2019	• <u>Amendments to reflect revised procedures that have been developed to assist the month end process</u>	Head of Financial Accounting	<u>Approved 22/11/19</u>
1.2	Oct 2020	• <u>Added version history</u> • <u>Adopted standard FCP template format & headings (numbering adjustments only)</u> • <u>Added 'responsibilities' section</u> • <u>Updated job titles</u> • <u>Removed internal deadline for monthly closedown (This will be set monthly to reflect service requirement)</u>	Head of Financial Accounting	Awaiting Approval

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1. Scope & Principles

- 1.1. This procedure details the processes in place to ensure that at month end the figures reported by Health Education And Improvement Wales (HEIW) are prepared in an accurate and timely manner.
- 1.2. This procedure includes information regarding closedown of the ledger, use of detailed checklists and a reporting timetable.
- 1.3. This document is applicable to all staff that have a responsibility to complete month end tasks, processes and report on the figures produced.

2. Related and relevant documents

- 2.1. This procedure should be read alongside the following documents:
 - HEIW standing orders and standing financial instructions
 - Standard system operating procedures – Oracle
 - Financial control procedure 1 – Budgetary control
 - Financial control procedure 10 – Accounts receivable
 - Financial control procedure 11 – Accounts payable
 - Financial management timetable

3. Control Objectives

- 3.1. A prompt and efficient month end process is required in order that:
 - Data can be regularly reconciled and discrepancies investigated in a timely manner;
 - Comparative statistics can be produced on a monthly basis and trends can be identified;
 - Accurate information can be provided on a prompt and regular basis to those that need it, for example HEIW board reports can be produced and VAT returns can be sent to HMRC;
 - Checks can be made to ensure the system is posting data correctly.

4. Responsibilities

Director of Finance

- 4.1. The Director of Finance is responsible for:
 - Approving the Monthly Monitoring Return (Jointly with the Chief Executive)
 - Reporting the financial position on a monthly basis to Board.

Head of Financial Accounting

4.2. The Head of Financial Accounting is responsible for:

- Reviewing the monthly control account reconciliations
- Preparing and submitting the Monthly Monitoring Return to Welsh Government

Financial Accountants

4.3. The Financial Accountants are responsible for:

- Completion of the monthly control account reconciliations
- Identifying and resolving any unidentified balances on the control accounts
- Monitoring the monthly reporting timetable and checklists

Management Accountants

4.4. Finance Business Partners/Management Accountants are responsible for:

- Identifying and reconciling all balance sheet transactions that relate to their service areas on a monthly basis.
- Adhering to the monthly closing timetable.

5. Overview of month end closedown

- 5.1. Each month the Financial Accounting team perform a closedown routine within Oracle (HEIW's general ledger system), ensuring that all sub-ledgers and feeds are accurately reflected in the general ledger. Following the closedown routine, the ledger is validated and adjustments are actioned by the Financial Accounting and Management Accounting teams.

6. Monthly reporting timetable and checklists

- 6.1. A financial management timetable is approved by the Head of Financial Accounting, circulated to all finance staff, and made available on the HEIW finance shared drive.
- 6.2. Desktop procedures are also produced for use by Financial Accounting staff as follows:
 - Bank Reconciliation
 - Accounts receivable
 - Accounts Payable
 - PANISU (Payroll & deductions)
 - VAT

- 6.3. These checklists contain a list of monthly tasks that must be completed at month end and authorised by the appropriate person. The electronic versions of the files are saved in Financial Accounting/ [Year] / [Month].
- 6.4. If any tasks are not completed in line with the agreed timetable, it must be promptly reported to the Head of Financial Accounting.
- 6.5. On a monthly basis the Head of Financial Accounting will review the reconciliations produced as part of the close down process to ensure that the processes have been completed correctly and that the figures produced are accurate and are in line with the expected values. In order to do this, the checklist in Appendix 1 is completed by the end of working day 20. The summary page of each reconciliation is to be printed off and authorised and kept with the signed version of the checklist. The Head of Financial Accounting will add details of any issues or improvements required within the 'comments' section of this checklist.

7. Numbering, saving and posting of journals

- 7.1. A standard numbering and naming system is to be used for all journals produced within HEIW. A central log is maintained (saved in Shared Finance/Relevant Year/Journals) that is used to issue a unique sequential number. This log also sets out the standard naming convention that is to be used.
- 7.2. To avoid more than one journal being posted with the same number, the journal register must be completed at the same time the journal number is obtained, with the Oracle journal posted reference being added to the register once the journal has been posted and the number is available.
- 7.3. All completed journals are to be saved in the folder identified above.

8. Reconciliations prepared and reviews undertaken

- 8.1. Once the tasks detailed on the above listed checklists have been completed, the reconciliations and reviews identified in appendix 2 are completed to ensure the balances held on the Oracle financial system agree with the appropriate source documents / control accounts and reflect legitimate creditors or debtors of HEIW.

9. Meetings / discussions held following month end closedown

- 9.1. Following close down of the ledger, the Deputy Director of Finance will discuss the draft financial position with the Director of Finance, who in turn will discuss the financial position with the Chief Executive and they will agree the final figures to be reported to Welsh Government at the end of the 5th working day.

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- 9.2. A monthly financial management meeting is held following month end closedown. The meeting is chaired by the Deputy Director of Finance and includes representatives from HEIW finance teams, and a representative from the Financial Accounting team. The primary aim of this meeting is to discuss the final income and expenditure figures and year-end financial projections.

10. Production of reports

- 10.1. Following agreement of all balances in the meetings detailed in section 9, various reports are produced by finance staff across HEIW including those detailed below:

- Monitoring returns are approved by the Director of Finance and submitted to Welsh Government in line with their reporting timetable.
- Departmental finance teams prepare reports for their Senior Management Team (SMT)/budget holder meetings which as a minimum include details of the financial position at the end of that month and the forecast financial position at the end of the financial year. They may also provide updated details of other financial performance, for example savings made against cost improvement projects, forecast cash flows, aged debts, and the divisional performance against the public sector payment policy (PSPP) target.
- A financial report will be prepared and submitted by the Director of Finance to HEIW Board, detailing HEIW's current financial position, the forecast financial position at the end of the financial year, and any issues or further information that they should be aware of.

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Appendix 1 – Month End Reconciliation Review

Sign-off of monthly reconciliations and control accounts

To be completed by working day 20

Summary sheet for each item are to be attached to this document. Full reconciliation documents are saved in the relevant folder on sharepoint.

Month	MM YYYY
--------------	---------

Item	File Name	Completed:		Reviewed:		Comment
		Name:	Date:	Signed	Date:	
Bank Reconciliation						
Accounts Receivable						
Accounts Payable						
PANISU						
VAT						

I confirm that the above reconciliations/control accounts have been completed and reviewed for MM YYYY	
Signed	
Date	

Appendix 2 – Balance Sheet Reconciliations & Reviews

Reconciliation of balance sheet codes should be completed using the template in appendix 3, and a transaction report showing the movement in the reconciling period added to the workbook. The template can be modified to suit the code being reconciled if necessary but as a minimum should include:

- The opening balance brought forward from the previous period
- The movement in reconciling period
- The closing balance to be carried forward to the next period
- The details of individual reconciling items and action to be taken to address them
- The name of the person who has completed the reconciliation and date completed
- The name of the person who has reviewed the reconciliation and date reviewed

A reconciliation of the balance sheet to the trial balance is completed and saved in the folder: Financial Accounting / [year] / [month] / Balance Sheet recs. This reconciliation includes a review and clearance of the general suspense and payroll suspense codes if they have balances on them.

Upon completion of the reviews, the Financial Accountant will provide an update to the Head of Financial Accounting, and any additional actions required will be identified.

The person performing the review of a balance sheet reconciliation or a general review of a balance sheet amount should consider whether that the balance shown is a legitimate creditor or debtor to remain on the balance sheet. If they are in doubt then they should investigate further, and if unable to resolve, should highlight the matter to the Financial Accountant or Head of Financial Accounting. If necessary, the amount will be charged against / released to the income & expenditure account.

By 18th working day of each month, the completed summary of reconciled balance sheet codes must be reviewed by the Financial Accountant who will undertake a sample review of the reconciled and reviewed codes.

By 20th working day of each month, the Financial Accountant will then pass the completed summary to the Head of Financial Accounting who will undertake a further sample review of the reconciled and reviewed codes. Any outstanding issues that have been identified during the review of balance sheet codes should also be highlighted to the Head of Financial Accounting by the Financial Accountant at this point.

Appendix 3 – Balance Sheet Reconciliation Template



HEIW%20Balance%
20Sheet%20Recs%20

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Appendix 5

Financial Control Procedure 4

Recovery of Payroll Overpayments

Tracked Changes Document



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FINANCIAL CONTROL PROCEDURE (FCP) 4 **RECOVERY OF PAYROLL OVERPAYMENTS** **POLICY**

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<u>Version</u>	<u>Version 1.1</u>
<u>Issue Date</u>	<u>TBC</u>
<u>Next Review Date</u>	<u>October 2021</u>
<u>Author</u>	<u>Martyn Pennell</u>
<u>Reviewed</u>	<u>Adam Dugdale</u>
<u>Approved</u>	<u>Audit & Assurance Committee – TBC</u>

<u>Version Number</u>	<u>Review Date</u>	<u>Review Description</u>	<u>Editor</u>	<u>Status</u>
<u>1.0</u>	<u>Oct 2018</u>	<u>• Original document</u>	<u>Interim Head of Financial Accounting</u>	<u>Approved 02/10/18</u>
<u>1.1</u>	<u>Oct 2020</u>	<u>• Adopted standard FCP template format & headings.</u> <u>• Updated numbering & format (requiring some movement of text)</u>	<u>Head of Financial Accounting</u>	<u>Awaiting Approval</u>

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1 Scope & Principles

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1.1 HEIW's overriding aim in paying its staff is to make payment promptly and accurately. However, there will be occasions where for various reasons this may not have been possible. This could result in both over and underpayments to staff. This policy relates solely to situations where members of staff have been overpaid.

1.2 The purpose of this policy is to ensure that all monies due to HEIW are recovered on a timely basis from the member of staff or ex-employee of HEIW.

1.3 The principal purpose of HEIW's payroll systems and procedures is to ensure that employees are paid the correct amount at all times, however, on occasion this may not be the case.

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1.4 Incorrect payments could result in either an over or underpayment to an employee and it is HEIW's aim to deal with both in a timely and efficient manner. This policy is focused on those situations where overpayments have occurred.

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1.5 HEIW has a legal right to recover any overpayment where it arose from a mistake of fact. Whatever monies are to be recovered, HEIW will aim to do so in a fair and reasonable manner. These payments are made in good faith and are deemed to be correct at the time of issue. Mistakes of fact are where the payment was inconsistent with the facts (e.g. through clerical error, computer input, or procedural errors). Money paid out under a mistake of fact is recoverable by law.

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1.6 This policy takes into account The Employment Rights Act 1996, section 13 which states that one of three conditions has to be met for the employer to lawfully make deductions from an employee's salary. These are that the deduction is either:

- required or authorised by statute
- authorised by a relevant provision of the contract of employment and the employee has received a copy of the contract and/or appointment letter, prior to the deduction being made or
- prior permission in writing has been given by the employee before the deduction is made

1.7 The Employment Rights Act 1996 however, also states in section 14, that section 13 does not apply in the situation where an employer makes a deduction from an employee's wages to recover an overpayment of wages, which was made by the employer to the employee, for any reason unless,

the employer has led the employee to believe that the money was rightfully his and the employee relies on spending the money or entering a financial commitment, and the overpayment was not the worker's fault.

1.8 In accordance with this policy statement and Welsh Government guidance, HEIW must pursue the recovery of all amounts due to it as a result of an overpayment.

1.9 HEIW must ensure that all HEIW employees / ex-employees are treated fairly.

1.10 All debts must be recorded by HEIW regardless of whether an agreement of repayment has been reached with the debtor.

1.11 HEIW will ensure a consistent approach in line with the provisions of the policy is taken when dealing with recovery of an overpayment.

1.12 The policy will apply to all HEIW staff, currently or previously employed, including staff on Honorary Contracts.

2 Related and Relevant Documents

2.1 This procedure should be read alongside the following documents:

- HEIW Standing Orders & Standing Financial Instructions
- Financial Control Procedure 10 – Accounts Receivables
- Financial Control Procedure 13 – Counter Fraud

3 Control Objectives

3.1 The control objectives of this financial control procedure are as follows:

- To ensure that all debts owing to HEIW as a result of salary overpayments identified, recorded and pursued for recovery.
- To ensure that all HEIW employees / ex-employees are treated fairly and the consistent approach is adopted when dealing with the recovery of overpayment
- To ensure that all HEIW employees understand their responsibilities in relation to salary payments.

4 Responsibilities

HEIW Staff

4.1 It is the responsibility of all HEIW staff to ensure that they receive and then check their paper or on-line pay-slips to confirm that they are being paid correctly and at the correct rate/pay band.

4.2 On checking the paper payslip, or viewing it on-line, where an individual identifies that he/she has been or may have been overpaid, then he/she has a duty to contact HEIW and inform the Payroll Department and their Line Manager of the possible overpayment.

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<#>This policy outlines the process for managing the recovery of payroll overpayments.¶

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<#>HEIW's overriding aim in paying its staff is to make payment promptly and accurately. However, there will be occasions where for various reasons this may not have been possible. This could result in both over and underpayments to staff. This policy relates solely to situations where members of staff have been overpaid.¶

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<#>The HEIW accepts that there may be occasions when a member of staff or ex-employee will be in a situation where they owe the HEIW money following an overpayment of salary and/or expenses.¶

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<#>The purpose of this policy is to ensure that all monies due to the HEIW are recovered on a timely basis from the member of staff or ex-employee of the HEIW.¶

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<#>The policy will apply to all HEIW staff, currently or previously employed, including staff on Honorary Contracts. ¶

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<#>This policy takes into account The Employment Rights Act 1996, section 13 which states that one of three conditions has to be met for the employer to lawfully make deductions from an employee's salary. These are that the deduction is either:¶

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<#>required or authorised by statute¶

<#>authorised by a relevant provision of the contract of employment and the employee has received a copy of the contract and/or appointment letter, prior to the deduction being made or¶

<#>prior permission in writing has been given by the employee before the deduction is made¶

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<#>The Employment Rights Act 1996 however, also states in section 14, that

section 13 does not apply in the situation where an employer makes a deduction from an employee's wages to recover an overpayment of wages, which was made by the employer to the employee, for any reason unless,¶

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<#>the employer has led the employee to believe that the money was rightfully his, and the employee relies on spending the money or entering a financial commitment, and the overpayment was not the worker's fault. ¶

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<#>The current HEIW Contract of Employment (NHS Wales Employment Contract) states in section 15 that:¶

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<#>Where certain charges for lodgings, meals, beverages, telephone charges, car parking, etc. are payable under the conditions of employment, they will be deducted from your salary. ¶

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4.3 When dealing with the request for repayment of outstanding monies, a claim of ignorance, by the member of staff, in that he/she did not receive or check any pay-slip, whether provided on paper or made available on-line, will not be accepted in its own right as a reason for not repaying HEIW.

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4.4 Staff should also be aware that the salary payment received each month on 21 (or working day prior to the 21 if that falls on a weekend / bank holiday) is in respect of salary for the whole of that month. For example - salary paid on 21 April is for the period worked 1 – 30 April (not for the period 21 March until 20 April). Staff leaving the employment of HEIW, between 21 – 30 of the month, may receive an overpayment if the processes to terminate their employment are not actioned prior to the processing of that month's pay which is undertaken during the first week of the month. They should therefore be extra vigilante in checking any final payslip received by HEIW and raising any queries immediately.

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Managers

4.5 It is the responsibility of all Managers to process the appropriate pay related documentation promptly, to meet payroll deadlines. They should also ensure that all Timesheets, Termination Forms, Staff Changes Forms, On-call claim forms and/or expense forms have been completed appropriately and relevant information entered onto the Electronic Staff Record (ESR) system as soon as possible. Such documentation should be appropriately verified and authorised. As monthly salary payments are prepared by the Payroll Department during the first week of the month, any delay in a Manager processing changes or terminations could result in an overpayment to a member of staff.

4.6 The Line Manager will also co-ordinate the recovery of overpayments by supporting the Payroll Department with explanations of overpayments and in the first instance discussing the repayment requirements with the employee.

4.7 Repayment plans should be agreed between the employee and their line manager within a month of them becoming aware of the overpayment. The line manager should notify the Payroll Manager and the Head of Financial Accounting of the basis of the agreement in order that the appropriate charges can be made.

4.8 Any decision to write off a debt should only be made in exceptional circumstances and on an individual case of need basis. Any write off will be authorised and actioned as detailed in HEIW Standing Orders and Standing Financial Instructions.

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Payroll Department

- 4.9 The Payroll Department within NHS Wales Shared Services Partnership (NWSSP) will manage any deductions from salary for the recovery of payroll overpayments. The Payroll Department will maintain an accurate log of all overpayments, providing information to the Line Manager and the employee or ex-employee.
- 4.10 The Payroll Department will also provide general guidance on how pay information is displayed on a payslip, to assist staff in checking and/or understanding the entries on their payslip.
- 4.11 The calculation of any overpayment identified must be taken from the originating date of the overpayment and not the date that it was identified.
- 4.12 Where Payroll have identified that an employee or former employee would have reasonably known that an overpayment has occurred, and no agreement can be achieved with respect to repayment the case may be referred to HEIW's Nominated Local Counter Fraud Specialist for advice. It may also be referred to HEIW's debt collection agency to pursue the debt on behalf of HEIW.

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Workforce and Organisational Development (OD) Department

- 4.13 The Workforce and OD department will assist the Payroll Department and Line Managers, by providing advice and support in the event of any dispute.

Financial Accounting Team

- 4.14 HEIW's Financial Accounting team will take responsibility for recording the debt in HEIW's Financial Accounting and provide the relevant invoices to the member of staff. The Financial Accounting team will also liaise with any debt collection agency if required.

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5 Prevention

- 5.1 In order to take measures to prevent an overpayment occurring, it is necessary to reduce the possibilities for the occurrence in the first instance. The main reason for overpayments occurring within HEIW is the late notification of information to the Payroll Department, i.e. late termination or changes of circumstances after the effective date.
- 5.2 The payroll department calculate the salary payable during the first week of each month and therefore any changes made after that time will not impact on the next salary payment made.
- 5.3 The responsibility for the supply and action of such information lies with the employee's Manager/Supervisor. It is, therefore, of the utmost importance that the completed documentation is received in the appropriate department or input onto the ESR system in ample time for action to ensure that the overpayments do not arise.

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5.4 Preventative measures are:

- **Termination Information** – should be notified to payroll.terminations@wales.nhs.uk or entered onto ESR as soon as the termination date of the employee is known. Usually this would be when the employee hands in their resignation to their manager. This should not be delayed until the last working day of the employee.
- **Changes Information** – should be completed in paper form or entered onto ESR as soon as that change is known. This should be actioned by the line manager on or before the date the employee works to the changed terms and conditions.

6 Recovery Procedure

- 6.1 The Payroll Department will, in the following pay period, automatically deduct in full any overpayment that is identified before, on or 1 day after the stated pay day. The individual will be notified, by telephone and in writing of any deduction together with a brief explanation of how the overpayment occurred. In the case of an employee, the person's Line Manager will also be advised of the overpayment by letter (see Appendix 1).

For Current Employees:

- 6.2 Where an overpayment of salary is identified by HEIW, after the stated pay day, a letter (see Appendix 2) will be sent to the employee/individual by the Payroll Manager detailing:
- How the overpayment occurred?;
 - A breakdown of the overpayment, including an explanation of the error;
 - Suggested repayment period and amount; and
 - Deadline for the response, and who the individual should contact.
- 6.3 The Payroll Manager will send a copy of the letter to the employee's manager and the Financial Accounting team. The Financial Accounting team will then raise an invoice to record the debt in HEIW's accounts.
- 6.4 The employee can request all documentation relating to the alleged overpayment, and further explanation from the Payroll Department or their Line Manager.
- 6.5 In cases, where an employee receives a payment for any arrears and therefore would not be expected to be able to calculate the final amount due, any overpayment that arose, as a result, would be dealt with by letter from the Payroll Manager as with any normal overpayment of salary and not immediately deducted.

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6.6 Should no communication be received from the employee within 14 days of the initial correspondence, a second reminder letter (see Appendix 3) will be sent to the individual from the Payroll Department, stating that HEIW will commence deductions as outlined in their previous letter.

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6.7 Once the employee has agreed a repayment plan, or no response has been received following the second reminder letter, the Payroll Department will commence deductions from the next pay period.
Repayments should normally be made in one single payment. However, this may be extended to a maximum period to not exceed the original overpayment period.

6.8 Where the employee has responded to the letters and no agreement can be reached, then a meeting must be arranged to take place between the employee, his/her Line Manager, a representative from the Workforce and OD team, together with the Payroll Manager or nominated deputy.

6.9 The employee will have the right to be accompanied at this meeting by a Staff Representative or a friend/colleague, not acting in a legal capacity. In accordance with this, the contract of employment and Section 14 of The Employment Rights Act 1996, the Financial Accounting team will not action any collection process until this meeting has taken place, and the outcome known.

6.10 The Payroll Manager will advise the Financial Accounting team that the meeting has taken place and the outcome of the meeting.

6.11 The invoice detailing the amount owed to HEIW, plus any relevant backing documents detailing how the overpayment occurred, must be given to the employee prior to any such meeting taking place.

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6.12 Where there is no response or no agreement has been reached with an employee, then the debt may be considered pursuable in accordance with HEIW's Debt Recovery Procedure, which is attached at Appendix 6. This decision will be made by the Director of Finance on the recommendation of the Head of Financial Accounting.

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For Ex-Employees:

6.13 Where an overpayment is made to an ex-employee of HEIW, a letter (see appendix 4) will be sent to the line manager notifying them of the overpayment.

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6.14 A letter (see appendix 5) will then be sent to the individual detailing:

- How the overpayment occurred?;
- A breakdown of the overpayment, including an explanation of the error;
- How to make payment; and
- Who to contact with any queries.

- 6.15 The Payroll Manager will send a copy of the letter to the employee's manager and the Financial Accounting team. The Financial Accounting team will then raise an invoice to record the debt in HEIW's accounts.
- 6.16 The individual can request all documentation relating to the alleged overpayment, and further explanation from the Payroll Department or their previous line manager.
- 6.17 If the payment is not forthcoming the debt will be pursuable in accordance with HEIW's Debt Recovery Procedure.
- 6.18 In the case of current or ex-employees, if the overpayment case has been referred to HEIW's Nominated Local Counter Fraud Specialist for further investigation into the circumstances surrounding the overpayment, then the individual concerned will be informed, in writing by the Payroll Manager. The letter will include reference to the fact that by receiving and retaining money from the overpayment, that he/she was not entitled to and also that he/she had made no effort to contact HEIW to stop the payments being made or notify HEIW of the overpayment, it therefore being considered that he/she may have committed criminal offences contrary to the Theft Act 1968. However, if the credit to the account was then found to have been as a result of a deception or fraud, the appropriate charge would be found under the Fraud Act 2006.
- 6.19 In such circumstances where it is subsequently proven that prima facie evidence of fraud exists, HEIW is within its rights to demand payment in full of monies owed.
- 6.20 The 1968 Theft Act says **"A person is guilty of theft if he dishonestly appropriates property belonging to another with the intention of permanently depriving the other of it".**
- 6.21 It goes on to say **"A person is guilty of an offence if - (a) a wrongful credit has been made to an account kept by him or in respect of which he has any right or interest; (b) he knows or believes that the credit is wrongful; and (c) he dishonestly fails to take such steps as are reasonable in the circumstances to secure that the credit is cancelled."**
- 6.22 Examples of cases and their outcomes are detailed in Appendix 7.

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7 Additional Requirements

- 7.1 All correspondence in relation to salary overpayments must be retained by the Payroll Manager and if an official HEIW invoice has been raised, then copies of any correspondence relating to the outstanding debt must be retained by all departments (i.e. Payroll Services, Financial Accounting team and line manager) in strict chronological order.
- 7.2 Where an individual who has been overpaid terminates employment, then the matter must be referred immediately to the Financial Accounting team,

by the Payroll Manager, to ensure that all outstanding debts are recovered, in full, in accordance with the process set out in this policy.

- 7.3 All outstanding salary overpayments are included in a monthly aged debt report prepared by the Financial Accounting team and circulated to HEIW Finance Managers.

8 Implementation & Policy Compliance

- 8.1 HEIW reserves the right to take appropriate disciplinary action up to and including termination for non-compliance with this policy.
- 8.2 This policy will be maintained by the Head of Financial Accounting. Executive Directors and Managers need to be aware of their responsibilities for advising employees accountable to them of their responsibilities in connection with the policy.

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9 Equality Impact Assessment Statement

- 9.1 HEIW is committed to ensuring that, as far as is reasonably practicable, the way it provides services to the public and the way it treats its employees reflects their individual needs and does not discriminate against individuals or groups.
- 9.2 HEIW has undertaken an Equality Impact Assessment (EQIA) and received feedback on this policy and the way it operates. HEIW wanted to know of any possible or actual impact that this procedure may have on any groups in respect of gender (including maternity and pregnancy as well as marriage or civil partnership issues) race, disability, sexual orientation, Welsh language, religion or belief, transgender, age or other protected characteristics.
- 9.3 The assessment found that there was no impact to the equality groups mentioned and this policy will have a neutral impact on all of the 'protected characteristic' groups. Where appropriate, HEIW will make plans for the necessary actions required to minimise any stated impact to ensure that it meets its responsibilities under the equalities and human rights legislation.

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10 Getting Help

- 10.1 Queries relating to this policy should be directed to the Head of Financial Accounting.

Appendix 1

Letter from Payroll Department advising Manager of Overpayment made to Existing Employee

4th Floor
Companies House
Crown Way
Cardiff
CF14 3UB

[Date]

Enquiries to: [Name of Payroll Officer]
Direct Line: [Tel number]

[Name of Line Manager]
[Contact details of Line Manager]

Dear [Name of Line Manager]

Ref: [Name of Employee & Payroll Number]

I wish to advise you that due to late notification of a reduction in hours, [name of Employee] has been overpaid.

A letter will be sent in due course to [name of Employee] detailing the calculation of the overpayment, together with a proposal of repayment.

All overpayments are currently being monitored so that appropriate actions can be taken to try and reduce overpayments caused by late or incorrect information being received by Payroll.

I trust that your assistance in this trying to resolve this problem can be relied upon.

Yours sincerely

[Name of Payroll Officer]

Appendix 2

Letter to Current Employee Advising of Overpayment

4th Floor
Companies House
Crown Way
Cardiff
CF14 3UB

[Date]

Enquiries to: [Name of Payroll Officer]
Direct Line: [Tel number]

[Name of Employee]
[Contact details of Employee]

Dear [Name of Employee]

Ref: [Payroll Number]

I regret to inform you that an overpayment has occurred in the salary you received on [date].

[Details of how overpayment arose and period of overpayment.]

The gross overpayment amounts to £[] which, after refunds of Pension Contributions £[]), National Insurance £[] and Tax £[] leaves a net overpayment of £[] outstanding. An invoice for this amount will follow shortly for your records. The request for payment in 14 days detailed on this invoice is not applicable if you agree to the overpayment being deducted from your salary.

Unless I hear to the contrary, within 14 days of this letter, I propose to recover this over a period of [] months, commencing with the salary you will receive on [date]. You may however wish to repay this amount in full by following the instructions on the invoice. If you choose this option please would you contact me so that I can stop the deduction from your salary?

If you have any other queries please do not hesitate to contact me and I will be able to discuss the overpayment with you in more detail and explain the repayment procedure.

Please accept my sincere apologies for any concern and inconvenience caused.

Yours sincerely

[Name of Payroll Officer]

cc Financial Accounting Team
cc Manager

Appendix 3

**Letter to Current Employee following no Response to Previous Letter
(appendix 2)**

4th Floor
Companies House
Crown Way
Cardiff
CF14 3UB

[Date]

Enquiries to: [Name of Payroll Officer]
Direct Line: [Tel number]

[Name of Employee]
[Contact details of Employee]

Dear [Name of Employee]

Ref: [Payroll Number]

I refer to my letter dated [date], regarding the overpayment of £[] in your salary.

As I have not heard from you within the 14 day timescale, as set out in the above letter, I write to confirm that HEIW will commence deductions from your [date] salary.

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If you have any further queries please do not hesitate to contact me.

Yours sincerely

[Name of Payroll Officer]

cc Financial Accounting Team

Appendix 4

Letter Advising Manager of Overpayment to an Ex-Employee

4th Floor
Companies House
Crown Way
Cardiff
CF14 3UB

[Date]

Enquiries to: [Name of Payroll Officer]
Direct Line: [Tel number]

[Name of Line Manager]
[Contact details of Line Manager]

Dear [Name of Line Manager]

Ref: [Name of Employee & Payroll Number]

I wish to advise you that due to [reasons] the above named employee has been overpaid.

A letter will be sent in due course to [name], detailing the calculation of the overpayment, together with contact details for the Finance department, to facilitate repayment.

All overpayments are currently being monitored so that appropriate actions can be taken to try and reduce overpayments caused by late or incorrect information being received by Payroll.

I trust that your assistance in this trying to resolve this problem can be relied upon.

Yours sincerely

[Name of Payroll Officer]

Appendix 5

Letter Advising Ex-Employee of Overpayment

4th Floor
Companies House
Crown Way
Cardiff
CF14 3UB
[Date]

Enquiries to: [Name of Payroll Officer]
Direct Line: [Tel number]

[Name of Employee]
[Contact details of Employee]

Dear [Name of Employee]

I regret to inform you an overpayment has occurred in the salary/ies you have received from [date] to [date].

[Details of how overpayment arose and period of overpayment.]

The gross overpayment amounts to £[] which, after refunds of Income Tax £[] and National Insurance (£[] leaves a net amount of £[]. An official invoice will be issued in due course and you should follow the repayment instructions on this invoice. If you wish to discuss the repayment please contact the Financial Accounting Team on 029 20316953.

Should you have any further queries regarding the calculation of this overpayment please contact me on the direct line above?

Please accept my sincere apologies for any concern and inconvenience caused.

Yours sincerely

[Name of Payroll Officer]

cc Financial Accounting Team
cc Manager

Appendix 6

1. Debt Recovery Procedure

- 1.1 The Financial Accounting team must raise an invoice in respect of any overpayment or amount owing to HEIW upon receipt of the relevant information from the Payroll Department.

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The invoice detailing the amount owed to HEIW must be sent to the Debtor.

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If the overpayment relates to a current employee then the account should be placed on hold until notification is received from the Payroll Department to continue with the Debt Recovery Procedure.

If the overpayment relates to an ex-employee, then the debt will be pursued by the Financial Accounting team under the Debt Recovery Procedure.

- 1.2 If the invoice remains outstanding at the end of the month following the month of invoice, then it will go forward to be included in the collection process, unless the Payroll Department have notified the AR team of any issues or repayment plans in place. A reminder letter will be sent by the AR team requesting payment and notifying the Debtor that if payment is not made within 14 days of the date of the letter the debt will be referred to HEIW's Debt Collection Agency.

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- 1.3 Should the Debtor at any time query the invoice, dispute the charge, or promise to make payment, then the collection process must be put on hold until either the query or dispute has been resolved or payment has been made. If the payment has been promised, but not made then the collection process must be resumed.

It is imperative that all queries must be noted by the AR team in order to evidence discussions and agreements. All correspondence in relation to debts must be retained by the AR / Payroll Department.

- 1.4 If there has been no success in collecting the debt either by HEIW or the Debt Collection Agency, then consideration must be given to instigating court proceedings.

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Recommendation for court action for current employees must be made in writing to the Financial Accounting team by the respective Departmental Manager or Director of Service.

If court proceedings are recommended then representatives from the employing department and/or the Payroll Department should accompany the Financial Accounting team representative to court to support the case.

- 1.5 If on termination of employment with HEIW, there remains an outstanding balance on the debt and it has previously been partly recovered by payroll

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deduction the Financial Accounting team will contact the Debtor to arrange continuation of the deductions by Standing Order.

2. Write Off

2.1 If attempts to collect the debt either by HEIW or the Debt Collection Agency is unsuccessful and Court Action is not feasible or has failed, then a proposal should be prepared to request write off of the debt.

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2.2 Recommendations for the write off of debts must be made by Senior Departmental staff.

2.3 Requests to write off debts will be considered and actioned in line with HEIW's Standing Orders and Standing Financial Instructions.

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Appendix 7

Example 1

Mr A is notified, in July, by his employer that his current post is to be revised as Band 4, due to his failure to comply with professional registration requirements.

However, due to a clerical error, he continues to be paid at Band 6, which is clearly shown on his payslip, but Mr A is aggrieved at the decision to lower grade and so Mr A decides to spend the money (£5000) and does not inform his employer at any time.

The error continues for a further 10 months until a payroll officer finds the error and notifies Mr A, but in reply Mr A, whilst accepting that he has been overpaid, claims that he has spent the money and now can only afford to repay the amount by instalments (£25 per month x 200 months).

Decision

Payroll/Financial Accounting team

The individual is contacted and requested to repay the amount in one instalment, however, with discretion to allow re-payment over the same period as the overpayment. (I.e. £500 x 10 months)

Counter Fraud

The case should also be referred, by Payroll Department or Financial Accounting team, for further enquiries to be made as part of a potential criminal investigation, since the onus was clearly on the individual to have notified his employer when his salary payments were not correctly adjusted and it would have been reasonable for him to have known that he was being overpaid.

Example 2

Miss T notifies her Line Manager that she wants to reduce her hours from 37.5hrs to 20hrs per week. However, due to a clerical error, she continues to be paid full time (37.5hrs) which is clearly shown on her payslip, but Miss T does not spend the money and then informs her Line Manager and payroll immediately of the error in writing. However, the Payroll Department do not receive the correspondence.

This continues for a further 10 months until Miss T decides to write to her employer again giving a specific date by which the employer should recover the money, but the date passes and Miss T then goes and spends the money, which she now considers to be her own.

Decision

Payroll/Financial Accounting team

The individual has done everything reasonable, with her employer, to “secure that the credit is cancelled” and therefore should have the right to treat it as her own and then spend the money accordingly.

This loss should be recorded within the Losses and Special Payments Register by Financial Accounting team.

Counter Fraud

No action for same reason given.

Example 3

Mrs H works a number of rostered shifts including weekends and as a result receives salary payment of the enhancements, a month in arrears, for this work.

In June, the ward on which she worked stopped all weekend work and therefore, she was not required to work, however, due to a clerical error, in July and for the following 3 months, she continued to receive recurring payments, which were clearly shown on her payslip, but Mrs H did not regularly check her payslip and spends the money (£1000).

The payroll officer finds the error and then notifies Mrs H, but in reply Mrs H does not accept that she has been overpaid as she claims that she does not find it easy to check her on-line payslip and also has now gone and spent the money.

Decision

Payroll/Accounts Receivable

The individual is contacted and requested to repay the amount in one instalment, however, with discretion to allow re-payment over the same period as the overpayment. (i.e. £666 x 3 months)

Counter Fraud

The case should also be referred, by Payroll or Financial Accounting team, for further enquiries to be made as part of a potential criminal investigation, since the onus was clearly on the individual to check her payslips and to have notified her employer when she identified that her salary payments had not reduced as a result of a change in circumstances (i.e. no weekend shifts) and therefore it could be considered for it to be “reasonable” for her to have known that she was being overpaid.

Example 4

Miss J works a number of rostered shifts including weekends and as a result receives enhancements, a month in arrears, for this work.

However, due to a clerical error, she continued to receive one recurring payment a month for 10 months, but whilst Miss J does regularly check her payslip, she

expected to regularly receive enhancement payments and therefore did not notice the error and spends the money (£500).

The payroll officer finds the error and then notifies Miss J, but in reply Miss J states that she did not notice the error and has spent the money.

Decision

Payroll/Financial Accounting Team

The individual is contacted and requested to repay the amount in one instalment, however, with discretion to allow re-payment over the same period as the overpayment. (i.e. £50 x 10 months)

Counter Fraud

No action as this is considered to be a “drip feed” overpayment in that it would have been reasonable for the individual to have expected to receive regular monthly enhancements and wouldn’t necessarily have noticed that she was being overpaid, but Miss J would still have a duty to repay any monies to her employer that she had been overpaid, as a result of the error.

Example 5

Mr R hands in his letter of resignation to his employer on 27 March stating that he wishes to leave HEIW on 21 April. His manager agrees to this termination date, and then goes on annual leave, actioning the termination on ESR upon his return on 14 April.

Mr R receives a full month’s salary on 21 April as the notification to the payroll department was done after the pay for that month had been calculated.

An overpayment for the period 22 – 30 April has therefore been made to Mr R.

Decision

Payroll/Financial Accounting team

The manager is contacted by the payroll department and asked to ensure terminations are processed in future on the date the resignation is received from the member of staff. The manager asks that any written communication sent to Mr R be sent in font size 22 as Mr R has restricted sight.

The payroll department contacts Mr R in the format requested by the manager, and requests that he repays the amount in one instalment.

Counter Fraud

No action as it would have been reasonable for the individual to have expected their final salary to be calculated correctly as they notified their manager on 27th March. However, Mr R would still have a duty to repay any monies to his employer that he had been overpaid, as a result of the error.

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Appendix 6

Financial Control Procedure 5

Construction Industry Scheme

Tracked Changes Document



GIG
CYMRU
NHS
WALES

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

FINANCIAL CONTROL PROCEDURE (FCP) 5

CONSTRUCTION INDUSTRY SCHEME (CIS)

Version	Version 1.1
Issue Date	TBC
Next Review Date	<u>October</u> 2021
Author	Martyn Pennell
Reviewed	Adam Dugdale
Approved	Audit & Assurance Committee – TBC

Version History

<u>Version Number</u>	<u>Review Date</u>	<u>Review Description</u>	<u>Editor</u>	<u>Status</u>
<u>1.0</u>	<u>Oct 2018</u>	<ul style="list-style-type: none">• <u>Original document</u>	<u>Interim Head of Financial Accounting</u>	<u>Approved 02/10/18</u>
<u>1.1</u>	<u>Oct 2020</u>	<ul style="list-style-type: none">• <u>Added version history</u>• <u>Clarified status of HEIW for CIS purposes</u>• <u>Adopted standard FCP template format & headings</u>• <u>Set out the control objectives of the FCP and defined the responsibilities of individuals</u>	<u>Head of Financial Accounting</u>	<u>Awaiting Approval</u>

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1 Scope and Principles

- 1.1 This procedure details the principles and requirements of HM Revenue & Customs (HMRC) Construction Industry Scheme (CIS), and the controls that are required to ensure HEIW's compliance with the scheme.

1.2 Under the CIS scheme organisations are deemed to be a contractor, and therefore must register with HMRC, if they spend more than £1m a year on construction in any 3-year period. As HEIW has not exceeded this threshold it is not covered by the CIS scheme. This FCP is in place to set out the procedures should this status change in the future and to ensure the organisation understands the requirements of the scheme.

- 1.3 However, the policy will remain in place in the event that in the future HEIW becomes a deemed contractor.
- 1.4 In the event, that HEIW becomes a deemed contractor in the future it would operate the relevant procedures whenever it sub-contracts work that is within the scope of the scheme.
- 1.5 The scheme applies to specified construction work and also includes services such as installation, repairs, decoration and demolition. A comprehensive list of services that are included in the scheme can be found in Appendix C of the guide CIS340 referred to in paragraph 1.2 above. The definition of a contractor and subcontractor is also provided within Section 1 of the guide.

2 Related and Relevant Documents:

- HMRC guide 'Construction Industry Scheme' reference CIS340
- Financial control procedure 11 – Accounts Payable

3 Control Objectives

- 3.1 The control objectives of this financial control procedure are as follows:
- To ensure that all payments covered by the Construction Industry Scheme are made correctly to suppliers; and
 - The required information is submitted to HMRC accurately and timely.

4 Responsibilities

Head of Financial Accounting

- 4.1 The Head of Financial Accounting is responsible for:
- Monitoring if HEIW exceeds the CIS threshold, and to register with HMRC accordingly.
 - Ensuring that monthly CIS returns are prepared and submitted to HMRC
 - Providing a statement of payment and deduction to each subcontractor who has been subject to deduction at the end of each tax month

Moved down [1]: <#>Related and relevant documents:¶
<#>HMRC guide 'Construction Industry Scheme' reference CIS340¶
<#>Financial control procedure 11 – Accounts Payable¶

Deleted: <#>Under the scheme, the HEIW is not deemed to be a contractor yet as the HEIW does not breach the threshold to be a deemed contractor. The threshold is currently to spend in excess of £1m p.a. for 3 years and as HEIW is not trading until 1 October 2018 this means that HEIW are outside of scope.¶

Moved (insertion) [1]

Budget Holders

4.1 Budget Holders are responsible for:

- Identifying suppliers/work carried out that falls under the requirements of the CIS scheme.

Accounts Payable

4.2 Accounts Payable are responsible for:

- Making payments in line with the requirements of the CIS scheme (based on information received from HEIW).

5 Scheme overview

5.1 What is the Construction Industry Scheme?

The scheme sets out the rules for how payments to subcontractors for construction work must be handled by contractors in the construction industry and certain other businesses, such as the National Health Service. Under the scheme, all payments made by HEIW to subcontractors must take account of the subcontractor's tax status as determined by HMRC. This may require HEIW to make a deduction, which is paid to HMRC, from that part of the payment that does not represent the cost of materials incurred by the subcontractor.

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5.2 What types of work are covered by the Scheme?

The scheme covers all construction work carried out in the UK including jobs such as:

- Site Preparations
- Alterations
- Dismantling
- Construction
- Repairs
- Decorating
- Demolition

More information on the scope of the scheme can be found in Appendix 1.

5.3 Classification of Subcontractors

Subcontractors should register for the scheme for assessment by HMRC prior to commencing any work within the construction industry. Contractors will pay the subcontractor in one of the following ways:

- Gross, that is without any deductions taken from the payment
- Net of a deduction at the current standard rate of 20%
- Net of a deduction at the higher rate of 30% where the subcontractor has not registered for the scheme

5.4 All deductions made by HEIW shall be paid to HMRC.

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- 5.5 HEIW shall make a monthly online return to HMRC via their website:
<https://online.hmrc.gov.uk/home>

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6 Creditor set-up procedures

- 6.1 When a new supplier is to be set in Oracle a creditor set-up form must be completed. On this form, there is a section in respect of CIS which asks for the following details:
- Does the supplier undertake work that could be classed as CIS work?
 - Is the supplier registered under the CIS scheme?
 - Supplier's Company Registration Number?
 - Supplier's Unique Tax Reference?
- 6.2 If the supplier does carry out work that may be classed as CIS work, NHS Wales Shared Services Partnership (NWSSP) must send a copy of the creditor set-up form to the Financial Accounting team which will verify the supplier on the HMRC CIS on-line database using the information provided and to the NWSSP Supplier Maintenance team to ensure the Oracle CIS site tab is updated.
- 6.3 The supplier must be reminded by NWSSP when orders are placed, that for any work that falls under the CIS and where a supplier is subject to a CIS deduction of tax, an invoice must be provided that breaks down the cost of the work completed into labour and materials.

7 Accounts Payable procedures

- 7.1 When an invoice is entered into the Oracle general ledger for payment, the system will notify the Accounts Payable staff if the company being paid is registered with the CIS. If the company is registered for the CIS, the Accounts Payable staff will review the invoice to ascertain whether the work carried out falls within the scope of the scheme. If they are unsure, they should ask the Financial Accounting team for advice or contact the HMRC (CIS) Helpdesk on 0845 366 7899.
- 7.2 Where an invoice falls within the scheme the Accounts Payable staff will take the following action:
- Subcontractors who are paid gross – enter the invoice into the Oracle general ledger as normal.
 - Subcontractors who are paid net - pass a copy invoice to the Financial Accounting team. The Financial Accounting team will complete a CIS Debit Note (see Appendix 2) which calculates the amount of tax that needs to be paid over to the HMRC. Accounts Payable staff will then enter this information into the Oracle general ledger as the invoice is processed.
- 7.3 If Accounts Payable staff review an invoice that looks as if the work undertaken falls within the CIS scheme yet the Oracle CIS site tab does not have the company as registered with the CIS scheme then the invoice must be passed to the Financial Accounting team for checking. The Financial Accounting team will check the company's CIS status and if necessary, verify the subcontractor with the HMRC CIS on-line database and ask NWSSP Supplier Maintenance to amend the subcontractors Oracle CIS site tab.

- 7.4 If the Financial Accounting team ascertains that the subcontractor should be registered for CIS but isn't, a CIS Debit Note which calculates the amount of tax that needs to be paid over to the HMRC at the higher rate will need to be completed. Accounts Payable will enter both documents into Oracle.
- 7.5 The Financial Accounting Team will forward a statement of payment and deduction (Appendix 3) to each subcontractor who has been subject to deduction within 14 days of the end of each tax month i.e. by the 19th of the month. The statement can be issued on the basis of one for each tax month or one for each payment if this is more frequent. The statement must include the following information:
- Contractor's own name and employer's tax reference.
 - The end date of the tax month in which the payment was made such as "tax month ending 5th May 2009" or the date of payment where the statement relates to a single payment.
 - Subcontractor name, unique taxpayer reference number and the personal verification number if the subcontractor could not be verified and a deduction at the higher rate has been made.
 - The gross amount of the payments made (excl VAT) to the subcontractor.
 - The cost of any materials that has reduced the amount against which the deduction has been applied.
 - The amount of the deduction.

8 Month End Procedures

- 8.1 At the close of each tax month (5th of each month), the Financial Accounting team will run off the summary and detailed CIS reports from Oracle.
- 8.2 The Financial Accounting team will complete a spreadsheet each month detailing all the amounts paid to subcontractors under the CIS scheme. Consequently, the Financial Accounting team will need to check all gross payments to ascertain which fall within the CIS scheme. The Financial Accounting team will also check the net payments.
- 8.3 If any subcontractor appears on the Oracle report that has not been verified by HEIW on the HMRC CIS on-line database, then the Financial Accounting team will need to undertake this to verify the subcontractor's tax status.
- 8.4 The Financial Accounting team will enter the payment and deduction totals of each subcontractor into a monthly return within the online HMRC system. A nil return must be made where no payments exist. The return must be finalised prior to the 19th of the following month.
- 8.5 The Financial Accounting team will arrange for the total of the deductions made via BACS payment Run to HMRC.
- 8.6 The Financial Accounting team will maintain a schedule of all subcontractors that HEIW has registered on the HMRC CIS on-line database. This list will be posted on the V:Drive so that all finance staff have access to it.

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9 Year End Return

9.1 At the end of each financial year, HEIW is required to complete a P35 Annual Employer's Return. The total amount of scheme deductions will be included on this form.

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Appendix 1 Link to the HMRC webpage – The Scope of the Scheme: Quick Guide

<https://www.gov.uk/government/publications/construction-industry-scheme-cis-340/construction-industry-scheme-a-guide-for-contractors-and-subcontractors-cis-340>.

Appendix 2 CIS Debit Note

CIS Debit Note Number:

Company:

CIS Verification Number:

Tax Month & Year:

Order	Invoice	Amount	Amount	VAT	Materials	Labour	Total	%	%	Total
Number	Number	Net	Gross	Rate	excl VAT	excl VAT	excl VAT	Material	Labour	
			0.00	20%			0.00	Costs	Costs	#DIV/0!
			0.00	20%			0.00	#DIV/0!	#DIV/0!	0.00
			0.00	20%			0.00			0.00
			0.00	20%			0.00			0.00
			0.00	20%			0.00			0.00
		0.00	0.00		0.00	0.00				

Calculation of Deduction:

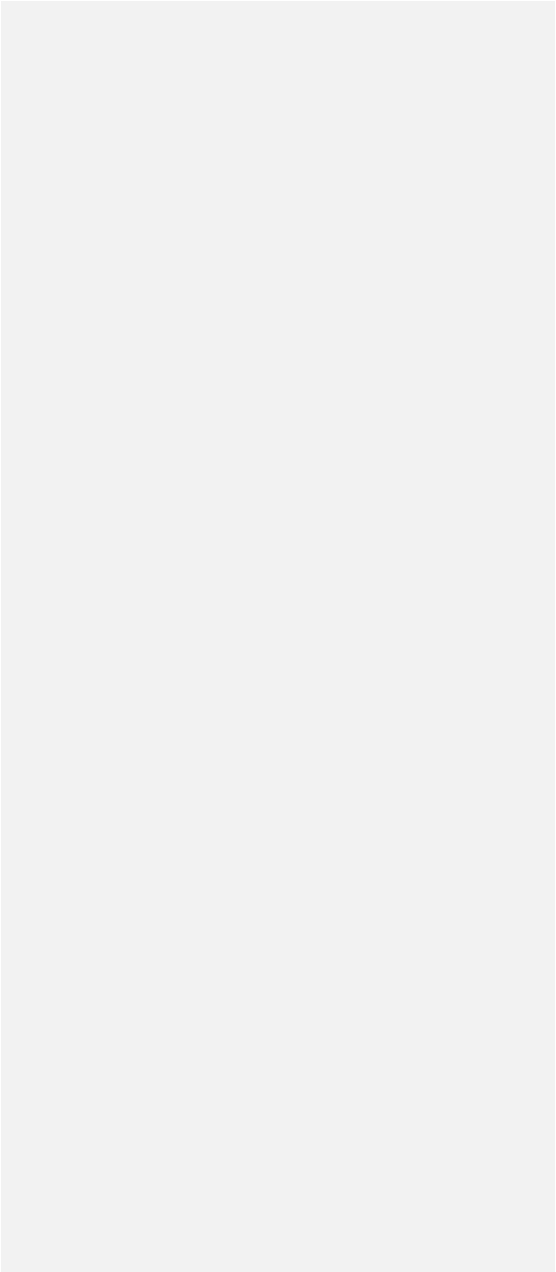
Total payment (exclusive of VAT)	0.00	
Less cost of materials (exclusive of VAT)	0.00	
Amount liable to deduction	0.00	
Amount deducted at %		Pay to HMRC
Payment to subcontractor	0.00	Pay to Subcontractor

Completed By:

Signed:

Date:

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Appendix 3 CIS Payment and Deduction Statement

Construction Industry Scheme
Payment and deduction statement

Contractor details

Contractor's name

Contractor's address

Payment and deduction made in tax month ended
05 MM YYYY

05

Employer's Tax Reference

/

Subcontractor details

Subcontractor's full name

Unique Taxpayer reference (UTR)

Verification Number*

V

Gross amount paid (Excl VAT) (A)

£

•

0

0

Less cost of materials

£

•

0

0

Amount liable to deduction

£

•

0

0

Amount deducted (B)

£

•

0

0

Amount payable (A-B)

£

•

0

0

*Verification number only to be entered where a deduction
at the higher rate has been made.

Subcontractors - Please keep this document safe



GIG
CYMRU
NHS
WALES

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

Appendix 7

Financial Control Procedure 6

Purchasing Card

Original Document

HEALTH EDUCATION AND IMPROVEMENT WALES **(HEIW)**

FCP 6

Purchasing Card Procedure

Contents

1. Purpose and scope
 - 1.1 Relevant & related documents
2. Overview of the scheme
3. Purchasing card application process
4. Transaction approvals & statements
 - 4.1 Discrepancies / disputes on amounts billed
 - 4.2 Goods invoiced prior to receipt
5. Limits
6. Exceptions
7. Card housekeeping
 - 7.1 Purchasing card scheme
 - 7.2 Purchasing card cardholder amendments
 - 7.3 Purchasing card renewals
 - 7.4 Lost / stolen cards
 - 7.5 Job change / department change
 - 7.6 Leaving employment

Appendices

1. Purchasing card guidance

1. Purpose and scope

This procedure aims to outline the duties of finance staff in relation to the issuing, operation and governance of the HEIW purchasing cards.

Attached as an appendix are guidelines for the use of cardholders within the HEIW.

1.1 Relevant and related documents

- HEIW standing orders and standing financial instructions
- Financial Control Procedures

2. Overview of the scheme

The main objective of the purchasing card scheme is to reduce paperwork and administration time involved in the ordering and invoicing process for low value, high volume goods and services not covered by any purchasing agreements or contracts.

Identified cardholders are provided with a card that can be used to directly purchase goods or services as outlined in the guidance. The card is not to be used to purchase items that could be more appropriately purchased by the procurement department or are prohibited by the HEIW's standing orders and financial instructions.

Each month the cardholders send the finance department a report detailing all purchases made or if more appropriate a certified and coded credit card statement. The finance department then reconcile these reports/statements with the invoices received from the card issuer before posting the entries to the Oracle financial system. The credit cards will be paid by direct debit so a reconciliation between the credit card statement and the supporting receipts must be performed.

3. Purchasing card application process

A request from the Head of Department/Departmental Manager will be made to the Head of Financial Accounting who is the Purchasing Card Administrator (PCA) for the HEIW.

The following documents will be sent by the PCA to the requestor for information / completion:

- a) Cardholder application form
- b) Purchasing card guidelines supporting forms

Completed forms must be returned to the finance department for authorisation by the PCA and the Deputy Director of Finance (management accounts).

The authorised bank cardholder form will be sent by the PCA to the card issuing bank. The bank will dispatch the card and pin number under separate cover directly to the PCA.

The PCA will make a record of the card number, name and division of the new cardholder and will send the card and pin number separately to the cardholder. The cardholder and line manager/budget holder must then complete, sign and return the cardholder agreement form acknowledging receipt and agreeing to comply with the cards terms and conditions.

4. Transaction approvals and statements

Once the application process is complete, the new cardholder can commence using the card.

All purchases must be in accordance with the current procedures issued and the HEIW Standing Orders and Standing Financial Instructions.

At the end of every month a purchasing card record of transactions form must be completed and sent to the PCA. If more applicable the credit card statement can be certified and coded by the cardholder which needs to be reconciled to the reports issued by Barclaycard. This details all purchases made up to that date and will be used by the PCA to reconcile transactions included on the card statement. The receipts for each transaction should be retained in a safe place by the cardholder for further inspection when requested during routine scheme audits and/or any individual transaction queries.

The budget holder/line manager should review and certify approval of the credit card statement/report. This provides the authorisation of the actual spend.

Should any queries or anomalies arise, these must be resolved by the PCA and the cardholder in an accurate and timely manner. Any irregularities must be reported to the PCA.

4.1 Discrepancies / disputes on amounts billed

In these circumstances the cardholder must contact the relevant supplier to seek an explanation/adjustment. In the event that the discrepancy remains unresolved, the cardholder should contact the PCA for further instructions. If the transaction can be identified as fraudulent, the cardholder should immediately inform the PCA with full details. The PCA will contact the bank immediately to resolve and recover any outstanding amounts. It is advised that fraudulent transactions should not be resolved directly with the supplier as any delay may jeopardise the bank's attempt to investigate the issue.

4.2 Goods invoiced prior to receipt

If the cardholder is billed for purchases that have not been received, the cardholder should contact the supplier to ensure that the goods have been despatched. The card terms and conditions prevent transactions being processed until the goods are despatched. The PCA must be informed immediately if these terms have been breached.

5. Limits and merchant categories

A single transaction limit and a monthly credit limit will be set for each cardholder and noted on the purchasing card request form issued to the cardholder with the card.

Limits can be amended if agreed by the cardholder's line manager/budget holder and a request should be sent to the PCA.

The merchant categories to be used for the card will be set on application. This should be reviewed and amended on a case by case basis subject to approval by the Head of Financial Accounting or Deputy Director of Finance.

6. Exceptions

Travel and Subsistence: Use for the card to pay for items such as evening meals are allowable, as per the travel and subsistence guidelines. Where alcohol is purchased this is to be paid for separately. Receipts will need to be provided.

Entertaining business clients: Use of the card to pay for entertaining this is only for meals, as per the travel and subsistence guidelines. Full VAT Receipts will need to be provided.

The following items/commodities must not be purchased using the card:

- a. Automotive fuel (may be allowable in exceptional circumstances on a temporary basis)
- b. Cash
- c. Goods available from Welsh Health Supplies, Central Stores in Bridgend
- d. Mobile phones
- e. Items covered by purchasing agreements or contracts
- f. Regularly used items or services

It must be noted that purchases using the card are subject to the same procedures that control other HEIW purchases. In particular the purchase of any medical, electrical or IT equipment must be approved in the normal manner and in accordance with HEIW procedures.

7. Removal of card

The credit card statements/reports have to be reviewed and certified as approved by both cardholder and the line manager. In the event that Financial Accounting team have to request this action on 2 consecutive times the card will be withdrawn from the user and destroyed. Similarly where submission of such reports/statements are not by the agreed deadlines then the card will be withdrawn from the user and destroyed.

8. Card housekeeping

8.1 Purchasing card scheme

The scheme is held in the name of Health Education And Improvement Wales and is maintained and administered by the PCA.

7.2 Purchasing card cardholder amendments

The cardholder must inform the PCA if for any reason the cardholder's name or other details need amending. The obsolete card should be cut in half across the magnetic strip and the Chip and then returned to the PCA following receipt by the cardholder of the new card.

7.3 Purchasing card renewals

When the card reaches the expiry date, a replacement card should be received approximately 14 days prior to the renewal date. Non receipt should be advised immediately to the PCA.

7.4 Lost/stolen cards

If the card is lost or stolen, it is the responsibility of the cardholder to contact the issuing bank immediately by telephone on the 24-hour customer service helpline: 0333 202 2051.

The card lost/stolen incident report must be completed and a copy forwarded to the PCA for review and action accordingly.

7.5 Job change/departments change

Upon notice of a change of job and/or departmental change, the PCA must be informed as soon as possible. A decision will be made on the need for the continued use of the card.

7.6 Leaving employment

No later than 14 days prior to leaving the employment of the HEIW, the card must be cut in half across the magnetic strip and Chip and returned to the PCA.

Purchasing Card Guidance

Introduction

The main objective of the purchasing card scheme is to reduce paperwork and administration time involved in the ordering and invoicing process for low value, high volume goods and services not covered by any purchasing agreements or contracts.

This procedure provides guidance for the issuing, operation, and governance of the purchasing card.

Each cardholder is issued with a copy of this document and the individual spending limits under which they can use their card. All purchases should be made in accordance with these procedures and the HEIW standing orders and standing financial instructions.

The cardholder may only use the card for business purposes and may under no circumstances use the card for private transactions. If the cardholder requires any further clarification or information regarding this, they should contact the Purchasing Card Administrator (PCA) in the first instance.

Overview of the purchasing card process

The purchasing card request form must be completed for each new cardholder. This form will make a permanent record of the card and user details of each card issued.

Certain types of goods or services will require that specific approved suppliers are used. The Procurement Department will provide further details on request.

The cardholder may conduct the card transaction over the telephone, on a face-to-face basis, via the internet (using a secure website and ensuring the card number is not included in any e-mail message/correspondence), by postal booking forms, or as a subscription request.

Within 4 working days of the transaction, the card issuing bank will pay the supplier.

The finance department receives monthly statements from Barclaycard which provides an overall summary and also individual statements detailing the transactions that have been made by each cardholder.

The HEIW makes one payment per month by direct debit to the issuing bank to cover all card transactions made within that period.

Card housekeeping

Purchasing card scheme

The scheme is held in the name of Health Education And Improvement Wales and is maintained and administered by a nominated authority of the HEIW. The nominated authority is the Purchasing Card Administrator.

Purchasing card administrator (PCA)

The nominated PCA is Head of Financial Accounting based at Health Education And Improvement Wales, Finance Department, TY Dysgu, Nantgarw, Cardiff, CF15 7ZZ.

Purchasing card amendments

The cardholder must inform the PCA if for any reason the cardholder's name or other details need amending. The obsolete card should be cut in half across the magnetic strip and Chip and then returned to the PCA following receipt by the cardholder of the new card.

Purchasing card renewals

When the card reaches the expiry date, a replacement card should be received approximately 14 days prior to the renewal date. Non receipt should be advised immediately to the PCA.

Security of the purchasing card

The card issued to the cardholder is to be used by the cardholder only and should not be used by any other individual. The security of the card is the responsibility of the cardholder who must ensure that it is retained in a secure location and that the card number or CVV is not revealed to any unauthorised persons. The card must be used for business purposes only, and must not be used for personal use in any circumstances. If the card is used for a personal purchase in error, the PCA must be informed immediately and the appropriate action will be taken.

On receipt of the card, the cardholder and line manager/budget holder are required to sign a cardholder agreement form to confirm that the cardholder understands and consents to the card procedures detailed.

Lost/stolen cards

If the card is lost or stolen, the issuing bank must be advised immediately by telephone on the 24-hour customer service helpline: 0333 202 2051.

The card lost/stolen incident report must be completed and a copy forwarded to the administrator for review and action accordingly.

Job change/department change

Upon notice of a change of job and/or departmental change, the PCA must be informed as soon as possible. A decision will be made on the need for the continued use of the card.

Leaving employment

Upon leaving the employment of the HEIW, the card must be cut in half across the magnetic strip and Chip and returned to the administrator. The PCA must receive the card at least 14 days before the leaving date.

Cardholder liability/credit status

Whilst the card is embossed with the cardholder's name, the account, and therefore the financial liability, is in the name of Health Education And Improvement Wales. Consequently, there is no impact on the cardholder's personal credit status.

However, it is important to note that the cardholder remains personally responsible that the use of the card is in accordance with these purchasing card procedures. Any fraudulent use of the card may ultimately lead to disciplinary proceedings.

Purchasing card application

Upon receipt of a request by the departmental manager for a card, a decision must be made as to who will be the cardholder within the department.

A request from the head of department/departmental manager will be made to the PCA. The following documents will be sent by the PCA to the requestor for information / completion:

- a) Cardholder application form
- b) Purchasing card procedures & appendices

Completed forms must be returned to the finance department for authorisation by the PCA and the Deputy Director of Finance (management accounts).

The authorised forms will then be sent to the card issuing bank. The bank will dispatch the card and pin number under separate cover directly to the finance department.

The finance department will make a record of the card number, name and division of the new cardholder and will send the card and pin number separately to the cardholder. The cardholder and line manager/budget holder must sign

and return the cardholder agreement form acknowledging receipt and agreeing to comply with the cards terms and conditions.

Transaction approvals and statements

All purchases must be in accordance with the current procedures in operation and the HEIW standing orders and standing financial instructions.

Before purchasing any items a purchasing card purchase order form must be completed and authorised by the relevant line manager/budget holder (or delegated person as detailed in the standing financial instructions), or a suitably approved email. All purchasing card purchase order forms/ email requests must be retained locally for audit purposes.

At the end of every month the purchasing card record of transactions form must be updated or if more appropriate the credit card statement should be coded and reconciled. The transactions on this statement will be coded and reconciled to the purchase order forms/emails for the relevant month. Copies of the purchasing card record of transactions must be sent to the PCA on the 13th day of the month. The receipts for each transaction should be retained in a safe place by the cardholder for further inspection when requested during routine scheme audits and/or any individual transaction queries.

Every month the PCA (via the team) will reconcile each cardholder's monthly account/copy credit card statement to the credit card statement or downloaded report received from the bank.

Should any queries or anomalies arise, these must be resolved by the finance department and the cardholder in an accurate and timely manner. Any irregularities are to be reported to the PCA.

Limits

Monthly credit limit

A monthly credit limit will be agreed for each cardholder and will be detailed in the purchasing card request form. If this limit is found to be insufficient for their purchasing needs, the cardholder's line manager/budget holder should contact the PCA to discuss any revision to the limits.

Transaction limit

The HEIW has an agreed maximum transaction limit for each card. The current limits for individual transactions will be detailed in the purchasing card request form. The card should not be used for purchases in excess of this limit. Attempting to purchase in excess of this limit will be met with a decline when authorisation is sought for the transaction. The total transaction limit is inclusive of any VAT, carriage charges, etc. Transactions must not be split in order to

remain within the maximum transaction limits. Limits can be amended if agreed by the cardholder's line manager/budget holder and any request must be sent to the PCA.

Transactions

The card can potentially be used at any supplier outlet displaying the Visa/MasterCard logo, provided the card has been set with the appropriate merchant categories.

Suppliers that accept the card are categorised into three levels.

Level 1 – Suppliers who provide total cost (including VAT) of the transaction only.

Level 2 – Suppliers who provide a summary description as well as details of the VAT, gross and net costs of the transaction.

Level 3 – Suppliers who provide the same as level 2 and also line item detail for the transaction(s). This gives as much detail of each transaction as normally provided with an invoice and would show the breakdown of an order into individual items.

Using the card with suppliers that are level 2/3 compliant means that the supplier can accept a customer reference (provided by the cardholder at the time of the order) and capture the transaction's VAT details. This will then appear on the cardholder transaction report/statement. This will allow the HEIW to reclaim the VAT on eligible purchases and will ensure the net cost is charged to the budget holder rather than the full cost.

Exceptions

The following items/commodities must not be purchased using the card:

- a. Automotive fuel
- b. Purchases from restaurants and bars
- c. Cash
- d. Goods available from Welsh Health Supplies, Central Stores in Bridgend
- e. Mobile phones
- f. Items covered by purchasing agreements or contracts
- g. Regularly used items or services

It must be noted that purchases using the card are subject to the same procedures that control other HEIW purchases. In particular the purchase of any medical, electrical or IT equipment must be approved in the normal manner and in accordance with HEIW procedures.

Raising transactions/placing orders

The cardholder personally needs to place the order. This can be carried out in one of five ways:

1. Ordering the goods/service by telephone and quoting the card number. Orders should be delivered to a site address and not to the cardholder's private address.
2. Ordering by mail, where an application form can be completed with details of the card payment.
3. Ordering by fax, providing the necessary card and delivery details.
4. Personally visiting the supplier's premises and signing for goods.
5. Placing an order to a supplier's secure website via the internet.

In all instances the cardholder must inform the supplier of:

- The full card number and date of expiry
- The full name of the cardholder (as shown on the card)
- The HEIW's full name
- The customer code

NB for security reasons, under no circumstances should the cardholder release the PIN except during transaction entry whilst ensuring the PIN is not disclosed. When documentation is used for ordering, the cardholder should not leave paperwork around displaying the card number.

Ordering by mail/telephone/internet

When undertaking transactions by mail, telephone ordering or over the internet, the cardholder may be asked to quote the last three digits of the number printed within the signature strip on the reverse of the card (CVV number). **The cardholder should not be asked for, nor reveal the PIN number, in any circumstances.**

The cardholder will also need to quote:

- The full delivery address
- A clear description of the goods required

The goods and delivery note should be marked prior to shipment:

"Purchasing Card, [Cardholder's name, location & department]"

Card declined

If a transaction is declined, it should be referred to the PCA. Some potential causes may be: exceeding monthly card limit, exceeding individual transaction limit or using a supplier that is within a category disallowed by the HEIW.

Rejection of goods/goods incorrect

If the goods are rejected for any reason, the cardholder must ensure that the supplier is informed directly, as it is the supplier who will arrange a credit to the purchasing card.

If the cardholder is unable to reach a mutual agreement with the supplier, the cardholder must contact the PCA immediately.

Incorrect amount billed

When checking the card statement, the finance department may identify an erroneous transaction. In these circumstances the cardholder must contact the relevant supplier to seek an explanation/adjustment. In the event that the discrepancy remains unresolved, the cardholder should contact the PCA for further instructions. If the transaction is suspected to be fraudulent, the cardholder should immediately inform the PCA with full details. The PCA will contact the bank immediately to resolve and recover any outstanding amounts. It is advised that fraudulent transactions should not be resolved directly with the supplier as any delay may jeopardise the bank's attempt to investigate the issue.

Billed transaction prior to receipt of goods/services

The supplier should not charge the card for goods or services until they have been delivered/provided. If a charge is made in advance, the cardholder should contact the supplier to ensure that the goods have been despatched. It is against the regulations of the issuing bank to process transactions before the goods are despatched. The PCA must be informed immediately if this regulation has been breached.

Summary

The purchasing card scheme is designed to be simple and easy to use whilst providing the goods and services required to support HEIW departments in an efficient manner. It should also provide assurance that appropriate controls are continually maintained to ensure the ongoing success of the scheme.

All cardholders are expected to exercise good judgement and to act responsibly when using the card. The card is issued in individual cardholder names and all activity will be assumed to have been incurred by the cardholders.

Suspension of the card and/or disciplinary procedures if appropriate will be invoked for any improper use of the card facility. In the event of fraud or other losses, this must be recorded on the Losses and Special Payments Register.

Summary of purchasing card process

1. Each request for a card must be made to the PCA by the line manager/budget holder in the first instance.
2. The purchasing card scheme guidance and procedure along with the relevant bank application forms will be sent to the requestor.
3. The purchasing card procedure must be read and all relevant forms must be completed and signed by the appropriate line manager/budget holder and returned to the PCA.
4. The PCA will send the completed application forms to the issuing bank when authorised.
5. The issuing bank will send the card and PIN to the PCA on acceptance. The PCA will register the card details and forward both the card and the PIN under separate cover to the cardholder.
6. On receipt of the card by the cardholder, the cardholder agreement must be duly completed by the cardholder and line manager/budget holder and returned to the PCA prior to any use of the card.
7. For each card transaction, the purchasing card purchase order form must be completed and authorised accordingly.
8. On the 13th day of the month, the purchasing card record of transactions/credit card statement if appropriate must be updated to include the transactions from the 13th day of the previous month to the 12th day of the current month. This should then be sent to the PCA.
9. The HEIW will receive the purchasing card statement from the issuing bank on a monthly basis and will make payment within a further 14 days by direct debit.
10. The PCA will reconcile all transactions from the purchasing card monthly record of transactions to the statement from each cardholder and will aim to resolve any queries in a timely manner.
11. If the purchasing card becomes lost or stolen, the cardholder must contact the Barclaycard 24 hour customer service helpline immediately. The lost/stolen incident report form must be completed and countersigned by the line manager/budget holder and then sent to the PCA.



e-Payments service

Cardholder Application Form

What you need to do

To ensure your application is not delayed:

- ☐ Please complete all sections in BLOCK CAPITALS
- ☐ Please ensure the correct person/s sign the agreement and completes their personal details outlined.

If applicable, please read and keep a copy of the terms and conditions

If your business relates to any of the following, please call Barclaycard Commercial on 0844 822 2140* to discuss further information which may be required:

- Weapons and Ammunition
- Money Service Bureau
- Gambling/Gaming Company

Please send the card and PIN to cardholder's

- ☐ Address above ☐ Address overleaf

Internal reference number

e.g. cost centre number

(complete only if you wish cardholder statements to include the internal reference number)

Expenditure limit requested for named cardholder

(the expenditure limit should be sufficient for 6 weeks' requirements)

(minimum 250)

Organisations Details

Organisations name (as registered)

VELINDRE NHS TRUST

Customers trading name (if applicable)

If you are an existing customer, please complete your Barclaycard Commercial account number

16 digits

4715657179195487

(This can be found at the top of your statement)

Business address for statements and correspondence

UNIT 2 CHARNWOOD COURT

HEOL BILLINGSLEY

PARC NANTGARW

CARDIFF

Postcode

C F 1 5 7 Q Z

Country

UNITED KINGDOM

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Single transaction limit

If you wish to allocate a spending control to the named cardholder

Cardholder name to be embossed

(maximum of 21 characters including spacing and punctuation)

Merchant category groupings

The named cardholder is authorised to use his/her card in: (Please tick a, b or c)

- ☐ a) All of the merchant category groupings, including cash; OR
- ☐ b) All merchant categories below (excluding cash which will automatically be blocked unless (a) is ticked); OR
- ☐ c) Only the merchant category groupings indicated by me (with a tick) below.

If you are unsure about completing this section or would like additional information please contact us on 0844 822 2140 or speak to your Barclaycard Commercial Manager.

- | | |
|--|--|
| <input type="checkbox"/> 1) Building Services | <input type="checkbox"/> 2) Building materials |
| <input type="checkbox"/> 3) Estate and garden services | <input type="checkbox"/> 4) Utilities and non-automotive fuel |
| <input type="checkbox"/> 5) Telecommunication services | <input type="checkbox"/> 6) Catering and catering supplies |
| <input type="checkbox"/> 7) Cleaning services and supplies | <input type="checkbox"/> 8) Training and educational services |
| <input type="checkbox"/> 9) Medical supplies and services | <input type="checkbox"/> 10) Employ - recruitment |
| <input type="checkbox"/> 11) Business clothing and footwear | <input type="checkbox"/> 12) Mail order/direct selling |
| <input type="checkbox"/> 13) Personal services | <input type="checkbox"/> 14) Freight and storage |
| <input type="checkbox"/> 15) Professional services | <input type="checkbox"/> 16) Financial services |
| <input type="checkbox"/> 17) Clubs/associations/orgs | <input type="checkbox"/> 18) Statutory bodies |
| <input type="checkbox"/> 19) Office stationery, equipment and supplies | <input type="checkbox"/> 20) Computer equipment and services |
| <input type="checkbox"/> 21) Print and advertising | <input type="checkbox"/> 22) Books and periodicals |
| <input type="checkbox"/> 23) Mail and courier services | <input type="checkbox"/> 24) Miscellaneous industrial/commercial supplies |
| <input type="checkbox"/> 25) Vehicles, servicing and spares | <input type="checkbox"/> 26) Automotive fuel |
| <input type="checkbox"/> 27) Travel - air/rail/road | <input type="checkbox"/> 28) Auto rental |
| <input type="checkbox"/> 29) Hotels and accommodation | <input type="checkbox"/> 30) Restaurants and bars |
| <input type="checkbox"/> 31) General retail and wholesale | <input type="checkbox"/> 32) Leisure activities |
| <input type="checkbox"/> 33) Miscellaneous | <input type="checkbox"/> 34) Cash (ATM/Branch), money orders, foreign currency, travellers cheques. Blocked unless specifically requested. |

To Barclays Bank PLC

The organisation requests Barclays Bank PLC to issue a Card with an expenditure limit as specified above and subject to the terms and conditions of the organisation's Account to the person named in the New Cardholder section.

Signature(s) of person(s) authorised to nominate cardholders

(as indicated in your organisation application form or as subsequently advised to us)

Declaration

By signing this agreement, you confirm that:

- You are duly authorised to enter into this agreement for and on behalf of the organisation
- The cardholder is employed by this organisation
- The details you have given us are correct
- You want us to give the cardholder a company card and PIN for which the cardholder is eligible and from time to time replace the card with any company card covered by this agreement.

1) Full name

Business title

Signature 

Date

2) Full name

Business title

Signature 

Date

New Cardholder Details (please complete all fields)

Employee number

e.g. A staff number allocated to you by your company

Title

Mr ☐ Mrs ☐ Miss ☒ Ms ☐ Other

First name

Middle name(s)

Surname

Sex

☐ Male ☒ Female

Security password

(between 6-15 characters)

The following information is required to comply with Anti-Money Laundering legislation and Anti-terrorist Financial Crime regulations.

Home address

Postcode C F 4 3 3 D G

Nationality

BRITISH

Date of birth

0 4 / 0 7 / 1 9 6 9

Email address

In the event that we may need to contact you to administer and manage your account, please provide:

Home telephone number

Inc STD and Country code (if applicable)

Business telephone number

Inc STD and Country code (if applicable)

Mobile telephone number

Inc STD and Country code (if applicable)

Email address

1.0 How We Use Your Cardholder Information (Privacy Statement)

Your personal information

1.1 By 'your information' we mean personal and financial information about you, that we need to collect, use, share and store. This includes information we may:

(a) obtain at any time from you or from third parties such as the Corporate Account Holder and/or your employer, fraud prevention agencies or other organisations, through any type of communication with you (verbal or written including letters, calls, emails), through our websites, registrations, researches, promotions and competitions or through accounts or products you have or previously had with us;

(b) learn from the way you use and manage your account(s), from the transactions you make such as the date, amount, currency and the name and type of supplier (e.g. travel services, supermarket services, medical services, retail services) you use and from the payments which are made to your account.

How we use your personal information

1.2 We and other companies in the Barclays Group and/or other organisations as described below may collect, use, share and store your information:

(a) to check your eligibility when you apply for any financial product we offer, check your details and verify your identity;

(b) to administer and manage your application and account(s), give you statements and provide you with products and services, inform you about changes to the features of those products or services or their operation;

(c) for assessment, testing (including systems tests) and analysis, including credit and/or behaviour scoring, statistical, market and product analysis in order to generate statistical reports to be shared internally or externally with non Barclays' companies for their own purposes. These reports are aggregated and will not contain any information that identifies you;

(d) to prevent, detect and prosecute money laundering, fraud and other crimes;

(e) to improve the accuracy of our records;

(f) to develop and improve our services to you and other customers;

(g) to respond to your inquiries or complaints;

(h) to carry out regulatory checks or other work to meet our obligations to any regulatory authority;

(i) to protect our interests, including locate you and recover any debts you owe, cross-check details on proposals or claims for all types of insurance, to process and collect charges;

(j) to manage and provide any rewards and offers and administer any promotions and competitions; and

(k) in any other ways described below.

1.3 We will keep information about you and how you manage your account(s) private and confidential, but may share it as follows:

(a) with other companies within the Barclays Group;

(b) with people who provide a service to you (when you use your card to make payments), with people who provide a service to us, or who are acting as our agents, on the understanding that they will keep the information confidential;

(c) with any company that we are providing products or services in conjunction with;

(d) with the Corporate Account Holder or subsidiaries, parent and affiliated companies including their agents and processes, or companies contracted to perform services for them or on their behalf;

(e) with anyone whose name or logo appears on the card issued to you;

(f) with anyone to whom we transfer or may transfer our rights and duties under this agreement;

(g) with any third party as a result of any restructure, sale, merger or acquisition of any company within the Barclays Group, provided that any recipient uses your information for the same purposes as it was originally supplied to us and/or used by us;

(h) if you have consented;

(i) if we have a duty to do so or if the law, public interest, or this agreement allows us to do so.

1.4 We may use automated processes when we use your information for any of the purposes listed in this Privacy Statement and/or elsewhere in the Terms and Conditions.

1.5 We will retain information about you after the closure of your account for as long as permitted for legal, regulatory, fraud prevention and legitimate business purposes.

1.6 We and other companies in the Barclays Group may, from time to time, provide further details about how your personal information may be used. This information will be made available on www.barclaycard.co.uk.

International Transfers

1.7 If we transfer your information to a person, office, branch, organisation, service provider or agent in another country, we will make sure that they agree to apply the same levels of protection as we are required to apply to information held in the UK and to use your information only for the purposes that we have permitted.

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Further information

1.8 You can ask us for a copy of the information we keep about you. A fee will be charged for this service.

1.9 If you believe that any information we hold about you is incorrect or incomplete, you should write to us immediately. If we find that any information is incorrect or incomplete we will correct it promptly.

1.10 You agree that calls between us may be recorded and/or monitored in the interest of security, for quality control and to ensure better customer servicing, staff training and account operation.

Barclaycard is a trading name of Barclays Bank PLC. Barclays Bank PLC is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Financial Services Register Number: 122702) and subscribes to the Lending Code which is monitored and enforced by the Lending Standards Board. Registered in England No: 1026167. Registered Office: 1 Churchill Place, London E14 5HP UNITED KINGDOM.

HEALTH EDUCATION AND IMPROVEMENT WALES

CARDHOLDER AGREEMENT

I acknowledge receipt of NHS Purchasing Card Number

As a cardholder I agree to comply with the following terms and conditions regarding my use of the Purchasing Card (the 'card').

- a. I have received and understood that I am being entrusted with a card and will be making financial commitments on behalf of Health Education And Improvement Wales. Where stipulated I will be using designated suppliers as identified by the procurement department.
- b. I understand that Health Education And Improvement Wales is liable to the card provider for all the charges made on the card.
- c. I agree to use this card for Health Education And Improvement Wales business purchases only and agree not to charge personal purchases. I understand that the HEIW will audit the use of this card and report and take appropriate action on any discrepancies.
- d. I will follow the established procedures for the use of the card. Failure to do so may result in either revocation of my privileges and/or any other disciplinary action, including termination of employment.
- e. I have been given a copy of the purchasing card procedure and understand the requirements for the use of the card.
- f. I agree to return the card immediately upon request or upon termination of employment. Should there be any organisational change, which cause my purchasing requirements to change, I agree to return my card and arrange for a replacement, if appropriate.
- g. If the card is lost or stolen I agree to notify the card issuer immediately and the Purchasing Card Administrator as soon as possible thereafter.

Cardholder name:	
Cardholder signature:	
Date:	
Line manager/Budget holder name:	
Line manager/Budget holder signature:	
Date:	
Purchasing card administrator name:	
Purchasing card administrator signature:	

Date:	
-------	--

HEALTH EDUCATION AND IMPROVEMENT WALES

LOST/STOLEN CARD INCIDENT REPORT

CARD NUMBER	
CARDHOLDER NAME	
CARDHOLDER DEPT	
DATE OF INCIDENT	
INCIDENT DETAILS	
ACTION TAKEN	
<i>To be completed by cardholder:</i>	
<i>To be completed by administrator:</i>	

Cardholder Indemnity

I certify that the above describes an accurate reflection of the incident that has occurred.
I confirm that I have undertaken all the necessary actions to mitigate the incident actually occurring.

Cardholder name:	
Cardholder signature:	
Date:	
Line manager/Budget holder signature:	
Line manager/Budget holder signature:	
Date:	
Purchasing card administrator name:	
Purchasing card administrator signature:	
Date:	

HEIWHEALTH EDUCATION AND IMPROVEMENT WALES

PURCHASING CARD PURCHASE ORDER FORM

REFERENCE NUMBER	
DATE OF REQUEST	
DEPARTMENT	
DIVISION	
REQUESTED BY	
ITEM(S) REQUESTED	
SUPPLIER DETAILS	
TOTAL COST (£)	
COST CENTRE	
SUBJECTIVE	
DATE CHARGED TO CARD	

Cardholder name:	
Cardholder signature:	
Date:	
Budget holder name:	
Budget holder signature:	
Date:	

HHEALTH EDUCATION AND IMPROVEMENT WALES

PURCHASING CARD RECORD OF TRANSACTIONS

[illegible]

Appendix 8

Financial Control Procedure 6

Purchasing Card

Revised Document



GIG
CYMRU
NHS
WALES

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

FINANCIAL CONTROL PROCEDURE (FCP) 6

Purchasing Card

Version	Version 2.0
Issue Date	TBC
Next Review Date	October 2021
Author	Martyn Pennell
Reviewed	Adam Dugdale
Approved	Audit & Assurance Committee – TBC

Version History

Version Number	Review Date	Review Description	Editor	Status
1.0	Oct 2018	<ul style="list-style-type: none">• Original document	Interim Head of Financial Accounting	Approved 02/10/18
2.0	Oct 2020	<ul style="list-style-type: none">• Significant update to reflect requirements of the operating model within HEIW.• Revised type of card holders and the requirements of each• Added section on responsibilities (combining number of elements of FCP version 1.0).• Added version history• Adopted standard FCP template format & headings.	Head of Financial Accounting	Awaiting Approval

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1 Scope and Principles

- 1.1 This procedure outlines the duties of HEIW staff in relation to the issuing, operation and governance of the HEIW purchasing Card.
- 1.2 The main objective of the purchasing card scheme is to reduce paperwork and administration time involved in the ordering and invoicing process for goods and services not covered by any purchasing agreements or contracts.
- 1.3 Identified cardholders are provided with a card that can be used to directly purchase goods or services as outlined in the guidance. The card is not to be used to purchase items that could be more appropriately purchased by the procurement department or are prohibited by the HEIW's standing orders and financial instructions.

2 Related and Relevant documents

- 2.1 This procedure should be read alongside the following documents:
 - HEIW Standing Orders and Standing Financial Instructions
 - HEIW Procurement Guide and regulations.

3 Control Objectives

- 3.1 The control objectives of this financial control procedure are as follows:
 - To ensure that access to purchasing cards is controlled and that the cards are issued only to authorised officers.
 - To ensure that authorised users of the cards understand their responsibilities in holding the card.
 - To ensure that expenditure incurred on purchasing cards is in line with the procurement rules, Standing Orders and Standing Financial Instructions that are in place in HEIW.

4 Responsibilities

Head of Financial Accounting

- 4.1 The Head of Financial Accounting is designated as the Purchasing Card Administrator (PCA) for HEIW. The responsibilities of the PCA include:
 - Approving the issue of cards to the card holder;
 - Approving any requests to change the credit limit of any cards.
 - The overall management of the purchasing card scheme.

Finance Officer

- 4.2 The Finance Officer is responsible for:
 - Reconciling the monthly returns received from card holders to the Barclaycard statement and resolving any issues that are identified.
 - Posting purchasing card transactions to the HEIW General Ledger.
 - Managing the database of card details (card numbers, holders names, limits).

Card Users

4.3 Card users are responsible for:

- Signing the cardholder agreement form to confirm that they understand and consents to the card procedures (copy included in appendix 2)
- Ensuring the safe keeping of any card issued to them, including keeping the card in a secure location and not allowing the card number or CVV to be revealed to any unauthorised persons.
- Ensuring that the card is used only for the purposes identified in this FCP and that all expenditure is in line with the HEIW procurement rules. Cards are only to be used for business purposes, and may under no circumstances be used for private/personal transactions.
- Immediately notifying the issuing bank should the card be lost or stolen, or where fraud is suspected (Telephone: 0333 202 2051). The PCA should also be notified as soon as possible through the completion of the 'lost/stolen card incident report' form in appendix 3.
- Notifying the PCA of any required amendments to the purchasing card, including any job change or when they are leaving the employment of HEIW.
- Preparing a reconciliation of all expenditure incurred on their card on a monthly basis and sending it to the Finance Officer.
- Seeking to resolve any discrepancies in the card statement with the relevant supplier. Where the issue cannot be resolved the cardholder must contact the PCA for advice.
- Destroying the card by cutting it through the magnet strip and chip, when advised to do so by the PCA.

4.4 Whilst the card is embossed with the card holders name, the account, and therefore the financial liability, is in the name of Health Education & Improvement Wales. Consequently, there is no impact on the cardholder's personal credit status. However, it is important to note that the cardholder remains personally responsible that the use of the card is in accordance with these purchasing card procedures. Any fraudulent use of the card may ultimately lead to disciplinary proceedings.

Budget Holders

4.5 Budget holders are responsible for the approval of any expenditure incurred on a purchasing card on their behalf. The individual limits set out in the Scheme of Delegation will apply.

5 Types of Purchasing Card Users

5.1 In HEIW there are two distinct types of purchasing card users, these being:

- Type A - Requisition Team – The card is used to procure items that have been requested and approved through the service desk system. The requisition team, in consultation with the procurement department where appropriate, will decide upon the most appropriate method to purchase these items. This may be through the use of the purchasing card.
- Type B - Service Card Holders – These are approved members of staff who use the card to purchase items directly, instead of placing orders through the service desk.

- 5.2 The procurement and reporting process will differ for each of these types of cardholder. The process for each is set out in section 9.

6 Application Process

- 6.1 An initial request for a new purchasing card must be made by the budget holder to the Head of Financial Accounting (by email). This request must set out:
- The name of the proposed cardholder and their job title;
 - The reason why a purchasing card is being requested; and
 - An estimate of the maximum individual transaction value and monthly expenditure that will be placed on the card (needed to set the card limits). Note – For Type B (service card holders) the maximum transaction value cannot be more than the delegated authorisation level of the budget holder requesting the card.
- 6.2 Subject to the approval by the Head of Financial Accounting, the requester will be sent the following:
- Cardholder application form for completion (to be returned to the Head of Financial Accounting)
 - Purchasing card guidance.
- 6.3 Once complete, the authorised bank cardholder form will be sent by the Finance Officer to the card issuing bank. The bank will dispatch the card and pin number under separate cover directly to the PCA.
- 6.4 The Finance Officer will make a record of the card number, name and division of the new cardholder and will send the card and pin number separately to the cardholder. The cardholder and line manager/budget holder must then complete, sign and return the cardholder agreement form acknowledging receipt and agreeing to comply with the cards terms and conditions. Once complete, the card holder can commence using the card.

7 Limits and Merchant Categories

- 7.1 A single transaction limit and a monthly credit limit will be set for each cardholder and noted on the purchasing card request form issued to the cardholder with the card.
- 7.2 Any request to increase either of the transaction limits must be made by email to the PCA setting out the value of the required increase, the reason for the change and the required duration. These details must be recorded on the 'Purchasing Card Approvals' spreadsheet, detailing the decision of the PCA whether to approve the increase.
- 7.3 The merchant categories to be used for the card will be set on application. This should be reviewed and amended on a case by case basis subject to approval by the Head of Financial Accounting or Deputy Director of Finance.

8 Use of the Procurement Card

- 8.1 The cardholder may only use the card for business purposes and may under no circumstances use the card for private transactions. If the cardholder requires any

further clarification or information regarding this, they should contact the PCA in the first instance.

- 8.2 All purchases must be in accordance with the current procedures in operation and the HEIW standing orders and standing financial instructions.
- 8.3 The 'Purchasing Card Guidance' included at Appendix 1 sets out the requirements of using the card and will be issued to all cardholders when the application is made. The cardholder must agree to this guidance, and the requirements set out in this FCP, before the card will be made available to them.
- 8.4 The card can potentially be used at any supplier outlet displaying the Visa/MasterCard logo, provided the card has been set with the appropriate merchant categories.
- 8.5 Use for the card to pay for items such as evening meals are allowable, as per the travel and subsistence guidelines. Where alcohol is purchased this is to be paid for separately. Receipts will need to be provided.
- 8.6 The following items/commodities must not be purchased using the card:
 - Automotive fuel
 - Purchases from restaurants and bars
 - Cash
 - Goods available from Welsh Health Supplies, Central Stores in Bridgend
 - Mobile phones
 - Items covered by purchasing agreements or contracts
 - Regularly used items or services
- 8.7 Purchases using the card are subject to the same procedures that control other HEIW purchases. In particular the purchase of any medical, electrical or IT equipment must be approved in the normal manner and in accordance with HEIW procedures.

9 Procurement & Reporting Requirements

Type A - Requisition Team

- 9.1 The Requisition team will use their card to procure items that have been requested and approved through the service desk system. Items must only be ordered once the appropriate approval has been granted by the budget holder through the service desk request or by separate email.
- 9.2 The requisition team will maintain a credit card log that outlines all transactions made on the card. This log must be updated as soon as the transaction has been made using the card. At the billing date this log will be used to reconcile the procurement card statement.

Type B - Service Card Holders

- 9.3 Service card holders will use their card to purchase items without placing a request through the service desk. At the billing date a reconciliation form must be completed outlining all expenditure on the card and the correct ledger coding. This expenditure is approved by electronic signature on the form or by email.
- 9.4 At the end of every month a purchasing card record of transactions form must be completed and sent to the PCA. If more applicable the credit card statement can be certified and coded by the cardholder which needs to be reconciled to the reports issued by Barclaycard. This details all purchases made up to that date and will be used by the PCA to reconcile transactions included on the card statement. The receipts for each transaction should be retained in a safe place by the cardholder for further inspection when requested during routine scheme audits and/or any individual transaction queries.
- 9.5 The budget holder/line manager should review and certify approval of the credit card statement/report. This provides the authorisation of the actual spend.

Appendix 1

Purchasing Card Guidance

Introduction

The main objective of the purchasing card scheme is to reduce paperwork and administration time involved in the ordering and invoicing process for low value, high volume goods and services not covered by any purchasing agreements or contracts.

This procedure provides guidance for the issuing, operation, and governance of the purchasing card.

Each cardholder is issued with a copy of this document and the individual spending limits under which they can use their card. All purchases should be made in accordance with these procedures and the HEIW standing orders and standing financial instructions.

The cardholder may only use the card for business purposes and may under no circumstances use the card for private transactions. If the cardholder requires any further clarification or information regarding this, they should contact the Purchasing Card Administrator (PCA) in the first instance.

Overview of the purchasing card process

Purchasing cards will be issued at the discretion of the Head of Financial Accounting. A purchasing card request form must be completed for each new cardholder.

Certain types of goods or services will require that specific approved suppliers are used. The Procurement Department will provide further details on request.

The cardholder may conduct the card transaction over the telephone, on a face-to-face basis, via the internet (using a secure website and ensuring the card number is not included in any e-mail message/correspondence), by postal booking forms, or as a subscription request.

Within 4 working days of the transaction, the card issuing bank will pay the supplier.

The finance department receives monthly statements from Barclaycard which provides an overall summary and also individual statements detailing the transactions that have been made by each cardholder.

HEIW makes one payment per month by direct debit to the issuing bank to cover all card transactions made within that period.

Card housekeeping

Purchasing card scheme

The scheme is held in the name of Health Education And Improvement Wales and is maintained and administered by a nominated authority of the HEIW. The nominated authority is the Purchasing Card Administrator.

Purchasing card administrator (PCA)

The nominated PCA is Head of Financial Accounting based at Health Education And Improvement Wales, Finance Department, TY Dysgu, Nantgarw, Cardiff, CF15 7ZZ.

Purchasing card amendments

The cardholder must inform the PCA if for any reason the cardholder's name or other details need amending. The obsolete card should be cut in half across the magnetic strip and Chip and then returned to the PCA following receipt by the cardholder of the new card.

Purchasing card renewals

When the card reaches the expiry date, a replacement card should be received approximately 14 days prior to the renewal date. Non receipt should be advised immediately to the PCA.

Security of the purchasing card

The card issued to the cardholder is to be used by the cardholder only and should not be used by any other individual. The security of the card is the responsibility of the cardholder who must ensure that it is retained in a secure location and that the card number or CVV is not revealed to any unauthorised persons. The card must be used for business purposes only, and must not be used for personal use in any circumstances. If the card is used for a personal purchase in error, the PCA must be informed immediately and the appropriate action will be taken.

On receipt of the card, the cardholder and line manager/budget holder are required to sign a cardholder agreement form to confirm that the cardholder understands and consents to the card procedures detailed.

Lost/stolen cards

If the card is lost or stolen, the issuing bank must be advised immediately by telephone on the 24-hour customer service helpline: 0333 202 2051.

The card lost/stolen incident report must be completed and a copy forwarded to the administrator for review and action accordingly.

Job change/department change

Upon notice of a change of job and/or departmental change, the PCA must be informed as soon as possible. A decision will be made on the need for the continued use of the card.

Leaving employment

Upon leaving the employment of the HEIW, the card must be cut in half across the magnetic strip and Chip and returned to the administrator. The PCA must receive the card at least 14 days before the leaving date.

Cardholder liability/credit status

Whilst the card is embossed with the cardholder's name, the account, and therefore the financial liability, is in the name of Health Education And Improvement Wales. Consequently, there is no impact on the cardholder's personal credit status.

However, it is important to note that the cardholder remains personally responsible that the use of the card is in accordance with these purchasing card procedures. Any fraudulent use of the card may ultimately lead to disciplinary proceedings.

Purchasing card application

An initial request for a new purchasing card must be made by the budget holder to the Head of Financial Accounting (by email). This request must set out:

- The name of the proposed cardholder and their job title;
- The reason why a purchasing card is being requested; and
- An estimate of the maximum individual transaction value and monthly expenditure that will be placed on the card (needed to set the card limits).
Note – For Type B (service card holders) the maximum transaction value cannot be more than the delegated authorisation level of the budget holder requesting the card.

Subject to the approval by the Head of Financial Accounting, the requester will be sent the following:

- Cardholder application form for completion (to be returned to the Head of Financial Accounting)
- Purchasing card guidance.

Once complete, the authorised bank cardholder form will be sent by the Finance Officer to the card issuing bank. The bank will dispatch the card and pin number under separate cover directly to the PCA.

The Finance Officer will make a record of the card number, name and division of the new cardholder and will send the card and pin number separately to the cardholder. The cardholder and line manager/budget holder must then complete, sign and return the cardholder agreement form acknowledging receipt and agreeing to comply with the cards terms and conditions. Once complete, the card holder can commence using the card.

Transaction approvals and statements

All purchases must be in accordance with the current procedures in operation and the HEIW standing orders and standing financial instructions.

Where purchases are made using the card on behalf of another person (or where the card holder is a budget holder but the transaction value is in excess of their delegated limit), approval for the expenditure must be received from the budget holder before the purchase takes place. Evidence could include a service desk ticket or email authorising the expenditure.

At the end of every month the purchasing card record of transactions form must be updated or if more appropriate the credit card statement should be coded and reconciled. The transactions on this statement will be coded and reconciled to the purchase order

forms/emails for the relevant month. Copies of the purchasing card record of transactions must be sent to the PCA on the 13th day of the month. The receipts for each transaction should be retained in a safe place by the cardholder for further inspection when requested during routine scheme audits and/or any individual transaction queries.

Every month the PCA (via the team) will reconcile each cardholder's monthly account/copy credit card statement to the credit card statement or downloaded report received from the bank.

Should any queries or anomalies arise, these must be resolved by the finance department and the cardholder in an accurate and timely manner. Any irregularities are to be reported to the PCA.

Limits

Monthly credit limit

A monthly credit limit will be agreed for each cardholder and will be detailed in the purchasing card request form. If this limit is found to be insufficient for their purchasing needs, the cardholder's line manager/budget holder should contact the PCA to discuss any revision to the limits.

Transaction limit

The HEIW has an agreed maximum transaction limit for each card. The current limits for individual transactions will be detailed in the purchasing card request form. The card should not be used for purchases in excess of this limit. Attempting to purchase in excess of this limit will be met with a decline when authorisation is sought for the transaction. The total transaction limit is inclusive of any VAT, carriage charges, etc. Transactions must not be split in order to remain within the maximum transaction limits. Limits can be amended if agreed by the cardholder's line manager/budget holder and any request must be sent to the PCA.

Exceptions

The following items/commodities must not be purchased using the card:

- Automotive fuel
- Purchases from restaurants and bars
- Cash
- Goods available from Welsh Health Supplies, Central Stores in Bridgend
- Mobile phones
- Items covered by purchasing agreements or contracts
- Regularly used items or services

It must be noted that purchases using the card are subject to the same procedures that control other HEIW purchases. In particular the purchase of any medical, electrical or IT equipment must be approved in the normal manner and in accordance with HEIW procedures.

Raising transactions/placing orders

The cardholder personally needs to place the order. This can be carried out in one of five ways:

- Ordering the goods/service by telephone and quoting the card number. Orders should be delivered to a site address and not to the cardholder's private address.
- Ordering by mail, where an application form can be completed with details of the card payment.
- Ordering by fax, providing the necessary card and delivery details.
- Personally visiting the supplier's premises and signing for goods.
- Placing an order to a supplier's secure website via the internet.

In all instances the cardholder must inform the supplier of:

- The full card number and date of expiry
- The full name of the cardholder (as shown on the card)
- The HEIW's full name
- The customer code

NB for security reasons, under no circumstances should the cardholder release the PIN except during transaction entry whilst ensuring the PIN is not disclosed. When documentation is used for ordering, the cardholder should not leave paperwork around displaying the card number.

Ordering by mail/telephone/internet

When undertaking transactions by mail, telephone ordering or over the internet, the cardholder may be asked to quote the last three digits of the number printed within the signature strip on the reverse of the card (CVV number). **The cardholder should not be asked for, nor reveal the PIN number, in any circumstances.**

The cardholder will also need to quote:

- The full delivery address
- A clear description of the goods required

The goods and delivery note should be marked prior to shipment:

"Purchasing Card, [Cardholder's name, location & department]"

Card declined

If a transaction is declined, it should be referred to the PCA. Some potential causes may be: exceeding monthly card limit, exceeding individual transaction limit or using a supplier that is within a category disallowed by the HEIW.

Rejection of goods/goods incorrect

If the goods are rejected for any reason, the cardholder must ensure that the supplier is informed directly, as it is the supplier who will arrange a credit to the purchasing card.

If the cardholder is unable to reach a mutual agreement with the supplier, the cardholder must contact the PCA immediately.

Incorrect amount billed

When checking the card statement, the finance department may identify an erroneous transaction. In these circumstances the cardholder must contact the relevant supplier to seek an explanation/adjustment. In the event that the discrepancy remains unresolved, the cardholder should contact the PCA for further instructions. If the transaction is suspected to be fraudulent, the cardholder should immediately inform the PCA with full details. The PCA will contact the bank immediately to resolve and recover any outstanding amounts. It is advised that fraudulent transactions should not be resolved directly with the supplier as any delay may jeopardise the bank's attempt to investigate the issue.

Billed transaction prior to receipt of goods/services

The supplier should not charge the card for goods or services until they have been delivered/provided. If a charge is made in advance, the cardholder should contact the supplier to ensure that the goods have been despatched. It is against the regulations of the issuing bank to process transactions before the goods are despatched. The PCA must be informed immediately if this regulation has been breached.

Summary

The purchasing card scheme is designed to be simple and easy to use whilst providing the goods and services required to support HEIW departments in an efficient manner. It should also provide assurance that appropriate controls are continually maintained to ensure the ongoing success of the scheme.

All cardholders are expected to exercise good judgement and to act responsibly when using the card. The card is issued in individual cardholder names and all activity will be assumed to have been incurred by the cardholders.

Suspension of the card and/or disciplinary procedures if appropriate will be invoked for any improper use of the card facility. In the event of fraud or other losses, this must be recorded on the Losses and Special Payments Register.

Appendix 2

HEALTH EDUCATION AND IMPROVEMENT WALES CARDHOLDER AGREEMENT

I acknowledge receipt of NHS Purchasing Card Number

As a cardholder I agree to comply with the following terms and conditions regarding my use of the Purchasing Card (the 'card').

- a. I have received and understood that I am being entrusted with a card and will be making financial commitments on behalf of Health Education And Improvement Wales. Where stipulated I will be using designated suppliers as identified by the procurement department.
- b. I understand that Health Education And Improvement Wales is liable to the card provider for all the charges made on the card.
- c. I agree to use this card for Health Education And Improvement Wales business purchases only and agree not to charge personal purchases. I understand that the HEIW will audit the use of this card and report and take appropriate action on any discrepancies.
- d. I will follow the established procedures for the use of the card. Failure to do so may result in either revocation of my privileges and/or any other disciplinary action, including termination of employment.
- e. I have been given a copy of the purchasing card procedure and understand the requirements for the use of the card.
- f. I agree to return the card immediately upon request or upon termination of employment. Should there be any organisational change, which cause my purchasing requirements to change, I agree to return my card and arrange for a replacement, if appropriate.
- g. If the card is lost or stolen I agree to notify the card issuer immediately and the Purchasing Card Administrator as soon as possible thereafter.

Cardholder name:	
Cardholder signature:	
Date:	
Line manager/Budget holder name:	
Line manager/Budget holder signature:	
Date:	
Purchasing card administrator name:	
Purchasing card administrator signature:	
Date:	

Appendix 3

**HEALTH EDUCATION AND IMPROVEMENT WALES
LOST/STOLEN CARD INCIDENT REPORT**

CARD NUMBER	
CARDHOLDER NAME	
CARDHOLDER DEPT	
DATE OF INCIDENT	
INCIDENT DETAILS	
ACTION TAKEN	
<i>To be completed by cardholder:</i>	
<i>To be completed by administrator:</i>	

Cardholder Indemnity

I certify that the above describes an accurate reflection of the incident that has occurred.
I confirm that I have undertaken all the necessary actions to mitigate the incident actually occurring.

Cardholder name:	
Cardholder signature:	
Date:	
Line manager/Budget holder signature:	
Line manager/Budget holder signature:	
Date:	
Purchasing card administrator name:	
Purchasing card administrator signature:	
Date:	

Appendix 9

Financial Control Procedure 7

Value Added Tax

Tracked Changes Document



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NHS
WALES

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

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WALES (HEIW)

Financial Control Procedure (FCP) 7

VAT Procedure

<u>Version</u>	<u>Version 1.1</u>
<u>Issue Date</u>	<u>TBC</u>
<u>Next Review Date</u>	<u>October 2021</u>
<u>Author</u>	<u>Martyn Pennell</u>
<u>Reviewed</u>	<u>Lynda Phillips</u>
<u>Approved</u>	<u>Audit & Assurance Committee – TBC</u>

Version History

<u>Version Number</u>	<u>Review Date</u>	<u>Review Description</u>	<u>Editor</u>	<u>Status</u>
<u>1.0</u>	<u>Oct 2018</u>	<ul style="list-style-type: none">• <u>Original document</u>	<u>Interim Head of Financial Accounting</u>	<u>Approved 02/10/18</u>
<u>1.1</u>	<u>Oct 2020</u>	<ul style="list-style-type: none">• <u>Added version history</u>• <u>Adopted standard FCP template format & headings, including addition of 'Control Objectives' and 'Responsibilities' section</u>• <u>Added paragraph numbering</u>• <u>Removed specified VAT rates to allow for any changes</u>• <u>Removed requirement to print VAT returns and calculations as they are now stored electronically.</u>• <u>Add section on the point of contact for VAT queries.</u>	<u>Head of Financial Accounting</u>	<u>Awaiting Approval</u>

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1 Scope & Principles

Deleted: Purpose and Scope

- 1.1 This procedure outlines the processes to be applied when dealing with VAT and is applicable to those staff who procure goods and services, provide a service to outside organisations, or account for VAT entries within the financial ledger.
- 1.2 This document also outlines the HEIW's responsibilities in completing and submitting returns to Her Majesty's Revenue & Customs (HMRC).

2 **Related and relevant documents:**

- 2.1 This procedure should be read in conjunction with:
 - HEIW standing orders and standing financial instructions
 - Financial Control Procedure 11 – Accounts Payable
 - Financial Control Procedure 15 - Procurement
 - VAT information available on the HMRC website

3 Control Objectives

- 3.1 The control objectives of this financial control procedure are as follows:
 - To ensure that VAT is properly accounted for on all income and expenditure transactions in HEIW.
 - To ensure that all staff involved in VAT are aware of their responsibilities
 - To ensure that the required VAT returns are submitted to HRMC in accordance with the statutory deadlines and that the figures contained within them are accurate.

4 Responsibilities

Head of Financial Accounting

- 4.1 The Head of Financial Accounting is responsible for:
 - Ensuring that the required VAT returns are submitted to HRMC in accordance with the statutory deadlines and that the figures contained within them are accurate.
 - Ensuring that appropriate VAT guidance and training is provided to staff involved in VAT.
 - Reviewing the monthly VAT reconciliation, ensuring that it is consistent with the VAT return.

Financial Accountant

4.2 The Financial Accountant is responsible for:

- Preparing the monthly VAT return
- Maintaining the VAT account, ensuring that it is consistent with the VAT return and reconciling it monthly.

Requisition Staff

4.3 Requisition staff are responsible for:

- Ensuring that all requisitions are raised with the correct VAT treatment. This will allow the procurement department to correctly raise orders to suppliers.

5 General information and definitions:

5.1 Value added tax (VAT) was introduced into the UK on the 1 April 1973.

5.2 There are currently four rates of tax applicable to business supplies:

- Standard rate - This is charged on the provision of most goods and services;
- Reduced rate – This is a lower rate charged on certain items, such as domestic use of fuel and power, sanitary protection, and certain urban regeneration schemes;
- Zero rate – 0% charged on food, water and sewerage services, books and certain printing matter, construction of certain buildings, dispensing of drugs, charities and children's clothing and footwear;
- Exempt rating - certain land and property transactions, postal services, education, health and welfare, burial and cremation, and fundraising events by charities. VAT exempt activities relevant to the NHS include private patients' charges and activities, vocational training, lecture fees and accommodation charges.

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5.3 Normally VAT is charged and recovered in the course of business and, therefore, would not be applicable to the NHS. However, NHS bodies are involved in non-business activities and VAT incurred can be reclaimed if it falls under the Contracted-out Services (COS) rules.

5.4 Contracted out services are those which could be performed in house by the HEIW but have instead been contracted out to a third party. A list of

these items and further information is available on the HMRC website:
<http://www.hmrc.gov.uk/manuals/vatgpbmanual/VATGPB9000.htm>

5.5 NHS organisations also have to account for VAT on business and trading activities. In these cases, VAT is chargeable on outputs and recoverable on inputs as would be the case for any other business.

5.6 External VAT advisors are used by NHS Organisations where this is considered to be cost effective.

6 Contracted out services

6.1 VAT recovery is only available on those services agreed by HMRC, provided:

- a) The supply of services is not for the purpose of any business activity
- b) The service concerned is of a type traditionally performed in house by the NHS
- c) That any goods for which a charge is included in the total price is incidental to the supply of that service (e.g. the cost of cleaning material in a tendered cleaning contract).

6.2 Any request to reclaim VAT must be supported by the existence of a VAT invoice. A VAT invoice must include the following information:

- unique invoice number
- supplier name and address
- supplier VAT number
- date of supply
- nature of supply
- customer name and address (must state Health Education and Improvement Wales on the invoice regardless of what department has received the goods / services)
- nature of supply
- description of goods and services
- total charge (net of VAT)
- details of any cash discounts
- total VAT payable
- total amount payable.

6.3 When an invoice is raised, an order is placed, or an invoice is directly input onto the financial system, any reclaimable VAT should be identified to allow the system to directly allocate the VAT to the VAT account.

6.4 Where individuals are unsure whether VAT can be reclaimed or not, they should contact their finance team. If they are unable to provide guidance then they will refer the query to the Financial Accounting team, who will advise or will contact the HEIW's external VAT adviser if necessary.

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7 Business and trading activities

7.1 Where HEIW undertakes an activity that can be classified as trading, output VAT will be charged on sales and input VAT will be reclaimed on the costs of providing these goods or services. In cases where goods and services are provided in such a way that only an element of the output should be treated as trading, only a proportion of that input VAT will be reclaimed.

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7.2 In cases where goods and services received are charged on the same invoice and only part of the input VAT is usually recoverable, no VAT can be reclaimed.

7.3 There are some trading activities where invoices will not be raised e.g. catering sales, gift shop sales, private use of a work phone. In these cases the income received will be split coded to the VAT account and the remainder allocated to the code for the income in question. Any service to another NHS body in Wales will not incur VAT.

7.4 Where there is any doubt or query whether VAT is chargeable, an individual should contact their finance team. If they are unable to provide guidance then they will refer the query to the Financial Accounting team, who will advise or will contact ng HEIW's external VAT adviser if necessary.

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8 Completion of VAT returns

8.1 The Financial Accounting team will ensure that the legal requirement to maintain a VAT account recording the summary totals of reclaimable input VAT and output VAT, and the balance due to or from HMRC, is accurately kept. They will also ensure that the cash subsequently received from or paid to HMRC each month is accurately and promptly posted to the financial ledger.

8.2 The team will submit monthly online VAT returns to HMRC by the required deadlines.

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8.3 The VAT account will be fully reconciled in line with the internal finance timetable. It should be noted that the VAT return is submitted during the following month so there is always as a month's timing difference between the balance held on the financial ledger and the processing of required adjustments.

8.4 All VAT return calculations will be reviewed by a second person prior to submission of the return. The calculations will be filed electronically with a clear cross reference to the online claim form and all supporting documents.

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8.5 A record of all transactions will be maintained showing the amount of VAT reclaimed or paid for at least 6 years.

8.6 When errors are identified that relate to prior VAT periods, there is a legal requirement to disclose these separately to HMRC if they exceed:

- a net value of £10,000 or
- 1% of the figure entered in box 6 (subject to a maximum amount of £50,000).

8.7 All reclaims for a financial year must be made to HMRC prior to 30 June of the following financial year (noting that the June return will be filed by 31 July).

8.8 The HEIW reports input VAT based on the tax point of the receipt of goods or services.

9 VAT planning opportunities

9.1 When structuring contracts, arrangements may be entered into which give the HEIW the ability to reclaim VAT where it may have been irrecoverable if the contract was structured in another way.

9.2 Consideration should be given to the efficient use of charitable funds. Certain goods, purchased or hired by NHS organisations, would be eligible for zero rating by the supplier if purchased out of charitable funds as opposed to being standard rated otherwise.

10 Capital Programme VAT

10.1 The Financial Accounting team will determine the VAT treatment for small schemes following the HMRC COS guidance. However for larger schemes the Head of Financial Accounting will discuss with the HEIW's external VAT advisors the VAT reclaimable rates for each individual scheme. The VAT treatment for these schemes will be processed by the Financial Accounting team. Upon scheme completion an additional external VAT review will be undertaken to ensure the percentage of VAT reclaimable has not changed due to contract changes.

11 Partial Exemption Special Method (PESM)

11.1 On an annual basis, HEIW will complete an exercise to calculate the previous year's overall partial exemption percentage to its COS recoveries. This calculation will be prepared by September following the year end and will result in an annual adjustment to correct the value of VAT restricted to the appropriate amount for the year.

Deleted: the HEIW's external VAT advisors

11.2 The percentage will then be applied on a monthly basis to all VAT returns once the PESH for the previous year has been agreed.

12 VAT Guidance

12.1 The primary point of contact for any VAT queries in HEIW is the Financial Accounting Team. Based upon their assessment of the issues and queries that are being raised they will tailor on-going VAT support and training for the organisation as appropriate.

Appendix 10

Financial Control Procedure 8

General Ledger

Tracked Changes Document



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Cymru (AaGIC)
Health Education and
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Financial Control Procedure (FCP) 8

General Ledger

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Reviewed	Martyn Pennell
Approved	Audit & Assurance Committee – TBC

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<u>1.1</u>	<u>Nov 2019</u>	<ul style="list-style-type: none"> • <u>'General Ledger Access' section renamed as 'Security' and expanded to provide more detail on passwords etc.</u> • <u>'Information Input & Processing' section updated with current processes.</u> 	<u>Head of Financial Accounting</u>	<u>Approved 22/11/19</u>
<u>1.2</u>	<u>Oct 2020</u>	<ul style="list-style-type: none"> • <u>Version History added</u> • <u>Job titles updated</u> • <u>Table of Contents added</u> • <u>Adopted standard FCP template format & headings</u> 	<u>Head of Financial Accounting</u>	<u>Awaiting Approval</u>

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DRAFT

1. Scope and Principles

- 1.1 The General Ledger (GL) is a module of the Oracle Financial System and contains records all financial transactions for Health Education and Improvement Wales (HEIW).

2. Related and relevant documents

- 2.1 This procedure is to be read alongside:

- HEIW standing orders and standing financial instructions
- HEIW information governance policy
- Financial control procedure 1– Budgetary control procedure
- Financial control procedure 2 – Non-current assets
- Financial control procedure 3 – Month end process
- Financial control procedure 7 – VAT
- Financial control procedure 10 – Accounts receivables
- Financial control procedure 11 – Accounts payables
- Oracle standard system and operating procedures

3. Control Objectives

- 3.1 The main objectives for this financial control procedure are to ensure:

- There are sufficient controls to ensure segregation of duties.
- Adequate physical security exists.
- There should be a clearly defined audit trail from all information in the General Ledger to the source input documentation.
- Access to the General Ledger is restricted to authorised personnel only
- Feeder systems are appropriate and operate in a controlled environment
- All HEIW employees that use the General Ledger are aware of the required controls.

4. Responsibilities

- 4.1 The Director of Finance is responsible for the security, integrity and accuracy of the General Ledger.
- 4.2 The day to day responsibility and management of the General Ledger is delegated to the Head of Financial Accounting.
- 4.3 The Financial Accountants are responsible for the integrity of the hierarchical coding structure, ensuring the general ledger is in balance, uploading subledgers, opening/closing financial periods and for further developing the system.

Moved down [1]: <#>To ensure that all HEIW employees that use the General Ledger are aware of the required controls. ¶
<#>

Deleted: <#>Aims¶

Moved (insertion) [1]

Deleted: Executive

Deleted: and Corporate Services

- 4.4 Both the Financial Accountants and e-Enablement (hosted by NHS Wales Shared Services Partnership (NWSSP)) are responsible for user maintenance and training staff on the systems functions.

5. Security

- 5.1 Access to Oracle is limited to authorised users only through the maintenance of usernames and passwords. The creation and end dating of Oracle accounts are maintained by NWSSP. HEIW are required to send Oracle account forms to NWSSP to request any changes needed.
- 5.2 All new user forms are to be completed by the individual manager and signed by the Head of Financial Accounts.
- 5.3 The Financial Accountant is to audit Oracle users on a quarterly basis.
- 5.4 In addition to usernames being allocated, Oracle is a password protected system. The following controls are in place to minimise the risk of damage from misuse.
- Passwords expire every 30 days and require the user to select a new password.
 - Users are only permitted a limited number of attempts (3) to log in to Oracle before their account is disabled. The user will need to liaise with e-Enablement to unlock their account.
 - The password must be the required length of 8 characters, must be alpha/numeric and contain no consecutive repeating characters.
- 5.5 Access to the General Ledger will be controlled via access levels. The Head of Financial Accounting will determine system levels, with each individual user or group of users being allowed to certain functionalities dependent on their position or level of responsibility.

6. Maintenance of account codes and hierarchy

- 6.1 The HEIW coding structure consists of five segments
- Entity (3 characters)
 - Cost Centre (4 characters)
 - Subjective (5 characters)
 - Analysis (4 characters)
 - Other (6 characters)

When linked, all five segments form a financial code combination.

- 6.2 All requests for the creation, amendment or deletion of one of these segments must be sent to the Financial Accountant. If requesting a new segment, the requestor must specify where the new code fits into the

segment hierarchy. Before creation, amendment or deletion, the Accountant will check the validity of the request. The Financial Accountant will also maintain the appropriate documentation relating to these requests.

- 6.3 A common subjective chart of accounts is maintained by the NHS Wales Oracle Central team. Any new or amendment to codes therefore must be actioned via the All Wales Oracle team.
- 6.4 The Financial Accountant is responsible for maintaining the hierarchical coding structure and prior to period end, must run control reports to ensure the integrity of the hierarchical coding structure.
- 6.5 Financial codes will be automatically validated when combining all 5 elements of the coding structure.
- 6.6 Cross Validation rules have been put in place to ensure only correct coding combinations can be used together. E.g. revenue cost centres are not linked to capital subjective.

7. Information Input & Processing

- 7.1 There are three methods of inputting financial information into the general ledger:
 - Processing interface files from feeder systems (Payroll)
 - Processing of feeds as part of an integrated system (Accounts Payable, Accounts Receivable, Purchase Order)
 - Web ADI journal entry
- 7.2 The processing of interface files from feeder systems forms part of the monthly tasks completed by the Financial Accountant. The Financial Accountant will be notified by Payroll when a feeder file is ready for processing. It is the Financial Accountants responsibility to ensure that the payroll files reconcile to the net and costing reports sent by Payroll.
- 7.3 The General Ledger is integrated to other modules within the Oracle system (e.g. Accounts Payable and Accounts Receivable). The system is set up to generate feeds daily. The Financial Accountant will check at each month end to ensure all feeder files have been posted to the correct financial period.
- 7.4 Web ADI journals can be entered to the General Ledger by Oracle users with appropriate system responsibilities. Each journal is uniquely identifiable, by using a unique header name. This name is generated from the Journal Tracker. Each Web ADI journal template is to be balanced, have valid financial codes, contain adequate line narrative and a completed Line DFF.
- 7.5 There are three types of journals which can be uploaded to Oracle. Standard, Reversing and Budget.
- 7.6 A standard numbering and naming system is to be used for all journals produced within HEIW. A central log is maintained (saved in Shared

Finance/Relevant Year/Journals) that is used to issue a unique sequential number. This log also sets out the standard naming convention that is to be used.

- 7.7 The Financial Accountant will audit all journals posted on a monthly basis for audit purposes and to ensure the journal population rules have been adhered to.

8. Reporting Timetable

- 8.1 Annually, an agreed timetable will be prepared by the Deputy Director of Finance to ensure HEIW's and Welsh Government's reporting deadlines are met. The timetable will define the cut off dates for the input of data into the general ledger and output days for the HEIW Budget reports.

9. Review

- 9.1 The procedure will be reviewed annually.

Appendix 11

Financial Control Procedure 9

Petty Cash

Tracked Changes Document



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Cymru (AaGIC)
Health Education and
Improvement Wales (HEIW)

Financial Control Procedure (FCP) 9

Petty Cash

<u>Version</u>	<u>Version 1.1</u>
<u>Issue Date</u>	<u>TBC</u>
<u>Next Review Date</u>	<u>October 2021</u>
<u>Author</u>	<u>Martyn Pennell</u>
<u>Reviewed</u>	<u>Adam Dugdale</u>
<u>Approved</u>	<u>Audit & Assurance Committee – TBC</u>

Version History

<u>Version Number</u>	<u>Review Date</u>	<u>Review Description</u>	<u>Editor</u>	<u>Status</u>
<u>1.0</u>	<u>Oct 2018</u>	<ul style="list-style-type: none">• <u>Original document</u>	<u>Interim Head of Financial Accounting</u>	<u>Approved 02/10/18</u>
<u>1.1</u>	<u>Oct 2020</u>	<ul style="list-style-type: none">• <u>Version history added</u>• <u>Paragraph numbering updated</u>• <u>Adopted standard FCP template</u>• <u>Added control objectives</u>• <u>Revised responsibilities section</u>• <u>References to service-held petty cash floats removed. The float is held in the finance team on behalf of the whole organisation.</u>• <u>Rearranged paragraphs to explain the process for reimbursement.</u>	<u>Head of Financial Accounting</u>	<u>Awaiting Approval</u>

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1 Scope and Principles

- 1.1 The purpose of this procedure is to ensure that purchases made from petty cash floats operating within HEIW are restricted in value and by type of purchase. In addition this procedure is to ensure that petty cash floats are held securely and are used appropriately.
- 1.2 Health Education and Improvement Wales (HEIW) will aim to keep petty cash balances and use to a minimum and is only to be used for exceptional and low value items.
- 1.3 This procedure is applicable to all staff who have a responsibility for a petty cash float, authorise expenditure against a float, and process reimbursements for individual floats.

2 Related and relevant documents

- 2.1 This procedure should be read in conjunction with:
 - HEIW standing orders and standing financial instructions

3 Control Objectives

- 3.1 The control objectives of this financial control procedure are as follows:
 - To ensure that petty cash payments are appropriately approved and properly supported by receipts
 - To ensure that adequate physical security of petty cash exists

4 Responsibilities

Head of Financial Accounting

- 4.1 The Head of Financial Accounting is responsible for:
 - Reviewing and deciding upon appropriate action of any discrepancies in the petty cash float.

Financial Accountant

- 4.2 The financial accountant is responsible for:
 - Reviewing the reconciliation of the petty cash against the balances held on a regular basis.

Deleted: Purpose and scope

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Deleted: The

Deleted: <#>Request to hold a petty cash float¶
<#>¶
<#>Any request to hold a petty cash float must be submitted in writing to the Head of Financial Accounting. The request must be approved by a senior departmental manager. ¶
<#>¶
<#>The request must include:¶
<#>¶
<#>The proposed use of the float¶
<#>The total amount of the required float (known as the 'imprest')¶
<#>The estimated weekly value of payments to be made¶
<#>d) The names of the nominated petty cash holder and their deputy¶
<#>e) Where and how the cash float will be stored¶
<#>f) Copies of the signatures of the petty cash holder and their deputy¶
<#>¶
<#>When a new float is approved, the accounts payable team will write to the HEIW bank, informing them of the petty cash limits and providing them with copies of the signatories of the petty cash holder and their deputy.¶
<#>¶
<#>A cheque for the full amount of the float can then be requested by the petty cash holder. Once authorised, the cheque will be made out to and sent to the petty cash holder by a member of the finance department. The petty cash holder will present the initial and all future cheques at the agreed nominated branch of the bank.¶
<#>¶

Deleted: <#> of the petty cash holder

Deleted: <#>All petty cash must be held in a secure environment and remains the responsibility of the petty cash holder.¶

Finance Officer

4.3 The Finance Officer is designated as the 'Petty Cash Holder' and is responsible for:

- The reconciliation and reimbursement of petty cash, as detailed in section 7 below.
- Recording all receipts and disbursements of petty cash ensuring that this balances to the imprest on a regular basis.

Budget Holder

4.4 The budget holder is responsible for:

- Ensuring that all expenditure is approved and has been incurred in line with the procurement policy of HEIW.

5 Location of the petty cash float

5.1 For HEIW the petty cash float will be held and operated by the finance team. There is no facility to hold individual floats within service departments.

5.2 All petty cash must be kept in the safe in the finance department.

6 Reimbursement from the petty cash float

6.1 The petty cash float is to provide the facility within the HEIW to enable individuals to purchase one off / urgent items that cannot be purchased through the Oracle Procurement system.

6.2 No request for petty cash should exceed £25 and under no circumstances should individual purchases be deliberately split in an attempt to circumvent this maximum limit.

6.3 Example of items that are acceptable for reimbursement through the petty Cash float are:

- Postage stamps (where franking machines are not available)
- One off items (required the same day) that have been agreed by the departmental finance team prior to purchase

6.1 A voucher for withdrawal of money must be completed for every purchase requiring reimbursement through petty cash. It must be signed by the person requesting reimbursement and authorised by the petty cash holder. All receipts and supporting documentation must be attached to the voucher.

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Deleted: must be completed by the petty cash holder and they must ensure

Moved down [2]: A voucher for withdrawal of money must be completed for every purchase requiring reimbursement through petty cash. It must be signed by the person requesting reimbursement and authorised by the petty cash holder. All receipts and supporting documentation must be attached to the voucher.

¶ The budget holder is responsible for:¶
Ensuring that all expenditure is approved and has been incurred in line with the procurement policy of HEIW.¶

Moved down [1]: <#>No request for petty cash should exceed £25 and under no circumstances should individual purchases be deliberately split in an attempt to circumvent this maximum limit.¶

Deleted: <#>¶
<#>If, in exceptional circumstances, there is a need to reimburse a patient for travel expenses over £25 out of the petty cash float, this must be agreed with the Departmental Finance Manager prior to reimbursement.¶

Moved down [3]: <#>No monies can be given out in advance as all items should be purchased first and then reimbursed from the petty cash float on presentation of a receipt.¶
<#>¶
<#>The petty cash float must only be used for official HEIW business and for expenditure in line with the HEIW's standing orders and standing financial instructions.¶

Moved (insertion) [1]

Moved (insertion) [2]

6.2 No monies can be given out in advance as all items should be purchased first and then reimbursed from the petty cash float on presentation of a receipt.

Moved (insertion) [3]

6.3 The petty cash float must only be used for official HEIW business and for expenditure in line with the HEIW's standing orders and standing financial instructions.

6.4 Payments made from petty cash which contravene this policy will not be reimbursed.

Deleted: and persistent contravention of the policy by a petty cash holder may result in the petty cash float being withdrawn from their possession

7 Reconciliation and reimbursement of the petty cash float

- 7.1 The petty cash holder shall be responsible for reconciling the float on a regular basis. Due to the amount of the activity, this may be required on a daily, weekly or monthly basis.
- 7.2 The cash in hand, plus the petty cash vouchers, plus any outstanding reimbursement requests, must agree to the authorised imprest amount. Any unresolved discrepancies must be reported immediately to the Head of Financial Accounting.
- 7.3 Reimbursement of the petty cash float should be completed when required but no less frequently than on a monthly basis but certainly on a year-end basis.
- 7.4 The petty cash reconciliation form will list all the individual vouchers, a brief description of the expenditure on each voucher, and be correctly coded to the appropriate expenditure subjective by the petty cash holder.
- 7.5 The form will also state the opening float balance, any outstanding reimbursement cheques and the cash remaining in the box. These should all reconcile back to the authorised imprest.
- 7.6 The petty cash holder must sign and date the form prior to sending it to the accounts payable team with all supporting petty cash vouchers. The accounts payable team will then arrange for the appropriate cheque to be raised and sent to the petty cash holder to cash at the nominated branch of the bank.
- 7.7 Within the accounts payable team, the completed request will be checked to ensure that all vouchers and receipts agree with the reimbursement amount requested, and that valid financial codes have been used. Any

discrepancies shall be investigated and resolved prior to the request being processed.

- 7.8 On the last working day of March each year, ~~the~~ petty cash float will need to be reimbursed back to ~~the~~ imprest amount. Any discrepancies must be recorded on the year-end returns.

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8 Procedure for planned leave

- 8.1 On the last working day before planned leave is to be taken, the petty cash holder shall carry out a reconciliation of cash and vouchers in the presence of their deputy nominated to take over during the period of absence.
- 8.2 The value of the cash in hand and vouchers shall be entered on the petty cash record sheet which both individuals will authorise and date, thereby agreeing to the transfer of the cash box, cash and vouchers.
- 8.3 The same process should be undertaken when the petty cash holder returns from leave and the deputy hands the cash in hand and vouchers back.

Appendix 12

Financial Control Procedure 10

Accounts Receivables

Tracked Changes Document



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Health Education and
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Financial Control Procedure (FCP) 10 **Accounts Receivables**

Version	Version 1.1
Issue Date	TBC
Next Review Date	October 2021
Author	Adam Dugdale
Reviewed	Martyn Pennell
Approved	Audit & Assurance Committee – TBC

<u>Version Number</u>	<u>Review Date</u>	<u>Review Description</u>	<u>Editor</u>	<u>Status</u>
<u>1.0</u>	<u>Oct 2018</u>	<ul style="list-style-type: none">• <u>Original document</u>	<u>Interim Head of Financial Accounting</u>	<u>Approved 02/10/18</u>
<u>1.1</u>	<u>Oct 2020</u>	<ul style="list-style-type: none">• <u>Added version history</u>• <u>Adopted standard FCP template format & headings.</u>• <u>Added section on responsibilities</u>• <u>Removed detailed categorisation of debt types (not required due to the relatively low volume/value of HEIW debtors)</u>• <u>Removed detailed procedure notes and appendices for debt collection process - FCP will set out overall aims and detailed process notes will be maintained in finance team.</u>	<u>Head of Financial Accounting</u>	<u>Awaiting Approval</u>

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1 Scope & Principles

- 1.1 The purpose of this procedure is to ensure all income due to Health Education And Improvement Wales (HEIW) is properly identified, collected and accounted for within appropriate controls; supported by timely and accurate information.

2 Related and Relevant Documents

- 2.1 This procedure is to be read in conjunction with the following:

- Standing financial instructions & standing orders;
- Financial control procedure 12 – Banking;
- Process Notes – Raising Invoices & Credits
- Process Notes – Salary Overpayments
- Process Notes – AR Closedown Procedure
- Process Notes – Unidentified and Unapplied Receipts
- Process Notes – Credit Control & Debt Recovery

Deleted: Standard Operating Procedures (SOP) and Standard System Procedures (SSP).

3 Control Objectives

- 3.1 The main objectives for this financial control procedure are to:

- Ensure there are sufficient controls and segregation of duties;
- Restrict relevant access to authorised personnel only;
- Ensure the existence of adequate physical security;
- Enable effective and appropriate collection of all income for all goods and services provided;
- Ensure that adequate and timely management information can be generated.

4 Responsibilities

- 4.1 All staff involved in the income collection process have a responsibility in relation to the above and must ensure that all income due to HEIW is properly identified, recorded, collected and accounted for.

Debtor Requesters

- 4.2 Are responsible for:

- Initiating the raising of invoices, by the submission of a completed and authorised invoice request form to the Financial Accounts Department.

Moved down [3]: The Supply of Goods and Services ¶
Where possible and appropriate, payment should be received for the supply of goods or services in advance, or immediately after the supply has been made. ¶
In all circumstances where credit has been granted an invoice must be raised by the department providing the goods or service to ensure: ¶
¶
the charge is invoiced to the appropriate debtor promptly; ¶
the charge levied is in accordance with agreed tariffs, and other charging arrangements. ¶
any VAT chargeable is included on the invoice; ¶
the debts can be properly chased and pursued, following the procedure in place for the collection of outstanding debts. ¶

Moved down [2]: All staff involved in the income collection process have a responsibility in relation to the above and must ensure that all income due to HEIW is properly identified, recorded, collected and accounted for. ¶

Moved (insertion) [2]

- Ensuring there is appropriate supporting documentation available to support any debtor requests to minimise payment disputes.
- Engaging in the resolution of disputes when invoices are not promptly paid.
- Directorate managers are required to liaise with their Finance Business Partners to identify future income streams and to make sure these are reflected correctly in the financial accounts.

Finance Officer

4.3 Is responsible for:

- Checking all income requests received have been completed correctly.
- Checking all income requests have been appropriately authorised.
- Raising invoices and credit notes from all requests on the financial management system.
- Sending system generated invoices to customers in a timely manner.
- Produce and send out customers statements of accounts on a monthly basis.
- Receipt and allocate all cash received to invoices raised on the system.
- Liaise with the Financial Accountant with regards to any unapplied income amounts.
- Production and sending of dunning letters.
- Close the Accounts Receivable subledger within Oracle during the month end close down procedures.
- Reconcile on a monthly basis the Accounts Receivable subledger to the General Ledger and highlight any discrepancies to the Financial Accountant.

Financial Accountant

4.4 Is responsible for:

- Referring debts to HEIW's debt collection agency (or equivalent) where appropriate
- Reviewing the list of outstanding debts on a monthly basis with the Head of Financial Accounts and consider future action.
- Applying the NHS arbitration process to aged NHS Wales debts.
- Preparing a schedule of debts to be written off for the Head of Financial Accounts, which will be presented to the Audit Committee.
- Review the month end reconciliations prepared by the Finance Officer.

5 The Supply of Goods and Services

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5.1 Where possible and appropriate, payment should be received for the supply of goods or services in advance, or immediately after the supply has been made.

5.2 In all circumstances where credit has been granted an invoice must be raised by the department providing the goods or service to ensure:

- the charge is invoiced to the appropriate debtor promptly;
- the charge levied is in accordance with agreed tariffs, and other charging arrangements;
- any VAT chargeable is included on the invoice;
- the debts can be properly chased and pursued, following the procedure in place for the collection of outstanding debts.

6 Security

6.1 Access to the Accounts Receivable sub-ledger is allocated through two defined Oracle responsibilities. These being:

- Enquiry access only
- Data Input access

6.2 Only staff within the Financial Accounts function will be given Data Input access within the AR subledger.

7 Procedures

Invoice Requests

7.1 Invoices will only be raised following receipt of an invoice request form. The request should be completed no later than 5 working days after the goods or service is supplied and sent to the Financial Accounting team at HEIW Headquarters to issue the invoice.

Deleted: An invoice

7.2 For the invoice to be raised promptly and correctly, and to assist in any future chasing of the debt, the invoice request must be populated with the standard information outlined in the invoice request template.

- 7.3 All invoices raised, must include a contact name of the member of staff in the receiving organisation who is aware of the matter and able to progress payment of the invoice.

Deleted: , and particularly to other NHS Wales organisations,...

Raising Invoices

- 7.4 All invoices are raised in the Accounts Receivable subledger held within the Oracle Financial Management system.

Deleted: The invoice request will be processed as per the procedure described in appendix 1.

- 7.5 Invoice request notes received by the Financial Accounts team will be processed and sent out to the debtor within 48 hours.

- 7.6 All invoices will be raised following the guidance provided in the 'Process Notes – Raising Invoices' document.

Cancellation of Invoices & Issuing of Credit Notes

Deleted: <#>The invoices will be dispatched to the debtor within 48 hours of production. ¶

- 7.7 All requests for the cancellation of an invoice or the issuing of a credit note must be made via email with the full reason for the cancellation of the invoice or the issuing of the credit note.

Deleted: an invoice request template

- 7.8 All credit notes must be authorised by an individual with appropriate delegated authority to do so and approved by the Deputy Director of Financial Management, Costing and Contracting or the Head of Financial Accounting.

Deleted: This procedure is outlined in appendix 1. The form must state the debtor name, the invoice number and

Deleted: , and the net, VAT (if applicable) and gross amount to be cancelled

Deleted: These

- 7.9 All credit notes must be allocated against the appropriate invoice immediately after raising.

Deleted: ¶
The Head of Financial Accounting and the Deputy Director of Financial Management, Costing and Contracting are able to approve the issuing of credit notes or cancellation of invoices which have been raised in error.¶

- 7.10 All credit notes will be issued using the guidance provided in the 'Process Notes – Raising Credit Notes' document.

Posting of Receipts

- 7.11 All cash receipts are to be receipted and allocated to the corresponding invoice promptly.

Deleted: All receipts must be logged and, if received directly rather than through the HEIW's bank account, banked promptly. ...

- 7.12 Payments obtained from salary deductions will be allocated once the payroll feed has been posted.

7.13 Any receipts that differ in value from the invoice raised, or are not easily identifiable against a customer, are investigated and appropriate action taken to clear these amounts.

7.14 The process for dealing with unidentified and unapplied receipts is outlined in 'Process Notes – Unidentified and Unapplied Receipts'.

Deleted: The process for dealing with unidentified and unapplied receipts is outlined in appendix 2.

8 VAT

8.1 It is the responsibility of the individual approving the invoice or credit note request to ensure that charging of VAT is considered and requested correctly. If advice is needed, this should be sought from the individual's local finance team who can request further advice from the Financial Accounting team in HEIW Headquarters and the HEIW's external VAT advisor if necessary.

9 Credit Control and Debt Recovery

9.1 HEIW will seek to recover all debts that are owed to it. The recovery of debt will follow the process outlined in the 'Process Notes – Credit Control & Debt Recovery Document'

9.2 Where the standard methods of debt recovery have failed HEIW may consider court action against the debtor. The final decision on whether to apply for court action shall rest with the Deputy Director of Financial Management, Costing and Contracting/ Head of Financial Accounting.

9.3 Where costs are incurred in the collection of debt HEIW will seek to pass these on to the debtor.

Deleted: <#>Each customer is categorised into a specific profile class of debt. These are shown below:¶
<#>¶
<#>Salary overpayment – current employee¶
<#>Salary overpayment – ex employee¶
<#>Salary sacrifice – ex employee¶
<#>NHS Wales¶
<#>Welsh Government¶
<#>NHS debts outside of Wales ¶
<#>Other government departments¶
<#>Welsh local authorities¶
<#>Other local authorities¶
<#>Trade / commercial¶
<#>Universities¶
<#>Private ¶
<#>Overseas ¶
<#>Charitable organisations¶
<#>¶
<#>Most categories of debts are chased via the automated Dunning process, outlined in appendix 3. The term 'Dunning' refers to a process of communication with customers to ensure collection of accounts receivable. The remaining categories of debts are chased via a different process, outlined in appendix 4.¶
<#>¶
<#>Recovery activity should be documented on the Oracle system using the notes functionality. A guide to use of this notes function is included as appendix 5.¶

10 Debt Write Off Procedures

10.1 Any non NHS invoices that are not recoverable or economic to pursue will be written off in line with HEIW's standing orders and standing financial instructions.

10.2 All debts that are written off are reported to HEIW's Audit Committee and entered onto the Losses & Special Payments Register. The register will include details of:

- Audit approval date
- Oracle cancellation date

Deleted: <#>If all attempts to recover the debt via the usual follow-up procedure have failed, consideration shall be given to take legal action against the debtor. The decision on whether to take this course of action will take into account: ¶
<#>¶
<#>The circumstances of the debt and the likely success. ¶
<#>The value of the debt. ¶

Deleted: <#>Debt collection charges will be allocated as directed by the Director of Finance & Corporate Services.¶

Deleted: LASPAR system

Deleted: A file will be kept by the Financial Accounting team recording

10.3 Delegation limits for the write off of bad debts can be found in the HEIW's Standing Orders.

11 Month-end Procedures

11.1 The accounts receivable records are reconciled on a monthly basis to the overall Oracle system records in a format agreed by the Head of Financial Accounting. This reconciliation is reviewed and actioned accordingly by the Financial Accountant and a copy stored electronically. The reconciliation will form part of the monthly balance sheet review by the Head of Financial Accounting or deputy.

11.2 The month-end reconciliation must include an analysis of aged debts and, where an invoice is overdue, a summary of the action taken to recover that debt.

11.3 Where required, the Financial Accountant will meet with Head of Financial Accounting to review and, consider any write-offs to be discussed with the Director of Finance & Corporate Services, to review the summary level aged debt report, and discuss any other issues.

Moved (insertion) [1]

Deleted: <#>Review of Outstanding Debts¶

<#>¶

<#>Review of HEIW's outstanding debts takes place as follows:¶

<#>¶

<#>An aged debt report is sent out to the distribution list in appendix 6. This ensures visibility of debts by the finance team. Any known issues or debts of concern should be fed back to the Financial Accounting team.¶

Moved up [1]: <#>The Financial Accountant will meet with Head of Financial Accounting to review and, consider any write-offs to be discussed with the Director of Finance & Corporate Services, to review the summary level aged debt report, and discuss any other issues. ¶

Deleted: <#>Appendix 1 – Processing of Invoices & Credit Notes¶

<#>¶



FCP 10 Appendix 1 Auto Invoicing Proced

<#>

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<#>¶

<#>Appendix 2 – Procedure for Managing Unidentified & Unapplied Receipts¶

<#>¶

<#>Definitions:¶

<#>¶

<#>Unapplied receipts – receipts with sufficient accompanying information to enable them to be allocated to a customer account, but without sufficient information to enable them to be allocated to a specific invoice.¶

<#>¶

<#>Unidentified receipts – receipts without sufficient accompanying information to enable them to be allocated to a customer account or a specific invoice.¶

<#>¶

<#>Managing Unapplied Receipts¶

<#>¶

<#>When funds are received from an identified customer without supporting information quoted, or receipt of a remittance advice, the customer is contacted and asked to provide information relating to that receipt. If a response is received, the receipt is allocated accordingly. If no response is received, the receipt is allocated onto the customer account but not allocated against an invoice. This receipt will remain visible on any statement sent to the customer, and on the monthly aged debt report under the profile class 'payment'.¶

<#>¶

<#>If funds are received from other Welsh NHS organisations or Welsh Government, these are allocated onto the customer accounts in the manner described above. Contact is made with the divisional / hosted organisation finance teams within the Trust prior to making contact with the customer, as they will usually be aware of what the funds relate to. Again, any receipts unapplied against an invoice when the statements are prepared will be visible, and will be actively managed with colleagues in these organisations through the separate process for management of Welsh NHS & WG debts.¶

<#>¶

<#>Managing Unidentified Receipts¶

<#>¶

Appendix 13

Financial Control Procedure 11

Accounts Payable

Original Document

HEALTH EDUCATION AND IMPROVEMENT WALES (HEIW)

FCP 11

Accounts Payable

Contents:

- 1. Purpose**
- 2. Scope**
- 3. Control Objectives**
- 4. Responsibilities**
- 5. Payment of all Goods and services**
- 6. Accounts payable Module within Oracle**
- 7. Supplier maintenance**
- 8. Invoice entry**
- 9. Payment of invoices**
- 10. Supplier's correspondence**
- 11. Value Added Tax (VAT)**
- 12. Construction industry Scheme**
- 13. Charitable Funds payments**
- 14. Month end process**

Policy Status – Current, November 2019
Policy lead – Interim Director of Finance

Policy Issued – September 2018
Review Date – November 2020

1 Purpose

Adequate controls must exist in respect of the payment for goods and services paid through the Accounts payable (AP) process. It is vital that payments are made accurately and on a timely basis in accordance with the statutory guidance laid down by the Welsh Government.

2. Scope

This procedure is to be read in conjunction with the following

Standing financial instructions

Scheme of delegation

Standing orders

Other financial control procedures e.g. banking

Procurement procedures.

Standard operating procedures and standard system procedures.

The Welsh Government (WG) requires that HEIW pay all Non NHS trade Creditors in accordance with the CBI prompt payment code. This target is to pay all Non NHS Creditors within 30 days of receipt of goods or a valid invoice (whichever is the later).

The Welsh Government have also requested that procedures are put in place by each NHS Body to achieve a target payment of 10 days. This is not yet mandatory and is this target is reported and included in the monthly monitoring report to WG. The 30 day payment term remains the statutory target.

3. Control objectives

The main objectives for this financial control procedure:-

There should be sufficient controls to ensure segregation of duties, this includes ensuring:

- access is restricted to authorised personnel only adequate physical security exists payments are effectively and correctly made for all goods and services received adequate and timely management information is generated.

4. Responsibilities

The NHS Wales Shared Services Partnership (NWSSP) will, under a service level agreement (SLA), be responsible for procurement and accounts payable.

Policy Status – Current, November 2019

Policy lead – Interim Director of Finance

Policy Issued – September 2018

Review Date – November 2020

The HEIW's procurement system administration team is to maintain up to date list of authorised signatories for orders, receipt of goods and approval of orders.

The Accounts Payable module is contained within the Oracle financial computer system and is used for the payment of suppliers.

Invoices on hold reports and duplicate supplier reports are the responsibility of the Accounts Payments team leaders and must be cleared as necessary under the SLA or by specific instruction by Director of Finance or Head of Financial Accounting.

5. Payment of all Goods and services

The majority of goods and services are paid via the Accounts Payable (AP) module within Oracle.

Payroll is produced from the ESR system.
Foreign payments are made by the bank on-line system
Chaps will also be made by the bank on-line system.
Charitable Fund payments are manual cheques

The AP system produces computerised cheques and BACS transfers twice a week.

6. Accounts payable module within Oracle.

Types of invoices:

Purchase order invoices - paper or electronic

Requisitions for goods and services are entered into Oracle by authorised individuals within HEIW – these requisitions are then approved by the relevant Budget Holder or Manager.

These requisitions are turned into orders which are then distributed to the suppliers.

All goods and services must be ordered using the Oracle system and should be produced before the items are ordered, with possible exception of credit card purchases. (See guides and procedures regarding procurement).

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There are exceptions and these can be found in the Standing Financial instructions and Standing orders. (Electronic invoices received through the electronic interface table e.g. procservice)

Manual invoices

These are invoices which do not have a HEIW official order number and require authorisation from a HEIW authorised signatory and a valid financial code e.g. Utilises(Electricity – Gas) invoices and NHS Invoices

Electronic files with paper invoices

These are internal files received from other systems e.g. Pharmacy invoices

7. Supplier maintenance

When an order is placed with a new supplier it needs to be agreed with the purchasing department.

Once agreed the standard form requesting the set-up of a new supplier is sent to the Oracle central team.

Once the supplier has been set up it is for the Accounts Payable team leader to input the suppliers payment details into Oracle.

8. Invoice entry

Accounts Payable Officers are to:

Date stamp all invoices as they are received

a) Invoices quoting orders numbers

Enter the invoice on Oracle, matching the quantity, price etc. to the electronic order already held on the system and approved for payment.

If incorrect, discrepancies relating to price, should be sent to the procurement department for investigation and flagged as disputed on the system. Credit Notes should be obtained for any overcharges,

If incorrect, discrepancies relating to quantity, nil value, goods not booked in etc. should be sent to the department that requested the items for investigation and flagged as disputed on the system. Credit Notes should be obtained for any overcharges

b) Invoices not quoting order numbers

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Policy lead – Interim Director of Finance

Policy Issued – September 2018
Review Date – November 2020

Accounts Payable Staff are to forward all invoices not backed by an official order or goods received note (GRN) to the appropriate departments for certification. The authorised signatory is to check the invoice details prior to certifying the invoice for payment.

The Accounts Payable Department will make preparation to pay the invoice as a standard invoice verifying prior to entering the invoice that the person signing the invoice is an authorised HEIW signatory and has the required level of authorisation. Examples of such invoices are utilities invoices (gas, electricity, phone etc.), other NHS body's invoices, payroll requests, losses and compensation payments.

Accounts Payable staff must ensure that all suppliers' discounts, wherever possible, are taken. Urgent non-staff payments may be made to pay invoices offering discounts, in order to ensure that suppliers' timing conditions are met.

Accounts Payable staff must carry out appropriate checks to ensure that the original invoice has not been paid when requests are received to pay copy invoices.

Invoices should be entered onto Oracle in batches. Headers must have the date initial of the operators– entered in the following format e.g. 20111130 JE

9. Payment of invoices

A payment listing (preliminary register) detailing BACS and Cheque payments due is to be produced by the Assistant Financial Accountant or Finance officer, from the Oracle Accounts Payable module. A visual check is to be carried out to verify that the payments are correct.

This list is then checked against the Cash Forecast to ensure that the necessary cash is available. This list if necessary will be amended for invoices that the Accounts Payable Manager has highlighted should not be paid due to problems with that particular supplier or if there is a shortage of cash.

Once satisfied the planned Payment Run is correct, the run is to be confirmed. The Final register is generated and printed and filed.

The BACS payment is then made by Accounts Payable and a call is logged with Patech to acquire a service request number which is then entered on the BACS transmission and confirmation form which is then emailed to Patech to process. Where possible remittances are emailed directly to the supplier. If no email is

Policy Status – Current, November 2019
Policy lead – Interim Director of Finance

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available the remittances are sent to the HEIWs printer and dispatched to the supplier by post.

Cheque runs follow the procedure identified above, but both the cheque and remittance are printed locally. Once the cheques have been printed they are verified to the final payment register by an authorised cheque signatory. The final report is signed and dated by the cheque signatory and the cheques/remittances are dispatched to the supplier. All cheque numbers used are recorded for audit purposes.

10. Supplier's correspondence

The Accounts Payable team leaders will ensure that creditor's correspondence and queries are responded to in an appropriate and timely manner, usually within 5 working days.

Accounts Payable staff will check, supplier statements for dated and erroneous entries and take the appropriate action.

11. Value Added Tax (VAT)

There is a separate Financial Control Procedure for VAT (FCP 7)

All payments staff are responsible for the correct application of VAT legislation to the payments process.

VAT will be reclaimed on Contracted out Services, in accordance with relevant guidance issued by HMRC.

VAT will only be paid on receipt of a valid VAT invoice. All VAT will be coded correctly on the payment of any invoice.

12. Construction industry Scheme

There is a separate Financial Control Procedure for CIS (FCP 5)

All payments staff are responsible for the correct application of CIS legislation to the payments process

All Payment staff must notify the Financial Planning Department of any invoices they receive where there are items that are covered under the CIS legislation

13. Charitable Funds payments

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Policy lead – Interim Director of Finance

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There are separate procedures with regards to payment of charitable funds, as charitable funds are not accounted for within the accounts payable module within the Oracle system. This is because the shared services only process invoices on behalf of the statutory health bodies and any charitable funds operate outside that framework.

14. Month end process

At month end the AP module is closed down and reconciled in line with the month end timetable. This reconciliation is signed by the Head of Financial Accounting and filed for audit purposes. Any items will be followed up and cleared as soon as possible.

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Policy lead – Interim Director of Finance

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Appendix 14

Financial Control Procedure 11

Accounts Payable

Proposed Document



GIG
CYMRU
NHS
WALES

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

FINANCIAL CONTROL PROCEDURE (FCP) 11 **Accounts Payable**

Version	Version 2.0
Issue Date	TBC
Next Review Date	October 2021
Author	Martyn Pennell
Reviewed	Adam Dugdale
Approved	Audit & Assurance Committee – TBC

Version History

Version Number	Review Date	Review Description	Editor	Status
1.0	Oct 2018	<ul style="list-style-type: none">• Original document	Interim Head of Financial Accounting	Approved 02/10/18
2.0	Oct 2020	<ul style="list-style-type: none">• Significant update to reflect the operating requirements of the organisation and to cover all payment methods for supplier invoices.• Adopted standard FCP template format & headings.• Updated responsibilities to identify the split between NWSSP & HEIW	Head of Financial Accounting	Awaiting Approval

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1 Scope & Principles

- 1.1 This procedure sets out the requirements for the payment of invoices for goods and services in HEIW.
- 1.2 All payments must be made accurately and on a timely basis in accordance with the statutory guidance laid down by the Welsh Government.
- 1.3 The Welsh Government (WG) requires that HEIW pay all Non NHS trade Creditors in accordance with the CBI prompt payment code. This target is to pay all Non NHS Creditors within 30 days of receipt of goods or a valid invoice (whichever is the later).
- 1.4 The Welsh Government have also requested that procedures are put in place by each NHS Body to achieve a target payment of 10 days. This is not yet mandatory and is this target is reported and included in the monthly monitoring return to WG. The 30 day payment term remains the statutory target.
- 1.5 This document is relevant to all staff in HEIW that are involved in the procurement of goods and services, and any staff involved in the processing of supplier payments.
- 1.6 This document does not cover non-supplier payments, such as payroll nor items purchased through petty cash (see Financial Control Procedure 9).

2 Related & Relevant Documents

- 2.1 This procedure is to be read in conjunction with the following:
 - Standing financial instructions & Standing Orders
 - Scheme of delegation
 - Financial Control Procedure 6 – Construction Industry Scheme
 - Financial Control Procedure 6 – Purchasing Card
 - Financial Control Procedure 7 - VAT
 - Financial Control Procedure 12 - Banking
 - Procurement guide & Requisition Process Guide
 - Standard operating procedures and standard system procedures.
 - NHS Wales No PO No Pay Policy

3 Control objectives

3.1 The control objectives for this financial control procedure are as follows:-

- To ensure that appropriate processes are in place to accurately pay suppliers on a timely basis in line with Welsh Government requirements.
- To ensure there are sufficient controls for the segregation of duties.
- To ensure access to the payments systems is restricted to authorised personnel only.
- To establish the specific responsibilities of HEIW staff and the NHS Wales Shared Service Partnership (NWSSP) in the payments process.

4 Responsibilities

The NHS Wales Shared Services Partnership (NWSSP)

- 4.1 NWSSP will, under a service level agreement (SLA), be responsible for the following:
- Provision of the Accounts Payable module that is contained within the Oracle financial computer system. This includes the provision of appropriate system checks to ensure payments are correct, that duplicate payment cannot be made and ensuring that only authorised users can approve invoices.
 - Recording invoices on the Oracle system and promptly processing payments to suppliers in line with the requirements of this procedure.
 - Ensuring that queried invoices (on hold) are resolved in a timely basis.
 - To immediately notify the Head of Financial Accounting of any concerns where financial controls may have been compromised or Counter Fraud in relation to suspected fraud.

Head of Financial Accounting & Control

- 4.2 The Head of Financial Accounting is responsible for:
- Maintaining an up to date list of authorised signatories for the approval of orders and manual payments and ensuring this is updated on the Oracle system.

- Approving payment runs and manual payments (delegated to Financial Accountant where required).
- Ensuring that any supplier payments made outside of the Accounts Payable system (such as faster payments/petty cash/foreign payments) are correctly accounted for on the General Ledger.

Financial Accountant

4.3 The Financial Accountant is responsible for:

- Reconciling the General Ledger and the Accounts Payable module of Oracle on a monthly basis, and investigating any discrepancies that are identified.
- Approving payment runs and manual payments where required.

Requisition Team & Requisitioners

4.4 The Requisition Team & Requisitioners are responsible for:

- Ensuring requisitions are processed timely and accurately in that orders can be created and matched to invoices.
- The timely receipting of goods and services following confirmation from budget holders.

Budget Holders

4.5 Budget holders are responsible for:

- Approving purchase orders or invoices in line with their agreed scheme of delegation limits.
- Notifying the requisition team when goods/services have been received so that the order can be receipted on the system.

5 No PO No Pay Policy

5.1 HEIW has adopted the NHS Wales No PO No Pay policy. This states that invoices, with the exception of an agreed list of items, will not be paid without a matching purchase order being in place. The list of exemptions is regularly reviewed by the all-Wales P2P group and the updated list is held in the finance team.

6 Public Sector Payment Policy (PSPP)

6.1 HEIW is required to achieve the Welsh Government PSPP target of paying 95% on all non-NHS suppliers invoices within 30 days. The processes within this Financial Control Procedure are designed to contribute towards achieving this target.

6.2 PSPP applies to all invoices processed by HEIW.

7 Procurement Process - Orders

7.1 The standard process for the procurement of goods and services that are not exempt from the No PO No Pay policy is as follows:

Requisition

7.2 Requisitions must be raised in line with the HEIW procurement rules and the procurement department must be contacted for all purchases in excess, or potentially in excess, of the value thresholds set out in the rules.

7.3 The Requisition Process Guide sets out the operational guidance for the raising of requisitions in HEIW.

7.4 Requisitions can only be approved by budget holders with the required delegated budget limit for their service area/cost centres.

Order Creation

7.5 The procurement department receive approved requisitions via Oracle and processes them by creating a purchase order sourcing the goods and services as appropriate.

7.6 The purchase order will be sent to the relevant budget holder for approval and then issued to the supplier.

Receipt of Goods & Services

7.7 Once goods or services have been received and they are checked to ensure that they match/meet the requirements of the order, the person receiving the items must notify the requisitioner who will receipt the item on Oracle. This will release payment of the invoice once it has been received and matched to the order.

Receipt of Invoices

- 7.8 All invoices must be sent to the following address to be entered onto the Oracle system:

Health Education & Improvement Wales
PO Box 123
Pontypool
NP4 4DW

or, electronically to:

NWSSP_PSU_P2P@wales.nhs.uk

- 7.9 Accounts Payable input the invoices onto the Oracle system and the date of receipt is recorded for the calculation of the PSPP target.
- 7.10 All invoices that are not on the No PO No Pay exception list must include a valid purchase order number. Where the invoice cannot be matched to a valid purchase order the accounts payable team will:
- Contact the relevant person in HEIW to request that a retrospective purchase order is raised. Any such orders will be reported to the Audit & Assurance Committee for information and review.
 - Contact the supplier to notify them that the invoice will not be paid until a valid PO number is given (Frequency of contact will be set out in the all-Wales No PO No pay guidance).
- 7.11 Where there is a query on an invoice it must be flagged as being 'in dispute' with the Accounts Payable Team as soon as possible. Only when the dispute has been resolved should it be released for payment.

Payment

- 7.12 Payments are made in line with the process identified in section 9.

8 Procurement Process – Exempt Items

- 8.1 The procurement process for items that are exempt from the No PO No Pay policy will vary depending on the nature of the goods or service. However, it is essential that the requirements of the HEIW procurement rules are followed. Advice should be sought from the procurement department.

- 8.2 Where invoices are received for items on the exception list the Accounts Payable department will contact HEIW to establish who should approve the invoice in line with the agreed scheme of delegation. Approval can be granted by email to the Accounts Payable team.
- 8.3 Budget holders must only approve invoices when they have confirmed that the invoice is correct and that the goods/service have been received and are as expected.
- 8.4 Invoices for exempt items are included within the PSPP requirements and therefore approval should be given as soon as possible.

9 Payment Methods

- 9.1 Payments for goods and services are to be made in HEIW using the following methods:

Accounts Payable system

- 9.2 This is the default method of payment as it uses agreed all-Wales processes built into the Oracle system. These processes have been designed to ensure that payments are made accurately and that the correct approvals are received at various stages. The system includes appropriate reporting facilities to track payments and to identify holds allowing the appropriate remediation action to be taken. Oracle also includes a number of automated stages that speed up processing and ultimately the payment of invoices.
- 9.3 The Head of Financial Accounting will decide upon the required frequency for payment runs and notify the Accounts Payable team. Additional payment runs or amendments can be arranged to reflect local circumstances or timings e.g. year-end or bank holidays.
- 9.4 For each payment run, Accounts Payable will issue an Oracle system report outlining the proposed invoices to be paid. This report will be reviewed by HEIW and authorisation to proceed must be given by the Head of Financial Accounting or Financial Accountant before it can be processed by the Accounts Payable team.
- 9.5 HEIW is able to set a pre-approved limit for the processing of payment runs. Where this is done, approval must be given to the Accounts Payable team by email and a copy must be retained for evidence.

- 9.6 The default payment method through the Accounts Payable system is BACS transfer. Where bank account information is not held cheques will be issued.

Faster Payments

- 9.7 This is the manual payment of invoices directly through the HEIW bank. When making payment through this method the same controls must be followed as outlined in sections 7 and 8 above. This process should only be used for the following items:
- Urgent payments that cannot be made within the Accounts Payable system timescales.
 - Invoices payable to foreign suppliers with non-Sterling bank accounts.
 - Bulk CPD payments (cannot be processed through Accounts Payable as they would require the setting up of a high number of single-use supplier accounts).
- 9.8 For all faster payments a 'Payment Request Form' must be completed and authorised.
- 9.9 Financial Control Procedure 12 (Banking) sets out the controls for making payments through the bank account, including the required segregation of duties.
- 9.10 Once a payment has been made, HEIW must notify Accounts Payable in order that it is recorded on Oracle. This will:
- Prevent a duplicate payment being made;
 - Add the transaction to a 'wire-run', which will process the accounting entries in the general ledger.

Purchasing Card

- 9.11 Certain payments can be made using the HEIW purchasing card – Further information is provided in Financial Control Procedure 6.

10 Month End Reconciliation

- 10.1 At the end of each accounting period the Accounts Payable team will closing the Accounts Payable accounting period and issue the system reports to HEIW.
- 10.2 HEIW will reconcile the Accounts Payable reports to the General Ledger and resolve any differences identified. Should any material

issues be identified these must immediately be raised with the Head of Financial Accounting and the Accounts Payable manager.

11 Construction Industry Scheme

- 11.1 Financial Control Procedure 5 covers the requirements of the Construction Industry Scheme.

12 Value Added Tax

- 12.1 Financial Control Procedure 7 provides the necessary guidance on VAT.
- 12.2 VAT will be reclaimed on Contracted Out Services (COS), in accordance with the relevant guidance issued by HMRC.
- 12.3 VAT will only be paid on receipt of a valid VAT invoice and on invoices raised to Health Education & Improvement Wales. All VAT will be coded correctly on the payment of any invoice.

Appendix 15

Financial Control Procedure 12

Banking

Tracked Changes Document



GIG
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WALES

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

Financial Control Procedure (FCP) 12

Banking Arrangements – HEIW Operating Account

Version	Version 1.2
Issue Date	TBC
<u>Next</u> Review Date	October 2021
Author	Martyn Pennell
Reviewed	Raj Singh
Approved	Audit & Assurance Committee – TBC

Version History

<u>Version Number</u>	<u>Review Date</u>	<u>Review Description</u>	<u>Editor</u>	<u>Status</u>
<u>1.0</u>	<u>Oct 2018</u>	<ul style="list-style-type: none">• <u>Original document</u>	<u>Interim Head of Financial Accounting</u>	<u>Approved 02/10/18</u>
<u>1.1</u>	<u>Nov 2019</u>	<ul style="list-style-type: none">• <u>Removed names of post holders</u>• <u>Clarified system amendments that require dual authorisation</u>• <u>Increased payment authorisation levels to reflect service requirements</u>• <u>Removed detailed process notes for officer availability</u>	<u>Head of Financial Accounting</u>	<u>Approved 22/11/19</u>
<u>1.2</u>	<u>Oct 2020</u>	<ul style="list-style-type: none">• <u>Version history added</u>• <u>Job titles and responsibilities updated</u>• <u>Added section on cash forecasting</u>	<u>Head of Financial Accounting</u>	<u>Awaiting Approval</u>

		<ul style="list-style-type: none">• <u>Amended audit of system amendments from half-yearly to monthly</u>• <u>Revised requirement to update and reconcile the bank from daily to at least weekly to reflect the volume, value and nature of transactions.</u>		
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1. Scope & Principles

- 1.1. This procedure sets out how the banking arrangements operate within HEIW, including who can access and make changes to the bank accounts. The document also states who is authorised to make payments through the banking system.
- 1.2. This document describes how the HEIW's bank records and statements for these bank accounts are reconciled to the HEIW's own records and ledger in a timely manner.

2. Related and Relevant Documents

- 2.1. This procedure should be read against the following documents:
 - HEIW standing orders & standing financial instructions
 - Financial control procedure 10 - Accounts receivable
 - Financial control procedure 11 - Accounts payable
 - Government banking customer guide

3. Control Objectives

- 3.1. The objectives of this financial control procedure are as follows:
 - To ensure there are sufficient controls in place maintaining segregation of duties
 - To restrict access to the bank account to authorised personnel only and to ensure they are available when required
 - To have adequate and appropriate physical security over cash, cheques and the bank accounts in place
 - To have a clear defined audit trail for all information relating to the bank accounts to the source input documentation
 - To ensure that Commercial and Government Banking Service (GBS) bank accounts have been properly established and are maintained in accordance with the HEIW's regulations.

4. Responsibilities

- 4.1. The Director of Finance is responsible for the security, integrity and accuracy of the HEIW bank accounts.

4.2. The day to day responsibility and management of the HEIW bank accounts are delegated to the Finance Officer.

Deleted: Financial Accountant

4.3. The individuals (or equivalent post holders as a result of approved changes to the Board structure) shown in table A below are set up on the bank mandate and hold the authority to:

- Authorise the setting up of a new bank account
- Authorise a regular payment / standing order (note that 2 signatories are required)
- Authorise amendments to BACs Primary Security Contacts (note that 2 signatories are required)
- Authorise amendments to the RBS Customer Contact Details (note that 2 signatories are required)
- Authorise amendments to the cheque panels (note that 2 signatories are required)
- Sign indemnities (note that 2 signatories are required)
- Authorise the renaming of accounts (note that 2 signatories are required).

Table A

Role
Chief Executive
Director of Workforce & Deputy Chief Executive
Director of Finance
Medical Director
Director of Nursing
Board Secretary

Deleted: and Corporate Services

4.4. The individuals shown in table B below have been given access to:

- Set up, create, edit, suspend and delete users (note that two individuals need to make this request)
- Reactivate disabled users (note that two individuals need to make this request)
- Order new activation codes and smartcard readers
- Specify how often users must change their passwords (note that two individuals need to make this request, one of which must be the Head of Financial Accounting)
- Manage the users profile adding and deleting responsibilities (note that two individuals need to make this request)

- Manage which actions require dual authorisation and set payment limits (note that two individuals need to make this request, one of which must be the Head of Financial Accounting)
- Restrict access to bank accounts and mark accounts as confidential (note that two individuals need to make this request)

4.5. Where amendments identified in paragraph 4.4 are made these must be recorded on the 'Bankline System Amendment Record' spreadsheet saved in Financial Accounting/Bank. As part of the month-end bank reconciliation process this record is to be reconciled to the audit report available on Bankline and approved by the Head of Financial Accounting.

Deleted: This

Deleted: on March 31st and September 31st each year

Deleted: Accounting

Table B

Role
Head of Financial Accounting
Financial Accountant
Finance Officer

Deleted: Assistant

- 4.6. The individuals shown in table C below have been set up on the bank mandate to:
- Key payments if Treasury Officers are unavailable
 - Authorise payments from the bank account up to the values specified in the table below (note that two signatories are required for payments above that amount and the bank will require additional verbal confirmation for any keyed payments exceeding £5,000,000).
 - Search payment details and foreign exchange rates
 - Manage direct debits and standing orders
 - Manage customer templates
 - Manage bulk lists

Table C

Role	Authorisation Approval Limit** £
Head of Financial Accounting	3,500,000
Financial Accountant	500,000

**Note – Authorisation relates to the payment process only. Approval to make the payment must be in line with the Scheme of Delegation.

- 4.7. The individuals who are able to enter payments onto the system are detailed in table D below:

Table D

Role
Finance Officer
Finance Assistant

Deleted: Assistant Financial Accountant

In the absence of the two individuals shown above, a member of staff from table C may enter a payment. Another individual (or two, dependant on the amount involved) in table C would then need to authorise it.

- 4.8. As requested changes and appropriate authorisation can only be given by certain named individuals, it is important to ensure their appropriate availability.
- 4.9. Wherever possible, advance notice of payments should be given to ensure that appropriate officers are available to process the transaction. Where staff are not available alternative arrangements will include:
- Ensuring access can be obtained from a remote venue and an alert sent to the individual when the authorisation is required
 - Changing existing commitments, for example moving the time or venue of a meeting
 - Contacting those likely to require authorisation of a payment and making them aware that authorisation may not be available during a set period of time.

5. Banking Arrangements

- 5.1. The Director of Finance is ultimately responsible for authorising the opening and closing of bank accounts, and this is undertaken as described in the section above.
- 5.2. The HEIW operating account are held with RBS (under the trading name of NATWEST) and are overseen by Government Banking Service.
- 5.3. Only authorised personnel are allowed entry to the online bank accounts via controlled access levels.

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- 5.4. The Head of Financial Accounts maintains a list of signatories for each bank account as authorised by the Chief Executive and Director of Finance. This is included in section 4 above.

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6. Administration and Reconciliation of Bank accounts

- 6.1. The Head of Financial Accounts, via the team members, ensures that that the cash book as per general ledger is updated and reconciled to the HEIW bank account on a regular basis. As a minimum this should be done at least once a week, although more frequent reconciliations may be appropriate depending on the volume, value and nature of transactions posted.

Deleted: a daily basis and is regularly reconciled to the HEIW bank account by authorised personnel

- 6.2. At month end, the HEIW cash book as recorded in the General Ledger is reconciled to the bank statements as part of the closedown procedures and the reconciliation is checked and signed by the Head of Financial Accounts. The reconciliation should include an audit of any banking system amendments as identified in paragraph 4.5 above.

7. Cash Forecasting

- 7.1. The Head of Financial Accounting will maintain an appropriate method of forecasting HEIW's cash requirements and will notify Welsh Government of the monthly core funding draw-down in line with their timetable.

Appendix 16

Financial Control Procedure 13

Counter Fraud

Tracked Changes Document

Health Education And Improvement Wales (HEIW) Counter Fraud Policy and Response Plan HEIW
Policy
Policy Author: Director Finance and Corporate
Services

HEALTH EDUCATION AND IMPROVEMENT WALES (HEIW)
Financial Control Policy (FCP) 13
Counter Fraud Policy and Response Plan
Policy Author: Local Counter Fraud Specialist

Reference: FCP 13
Approved by: Audit Committee DATE TBC
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EXECUTIVE SUMMARY

Counter Fraud Policy and Response Plan

Overview:	One of the basic principles of public sector organisations is the proper use of public funds. It is therefore important that all those who work in the public sector are aware of the risk of and means of enforcing the rules against fraud and other illegal acts involving dishonesty or damage to property. For simplicity all such offences are hereafter referred to as “fraud”, except where the context indicates otherwise. This document sets out HEIW’s policy and response plan for detected or suspected fraud.
	It is essential that all staff are aware of, and are able to access up-to-date, accurate HEIW policies to ensure they are aware of current approved practices to help reduce risk.
Who is the policy intended for:	This document is intended to provide direction and help to those officers and directors who find they have to deal with suspected cases of theft, fraud or corruption. It gives a framework for response, advice, and information on various aspects and implications of an investigation.
Key Messages included within the policy:	The three crucial public service values which must underpin the work of the health service: accountability, probity, and openness.
	HEIW is absolutely committed to maintaining an honest, open, and well intentioned atmosphere within the organisation. It is therefore committed to the elimination of any fraud within HEIW, and to the rigorous investigation of any such cases.
	HEIW wishes to encourage anyone having reasonable suspicions of fraud to report them. Therefore it is also HEIW’s policy, which will be rigorously enforced; that no employee will suffer in any way as a result of reporting reasonably held suspicions.
	The flowcharts in section 6.2 describe HEIW’s intended response to a reported suspicion of fraud. The flowcharts are intended to provide procedures that allow for evidence gathering and collation in a manner that will facilitate informed initial decisions, while ensuring that evidence gathered will be admissible in any future criminal or civil actions.
PLEASE NOTE THIS IS ONLY A SUMMARY OF THE POLICY AND SHOULD BE READ IN CONJUNCTION WITH THE FULL POLICY DOCUMENT	

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Counter Fraud Policy and Response Plan

1. Introduction

One of the basic principles of public sector organisations is the proper use of public funds. It is therefore important that all those who work in the public sector are aware of the risk of and means of enforcing the rules against fraud and other illegal acts involving dishonesty or damage to property. For simplicity all such offences are hereafter referred to as “fraud”, except where the context indicates otherwise. This document sets out HEIW’s policy and response plan for detected or suspected fraud.

HEIW already has procedures in place that reduces the likelihood of fraud occurring. These include Standing Orders, Standing Financial Instructions, documented procedures and a system of internal control and a system of risk assessment. In addition HEIW tries to ensure that a risk (and fraud) awareness culture exists in HEIW.

<http://howis.wales.nhs.uk/sites3/page.cfm?orgid=34&pid=38003>

This document is intended to provide direction and help to those officers and directors who find they have to deal with suspected cases of theft, fraud, or corruption. It gives a framework for response, advice, and information on various aspects and implications of an investigation. This document is not intended to provide direction on prevention of fraud.

HEIW has appointed as the Local Counter Fraud Specialist, Craig Greenstock, a Counter Fraud Manager who works for Cardiff & Vale University Health Board, under a Service Level Agreement. He will report directly to the Director of Finance and Corporate Services and will produce an agreed work plan to follow, to fulfil the requirements of the role.

2. What is Fraud?

2.1 Fraud is defined as:

“The intentional distortion of financial statements or other records by persons internal or external to the organisation carried out to conceal the misappropriation of assets or otherwise for gain or cause loss to another.

2.2 Corruption can be defined as:

“The offering, giving, soliciting of an inducement or reward that may influence the actions taken by a body, its members or officers”

Source: The Code of Audit Practice – Audit Commission

Areas where fraud and corruption may occur include:

- Travel and expense claims
- Petty cash vouchers
- Items of Service claims from independent contractors
- Time sheets
- Fraudulent use of authorised leave

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- Overpayment of salary/wages
- Fraudulent use of HEIW resources
- Working whilst on the sick
- Handling of cash
- Misappropriation of equipment

2.3 Bribery Act 2010

The Bribery Act 2010 received Royal Assent on 8th April 2010 and came into force on 1st July 2011. The Bribery Act 2010 will abolish all existing UK Anti-Bribery Laws and replace them with a suite of new offences markedly different to what has gone before. The Bribery Act 2010 makes it a criminal offence to “give, promise or offer a bribe and to request, agree to receive or accept a bribe either at home or abroad”. It will increase the maximum penalty for bribery to 10 years imprisonment, with an unlimited fine. In addition, the Act introduces a ‘corporate offence’ of failing to prevent bribery by the organisation not having adequate preventative procedures in place. An organisation may avoid conviction if it can show that it had such procedures and protocols in place to prevent bribery. The ‘corporate offence’ is not a standalone offence, but always follows from a bribery and/or corruption offence committed by an individual associated with the company or organisation in question.

3 Public Service Values Source: WHC (2006) 090 ‘The Codes of Conduct and Accountability for NHS Boards and the Code of Conduct for NHS Managers Directions 2006’.

The codes reinforce the seven principles of public life (The Nolan Principles) and focuses on the three crucial public service values which must underpin the work of the health service: accountability, probity, and openness.

Accountability: Everything done by those who work in the NHS in Wales must be able to stand the test of scrutiny by the Welsh Government, public judgments on propriety and professional codes of conduct. Probity: There should be an absolute standard of honesty in dealing with the assets of the NHS in Wales: integrity should be the hallmark of all personal conduct in decisions affecting patients, staff and suppliers, and in the use of information acquired in the course of the NHS in Wales’s duties. Openness:

There should be sufficient transparency about the NHS in Wales’s activities to promote confidence between the NHS body and its staff patients and the public.

4 HEIW’s Policy

HEIW is absolutely committed to maintaining an honest, open, and well intentioned atmosphere within HEIW. It is therefore also committed to the elimination of any fraud within HEIW, and to the rigorous investigation of any such cases.

HEIW wishes to encourage anyone having reasonable suspicions of fraud to report them. Therefore it is also HEIW’s policy, which will be rigorously enforced; that no employee will suffer in any way as a result of reporting reasonably held suspicions.

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All members of staff can therefore be confident that they will not suffer in any way as a result of reporting reasonably held suspicions of fraud. For these purposes “reasonably held suspicions” shall mean any suspicions other than those which are raised maliciously and found to be groundless.

5 Roles and Responsibilities

5.1 Executive Director of Finance

Responsibility for investigating fraud has been delegated to the Executive Director of Finance. She is responsible for ensuring that there is a person accredited to investigate fraud. This person is known as a Local Counter Fraud Specialist (LCFS), authorised to receive inquiries of staff confidentially and anonymously.

The LCFS is also authorised to decide whether the matter raised needs to be reported to the Director of Finance.

The LCFS shall also be responsible for informing third parties such as NHS Counter Fraud Service (Wales), NHS Protect, External Audit and/or the Police when appropriate. The LCFS shall inform and consult the Director of Finance and/or Chief Executive in cases where the incident may lead to adverse publicity.

Where a member of staff is to be interviewed under caution the LCFS shall liaise with the Director of Finance and OD department. Where a member of staff is to be disciplined, HEIW’s Disciplinary Policy will be followed with guidance from the Workforce and OD Department

The Executive Director of Workforce and OD shall advise those involved in the investigation in matters of employment law and in other procedural matters, such as disciplinary and complaints procedures, as requested.

Finally, all staff has a duty to protect the assets of HEIW. Assets include information and goodwill as well as property.

5.2 Local Counter Fraud Specialist

Local Counter Fraud Specialists (LCFS) are located in each NHS organisation. The Lead LCFS is appointed by the Executive Director of Finance and will be responsible for investigating cases of fraud up to £15,000. All investigations involving more than £15,000 and/or Corruption must be referred to the NHS Counter Fraud Service (Wales) Regional Team.

Only individuals who are accredited as Counter Fraud Specialists will be responsible for investigating cases of fraud. The LCFS will be responsible for notifying all cases of fraud to NHS CFS (Wales) in the appropriate manner and via the FIRST Case Management System.

The LCFS shall:

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- Report to Executive Director of Finance.
- Provide a written report at least annually to HEIW on counter fraud work within HEIW.
- Be entitled to attend Audit Committee meetings and have a right of access to all Audit Committee members and the Chairman and Chief Officer of HEIW.
- Undertake, as agreed with HEIW's Executive Director of Finance, proactive work to detect cases of fraud and corruption, particularly where systems weaknesses have been identified. This work shall be carried out so as to complement the detection of potential fraud and/or corruption by auditors in the course of routine audits.
- Proactively seek and report to CFS (Wales) opportunities where details of counter fraud work (involving action on prevention, detection, investigation, sanctions or redress) can be used within presentation or publicity in order to deter fraud and corruption.
- Investigate cases of suspected fraud in accordance with the division of work specified in the Directions as amended and replaced from time to time. Refer to CFS (Wales) all cases appropriate to them.
- Inform CFS (Wales) of all cases of suspected fraud investigated by HEIW.

5.3 NHS Counter Fraud Service (Wales)

The NHS Counter Fraud Service (CFS) (Wales) will investigate all cases that do not fall within the responsibility of the Local Counter Fraud Specialist.

NHS CFS (Wales) will be responsible for the investigation of cases above £15,000, all corruption cases, and any case at the request of the LCFS, where the CFS (Wales) specialist knowledge and resources could assist with the investigation.

The LCFS will be responsible for maintaining records and data of all cases investigated and reporting to NHS CFS (Wales).

5.4 NHS Protect (formerly Counter Fraud Security Management Service)

NHS Protect was established to counter Fraud and Corruption in the NHS. The Head of Counter Fraud Service (Wales) has overall responsibility for all work to counter fraud and corruption within the NHS in Wales and has the responsibility for ensuring all instances of suspected fraud and corruption are properly investigated.

NHS Protect has the central co-ordinating directing role, revising policy and processes to prevent fraud arising, providing information to target counter fraud action, continuously identifying the nature and scale of the problem of fraud and corruption and setting and monitoring the standards of counter fraud work. The Director has access to Ministers and reports directly to the NHS Chief Executive/Permanent Secretary.

5.5 HEIW Management

HEIW Managers have a responsibility to ensure that the Local Counter Fraud Specialist or other persons authorised to carry out investigations, has access, as soon as practicable, or within 7 days of a request to premises, records and data and also staff who may have relevant information.

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6 The Response Plan

6.1 Introduction

The flowcharts in section 6.2 describe HEIW's intended response to a reported suspicion of fraud. The flowcharts are intended to provide procedures that allow for evidence gathering and collation in a manner that will facilitate informed initial decisions, while ensuring that evidence gathered will be admissible in any future criminal or civil actions. Each situation is different; therefore the guidance in the flowcharts will need to be considered carefully in relation to the actual circumstances of each case before action is taken.

Further details on the processes in the flowchart are provided in section 6.3 (Commentary on Flowchart Items).

It should be noted that no unauthorised contact should be made with any representative of the press, TV, radio or any another third party about a suspected fraud without the express authority to do so.

A Memorandum of Understanding currently exists between NHS Protect and the Association of Chief Police Officers (ACPO) which has been agreed and outlines each of their roles. This provides a framework for the exchange of information for the prevention, detection, investigation, and prosecution of matters of fraud and corruption. It is intended to facilitate good working relationships between all parties and develop clear lines of communication.

6.2 Flowcharts

Chart 1 - Reporting Fraud

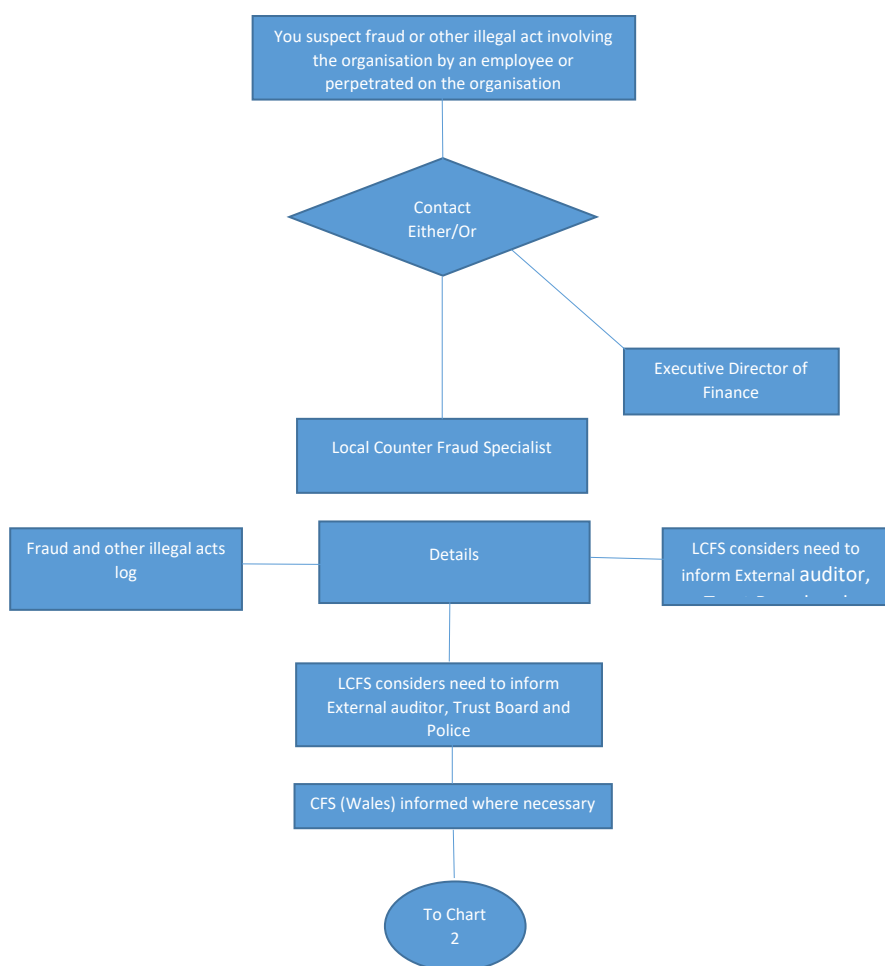
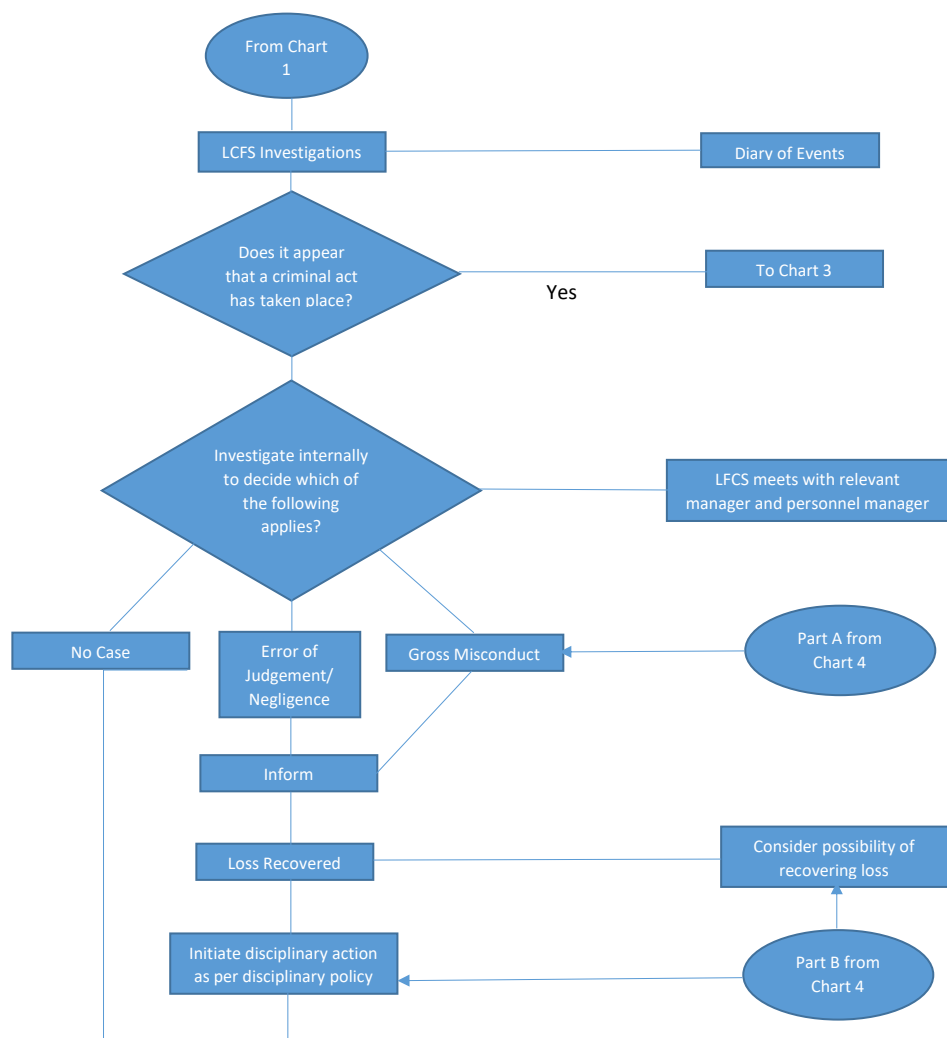


Chart 2 - Managing the Investigation



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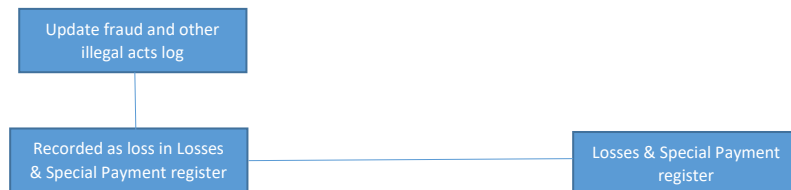
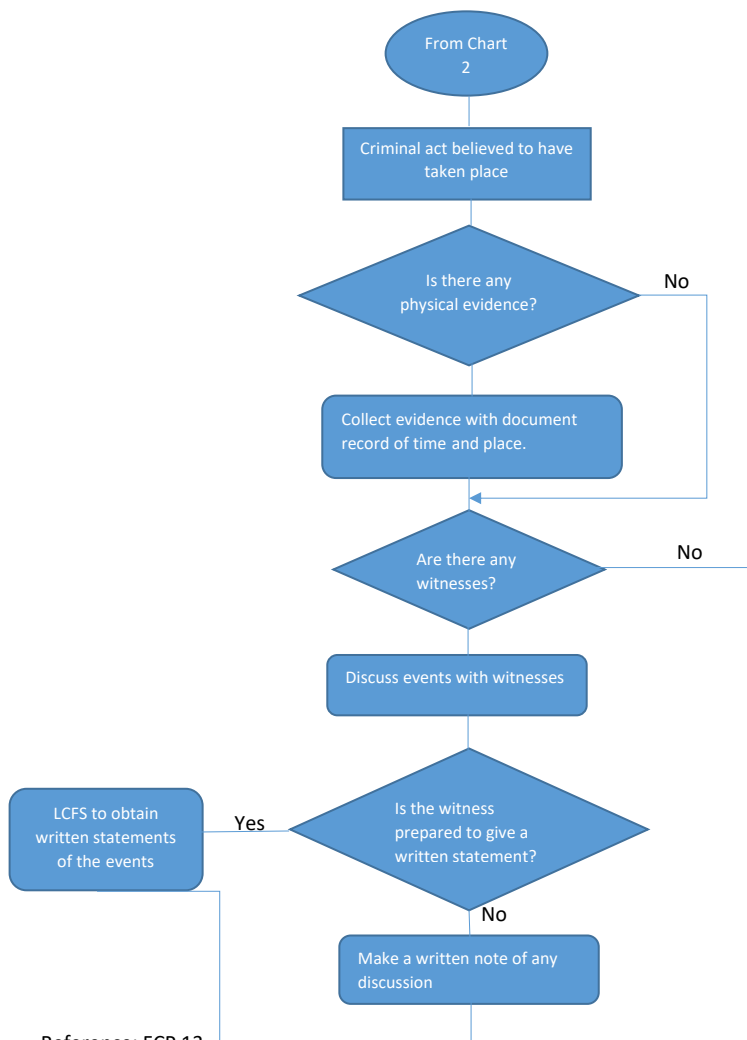


Chart 3 – Gathering Evidence



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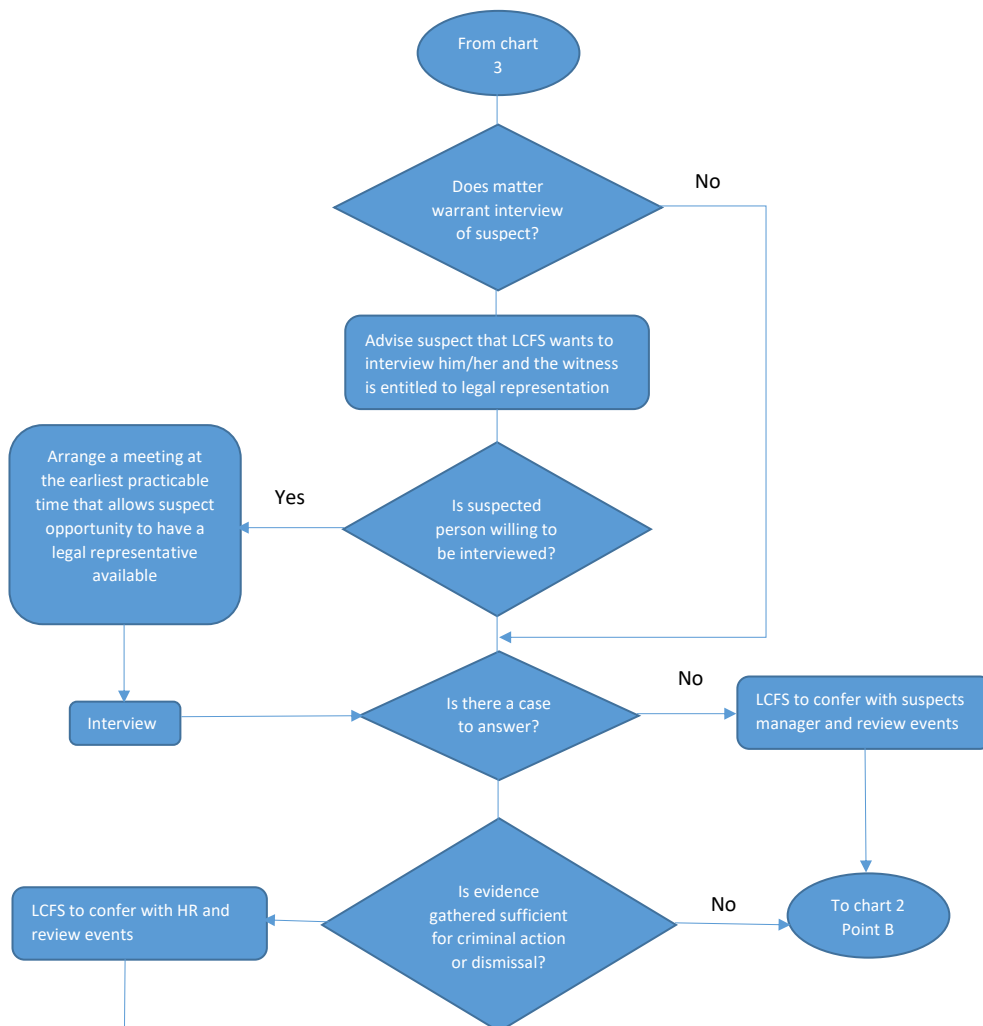
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LCFS to consider if suspect
should be interviewed

To Chart 4

Chart 4 – Interview Procedure



To chart 2
Point B

6.3 Commentary on Flowchart Items

Further explanation of many items is also given elsewhere in this document.

CHART 1 – REPORTING FRAUD

6.3.1 The Local Counter Fraud Specialist (LCFS)

The Lead LCFS will be authorised to treat inquiries confidentially and anonymously if so requested by the individual making the referral.

The LCFS will receive appropriate skill based training leading to professional accreditation and will be able to respond tactfully and appropriately to concerns raised by staff.

The current Lead LCFS role is provided as part of a Service Level Agreement with Cardiff & Vale University Health Board based on an agreed number of days.

6.3.2 Suspicion of Fraud or Any Irregularities/Anomalies

If any HEIW employee has any concerns that a fraud has or is taking place, then he/she should discuss any suspicions in the first instance with the Nominated Lead LCFS on 02921 836265.

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However, an employee may choose instead to contact the “NHS Fraud & Corruption Reporting Line” on 0800 028 4060.

Time may be of the utmost importance to prevent further loss to HEIW.

6.3.3 LCFS Records Details Immediately In a Log

A daily log of any progress of the individual investigations is kept. The log will contain details of all reported suspicions and the progress against each individual case.

6.3.4 Court Action, Adverse Publicity and/or Police Involvement

Where the investigation reaches a stage where the case is likely to end up in a criminal prosecution via the criminal justice system and likely to attract any adverse publicity, then the LCFS must liaise with the Finance Director and HEIW’s Communications Dept. Where a fraud is suspected and the need to use the police to carry out an arrest and/or search, then advice will be sought from NHS CFS (Wales) in discussion with the Finance Director.

CHART 2 - MANAGING THE INVESTIGATION

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6.3.5 Diary of Events

The Local Counter Fraud Specialist in charge of the investigation will keep a diary log of events to record the progress of the investigation.

6.3.6 Does it appear a Criminal Act Has Taken Place?

In some cases this question may be asked more than once during an investigation. The answer to the question obviously determines if there is to be fraud investigation (or other criminal investigation). In practice it may not be obvious if a criminal act has taken place. If a criminal event is believed to have occurred, the matter will be dealt with by the LCFS/CFS (Wales). If other criminal offences are involved e.g. theft, criminal damage, consideration should be given to reporting the matter, after consultation with the LCFS, to the police.

Section 8 gives further details of the more common offences relevant to fraud.

6.3.7 Investigate Internally

If, after discussion with the LCFS, it appears a criminal act has not taken place the next step should be an internal review to determine the facts. The review may recommend various courses of action; instigate an investigation under HEIW's Disciplinary Policy and Procedure; establish what can be done to recover a loss and what may need to be done to improve internal control to prevent the event happening again.

In each case the LCFS should consider what can be done to recover any loss and whether anything should be done to improve control to prevent the event happening again.

6.3.8 Recovering a Loss

Where recovering a loss is likely to require a civil action it will probably be necessary to seek legal advice. Where external legal advisors are used the investigation manager must ensure there is coordination between the various parties involved.

6.3.9 Disciplinary Procedures

HEIW Disciplinary Policy and Procedure has to be followed in any disciplinary action taken by HEIW towards an employee (including dismissal). This may involve the investigation manager recommending a disciplinary hearing to consider the facts, the results of the investigation (a formal report) and take appropriate action against the employee.

In the event of a disciplinary investigation taking place where a suspicion of fraud exists, then the appointed investigating officer must liaise with the LCFS to agree a way forward.

CHART 3 - GATHERING EVIDENCE

NB. THE CHART CANNOT COVER ALL THE COMPLEXITIES OF GATHERING EVIDENCE. EACH CASE MUST BE TREATED ACCORDING TO THE CIRCUMSTANCES TAKING PROFESSIONAL ADVICE IF NECESSARY. Section 8.3 gives further brief guidance on gathering evidence.

6.3.10 Witnesses

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If a witness to the event is prepared to give a written statement, the LCFS will take a chronological record using the witness's own words. (The witness should be prepared to sign the document as a true record).

6.3.11 Physical Evidence

Upon taking control of any physical evidence, it is very important that a record is made of the time, date, and place it is taken from and by whom, continuity is essential. If evidence consists of several items, for example many documents, each one should be tagged with a reference number corresponding to the written record.

6.3.12 LCFS to Consider if Suspect Should be Interviewed

The LCFS, in discussion with the Finance Director, will consider whether or not the suspect should be interviewed under caution.

CHART 4 - INTERVIEW PROCEDURE

6.3.13 Interview

The requirements of the Police and Criminal Evidence Act (PACE) must be considered before any interview with a suspect is performed, since compliance with PACE determines whether evidence is admissible in criminal proceedings

6.3.14 Is the Evidence Gathered Sufficient for Disciplinary Action?

Under UK employment legislation dismissal must be for a 'fair' reason. The manner of dismissal must also be reasonable. It is therefore important that no employee should be dismissed without close consultation with the Executive Director of Workforce and OD. The Executive Director of Workforce and OD should be consulted about the provision of references for employees who have been dismissed or who have resigned following suspicions of a fraud.

6.3.15 Review of Available Evidence

Whether or not the evidence gathered is thought sufficient for dismissal or prosecution, if there is evidence of any another criminal offence, then the Police may be consulted at this stage.

6.3.16 Losses and Compensations Register

All cases of fraud must be reported for inclusion on the register.

6.4 Insurance

The possibility of recovering a loss through insurance should not be overlooked. There may be time limits for making a claim and in certain cases claims may be invalidated if legal action has not been taken.

6.5 More Detailed Investigation

The flowchart covers the basics of reporting fraud, initial evidence gathering, interviewing, and management action. It will be necessary to decide whether further investigation is required, and if so, Reference: FCP 13
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by what means it should be undertaken. The remainder of this chapter discusses some of the considerations in cases of fraud and corruption, with special regard to the often conflicting objectives of maximising control and minimising cost.

Points of Good Practice For Any Investigation Include:

- a) Having an established line of communication with SW Police and other police forces.
- b) Liaison between the LCFS and the person appointed to conduct the disciplinary investigation, who should be independent of the area under investigation.
- c) Define the objectives.
- d) Define scope, timing and likely outputs.
- e) Seek advice where necessary.
- f) Agree resources required.
- g) Define responsibilities
- h) Monitor resources used (cost and time).
- i) Monitor progress and inform as required.
- j) Consider lessons to be learned, e.g. how control can be improved.
- k) Draw up an action plan based on lessons learned.
- l) Keep proper records including a diary of the events.

6.6 Involving the Police

Once a fraud has been identified or suspected, then some managers may mistakenly choose to involve the Police. However, any allegation or suspicion of fraud and/or corruption must be referred directly to HEIW's Nominated Lead LCFS on [02921 836265](tel:02921 836265).

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7. Investigation Resource

7.1 After completion of initial fact finding in accordance with procedures given in the flow charts, the following options for resourcing an investigation are available to HEIW. These options are not mutually exclusive. In complex cases a number of different parties will need to be involved.

7.2 The LCFS is professionally trained and qualified in evidence gathering, investigations, PACE and is therefore equipped to deal with investigations from the outset. This resource should be utilised in all cases of suspected fraud and corruption. The LCFS will also be familiar with HEIW and the investigation will remain within the control of HEIW.

8 The Law and its Remedies

8.1 Introduction

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Criminal action will impose sanctions on the defendant for causing loss to the organisation, while civil action may assist HEIW to recover any loss.

With any civil action, the method of concealment (in the case of fraud) is unlikely to be a key factor in the value of compensation or the drafting of the statement of claim.

In any criminal action, the nature of the deceit is highly relevant in the framing of charges, but the law is not primarily concerned with restitution or recovery of the proceeds of fraud or theft - although there are statutory powers to award compensation and to order restitution or forfeiture in some circumstances. However, criminal action now requires the financial benefits (to the villain) to be quantified as part of the investigation process. The proceeds direct, and indirect, can now be seized and dealt with by the court of trial.

There is no reason why the criminal prosecution and civil process cannot be taken at the same time if the evidence supports such action. But there are dangers in unilateral un-coordinated action.

8.1.1 Civil Action

The following is a brief description of some of the commoner civil action remedies. It is not comprehensive and legal advice should be sought before action is taken.

8.1.2 Monies

Had and Received The claim will refer to funds of the plaintiff, which have been 'had and received' by the defendant at the plaintiff's expense - and will seek their recovery.

8.1.3 Interest

The plaintiff may be entitled to interest on the amount lost, and there are claims for interest under court rules and statute.

8.1.4 Tracing

Tracing is an equitable remedy for the recovery of assets. Its meaning is that the trail by which assets have been removed must be followed through the hands they pass through after leaving control of the plaintiff.

8.1.5 Proceeds of Crime Act

In some cases a court order can be used to freeze the assets of a person suspected of fraud or a person who has been convicted of a criminal offence in respect of their fraudulent activity.

8.2 Criminal Law

The following are brief descriptions of some of the criminal offences most relevant in this context. It is not comprehensive, and legal advice should be sought before action is taken.

8.2.1 Theft

The misappropriation of HEIW assets for gain or otherwise.

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Section 1 Theft Act 1968 defines where ... "A person who dishonestly appropriates property belonging to another with the intention of permanently depriving the other of it".

8.2.2 Fraud Act 2006

The Fraud Act came into force on 15th January 2007.

The following offences have been repealed:

Theft Act 1968

- Obtain property by deception (section 15)
- Obtain money transfer by deception (section 15A)
- Obtain pecuniary advantage (section 16)
- Procure execution of valuable security (section 20)

Theft Act 1978

- Obtain service by deception (section 1)
- Evade liability (section 2)

The new Act simplifies the original deception offences. There is no need to prove that any person was deceived. The Act now outlines three ways to commit fraud:

- Fraud by False Representation (section 2)
- Fraud by Failing to Disclose Information (section 3)
- Fraud by Abuse of a Position of HEIW (section 4)

Many original 'deception' offences will now be covered by section 2 of the Fraud Act 2006 (false representation) which has three main ingredients:

- Dishonesty
- A false representation (no limitations on how this takes place)
- Intention to commit gain or cause loss

Section 3 covers the offence of fraud by failing to disclose information where there is a legal duty to do so.

Section 4 covers the offence of fraud by abuse of position where the defendant is in a privileged position expected to safeguard (not act against) the financial interests of another person.

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Section 6 covers the offence of possession of articles for use in fraud. This extends to possession or control of any article, anywhere and includes electronic data.

Section 7 covers the offence of making or supplying articles for use in fraud. It is designed to capture those who supply personal financial details for use in frauds to be carried out by others; or those who manufacture software programmes for generating credit card numbers.

Section 11 of the Fraud Act – Obtain Services Dishonestly replaces ‘obtain services by deception.’ This offence requires the actual obtaining of a service and must include a dishonest act or false representation.

There are three ways to commit fraud:

- Fraud by false representation (s.2)
- Fraud by failing to disclose information (s.3)
- Fraud by abuse of position (s.6)

All that has to be proved is that the defendant knew their act was dishonest, irrespective of consequential outcome.

8.2.3 Corruption

The definition (in the context of the Prevention of Corruption Acts) is the offering, giving, soliciting, or acceptance of an inducement or reward, which may influence the action of any person.

8.3 Evidence

For the purposes of criminal proceedings, the admissibility of evidence is governed by the Police and Criminal Evidence Act (PACE). For non-criminal (i.e. civil or disciplinary) proceedings, PACE does not apply, but should nevertheless be regarded as best practice.

The collection of evidence must be coordinated if several parties are involved in an investigation, e.g. LCFS and internal audit, police and solicitors. Evidence gathering requires skill and experience and professional guidance should be sought where necessary. There is a considerable amount of case law concerning the admissibility of evidence.

Documentary evidence should be properly recorded, it will need to be numbered and include accurate descriptions of when and where it was obtained and by and from whom. In criminal actions evidence on or obtained from electronic media needs a document confirming its accuracy.

9 Interviews

9.1 General

Once it has been decided that a disciplinary investigation is to be carried out, then the investigating officer, whose purpose is to find out the facts, may conduct an interview in the first instance if a crime is not suspected from the outset. This interview should not be under caution. The investigating officer has the right to ask an employee to account for his/her actions in respect of the allegation.

Reference: FCP 13

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For this reason it is important for the LCFS and Human Resources to be involved before interviewing any member of staff. If a crime is suspected, then the matter should be referred immediately to the LCFS, who will then liaise closely with HR and the Line Manager.

As part of the disciplinary process, the person being interviewed does not have the right to refuse to answer questions about his/her actions as an employee. If the employee, knowing the criminal law, refuses to answer on the grounds that he/she might incriminate himself, that is his/her right, and if he/she asks that question he/she should be told so.

If it is decided following liaison between the LCFS and HR that an interview under caution is required, then this should be conducted under PACE.

HEIW Workforce and OD Department should be advised of any interview under caution that is taking place.

9.2 Interview Procedure

Where an interview takes place under caution the following is a summary of the procedure to be followed.

The individual will be written to and advised of the reason for the interview and that he/she is entitled to have a person present at the interview who can act in a legal capacity (i.e. solicitor), but they are not entitled to have a friend, work colleague and/or union representative present at the interview.

The person being interviewed is also to be informed that whilst their attendance at the interview is voluntary, should they not attend, then the matter may be referred to the police which could then result in their subsequent arrest.

The interview under caution will be tape recorded and once the interview has concluded, then the person will be informed as to whether he/she is to be reported for criminal prosecution.

10. References

This policy should be read in conjunction with:

- Standing Orders
- Standing Financial Instructions
- Disciplinary Procedures
- Standards of Business Conduct
- I.T Security Policy
- Public Relations and Communications Strategy
- Whistleblowing Policy
- Dignity at Work Policy
- HEIW policies relating to:
 - Gifts
 - Hospitality
 - Conflicts of Interest
 - Procurement

Reference: FCP 13

Approved by: Audit Committee DATE TBC

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Health Education And Improvement Wales (HEIW) Counter Fraud Policy and Response Plan HEIW Policy
Policy Author: Director Finance and Corporate Services

- Capital/PFI Contracts

11. Further Information

Further information and a copy of the fraud policy and response plan may be obtained from the LCFS or via HEIW intranet.

Appendix 1: Memorandum of Understandings and Agreements

The Counter Fraud Service has a Memorandum of Understanding with the following organisations:

- Association of Chief Police Officers
- Audit Commission
- Trade Unions

Appendix 2: NHS Fraud and Corruption: Dos and Don'ts

FORM 1

A desktop guide for HEIW

FRAUD is the deliberate or reckless intent to permanently deprive an employer of money or goods through false representation, failing to disclose information or abuse of position.

CORRUPTION is the deliberate use of bribery or payment of benefit-in-kind to influence an individual to use their position in an unreasonable way to help gain advantage for another.

<u>DO</u>	<u>DO NOT</u>
<ul style="list-style-type: none"> Note your concerns Record details such as your concerns, names, dates, times, details of conversations and possible witnesses. Time, date and sign your notes. Retain evidence Retain any evidence that may be destroyed, or make a note and advise your LCFS. Report your suspicion Confidentiality will be respected – delays may lead to further financial loss. Complete a fraud report and submit in a sealed envelope marked 'Restricted – Management' and 'Confidential' for the personal attention of the LCFS. 	<ul style="list-style-type: none"> Confront the suspect or convey concerns to anyone other than those authorised, as listed below Never attempt to question a suspect yourself; this could alert a fraudster or accuse an innocent person. Try to investigate, or contact the police directly Never attempt to gather evidence yourself unless it is about to be destroyed; gathering evidence must take into account legal procedures in order for it to be useful. Your LCFS can conduct an investigation in accordance with legislation. Be afraid of raising your concerns The Public Interest Disclosure Act 1998 protects employees who have reasonable concerns. You will not suffer discrimination or victimisation by following the correct procedures. Do nothing!

If you suspect that fraud against the NHS has taken place, you must report it immediately, by:

- directly contacting the Local Counter Fraud Specialist, or
- telephoning the free phone NHS Fraud and Corruption Reporting Line, or
- Contacting the Director of Finance.

Reference: FCP 13

Approved by: Audit Committee DATE TBC

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Health Education And Improvement Wales (HEIW) Counter Fraud Policy and Response Plan HEIW
Policy
Policy Author: Director Finance and Corporate
Services

[Do you have concerns about a fraud taking place in the NHS?](#)

If so, any information can be passed to the NHS Fraud and Corruption Reporting Line:

0800 028 40 60

All calls will be treated in confidence and investigated by professionally trained staff

Your nominated Local Counter Fraud Specialist is:

Craig Greenstock, who can be contacted by telephoning **02921 836265**, or emailing
craig.greenstock@wales.nhs.uk

If you would like further information about the NHS Counter Fraud Service, please visit
www.nhsbsa.nhs.uk/fraud protecting your NHS

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Appendix 3: NHS Fraud and Corruption Referral Form

FORM 2

NHS fraud and corruption referral form

All referrals will be treated in confidence and investigated by professionally trained staff

Note: Referrals should only be made when you can substantiate your suspicions with one or more reliable pieces of information. Anonymous applications are accepted but may delay any investigation.

1. Date

2. Anonymous application <Delete as appropriate>

Yes (If 'Yes' go to section 6) or No (If 'No' complete sections 3–5)

3. Your name

4. Your organisation/profession

5. Your contact details

6. Suspicion

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7. Please provide details including the name, address and date of birth (if known) of the person to whom the allegation relates.

8. Possible useful contacts

9. Please attach any available additional information. Submit the completed form (in a sealed envelope marked

Appendix 17

Financial Control Procedure 14

Shared Services Functions

Original Document

HEALTH EDUCATION AND IMPROVEMENT WALES
(HEIW)
Financial Control Procedure (FCP) - 14
Shared Services Functions:
Procurement
Payroll and expenses
IT security and data governance

Contents

1. Purpose and scope
 - 1.1 Related and relevant documents
 - 1.2 Importance of shared services
2. Overview of shared services
3. Service level agreement review and compliance
4. Month and year end accounting reporting
5. Reconciliations prepared and reviews undertaken
6. Meetings / discussions held following month end closedown
7. Production of reports

1. Purpose and scope

This procedure details the processes in place that NHS Wales Shared Services Partnership (NWSSP) and NHS Wales Informatics Services (NWIS) have in place for procurement; payroll and expenses; and IT security and data, to ensure that Health Education And Improvement Wales (HEIW) is compliant with Standing Orders; Standing Financial Instructions; generally accepted practices and any appropriate legislative requirements.

1.1 Related and relevant documents:

- HEIW Standing Orders and Standing Financial Instructions
- Standard system operating procedures – Oracle
- Financial control procedure 1 – Budgetary control
- Financial control procedure 4 – Year end
- Financial control procedure 11 – Accounts payable
- Financial management timetable
- Legislative requirements for HMRC purposes
- HR policies for expenses
- NHS Pension Scheme
- IT security policies as applicable for NHS
- IT governance policies for data security and general compliance

Further information can be found on the home pages of

NWSSP <http://www.nwssp.wales.nhs.uk/home>
NWIS <http://www.wales.nhs.uk/sitesplus/956/home>

1.2 Importance of Shared Services.

The services for procurement; payroll and expenses; IT security and data governance are provided in the form of shared services by NWSSP and NWIS. These organisations are hosted by Velindre NHS Trust, but provide the services for all Wales NHS bodies.

This enables a standard process and efficiency savings overall with all output to an all Wales NHS service level agreement.

These organisations are independently managed and reliance must be placed on the governance and processes adopted by those bodies in their day to day activities. Such reliance forms part of the Annual Governance Statement, which is recorded in the Annual Report and Accounts, which outlines the governance arrangements and framework of control of HEIW.

2. Overview of shared services

- The outputs from NWSSP and NWIS are reviewed each month in a variety of ways. Procurement covers compliance issues and will report accordingly.
- Payroll and expenses are managed by the payroll team and are paid each month. The output files are uploaded to Oracle and reconciled each month. This forms part of the

Financial Accounting team processes at month end closedown routine within Oracle (HEIW's general ledger system), ensuring that all sub-ledgers and feeds are accurately reflected in the general ledger.

- IT security and data governance is managed by NWIS and this includes ensuring all required upgrades are processed on a timely basis, maintaining Oracle and security of data. The HEIW Board Secretary will act as the Senior Information Risk Owner and lead Freedom of Information requests.

3. Service level agreement review and compliance

In accordance with the Service Level Agreements there will be regular reporting, typically monthly for financial issues such as payroll and procurement. In addition, compliance issues on procurement, IT security and data breaches would be reported as they arise.

Any matter which has an actual or possible financial loss must be reported to the Head of Financial Accounting at the time and also within any monthly reporting packs. Any financial loss must be recorded by Head of Financial Accounting (or delegated member of the team) in the Losses and Special Payments Register (LASPAR).

Data breaches would be reported to the Information Commissioner in line with IT policies as used by NWIS.

It is expected that within the Service Level Agreement that the shared services will comply with all Standing Orders, Standing Financial Instructions, FCP's; any legislation as appertaining to the service; any other policies adopted by HEIW and any other Welsh Government requirements.

4. Month and year end accounting reporting

The relevant shared service will provide the data and files that require to be processed and uploaded into Oracle in line with agreed deadlines as per the Service Level Agreement. For example, payroll and expenses will be paid on 21st of the month, but the feeder files will be available at least 5 days before for upload to Oracle.

At year end the required sub-system reconciliations will be undertaken as appropriate and the relevant team will provide all information as required to enable the annual report and accounts to be completed and deal with any audit queries from both external and internal auditors.

At year end, the appropriate shared service lead, will provide any necessary reassurance that the internal control framework is sufficient and has operated as expected.

5. Reconciliations prepared and reviews undertaken

The feeder files from the relevant shared service provider will be checked will be reconciled to supporting information, to ensure the balances held on the Oracle financial system agree with the appropriate source documents / control accounts.

6. Meetings / discussions held following month end closedown

The Service Level Agreement will outline the reporting requirements and the review deadlines. Meetings will be held in line with the prescribed review dates to ensure that the service is operating in line with expectations and that suitable and adequate controls are in place to provide the required reassurance to the Accountable Officer of HEIW, of the control framework.

7. Production of reports

The Service Level Agreement will outline the reports to be produced and the timeline expected. These reports will be produced by the relevant shared service provider.

Appendix 18

Financial Control Procedure 15

Procurement

Original Document

HEALTH EDUCATION AND IMPROVEMENT WALES (HEIW)

FCP 15

Procurement

Contents:

- 1. Introduction**
- 2. Purpose**
- 3. Scope**
- 4. Control Objectives**
- 5. Responsibilities**
- 6. Payment of all Goods and services**
- 7. Procurement within the Finance System (Oracle)**
- 8. Value Added Tax (VAT)**

Policy Status – Current, November 2019
Policy lead – Interim Director of Finance

Policy Issued – September 2018
Review Date – November 2020

1. Introduction

The NHS Wales Shared Services Partnership (NWSSP) will, under a service level agreement (SLA), be responsible for procurement and accounts payable.

As at 1 October 2018, the procurement should follow the processes used by the legacy organisations, as the teams have transferred under Transfer of Undertakings (Protection of Employment) (TUPE) and the staff will be used to those processes. In the medium term, the Director of Finance & Corporate Services will review the procurement process and this could result in a change.

In the event of any confusion on procurement matters, advice can be sought from the Head of Financial Accounting.

2. Purpose

Adequate controls must exist in respect of the procurement of goods and services. The procurement of any good, service or contract must be in line with UK and EU tendering regulations, to ensure compliance with UK and European Union tendering regulations. Also to support the Welsh Government inclusive approach to procurement for the Third Sector in Wales and to enable small and medium size enterprises to have the opportunity to contract with HEIW, procurement activity must also comply with Welsh Government guidance. Furthermore procurement activity must also comply with HEIW Standing Orders and Standing Financial Instructions to ensure compliance with budgetary control and segregation of duties.

3. Scope

This procedure is to be read in conjunction with the following

- Standing Orders
- Standing Financial Instructions
- Scheme of delegation
- Other financial control procedures e.g. banking
- Procurement procedures within the HEIW Finance System (Oracle).
- Budgetary Control Financial Control Policy 1
- Purchasing card Financial Control Policy 6
- Accounts Payable Financial Control Policy 11
- Standard operating procedures and standard system procedures.

Policy Status – Current, November 2019
Policy lead – Interim Director of Finance

Policy Issued – September 2018
Review Date – November 2020

The policy brings together information from a variety of sources to highlight the process of procurement as well as the limits of what can be procured and from where. The procurement policy is designed to ensure that all commitments are identified and recorded in the management reporting.

4. Control objectives

The procurement activity must be properly controlled by use of public sector approved framework suppliers. In the event that this framework does not allow for suitable suppliers, other suppliers from other frameworks such as the Crown Procurement service or Eastern Shires Purchasing Organisation (ESPO) can be used. Further advice can be sought from the Head of Financial Accounting.

The use of such frameworks ensure that the suppliers have submitted to tendering regimes as operated by the NHS Wales Shared Services Partnership (NWSSP). This ensure compliances with UK and EU tendering requirements and provides value for money in terms of procuring goods and services.

The link for NWSSP procurement process is as follows:

<http://www.nwssp.wales.nhs.uk/procurement-services>

In line with Welsh Government objectives, HEIW supports an inclusive procurement framework. This means that procurement opportunities for small and medium enterprises and the Third Sector in Wales. The web link for further information is as follows:

<https://gov.wales/topics/people-and-communities/socialenterprise/procure/?lang=en>

There should be sufficient controls to ensure segregation of duties, this includes ensuring:

- Access to Oracle for raising requisitions, goods receipting and payment of invoices is restricted to authorised personnel only,
- Adequate physical security exists payments are effectively and correctly made for all goods and services received adequate and timely management information is generated.
- Use of purchasing cards is limited to approved personnel

5. Responsibilities

The member of staff is responsible for ensuring that items are only procured after approval by the Budget Holder/ Budget Manager, up to delegated levels. It is the responsibility of staff to read and adhere to this Financial Control Policy.

Policy Status – Current, November 2019
Policy lead – Interim Director of Finance

Policy Issued – September 2018
Review Date – November 2020

The NHS Wales Shared Services Partnership (NWSSP) will, under a service level agreement (SLA), be responsible for procurement and accounts payable.

The HEIW's procurement system administration team (NWSSP) is to maintain up to date list of authorised signatories for orders, receipt of goods and approval of orders.

NWSSP procurement team will also be responsible for maintaining compliance with the legislative and regulatory framework for procurement and commissioning of contracts.

This includes reviewing and ensuring a streamlined number of suppliers are maintained in the system. This helps ensure that the purchasing activity by requisitioners is from approved suppliers thereby maximising savings and ensure a consistent quality of supply.

Procurement by purchasing cards will be subject to the Standing Orders and Standing Financial Instructions in terms of transactional limits and typically is designed for small value high volume items. However, due to the nature of the organisation some transactions can be of higher value. For example, conference facilities are typically ordered through the use of a credit card as the conference centre/hotel tend to require confirmation of booking by credit card.

6. Payment of all Goods and services

The majority of goods and services are paid via the Accounts Payable (AP) module within the financial system (Oracle).

Foreign payments are made by the bank on-line system

Chaps will also be made by the bank on-line system.

Charitable Fund payments are manual cheques

Procurement cards are used to purchase small one off type items. These are also being rolled out to senior management team.

Ad hoc payments will be process via a bulk and one-off payment processes direct through the bank account.

The AP system produces computerised cheques and BACS transfers twice a week.

All payments will be processed in line with Standing Orders and Standing Financial Instructions for both financial limits and financial hierarchy limits in Oracle. This also allows for proper control of segregation of duties.

7. Procurement within the Finance System (Oracle)

Policy Status – Current, November 2019

Policy lead – Interim Director of Finance

Policy Issued – September 2018

Review Date – November 2020

Procurement within finance system is based around requisitions, ordering, goods receipting and invoice payment. All functions are subject to segregation of duties. The specific arrangements for requisitioning are outlined in the NWSSP web link as per section 3.

All goods and services must be ordered using the finance system and should be produced before the items are ordered, with possible exception of credit card purchases, possible commissioned contracts for Workforce Education Development Service (WEDS) and ad hoc payments. (See guides and procedures regarding procurement).

There are exceptions and these can be found in the Standing Orders and Standing Financial Instructions. (Electronic invoices received through the electronic interface table e.g. Procserve).

Manual invoices

These are invoices which do not have a HEIW official order number and require authorisation from a HEIW authorised signatory and a valid financial code e.g. Utilities (Electricity – Gas) invoices and NHS Invoices.

Electronic files with paper invoices

These are internal files received from other systems e.g. Pharmacy invoices.

8. Value Added Tax (VAT)

There is a separate Financial Control Procedure for VAT (FCP 7)

All staff are responsible for the correct application of VAT legislation to the payments process.

VAT will be reclaimed on Contracted out Services, in accordance with relevant guidance issued by HMRC.

VAT will only be paid on receipt of a valid VAT invoice. All VAT will be coded correctly on the payment of any invoice.



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NHS
WALES

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

Dyddiad y Cyfarfod	20 Hydref, 2020		Eitem ar yr Agenda	2.8
Teitl yr Adroddiad	Adolygiad Blynyddol o Fframwaith Sicrwydd y Bwrdd			
Awdur yr Adroddiad	Dafydd Bebb, Ysgrifennydd y Cwmni			
Noddwr yr Adroddiad	Dafydd Bebb, Ysgrifennydd y Cwmni			
Cyflwynwyd gan	Dafydd Bebb, Ysgrifennydd y Cwmni			
Rhyddid Gwybodaeth	Agored			
Diben yr Adroddiad	Rhoi adolygiad blynyddol a diweddariad i'r Pwyllgor Archwilio a Sicrwydd ar Fframwaith Sicrwydd y Bwrdd (BAF) – sydd ynghlwm yn atodiad 1.			
Materion Allweddol	<p>Mae'r adroddiad yn tynnu sylw at :</p> <ul style="list-style-type: none"> • y ffaith bod Fframwaith Sicrwydd y Bwrdd wedi bod yn weithredol ers mis Medi 2019 a bydd yn parhau i gael ei ddatblygu; • mae'r Pwyllgor wedi cael y wybodaeth ddiweddaraf yn rheolaidd am Fframwaith Sicrwydd y Bwrdd drwy'r Gofrestr Risg Gorfforaethol bob chwarter ac mae'r Bwrdd yn derbyn y diweddariad hwn ddwywaith y flwyddyn; • mae Fframwaith Sicrwydd y Bwrdd wedi'i ddiwygio i adlewyrchu Amcanion Strategol presennol AaGIC fel y nodir yng Nghynlluniau Tymor Integredig Clwstwr; • bydd diweddariadau rheolaidd mewn perthynas â'r Fframwaith Sicrwydd y Bwrdd yn parhau i gael eu darparu drwy'r Gofrestr Risg Gorfforaethol. 			
Camau Gweithredu Penodol Gofynnol (un yn unig)	Gwybodaeth	Trafodaeth	Sicrwydd	Cymeradwyo
			✓	
Argymhellion	<p>Gofynnir i'r Aelodau:</p> <p>adolygu a nodi Fframwaith Sicrwydd y Bwrdd i gael sicrwydd.</p>			

Adolygiad Blynyddol o Fframwaith Sicrwydd y Bwrdd

1. CYFLWYNIAD

Diben yr adroddiad hwn yw rhoi adolygiad blynyddol a diweddariad i'r Pwyllgor ar ddatblygu Fframwaith Sicrwydd y Bwrdd ymhellach.

2. CEFNDIR

Mae Fframwaith Sicrwydd y Bwrdd yn amlinellu sut mae'r Bwrdd yn nodi ac yn deall y prif risgiau i gyflawni ei amcanion strategol ac yn cael sicrwydd bod rheolaethau addas ar waith i reoli'r risgiau hyn. Mae Fframwaith Sicrwydd y Bwrdd hefyd yn galluogi asesiad o'r risg(iau) i gyflawni'r amcanion yn seiliedig ar gryfder y rheolaethau a'r sicrwydd sydd ar waith.

Mae Fframwaith Sicrwydd y Bwrdd AaGIC wedi bod yn weithredol ers mis Medi 2019 pan gafodd ei gymeradwyo gan y Bwrdd. Ym mis Ionawr cymeradwyodd y Bwrdd yr awydd risg am AaGIC ac ym mis Gorffennaf cymeradwyodd Bolisi Rheoli Risg wedi'i ddiweddarau. Mae Fframwaith Sicrwydd y Bwrdd wedi'i ddiwygio i adlewyrchu Amcanion Strategol presennol AaGIC fel y nodir yng Nghynlluniau Tymor Integredig Clwstwr sydd hefyd yn sail i'r Cynlluniau Gweithredol Chwarterol. Mae Fframwaith Sicrwydd y Bwrdd wedi'i ddiweddarau i'w weld yn Atodiad 1.

Mae'r gofrestr Risg Gorfforaethol yn canolbwyntio ar amcanion allweddol AaGIC ac yn nodi'r prif risgiau a'r rheolaethau allweddol. O ystyried hyn, y Gofrestr Risg Gorfforaethol yw'r cyfrwng ar gyfer rhoi sicrwydd rheolaidd ar Fframwaith Sicrwydd y Bwrdd. Dros y flwyddyn ddiwethaf, mae'r CRR wedi cael ei adolygu gan y Tîm Gweithredol o leiaf unwaith y mis ac yn ystod y rhan fwyaf o'r pandemig COVID bob wythnos. Mae'r Pwyllgor Archwilio a Sicrwydd wedi adolygu'r CRR bob chwarter, tra bod y Bwrdd wedi adolygu'r gofrestr bob chwe mis.

Dyma amserlen flynyddol Fframwaith Sicrwydd y Bwrdd AaGIC:

Gweithredu	Arweinydd Gweithredol	Dyddiad
Cofrestr Poblogaeth y Risg – dogfen fyw	Ysgrifennydd y Bwrdd	Parhaus
Adolygiad o Fframwaith Sicrwydd y Bwrdd gan y Bwrdd a'r Pwyllgor Archwilio a Sicrwydd	Ysgrifennydd y Bwrdd	Unwaith y flwyddyn
Adolygiad o'r Gofrestr Risg gan y Bwrdd	Ysgrifennydd y Bwrdd	Ddwywaith y flwyddyn
Adolygiad o'r Gofrestr Risg gan y Pwyllgor Archwilio a Sicrwydd	Bwrdd Ysgrifennydd	Chwarterol

3. CYNNIG

Er mwyn datblygu Fframwaith Sicrwydd y Bwrdd ymhellach, ac er mwyn adeiladu ar argymhellion Archwiliad Cymru, bydd AaGIC yn creu map sicrwydd drwy ymgymryd â phroses i nodi a mapio'r rheolaethau a'r ffynonellau sicrwydd allweddol yn erbyn prif risgiau AaGIC i gyflawni ei amcanion strategol. Bydd dull o'r fath yn gymesur ac yn adlewyrchu cylch gwaith AaGIC. Caiff y cynigion hyn eu hystyried gan y Bwrdd yn ei sesiwn ddatblygu ar 29 Hydref.

4. MATERION LLYWODRAETHU A RISG

Mae'n hanfodol bod fframwaith effeithiol ac effeithlon ar waith i roi digon, parhaus a dibynadwy ar stiwardiaeth sefydliadol a rheoli'r prif risgiau i lwyddiant sefydliadol a darparu gwasanaethau cyhoeddus gwell, cost effeithiol.

5. GOBLYGIADAU ARIANNOL

Dim goblygiadau ariannol uniongyrchol yn deillio o'r adroddiad hwn. Mae Fframwaith Sicrwydd y Bwrdd yn elfen graidd o strwythur llywodraethu corfforaethol AaGIC.

6. ARGYMHELLIAD

Gofynnir i'r Aelodau nodi'r adroddiad am sicrwydd.

Llywodraethu a Sicrwydd			
Linc i nodau strategol Cynlluniau Tymor Integredig Clwstwr <i>(os gwelwch yn ddau)</i>	Nod Strategol 1: Arwain y gwaith o gynllunio, datblygu a lles gweithlu cymwys, cynaliadwy a hyblyg i gefnogi'r gwaith o gyflawni 'Cymru Iachach'	Nod Strategol 2: Gwella ansawdd a hygyrchedd addysg a hyfforddiant i'r holl staff gofal iechyd gan sicrhau ei fod yn diwallu anghenion y dyfodol	Nod Strategol 3: Gweithio gyda phartneriaid i ddylanwadu ar newid diwylliannol o fewn GIG Cymru drwy feithrin gallu arweinyddiaeth dosturiol a chyfunol ar bob lefel
	✓	✓	✓
	Nod Strategol 4: Datblygu'r gweithlu i gefnogi'r gwaith o sicrhau diogelwch ac ansawdd	Nod Strategol 5: Bod yn gyflogwr enghreifftiol ac yn lle gwych i weithio	Nod Strategol 6: I gael ei gydnabod fel partner, dylanwadwr ac arweinydd rhagorol
	✓	✓	✓
Ansawdd, Diogelwch a Phrofiad Cleifion			
<p>Mae sicrhau bod y Bwrdd a'i Bwyllgorau yn gwneud penderfyniadau cwbl wybodus yn dibynnu ar ansawdd a chywirdeb y wybodaeth a gyflwynir ac a ystyrir gan y rhai sy'n gwneud penderfyniadau. Mae penderfyniadau gwybodus yn fwy tebygol o effeithio'n ffafriol ar ansawdd, diogelwch a phrofiad cleifion a staff.</p>			
Goblygiadau Ariannol			
<p>Nid oes unrhyw oblygiadau ariannol.</p>			
Goblygiadau Cyfreithiol (gan gynnwys asesu cydraddoldeb ac amrywiaeth)			
<p>Mae sicrhau bod gan y Bwrdd Fframwaith Sicrwydd effeithiol sy'n esblygu sy'n helpu'r Bwrdd i gyflawni'r cynllun blwyddyn bresennol, yn elfen hanfodol o drefniadau Llywodraethu'r Bwrdd yn y dyfodol.</p>			
Goblygiadau Staffio			
<p>Nid oes unrhyw oblygiadau staffio.</p>			
Goblygiadau Hirdymor (gan gynnwys effaith Deddf Llesiant Cenedlaethau'r Dyfodol (Cymru) 2015)			
<p>Ni nodwyd unrhyw effaith.</p>			
Hanes yr Adroddiad	<p>Mae'r Pwyllgor Archwilio a Sicrwydd yn cael diweddariad chwarterol mewn perthynas â Fframwaith Sicrwydd y Bwrdd drwy'r Gofrestr Risg Gorfforaethol. Mae'n adolygu Fframwaith Sicrwydd y Bwrdd yn flynyddol.</p>		
Atodiadau	<p>Atodiad 1 – Fframwaith Sicrwydd y Bwrdd wedi'i Ddiweddarau.</p>		

BOARD ASSURANCE FRAMEWORK

2020-21

Introduction

All NHS organisations in Wales are required to demonstrate good governance and ensure they are operating robust systems and processes to support this. Boards need to be confident that the systems and processes are operating in a way that is effective and is driving the delivery of objectives by focusing on minimising risk. They need to prove that they have identified their objectives and managed the principal risks to achieving them. The Board Assurance Framework will allow the Board to satisfy this requirement.

It is the responsibility of the Board to:

- Determine and clearly articulate its objectives;
- Identify the principal risks that threaten the achievement of these objectives;
- Agree the key strategic and operational plans that will deliver those objectives, and which encompass the controls and actions in place to manage the identified risks;
- Monitor delivery through robust performance and assurance measurements;
- Ensure that plans are in place to take corrective action where they are not assured that objectives will be fully delivered; and
- Engage with and listen to staff.

These requirements form the basis of the Assurance Framework.

The Assurance Cycle

The Board will undertake an annual self-assessment of its performance against the three key themes highlighted on the Governance and Accountability Module of HEIW:

Setting the direction;
Enabling delivery; and
Delivering results, achieving excellence.

The assurance system must therefore be designed to ensure that the Board can make this annual assessment. The outcome of this self-assessment is also a fundamental component of the Annual Governance Statement (AGS) which is published each year as part of the annual report and accounts.

Each of the steps on the Assurance Cycle can be explained as follows:

Priorities for action

The first step in developing a Board Assurance Framework is for the Board to identify the organisation's aims and objectives against which the Board requires assurance. It is

necessary for Boards to focus on those that are crucial to the achievement of its overall vision and ambitions.

The aims and objectives of HEIW are:

Strategic Objective 1 - . To lead the planning, development and wellbeing of a competent, sustainable and flexible workforce to support the delivery of ‘ A Healthier Wales’.
Strategic Objective 2 – To improve the quality and accessibility of education and training for all healthcare staff ensuring that it meets future needs.
Strategic Objective 3. To work with partners to influence cultural change within NHS Wales through building compassionate and collective leadership capacity at all levels.
Strategic Objective 4. To develop the workforce to support the delivery of safety and quality.
Strategic Objective 5. To be an exemplar employer and to be a great place to work.
Strategic Objective 6. To be recognised as an excellent partner, influencer and leader.

These aims were incorporated within HEIW’s Integrated Medium Term Plan and currently taken forward through the organisation’s Quarterly Operational plan.

Risks

Against each objective the priority the risk(s) which may stop the organisation achieving the objective need to be set out. Main risks are defined as those that threaten the achievement of the organisation’s priorities. It is essential that the Board identifies and oversees the main risks, rather than reacting to the consequences of risk exposure. The identification of main risks should be repeated at all levels within the organisation. The Board should ensure it assesses risk(s) as part of the decision making process.

The organisation has a Corporate Risk Register which details the top high level risks for the organisation. The Corporate Risk Register is attached as Appendix 2.

Controls

Key controls are defined as those controls and systems in place to assist in securing the delivery of the Board's strategic objectives. As part of the assurance process, the Board, through its Committees where appropriate, will need to assess whether current controls are adequate to provide assurance compared with the level of risk; controls must be proportionate to the risks identified.

There is not necessarily a 1:1 relationship between risks and controls, often there may need to be multiple controls in place to mitigate against a particular risk. Some controls will also manage more than one risk. There is not always a neat framework for this and even if controls are in place, consideration needs to be given as to how effective they are.

Examples of key controls are:

- Schemes of delegation
- Policies and procedures
- Performance data
- Financial Management information

Assurance

Assurance provides Board members with the evidence that HEIW is operating effectively, achieving desired outcomes, delivering on its strategic vision, meeting its strategic objectives through effective risk management, in a manner which upholds the Citizen Centred Principles and is in accordance with all statutory requirements.

The organisation uses several methods to obtain assurance through internal and external sources.

Internal assurance methods include:

- the Performance Report;
- internal audit reports;
- counter-fraud reports;
- serious incident reports; and
- the Annual Governance Statement.

A key vehicle for receiving external assurance will be through the Structured Assessment undertaken by the Wales Audit Office, which will be used to inform the annual governance and accountability review. A fuller, more comprehensive list of areas where assurance will be obtained is included in Appendix 1.

A further source for receiving external assurance is ensuring that external reports are reviewed to ensure that external lessons are learnt and embedded within HEIW's policies and procedures.

Reporting

A framework is in place for reporting key information to the Board and Committees. There is a plan of business to be reported to the Board and Committees and the Corporate Risk Register allows the Board to identify what risks need to be reported upon.

HEIW's Performance Report will provide the Board and Executive Team with a high level summary of performance, particularly in relation to the organisation's priorities for action.

HEIW is also required to produce public disclosure statements as part of the assurance system. The Board Assurance system, as described in this paper, will culminate in the production of the Governance and Accountability Module self-assessment and the Annual Governance Statement. These public disclosure documents together with the Financial Statements and Remuneration Report and other specific disclosures required by the Companies Act, would form the "Chapters" to the Annual Report.

Role of Board Committees

The Board may and, where directed by Welsh Ministers must, appoint Committees of the Board either to undertake specific functions on the board's behalf or to provide advice and assurance to the Board in the exercise of its functions.

Audit and Assurance Committee

The Board's Audit and Assurance Committee advises and assures the Board and Accountable Officer on whether effective arrangements are in place to support them in their decision making and in discharging their accountabilities for securing the achievement of HEIW's objectives, in accordance with the standards of good governance determined for the NHS in Wales.

Education Commissioning and Quality Committee

The Board's Education Commissioning and Quality Committee advises and assures the Board in respect of the Commissioning of Education and the Quality of Education.

Remuneration and Terms of Service Committee

The Board's Remuneration and Terms of Service Committee is responsible for providing advice and assurance to the Board on remuneration and terms of service for the Chief Executive, Executive Directors and other senior staff within the framework set by the Welsh Government. It also provides assurance to the Board in relation to HEIW's arrangements for the remuneration and terms of service, including contractual arrangements, for all staff, in accordance with the requirements and standards determined for the NHS in Wales.

Health Education Improvement Wales Board Control Framework

Leadership

Staff

Systems
and
Processes

Finances

Technology

Controls and Assurance Mechanisms

High Quality Education

Controls: evidence within

- IMTP/ Quarterly Operational Plan
- Commissioning
- Equality Impact Assessment

Assurance: gained via

- Education Commissioning and Quality Committee
- Senior Leadership Team
- Annual Report and Annual Governance Statement
- Chairs Reports
- Visits and inspections
- Annual Quality Statement.

Performance Management

Controls: evidence within

- Education Commissioning and Quality Committee
- Senior Leadership Team
- Annual Report and Annual Governance Statement
- Chairs Reports
- Visits and inspections.
- Performance Report

Assurance: gained via

- Education Commissioning and Quality Committee
- Senior Leadership Team
- Annual Report and Annual Governance Statement
- Chairs Reports
- Visits and inspections.
- Performance Report

Risk Management

Controls: evidence within

- Risk management strategy and Policy
- Board Assurance Framework
- Corporate Risk Register
- Divisional Risk Register
- Reports to the Board, Senior Leadership Team and sub committees
- Policies and Procedures
- Scheme of

Assurance: gained via

- Escalation arrangements
- Internal/External Audits, visits
- Executive Director and Senior Leadership Team meetings
- Audit and Assurance Committee
- Education Commissioning and Quality Committee

Levels of Assurance

First Line Operational

- Organisational structures – evidence of delegation of responsibility through line Management arrangements
- Compliance with appraisal process
- Compliance with Policies and Procedures
- Incident reporting and thematic reviews
- Compliance with Risk Management processes and systems
- Performance Reports, Complaints and Trainee Experience Reports, Finance Reports



Second Line Risk and Compliance

Reports to Assurance and Oversight Committees

- Audit and Assurance Committee
- Education Commissioning and Quality Committee
- Remuneration Committee
- Health and Safety Groups etc

Findings and/or reports from inspections, Annual Reporting, Performance report through to Committees



Third Line Independent

- Internal Audit Plan
- Wales Audit Office (Structured Assessment)
- External Audits (e.g. Annual Accounts and Annual Report)
- HIW Inspections
- Regulators
- Reviews and Reports by Royal Colleges
- External visits and accreditations
- Independent Reviews

Approach to Risk Assessment - Risk scoring

The risks reported within the Board Assurance Framework is consistent with the Corporate Risk Register and are assessed by using the following assessment approach.

The Corporate Risk Register focusses on the key objectives of HEIW as outlined in the Annual Plan. Given this regular reporting in respect of the BAF shall be undertaken through the Corporate Risk Register (attached at Appendix 2) which shall be presented to the Board and the Audit and Assurance Committee on a regular basis. The Board Assurance Framework shall be considered by the Board on an annual basis.

Risk Scoring Matrix

LIKELIHOOD	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 CORPORATE RISK REGISTER (OCTOBER 2020)

Date Added	Ref (Risk Area)	Risk Description and Executive Manager Owner	Inherent Risk			Risk Appetite	Mitigating Action	Residual Risk			RAG Status	Progress
		Details of risk If...then... impact...	Impact	Probability	Overall Score	None Low Moderate High V. High	Summary of action to date or proposed action to reduce risk impact or proximity – this should include a deadline or timetable for completing actions	Impact	Probability	Overall Score	R/A/G & trend	
1. Apr 2020	1	<p>If additional support is not put in place in response to the impact to education and training programmes as a result of COVID-19 there will be an adverse impact on progression and outcomes for students and trainees, which will also impact on NHS workforce in the medium term.</p> <p>Medical Director/ Interim Director of Nursing</p>	5	4	20	LOW	<p>HEIW is entering into dialogue with the regulators, Royal Colleges, Universities and other national bodies to seek alternative solutions to mitigate the impact on students and trainees. HEIW is also reviewing the infrastructure to establish and identify the support that will be available for students.</p> <p>We are aiming to achieve an agreement based on a 4 nation approach where possible.</p> <p>Consideration given to Virtual approach to learning competencies to be recognised.</p>	4	3	12		<p>From a Medical and Dental point of view, the ARCP process has been modified to allow trainees to progress without detriment if their progression has been hampered by COVID 19.</p> <p>7.10.2010</p> <p>Medical and Dental rotations have resumed, and the plan is that they will be maintained in the future. ARCP processes will be maintained virtually in the future. Pharmacy Preregistration trainees have nearly all secured interim employment pending the registration exam which is now planned for January 2021.</p> <p>The impact of the pandemic on student progression has been closely monitored and to date there is only one cohort of Radiography students whose programme completion (at the current time) may be delayed by 3 weeks. It is estimated it will be a further six months before a normal placements cycle can be resumed.</p> <p>Regarding Nursing and Midwifery, the NMC will be phasing out many of the emergency standards that came into operation early in the pandemic on 30 September 2020. This will support students returning to their normal studies and supernumerary placements. The NMC standards are facilitative rather than directive which means Wales can choose to return to normal ahead of that date. The NMC have identified a number of emergency programme standards which will be retained as recovery standards. These facilitative standards include removal of the 12-week rule, and adoption of the Standards for Student Supervision and Assessment. The NMC are also recommending flexibility in how theoretical instruction is given, moving from distance to blended learning as university campuses begin to reopen.</p>

Date Added	Ref (Risk Area)	Risk Description and Executive Owner	Inherent Risk			Risk Appetite	Mitigating Action	Residual Risk			RAG Status	Progress
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3. Apr 2020	1	<p>If there is a delay in recruiting to PGME rotations this may create a workforce problem for the NHS in the medium term.</p> <p>Medical Director</p>	4	4	16	LOW	<p>HEIW to ensure all alternatives are explored to minimise impact on recruitment processes.</p> <p>4 nation agreement and contingency planning being developed. Foundation trainees are being deployed to obtain key skills in medicine as required by their programme. In other specialties additional training time will be required in these key areas. This will be managed through revisions to programme management over the coming months.</p>	1	1	1		<p>Recruitment has been undertaken Different discriminating methods to allow for selection have been developed</p> <p>No longer a risk</p> <p>7.10.2010 Medical and Dental rotations have resumed, and the plan is that they will be maintained in the future. ARCP processes will be maintained virtually in the future</p> <p>Consider removing from Risk register</p>

Date Added	Ref (Risk Area)	Risk Description and Executive Owner	Inherent Risk			Risk Appetite	Mitigating Action	Residual Risk			RAG Status	Progress
		Details of risk If...then... impact...	Impact	Probability	Overall Score	None Low Moderate High V. High	Summary of action to date or proposed action to reduce risk impact or proximity – this should include a deadline or timetable for completing actions	Impact	Probability	Overall Score	R/A/G & trend	
4. Apr 2020	1	<p>If current pressures affect the major change programmes relating to GP Trainee and Pharmacy Pre reg programme there is a risk to delivery, and impact on future workforce increases in the medium term</p> <p>Medical Director</p>	4	4	16	LOW	<p>HEIW to protect resources to maintain these programmes.</p> <p>Maintain regular updates on progress</p>	3	3	9		<p>Alternative digital methods of training are being implemented across Primary Care. PEER group discussion, small group case discussions.</p> <p>Online Prospective Trainer course being developed to improve trainer capacity – awaiting Health Boards response to launching this.</p>

Date Added	Ref (Risk Area)	Risk Description and Executive Owner	Inherent Risk			Risk Appetite	Mitigating Action	Residual Risk			RAG Status	Progress
		Details of risk If...then... impact...	Impact	Probability	Overall Score	None Low Moderate High V. High	Summary of action to date or proposed action to reduce risk impact or proximity – this should include a deadline or timetable for completing actions	Impact	Probability	Overall Score	R/A/G & trend	
5. Apr 2020	1	<p>If HEIW does not re-assess its IMTP and Quarterly Plans in the context of COVID-19 it will not be able to re-allocate resources to provide the necessary support to the NHS workforce during the crisis and fail to manage expectations in respect of the IMTP objectives.</p> <p>All Executive Team</p>	4	4	16	LOW	HEIW identified and paused the objectives within its IMTP in Q1 in the light of the challenges posed by COVID-19.	3	1	3		<p>The decision to pause elements of the IMTP was implemented in Q1. This enabled resources to be re-allocated to support the NHS workforce during this period.</p> <p>05.10.2020 A deep dive of budgets and expenditure was undertaken after Q1 and unused resources returned to WG and some re -purposing of budgets undertaken to meet anticipated future commitments. A further deep dive into the position will be undertaken at end of Q2.</p>

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		Details of risk If...then... impact...	Impact	Probability	Overall Score	None Low Moderate High V. High	Summary of action to date or proposed action to reduce risk impact or proximity – this should include a deadline or timetable for completing actions	Impact	Probability	Overall Score	R/A/G & trend	
8. Apr 2020	1	<p>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.</p> <p>Board Secretary</p>	5	5	25	LOW	<p>This requires the implementation of recommendations highlighted within HEIW's Cyber Security assessment report.</p> <p>This includes the recruitment of a Head of Cyber Security.</p>	5	4	20		<p>The recommendations within HEIW's Cyber Security assessment report have or are being implemented.</p> <p>The new Head of Cyber Security joined HEIW on 29 June and has commenced working on a new Cyber Security Implementation Plan.</p>

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		Details of risk If...then... impact...	Impact	Probability	Overall Score	None Low Moderate High V. High	Summary of action to date or proposed action to reduce risk impact or proximity – this should include a deadline or timetable for completing actions	Impact	Probability	Overall Score	R/A/G & trend	
9. Apr 2020	1	<p>If the pharmacy preregistration cohort and GP trainees are not able to progress at the end of their programmes due to exit exams being cancelled, there could be financial consequences for HEIW.</p> <p>Medical Director</p>	3	4	12	LOW	<p>This has already been highlighted by the HEIW Director of Finance with WG and the magnitude of the financial risk has been identified.</p> <p>We are awaiting input from the Pharmacy Regulator (GPhC) for details of a possible temporary Register for these individuals which would allow progression to post registration roles</p> <p>Capacity for parallel training to be implemented for both Pharmacy and GP trainees is being identified.</p>	1	1	1		<p>GP exams will take place on time as new approach adopted.</p> <p>There will be a postponement in the Pharmacy preregistration exam</p> <p>GPhC has introduced a provisional Register which allows those who have completed their pre-registration year to practice under certain conditions. Those individuals at risk have either been found suitable employment or found extensions to their training which HEIW have funded at a modest cost.</p> <p>7.10.2010</p> <p>Pharmacy Preregistration trainees have nearly all secured interim employment pending the registration exam which is now planned for January 2021.</p> <p>Consider removing risk</p>

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		Details of risk If...then... impact...	Impact	Probability	Overall Score	None Low Moderate High V. High	Summary of action to date or proposed action to reduce risk impact or proximity – this should include a deadline or timetable for completing actions	Impact	Probability	Overall Score	R/A/G & trend	
10. May 2020	1.	<p>The suspension of routine dentistry and the suspension of aerosol producing procedures in response to COVID-19 is affecting dental training processes both in undergraduate and postgraduate arenas. This will affect when, and, how dental students and foundation dentists gain the relevant level of experience in order to qualify, and therefore contribute to the NHS workforce.</p> <p>Medical Director</p>	4	4	16	LOW	<p>The matter is being considered at a 4 nations level to ensure a co-ordinated response. Changes to the training programmes will be developed. This will include:</p> <ul style="list-style-type: none"> • Mandatory clinical skills test before starting on patients • Redirection of training programme based on contract reform principles • Front loading of Simulation and classroom elements of training from Sept 2020- Jan 2021 • Practical clinical elements of training to be undertaken in later in the training programmes 	3	3	9		<p>Undergraduates were not prevented from qualifying in 2020. They have progressed to Foundation across the UK.</p> <p>The majority of Foundation trainees had gained sufficient competencies to progress.</p> <p>All of our Core Training and Specialist Training posts have been filled</p> <p>The risk for next year remains though Dentistry has recommenced with appropriate protection.</p> <p>7.10.2010 No change</p>

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11. July 2020	1.	<p>If there is a second or multiple peaks of COVID-19 and HEIW does not re-assess its Quarterly Plan it will not be able to re-allocate resources to provide the necessary support to the NHS workforce during the crisis and fail to manage expectations in the delivery of its objectives.</p> <p>All Executive Team</p>	4	4	1	LOW	HEIW has undertaken a review and pause of its IMTP objectives in Q1 and lessons learnt from this process are to be captured and utilised going forward.	4	3	12		

Date Added	Ref (Risk Area)	Risk Description and Executive Owner	Inherent Risk			Risk Appetite	Mitigating Action	Residual Risk			RAG Status	Progress
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12. July 2020	1.	<p>If HEIW is unable to access workforce data from other NHS organisations then its workforce will not be able to provide modelling data and fail to meet expectations in respect of the same and have an adverse impact on NHS workforce planning.</p> <p>Director of Workforce and Organisational Development</p>	4	3	12	LOW	HEIW to request access to live data from ESR and other workforce information systems as well as the current Data Warehouse information Requests for additional access to information in line with NHS Digital/Health Education England.	4	2	8		<p>Discussions with Welsh Government and NWSSP to take place to understand the remit and responsibilities for each organisation.</p> <p>Data access discussions with NWSSP in progress</p>

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13. July 2020	1	<p>If HEIW does not have sufficient capacity this may have an impact on the delivery of IMTP and Quarterly Plan Objectives and result in a failure to deliver agreed commitments and levels of performance.</p> <p>Director of Workforce and Organisational Development</p>	4	4	16	LOW	Assessment and costing of workforce requirements made as part of the development of the IMTP plans	4	2	8		Quarterly plans reviewed and monitored to assess delivery trajectories and inform revisions/mitigation

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14. July 2020	2	<p>If the commissioning process for the Strategic Review of Health Professional Education does not meet the timescale and future aspirations, as agreed by HEIW, this will impact on the suitability and quality of education in the future.</p> <p>Interim Director of Nursing</p>	5	3	15	LOW	<p>Ensure robust project management arrangements are in place</p> <p>Secure additional resource for the project</p> <p>Ensure robust stakeholder engagement</p> <p>Ensure it links to the 10 year health and social care strategy.</p>	4	1	4		<p>Project plans are in place, with a revised timetable in response to COVID 19, and on target to undertake the procurement of health professional education.</p> <p>Engagement with HEI and HB/Trusts currently underway and a further stakeholder event focused on the pricing strategy is scheduled for July 2020. Stage 2 of the Review is currently being scoped.</p> <p>7/9/20 – Final stakeholder event to take place on 11/9/20. All documentation has been completed to go out to the market following Exec and Board agreement– residual risk has been substantially reduced.</p> <p>2/10/20 – All tender documentation for phase 1 of the strategic review of health education has been approved through HEIW's governance arrangements. Risk closed.</p>

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		Details of risk If...then... impact...	Impact	Probability	Overall Score	None Low Moderate High V. High	Summary of action to date or proposed action to reduce risk impact or proximity – this should include a deadline or timetable for completing actions	Impact	Probability	Overall Score	R/A/G & trend	
15. Aug 2020	2	<p>If there are insufficient employment opportunities available for graduating AHPs and HCS students who have opted into the bursary tie in the investment in education for these students may be lost.</p> <p>Interim Director of Nursing</p>	3	5	15	LOW	<p>A deep dive has been undertaken to examine underlying reasons for employment shortages and the bursary appeals process that releases/enforces students from their bursary responsibilities. The outcome of which are the following mitigating actions –</p> <ul style="list-style-type: none"> Enhanced monitoring of available posts and bursary appeals Engagement with WoDs and DoFs to highlight the gap between commissioning requests and employment opportunities. 	3	3	9		Enhanced monitoring and conversations with service proceeding

Date Added	Ref (Risk Area)	Risk Description and Executive Owner	Inherent Risk			Risk Appetite	Mitigating Action	Residual Risk			RAG Status	Progress
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16. Aug 2020		<p>If there is an increase in cases of COVID 19 that impacts on 'usual' service delivery there may be disruptions to placement opportunities for students thereby impacting students ability to progress or graduate in their professions. This in turn will impact the workforce with shortages that may have a long term effect on service delivery.</p> <p>Interim Director of Nursing</p>	4	3	12	LOW	<ul style="list-style-type: none"> Continuation of the mapping of cohort/programme delays Supporting Eps and service to implement HEIWs placement recovery principles Continuous engagement with regulators, EPs and CoDs to ensure continuity of education. Placement recovery principles. 	3	3	9		<p>The Directorate is in continuous conversations with regulators, Eps and CoDs.</p> <p>2/10/20 Current intelligence from HEIs contract meetings has indicated a low risk to the suspension of placements. HEIW will facilitate conversations with service should the position change as COVID cases rise.</p>

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17 Oct 2020		Lack of interest from Education Providers in lots as detailed in ITT. This may result in an interruption to the workforce pipeline and a reputational risk to HEIW. Whilst extensive consultation has been undertaken in developing the ITT the landscape for education providers has shifted in 2020 due to the Covid pandemic and resurgence. Director of Finance/Interim Director of Nursing	4	3	12	LOW	<ul style="list-style-type: none"> Detailed consultation with all stakeholders in developing the ITT. Development of carefully crafted lots. 	3	2	6		2/10/20 Final bidder event undertaken. No concerns around have been raised by possible bidders through the procurement mechanisms set out or through any direct communication with HEIW.

Risk Appetite Levels

Appetite Level	Described as:	What this means
None	Avoidance of risk and uncertainty is a key organisational objective.	Avoidance of loss is key objective, play safe, avoidance of developments. Priority for tight controls and oversight.
Low	Minimal, or as little as reasonably possible, is preferred for ultra-safe delivery options that have a low degree of inherent risk and only for limited reward potential.	Prepared to accept the possibility of very limited financial loss if essential. Win any challenges re compliance. Innovations avoided unless essential.
Moderate	Cautious is preferred for safe delivery options that have low degree of inherent risk and may only have limited potential for reward.	Prepare to accept some possibility of some financial loss. Limited tolerance for sticking neck out. Tendency to stick with status quo, innovation in practice avoided unless really necessary
High	Open and willing to consider all potential delivery options and choose while also providing an acceptable level of reward (and Value for Money).	Prepared to invest for return & minimise the possibility of financial loss. Value and benefits considered. Gains outweigh adverse consequences. Innovation supported.
Very High	Seek and be eager to be innovative and choose options offering potentially higher business rewards (despite greater inherent risk). Or also described as mature and confident in setting high levels of risk appetite because controls, forwards scanning and responsiveness systems are robust.	Investing for best possible return & acceptance of possibility of financial loss. Chances of losing any challenge are real and consequences would be significant. Desire to break the mould. High levels of devolved authority – management by trust not control.



GIG
CYMRU
NHS
WALES

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

Dyddiad y Cyfarfod	20 Hydref 2020	Eitem ar yr Agenda	2.9
Teitl yr Adroddiad	Cofrestr Risgiau Corfforaethol		
Awdur yr Adroddiad	Kay Barrow, Rheolwr Llywodraethu Corfforaethol		
Noddwr yr Adroddiad	Dafydd Bebb, Ysgrifennydd y Bwrdd		
Cyflwynwyd gan	Dafydd Bebb, Ysgrifennydd y Bwrdd		
Rhyddid gwybodaeth	Agored		
Pwrpas yr adroddiad	Darparu trosolwg o'r risgiau sydd wedi'u cynnwys ar hyn o bryd yn y Gofrestr Risgiau Corfforaethol.		
Materion allweddol	<ul style="list-style-type: none"> • Mae'r adroddiad yn rhoi diweddariad ar y Gofrestr Risgiau Corfforaethol, a amgaeir yn Atodiad 1. • Mae'r Gofrestr yn cadarnhau: <ul style="list-style-type: none"> - un risg statws 'coch'; - wyth risg statws 'melyn'; - pum risg statws 'gwyrdd'. 		
Camau penodol i'w cymryd (rhowch un ✓ yn unig)	Gwybodaeth	Trafodaeth	Sicrwydd
			✓
Argymhellion	Gofynnir i'r Pwyllgor Archwilio a Sicrwydd: <ul style="list-style-type: none"> • Nodi cynnwys yr adroddiad at ddibenion sicrwydd. • Cymeradwyo cael gwared ar y risgiau 'gwyrdd' a aseswyd. 		

COFRESTR RISGIAU CORFFORAETHOL

1. CYFLWYNIAD

Gofynnir i'r Pwyllgor Archwilio a Sicrwydd nodi'r sefyllfa gyfredol ynghylch y Gofrestr Risgiau Corfforaethol (**Atodiad 1**) fel yr amlinellir yn yr adroddiad hwn.

Yn Ch1, roedd y Gofrestr Risgiau Corfforaethol yn cyd-fynd â'r risgiau a ddeilliodd o bandemig COVID-19. Wrth i AaGIC addasu i weithio yn y 'normal newydd' cynhaliodd y Tîm Gweithredol 'Adroddiad at Wraidd y Mater' o'r Gofrestr Risgiau Corfforaethol ar 9 Gorffennaf a'i gysoni â'r amcanion a nodwyd yng Nghynllun Gweithredol y Cynllun Tymor Canolig Integredig (IMTP) ar gyfer 2020/21 ac unrhyw feysydd eraill o risg cynhenid.

2. ASESIAD

Mae yna **14** o risgiau ar y Gofrestr Risgiau Corfforaethol ar hyn o bryd. Mae'r risgiau hyn wedi'u hasesu fel a ganlyn: **un** statws 'coch', **wyth** statws 'melyn' a **phum** statws 'gwyrdd'. Ac eithrio paragraff 2.1 mae'r sylwadau isod yn amlygu'r newidiadau i'r Gofrestr Risgiau Corfforaethol dros y mis diwethaf.

2.1 Risgiau Coch

- **Risg 8** – Os nad yw AaGIC yn sicrhau bod yr holl gamau rhesymol yn cael eu cymryd mewn perthynas â seiberddiogelwch gall fod yn agored i fynediad diawdurdod at ddata, dirwyon posibl gan Swyddfa'r Comisiynydd Gwybodaeth a chyhoedduswyd gwael cysylltiedig.

Lliniaru: Mae argymhellion adroddiad asesu Seiberddiogelwch AaGIC yn cael neu wedi cael eu gweithredu. Ymunodd y Pennaeth Seiberddiogelwch newydd ag AaGIC ar 29 Mehefin ac mae wedi dechrau gweithio ar Gynllun Gweithredu Seiberddiogelwch newydd.

2.2 Risg gyda Sgôr Uwch

Nid oes unrhyw risg gyda sgôr uwch ers yr adroddiad diwethaf.

2.3 Risg gyda Sgôr Is

- **Risg 9** - Os nad yw'r cohort cyn-gofrestru fferylliaeth a'r hyfforddeion meddygon teulu'n gallu cwblhau eu rhaglenni am fod eu harholiadau gorffen wedi'u canslo efallai y bydd yna ganlyniadau ariannol i AaGIC.

Lliniaru: Mae Cyfarwyddwr Cyllid AaGIC wedi tynnu sylw Llywodraeth Cymru at hyn eisoes ac mae maint y risg ariannol wedi'i nodi. Rydym yn disgwyl am fewnbwn gan y Rheoleiddiwr Fferylliaeth gyda manylion am Gofrestr dros dro bosibl i'r unigolion hynny a fyddai'n eu galluogi i symud ymlaen i swyddi ôl-gofrestru. Mae'r capasiti'n cael ei nodi ar gyfer hyfforddiant cyfochrog i hyfforddeion fferylliaeth a meddygon teulu.

Asesu: Bydd arholiadau meddygon teulu'n cael eu cynnal ar amser gan fod dull newydd wedi'i fabwysiadu. Fe fydd yna oedi gyda'r arholiad cyn-gofrestru Fferylliaeth. Mae'r Cyngor Fferyllol Cyffredinol wedi cyflwyno Cofrestr dros dro sy'n galluogi'r rhai sydd wedi cwblhau eu blwyddyn cyn-gofrestru i ymarfer o dan rai amodau. Mae'r unigolion hyn sydd mewn perygl naill ai wedi dod o hyd i swydd addas neu wedi cael estyniad ar eu hyfforddiant gydag AaGIC yn ei ariannu am gost gymedrol.

Mae'r holl hyfforddeion cyn-gofrestru fferylliaeth fwy neu lai wedi cael swydd dros dro yn amodol ar yr arholiad cofrestru y bwriedir ei gynnal ym mis Ionawr 2021. Mae'r risg sy'n weddill wedi'i leihau'n sylweddol a'i asesu fel un statws 'Gwyrdd' ar sail y camau lliniaru hyn.

- **Risg 14** – Os nad yw'r broses gomisiynu ar gyfer yr Adolygiad Strategol o Addysg Proffesiynol Iechyd yn bodloni'r amserlen ac yn cyflawni dyheadau'r dyfodol, fel y cytunwyd gan AaGIC, bydd hyn yn effeithio ar addasrwydd ac ansawdd addysg yn y dyfodol.

Lliniaru: Sicrhewch fod yna drefniadau rheoli prosiect cadarn ar waith. Gofalwch sicrhau adnoddau ychwanegol i'r prosiect, bod yna drefniadau cadarn i ymgysylltu â rhanddeiliaid a'i fod yn cysylltu â'r strategaeth iechyd a gofal cymdeithasol 10 mlynedd.

Asesu: Mae cynlluniau prosiectau ar waith, gydag amserlen ddiwygiedig mewn ymateb i COVID-19, ac mae ar y llwybr iawn i sicrhau addysg broffesiynol iechyd.

Mae'r gwaith ymgysylltu â Sefydliadau Addysg Uwch a Byrddau/Ymddiriedolaethau Iechyd yn parhau a chynhaliwyd digwyddiad arall i randdeiliaid ym mis Gorffennaf 2020 a oedd yn canolbwyntio ar y strategaeth brisio. Mae Cam 2 yr Adolygiad yn cael ei gwmpasu ar hyn o bryd.

Cynhaliwyd y digwyddiad olaf i randdeiliaid ar 11/9/20. Mae'r holl ddogfennau wedi'u cwblhau i fynd allan i'r farchnad ar ôl i'r Tîm Gweithredol a'r Bwrdd gytuno arnynt – mae'r risg sy'n weddill wedi'i leihau'n sylweddol.

Mae'r holl ddogfennau tendro ar gyfer cam 1 yr adolygiad strategol o addysg iechyd wedi'u cymeradwyo drwy drefniadau llywodraethu AaGIC. Mae'r risg sy'n weddill wedi'i leihau'n sylweddol a'i asesu fel statws 'Gwyrdd' ar sail y camau lliniaru hyn.

2.4 Risgiau wedi'u dileu

Nid oes unrhyw risgiau wedi'u dileu.

2.5 Risgiau newydd

Mae yna dri risg newydd:

- **Risg 15** – Os nad oes digon o gyfleoedd cyflogaeth ar gyfer gweithwyr proffesiynol perthynol i iechyd a myfyrwyr gwyddor gofal iechyd sy'n graddio sydd wedi dewis y bwrsari yna efallai y bydd y buddsoddiad mewn addysg ar gyfer y myfyrwyr hyn yn cael ei golli.

Lliniaru: Cynhaliwyd adroddiad at wraidd y mater i archwilio'r rhesymau sylfaenol dros y prinder cyfleoedd cyflogaeth a phroses apelau bwrsariau sy'n rhyddhau/gorfodi myfyrwyr o'u cyfrifoldebau bwrsari. Y canlyniad yw'r camau lliniaru canlynol –

- Mwy o fonitro ar swyddi sydd ar gael ac apelau bwrsariau
- Ymgysylltu â WoDs a DoFs i ddangos y bwlch rhwng ceisiadau comisiynu a chyfleoedd cyflogaeth.

Asesu: Mwy o fonitro a sgysiau gyda gwasanaethau'n bwrw ymlaen wedi hynny. Mae'r risg sy'n weddill wedi'i asesu fel un statws 'Melyn' ar sail y camau lliniaru hyn.

- **Risg 16** – Os oes cynnydd mewn achosion o COVID-19 sy'n effeithio ar ddarpariaeth gwasanaethau 'arferol' efallai y bydd yna darfu ar gyfleoedd lleoliad i fyfyrwyr gan effeithio ar allu myfyrwyr i symud ymlaen neu i raddio yn eu proffesiynau. Bydd hyn yn ei dro yn effeithio ar y gweithlu gyda phrinder a allai gael effaith hirdymor ar ddarpariaeth gwasanaethau.

Lliniaru: Parhau i fapio'r oedi gyda mapio cohort/rhaglenni. Cefnogi Eps a'r gwasanaeth i weithredu egwyddorion adfer lleoliadau AaGIC. Ymgysylltu'n barhaus â rheoleiddwyr, EPs a CoDs i sicrhau parhad addysg. Egwyddorion adfer lleoliadau.

Asesu: Mae'r Gyfarwyddiaeth yn sgwrsio'n gyson â'r rheoleiddwyr, EPs a CoDs. Mae gwybodaeth gyfredol o gyfarfodydd contractau SAU wedi dangos risg isel o atal lleoliadau. Bydd AaGIC yn hwyluso sgysiau gyda'r gwasanaeth pe bai'r sefyllfa'n newid wrth i nifer yr achosion o COVID godi. Mae'r risg sy'n weddill wedi'i asesu fel un statws 'Melyn' ar sail y camau lliniaru hyn.

- **Risg 17** - Diffyg diddordeb gan Ddarparwyr Addysg mewn lotiau fel y nodwyd yn y Gwahoddiad i Dendro. Gall hyn arwain at doriad yn nyfodol y gweithlu a risg colli enw da i AaGIC. Er bod llawer o ymgynghori wedi digwydd wrth ddatblygu'r Gwahoddiad i Dendro mae'r dirwedd ar gyfer darparwyr addysg wedi newid yn 2020 yn sgil pandemig ac ymchwydd Covid.

Lliniaru: Ymgynghoriad manwl â'r holl randdeiliaid wrth ddatblygu'r Gwahoddiad i Dendro. Datblygu lotiau wedi'u cynllunio'n ofalus.

Asesu: Wedi cynnal y digwyddiad olaf i ymgeiswyr. Nid oes unrhyw ymgeisydd wedi mynegi unrhyw bryderon drwy'r mecanweithiau caffael a nodwyd na thrwy unrhyw gyfathrebu uniongyrchol ag AaGIC. Mae'r risg sy'n weddill wedi'i asesu fel un statws 'Gwyrdd' ar sail y camau lliniaru hyn.

2.6 Risgiau Gwyrdd a Argymhellwyd i'w Dileu:

Argymhellir dileu pum risg 'gwyrdd' a aseswyd (risgiau 3, 5, 9, 14 a 17) o'r Gofrestr Risgiau Corfforaethol.

2 MATERION LLYWODRAETHU A RISGIAU

Mae rheoli risgiau drwy'r Gofrestr Risgiau Corfforaethol yn adnodd craidd ar gyfer llywodraethu risgiau yn AaGIC.

3 GOBLYGIADAU ARIANNOL

Mae rheoli risgiau drwy'r Gofrestr Risgiau Corfforaethol yn swyddogaeth graidd i AaGIC fel Awdurdod Iechyd Arbennig. Ni ragwelir unrhyw oblygiadau ychwanegol o ran costau.

4 ARGYMHELLIAD

Gofynnir i'r Pwyllgor Archwilio a Sicrwydd:

- **Nodi** cynnwys yr adroddiad at ddibenion sicrwydd.
- **Cymeradwyo'r** penderfyniad i ddileu'r risgiau 'gwyrdd' a aseswyd.

Llywodraethu a Sicrwydd			
Cysylltu ag amcanion strategol yr IMTP (rhowch ✓)	Nod Strategol 1: Arwain y broses o gynllunio a datblygu gweithlu cymwys, cynaliadwy a hyblyg, a sicrhau ei lesiant, er mwyn helpu i gyflawni 'Cymru Iachach'	Nod Strategol 2: Gwella ansawdd a hygyrchedd addysg a hyfforddiant ar gyfer yr holl staff gofal iechyd er mwyn sicrhau ei fod yn diwallu anghenion y dyfodol	Nod Strategol 3: Gweithio gyda phartneriaid i ddylanwadu ar newid diwylliannol yn GIG Cymru drwy ddatblygu capasiti arwain tosturiol a chydweithredol ar bob lefel
		✓	
	Nod Strategol 4: Datblygu'r gweithlu er mwyn helpu i ddarparu diogelwch ac ansawdd	Nod Strategol 5: Bod yn gyflogwr rhagorol ac yn lle gwyh i weithio ynddo	Nod Strategol 6: Cael ei nabod fel partner, dylanwadwr ac arweinydd rhagorol
Ansawdd, Diogelwch a Phrofiad y Claf			
Y Gofrestr Risgiau Corfforaethol yw'r adnodd craidd i sicrhau rheolaeth risgiau effeithiol yn AaGIC. Mae dull cadarn o reoli risgiau'n fwy tebygol o gael effaith ffafriol ar ddiogelwch a phrofiad cleifion a staff.			
Goblygiadau Ariannol			
Mae rheoli risg yn swyddogaeth graidd i AaGIC fel Awdurdod Iechyd Arbennig. Ni ragwelir unrhyw gostau ychwanegol.			
Goblygiadau Cyfreithiol (yn cynnwys asesiad o gydraddoldeb ac amrywiaeth)			
Amherthnasol			
Goblygiadau Staffio			
Nid oes unrhyw oblygiadau ychwanegol o ran staffio.			
Goblygiadau Hirdymor (yn cynnwys effaith Deddf Llesiant Cenedlaethau'r Dyfodol (Cymru) 2015)			
Y Gofrestr Risgiau Corfforaethol yw adnodd craidd AaGIC i reoli'r risgiau wrth symud ymlaen.			
Hanes yr Adroddiad	Cyflwynir y Gofrestr Risgiau i'r Tîm Gweithredol a'r Tîm Uwch Arweinyddiaeth bob mis. Mae'r Pwyllgor Archwilio a Sicrwydd yn adolygu bob chwarter.		
Atodiadau	Atodiad 1 – Y Gofrestr Risgiau Corfforaethol		

HEIW CORPORATE RISK REGISTER (OCTOBER 2020)

Date Added	Ref (Risk Area)	Risk Description and Executive Manager Owner	Inherent Risk			Risk Appetite	Mitigating Action	Residual Risk			RAG Status	Progress
		Details of risk If...then... impact...	Impact	Probability	Overall Score	None Low Moderate High V. High	Summary of action to date or proposed action to reduce risk impact or proximity – this should include a deadline or timetable for completing actions	Impact	Probability	Overall Score	R/A/G & trend	
1. Apr 2020	1	<p>If additional support is not put in place in response to the impact to education and training programmes as a result of COVID-19 there will be an adverse impact on progression and outcomes for students and trainees, which will also impact on NHS workforce in the medium term.</p> <p>Medical Director/ Interim Director of Nursing</p>	5	4	20	LOW	<p>HEIW is entering into dialogue with the regulators, Royal Colleges, Universities and other national bodies to seek alternative solutions to mitigate the impact on students and trainees. HEIW is also reviewing the infrastructure to establish and identify the support that will be available for students.</p> <p>We are aiming to achieve an agreement based on a 4 nation approach where possible.</p> <p>Consideration given to Virtual approach to learning competencies to be recognised.</p>	4	3	12		<p>From a Medical and Dental point of view, the ARCP process has been modified to allow trainees to progress without detriment if their progression has been hampered by COVID 19.</p> <p>7.10.2010</p> <p>Medical and Dental rotations have resumed, and the plan is that they will be maintained in the future. ARCP processes will be maintained virtually in the future. Pharmacy Preregistration trainees have nearly all secured interim employment pending the registration exam which is now planned for January 2021.</p> <p>The impact of the pandemic on student progression has been closely monitored and to date there is only one cohort of Radiography students whose programme completion (at the current time) may be delayed by 3 weeks. It is estimated it will be a further six months before a normal placements cycle can be resumed.</p> <p>Regarding Nursing and Midwifery, the NMC will be phasing out many of the emergency standards that came into operation early in the pandemic on 30 September 2020. This will support students returning to their normal studies and supernumerary placements. The NMC standards are facilitative rather than directive which means Wales can choose to return to normal ahead of that date. The NMC have identified a number of emergency programme standards which will be retained as recovery standards. These facilitative standards include removal of the 12-week rule, and adoption of the Standards for Student Supervision and Assessment. The NMC are also recommending flexibility in how theoretical instruction is given, moving from distance to blended learning as university campuses begin to reopen.</p>

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3. Apr 2020	1	If there is a delay in recruiting to PGME rotations this may create a workforce problem for the NHS in the medium term. Medical Director	4	4	16	LOW	HEIW to ensure all alternatives are explored to minimise impact on recruitment processes. 4 nation agreement and contingency planning being developed. Foundation trainees are being deployed to obtain key skills in medicine as required by their programme. In other specialties additional training time will be required in these key areas. This will be managed through revisions to programme management over the coming months.	1	1	1		Recruitment has been undertaken Different discriminating methods to allow for selection have been developed No longer a risk 7.10.2010 Medical and Dental rotations have resumed, and the plan is that they will be maintained in the future. ARCP processes will be maintained virtually in the future Consider removing from Risk register

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4. Apr 2020	1	If current pressures affect the major change programmes relating to GP Trainee and Pharmacy Pre reg programme there is a risk to delivery, and impact on future workforce increases in the medium term Medical Director	4	4	16	LOW	HEIW to protect resources to maintain these programmes. Maintain regular updates on progress	3	3	9		Alternative digital methods of training are being implemented across Primary Care. PEER group discussion, small group case discussions. Online Prospective Trainer course being developed to improve trainer capacity – awaiting Health Boards response to launching this.

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5. Apr 2020	1	<p>If HEIW does not re-assess its IMTP and Quarterly Plans in the context of COVID-19 it will not be able to re-allocate resources to provide the necessary support to the NHS workforce during the crisis and fail to manage expectations in respect of the IMTP objectives.</p> <p>All Executive Team</p>	4	4	16	LOW	HEIW identified and paused the objectives within its IMTP in Q1 in the light of the challenges posed by COVID-19.	3	1	3		<p>The decision to pause elements of the IMTP was implemented in Q1. This enabled resources to be re-allocated to support the NHS workforce during this period.</p> <p>05.10.2020 A deep dive of budgets and expenditure was undertaken after Q1 and unused resources returned to WG and some re -purposing of budgets undertaken to meet anticipated future commitments. A further deep dive into the position will be undertaken at end of Q2.</p>

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8. Apr 2020	1	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. Board Secretary	5	5	25	LOW	This requires the implementation of recommendations highlighted within HEIW's Cyber Security assessment report. This includes the recruitment of a Head of Cyber Security.	5	4	20		The recommendations within HEIW's Cyber Security assessment report have or are being implemented. The new Head of Cyber Security joined HEIW on 29 June and has commenced working on a new Cyber Security Implementation Plan.

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9. Apr 2020	1	<p>If the pharmacy preregistration cohort and GP trainees are not able to progress at the end of their programmes due to exit exams being cancelled, there could be financial consequences for HEIW.</p> <p>Medical Director</p>	3	4	12	LOW	<p>This has already been highlighted by the HEIW Director of Finance with WG and the magnitude of the financial risk has been identified.</p> <p>We are awaiting input from the Pharmacy Regulator (GPhC) for details of a possible temporary Register for these individuals which would allow progression to post registration roles</p> <p>Capacity for parallel training to be implemented for both Pharmacy and GP trainees is being identified.</p>	1	1	1		<p>GP exams will take place on time as new approach adopted.</p> <p>There will be a postponement in the Pharmacy preregistration exam</p> <p>GPhC has introduced a provisional Register which allows those who have completed their pre-registration year to practice under certain conditions. Those individuals at risk have either been found suitable employment or found extensions to their training which HEIW have funded at a modest cost.</p> <p>7.10.2010</p> <p>Pharmacy Preregistration trainees have nearly all secured interim employment pending the registration exam which is now planned for January 2021.</p> <p>Consider removing risk</p>

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10. May 2020	1.	<p>The suspension of routine dentistry and the suspension of aerosol producing procedures in response to COVID-19 is affecting dental training processes both in undergraduate and postgraduate arenas. This will affect when, and, how dental students and foundation dentists gain the relevant level of experience in order to qualify, and therefore contribute to the NHS workforce.</p> <p>Medical Director</p>	4	4	16	LOW	<p>The matter is being considered at a 4 nations level to ensure a co-ordinated response. Changes to the training programmes will be developed. This will include:</p> <ul style="list-style-type: none"> • Mandatory clinical skills test before starting on patients • Redirection of training programme based on contract reform principles • Front loading of Simulation and classroom elements of training from Sept 2020- Jan 2021 • Practical clinical elements of training to be undertaken in later in the training programmes 	3	3	9		<p>Undergraduates were not prevented from qualifying in 2020. They have progressed to Foundation across the UK.</p> <p>The majority of Foundation trainees had gained sufficient competencies to progress.</p> <p>All of our Core Training and Specialist Training posts have been filled</p> <p>The risk for next year remains though Dentistry has recommenced with appropriate protection.</p> <p>7.10.2010 No change</p>

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11. July 2020	1.	<p>If there is a second or multiple peaks of COVID-19 and HEIW does not re-assess its Quarterly Plan it will not be able to re-allocate resources to provide the necessary support to the NHS workforce during the crisis and fail to manage expectations in the delivery of its objectives.</p> <p>All Executive Team</p>	4	4	1	LOW	HEIW has undertaken a review and pause of its IMTP objectives in Q1 and lessons learnt from this process are to be captured and utilised going forward.	4	3	12		

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12. July 2020	1.	<p>If HEIW is unable to access workforce data from other NHS organisations then its workforce will not be able to provide modelling data and fail to meet expectations in respect of the same and have an adverse impact on NHS workforce planning.</p> <p>Director of Workforce and Organisational Development</p>	4	3	12	LOW	HEIW to request access to live data from ESR and other workforce information systems as well as the current Data Warehouse information Requests for additional access to information in line with NHS Digital/Health Education England.	4	2	8		<p>Discussions with Welsh Government and NWSSP to take place to understand the remit and responsibilities for each organisation.</p> <p>Data access discussions with NWSSP in progress</p>

Date Added	Ref (Risk Area)	Risk Description and Executive Owner	Inherent Risk			Risk Appetite	Mitigating Action	Residual Risk			RAG Status	Progress
		Details of risk If...then... impact...	Impact	Probability	Overall Score	None Low Moderate High V. High	Summary of action to date or proposed action to reduce risk impact or proximity – this should include a deadline or timetable for completing actions	Impact	Probability	Overall Score	R/A/G & trend	
13. July 2020	1	<p>If HEIW does not have sufficient capacity this may have an impact on the delivery of IMTP and Quarterly Plan Objectives and result in a failure to deliver agreed commitments and levels of performance.</p> <p>Director of Workforce and Organisational Development</p>	4	4	16	LOW	Assessment and costing of workforce requirements made as part of the development of the IMTP plans	4	2	8		Quarterly plans reviewed and monitored to assess delivery trajectories and inform revisions/mitigation

Date Added	Ref (Risk Area)	Risk Description and Executive Owner	Inherent Risk			Risk Appetite	Mitigating Action	Residual Risk			RAG Status	Progress
		Details of risk If...then... impact...	Impact	Probability	Overall Score	None Low Moderate High V. High	Summary of action to date or proposed action to reduce risk impact or proximity – this should include a deadline or timetable for completing actions	Impact	Probability	Overall Score	R/A/G & trend	
14. July 2020	2	<p>If the commissioning process for the Strategic Review of Health Professional Education does not meet the timescale and future aspirations, as agreed by HEIW, this will impact on the suitability and quality of education in the future.</p> <p>Interim Director of Nursing</p>	5	3	15	LOW	<p>Ensure robust project management arrangements are in place</p> <p>Secure additional resource for the project</p> <p>Ensure robust stakeholder engagement</p> <p>Ensure it links to the 10 year health and social care strategy.</p>	4	1	4		<p>Project plans are in place, with a revised timetable in response to COVID 19, and on target to undertake the procurement of health professional education.</p> <p>Engagement with HEI and HB/Trusts currently underway and a further stakeholder event focused on the pricing strategy is scheduled for July 2020. Stage 2 of the Review is currently being scoped.</p> <p>7/9/20 – Final stakeholder event to take place on 11/9/20. All documentation has been completed to go out to the market following Exec and Board agreement– residual risk has been substantially reduced.</p> <p>2/10/20 – All tender documentation for phase 1 of the strategic review of health education has been approved through HEIW's governance arrangements. Risk closed.</p>

Date Added	Ref (Risk Area)	Risk Description and Executive Owner	Inherent Risk			Risk Appetite	Mitigating Action	Residual Risk			RAG Status	Progress
		Details of risk If...then... impact...	Impact	Probability	Overall Score	None Low Moderate High V. High	Summary of action to date or proposed action to reduce risk impact or proximity – this should include a deadline or timetable for completing actions	Impact	Probability	Overall Score	R/A/G & trend	
15. Aug 2020	2	<p>If there are insufficient employment opportunities available for graduating AHPs and HCS students who have opted into the bursary tie in the investment in education for these students may be lost.</p> <p>Interim Director of Nursing</p>	3	5	15	LOW	<p>A deep dive has been undertaken to examine underlying reasons for employment shortages and the bursary appeals process that releases/enforces students from their bursary responsibilities. The outcome of which are the following mitigating actions –</p> <ul style="list-style-type: none"> Enhanced monitoring of available posts and bursary appeals Engagement with WoDs and DoFs to highlight the gap between commissioning requests and employment opportunities. 	3	3	9		Enhanced monitoring and conversations with service proceeding

Date Added	Ref (Risk Area)	Risk Description and Executive Owner	Inherent Risk			Risk Appetite	Mitigating Action	Residual Risk			RAG Status	Progress
		Details of risk If...then... impact...	Impact	Probability	Overall Score	None Low Moderate High V. High	Summary of action to date or proposed action to reduce risk impact or proximity – this should include a deadline or timetable for completing actions	Impact	Probability	Overall Score	R/A/G & trend	
16. Aug 2020		<p>If there is an increase in cases of COVID 19 that impacts on 'usual' service delivery there may be disruptions to placement opportunities for students thereby impacting students ability to progress or graduate in their professions. This in turn will impact the workforce with shortages that may have a long term effect on service delivery.</p> <p>Interim Director of Nursing</p>	4	3	12	LOW	<ul style="list-style-type: none"> Continuation of the mapping of cohort/programme delays Supporting Eps and service to implement HEIWs placement recovery principles Continuous engagement with regulators, EPs and CoDs to ensure continuity of education. Placement recovery principles. 	3	3	9		<p>The Directorate is in continuous conversations with regulators, Eps and CoDs.</p> <p>2/10/20 Current intelligence from HEIs contract meetings has indicated a low risk to the suspension of placements. HEIW will facilitate conversations with service should the position change as COVID cases rise.</p>

Date Added	Ref (Risk Area)	Risk Description and Executive Owner	Inherent Risk			Risk Appetite	Mitigating Action	Residual Risk			RAG Status	Progress
		Details of risk If...then... impact...	Impact	Probability	Overall Score	None Low Moderate High V. High	Summary of action to date or proposed action to reduce risk impact or proximity – this should include a deadline or timetable for completing actions	Impact	Probability	Overall Score	R/A/G & trend	
17 Oct 2020		<p>Lack of interest from Education Providers in lots as detailed in ITT. This may result in an interruption to the workforce pipeline and a reputational risk to HEIW. Whilst extensive consultation has been undertaken in developing the ITT the landscape for education providers has shifted in 2020 due to the Covid pandemic and resurgence.</p> <p>Director of Finance/Interim Director of Nursing</p>	4	3	12	LOW	<ul style="list-style-type: none"> Detailed consultation with all stakeholders in developing the ITT. Development of carefully crafted lots. 	3	2	6		2/10/20 Final bidder event undertaken. No concerns around have been raised by possible bidders through the procurement mechanisms set out or through any direct communication with HEIW.

Risk Scoring Matrix

L I K E L I H O O D	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

Risk Appetite Levels

Appetite Level	Described as:	What this means
None	Avoidance of risk and uncertainty is a key organisational objective.	Avoidance of loss is key objective, play safe, avoidance of developments. Priority for tight controls and oversight.
Low	Minimal, or as little as reasonably possible, is preferred for ultra-safe delivery options that have a low degree of inherent risk and only for limited reward potential.	Prepared to accept the possibility of very limited financial loss if essential. Win any challenges re compliance. Innovations avoided unless essential.
Moderate	Cautious is preferred for safe delivery options that have low degree of inherent risk and may only have limited potential for reward.	Prepare to accept some possibility of some financial loss. Limited tolerance for sticking neck out. Tendency to stick with status quo, innovation in practice avoided unless really necessary
High	Open and willing to consider all potential delivery options and choose while also providing an acceptable level of reward (and Value for Money).	Prepared to invest for return & minimise the possibility of financial loss. Value and benefits considered. Gains outweigh adverse consequences. Innovation supported.
Very High	Seek and be eager to be innovative and too chose options offering potentially higher business rewards (despite greater inherent risk). Or also described as mature and confident in setting high levels of risk appetite because controls, forwards scanning and responsiveness systems are robust.	Investing for best possible return & acceptance of possibility of financial loss. Chances of losing any challenge are real and consequences would be significant. Desire to break the mould. High levels of devolved authority – management by trust not control.



GIG
CYMRU
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WALES

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

Dyddiad y Cyfarfod	20 Hydref 2020		Eitem ar yr Agenda	2.10
Teitl yr Adroddiad	Cofrestr Datgan Buddiannau			
Awdur yr Adroddiad	Kay Barrow, Rheolwr Llywodraethu Corfforaethol			
Noddwr yr Adroddiad	Dafydd Bebb, Ysgrifennydd y Bwrdd			
Cyflwynwyd gan	Dafydd Bebb, Ysgrifennydd y Bwrdd			
Rhyddid Gwybodaeth	Agored			
Diben yr Adroddiad	Diben yr adroddiad yw rhoi'r wybodaeth ddiweddaraf i'r Pwyllgor Archwilio a Sicrwydd mewn perthynas â datgan buddiannau.			
Materion Allweddol	Mae'n ofynnol o fewn Rheolau Sefydlog AaGIC i holl aelodau'r Bwrdd a'r rhai a gyflogir gan AaGIC ddatgan unrhyw fuddiannau personol neu fusnes sydd ganddynt, a allai effeithio ar ymddygiad eu rôl fel aelod o'r Bwrdd neu gyflogai i AaGIC, neu y gellid ystyried eu bod yn effeithio arnynt.			
Angen Camau Penodol (un ✓ yn unig)	Gwybodaeth	Trafodaeth	Sicrwydd	Cymeradwyo
	✓			
Argymhellion	Gofynnir i'r Aelodau roi sylw i'r adroddiad a'r Gofrestr Datganiadau o Fuddiant atodedig er gwybodaeth .			

COFRESTR DATGAN BUDDIANNAU

1. CYFLWYNIAD

Mae'n ofynnol o fewn Rheolau Sefydlog AaGIC i holl aelodau'r Bwrdd a'r rhai a gyflogir gan AaGIC ddatgan unrhyw fuddiannau personol neu fusnes sydd ganddynt, a allai effeithio ar ymddygiad eu rôl fel aelod o'r Bwrdd neu gyflogai i AaGIC, neu y gellid ystyried eu bod yn effeithio arnynt.

2. CEFNDIR

Er mwyn cadw at lywodraethu da, mae'n ofynnol i'r Rheolau Sefydlog i'r Pwyllgor Archwilio a Sicrwydd adolygu ac adrodd i'r Bwrdd ar ddigonolrwydd y trefniadau ar gyfer datgan, cofrestru ac ymdrin â buddiannau yn flynyddol. Mae'r adroddiad hwn yn darparu i'r Pwyllgor y gofrestr buddiannau gyfredol a ddatganwyd gan Aelodau'r Bwrdd a staff AaGIC ar 13 Hydref 2020, fel rhan o'r adroddiad blynyddol ar y cofrestrau hyn i'r Pwyllgor.

3. MATERION LLYWODRAETHU A RISG

3.1 Aelodau'r Bwrdd

Mae rheolau sefydlog AaGIC yn datgan bod yn rhaid i holl aelodau'r Bwrdd ddatgan unrhyw fuddiant personol, busnes neu ariannol a allai effeithio ar eu rôl neu y canfyddir eu bod yn effeithio arnynt. Dylid datgan buddiannau teulu agos hefyd.

Dylai aelodau'r Bwrdd ddatgan unrhyw fuddiannau ar yr adeg y cânt eu penodi ac unrhyw ychwanegiadau neu newidiadau wrth iddynt godi. Gofynnir i aelodau'r Bwrdd adnewyddu eu datganiadau'n flynyddol.

Ysgrifennydd y Bwrdd sy'n cadw'r Gofrestr Buddiannau. Caiff hyn ei ddiweddarau yn ystod y flwyddyn, fel y bo'n briodol, i gofnodi unrhyw fuddiannau newydd neu newidiadau i'r buddiannau a ddatganwyd yn flaenorol. Mae adolygiad blynyddol hefyd yn cael ei gynnal i sicrhau bod holl aelodau'r Bwrdd yn adolygu eu Datganiadau o Fuddiant a nodir y rhain yn yr Adroddiad Atebolrwydd Blynyddol fel rhan o'r Adroddiad Blynyddol ac o fewn y Gofrestr Datgan Buddiannau. Cyhoeddir y Gofrestr Datganiadau o Fuddiant a'r Adroddiad Blynyddol yn flynyddol ar wefan AaGIC.

Mae Datganiadau o Fuddiant hefyd yn eitem safonol ar yr agenda ym mhob cyfarfod o'r Bwrdd a'r Pwyllgor i alluogi aelodau unigol o'r Bwrdd i ddatgan unrhyw fuddiannau mewn perthynas ag unrhyw agwedd benodol ar yr agenda. Caiff unrhyw ddatganiadau a wneir eu cofnodi'n ffurfiol yng gofnodion y cyfarfod.

3.2 Buddiannau Staff

Ar gyfer 2019/2020, ceisiodd AaGIC barhau i ymestyn cwrdd ei Gofrestr Datganiadau o Fuddiannau presennol i gynnwys pob aelod o'r staff sy'n ddeiliaid cyllidebau a/neu a allai ddylanwadu ar y broses gaffael i'w gwneud yn ymwybodol o'r gofyniad hwn a gofynnir iddynt hefyd wneud datganiadau blynyddol.

Mae gwaith pellach yn mynd rhagddo i godi ymwybyddiaeth a chynyddu nifer y datganiadau. Hefyd, mae gwaith yn cael ei wneud ar lefel genedlaethol drwy Rwydwaith Ysgrifenyddion y Bwrdd i ddatblygu system ddatganiadau ar-lein a fyddai'n hwyluso datganiadau gan bob grŵp staff. Rhagwelir y bydd hwn ar gael i holl sefydliadau GIG Cymru yn ddiweddarach yn 2020, gan ei fod yn cael ei dreialu ar hyn o bryd mewn nifer fach o sefydliadau.

4. GOBLYGIADAU ARIANNOL

Gall camau gweithredu unigol fod o ganlyniadau ariannol, ond nid oes unrhyw effaith ariannol uniongyrchol yn gysylltiedig â'r adroddiad hwn ar hyn o bryd.

5. ARGYMHELLIAD

Gofynnir i'r Aelodau **nodi'r** adroddiad a'r gofrestr atodedig er gwybodaeth.

Llywodraethu a Sicrwydd			
Linc i nodau strategol Cynlluniau Tymor Integredig Clwstwr (os gwelwch yn dda ✓)	Nod Strategol 1: Arwain y gwaith o gynllunio, datblygu a lles gweithlu cymwys, cynaliadwy a hyblyg i gefnogi'r gwaith o gyflawni 'Cymru Iachach'	Nod Strategol 2: Gwellu ansawdd a hygyrchedd addysg a hyfforddiant i'r holl staff gofal iechyd gan sicrhau ei fod yn diwallu anghenion y dyfodol	Nod Strategol 3: Gweithio gyda phartneriaid i ddylanwadu ar newid diwylliannol o fewn GIG Cymru drwy feithrin gallu arweinyddiaeth dosturiol a chyfunol ar bob lefel
	Nod Strategol 4: Datblygu'r gweithlu i gefnogi'r gwaith o sicrhau diogelwch ac ansawdd	Nod Strategol 5: Bod yn gyflogwr enghreifftiol ac yn lle gwych i weithio	Nod Strategol 6: I gael ei gydnabod fel partner, dylanwadwr ac arweinydd rhagorol
		✓	✓
Ansawdd, Diogelwch a Phrofiad Cleifion			
Mae sicrhau llywodraethu da yn rhan hanfodol o ddarparu addysg a hyfforddiant da sydd yn y pen draw yn cefnogi ansawdd a diogelwch profiad y claf.			
Goblygiadau Ariannol			
Gall camau gweithredu unigol fod o ganlyniadau ariannol, ond nid oes unrhyw effaith ariannol uniongyrchol yn gysylltiedig â'r adroddiad hwn ar hyn o bryd.			
Goblygiadau Cyfreithiol (gan gynnwys asesu cydraddoldeb ac amrywiaeth)			
Dim goblygiadau i'r pwyllgor fod yn ymwybodol ohonynt.			
Goblygiadau Staffio			
Dim goblygiadau staffio i'r pwyllgor fod yn ymwybodol ohonynt.			
Goblygiadau Hirdymor (gan gynnwys effaith Deddf Llesiant Cenedlaethau'r Dyfodol (Cymru) 2015)			
Dim goblygiadau i'r pwyllgor fod yn ymwybodol ohonynt.			
Hanes yr Adroddiad	Dim. Bydd y Pwyllgor Archwilio a Sicrwydd yn ystyried y Gofrestr Buddiannau yn flynyddol.		
Atodiadau	Atodiad 1 – Cofrestr Datgan Buddiannau		

DECLARATION OF INTEREST REGISTER (AS AT 13/10/2020)

Board Members			
Name	Job title	Declaration of Interest	Date
Pushpinder Mangat	Medical Director	Dental Anaesthetist at Private Dental Practice Clinical Advisor to Sancta Maria Private Hospital	16/04/2020
Angela Parry	Interim Director of Nursing	Nothing to Declare	09/10/2020
Heidi Phillips	Independent Member	Self <ul style="list-style-type: none"> • Keycare Property Limited • Swansea University Medical School • GP Neurodevelopmental Service (ADHD/Autism) • GP Locum Spouse/Partner <ul style="list-style-type: none"> • Keycare Property Limited • Gower College, Swansea 	13/03/2020
Ceri Phillips	Independent Member	Chair of All Wales Medicines Strategy Group Director of Welsh Wound Innovation Centre Head of College of Human and Health Sciences, Swansea University Chair of Council of Deans of Health Wales	05/03/2020
Alexandra Howells	Chief Executive	Lay Member, Academi Wales Board	04/03/2020
Julie Rogers	Deputy Chief Executive and Director of Workforce & OD	Nephew is a GP trainee.	06/03/2020
Christopher D V Jones	Chair	Nothing to Declare	04/03/2020
John Hill-Tout	Vice Chair	Director of Dragon Savers Credit Union	04/03/2020

Name	Job title	Declaration of Interest	Date
Ruth Hall	Independent Member	<p>Self</p> <ul style="list-style-type: none"> • Former Non-Executive Director of National Resources Wales (until October 2018) • Former Co-Chair, Mid Wales Health Care Collaborative and of Rural Health and Care Wales (until March 2018) • Member of National Trust Council • Member Glandwr Cymru Board • Member Canal and River Trust Council • Visiting Chair, University of West of England • Advisory Board Member, Centre for Public Policy Wales, Cardiff University • Member/Fellow of: <ul style="list-style-type: none"> ○ Royal College of Physicians (RCP) ○ Royal College of Paediatric and Child Health ○ Faculty of Public Health Medicine (of the RCP) ○ British Medical Association ○ Welsh Paediatric Society ○ Royal Institution for Public Health ○ Royal Society for Medicine <p>Daughter in law</p> <ul style="list-style-type: none"> • Chief Executive, Relate / Cheshire and Merseyside <p>Spouse</p> <ul style="list-style-type: none"> • Fellow of Gladstone's Library, Hawarden <p>Son</p> <ul style="list-style-type: none"> • Trustee of Gladstone's Library, Hawarden 	20/04/2020
Tina Donnelly	Independent Member	<p>Non-Executive Director, Hendre Board</p> <p>Fellow University of South Wales</p> <p>Fellow Royal College of Nursing</p> <p>Llamau Charity (fund raiser during 2019/20 whilst High Sheriff)</p>	15/04/2020
Eifion Williams	Director of Finance	<p>Member of the Finance Committee of Swansea University</p> <p>Deacon of Yorath Capel Cwmgiedd</p>	15/04/2020

Name	Job Title	Declarations of Interest	Date
Gillian Lewis	Independent Member	<p>Self</p> <ul style="list-style-type: none"> • HBA Business Associates Ltd – joint partner with spouse • Glan y Llyn Management Company Ltd – joint partner with spouse • Interim Chief Officer for Finance, Change and Transformation at Bridgend County Borough Council <p>Spouse</p> <ul style="list-style-type: none"> • HBA Business Associates Ltd – joint partner with spouse • Glan y Llyn Management Company Ltd – joint partner with spouse • Cardiff Medical Sports and Social Club • Director of Finance at Welsh Wound Innovation Ltd • Director of Finance at Respiratory Innovation Wales Ltd 	07/07/2020
Non-Board Members			
Name	Job Title	Declarations of Interest	Date
Dafydd Bebb	Board Secretary	<p>Wife</p> <ul style="list-style-type: none"> • Director and part owner of Old Bell 3 a Social Research Company whose clients include the NHS. <p>Brother</p> <ul style="list-style-type: none"> • Pharmacist and Director of Fferyllwyr LLyn Cyf (Welsh Pharmacy Company) • He is also on occasion engaged as a trainer/employee of HEIW. 	15/04/2020
Nicola Johnson	Director of Planning, Performance and Corporate Services	<p>Spouse</p> <ul style="list-style-type: none"> • Compliance Officer, Cardiff University 	28/09/2020

Other Staff Members			
Name	Job Title	Declarations of Interest	Date
David Thomas	Dental Dean	Nothing to Declare	03/03/2020
Nicholas Sheen	Eye Care transformation lead	Director of the Wales Optometric Postgraduate Education Centre (WOPEC), Cardiff University (on secondment to HEIW, therefore salary and contract is through Cardiff University)	15/08/2020
Ryan Cunningham	Head of Workforce Data & Analytics	Nothing to Declare	13/07/2020
Chris Payne	Head of Planning, Performance and Corporate Services	Wife is Deputy Director of Finance, NWSSP	09/03/2020
Christine Love	Deputy Head of Education Commissioning and Quality	Nothing to Declare	17/04/2020
Rebecca Chamberlain	Education Officer	Registrant member of the General Pharmaceutical Councils Investigating Committee. Specialist Advisor for the Care Quality Commission Member of Association of Pharmacy Technicians	25/1/19
Angharad Price	Head of Communications and Engagement	Nothing to Declare	04/03/2020
Rachel Clemo	Educational Resource Developer	Self: <ul style="list-style-type: none"> Self employed as a locum pharmacist. Spouse: <ul style="list-style-type: none"> Director of Sugar Creative Studios. A creative agency which could be selected to do graphic design services (e.g. Websites/design work/ branding) 	09/10/2020

Name	Job Title	Declarations of Interest	Date
Kath Hodgson	Pharmacy Associate Dean, Head of Delivery and Foundation Practice	Spouse/Partner <ul style="list-style-type: none"> • Trustee for Citizens Advice Bureau in Bridgend and Monmouth • Lay Representative for HEIW 	16/04/2020
Debra Roberts	Associate Pharmacy Dean/ Head of Programme Development and Advanced Practice	Work as a tutor for the prescribing course at Cardiff University and occasionally deliver teaching sessions for the same course.	15/07/2020
Bethan Broad	Pre-Foundation Operational Lead	Nothing to Declare	07/10/2020
Lisa Griffiths	Assessor - Pharmacy	Nothing to Declare	30/1/19
Laura Jane Doyle	Head of Pre-Registration	Employee of Cardiff University. Employee of Boots. Board of Assessors for General Pharmaceutical Council Accreditation Panel for General Pharmaceutical Council	07/10/2020
Emma Llewellyn	Education Resource Developer	Part-time employment as a community Pharmacist for Boots the Chemist	07/09/2020
Mrs Gemma Stafford	Education Resource Developer, Pharmacy	Self: <ul style="list-style-type: none"> • Work for Tesco Pharmacy and General Pharmaceutical Council (GPhC) (no conflict with duties) Spouse: <ul style="list-style-type: none"> • Senior Lecturer, School of Law and Politics, Cardiff University (no conflict with duties) 	08/10/2020
Samantha Griffiths	Tutor/Assessor	Self: <ul style="list-style-type: none"> • GPhC- associate/Partner- revalidation, return to practice • PTHB- Senior Pharmacist, Medicines Management Spouse: <ul style="list-style-type: none"> • Pharmacist, Abersychan Pharmacy 	13/10/2020

Name	Job Title	Declarations of Interest	Date
Margaret Allan	Pharmacy Dean	Honorary Professor, Cardiff University, School of Pharmacy and Pharmaceutical Sciences	28/08/2020
Rhiannon Beckett	Deputy Director of Finance	Nothing to Declare	28/08/2020
Michele Sehrawat	Head of Workforce Planning Pharmacy	Self: <ul style="list-style-type: none"> External Examiner Nottingham University School of Pharmacy Community Pharmacy Representative on Royal Pharmaceutical Society Welsh Board Spouse <ul style="list-style-type: none"> Pharmacist who is Director and Superintendent of 4 community pharmacies in Wales (Pharmacy Ltd) 	07/10/2020
Gail Harries-Huntley	Workforce Modernisation Manager	Nothing to Declare	08/10/2020
Krysia Groves	Primary Care Programme Manager, Workforce Modernisation	Nothing to Declare	13/10/2020
Gwennan Mai Williams	Assessor - Pharmacy	Employment by BCUHB. 27 hours a week a lead NVQ assessor.	17/2/19
Janine Louise Edmunds	Work Based Technician Training	Nothing to Declare	18/2/19
Rebecca Carpenter	Educational Resource Developer, Pharmacy	Employed by Rumney Primary Care Centre as Practice pharmacist	08/10/2020
Foula Evans	Head of People and OD	Co-Director with Husband – Super Spanner Wholesale Ltd Self Employed – Childcare Business – no conflict with NHS Duties	17/03/2020
Clem Price	Head of Workforce Strategy and Planning	Nothing to Declare	20/03/2020

Name	Job Title	Declarations of Interest	Date
Catrin Windsor-Jones	Regional Co-ordinator (Mid & West) Pharmacy	Husband <ul style="list-style-type: none"> • Director of The Dispensing Doctors' Association Limited. • Partner at Llanfair GP Surgery, Llandovery. 	28/2/19
Arfon Wyn Bebb	Learning Facilitator Pharmacy	Self: <ul style="list-style-type: none"> • Director and Part Ownership, Fferyllwyr Llyn Cyf, Dispensing Chemists • Pharmacist, Fferyllwyr Llyn Cyg • Pharmacist, BCUHB Brother: <ul style="list-style-type: none"> • Dafydd Bebb, Board Secretary, HEIW 	13/10/2020
Fraser Campbell	HEIW Pharmacy Board Member	Self: <ul style="list-style-type: none"> • Director, Swinson Parry Limited (joint shareholder) - Swinson Parry Limited operates two community pharmacies in Denbighshire • Assistant Medical Director, Primary Care (West), BCUHB Spouse: <ul style="list-style-type: none"> • Jacqueline Campbell (partner) Director, Swinson Parry Limited (joint shareholder) • Trustee of Dolanog Residential Home, Rhyl 	13/10/2020
Darrell Baker	HEIW Pharmacy Board Member (Pharmacy, Cardiff and Vale UHB)	Nothing to Declare	5/3/19
Marc Donovan	HEIW Pharmacy Board Member (Chief Pharmacist, Boots UK)	Member, Community Pharmacy Board Board Member PSNC Chair, Community Pharmacy Workforce Development Group and subcommittee representation Employed in Boots Management Services Ltd	12/10/2020
Simon Cassidy	Programme Manager Education, Nursing	Honorary contract with Swansea University for teaching puposes	07/10/2020
Angela Oliver	Deputy Director of Workforce & OD	Nothing to Declare	11/03/2020

Name	Job Title	Declarations of Interest	Date
Helen Thomas	Assistant Director of Leadership and Succession	Nothing to Declare	06/07/2020
Charlette Middlemiss	Head of Workforce Modernisation	Nothing to Declare	03/03/2020
Elizabeth Hargest	Education Development Manager, Nursing	Nothing to Declare	07/10/2020
Hilary Williams	Speciality Training Manager	Nothing to Declare	04/03/2020
Beverlea Jayne Frowen	Trainee Progression Governance Manager	Nothing to Declare	16/09/2020
Leona Walsh	Professional Support Unit Manager	Director, Displaced People in Action Ltd (DPIA) (Voluntary position on the Board of Directors). The WARD Group is managed and financially supported by HEIW. HEIW has a Service Level Agreement in place with the DPIA.	14/04/2020
Elizabeth Babbage	Specialty Training Manager	Nothing to Declare	05/03/2020
Emma Ballinger	Business Support Manager	Nothing to Declare	02/03/2020
Caroline Groves	Lead for Quality Unit and Postgraduate Education Support	Nothing to Declare	18/03/2020
Joanne Huish	Foundation Programme Manager	Spouse – Consultant Cardiologist, Cwm Taf Morgannwg UHB	13/03/2020
Rajnesh Nirula	Associate Dean SAS	Nothing to Declare	09/03/2020
K Louise Allen	HEIW Pharmacy Board Member	Director – Davies Himes (NW) Ltd (in maiden name K L Davies) Community Pharmacy Advisor, Cardiff and Value UHB	1//4/19

Name	Job Title	Declarations of Interest	Date
Andrew P Morris	HEIW Pharmacy Advisory Board Member (Head of Pharmacy, Swansea University)	Self: <ul style="list-style-type: none"> Member of the Pharmacy: Delivering a Healthier Wales Deliver Board Spouse: <ul style="list-style-type: none"> Spouse (Tammie Sook Peng Ng) is employed as a pharmacist with Cardiff and Vale UHB and Cwm Taf UHB 	11/10/2020
Mark Gumbleton	HEIW Pharmacy Board Member (School of Pharmacy, Cardiff University)	Nothing to Declare	13/5/19
Gail Fleming	HEIW Pharmacy Board Member	GPhC Accreditor University of Nottingham External Examiner	14/5/19
Andrew Evans	HEIW Pharmacy Board Member (Chief Pharmaceutical Officer)	Nothing to Declare	14/5/19
Dafydd Rizzo	HEIW Pharmacy Board Member (Cardiff University)	School of Pharmacy, Cardiff University	12/10/2020
Martin Riley	Deputy Director of Education, Commissioning & Quality	Spouse – Assistant Director of Finance, Cwm Taf Morgannwg University Health Board	13/10/2020
Cynthia Kay Barrow	Corporate Governance Manager	Spouse – Engineer, Specialist Estate Services, Environmental Management and Engineering, NHS Wales Shared Services Partnership	20/07/2020
Katie Leighton	Senior Manager – Revalidation and Quality	Third Party Declaration (Spouse/Partner) – Director, The Boat Shed Training Centre	03/03/2020
Catherine Williams	Executive Support Manager	Nothing to Declare	03/03/2020

Name	Job Title	Declarations of Interest	Date
Steffan Biggs	Senior Team Manager, RSU	Nothing to Declare	03/03/2020
Dr Janette Davidge	Workforce Development Support Unit Manager	Nothing to Declare	03/03/2020
Jane Powell	Planning and Performance Business Partner	Nothing to Declare	04/03/2020
Julie Nallon	RSU Organisational Lead	Nothing to Declare	05/03/2020
Catherine Mary Beech	GP Organisational Lead	Nothing to Declare	05/03/2020
Kate Lyons	Deputy Business Manager, Dental	Nothing to Declare	05/03/2020
Claire Smith	Workforce Programme Manager	Nothing to Declare	09/03/2020
Martyn Pennell	Head of Financial Accounting	Nothing to Declare	11/03/2020
Helen Baker	Director, Secondary Care	Nothing to Declare	12/03/2020
Jeremy Ashdown	Leadership and OD Practitioner	Directorship – Merthyr Leisure Trust Vice Chair, CIPD South East Wales Committee	13/03/2020
Mandy Martin	Quality Manager	Nothing to Declare	19/03/2020
Justine Cooper	Planning & Performance Business Partner	Nothing to Declare	20/03/2020
Kaye Walters	Postgraduate Education Support and Development Manager	Nothing to Declare	07/05/2020

Name	Job Title	Declarations of Interest	Date
Katherine Liddington	Dental Team Administrative Officer for Wales	Nothing to Declare	09/07/2020
Helen Louise O'Hara	DCT Manager	Nothing to Declare	09/07/2020
Ceri Negrotti	Business Manager, Dental	Nothing to Declare	09/07/2020
Gabrielle Lloyd	Dental Foundation Training Manager	Nothing to Declare	10/07/2020
Claire Monks	People Business Partner	Nothing to Declare	10/07/2020
Michael Mogford	Senior People Business Partner	Nothing to Declare	10/07/2020
Thomas Lawson	Postgraduate Medical Dean	Nothing to Declare	15/07/2020
Collette McNally	GP Deputy Director	Nothing to Declare	16/07/2020
Stacy Lloyd	QIST Manager	Nothing to Declare	20/08/2020
Christopher John Price	Head of Revalidation Support Unit	Wife – 50% Shareholder in Tripdatabase Ltd	28/08/2020
Thomas M Lawson	Postgraduate Medical Dean	Honorary Chair Cardiff University Member of Management and Policy Board for MRCP RCP London Chair of Standard setting group for year one Cardiff University Chair of RCP Rheumatology SCE exam	08/10/2020
Jamie Marchant	HEIW Pharmacy Board Member	Self: <ul style="list-style-type: none"> Executive Director, Primary, Community and Mental Health, Powys Teaching Health Board Spouse: <ul style="list-style-type: none"> Corporate Director of Social Services and Well Being at Bridgend Council. 	13/10/2020

Name	Job Title	Declarations of Interest	Date
Hayley Harris	HEIW Pharmacy Board Member	Self: <ul style="list-style-type: none"> • Interburns Ltd (Charity aiming to reduce the impact of burns globally) • Employed by Swansea University as an academic Spouse <ul style="list-style-type: none"> • Employed by Swansea University as an academic 0.5 FTE • Hospital Consultant – Singleton Hospital 0.5FTE (Swansea Bay University Health Board) 	13/10/2020



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Cymru (AaGIC)
Health Education and
Improvement Wales (HEIW)

Dyddiad y Cyfarfod	20 Hydref 2020	Eitem ar yr Agenda	2.11
Teitl yr Adroddiad	Cofrestr Rhoddion, Lletygarwch a Nawdd		
Awdur yr Adroddiad	Kay Barrow, Rheolwr Llywodraethu Corfforaethol		
Noddwr yr Adroddiad	Dafydd Bebb, Ysgrifennydd y Cwmni		
Cyflwynwyd gan	Dafydd Bebb, Ysgrifennydd y Cwmni		
Rhyddid Gwybodaeth	Agored		
Diben yr Adroddiad	Pwrpas yr adroddiad yw rhoi diweddariad blynyddol i'r Pwyllgor Archwilio a Sicrwydd mewn perthynas â Rhoddion, Lletygarwch a Nawdd.		
Materion Allweddol	Mae'n ofynnol o fewn Rheolau Sefydlog AaGIC fod gan bob Aelod o'r Bwrdd a gweithwyr gyfrifoldeb personol i wirfoddoli gwybodaeth mewn perthynas â chynigion o roddion, lletygarwch a nawdd, gan gynnwys y cynigion hynny a wrthodwyd.		
Angen Camau Penodol (un yn unig)	Gwybodaeth	Trafodaeth	Sicrwydd
	✓		
Argymhellion	Gofynnir i'r aelodau nodi'r adroddiad a'r Gofrestr Rhoddion, Lletygarwch a Nawdd atodol er gwybodaeth .		

COFRESTR RHODDION, LLETYGARWCH A NAWDD

1. CYFLWYNIAD

Mae'r adroddiad hwn yn nodi'r cofnodion sydd wedi'u cynnwys yn y Gofrestr Rhoddion, Lletygarwch a Nawdd (y Gofrestr) am y cyfnod hyd at ddiwedd mis Awst 2020.

2. CEFNDIR

Yn unol â rheolau sefydlog AaGIC, rhaid i Aelodau'r Bwrdd a gweithwyr ddatgan i AaGIC i'w cofnodi yn y gofrestr rhoddion, lletygarwch a nawdd, unrhyw gynigion o roddion, lletygarwch a / neu nawdd p'un a ydynt yn cael eu derbyn neu eu gwrthod. Mae gan Aelodau'r Bwrdd a gweithwyr gyfrifoldeb personol i wirfoddoli gwybodaeth mewn perthynas â chynigion o roddion, lletygarwch, honoraria a nawdd, gan gynnwys y cynigion hynny a wrthodwyd.

Yn unol ag ymrwymiad AaGIC i fod yn agored ac yn dryloyw, mae'r gofrestr rhoddion, lletygarwch a nawdd ar gael yn gyhoeddus ar wefan AaGIC.

Mae'r Polisi Safonau Ymddygiad yn amlinellu'r broses lle gall staff dderbyn rhoddion, lletygarwch a nawdd. Rhaid i unrhyw gynigion, p'un a ydynt yn cael eu derbyn neu eu gwrthod, gael eu datgan a'u mewngofnodi ar y Gofrestr.

3. MATERION LLYWODRAETHU A RISG

Dylai gweithwyr sydd mewn cysylltiad â chontractwyr fod yn arbennig o ymwybodol o dderbyn unrhyw Roddion, Lletygarwch neu Nawdd a allai gael eu camddehongli yn ddiweddarach fel rhai sy'n effeithio ar annibyniaeth a didueddrwydd caeth. Mae angen i'r Pwyllgor Archwilio a Sicrwydd gyfiawnhau a chraffu ar unrhyw dderbyn Rhoddion, Lletygarwch a / neu Nawdd er mwyn sicrhau nad oes unrhyw risg i'r sefydliad. Bydd y Pwyllgor Archwilio a Sicrwydd yn adolygu'r gofrestr yn flynyddol.

Cydnabyddir bod nifer y cofnodion yn y Gofrestr yn isel a bod hyn yn rhannol yn adlewyrchu effaith clo Covid. Bydd Ysgrifennydd y Bwrdd yn gwneud rhagor o waith i godi ymwybyddiaeth a rhoi arweiniad ar y mathau o roddion, lletygarwch a nawdd, y gellir eu derbyn neu beidio.

4. GOBLYGIADAU ARIANNOL

Nid oes unrhyw oblygiadau ariannol i'r pwyllgor eu hystyried.

5. ARGYMHELLIAD

Gofynnir i'r aelodau **nodi'r** adroddiad a'r Gofrestr Rhoddion, Lletygarwch a Nawdd atodol er **gwybodaeth**.

Llywodraethu a Sicrwydd			
Linc i nodau strategol Cynlluniau Tymor Integredig Clwstr <i>(os gwelwch yn ddau)</i>	Nod Strategol 1: Arwain y gwaith o gynllunio, datblygu a lles gweithlu cymwys, cynaliadwy a hyblyg i gefnogi'r gwaith o gyflawni ' <i>Cymru Iachach</i> '	Nod Strategol 2: Gwella ansawdd a hygyrchedd addysg a hyfforddiant i'r holl staff gofal iechyd gan sicrhau ei fod yn diwallu anghenion y dyfodol	Nod Strategol 3: Gweithio gyda phartneriaid i ddylanwadu ar newid diwylliannol o fewn GIG Cymru drwy feithrin gallu arweinyddiaeth dosturiol a chyfunol ar bob lefel
	Nod Strategol 4: Datblygu'r gweithlu i gefnogi'r gwaith o sicrhau diogelwch ac ansawdd	Nod Strategol 5: Bod yn gyflogwr enghreifftiol ac yn lle gwych i weithio	Nod Strategol 6: I gael ei gydnabod fel partner, dylanwadwr ac arweinydd rhagorol
		✓	✓
Ansawdd, Diogelwch a Phrofiad Cleifion			
Mae sicrhau bod cynigion o Roddion, Lletygarwch a Nawdd yn cael eu derbyn neu eu gwrthod yn unol â'r Polisi Safon Ymddygiad yn rhan o ddarparu addysg a hyfforddiant da sydd yn y pen draw yn cefnogi ansawdd a diogelwch profiad y claf.			
Goblygiadau Ariannol			
Nid oes unrhyw oblygiadau ariannol.			
Goblygiadau Cyfreithiol (gan gynnwys asesu cydraddoldeb ac amrywiaeth)			
Mae'n hanfodol bod cynigion o Roddion, Lletygarwch a Nawdd yn cael eu derbyn neu eu gwrthod yn unol â safonau ymddygiad busnes er mwyn peidio ag effeithio ar annibyniaeth a didueddrwydd caeth.			
Goblygiadau Staffio			
Dim goblygiadau staffio i'r pwyllgor fod yn ymwybodol ohonynt.			
Goblygiadau Hirdymor (gan gynnwys effaith Deddf Llesiant Cenedlaethau'r Dyfodol (Cymru) 2015)			
Ni nodwyd unrhyw effaith.			
Hanes yr Adroddiad	NA		
Atodiadau	Atodiad 1 - Cofrestr Rhoddion, Lletygarwch a Nawdd		

GIFTS, HOSPITALITY AND SPONSORSHIP REGISTER

(from 1 October 2018 – 30 September 2020)

ID No	Date Entered	TYPE OF HOSPITALITY (e.g. conference or gift)	Date of Hospitality/ Event	Source of Hospitality	Description	Value (if known)	Employee	Department	Approved by	Accepted (Yes/No?)
GHS01.1	05.07.19	Sponsorship	03.06.19	BMA Cymru	Sponsorship towards lunch of trainee delegates at WCLTF NHS Wales Conference	£100	Lisa Basset	Medical Director	Pushpinder Mangat	yes
GHS01.2	05.07.19	Sponsorship	03.06.19	GMC Wales	Sponsorship towards lunch of trainee delegates at WCLTF NHS Wales Conference	£100	Lisa Basset	Medical Director	Pushpinder Mangat	yes
GHS01.3	05.07.19	Sponsorship	03.06.19	FMLM, London	Sponsorship towards lunch of trainee delegates at WCLTF NHS Wales Conference	£100	Lisa Basset	Medical Director	Pushpinder Mangat	yes
GHS01.4	05.07.19	Sponsorship	03.06.19	Medical Defence Union	Sponsorship towards lunch of trainee delegates at WCLTF NHS Wales Conference	£100	Lisa Basset	Medical Director	Pushpinder Mangat	yes
GHS02	08.07.19	Hospitality/gift	4.12.18	NHS Improvement England and University College Dublin	Set meal for all participants at leadership event	Unknown	Alex Howells	CEO	C Jones, Chair	yes

ID No	Date Entered	TYPE OF HOSPITALITY (e.g. conference or gift)	Date of Hospitality/ Event	Source of Hospitality	Description	Value (if known)	Employee	Department	Approved by	Accepted (Yes/No?)
GHS03	08.07.19	Hospitality/gift	April, 2019	Swansea University	Swansea and Cardiff varsity match	Unknown	Alex Howells	CEO	C Jones, Chair	no
GHS04	01.07.19	Hospitality/gift	April 2019	Swansea University	Swansea and Cardiff Varsity March	Unknown	Chris Jones	Chairman	A Howells, CEO	no
GHS05	01.07.19	Hospitality/gift	29.05.19	General Dental Council	Private Dinner of General Dental Council Visit to Wales at Cardiff City Hall	Unknown Set meal for all participants	Chris Jones	Chairman	A Howells, CEO	yes
GHS06	30.08.19	Hospitality	17.10.19	Princes Trust	Attendance at Princes Trust Wales Awards Ceremony Tramshed Cardiff (attending as a member on judging panel)	£20 set meal for all attendees	Chris Payne	WOD	J Rogers, Director of W&OD	yes



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Dyddiad y Cyfarfod	20 Hydref	Eitem ar yr Agenda	2.12
Teitl yr Adroddiad	Polisi Trin Cwynion AaGIC		
Awdur yr Adroddiad	Dafydd Bebb, Ysgrifennydd y Bwrdd		
Noddwr yr Adroddiad	Dafydd Bebb, Ysgrifennydd y Bwrdd		
A gyflwynir gan	Dafydd Bebb, Ysgrifennydd y Bwrdd		
Rhyddid Gwybodaeth	Agored		
Pwrpas yr Adroddiad	Gofyn i'r Pwyllgor Archwilio a Sicrwydd ystyried y Polisi Trin Cwynion drafft ac argymell ei fod yn cael ei gymeradwyo gan y Bwrdd.		
Materion Allweddol	<p>Mae AaGIC yn gofyn am Bolisi Trin Cwynion pwrpasol sy'n adlewyrchu ei rôl fel darparwr hyfforddiant ac addysg.</p> <p>Ni chredir bod polisi cwynion presennol y GIG (Gwneud Pethau'n lawn), sy'n canolbwyntio ar gwynion cleifion, yn adlewyrchu anghenion AaGIC nad yw'n sefydliad sy'n wynebu cleifion.</p> <p>Mae'r polisi'n amlinellu'r broses ar gyfer delio â phryderon a chwynion, yn pwysleisio datrys materion yn gyflym lle bo hynny'n bosibl ac yn amlinellu sut y bydd gweithrediad y polisi yn cael ei fonitro.</p> <p>Yn unol â Rheolau Sefydlog AaGIC bydd angen cymeradwyaeth derfynol y Bwrdd ar gyfer Polisi Trin Cwynion.</p>		
Angen Camau Penodol (✓ <i>Un yn unig os gwelwch yn dda</i>)	Gwybodaeth	Trafodaeth	Sicrwydd
			Cymeradwyaeth ✓
Argymhellion	<p>Gofynnir i'r aelodau:</p> <p>Ystyried y Polisi Trin Cwynion drafft ac argymell ei fod yn cael ei gymeradwyo gan y Bwrdd.</p>		

Polisi Trin Cwynion AaGIC

1. CYFLWYNIAD

Gofyn i'r Pwyllgor Archwilio a Sicrwydd ystyried y Polisi Trin Cwynion drafft ac argymhell ei fod yn cael ei gymeradwyo gan y Bwrdd.

2. CEFNDIR

Mae AaGIC yn gofyn am Bolisi Trin Cwynion pwrpasol sy'n adlewyrchu ei rôl fel sefydliad hyfforddi ac addysg. Nid yw AaGIC yn sefydliad sy'n wynebu cleifion tra bod polisi cwynion presennol y GIG (Gwneud Pethau'n lawn) yn canolbwyntio ar drin cwynion gan gleifion. Dylid nodi hefyd, gan fod AaGIC yn Awdurdod Iechyd Arbennig, nad yw'n dod o dan y rheoliadau sy'n ymwneud â Gwneud Pethau'n lawn.

Mae'r broses o greu'r Polisi Cwynion drafft wedi bod yn broses hir ac ailadroddol. Mae gan AaGIC ystod unigryw o swyddogaethau o fewn GIG Cymru ac nid yw'n darparu gofal i gleifion. Mae hyn wedi'i ystyried wrth ddatblygu'r Polisi Cwynion drafft sydd ynghlwm yn Atodiad 1.

3. CYNNIG

Manylir ar elfennau allweddol y Polisi Cwynion drafft isod:

- Mae cwmpas y polisi yn cynnwys myfyrwyr, hyfforddeion, hyfforddwyr a Chyfarwyddwyr Rhaglenni Hyfforddi. Mae hefyd yn cynnwys staff na allant godi cwyn o dan Bolisi Disgyblu / Cwyno Cymru bresennol neu bolisi Codi Pryderon GIG Cymru.
- Lle bo hynny'n bosibl, mae'r polisi'n annog yr ymdrinnir â phryderon a chwynion yn anffurfiol er mwyn dod o hyd i ddatrysiad cyflym.
- Mae'r llinellau amser ar gyfer rheoli Cydymffurfiaid Ffurfiol fel a ganlyn:
 - Penodi swyddfa ymchwilio o fewn 3 diwrnod gwaith
 - Cydnabod cwyn o fewn 2 ddiwrnod gwaith
 - Cwyn cam un (mwy syml) wedi'i datrys cyn pen 10 diwrnod gwaith
 - Cwyn cam dau (mwy cymhleth) 30 diwrnod gwaith.
- Mae'r polisi'n darparu rheolaeth ganolog ar gyfer gohebiaeth sy'n ymwneud â chwyn ynghyd â chofnodi pryderon yn ganolog.
- Mae hefyd yn manylu ar sut y bydd y polisi'n cael ei fonitro ac y bydd adroddiad blynyddol ar Gwynion yn cael ei ddarparu i'r Pwyllgor Archwilio a Sicrwydd.

4. MATERION LLYWODRAETHU A RISG

Bydd dull safonol o ymdrin â'r Polisi Cwynion yn galluogi AaGIC i symleiddio ei broses gwyno a'i nod yw ymateb i faterion a datrys problemau yn gynnar a lle bo hynny'n bosibl. Bydd cofnodi pryderon a chwynion yn ganolog yn

galluogi nodi meysydd pryder yn gynnar a chanolbwyntio ar ddatrys yn gyflym. Bydd hefyd yn annog dysgu gwersi o bryderon a chwynion i wella gwasanaethau wrth symud ymlaen. Mae'r polisi hefyd yn cadarnhau'r broses ar gyfer adrodd yn rheolaidd ar Gwynion o fewn strwythur pwyllgorau AaGIC.

5. GOBLYGIADAU ARIANNOL

Ni ragwelir unrhyw oblygiadau ariannol uniongyrchol - bernir bod hon yn swyddogaeth graidd i AaGIC.

6. ARGYMHELLIAD

Gofynnir i'r aelodau:

ystyried y Polisi Trin Cwynion drafft ac argymell ei fod yn cael ei gymeradwyo gan y Bwrdd.

Llywodraethu a Sicrwydd			
Cyswilt â nodau strategol IMTP (os gwelwch yn dda✓)	Nod Strategol 1: Arwain cynllunio, datblygu a lles gweithlu cymwys, cynaliadwy a hyblyg i gefnogi cyflwyno ' Cymru Iachach '	Nod Strategol 2: Gwellu ansawdd a hygyrchedd addysg a hyfforddiant i'r holl staff gofal iechyd gan sicrhau ei fod yn diwallu anghenion y dyfodol	Nod Strategol 3: Gweithio gyda phartneriaid i ddylanwadu ar newid diwylliannol o fewn GIG Cymru trwy adeiladu gallu arweinyddiaeth dosturiol a chyfunol ar bob lefel
		✓	
	Nod Strategol 4: Datblygu'r gweithlu i gefnogi darparu diogelwch ac ansawdd	Nod Strategol 5: I fod yn gyflogwr enghreifftiol ac yn lle gwych i weithio	Nod Strategol 6: Cael eich cydnabod fel partner, dylanwadwr ac arweinydd rhagorol
	✓	✓	✓
Ansawdd, Diogelwch a Phrofiad y Claf			
Bydd dull safonol o ymdrin â'r polisi Dwylo Cwynion yn galluogi AaGIC i symleiddio ei broses gwyno. Bydd y polisi hefyd yn annog dysgu gwersi o bryderon a chwynion i wella gwasanaethau wrth symud ymlaen. Bydd hyn yn gwella ansawdd hyfforddiant ac addysg ac yn cyfrannu at Ansawdd, Diogelwch a Phrofiad y Claf.			
Goblygiadau Ariannol			
Ni ragwelir unrhyw oblygiadau ariannol uniongyrchol - bernir bod hon yn swyddogaeth graidd i AaGIC.			
Goblygiadau Cyfreithiol (gan gynnwys asesiad cydraddoldeb ac amrywiaeth)			
Dim goblygiadau cyfreithiol.			
Goblygiadau Staffio			
Dim goblygiadau staffio.			
Goblygiadau Tymor Hir (gan gynnwys effaith Deddf Lles Cenedlaethau'r Dyfodol (Cymru) 2015)			
Hanes yr Adroddiad			
Atodiadau	Atodiad 1 - Polisi Trin Cwynion Drafft		

DRAFT



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

Complaints Handling Policy

Executive Sponsor & Function:

Board Secretary

Document Author:

Board Secretary

Approved by:

[Board Approval required]

Approval Date:

[tbc]

**Date of Equality Impact Assessment:
2020****Equality Impact Assessment Outcome:**
[Live].**Review Date:**

November 2021

Version: v1

EXECUTIVE SUMMARY

Complaints Handling Policy

Overview	This document sets out the arrangements by which HEIW will manage and respond to a Concern or a Complaint raised in respect of the organisation.
Who is the policy intended	<p>A Concern or Complaint can be raised under this policy by anyone.</p> <p>A HEIW employee can raise a Concern or a Complaint under this policy where the matter does not come under the Wales Disciplinary/Grievance Policy or NHS Wales Raising Concerns Policy.</p>
Key Messages included within the policy:	<p>HEIW has a unique range of functions within NHS Wales and does not deliver patient care. This has been taken into account in developing our Concerns and Complaints Policy.</p> <p>Where possible and appropriate Concerns and Complaints may be dealt with on an informal basis in order to find a swift resolution.</p> <p>HEIW has a two-stage procedure for handling Formal Complaints.</p> <p>All Formal Complaints will be acknowledged within two working days of receipt.</p> <p>Stage 1. We will always try to resolve a Complaint quickly, within ten Working Days if we can.</p> <p>Stage 2. Shall be adopted if the:</p> <ul style="list-style-type: none"> • person making the Complaint is dissatisfied with HEIW's response to Stage 1 or, • where it is immediately clear that the Complaint is complex or in need of detailed investigation. <p>The decision in respect of the Complaint to be made as soon as possible. Unless there is a good reason for needing more time the decision in respect of a Phase 2 Complaint will be made within 30 Working Days.</p> <p>HEIW welcomes the comments of service users and staff, both positive and negative as these help us to improve our service.</p>

	Whoever makes a concern or complaint will suffer no detriment as a consequence of doing so.

PLEASE NOTE THIS IS ONLY A SUMMARY OF THE POLICY AND SHOULD BE READ IN CONJUNCTION WITH THE FULL POLICY DOCUMENT

Contents

- 1. Policy statement – the difference between a Concern and a Complaint**
- 2. Purpose**
- 3. Complaints included under the policy**
- 4. Complaints excluded under the policy**
- 5. Roles and responsibilities**
- 6. Process for handling a Concern**
- 7. Process for handling a Complaint**
- 8. Principles for handling a Complaint**
- 9. Consent**
- 10. Two Stage Investigation process**
- 11. Making a Formal Complaint**
- 12. Staff support**
- 13. Quality assurance**
- 14. Reporting mechanism monitoring the process**
- 15. Investigation undertaken by the Public Services Ombudsman for Wales**
- 16. Equality and Welsh Language**
- 17. Storage and management of Complaints files**

Appendix 1 – Concerns Procedure

Appendix 2 – Complaints Procedure

1. Policy statement

- 1.1 HEIW is committed to providing education, training and workforce development for the NHS.
- 1.2 However hard we try to respond to the wishes and aspirations of those we support through these functions, we do recognise that, on occasion, our service may fall short of expectations and give rise to concerns or complaints.
- 1.3 We deliver our functions by working in close cooperation with partners such as NHS Health Boards and Trusts. It is important that in considering any concerns or complaints we are cognisant of their role and contribution.

The difference between a Concern and a Complaint

- 1.4 **Concern.** HEIW regards a Concern as an expression of worry or doubt over an issue considered to be important for which reassurance is sought.
- 1.5 HEIW will aim to resolve Concerns at the earliest opportunity. The process for handling a Concern is outlined in paragraph 5.
- 1.6 **Complaint.** HEIW regards a Complaint to be any expression of dissatisfaction about a HEIW action or lack of action, or about the standard of service provided by us or on our behalf.
- 1.7 HEIW will aim to resolve a Complaint at the earliest opportunity. The process for handling an Informal Complaint is outlined in paragraph 6.
- 1.8 Where an individual wish to raise their Complaint formally (Formal Complaint) they may do so through raising a Complaint in accordance with paragraph 9 below.
- 1.9 **Scope.** A Complaint can be made under this policy by anyone. A HEIW employee can raise a Concern or a Complaint under this policy where the issue does not come under the Wales Disciplinary/Grievance Policy or NHS Wales Raising Concerns Policy.
- 1.10 Whoever raises a Concern or makes a Complaint will suffer no detriment as a consequence of doing so.

2. Purpose

- 2.1 This document details HEIW's Complaints process and outlines how this should be managed.
- 2.2 Through the effective management of the process HEIW will aim, where possible, to put things right. Where it is not possible to resolve matters to

the satisfaction of the Complaining party, we will explain why this is not possible and advise that they may raise the matter with the Public Service Ombudsman for Wales.

- 2.3 The HEIW Board supports organisational learning, which is then shared locally through Directorates and throughout HEIW.
- 2.4 A key requirement is therefore the sharing of lessons learned arising from Complaints with the staff involved and, where relevant, the wider organisation and external stakeholders in order to share good practice and bring about real improvements.
- 2.5 H:EIW welcomes the comments of service users, both positive and negative as these help us to improve our service.

3. Complaints included under the policy

- 3.1 Paragraph 3.1.1 and 3.1.2 anticipate the areas that will be dealt with under our complaints handling policy (this is not an exhaustive list).

- 3.1.1 Complaints against HEIW from students, trainees and other learners, trainers or Training Programme Directors for:

- a failure to provide or an inadequate level of service;
- a lack of information and clarity;
- difficulty in contacting HEIW;
- treatment by or attitude of a member of our staff;
- environmental or domestic issues;
- operational and procedural issues;
- our failure to follow the appropriate process and
- dissatisfaction with the complaints handling policy.

- 3.1.2 A complaint by a member of HEIW staff that cannot be raised under the Wales Disciplinary/Grievance Policy or NHS Wales Raising Concerns Policy.

4. Complaint excluded under the policy

- 4.1 The following are matters which we cannot deal with under our complaints handling policy:

- matter can be raised by a member of staff under the Wales Disciplinary/Grievance Policy or NHS Wales Raising Concerns Policy;
- a Complaint that has been investigated by the Wales Public Services Ombudsman for Wales;

- a Complaint which arises out of an alleged failure of the Organisation to respond to a Freedom of Organisation request or Data Subject Access Request;
- matters relating to services not provided by or funded by HEIW;
- a Complaint where the complainant has already commenced legal proceedings, or has clearly indicated and intent to do so, rather than pursue the matter under this Complaints policy;
- a previously concluded Complaint or a request to have a Complaint reconsidered where HEIW has already given our final decision;
- Complaint covered by Health Board, Health trust policies, University policies or the policies of other education or training providers;
- Academic judgement;
- Patient treatment and care as HEIW does not treat patients directly.

5. Roles and responsibilities

5.1 Chief Executive

The Chief Executive has overall responsibility for dealing with Complaints. This responsibility has been delegated on a day-to-day basis in the following manner.

5.2 Responsible officer – Board Secretary

5.2.1 HEIW has designated the Board Secretary to act as the responsible officer to oversee the day to day management of these arrangements.

5.2.2 The responsible officer ensures arrangements are in place to:

- manage and consider Complaints;
- ensure that Complaints are dealt with in compliance with this Policy;
- ensure arrangements are in place to review the outcome of all investigated Complaints to ensure that any failure in provision of service identified during the investigation are acted upon, improved and monitored in order to prevent recurrence;
- ensuring that an annual report is prepared summarising the organisation's activities in respect of Complaints.
- ensuring that arrangements for dealing with Complaints are published and that a copy of the arrangements is given free of charge to any person who requests it, in the format requested.

5.2.3 The Board Secretary can delegate responsibilities for Complaints to an authorised person but remains the accountable person in any situation.

5.3 Director role

It is the responsibility of the appropriate Director to undertake the investigation of a Complaint and to support their managers in conducting investigations within a timely manner to achieve the response targets. They are also responsible for undertaking quality assurance reviews of Complaint responses before they are

submitted to the Chief Executive and Board Secretary. Directors are required to address any issues in relation to the quality of the investigation within their areas and to ensure lessons are being learnt and shared across the organisation, as appropriate, to improve services and prevent reoccurrence

5.4 Investigation officer

Complaints should be investigated by the most appropriate manager from the service area, function or programme appointed by the relevant Director. Investigation officers will possess subject expertise to apply to the investigation and will work with a range of other managers and staff throughout the organisation to assist investigations. Where deemed appropriate an Investigating Officer may be appointed from a different area of the organisation to ensure objectivity.

5.5 All staff

5.5.1 All staff must be aware of the organisational policies and procedures to ensure they know how to:

- deal with Complaints;
- learn from Complaints;
- cooperate fully and openly in the investigation of Complaints.

5.5.2 If a member of staff is involved at any level with a Complaint that involves a family member, they must declare an interest. Any investigating officer or person signing off a Complaint must not have any family relationship with either the complainant or the person about whom the Complaint is made

6. Process for handling a Concern

6.1 A Concern may be raised in person, by phone, by e-mail or in writing.

6.2 Concerns will be resolved informally, without the need to use HEIW's formal Complaints process. HEIW will always try to deal with a Concern quickly and seek a swift resolution where possible.

6.3 All Concerns should be logged through forwarding an email headed 'Concern' to the Board Secretary and Governance Team at [insert HEIW complaints email address]. The email shall contain a brief description of the Concern.

7. Process for handling an Informal Complaint

7.1 An Informal Complaint may be raised in person, by phone, by e-mail or in writing.

- 7.2 Many Complaints will be resolved informally without the need to use HEIW's formal Complaints process. HEIW will always try to deal with an Informal Complaint quickly and seek a swift resolution where possible.
- 7.3 All Complaints which are resolved informally should be logged through forwarding an email headed 'Informal Complaint' to the Board Secretary and Governance Team at with a brief summary of the Complaint to the [insert HEIW complaints email address]. The email shall contain a brief description of the Informal Complaint.

8. Principles for handling a formal Complaint

- 8.1 HEIW is committed to dealing with Complaints in an open, accessible and fair manner. The process set up for the investigation and handling of Complaints ensures:
- there is a single point of entry for the submission of Complaints;
 - Complaints are properly investigated in an open and efficient manner;
 - the complainant is treated with respect and courtesy;
 - the complainant's expectations are established and their involvement in the process sought;
 - the Complainant is advised of a named person who will act as their contact throughout the handling of their Complaint;
 - the complainant is advised of the availability of assistance to enable them to pursue their Complaint;
 - the complainant receives a timely and appropriate response to their Complaint and is kept informed if there is a delay;
 - the complainant is informed of the outcome of the investigation;
 - the complainant is assured that if the Complaint is upheld, appropriate action has been/will be taken as a result of their raising a Complaint to prevent similar cases arising;
- 8.2 HEIW will develop an understanding of why some members of the community who may wish to raise a concern might not feel able to do so. This may be due to cultural, social, gender and other reasons, including sensory loss, any of which might result in ineffective communication. Staff should be mindful of the issues which might act as a barrier to people raising a concern and look for ways to assure people that it is safe for them to raise an issue.

9. Consent

Information contained within a Complaint falls within the definition of personal data contained within the Data Protection Act 2018.

Anyone can raise a Complaint and HEIW has a duty to consider whether it can be investigated. The investigation may need access to the person raising the Complaint's records.

9.1 Implied consent

Where the service user raises the Complaint regarding him or herself, then in doing so it can be deemed as implied consent to undertake an investigation. However, for the individual to be clear in the knowledge that their records may need to be accessed this should be explained in the acknowledgement letter, as this provides them with an opportunity to indicate that they do not wish their records to be accessed.

9.2 Required Consent

Where a representative raises a Complaint on behalf of someone else then the individual on whose behalf the Complaint is made must provide written consent for HEIW to conduct the investigation and access their records. A consent form will be made available on our website to support the process.

10. Two Stage Investigation process

10.1 The process through which an individual should raise a Complaint is outlined in paragraph 11 below.

10.1.1 HEIW will acknowledge a Complaint within two working days of receiving the Complaint.

10.1.2 An Investigating Officer will be allocated to a Complaint within three working days of receiving the Complaint.

10.2 Stage One: early local resolution

HEIW will always try to resolve a Complaint quickly and within ten Working Days of receipt of the Complaint where possible. Where appropriate, this could mean an on-the-spot apology and explanation if something has clearly gone wrong, and immediate action to resolve the problem.

10.3 Stage Two: Investigation

10.3.1 In the event that the Complaint is not resolved to the satisfaction of all parties through the Stage One process or, HEIW deems the Complaint is more complex requiring more detailed investigation the Stage Two procedure will be followed.

10.3.2 HEIW will provide its response as soon as possible. This will be after no more than 30 Working Days after the receipt of the Complaint unless there is clearly a good reason for needing more time. Where such additional time is required HEIW will confirm this in writing through a holding letter. Where a Complaint has been escalated from Phase 1 to a Phase 2 the 30 Working days shall be measured from the date of escalation.

11. Making a Formal Complaint

- 11.1 The person making the Formal Complaint, or their representative should inform the Chief Executive via email headed ' Complaint' to [the HEIW complaints email address] or in writing to the Chief Executive , at Ty Dysgu, Nantgarw, CF15 7QQ.
- 11.2 To assist HEIW to respond to the complaint as quickly as possible it should contain the following information:
- complainant's full name and address, and email address if this is the preferred method of contact,
 - when the event happened;
 - where the event happened;
 - how the person making the Complaint would like HEIW to resolve the matter.
- 11.3 The Complainant will receive an acknowledgement of their Complaint within two working days of it being received by HEIW.
- 11.4 The Complaint must be made normally, within three months of the event that is being complained about.
- 11.5 HEIW will accept Complaints from the representatives of a person who makes a Complaint. This is subject to us having first received confirmation in writing that the person making the Complaint has appointed a representative to act on their behalf in the matter.

12. Staff support

- 11.1 Information about the investigation must be given to the staff involved in a truthful and open manner although if imparting this information may jeopardise the investigation, then it is advised not to inform the member of staff.
- 11.2 The line manager of a member of staff who is a subject of a Complaint needs to consider what level of support they may need, as the member of staff may feel anxious, need reassurance and support as the investigation progresses.
- 11.3 In collaboration with the member of staff referral to appropriate staff support services should be considered as required. Healthcare professionals may also seek support from their relevant professional bodies.

13. Quality assurance

- 13.1 The organisations quality assurance process includes a review of investigations and response letters by the relevant Director and Board Secretary.

- 13.2 It is the organisations policy that no response letters should be sent by Managers directly to the person raising the Complaint. All final response letters must be approved and sent from the Chief Executive or nominated deputy.

14. Reporting mechanism monitoring the process

- 14.1 All Complaints are monitored to ensure they been adequately investigated, remedial action taken and that lessons have been learnt. HEIW's Executive Team will consider Complaint reports and make recommendations as appropriate.
- 14.2 All serious Complaints raised will be reported to the Executive Team. Details of the subject and nature of the Complaints, together with the outcome of the investigation must be recorded.
- 14.3 Compliance with the stated time periods for response are monitored and reported. The Board are made aware of Complaints which may adversely affect the reputation of the Board by the Chief Executive supported by the Board Secretary.
- 14.4 HEIW's performance in respect of handling Formal Complaints will be monitored and reported upon through the Corporate Section of Performance Management Framework.
- 14.5 An annual report will be provided to the Audit and Assurance Committee by the Board Secretary. The report will include the number of Complaints notified, the number of Complaints referred to the Ombudsman for Wales and the number of matters referred to redress.
- 14.6 This Policy will be monitored by the Executive Team and the Audit and Assurance Committee and will be subject to review within one year of it being adopted or in light of new guidance legislation or organisational change.

15. Investigations undertaken by the Public Services Ombudsman

- 15.1 If the person raising the Complaint remains dissatisfied following Stage 2 the person raising the Complaint can refer the matter to the Public Service Ombudsman for Wales.
- 15.2 Contact details of this must be provided within the response letter to the person raising the Complaint.

16. Equality and Welsh Language

- 16.1 HEIW shall undertake the implementation of this policy in accordance with the Equality Act. Under the Act people are not allowed to

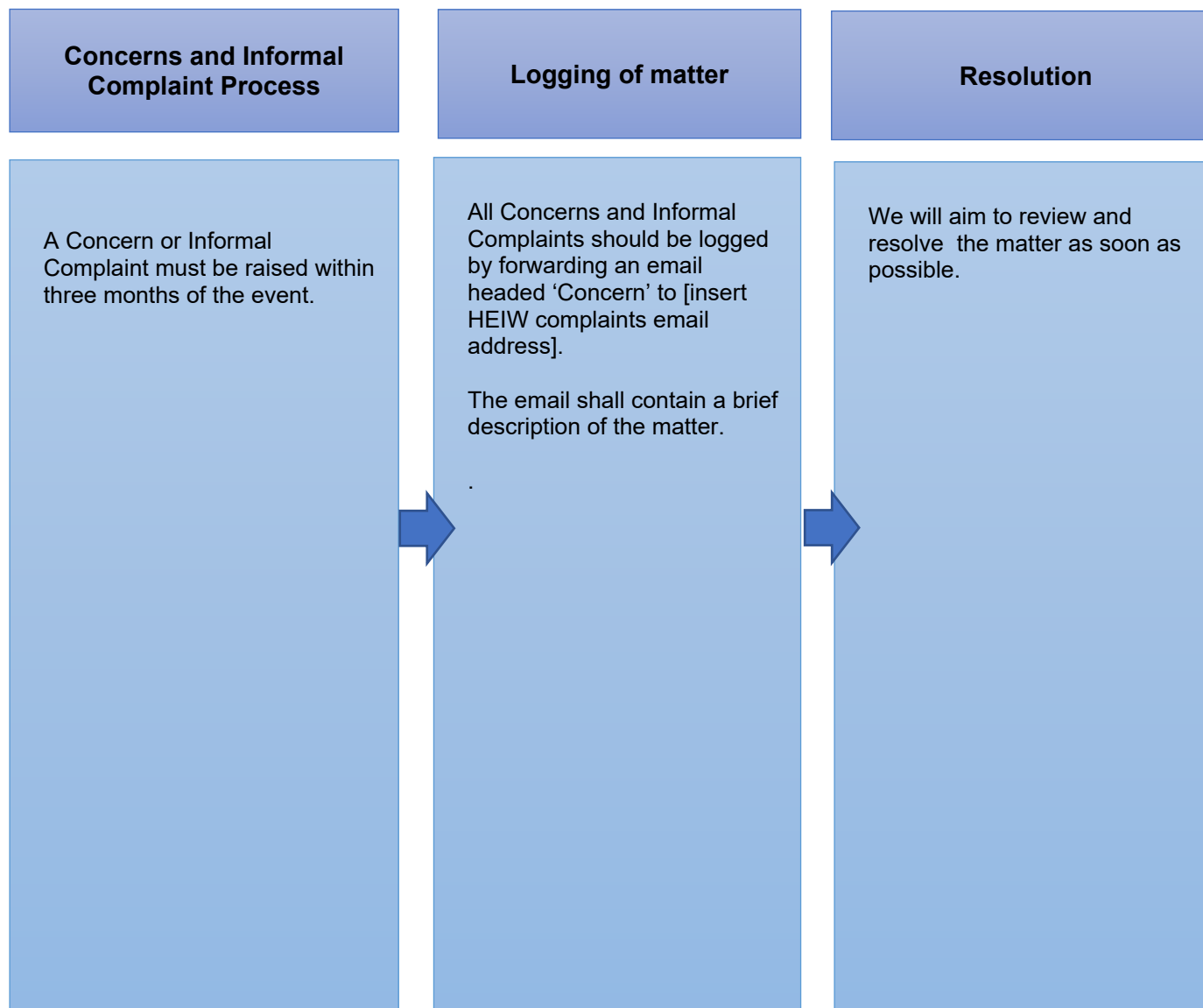
discriminate, harass or victimise another person on the basis of a protected characteristic defined as: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion and belief, sex and sexual orientation.

16.2 It is important where the Welsh Language forms part of the Complaint that people are advised that as well as the Public Services Ombudsman for Wales, they can take their Complaint to the Welsh Language Commissioner if they remain unhappy. This information should be included within the final response letter as appropriate.

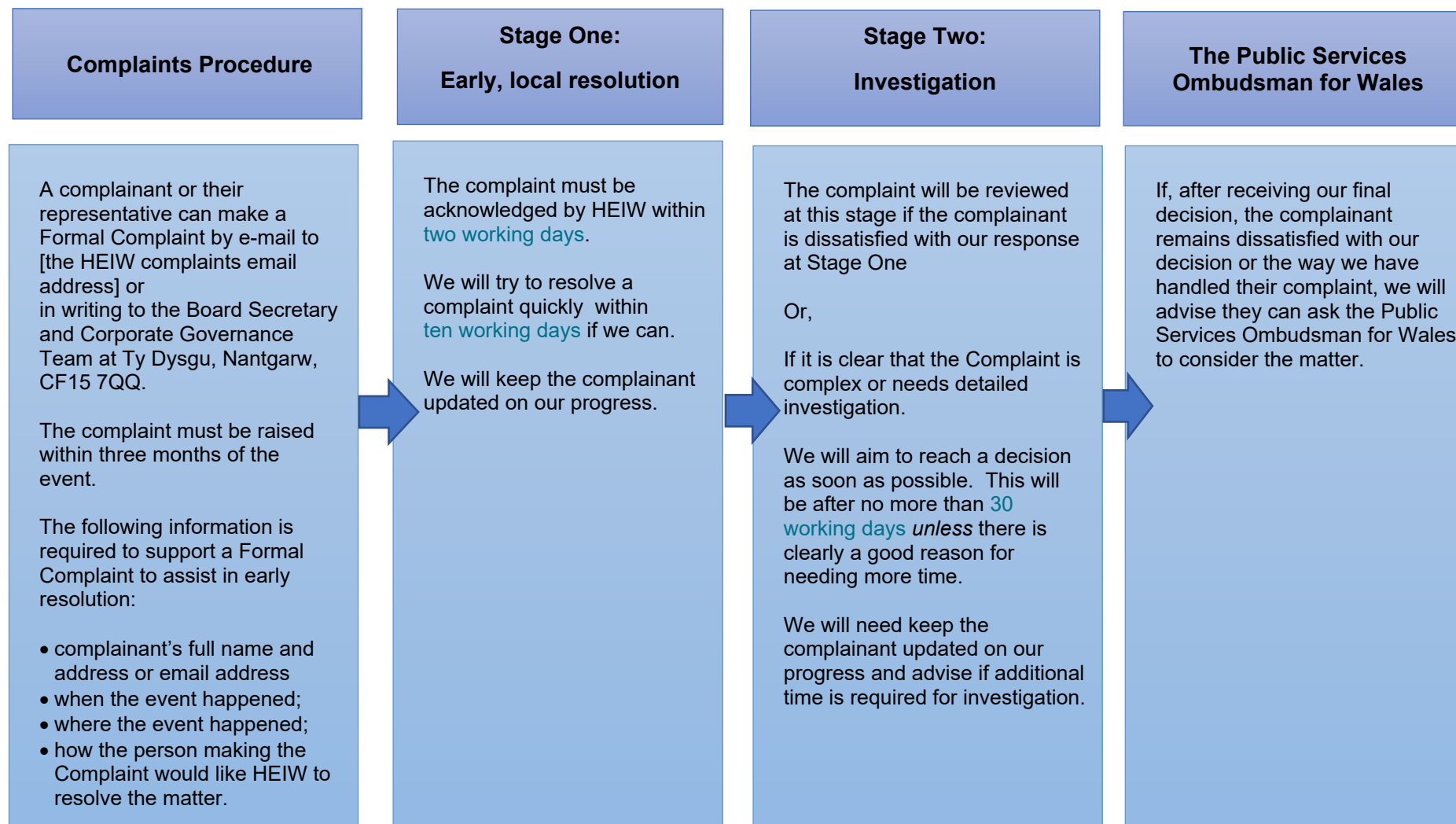
16.3 Staff should also be sensitive to the requirements of Welsh speakers in the handling of their Complaints. Arrangements should be put in place to ensure they are able to raise their Complaints, discuss them with Welsh speaking members of staff and receive a response in Welsh.

17. Storage and Management of Complaints Files

17.1 This file is the responsibility of the Investigation Officer. It is the responsibility of the Board Secretary to ensure that when closing the Complaint, the file is complete, accurate and holds no contentious remarks as the information is disclosable.

APPENDIX 1 – CONCERNS or INFORMAL COMPLAINTS PROCESS

APPENDIX 2 – FORMAL COMPLAINTS PROCESS





Dyddiad y Cyfarfod	20 Hydref 2020	Eitem ar yr Agenda	2.13
Teitl yr Adroddiad	Traciwr Argymhellion Archwilio		
Awdur yr Adroddiad	Kay Barrow, Rheolwr Llywodraethu Corfforaethol		
Noddwr yr Adroddiad	Dafydd Bebb, Ysgrifennydd y Bwrdd		
Cyflwynwyd gan	Dafydd Bebb, Ysgrifennydd y Bwrdd		
Rhyddid Gwybodaeth	Agored		
Pwrpas yr Adroddiad	<p>Cyflwyno'r Traciwr Argymhellion Archwilio (Traciwr) i'r Pwyllgor Archwilio a Sicrwydd, at ddibenion cydymffurfio a sicrwydd. Mae'r Traciwr yn cynnwys y camau gweithredu cyfredol y cytunwyd arnynt mewn ymateb i argymhellion adroddiadau Archwilio a dderbyniwyd gan ffynonellau fel y Gwasanaeth Archwilio Mewnol ac Archwilio Cymru.</p> <p>Rhoi'r wybodaeth ddiweddaraf am statws Coch Melyn Gwyrdd nifer o argymhellion yn dilyn adolygiad o gynnydd y camau gweithredu o fewn y Traciwr gan y Tîm Gweithredol.</p>		
Materion Allweddol	<p>Mae'r Traciwr, y mae ei statws yn cael ei gynrychioli trwy ddefnyddio graddfa Goch; Melyn; Gwyrdd, yn cwmpasu 41 o argymhellion ar hyn o bryd.</p> <p>Mae'r Traciwr wedi'i gynnwys yn Atodiad 1.</p>		
Camau penodol i'w cymryd (rhowch un ✓ yn unig)	Gwybodaeth	Trafodaeth	Sicrwydd
			✓
Argymhellion	<p>Gofynnir i'r Pwyllgor Archwilio a Sicrwydd:</p> <ul style="list-style-type: none"> • Nodi'r adroddiad. • Ystyried y cynnydd a Chymeradwyo'r argymhellion gwyrdd a aseswyd fel rhai wedi'u cwblhau, neu sy'n gyflawn, yn hytrach na rhai wedi'u tynnu o'r Traciwr. 		

TRACIWR ARGYMHELLION ARCHWILIO

1. CYFLWYNIAD

Yn unol ag arferion da, dylai'r Pwyllgor Archwilio a Sicrwydd (y Pwyllgor) fonitro cynnydd gyda'r rhaglen o adroddiadau archwilio mewnol ac allanol a gynhelir yn AaGIC yn ofalus. Sefydlwyd Traciwr Argymhellion Archwilio (Traciwr) manwl i gofnodi cynnydd yr holl argymhellion sydd wedi'u cynnwys ym mhob un o'r adroddiadau Archwilio Mewnol ac Allanol ers sefydlu AaGIC.

Bydd y Traciwr yn rhoi sicrwydd i'r Pwyllgor Archwilio a Sicrwydd bod yr argymhellion hynny'n cael eu rhoi ar waith, eu monitro a'u cwblhau.

2. CEFNDIR

Dylai'r Pwyllgor gyflawni rôl hanfodol yn cefnogi trefniadau llywodraethu effeithiol AaGIC. Dylai gyflawni rôl ganolog yn sicrhau bod AaGIC yn gweithredu yn unol â threfniadau llywodraethu da, gan ddefnyddio safonau cyfrifyddu ac archwilio priodol, a mabwysiadu trefniadau rheoli risg priodol.

3. MATERION LLYWODRAETHU A RISG

Yn unol â llywodraethu da, mae cydgysylltu ac adrodd ar gamau gweithredu sefydliadol ar gyfer gwaith archwilio yn elfennau allweddol o drefniadau sicrwydd cyffredinol AaGIC.

Mae'r Traciwr yn monitro statws argymhellion Archwilio Mewnol ac Allanol yn ofalus. Mae'r cynllun newydd hwn yn darparu adnodd ymarferol i AaGIC sy'n ei alluogi i graffu ar argymhellion archwilio'n fanylach ac mae wedi'i gynllunio i ddarparu ffocws manylach ar y rhesymau pam y mae argymhellion yn hwyr neu heb eu gweithredu o fewn yr amserlenni y cytunwyd arnynt. Bydd hyn yn amlygu meysydd y gallai fod angen cymorth ychwanegol arnynt ac yn sicrhau bod yna fecanweithiau clir ar waith i godi unrhyw bryderon.

Taenlen Excel yw'r Traciwr ac mae wedi'i rannu yn bedwar tab:

- Adolygiadau Archwilio Mewnol
- Allanol – Adolygiadau Swyddfa Archwilio Cymru ac Adolygiadau Allanol eraill
- Mewnol wedi'u cwblhau
- Allanol wedi'u cwblhau

Blaenoriaethu Argymhellion

Mae argymhellion archwilio'n cael eu categorïddio yn ôl eu lefel blaenoriaeth ac fel canllaw dylid eu cwblhau o fewn yr amserlenni canlynol oni bai y cytunir ar amserlen fwy priodol ar adeg yr archwiliad.

Uchel – i'w gwblhau'n syth

Canolig – i'w gwblhau o fewn mis

Isel – i'w gwblhau o fewn tri mis

• Tab 1 – Crynodeb o Adroddiadau Archwilio Mewnol

Ar adeg cyhoeddi'r adroddiad hwn mae **29** o argymhellion archwilio mewnol cyfredol ar y traciwr.

Mae'r Traciwr yn dangos yr argymhellion hynny sydd wedi'u cwblhau ac y cynigir eu tynnu oddi ar y traciwr, y rhai sydd wedi gwneud cynnydd sylweddol ond nad ydynt wedi'u cwblhau'n llawn eto a'r rhai sydd wedi gwneud rhywfaint o gynnydd ond bod nifer o ffactorau'n dal i barhau sy'n atal y cam gweithredu rhag cael ei gwblhau'n llawn.

Yn y cyfarfod diwethaf nid oedd gan nifer o'r argymhellion ddyddiadau terfyn diwygiedig yn sgil y flaenoriaeth gynyddol i Coronafeirws. Fodd bynnag, mae'r rhain wedi'u diwygio a dyddiadau wedi'u rhoi i gwblhau'r cam gweithredu.

Mae'r **29** argymhelliad yn y tab archwilio mewnol wedi'u categoreiddio yn y tabl isod:

Coch	0	Dim cynnydd a thu allan i ddyddiad terfyn gwreiddiol y targed. Mae dyddiadau terfyn diwygiedig wedi'u nodi.
Gwyrdd	15	Cam gweithredu wedi'i asesu fel wedi'i gwblhau neu'n gyflawn.
Oren	14	Cynnydd sylweddol ond heb ei gwblhau'n llawn eto neu'r cam gweithredu heb gyrraedd y dyddiad terfyn eto.

Mae'r **15** cam gweithredu 'Gwyrdd' wedi'u hasesu fel rhai wedi'u cwblhau, neu fel rhai cyflawn, a chynigir eu tynnu o'r Traciwr gyda chytundeb y Pwyllgor Archwilio a Sicrwydd.

Cyfanswm yr Argymhellion Archwilio Mewnol Hwyr

Mae yna **14** o argymhellion hwyr ar y traciwr ac mae'r rhain wedi'u gwahanu yn ôl lefel blaenoriaeth fel y disgrifir yn y tabl isod:

Lefel Blaenoriaeth	Nifer yr Argymhellion Hwyr
Uchel	1
Canolig	9
Isel	4
Cyfanswm	14

Nifer yr argymhellion hwyr yn ôl graddfa sicrwydd:

Graddfa Sicrwydd	Nifer yr Argymhellion Hwyr
Cyfyngedig	0
Rhesymol	11
Sylweddol	3
Heb raddio	0
Cyfanswm	14

Mae rhagor o waith ar y gweill i sicrhau bod y camau gweithredu sy'n weddill ar y gronfa ddata wedi'u cwblhau fel y cytunwyd.

- **Tab 2 – Crynodeb o Adroddiadau Archwilio Allanol**

Mae Tab 2 yn disgrifio'r **12** argymhelliad a wnaed yn dilyn Asesiad Strwythuredig 2019. Mae'r tabl isod yn disgrifio statws yr argymhellion archwilio allanol cyfredol:

Statws	Nifer yr Argymhellion
Hwyr	7
Ddim i fod yn barod eto	0
Cwblhawyd yn y cyfnod hwn	4
Parhaus	1
Cyfanswm	12

Mae'r **4** cam gweithredu 'Gwyrdd' wedi'u hasesu fel rhai wedi'u cwblhau, neu gyflawn, a chynigir eu tynnu o'r Traciwr gyda chytundeb y Pwyllgor Archwilio a Sicrwydd.

Mae rhagor o waith ar y gweill i sicrhau bod y camau gweithredu sy'n weddill ar y gronfa ddata wedi'u cwblhau fel y cytunwyd.

- **Tabiau 3 a 4 – Argymhellion a Gwblhawyd**

Pan fydd argymhellion wedi'u hasesu fel rhai 'Gwyrdd' ac wedi eu cwblhau, cânt eu trosglwyddo i'r tabiau 'Mewnol Cwblhawyd' neu 'Allanol Cwblhawyd'.

4. GOBLYGIADAU ARIANNOL

Efallai y bydd yna ganlyniadau ariannol gyda rhai camau gweithredu unigol ond nid oes unrhyw effaith ariannol uniongyrchol yn gysylltiedig â'r adroddiad hwn yn y cam hwn.

5. ARGYMHELLIAD

Gofynnir i'r Pwyllgor Archwilio a Sicrwydd:

- **Nodi'r** adroddiad.
- **Ystyried** y cynnydd a **Chymeradwyo'r** argymhellion gwyrdd sydd wedi'u hasesu fel rhai wedi'u cwblhau, neu'n gyflawn, ac y cynigir eu tynnu o'r Traciwr.

Llywodraethu a Sicrwydd			
Cysylltu ag amcanion strategol yr IMTP <i>(rhowch ✓)</i>	Nod Strategol 1: Arwain y broses o gynllunio a datblygu gweithlu cymwys, cynaliadwy a hyblyg, a sicrhau ei lesiant, er mwyn helpu i gyflawni 'Cymru Iachach'	Nod Strategol 2: Gwellu ansawdd a hygyrchedd addysg a hyfforddiant ar gyfer yr holl staff gofai iechyd er mwyn sicrhau ei fod yn diwallu anghenion y dyfodol	Nod Strategol 3: Gweithio gyda phartneriaid i ddylanwadu ar newid diwylliannol yn GIG Cymru drwy ddatblygu capasiti arwain tosturiol a chydweithredol ar bob lefel
	✓		
	Nod Strategol 4: Datblygu'r gweithlu er mwyn helpu i ddarparu diogelwch ac ansawdd	Nod Strategol 5: Bod yn gyflogwr rhagorol ac yn lle gwych i weithio ynddo	Nod Strategol 6: Cael ei nabod fel partner, dylanwadrwr ac arweinydd rhagorol
Ansawdd, Diogelwch a Phrofiad y Claf Bydd yr effaith ar ansawdd, diogelwch a phrofiad y claf lle bo'n briodol yn cael ei nodi o fewn y camau gweithredu unigol a'r gofynion sicrwydd.			
Goblygiadau Ariannol Efallai y bydd yna ganlyniadau ariannol gyda rhai camau gweithredu unigol ond nid oes unrhyw effaith ariannol uniongyrchol yn gysylltiedig â'r adroddiad hwn yn y cam hwn			
Goblygiadau Cyfreithiol (yn cynnwys asesiad o gydraddoldeb ac amrywiaeth) Nid oes unrhyw oblygiadau cyfreithiol.			
Goblygiadau Staffio Nid oes unrhyw oblygiadau ychwanegol o ran staffio.			
Goblygiadau Hirdymor (yn cynnwys effaith Deddf Llesiant Cenedlaethau'r Dyfodol (Cymru) 2015) Bydd ystyriaethau'r Ddeddf yn cael eu cynnwys wrth ystyried camau gweithredu unigol lle bo'n briodol			
Hanes yr Adroddiad	Adolygu gan y Tîm Gweithredol		
Atodiadau	<ul style="list-style-type: none"> Atodiad 1 y Traciwr Argymhellion Archwilio. 		

Internal Audit Open Recommendations

HEIW Ref. No.	Year	Report Title	Assurance Rating	Responsible Officer	Director	Priority Level	Recommendation	Management Response	Agreed Deadline	Status	Due	Reason overdue	Progress	Proposed completion date / Date completed	No. of months past agreed deadline	If action is complete, can evidence be provided upon request?	If closed and not complete, please provide justification	ET Sign Off	Risk Register? Yes/No
30	19/20	Health & Safety July 2019	Reasonable	Head of People & OD Team	Director of Workforce & OD	Medium	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.	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.	Oct-19	Partially complete	Overdue	Transferred from Planning & Performance to People & OD Team	<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: • Assessment and use of DSE; Fire safety; PEEP; First Aid; New and expectant mothers; Young persons; Incident reporting and investigation. 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 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. It was felt that the homeworking procedure should be led by the People team and informed by this piece of work. 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> <p>Progress as at January 2020: 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. 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> <p>Progress as at June 2020: The Alcohol & Substance Misuse and Mental Health & Wellbeing Procedures are part of the Corporate Health Standards. Both policies have been out for staff consultation. The Alcohol & Misuse policy has concluded on 2.6.2020 and will be ratified by the Local Partnership Forum on 8th July. The Mental Health & Wellbeing Policy felt to be a more critical policy in light of the current COVID 19 pandemic. A task and finish group has been set up to support the development of this policy. Staff focus groups will be commencing on 29th June and to conclude in July. The development of a Agile/Flexible/Home/Remote Working Policy has now commenced. A task and finish group has been set up to drive forward the development of this policy. The first meeting is on 24th June.</p> <p>Current Progress: The HEIW Alcohol and Substance Misuse Policy was ratified on 8th July and published on the intranet. The HEIW Mental Health & Wellbeing Policy remains at the consultation stage, and continues to be enriched with staff feedback during the current COVID 19 pandemic. An Agile Working Task and Finish group has been developing a HEIW Agile Working Policy. As a National group has just been formed to develop a NHS Wales Agile Working policy, the work of the HEIW group has been shared and amalgamated into the national work (Head of People on this group). The HEIW Flexible Working Request Policy has been ratified and published. In the meantime and a draft HEIW Lone Working Policy should be in circulation by the end of September.</p> <p>Mental Health and Wellbeing focus groups have been completed, working group to develop policy due to meet 2nd week of September on a weekly basis with draft to be completed by 1st week in October ready for review by policy review group.</p>	Dec-20	14			Yes	No
61	19/20	Board and Committee Governance Arrangements November 2019	Substantial	Board Secretary	Board Secretary	Medium	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, 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.	• Self-assessment for the Board scheduled for Q4 of 2019/20.	Mar-20	Partially complete	Overdue	Decision made to undertake self-assessment during September/October 2020	<p>Progress as at January 2020: All self-assessments are scheduled into the appropriate Forward Work Programme.</p> <p>Progress as at July 2020: The Board planned to undertake its self-assessment as part of a Board Development Session in Q4. However, it has been agreed that the Board will undertake its self-assessment during September/October 2020 at its 2-year anniversary at the HEIW Chair's request.</p> <p>Current Progress: The Board will consider the process for undertaking the self assessment at its Development Session in October 2020. The outcome of the self-assessment will be considered at the November Board.</p>	Nov-20	8			Yes	No
61	19/20	Board and Committee Governance Arrangements November 2019	Substantial	Board Secretary	Board Secretary	Medium	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, 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.	• Self-assessment for the Remuneration and Terms of Service Committee scheduled for Q4 of 2019/20	Mar-20	Partially complete	Overdue	Due to the increasing priority of Coronavirus, the self-assessment has been delayed until further notice.	<p>Progress as at January 2020: All self-assessments are scheduled into the appropriate Forward Work Programme.</p> <p>Progress as at July 2020: It was planned for the Committee to undertake its self-assessment in Q4. However, due to the increased priority of Coronavirus, the draft Self Assessment Checklist will be considered at the July RATS Committee.</p> <p>Current Progress: Consideration of the self assessment is scheduled for November RATS Committee.</p>	Dec-20	9			Yes	No
61	19/20	Board and Committee Governance Arrangements November 2019	Substantial	Board Secretary	Board Secretary	Medium	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, 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.	• Self-assessment for the Education, Commissioning and Quality Committee scheduled for Q1 of 2020/21	Jun-20	Partially complete	Overdue	Delayed due to COVID 19 Pandemic	<p>Progress as at January 2020: All self-assessments are scheduled into the appropriate Forward Work Programme.</p> <p>Progress as at April 2020: It was planned for the Committee to undertake its self-assessment in Q4. However, due to the increased priority of Coronavirus, this has been postponed until further notice.</p> <p>Progress as at July 2020: Draft Effectiveness Checklist to be agreed at the July Committee. With an evaluation presented to the October Committee.</p> <p>Current Progress: The evaluation of the effectiveness review is being considered at the October Committee.</p>	Oct-20	4			Yes	No
70	19/20	Risk Management March 2020	Reasonable	Board Secretary	Board Secretary	High	1. Management should ensure that directorates have their own risk registers in accordance with the organisation's policy. Where appropriate departmental registers should be considered.	Risk Management Policy to be updated to confirm process for escalating risks from a directorate risk register to the corporate risk register.	Jul-20	Complete	Complete		<p>Progress as at July 2020: Scheduled for discussion and Executive Team on 24 June 2020; for Audit & Assurance Committee approval on 16 July 2020 and for Board approval on 30 July 2020.</p> <p>Current Progress: COMPLETE. Revisions to the Risk Management Policy approved by the Board on 30 July 2020.</p>	Jul-20		Yes		Yes	No
70	19/20	Risk Management March 2020	Reasonable	Board Secretary	Board Secretary	High	2. Management should review risks recorded on the directorate risk registers to consider if they should be escalated to the corporate risk register for scrutiny by the Board or appropriate committee.	Each Director tasked with ensuring that risks are reviewed to determine whether they should be escalated on a regular basis. Amending this policy will require Board approval.	Jul-20	Complete	Complete		<p>Progress as at July 2020: Scheduled for discussion and Executive Team on 24 June 2020; for Audit & Assurance Committee approval on 16 July 2020 and for Board approval on 30 July 2020.</p> <p>Current Progress: COMPLETE. Revisions to the Risk Management Policy approved by the Board on 30 July 2020.</p>	Jul-20		Yes		Yes	No
70	19/20	Risk Management March 2020	Reasonable	Board Secretary	Board Secretary	High	3. Mitigating actions stated within risk registers should identify the risk owner, and include a timescale for the implementation of the action to aid the review and scrutiny of the recorded risks.	HEIW Risk Registers to be standardised. Standardised documentation to include guidance on identifying risk owners and deadlines for mitigation action.	Jul-20	Complete	Complete		<p>Progress as at July 2020: Scheduled for discussion and Executive Team on 24 June 2020; for Audit & Assurance Committee approval on 16 July 2020 and for Board approval on 30 July 2020.</p> <p>Current Progress: COMPLETE. Revisions to the Risk Management Policy approved by the Board on 30 July 2020.</p>	Jul-20		Yes		Yes	No
70	19/20	Risk Management March 2020	Reasonable	Board Secretary	Board Secretary	High	4. As Datix is not being used, a standard template should be used for all directorate and departmental risk registers, that is consistent with the corporate risk register.	Standardised template to be introduced for Risk Register in line with the new IMTP.	Apr-20	Complete	Complete	Delayed due to COVID 19 Pandemic	<p>Progress as at July 2020: Scheduled for discussion and Executive Team on 24 June 2020; for Audit & Assurance Committee approval on 16 July 2020 and for Board approval on 30 July 2020.</p> <p>Current Progress: COMPLETE. Revisions to the Risk Management Policy approved by the Board on 30 July 2020.</p>	Jul-20	3		Yes	Yes	No
71	19/20	Risk Management March 2020	Reasonable	Board Secretary	Board Secretary	Medium	All staff identified as requiring Risk Management training should enrol on one of the three dates currently being offered. Where they fail to enrol, they should be specifically allocated to one of the scheduled training sessions to ensure attendance is maximised and risk management concepts and processes are embedded into the organisation. A 'mop up' session should then be held for any staff that were unable to attend their allocated session.	All staff who have been identified as requiring Risk management training have received an email confirming that the training is mandatory. Up to the end of February, 40 staff have received the training. 2 sessions in March have been arranged as 'mop up' sessions however, the position will be reviewed again at the end of March 2020.	Apr-20	Complete	Complete	Delayed due to COVID 19 Pandemic	<p>Progress as at July 2020: March Sessions cancelled due to COVID 19 restrictions. New sessions will be arranged once normal working has resumed.</p> <p>Current Progress: Risk Management Training via Microsoft Teams has been arranged for 7 and 12 October 2020. All Senior Managers who have not received the training will be enrolled onto one of the two dates in October 2020. A Lunch and Learn Session is being planned for November/December to provide an update on the changes to the Risk Management Policy.</p>	Oct-20	6	Yes		Yes	No

Internal Audit Open Recommendations

HEIW Ref. No.	Year	Report Title	Assurance Rating	Responsible Officer	Director	Priority Level	Recommendation	Management Response	Agreed Deadline	Status	Due	Reason overdue	Progress		Proposed completion date / Date completed	No. of months past agreed deadline	If action is complete, can evidence be provided upon request?	If closed and not complete, please provide justification	ET Sign Off	Risk Register? Yes/No
72	19/20	Risk Management March 2020	Reasonable	Board Secretary	Board Secretary	Medium	The HEIW Risk Management Policy should be updated and revised to: * Include the process relating to the escalation of risks from directorate risks registers into the corporate risk register, including the setting of a value above which directorate risks should be considered for inclusion on the corporate risk register. This will ensure the Board are sighted on and monitoring risk consistently across the organisation. * Provide clarity on the need for departmental risk registers and the requirement for directorate risk registers. * Include or provide a cross reference to the guidance on the risk scoring system to ensure consistency across the organisation. * Reflect that the Datix Risk Management System is not being used within the organisation to capture and record identified risks.	The HEIW Risk Management Policy to be updated to include each recommendation. The amended policy will need Board approval.	Jul-20	Complete	Complete		Progress as at July 2020: Scheduled for discussion and Executive Team on 24 June 2020; for Audit & Assurance Committee approval on 16 July 2020 and for Board approval on 30 July 2020. Current Progress: COMPLETE. Revisions to the Risk Management Policy approved by the Board on 30 July 2020.		Jul-20		Yes		Yes	No
73	19/20	Risk Management March 2020	Reasonable	Board Secretary	Board Secretary	Medium	1. To reduce the number of risks on the corporate risk register consideration should be given to only including on the corporate risk register and reporting on, risks with a higher residual risk rating, in line with the organisation's risk appetite. For example, this could be achieved by only reporting risks with a residual risk score of say 11 and above.	With regards only including matters on the corporate risk register with a minimal residual risk score an appropriate score shall be considered by the Executive Team and the Risk Management Policy shall be amended accordingly.	Jul-20	Complete	Complete		Progress as at July 2020: Scheduled for discussion and Executive Team on 24 June 2020; for Audit & Assurance Committee approval on 16 July 2020 and for Board approval on 30 July 2020. Current Progress: COMPLETE. Revisions to the Risk Management Policy approved by the Board on 30 July 2020.		Jul-20		Yes	Yes	No	
74	19/20	Risk Management March 2020	Reasonable	Board Secretary	Board Secretary	Low	The Business Continuity Policy, Health and Safety Policy and Information Governance Policy should be revised to incorporate the relevant contents of the Board Assurance Framework into their narrative.	Business Continuity Policy, Health and Safety Policy and Information Governance Policy to be amended to include relevant contents of the BAF.	May-20	Partially complete	Overdue	Delayed due to COVID 19 Pandemic	Progress as at July 2020: Due to the impact of COVID 19 the amendment to these policies has been delayed. It is anticipated that these will be concluded by the end of August 2020. Current Progress: The Business Continuity Policy and Health & Safety Policy have been updated. The IG Policy is being reviewed by the newly appointed IG Officer.		Nov-20	6			Yes	No
75	19/20	Performance Management March 2020	Reasonable	Deputy Director Planning, Performance & Digital	Director of Planning, Performance & Corporate Services	High	HEIW should continue to establish a formal Performance Management Framework that incorporates the objectives the organisation is trying to achieve from such a framework, reporting lines, responsible officers and executive leads. In doing so, similar organisations, including stakeholders that are further advanced in developing a Performance Management Framework could be contacted.	A request has been made to Internal Audit for examples of best practice to help develop the Performance Management Framework. Whilst we have an indicative structure of the framework we need to articulate expectations, responsibilities and timings to support the development of the Performance Report and Performance Management Framework.	Apr-20	Partially complete	Overdue	Delayed due to COVID 19 Pandemic	Progress as at July 2020: A review of examples has supported the development of a draft framework. This provides details of expectations to oversee and manage the development of performance reports including responsibilities and reporting lines. The impact of COVID-19 has restricted further development and once an understanding and appreciation of the new normal is in place we intend to finalise the framework for implementation. Current Progress: Framework is in final stages of drafting for consideration.		Nov-20	7		Yes	No	
76	19/20	Performance Management March 2020	Reasonable	Deputy Director Planning, Performance & Digital	Director of Planning, Performance & Corporate Services	Medium	The organisation should actively engage with its Board Members to gather further feedback on the current performance management dashboard, with a view to enhancing if necessary.	We produce a report on a bi-monthly basis for Board. The report will also be utilised to inform discussions with Welsh Government at Quality & Delivery meetings. These regular interactions will provide an opportunity to understand ongoing information requirements and how the report and dashboard could develop.	Sep-20	Complete	Complete		Progress as at July 2020: We produced an End of Year report presented to Board at May Public meeting and further reports are due bi-monthly. This provides a mechanism for the Board to reflect on information shared and identify future reporting requirements. The impact of COVID-19 is likely to have an impact on future reports and the detail available and provided given the changes made to education and training. Current Progress: Regular reporting continues on a bi-monthly basis. Board members are invited to ask questions and provide feedback at each session. The development and finalisation of the performance framework will provide an opportunity for further dialogue and feedback. Additionally, the Board has nominated an IM to work with us on this area.		Sep-20		Yes	Yes	No	
77	19/20	Performance Management March 2020	Reasonable	Deputy Director Planning, Performance & Digital	Director of Planning, Performance & Corporate Services	Medium	An assessment should be undertaken to identify the link between KPIs and projects and work programmes aimed at achieving the strategic objectives. Where no existing KPIs are identified in relation to a strategic objective, consideration should be given to developing relevant KPIs that will allow monitoring of progress to achieve the strategic objective.	Following approval of our IMTP, where feasible and through iterations of the report and dashboard, we will look to incorporate this recommendation where possible.	Jun-20	Partially complete	Overdue	Delayed due to COVID 19 Pandemic	Progress as at July 2020: This has been delayed given the impact of COVID-19 on normal activities. Following revision to the IMTP moving forward we will aim to consider KPI's that can feasibly measure progress of objectives. Current Progress: The drafting of the performance framework has provided an opportunity look at the data that we report on as well as the data that we had planned to commence reporting on pre-COVID. Work to ensure validated data is available to enhance performance reporting continues. In parallel, with the additional capacity provided by the new Director, and the impetus of the draft PM framework, we are commencing a review of the data we hold and our KPIs to ensure that we have the information and KPIs we need to measure and assure progress of our strategic objectives.		Nov-20	5		Yes	No	
78	19/20	Performance Management March 2020	Reasonable	Deputy Director Planning, Performance & Digital	Director of Planning, Performance & Corporate Services	Medium	Consideration should be given to include a wider range of KPIs within the performance management dashboard, that fall in line with the aims of performance reporting as outlined in performance management framework. The performance management dashboard should be further developed to include targets against each KPI and comparisons against previous quarters.	Work is ongoing with respective teams to consider data and information options that will enable monitoring and analysis of the value work being undertaken has on education, training and quality. A range of qualitative and quantitative options have been identified following meetings with teams to increase the range of metrics available to be reported and will be included over a period of report iterations.	Jun-20	Partially complete	Overdue	Delayed due to COVID 19 Pandemic	Progress as at July 2020: This has been delayed given the impact of COVID and the restricted data currently available. Current Progress: We had identified additional data to add value to performance reports prior to COVID-19 but implementation of this was put on hold. Work has continued however to ensure validated data is available to enhance performance reporting. See entry above for latest on additional KPIs and data		Nov-20	5		Yes	No	
79	19/20	Performance Management March 2020	Reasonable	Deputy Director Planning, Performance & Digital	Director of Planning, Performance & Corporate Services	Medium	The 2018/19 Consolidated Plan should be reviewed to ensure that all relevant KPIs or performance metrics are captured in the Performance Management dashboard and Data Glossary.	A review will be undertaken and as indicated we will ensure that the dashboard encapsulates the range of metrics required to support managing our performance including reviewing the 18/19 consolidated plan. All measures in the dashboard will now have a 'Data Owner' (responsible officer) that will have overall responsible for the accuracy and validity of the data. This will be detailed in the data Glossary.	Jun-20	Partially complete	Overdue	Delayed due to COVID 19 Pandemic	Progress as at July 2020: This has been delayed given the impact of COVID and the restricted data currently available. Current Progress: This will be articulated in the performance framework when finalised.		Nov-20	5		Yes	No	
80	19/20	Performance Management March 2020	Reasonable	Deputy Director Planning, Performance & Digital	Director of Planning, Performance & Corporate Services	Low	The dashboard KPIs reported could be extended to improve the information used for decision making. For example, the 'Fill Rate' is reported for a number of professions. Reporting of the associated 'Attrition Rate' would add an extra dimension to the management decision making process.	Work is ongoing with teams to enhance the data available to add value and insight and support future decision making. This includes furthering team interactions to learn from each other and share best practice.	Jun-20	Partially complete	Overdue	Delayed due to COVID 19 Pandemic	Progress as at July 2020: This has been delayed given the impact of COVID-19. As information flows recommence, we will review the feasibility and requirements for additional information. This will undoubtedly include COVID-19 specific information. Current Progress: We had identified additional data to add value to performance reports prior to COVID-19 but implementation of this was put on hold. Work has continued however to ensure validated data is available to enhance performance reporting. See entry above for latest on additional KPIs and data. This will be articulated in the performance framework when finalised.		Nov-20	5		Yes	No	
81	19/20	Performance Management March 2020	Reasonable	Deputy Director Planning, Performance & Digital	Director of Planning, Performance & Corporate Services	Low	We would suggest that including an element of 'operational' peer review into the validation process as this would add a constructive element in helping to validate performance measures. Sense-checking report data prior to publication might detect some of the minor errors identified in the Q1 dashboard.	Agreed - As part of the development of the Performance Framework, this will form part of the expectations of data owners and data controllers. As we develop the Performance Framework, consideration will be made to enable appropriate validation from operational peers by attempting to provide more time between report completion and required submission for Executive and Board approval.	Jun-20	Partially complete	Overdue	Delayed due to COVID 19 Pandemic	Progress as at July 2020: This forms part of the draft performance framework to be finalised. Current Progress: Validation with operational managers was undertaken for the September Board performance report. This proved beneficial in identifying some issues with data around fill rates across a number of specialties and professions. This will be embedded in the final version of the performance management framework.		Nov-20	5		Yes	No	
85	19/20	Core Financial Systems March 2020	Reasonable	Board Secretary	Board Secretary	Medium	1.A mechanism should be put in place to ensure contracts that are due to expire are reviewed prior to their end date to determine whether they should be ended, extended or re-tendered. 2. The register should be updated with the missing contract start, end dates and Vendor / Supplier names.	The process to create and maintain the contracts register is still being developed. We will work with the procurement team to ensure that the relevant information is available.	Jun-20	Complete	Complete	Delayed due to COVID 19 Pandemic	Progress as at July 2020: Meeting held with Head of Procurement and it has been clarified that Procurement hold the contract register on behalf of HEIW as per the SLA. There is a mechanism in place for ensuring that contracts are reviewed at an appropriate timescale before expiry. Continued engagement with Procurement to ensure that the contracts register is complete and kept up to date. Current Progress: The Contract Register held by Procurement has been reviewed and updated to include all relevant information. The updated contract register is being presented to the Audit & Assurance Committee at its October meeting.		Oct-20	4	Yes	Yes	No	

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HEIW Ref. No.	Year	Report Title	Assurance Rating	Responsible Officer	Director	Priority Level	Recommendation	Management Response	Agreed Deadline	Status	Due	Reason overdue	Progress	Proposed completion date / Date completed	No. of months past agreed deadline	If action is complete, can evidence be provided upon request?	If closed and not complete, please provide justification	ET Sign Off	Risk Register? Yes/No
86	19/20	Core Financial Systems March 2020	Reasonable	Head of Financial Accounting	Director of Finance	Medium	1. The Purchasing Card FCP which was due for review in January 2020, should be reviewed and updated to reflect the procedures currently in operation. The updated FCP should include a standard form for authorising amendments to monthly credit limits and individual transaction limits.	Agreed - The original Purchasing card FCP was prepared using the Velindre UHT document as a guide. Due to the differences in the operating models of the organisation it is accepted that a revised FCP is required, although it was agreed at Audit & Governance Committee that the initial annual review was delayed awaiting the internal audit report. The revised FCP is being developed and will be completed after the 2019/20 accounts closure process. It will be brought to the July 2020 Audit & Assurance Committee for approval.	Jul-20	Complete	Complete	Delayed due to COVID 19 Pandemic	Progress as at July 2020: The update of the FCP has started, although due to the extended accounts deadlines for 2019/20 it is unlikely that this will be complete and reviewed in time for issue for the July Audit & Assurance Committee. It is requested that the deadline is extended to October 2020 (the next Audit & Assurance Committee), where the full annual review of FCP's will be submitted for consideration. Current Progress: The FCP has been reviewed to take account of the audit recommendations and is included within the 'Annual Review of Financial Control Procedures' report to this Committee Meeting (20/10/20)	Oct-20	3	Yes - Report to this Committee Meeting (20/10/20)		Yes	No
86	19/20	Core Financial Systems March 2020	Reasonable	Head of Financial Accounting	Director of Finance	Medium	2. Where high monthly limits are requested, prior to authorisation, consideration should be given as to whether purchasing cards should be used over conventional procurement methods. The authorisation form should clearly document the rationale for the decision made.	With regard to the increases in purchasing card limits, each request is reviewed by the Head of Financial Accounting based on the requirements at the time. The conference expenditure requiring an increase in the limit to £18k (note this was not the cost of the event, but the cumulative expenditure on the card during the month) had been through the appropriate procurement processes and had been approved by the budget holder. The decision to make a payment through the purchasing card is taken in finance depending on the requirements of the individual transaction. The FCP will be amended to reflect this and improvements will be made to the procurement card changes log that is maintained in the financial accounts team.	Jul-20	Complete	Complete	Delayed due to COVID 19 Pandemic	Progress as at July 2020: The update of the FCP has started, although due to the extended accounts deadlines for 2019/20 it is unlikely that this will be complete and reviewed in time for issue for the July Audit & Assurance Committee. It is requested that the deadline is extended to October 2020 (the next Audit & Assurance Committee), where the full annual review of FCP's will be submitted for consideration. Current Progress: The FCP has been reviewed to take account of the audit recommendations and is included within the 'Annual Review of Financial Control Procedures' report to this Committee Meeting (20/10/20)	Oct-20	3	Yes - Report to this Committee Meeting (20/10/20)		Yes	No
91	19/20	IT Review April 2020	Reasonable	Deputy Director of Planning, Performance & Digital/ IT Manager/ Facilities Manager	Director of Workforce & OD	Medium	The server racks should be raised from the floor and a protective cover installed to channel any leaks away.	Following the risk of flooding being identified, HEIW is investigating with NWIS the feasibility of repositioning the server units. A protective cover solution to mitigate the impact of leakages and condensation will be investigated and costed with our contractors.	Jul-20	Complete	Complete	Delayed due to COVID 19 Pandemic	Progress as at July 2020: Work to be progressed to mitigate risk. Quotes received and agreement to proceed with minor works. NWIS to be scheduled to undertake the required work once access to Ty Dysgu is safe to do so. Flood Risk Specialists will also be inspecting the IT infrastructure in Ty Dysgu once it is safe to do so. Current Progress: Works have been completed to mitigate the risks associated with the server units. Further works to mitigate the flooding risk of Ty Dysgu in totality is being taken forward with procurement.	Sep-20	2	Yes		Yes	No
92	19/20	IT Review April 2020	Reasonable	Deputy Director of Planning, Performance & Digital	Director of Workforce & OD	Medium	Work on developing a digital strategy should re-commence as soon as the Director of Digital is in place. In the interim, the organisation should not commit to any long-term (permanent) technology use.	This is agreed. Plans are in place to recruit to Director of Digital, which may be impacted as a result of COVID-19.	Sep-20	Partially complete	Overdue	Delayed due to COVID 19 Pandemic	Progress as at July 2020: Progress to be made following appointment of Director of Digital. It is anticipated that the recruitment of the Director of Digital will be undertaken in Q3. Current Progress: It is expected that recruitment into the post of Director of Digital will be completed in Q4 2020/21. It is anticipated that the development of the Digital Strategy should be concluded by the end of Q1 2021/22	Jun-21	9			Yes	No
93	19/20	IT Review April 2020	Reasonable	Digital Manager/ IT Manager	Director of Workforce & OD	Medium	Work on guidance should be completed, with the noted guidance documents provided.	We acknowledge the gaps in documentation and will work to develop HEIW policies and procedures for Executive approval.	Jul-20	Partially complete	Overdue	Delayed due to COVID 19 Pandemic	Progress as at July 2020: Policies identified are being worked on in readiness for Executive approval. Current Progress: The gaps in local policies has been identified with HEIW specific policies drafted. A number of these policies were considered by the IGIM Group on 29 September 2020 and recommended to the Executive Team for approval. The remaining local policies will be finalised for IGIMG consideration and Executive Team approval. There are a number of national policies that are past their review date however, they remain the extant policies within HEIW until such time as the national IGIMAG Group review and update them.	Dec-20	5			Yes	No
94	19/20	IT Review April 2020	Reasonable	Digital Manager/ IT Manager/ Head of Cyber Security	Director of Workforce & OD	Low	Work should continue to complete the Disaster Recovery Plan.	This is acknowledged. This work will be progressed further following appointment of Cyber Security Lead (offer made) and allowing for recovery after the impact of COVID-19.	Sep-20	Partially complete	Overdue		Progress as at July 2020: Head of Cyber Security commenced in post on 29 June 2020. Work has commenced on the Disaster Recovery Plan and was anticipated to be completed by the agreed deadline. Current Progress: Draft Disaster Recovery Plan is currently under review. In addition to this, other contributing elements including the re-drafting of the Business Continuity and Crisis Management Plan are in progress. The Cyber Incident Response Plan was considered by the IGIM Group on 29 September 2020 and will be recommending its approval by the Executive Team.	Dec-20	3			Yes	No
95	19/20	Information Governance: General Data Protection Regulation (GDPR) April 2020	Reasonable	Board Secretary	Board Secretary	High	All departments should complete their IAR and identify all records held, both electronic and paper. This process should ensure that: * the basis for processing is also established; * information flows are identified; * retention periods are clarified; and * records that are outside the retention period are securely disposed.	A revised approach to the Information Asset collection process was discussed and finally approved. On 18 February 2020, an email was sent to all members of staff within HEIW (regardless of location). This email was sent to request a response from individual staff to confirm whether there was any use, retention, viewing or handling of personal information. From this, over 150 members of staff have outlined their use of identifiable data and inter-departmental discussions have been made regarding the combined completion of Information Asset Registers (this is due to the number of staff all using the same data in a specific department and to prevent duplication of effort). To date, over 10 returns have been provided and several more are expected in the coming months. The Information Governance Manager has also met with several departments to discuss this work. Progress has recently been slowed by the impact of the COVID-19 crisis.	Sep-20	Complete	Complete		Progress as at July 2020: Progress is being made with the completion of the IAR. A further email was issued in June 2020 requesting that all staff their IAR by the end of June 2020. Over 165 employees have made contact with the seconded IG Manager in respect of updates for the IAR. Templates have been issued and collective responses are being completed. These are being collated as separate returns but to date, there is nothing considered to be a concern in terms of the processing arrangements within the organisation. It should be noted that the IAR would never be fully completed as it is a live document and will be continually reviewed and updated. The seconded IG Manager will ensure that staff are aware of their responsibilities in the processing and holding of personal information and issue regular reminders for the review of the data held to assist with the updating of the IAR. Current Progress: Information Asset returns have been received from the majority of departments to enable the development of an Information Asset Repository. The newly appointed full-time Information Governance Officer will undertake 6-monthly reviews of the Information Asset Repository or earlier when any new information system/project is implemented.	Sep-20		Yes		Yes	No
98	19/20	Information Governance: General Data Protection Regulation (GDPR) April 2020	Reasonable	Board Secretary	Board Secretary	Low	Departmental managers should actively raise awareness of GDPR within their teams by: * including GDPR in team meetings; and * disseminating information via email groups. This should especially be the case for staff not based in the headquarters building / home based staff.	HEIW will forward an email to managers highlighting the importance of GDPR, the guidance that is available to staff in respect of GDPR and requesting that managers disseminate this information at team meetings. HEIW will also forward an email to all staff in respect of GDPR which is targeted to working from home.	Jun-20	Complete	Complete		Progress as at July 2020: There are IG Pages on the HEIW intranet which contain useful information for staff. Communication emails and news items on the intranet have been issued to staff. It has been difficult to ascertain how GDPR is included in Team meetings whilst HEIW is working remotely. The IG Manager will issue an email to staff reminding staff regarding IG and is happy to attend team meetings to present a short briefing or answer any questions that involve confidentiality. Current Progress: An email has been sent via the communications team highlighting the importance of home working. One of the tasks for the newly appointed IG officer will be to review these communications and how the organisation communicates the importance of IG across departments.	Jul-20		Yes		Yes	No
99	19/20	Information Governance: General Data Protection Regulation (GDPR) April 2020	Reasonable	Board Secretary	Board Secretary	Low	To raise awareness, an information bulletin regarding the PIA process should be issued.	The Information Governance Manager will disseminate an information bulletin regarding the PIA process to all staff.	Jun-20	Complete	Complete		Progress as at July 2020: A PIA process was developed early in HEIW's establishment which is approved. A PIA Poster has been finalised and approved. The seconded IG Manager will issue a communication to raise awareness of the PIA process and include a copy of the poster. Current Progress: The seconded IG Manager sent the poster in a bilingual format to the communications team on the 30th June 2020 for publishing.	Jul-20		Yes		Yes	No

Key
Less than 3 months
Between 3 and 6 months
Between 6 and 12 months
Over 12 months

External Audit Open Recommendations

HEIW Ref. No.	Year	Report Title	Responsible Officer	Recommendation	Management Response	Agreed Deadline	Status	Due	Reason overdue / Reason closed	Progress	Proposed completion date / Date completed	No. of months past agreed deadline	ET Sign Off	Risk Register? Yes/No
63	2019	Structured Assessment 2019 January 2020	Board Secretary	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.	HEIW has recently completed a review of its Board and Committee structure – entitled Future Ways of Working. The focus of the work included consideration of any gaps between Board and its committees. HEIW's Standing Orders were amended in November to reflect the findings of the Future ways of Working. HEIW will undertake a review of the group structure which underpins the Board and its committees	Jul-20	Partially complete	Overdue	Overdue	Progress as at July 2020: A review of the reporting structures within Directorates is being undertaken. This work has been postponed due to the impact of COVID 19. This work will recommence during the Summer. Current Progress: The mapping of the directorate meeting structure is progressing and anticipated to be completed by the end of October 2020.	Oct-20	3	Yes	No
64	2019	Structured Assessment 2019 January 2020	Board Secretary	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.	HEIW to work towards a form for the assurance map which is proportionate and relevant to HEIW's remit. Assurance map to be completed following the completion of the new corporate register which will be aligned to the IMTP.	May-20	Partially complete	Overdue	Overdue	Progress as at July 2020: This work has been paused due to the focus on responding to COVID 19. A review of the IMTP has been undertaken and work is due to recommence in Q2. Current Progress: An update on the BAF will be presented to the Audit & Assurance Committee in October 2020.	Oct-20	5	Yes	No
65	2019	Structured Assessment 2019 January 2020	Board Secretary	Managing risk to achieve strategic priorities: R3 HEIW should improve its risk management by determining and clearly communicating its risk appetites to ensure a consistent approach to: b) assessing and scoring of risks; and c) escalation/removal of risks to/from the Corporate Risk Register.	b) and c) HEIW's Risk Management policy to be updated to clarify the position in respect of assessing and scoring risk and to outline a consistent approach to escalating and removing risks from the risk register.	Mar-20	Complete	Complete	Complete	Progress as at July 2020: Scheduled for discussion and Executive Team on 24 June 2020; for Audit & Assurance Committee approval on 16 July 2020 and for Board approval on 30 July 2020. Current Progress: COMPLETE. Revisions to the Risk Management Policy approved by the Board on 30 July 2020.	Jul-20	4	Yes	No
66	2019	Structured Assessment 2019 January 2020	Director of Workforce & OD	Embedding a sound system of assurance: R4 HEIW should document its performance management framework, setting out: a) operational performance management arrangements and lines of accountability; and b) what is reported to whom and by when, and Board / Committee oversight for performance management.	Agreed	Mar-20	Partially complete	Overdue	Overdue	Progress as at July 2020: A review of examples has supported the development of a draft framework. This provides details of expectations to oversee and manage the development of performance reports including responsibilities and reporting lines. The impact of COVID-19 has restricted further development and once an understanding and appreciation of the new normal is in place we intend to finalise the framework for implementation. We have continued to build a data glossary and produce bi-monthly performance reports and dashboards to document performance to Board. Current Progress: We are in the process of finalising our overarching performance framework whilst maintaining bi-monthly performance reporting to the Board. We hope to finalise the framework now that the newly appointed Director of Planning, Performance & Corporate Services is in post.	Nov-20	8	Yes	No
67	2019	Structured Assessment 2019 January 2020	Board Secretary/ Director of Workforce & OD	Embedding a sound system of assurance: R5 HEIW should strengthen information governance and cyber security arrangements by: a) appointing a full-time information governance and data protection manager to complete the GDPR action plan and work towards full compliance;	a) Role has been re-advertised. Recruitment currently underway; effective interim cover being provided via secondment arrangement. The GDPR Action Plan is 90% complete with the Information Asset Register being worked towards initial completion.	Apr-20	Complete	Complete	Complete	Progress as at July 2020: The Head of Cyber Security commenced in post on 29 June 2020. The IG Officer post is currently out to advert for a third recruitment round and is due to close on 6 July 2020. The current secondment arrangements are in place. Progress is being made with the completion of the GDPR Action Plan and IAR. Progress is being made with the completion of the IAR. A further email was issued in June 2020 requesting that all staff their IAR by the end of June 2020. Over 165 employees have made contact with the seconded IG Manager in respect of updates for the IAR. Templates have been issued and collective responses are being completed. These are being collated as separate returns but to date, there is nothing considered to be a concern in terms of the processing arrangements within the organisation. It should be noted that the IAR would never be fully completed as it is a live document and will be continually reviewed and updated. The seconded IG Manager will ensure that staff are aware of their responsibilities in the processing and holding of personal information and issue regular reminders for the review of the data held to assist with the updating of the IAR. Current Progress: A full-time IG Officer has been appointed and commenced on 29 September 2020. The GDPR Action Plan is a live Plan and is continually updated. The Information Asset Register is in place and	Oct-20	6	Yes	No
67	2019	Structured Assessment 2019 January 2020	Board Secretary/ Director of Workforce & OD	Embedding a sound system of assurance: R5 HEIW should strengthen information governance and cyber security arrangements by: c) achieving certification in cyber security arrangements;	c) Work is underway to gain cyber essential plus certification. A provider has been contacted & HEIW is working through a set of pre-qualifying questions.	Mar-20	Partially complete	Overdue	Overdue	Progress as at July 2020: Appointment of agency staff or consultant by March 2020 was unsuccessful. The Head of Cyber Security commenced in post on 29 June 2020 and will be looking at a range of actions to be taken forward. A meeting is scheduled for the week commencing 6 July 2020 with NWIS to discuss this work. Current Progress: The Head of Cyber Security has investigated approaches to achieving cyber essentials / cyber essentials plus certification. Following discussion of the options at the IGIM Group on 29 September 2020, it has been agreed that the Head of Cyber Security work with NWIS to obtain the cyber essentials plus certification.	Mar-21	12	Yes	No

External Audit Open Recommendations

HEIW Ref. No.	Year	Report Title	Responsible Officer	Recommendation	Management Response	Agreed Deadline	Status	Due	Reason overdue / Reason closed	Progress	Proposed completion date / Date completed	No. of months past agreed deadline	ET Sign Off	Risk Register? Yes/No
67	2019	Structured Assessment 2019 January 2020	Board Secretary/ Director of Workforce & OD	Embedding a sound system of assurance: R5 HEIW should strengthen information governance and cyber security arrangements by: e) documenting a cyber security incident response plan to manage attacks;	e) This plan will be developed and implemented by the cybersecurity analyst when recruited.	Summer 2020	Complete	Complete	Complete	Progress as at July 2020: Appointment to permanent role of Head of Cyber Security commenced on 29 June 2020. This work has now commenced and is scheduled to be completed by the deadline. Current Progress: Cyber Incident Response Policy and Plan was considered by the IGIM Group and was recommended to the Executive Team for approval.	Oct-20		Yes	No
67	2019	Structured Assessment 2019 January 2020	Board Secretary/ Director of Workforce & OD	Embedding a sound system of assurance: R5 HEIW should strengthen information governance and cyber security arrangements by: f) completing its planned and prioritised actions swiftly.	f) These actions will be completed by the cybersecurity analyst and supported by the processes they implement.	Summer 2020	Complete	Complete	Complete	Progress as at July 2020: Appointment to permanent role of Head of Cyber Security commenced on 29 June 2020. This work has now commenced and is scheduled to be completed by the deadline. Current Progress: Regular updates pertaining to planned and prioritised actions are regularly provided to the Audit & Assurance Committee.	Sep-20		Yes	No
68	2019	Structured Assessment 2019 January 2020	Director of Workforce & OD	Developing Strategic Plans: R6 HEIW should strengthen its strategic approach to digital and IT by: a) developing and approving a Digital and IT strategy;	Recommendation to be amended in line with discussions. a) Following our first operational year, we are to consider the appropriateness of a digital and IT strategy given changes proposed to NWIS and NHS Executive function.	Summer 2020	Partially complete	Overdue	Overdue	Progress as at July 2020: The appointment to Director of Digital has yet to be made. As such we anticipate following recruitment processes being undertaken this to commence in Q4. Current Progress: The Digital and IT Strategy is in early development and will be completed following the recruitment of the Director of Digital.It is expected that recruitment into the post of Director of Digital will be completed in Q4 2020/21. It is anticipated that the development of the Digital Strategy should be concluded by the end of Q1 2021/22.	Jun-21	6	Yes	No
68	2019	Structured Assessment 2019 January 2020	Director of Workforce & OD	Developing Strategic Plans: R6 HEIW should strengthen its strategic approach to digital and IT by: c) developing and reporting IT KPIs for challenge and scrutiny.	IT KPI's will be considered within the iterative development of the Performance report. It would be helpful to understand examples from other health boards to ascertain applicability to HEIW.	Ongoing	Partially complete	Ongoing	Ongoing	Current Progress: The overarching performance framework will be finalised now that the Director of Performance, Planning & Corporate Services has commenced in post. However, the further development to include IT KPI's within the performance reporting will be undertaken once the Director of Digital is recruited. It is expected that recruitment into the post of Director of Digital will be completed in Q4 2020/21.	Jun-21	5	Yes	No
69	2019	Structured Assessment 2019 January 2020	Director of Workforce & OD	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	A performance dashboard and accompanying narrative has been developed and shared with the HEIW, WG JET meetings and Quality & Delivery meetings. This formally documents evidence of HEIW across a wide range of functional areas with a key focus on progress updates against strategic objectives and Remit letter actions.	Feb - April 2020	Partially complete	Overdue	Overdue	Progress as at July 2020: A draft framework has been developed. Following finalisation, further interaction will be held with teams/sections to confirm expectations. This will be reflective of the impact of COVID-19 on future performance arrangements. Current Progress: Framework as indicated above is in final stages of development.	Nov-20	7	Yes	No
69	2019	Structured Assessment 2019 January 2020	Director of Workforce & OD	Monitoring delivery: R7 HEIW has not set out a framework for monitoring performance against its strategic objectives and IMTP and should: b) work with pace to develop KPIs and targets which are clearly linked to strategic objectives, against which the Board can scrutinise performance.	The performance data development is an iterative process and as further data is generated it is anticipated that KPI's and targets will be identified and developed with the Board.	Feb - April 2020	Partially complete	Overdue	Overdue	Progress as at July 2020: KPIs aligned to the IMTP will be developed in line with the timescales for implementation and taking note of the changes as a result of COVID-19. Current Progress: Areas have been identified to develop and enhance our performance reporting and work is ongoing with departments to identify appropriate monitoring mechanisms.	Nov-20	7	Yes	No

Key
Less than 3 months
Between 3 and 6 months
Between 6 and 12 months
Over 12 months

Internal Audit Completed Recommendations

HEIW Ref. No.	Year	Report Title	Assurance Rating	Responsible Officer	Director	Priority Level	Recommendation	Management Response	Agreed Deadline	Status	Due	Reason overdue	Progress	Proposed completion date / Date completed	No. of months past agreed deadline	If action is complete, can evidence be provided upon request?	If closed and not complete, please provide justification	ET Sign Off	Risk Register? Yes/No
1	18/19	Core Financials - Budgetary Control February 2019	Reasonable	Director of Finance and Corporate Services	Director of Finance and Corporate Services	Medium	To ensure clear responsibility and acceptance of ownership of a budget, L1 budget forms should be in place for all key delegated budgets and should be appropriately completed and authorised.	A review of L1 budget delegation forms will be undertaken to ensure that they are complete and appropriately authorised in accordance with the scheme of delegation.	Mar-19	Complete	Complete		All L1 forms have been reviewed and are complete and correctly authorised.	May-19	2	Yes		Yes	No
2	18/19	Core Financials - Budgetary Control February 2019	Reasonable	Director of Finance and Corporate Services	Director of Finance and Corporate Services	Low	Consideration should be given requesting budget holders to formally sign to accept their budget at the start of the financial year.	Agreed that this will be an important aspect of the budget setting process for 2019/20. It will be key to ensuring that budget holders have authority to commit to expenditure within their delegated budgetary level but also confirm their responsibility managing within it.	Mar-19	Complete	Complete		Progress as at May 2019: Discussion undertaken at Executive Team on 15 May 2019. Budget allocation letters have been drafted for Executive Directors signed by the Chief Executive and distributed. It is anticipated that they will all be signed and returned by 31st May 2019. Progress as at July 2019: A signed Budget Holder letter has been returned by every Executive Director.	Jul-19	4	Yes		Yes	No
3	18/19	Core Financials - Financial Accounting February 2019	Reasonable	Head of Financial Accounting	Director of Finance and Corporate Services	Medium	Now that HEIW has been operating for a number of months, FCPs should be reviewed to ensure they are complete and reflect the process being carried out within the organisation, whilst ensuring the expected controls remain. The department should create desktop procedures that outline to staff the process to be followed when performing tasks. This will facilitate a standardised approach to work and can act as guide for new or less experienced staff to use.	There is a journal register within Oracle so there is no need for a duplicate hard copy. However, the FCP can be clarified for this point. The manual (ad hoc) payments of £9.1m were processed using the same documentation as required by Accounts Payable. The method of payment is different i.e. direct payments rather than BACS but remaining information is the same. Whilst the FCPs were approved by audit committee in October 2018 with a yearly review process it is agreed that some will be reviewed before the start of the financial year and where necessary updated in light of the audit findings. Shared services subsequently changed their approach to miscellaneous payments in November 2018 which meant that the payments are now made via Accounts Payable using the same backing documentation. No clarification is therefore required in the FCP as this approach has been used by precursor organisations, in particular, Shared Services, and presumably has been dealt with satisfactorily in the past. Since the audit fieldwork was undertaken, desk top procedures have been written.	Mar-19	Complete	Complete		Progress as at May 2019 On-going – Processes are still being reviewed and refined to reflect best practice identified from other organisations and from discussions as part of the year-end audit. Working papers and desktop notes are being prepared to reflect the operational procedures. It is anticipated this will be complete by the end of July 2019. Progress as at July 2019: Completion of the internal review is expected to be complete by the end of July 2019. The Head of Financial Accounting is a member of the All-Wales Technical Accounting Group (TAG) task and finish group reviewing Financial Control Procedures (FCPs), which is due to meet shortly. Feedback from the group will be used to review and update FCPs as appropriate. Progress at November 2019 Complete - A suite of desktop notes has been prepared for the main tasks carried out within the financial accounting team. These will be reviewed and updated on an on-going basis. The annual review of the FCPs is included as a separate agenda item for the Audit and Assurance Committee in November 2019.	Nov-19	8	Yes		Yes	No
4	18/19	Core Financials - Financial Accounting February 2019	Reasonable	Head of Financial Accounting	Director of Finance and Corporate Services	Medium	Backing documentation provided to support a payment request should be more robust, ideally be in the form of an invoice and include key information including the service that has been provided, the date of service delivery and a breakdown of the costs. All payment request forms should be completed in full with the amount the authorising officer is signing for written clearly on the form.	As has been noted the process has firmed up over the period since the start of HEIW. Reassurance is obtained in that the payments can be traced back to the correct suppliers and the coding is correct. It should be noted that all the payments are supported by backing documents and therefore any risk is very low. Indeed it is reassuring that no mis-payments have been identified in this audit. However, controls can always be improved and the payment request form will be completed in full going forward but the payments can be traced back to the backing documentation.	Feb-19	Complete	Complete		A revised manual payment request form has been issued requiring additional information and all payments are logged. The majority of all payments are now made through the Accounts Payable system.	May-19	3	Yes		Yes	No
5	18/19	Core Financials - Financial Accounting February 2019	Reasonable	Head of Financial Accounting	Director of Finance and Corporate Services	Low	A sample review of the balance sheet codes reconciliations should take place once the responsibility of completing the reconciliations has been given to the Assistant Financial Accountant. This will ensure that the department are following the formal month end process as outlined in the FCP. In the mean-time consideration should be given to a peer review of the reconciliations to confirm accuracy.	The balance sheet code reconciliations are being undertaken and reviewed. In addition, there is a sample review undertaken by interim Head of Financial Accounting but earlier in the review process than required by the FCP. As regards the banking and other reconciliations being completed by senior staff, this is referring effectively to a Financial Accountant completing but the interim Head of Financial Accounting was reviewing and authorising the reconciliations. The key point is that there is segregation of duty between the person completing and the person authorising the reconciliation – in line with good accounting practice. A sample check is being undertaken on the other reconciliations. The FCP's will be reviewed on an annual basis as there is currently no significant inherent control weakness.	Feb-19	Complete	Complete		A revised timetable has been prepared and all reconciliations are reviewed in line with the agreed timescales. For year-end detailed balance sheet reconciliations were prepared for all codes and this process will continue monthly. From July 2019 a monthly 'Corporate Control Meeting' will be held to review balance sheet transactions with service teams on a rotational basis. This will introduce an additional level of challenge and scrutiny to the overall financial position.	May-19	3	Yes		Yes	No
6	18/19	Core Financials - Financial Accounting February 2019	Reasonable	Head of Financial Accounting	Director of Finance and Corporate Services	Low	The department should ensure that two members of staff are aware of the access code to the safe to allow access to be granted during times of absence. The current location of the safe should be considered.	There has been nothing of value in the safe until the middle of January 2019, when some petty cash has been stored. However, all Financial Accounting staff are now aware of the code to the safe. The location of the safe will be moved to the second floor, where the financial accounts team moved on 26 January 2019.	Feb-19	Complete	Complete		All Financial Accounting staff are now aware of the code to the safe.	May-19	3	Yes		Yes	No
7	18/19	Core Financials - Financial Accounting February 2019	Reasonable	Head of Financial Accounting	Director of Finance and Corporate Services	Low	All purchasing card transaction summary forms should be approved by the budget holder or line manager as per the Purchasing Card FCP. Where card holders are of a senior position within the organisation, forms should be countersigned by staff member of similar authority.	This is a very low risk as the level of spend by senior directors is minimal. However, this will be amended going forward.	Feb-19	Complete	Complete		Approvals are made through the service desk requests.	May-19	3	Yes		Yes	No
8	18/19	Core Financials - Financial Accounting February 2019	Reasonable	Head of Financial Accounting	Director of Finance and Corporate Services	Low	Purchasing card holders should be reminded that cards should only be used in circumstances where existing purchasing agreements or contracts are not in place.	This is a very low risk but this should be dealt with on a case by case basis. For example, stationery may be required if someone is travelling on business. Such purchases would not be on the framework but could still provide value for money overall.	Feb-19	Complete	Complete		Update sent 24/05/2019. From 1/4/19 quarterly summaries of purchasing card transactions will be sent to NWSSP procurement to review expenditure and procurement routes.	May-19	3	Yes		Yes	No
9	18/19	Governance Arrangements March 2019	Substantial	Board Secretary	Board Secretary	Low	To help both existing and new staff the organisation should consider mapping its committee structure to pictorially show the flow of information between committees, other key groups and external parties.	A pictorial representation of the committee structure will be created.	Jun-19	Complete	Complete		This is now included in the Corporate Governance Reporting as part of the .Accountability Report 2018/19.	May-19		Yes		Yes	No

Internal Audit Completed Recommendations

HEIW Ref. No.	Year	Report Title	Assurance Rating	Responsible Officer	Director	Priority Level	Recommendation	Management Response	Agreed Deadline	Status	Due	Reason overdue	Progress	Proposed completion date / Date completed	No. of months past agreed deadline	If action is complete, can evidence be provided upon request?	If closed and not complete, please provide justification	ET Sign Off	Risk Register? Yes/No
10	18/19	Workforce Review: Casual Workers – Employment status May 2019	Limited	Head of People & OD/ Head of Financial Accounting	Director of Workforce and OD	High	A) Management should ensure an effective audit trail is maintained that justifies employment status.	A) A) HEIW Finance & People teams provided recruiting managers with training in this area in November 2018: this covered effective audit trails, how to undertake and complete the employment status checks, etc. to support the roll out of the toolkits, flow charts and employment status letters to the recruiting managers. Finance & People Teams felt satisfied at the time the recruiting managers had sufficient information to complete the checks appropriately and issue employment letters. An email reminder was sent to those staff that engage casual workers on 12/04/2019, reminding them of the importance of doing checks and that letters need to be sent. The findings of this objective & the management response to it will be shared with the Senior Leadership Team and expectations cascaded.	Jun-19	Complete	Complete		Further reminders have been sent out by the People Team to recruiting managers who engage casual workers, detailing the requirement for ESS checks, employment status letters. The People Team are also conducting spot checks to ensure the processes are being followed.	Jul-19	1	Yes		Yes	No
10	18/19	Workforce Review: Casual Workers – Employment status May 2019	Limited	Head of People & OD	Director of Workforce and OD	High	B) Management should review the employment status of individuals for appropriateness.	B) B) Given the findings of this objective, the People team will be asking recruiting managers to submit copies of the ESS checks and employment status letters to the People Team at the same time as submitting the casual worker engagement forms. That way we can centrally monitor compliance and ensure an audit trail is maintained.	Jun-19	Complete	Complete		All recruiting managers are now sending copies of completed letters and ESS checks to the People Team at the same time as submitting casual worker or IR35 enrolment forms. In the event that the incorrect/incomplete information is submitted, the People Team are returning all paperwork to the recruiting manager, requesting the full set of required documents prior to processing.	Jul-19	1	Yes		Yes	No
10	18/19	Workforce Review: Casual Workers – Employment status May 2019	Limited	Head of People & OD/ Head of Financial Accounting	Director of Workforce and OD	High	C) Management should remind staff of the need to issue employment status letters and to retain copies.	C) Further training will be offered to recruiting managers on the importance of the need to issue the employment status letters and to retain copies.	Sep-19	Complete	Complete		Follow up of the recommendations during September/October 2019 highlighted that a reminder email had been issued in May 2019 however, no follow up training has been provided as per the management response. The follow-up audit report published in November 2019 did not pick this up the requirement for training. Action completed.	Nov-19	2	Yes		Yes	
11	18/19	Workforce Review: Casual Workers – Employment status May 2019	Limited	Head of People & OD	Director of Workforce and OD	High	A) Staff should be reminded of the need to ensure engagement forms and timesheets are appropriately completed.	A) A) The People Team will send a reminder to the recruiting managers to let them know that all sections of the casual worker engagement forms and timesheets need to be completed otherwise they will be returned and won't be processed until fully complete. To ensure timely completion of timesheets, we will amend the form to include that claims MUST be submitted within 3 months of work being carried out in order to be paid.	Jun-19	Complete	Complete		A reminder was sent about the importance of all sections of engagement forms and timesheets being completed. If any get submitted with blank sections, the People Team return them and ask for all sections to be completed prior to processing. The timesheet states that claims must be submitted within 3 months of the work being completed.	Jul-19	1	Yes		Yes	No
11	18/19	Workforce Review: Casual Workers – Employment status May 2019	Limited	Head of People & OD	Director of Workforce and OD	High	B) The organisation should review existing arrangements to ensure that current casual workers have been appropriately assessed.	B) As per response to Recommendation 1, going forward recruiting managers will be expected to send the completed ESS checks to the People Team so we can check they have been done and the correct process has been followed depending on the outcome.	Jun-19	Complete	Complete		B) This is now happening for all engaged workers. In the event that documents come through without a copy of the completed ESS check, we return the documents to sender and request the full set of required documents before processing.	Jul-19	1	Yes		Yes	No
12	18/19	Workforce Review: Casual Workers – Employment status May 2019	Limited	Head of People & OD/ Head of Financial Accounting	Director of Workforce and OD	High	Management should consider implementing a programme of spot checks or peer reviews to ensure the correct application of HEIW processes. Having a range of these measures would enhance the control environment for the assessment and treatment of casual workers.	All engagement forms and timesheets already come to the People Team, and we will check these forms to ensure they have been completed correctly. Although more training for the recruiting managers is currently being sourced, HEIW will also create a peer group/network for the recruiting managers to enable them to support each other in the correct completion of the treatment of casual workers, ESS checks and employment status letters. The People Team and Finance would oversee this group and undertake spot checks to ensure the documentation and audit trail complies with legislation.	Jul-19	Complete	Complete		Progress as at July 2019: The People Team currently check all paperwork that gets submitted to ensure it has been completed correctly. A peer group is currently being set up. Progress at November 2019 The People team review all paperwork submitted by recruiting managers and has modified some of its processes; such as date the ESS checks are being completed, to ensure the tighter tracking of documents being submitted. However, some recruiting managers are not sending out the employment status letters in a timely manner. The People team will be sending a further communication to the recruiting managers in November to advise them that the letter must be sent out promptly after the ESS check has been completed, ideally before the casual worker undertakes any work for us. The Peer Group is an adhoc arrangement between the recruiting managers, but they generally seek additional support from the People team rather than their Peer Group. The People team anticipate this will change once the Ernst Young training is completed.	Nov-19	4	Yes		Yes	No
13	18/19	Workforce Review: Casual Workers – Employment status May 2019	Limited	Head of People & OD/ Head of Financial Accounting	Director of Workforce and OD	Medium	Management should consider establishing a documented operational procurement procedure (Procurement Manual) to ensure a standard approach is used across HEIW.	HEIW is in discussion with NWSP Procurement Team regarding further training and support for staff undertaking procurement within HEIW. We will consider the inclusion of specific training and guidance for on the engagement of casual workers in HEIW within that context.	Jul-19	Complete	Complete		Follow up of the recommendations during September/October 2019 highlighted that an operational procedure (Procurement Manual) had not been established. This recommendation is included in the follow up audit report published in November 2019. This action is therefore not completed but will be picked up under recommendation reference number 54.	Feb-20	7		See comments in column N	Yes	No
14	18/19	Workforce Review: Casual Workers – Employment status May 2019	Limited	Head of People & OD/ Head of Financial Accounting	Director of Workforce and OD	Medium	A) Guidance on completing and rechecking the HMRC online tool should be produced for all required areas. B) Management should consider assessing the training requirement and provide updates accordingly.	As outlined earlier, training and guidance was made available to all recruiting managers in HEIW in November 2018. However the audit shows that there are clearly further training requirements around ESS checks and processes for engaging casuals. The People Team are currently scoping further training, which will be made available to all staff.	July 2019 & September 2019	Complete	Complete		Follow up of the recommendations during September/October 2019 highlighted that the guidance had been been developed nor training arranged for staff. This recommendations is included in the follow up audit report published in November 2019. This action is therefore not completed but will be picked up under recommendation reference number 55. This matter has now been completed under recommendation reference number 55.	Feb-20	5		See comments in column N	Yes	No
15	18/19	Risk Management May 2019	Reasonable	Board Secretary	Board Secretary	High	Management should ensure that they develop and approve an appropriate risk management policy and accompanying risk management procedure as soon as practically possible. The policy and procedure should then be communicated to staff within the organisation as appropriate.	Risk Management Policy to be completed and presented to the Executive Team in May. May Board to be provided with an update in respect of the policy. The policy will be considered at June SLT and communicated to staff immediately following SLT.	May 2019 & June 2019	Complete	Complete		Progress as at July 2019: There has been slippage on the original timescales due to the requirement for the policy to be presented to the Audit & Assurance Committee for endorsement prior to the Board for approval. The Policy is to be presented to the Audit and Assurance Committee on 15 July 2019; HEIW Board on 18 July and SLT on 15 August 2019. Communication to staff within the organisation will take place after SLT in August. Progress at November 2019 Completed. The Risk Management policy was adopted at July Board and has subsequently been presented to SLT.	Nov-19	5	Yes		Yes	No
16	18/19	Risk Management May 2019	Reasonable	Board Secretary	Board Secretary	High	Management should continue to develop its risk management plan, which includes key actions, responsibilities and timeframes for its implementation. The plan should be appropriately monitored to ensure that all milestones are delivered on target and remedial action taken where issues are identified.	(As above) Risk Management Policy to be completed and presented to the Executive Team in May. May Board to be provided with an update in respect of the policy. The policy will be considered at June SLT and communicated to staff immediately following SLT.	May 2019 & June 2019	Complete	Complete		Progress as at July 2019: There has been slippage on the original timescales due to the requirement for the policy to be presented to the Audit & Assurance Committee for endorsement prior to the Board for approval. The Policy is to be presented to the Audit and Assurance Committee on 15 July 2019; HEIW Board on 18 July and SLT on 15 August 2019. Communication to staff within the organisation will take place after SLT in August. The Executive Team regularly review the risk register which is presented to the Audit and Assurance Committee at each meeting and to the Board 6-monthly. Progress at November 2019 Completed. See response to 15 above.	Nov-19	5	Yes		Yes	No

Internal Audit Completed Recommendations

HEIW Ref. No.	Year	Report Title	Assurance Rating	Responsible Officer	Director	Priority Level	Recommendation	Management Response	Agreed Deadline	Status	Due	Reason overdue	Progress	Proposed completion date / Date completed	No. of months past agreed deadline	If action is complete, can evidence be provided upon request?	If closed and not complete, please provide justification	ET Sign Off	Risk Register? Yes/No
17	18/19	Risk Management May 2019	Reasonable	Board Secretary	Board Secretary	Medium	The organisation's risk policy and procedure should clearly set out its expectations with regards to risk registers. For example, it may be appropriate to develop directorate level risk registers that 'feed' into the risk register that is reported to committees of the Board. The organisation's risk policy and procedure should be communicated to staff so that the approach to risk is clearly accessible.	The risk policy, which is to be completed in May, will set out HEIW's expectations in respect of the risk register will include reference to the creation of directorate level risk registers. HEIW risk policy will be presented at June SLT and communicated to staff thereafter.	May 2019 & June 2019	Complete	Complete		Progress as at July 2019: There has been slippage on the original timescales due to the requirement for the policy to be presented to the Audit & Assurance Committee for endorsement prior to the Board for approval. The Policy is to be presented to the Audit and Assurance Committee on 15 July 2019; HEIW Board on 18 July and SLT on 15 August 2019. Communication to staff within the organisation will take place after SLT in August. Progress at November 2019 Completed - see response to 15 above	Nov-19	5	Yes		Yes	No
18	18/19	Risk Management May 2019	Reasonable	Board Secretary	Board Secretary	Low	The BAF should be developed with consideration to the organisation's risk management policy and procedure.	The BAF will be developed to take account of the risk management policy. Risk Management policy to be completed in May and will be taken into consideration in respect of the BAF thereafter.	Jun-19	Complete	Complete		Progress as at July 2019: Timescales for the approval of the Risk Management Policy have slipped. However, the Draft BAF is to be presented to the Audit and Assurance Committee on 15 July 2019. Progress at November 2019 Completed - The BAF, which references the Risk policy, was approved at September Board	Nov-19	5	Yes		Yes	No
19	18/19	Performance Management May 2019	Reasonable	Deputy Director Planning, Performance & Digital	Director of Workforce and OD	High	A high-level summary performance monitoring report should be prepared at objective level for each organisation of the legacy organisations. This should be reported to the Board for the year ended 31 March 2019, and if necessary, quarterly until the new Integrated Performance Framework is fully implemented.	A Board update is scheduled for May Board which will incorporate the recommendations above for the period to end of March 2019. An integrated reporting utilising the performance dashboard is scheduled for its first iteration for the period to end of June 2019.	May-19	Complete	Complete		The May Board Report was presented in line with recommendations.	Jul-19	2	Yes		Yes	No
20	18/19	Performance Management May 2019	Reasonable	Deputy Director Planning, Performance & Digital	Director of Workforce and OD	Medium	Management should ensure that the Board are engaged in the development of the new Integrated Performance Framework and dashboard to ensure the proposed format and content meets their performance monitoring requirements. A planned timescale should be developed for the roll out of ESR to all staff, and for the implementation of the new Integrated Performance Framework	To date, the development has involved an independent Member (JH-T) reviewing progress at a meeting alongside CEO on 9 April 2019. The draft dashboard was also discussed at a Board Development Session at the end of April 2019. Response have been positive and Board is aware of the iterative nature of the development over the course of the next 6-12 months. All Staff who are employed and paid by HEIW now have access to ESR and its self-service functionality. First live data report to be presented to Board in July 2019 for period end of Quarter 1.	Ongoing	Complete	Complete		Progress as at July 2019: The development of the dashboard has continued with wide engagement from staff and directorates on the key data to report and mechanisms for monitor Progress at November 2019 In the development of the performance framework we have maintained close dialogue with the Board on developments and progress. This has included interactions at Board development sessions in August and formal reporting at September Board. This engagement has facilitated iterative developments to ensure the framework reports information that is of use to the Board on an ongoing basis. The framework has also been shared at HEIW's first Quality & Delivery meeting in September 2019 with positive responses and is due to be discussed at the upcoming JET meeting in November.	Nov-19	6	Yes		Yes	No
21	18/19	Performance Management May 2019	Reasonable	Deputy Director Planning, Performance & Digital	Director of Workforce and OD	Medium	Each of the performance measures contained within the Consolidated Plan 2018/19 Report for the WCPPE should be allocated to individual officers from within the organisation to help ensure that performance is appropriately monitored. Management should ensure that an update is obtained for all areas contained within the Consolidated Plan 2018/19 report for the period ended March 2019.	This omission is acknowledged and has been rectified for the responses to the end of Quarter 4 in relation to Dentistry. For WCPPE responses, although not specifically named, the returns are based on responses by the Pharmacy Dean and deputies. As a small team at this stage, this is manageable and provides appropriate responses.	Immediate	Complete	Complete		This was amended in line with recommendations.	Jul-19	2	Yes		Yes	No
22	18/19	Performance Management May 2019	Reasonable	Deputy Director Planning, Performance & Digital	Director of Workforce and OD	Medium	Consideration should be given to providing additional staff resources on a temporary basis to assist with the preparation of quarterly performance reports and the development of the new integrated Performance Framework until additional permanent staff have been recruited to the Planning and Performance Unit.	Resource gaps are acknowledged. A job description has been developed to provide Business Partner support in this area of work. Agency support is to commence on 7 May 2019 whilst permanent recruitment processes are undertaken.	May-19	Complete	Complete		Progress as at July 2019: Roles have been through job evaluation and recruitment processes are awaited for permanent recruitment. Agency staff have been employed in the interim to provide the level of support required and to enable work to be progressed. Progress at November 2019 Existing agency roles have been extended to the end of 2019. Job descriptions have been revised and are awaiting finalisation, banding and consistency checks before being advertised. Existing agency staff are committed to organisation in the interim and are aware of process being undertaken.	Nov-19	6	Yes		Yes	No
23	18/19	Performance Management May 2019	Reasonable	Deputy Director Planning, Performance & Digital	Director of Workforce and OD	Low	Management should ensure that reports taken to Board are presented so that an appropriate context for the report is established for the reader.	This will be rectified for the upcoming report.	May-19	Complete	Complete		Complete	Jul-19	2	Yes		Yes	No
24	18/19	Corporate Transitional Plan May 2019	Reasonable	Deputy Director Planning, Performance & Digital	Director of Workforce and OD	High	Arrangements should be made to sign off the NWIS SLA as soon as is practically possible. Responsibility for the resolution of issues and queries that are preventing HEIW signing off the NWSSP SLA should be clarified and efforts to resolve the outstanding issues should prioritised as a matter of urgency. This may be achieved by setting up a Working Group led by a senior member of the Executive Team.	The 2018/19 NWIS SLA was signed off on 21/03/2019 and issues with the NWSSP SLA have been resolved, with HEIW being added to the overarching SLA.	May-19	Complete	Complete		First SLA meeting scheduled for 17 July 2019 to discuss performance and charging schedule for 2019/20.	Jul-19	2	Yes		Yes	No
25	18/19	Corporate Transitional Plan May 2019	Reasonable	Deputy Director Planning, Performance & Digital	Director of Workforce and OD	High	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.	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.	Aug-19	Complete	Complete		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. 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. Progress at January 2020: A progress update was shared with the Audit and Assurance Committee in November of progress with recommendations of how work was to be taken forward. A contracts/agreements register has been collated and transferred to the Board Secretary and Governance Team for ongoing monitoring.	Jan-20	5	Yes		Yes	No
26	18/19	Corporate Transitional Plan May 2019	Reasonable	Head of People & OD/Head of Financial Accounting	Director of Workforce & OD/Interim Director of Finance	Medium	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.	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. The remaining items relating to staff induction and budgetary control training have been reinstated on the finance transition plan and marked as complete.	Sep-19	Complete	Complete		Progress as at July 2019: The People Team have completed the toolkits and flow charts for the recruiting managers. Please note narrative above for the external training. Progress as at November 2019: Please note narrative above. Progress ast at January 2020: Training to be delivered by Ernst & Young for recruiting managers has been arranged for 6 February 2020. Current Progress: The training was delivered by Ernst & Young on 6th February 2020, the recruiting managers found the session very informative and they are now fully trained in this area.	Feb-20	5	Yes		Yes	No

Internal Audit Completed Recommendations

HEIW Ref. No.	Year	Report Title	Assurance Rating	Responsible Officer	Director	Priority Level	Recommendation	Management Response	Agreed Deadline	Status	Due	Reason overdue	Progress	Proposed completion date / Date completed	No. of months past agreed deadline	If action is complete, can evidence be provided upon request?	If closed and not complete, please provide justification	ET Sign Off	Risk Register? Yes/No
27	18/19	Corporate Transitional Plan May 2019	Reasonable	Board Secretary/ Head of People & OD	Board Secretary/ Director of Workforce & OD	Medium	The Policy Matrix currently being used to record HR / OD policies and procedures should be expanded to include all HEIW policies and procedures. The format of the matrix should also be amended to include the review date for each policy and procedure and a lead officer and timescale for any outstanding policies yet to be developed.	The policy matrix will be expanded to incorporate the non-HR policies, responsible officers and deadlines for review and completion. Management wish to record that any future HEIW policies that are new or for review, will apply a standard and consistent approach for HEIW, which will incorporate the organisation's values and behaviours.	Immediate & July 2019	Complete	Complete		Progress as at July 2019: Work is in progress to update the policy matrix for all HEIW policies to reflect the recommendation. Progress at November: HEIW has a Policy Register that incorporates all its policies that details the policy author, the policy version, approval date and date of review. The register has a trigger for review set at 6 months prior to the review date. Progress as at July 2019: The People Team have a project plan for the review of all HEIW policies. All new policies are including the HEIW values and behaviours. Progress at November 2019: The People team has a fully integrated policy matrix which now includes all policies within HEIW. This has been compiled in collaboration with HEIW's Corporate Governance Manager and is now the assigned person for ensuring all policies are all actioned within the review date and will ensure a standard view of all HEIW policies.	Nov-19		Yes		Yes	No
28	18/19	Corporate Transitional Plan May 2019	Reasonable	Head of People & OD	Director of Workforce & OD	Low	To increase the potential number of candidates it is recommended that all vacancies are advertised concurrently on NHS Jobs and the HEIW website.	The HEIW careers/jobs page is work in progress and the People team are working jointly with the Communication team to create the pages on HEIW website.	Dec-19	Complete	Complete		Complete	Jul-19		Yes		Yes	No
29	18/19	Corporate Transitional Plan May 2019	Reasonable	Board Secretary	Board Secretary	Low	Risks that have been resolved and are no longer relevant should be marked as such and removed from the risk register. New risks should be assigned to a lead officer as soon as they are added to the risk register. The risk register should be periodically reported to the Board.	The risk register will be amended to implement the recommendations on marking resolved risks and on assigning lead officers. The risk register was presented at March Board. The Board's Forward Work Programme confirms the risk register will be periodically reported to the Board at March and September Board Meetings.	Jun-19	Complete	Complete		The Executive Team reviews the risk register on a monthly basis. The Audit and Assurance Committee review the risk register at each meeting. The Board reviews the risk register on a 6-monthly basis.	Jul-19		Yes		Yes	No
31	19/20	Health & Safety July 2019	Reasonable	Business Partner, Planning & Performance	Director of Workforce & OD	Medium	A decision should be made regarding the car park arrangements at Ty Dysgu with consideration to restricting those who can access the car park. When arranging meetings at Ty Dysgu with external parties, staff should be encouraged to provide details of other off-site parking facilities in the area.	Staff who are arranging meetings have been asked to inform potential visitors of the alternative options to park offsite due to the limited availability on the premises. The facilities manager is currently considering options following agreement from the executive team to implement staff only parking via barrier entry solutions.	Oct-19	Complete	Complete		The Facilities Manager is working with procurement to change the car park to a staff car park by installing a barrier with ID access and a digital sign to say car park full. There will be a requirement to remove the existing barrier and obsolete metalwork including the current metal cover and filling the hole with cement.	Nov-19		Yes		Yes	No
32	19/20	Health & Safety July 2019	Reasonable	Business Partner, Planning & Performance	Director of Workforce & OD	Medium	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.	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	Oct-19	Complete	Complete		Progress as at November 2019: The H&S Group proposed the following items could be reported to Board as part of the performance dashboard. • 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. 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. Progress as at January 2020: 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. Current Progress: Significant progress has been made in establishing which metrics to use for health and safety performance. We have a first iteration of the data that will go to Executive in the next performance report. The data includes Incident Reporting, ESR training compliance, Training courses attended, H&S Volunteer numbers, Policies and procedures produced and approved, Risk Assessments produced and actions completed.	Apr-20	6	Yes		Yes	No
33	19/20	Values and Behaviours Framework July 2019	Reasonable	Head of People & OD	Director of Workforce & OD	Medium	Management should consider establishing a mechanism for monitoring grievances, staff disciplinary action and the number and nature of complaints received in order to identify trends and possible non-compliance with the values and Behaviours Framework.	Management has already established a mechanism for monitoring and reporting disciplinary action and grievance complaints. This will be reported to Board through dashboards. Any trends identified will be supported by further information of action taken by management and reported to Board.	Immediate	Complete	Complete		The People team and Analytics team will be providing this information to Executive and Board on a quarterly basis.	Nov-19		Yes		Yes	No
34	19/20	Values and Behaviours Framework July 2019	Reasonable	Head of People & OD	Director of Workforce & OD	Medium	The Culture Committee's governance arrangements, appropriate attendance at meetings, and reporting arrangements, should be monitored to ensure they are operating effectively. When reviewing the draft minutes the Committee should ensure they are an accurate reflection of those members that attended the meeting.	As the Culture Committee has only just recently established its members, Management is currently refining its governance and reporting arrangements to ensure it operates efficiently and effectively.	Immediate	Complete	Complete		Just to clarify, the culture group does not have committee status. It was established in April 2019 with terms of reference which included bi-monthly meetings and a rotational chair (each to serve a duration of three months). An agenda and minutes of each meeting is recorded. To date, the group has a record of six meetings that has taken place, with agenda and minutes, which is an accurate reflection of the members who attended the meeting. At the last meeting early November 2019, there was a discussion regarding the duplication of the work of each of the groups and its champions, such as Time to Change group, Wellbeing group, Diversity & Inclusion group and Communications group. In light of this, the Culture group will evolve/rebrand into a staff engagement group with HEIW Champions representing the workforce and each theme (i.e. wellbeing, inclusion, culture, social, and communications). A draft proposal of a HEIW Champions group is being prepared with a view to this being launched in January 2020.	Nov-19		Yes		Yes	No
35	19/20	Values and Behaviours Framework July 2019	Reasonable	Board Secretary	Board Secretary	Low	As best practice, management should consider if key documents that are integral to the organisation should be formally approved by the Board.	Key documents requiring Board approval are identified within HEIW's Standing Orders and Policy on Policies. The Policy on Policies confirms that strategic matters and certain key policies require Board approval. Such key documents are kept under constant review to ensure they are formally approved by the Board.	Ongoing	Complete	Complete		Completed	Nov-19		Yes		Yes	No
51	19/20	Casual Workers Employment Status - Follow Up November 2019	Reasonable	Head of People & OD	Director of Workforce & OD	Medium	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: A) Workers assessed as self-employed via the ESS toolkit should be treated as self-employed and not 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. 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 the scope of IR35 and liable for the deduction of income tax and NI contributions from their fees	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 determine the tax status of an individual, they are to be treated as inside the scope of IR35.	Dec-19	Complete	Complete		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. 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.	Jan-20		Yes		Yes	No

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52	19/20	Casual Workers Employment Status - Follow Up November 2019	Reasonable	Head of People & OD	Director of Workforce & OD	Medium	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. B) Staff should ensure the date that the ESS check was completed is recorded on the supporting documentation forwarded to the People Team. C) Letters notifying the casual worker of their employment status should be sent out promptly after the check has been completed. D) Timesheets should be fully completed and authorised.	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.	Dec-19	Complete	Complete		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.	Jan-20		Yes		Yes	No
53	19/20	Casual Workers Employment Status - Follow Up November 2019	Reasonable	Head of People & OD	Director of Workforce & OD	Medium	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.	The People Team have added a column to our casual worker list to show when document checks are completed.	Immediate	Complete	Complete		The column has been added updated twice as we have only had 2 new engagements since implementing the column. Will continue to monitor.	Jan-20		Yes		Yes	No
54	19/20	Casual Workers Employment Status - Follow Up November 2019	Reasonable	Head of People & OD/Head of Financial Accounting	Director of Workforce & OD/Interim Director of Finance	Medium	Management should establish a documented operational procedure (Procurement Manual) for the engagement of casual workers to ensure a standard approach is used across HEIW.	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.	Dec-19	Complete	Complete		Progress as at January 2020: Training to be delivered by Ernst & Young for recruiting managers has been arranged for 6 February 2020. Current progress: The training was delivered by Ernst & Young on 6th February 2020, staff found the session very informative. The information from the session has been shared with the recruiting managers which is being used as guidance.	Feb-20	2	Yes		Yes	No
55	19/20	Casual Workers Employment Status - Follow Up November 2019	Reasonable	Head of People & OD/Head of Financial Accounting	Director of Workforce & OD/Interim Director of Finance	Medium	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.	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.	Dec-19	Complete	Complete		Progress as at January 2020: Training to be delivered by Ernst & Young for recruiting managers has been arranged for 6 February 2020. Current Progress: The training was delivered by Ernst Young on 6th February 2020.	Feb-20	2	Yes		Yes	No
56	19/20	Freedom of Information (FOI) November 2019	Reasonable	Board Secretary	Board Secretary	High	The publication scheme should be finalised and published as soon as practically possible.	Draft Publication Scheme in development and will be finalised and published by the end of October 2019.	Oct-19	Complete	Complete		Published on the website at the end of October 2019	Jan-20	3	Yes		Yes	No
57	19/20	Freedom of Information (FOI) November 2019	Reasonable	Board Secretary	Board Secretary	Medium	A disclosure log should be developed and published.	Disclosure Log in development and will be published by the end of October 2019.	Oct-19	Complete	Complete		Published on the website at the end of October 2019 and routinely updated as FOI responses are issued	Jan-20	3	Yes		Yes	No
58	19/20	Freedom of Information (FOI) November 2019	Reasonable	Board Secretary	Board Secretary	Low	Work should continue to bed in the process and ensure all stages are retained.	HEIW will continue to embed the FOI process and ensure that information from all areas of the process are retained providing an audit trail for all requests.	Immediate	Complete	Complete		Process now in place for all correspondence relating to FOI request information gathering to enable FOI responses to be drafted is kept and electronically filed for auditing purposes.	Jan-20		Yes		Yes	No
59	19/20	Freedom of Information (FOI) November 2019	Reasonable	Board Secretary	Board Secretary	Low	The reporting process should be developed as outlined.	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	Immediate	Complete	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.	Jan-20		Yes		Yes	No
60	19/20	Freedom of Information (FOI) November 2019	Reasonable	Board Secretary	Board Secretary	Low	The reference to the leaflet should be removed from the procedures.	A draft leaflet for people seeking to make and FOI request has been developed and has been appended to the FOI procedure.	Oct-19	Complete	Complete		Complete	Jan-20	3	Yes		Yes	No
62	19/20	Board and Committee Governance Arrangements November 2019	Substantial	Board Secretary	Board Secretary	Low	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.	The Board Secretary will ensure that the standard covering report template is used for all Board and Committee reporting.	Dec-19	Complete	Complete		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. The Board Secretary will continue to monitor compliance on an ongoing basis.	Jan-20		Yes		Yes	No
70	19/20	Risk Management March 2020	Reasonable	Medical Director	Medical Director	High	5. The Medical Directorate risk register and the RSU & Dental risk register should be renamed to reflect their current usage.	The Medical Directorate risk register and the RSU & Dental risk register has been renamed in accordance with the recommendation.	Immediate	Complete	Complete		COMPLETE			Yes		Yes	No
73	19/20	Risk Management March 2020	Reasonable	Board Secretary	Board Secretary	Medium	2. All risks should be clearly assigned to a member of the Executive Team using their post title. Consideration should be given to including the risk mitigation strategies of Treat, Transfer, Tolerate or Terminate against each risk in line with risk management good practice.	The Risk Register will be updated to ensure that Executive Team members are referred to by job title. Consideration has been given to banding risk mitigation strategies into four banding. It has been decided not to amend the current approach to recording mitigation action as the current approach is deemed to be both concise and clear.	Immediate	Complete	Complete		COMPLETE			Yes		Yes	No
82	19/20	Core Financial Systems March 2020	Reasonable	Head of Financial Accounting	Director of Finance	Medium	Decisions that impact on the organisation's financial governance framework should be formally approved and documented.	Agreed - An all-Wales review of Standing Financial Instructions (SFIs) is currently being carried out by a task and finish group of the Directors of Finance forum. It was planned that this work would feed into the agreed review of the HEIW SFIs in September 2019. However, the scope of the all-Wales review was extended and the revised SFIs are now not expected to be agreed by Welsh Government until July 2020. It should be noted that no issues have been identified with the current SFIs and they are considered to be operating effectively, and therefore there has not been any identified risk as a result of this delay. A report will be taken to the Audit & Assurance committee in April 2020 to notify them of the delay in the update of the SFIs.	Apr-20	Complete	Complete		COMPLETE	Apr-20		Yes		Yes	No
83	19/20	Core Financial Systems March 2020	Reasonable	Head of Financial Accounting	Director of Finance	Medium	1. Whilst we acknowledge that the virement of budgets between directorates is not a regular occurrence, Finance staff should ensure that Budget Adjustment forms are completed and properly authorised prior to transferring budgets between directorates.	The delay in the approval of the identified virement was due to the absence of one budget holder, although the changes had been discussed and approved at the Executive level.	Immediate	Complete	Complete		COMPLETE	Immediate		Yes		Yes	No

Internal Audit Completed Recommendations

HEIW Ref. No.	Year	Report Title	Assurance Rating	Responsible Officer	Director	Priority Level	Recommendation	Management Response	Agreed Deadline	Status	Due	Reason overdue	Progress	Proposed completion date / Date completed	No. of months past agreed deadline	If action is complete, can evidence be provided upon request?	If closed and not complete, please provide justification	ET Sign Off	Risk Register? Yes/No
83	19/20	Core Financial Systems March 2020	Reasonable	Head of Financial Accounting	Director of Finance	Medium	2. The feasibility of producing system generated reports that can distinguish between the various types of journals posted should also be investigated.	We intend to change the narrative for future budget movements to enable them to be identified through a system report, although this will not provide any more information than is currently available through the manual spreadsheet reconciliation.	Jun-20	Complete	Complete		COMPLETE - The process for budget movements was revised at the start of 2020/21, which ensures that consistent narratives are used across the finance team. This allows us to run Qlikview/Oracle reports identifying the reason for budget movements and reconciling this to any required approvals.	Apr-20		Yes - System reports can be run showing the required narratives		Yes	No
84	19/20	Core Financial Systems March 2020	Reasonable	Head of Financial Accounting	Director of Finance	Low	1. Management should ensure that the correct L1 or L2 form is accurately completed for all budget holders.	Agreed - A revised process to review L1 and L2 forms was put in place during 2019-20, but this was not done retrospectively to verify the position for employees in post when HEIW was formed. A full reconciliation has now been carried out and will be repeated on a quarterly basis and signed off by the Head of Financial Accounting.	Immediate	Complete	Complete		COMPLETE	Immediate		Yes		Yes	No
84	19/20	Core Financial Systems March 2020	Reasonable	Head of Financial Accounting	Director of Finance	Low	2. A reconciliation between delegated limits approved on L1 or L2 forms and amounts set up on Oracle should be carried out to confirm no other discrepancies exist	The form that could not be provided for one budget holder has been retrospectively completed.	Immediate	Complete	Complete		COMPLETE	Immediate		Yes		Yes	No
87	19/20	Core Financial Systems March 2020	Reasonable	Head of Financial Accounting	Director of Finance	Medium	The unused cards should be destroyed and cancelled with the card provider.	Agreed - The two purchasing cards were held in finance whilst the operating model for the organisation was established. Based on the current requirements these cards will not be issued so they have been destroyed and the accounts closed. Should this requirement change in the future new cards will be requested.	Immediate	Complete	Complete		COMPLETE	Immediate		Yes		Yes	No
88	19/20	Core Financial Systems March 2020	Reasonable	Head of Financial Accounting	Director of Finance	Low	Procurement staff should be reminded to ensure that budget holder approval is obtained and financial codes are provided for all orders to be processed via procurement cards.	Agreed - A reminder has been issued to all procurement staff.	Immediate	Complete	Complete		COMPLETE	Immediate		Yes		Yes	No
89	19/20	Core Financial Systems March 2020	Reasonable	Head of Financial Accounting	Director of Finance	Medium	VAT Returns should be reviewed and signed off as checked prior to submission to HMRC in line with the FCP.	Based on the current internal processes VAT claims are reviewed along with other key balance sheet reconciliations at the end of the relevant month. Due to the timescales required to produce the VAT returns it is has not always possible to review these prior to the submission date. The timetable has been amended and going forward the returns will be reviewed prior to submission.	Immediate	Complete	Complete		COMPLETE	Immediate		Yes		Yes	No
90	19/20	Core Financial Systems March 2020	Reasonable	Head of Financial Accounting	Director of Finance	Low	Whilst it is acknowledged that all VAT errors are at present retrospectively recovered, to reduce reliance on the external review and to extract maximum benefit from the reports provided, training in respect of the treatment of VAT and highlighting the errors identified by the external review should be provided to all HEIW staff responsible for processing sales and purchase invoices.	Agreed - VAT training was provided to relevant finance staff by EY LLP in November 2019. Continued support is provided by the financial accounting team and processes will be refined over time to reflect the requirements of the organisation.	Immediate	Complete	Complete		COMPLETE	Immediate		Yes		Yes	No
96	19/20	Information Governance: General Data Protection Regulation (GDPR) April 2020	Reasonable	Head of People & OD Team	Director of Workforce & OD/ Board Secretary	Medium	HEIW should ensure that all staff complete the e-learning module, and encourage staff to attend the face-to-face training.	HEIW is currently focussed on increasing its e-learning compliance rates for all mandatory subject matter areas within ESR. It is anticipated that the compliance rates for e-learning in respect of GDPR will significantly increase as a part of this overall campaign. HEIW will seek to reintroduce face to face learning when it is safe to do so.	Jul-20	Complete	Complete		Current Progress: Regular promotion for the completion of e-learning has continued throughout lockdown and will continue through regular reinforcement and communication. This has been delivered via team meetings and also at induction for new members of staff, which has been delivered virtually via Microsoft Teams. As the processes for regular reinforcement and communication are now in place, it is recommended that this recommendation is closed.	Jul-20		Yes		Yes	No
97	19/20	Information Governance: General Data Protection Regulation (GDPR) April 2020	Reasonable	Board Secretary	Board Secretary	Medium	IG leads should be defined within departments and an IG network established to ensure that information is disseminated, and any required actions are completed.	There is now an established Information Governance and Information Management Group (IGIM) and this has draft Terms of Reference and representation from applicable departments on its attendance register. The approval of the draft terms of reference for the IGIM by the Audit and Assurance Committee have been postponed as a result of the current crisis and we currently anticipate their approval at the meeting of the Audit and Assurance Committee in July.	Immediate	Complete	Complete		COMPLETE			Yes		Yes	No

External Audit Closed Recommendations

HEIW Ref. No.	Year	Report Title	Responsible Officer	Recommendation	Management Response	Agreed Deadline	Status	Due	Reason overdue / Reason closed	Progress	Proposed completion date / Date completed	No. of months past agreed deadline	ET Sign Off	Risk Register? Yes/No
36	19/20	Management Letter July 2019	Director of Nursing	Recommendation 1: Arrangements for allocating supplementary funding to universities in year should be strengthened I recommend that follow-up action is taken to ensure that this year's funding has indeed been used in line with the conditions of award. I also recommend that if additional funding is made available in future years, then the Authority should: <ul style="list-style-type: none"> • put in place procedures to identify such underspends earlier in the year; • attach conditions to the funding, clearly specifying the evidence the Authority requires to receive to ensure the money has been spent for the purposes intended, and by when it is to be utilised; and • establish robust follow-up procedures and communicate these to the universities at the time of the award of the funding. 	For the larger grant awards in 2018-19, site visits will be arranged prior to the next contract meeting with each university to verify the procurement of assets. Confirmation of expenditure will be sought from the remaining organisations. If funding is made available in future years the conditions of the award will set out timescales for expenditure, and the evidence required for the expenditure along with any follow-up procedures.	Aug-19	Complete	Complete	Complete	Contract meetings arranged for November/December at which time assets will be reviewed. Early financial reviews suggest that HEIW maybe in a position to support supplementary funding to Universities and Health Boards/Trusts. In light of this, procedures and supporting documentation are to be reviewed by the end of November 2019.	Nov-19		Yes	No
37	19/20	Management Letter July 2020	Director of Workforce & OD	Recommendation 2: The Authority does not hold signed contracts of employment for two members of the executive team I recommend that the Authority ensures it holds signed contracts of employment for all staff.	Management will ensure the contracts of the two individuals are signed.	Immediate	Complete	Complete	Complete	The contracts were signed in July 2019.	Nov-19		Yes	No
38	19/20	Management Letter July 2019	Interim Director of Finance	Recommendation 3: Accounting arrangements for Property, Plant and Equipment need to be introduced I recommend that the Authority puts procedures in place to ensure the proper stewardship of property, plant and equipment and that the accounts accurately reflect these assets going forward. Specifically: a) a fixed asset register is introduced which records all assets held, which in turn reconciles to the financial statements; b) all assets are tagged so that they can be identified in the asset register; c) procedures are introduced to ensure that any decreases in value due to damage/ obsolescence are identified and recorded, so that they can be impaired in the financial statements and inform the future capital programme; and d) procedures are introduced to control and identify any disposals, so that they can be removed from the fixed asset register and financial statements.	a) The details of assets owned by HEIW are currently recorded on an Excel spreadsheet. Options for a dedicated fixed asset system are being reviewed, but due to the relatively small number of assets owned, the continued use of a spreadsheet solution may be the most appropriate option. A paper outlining the decision process will be prepared. b) The tagging of IT assets commenced during June 2019. ID tags for fixtures and fittings have been ordered and tagging will be completed by the end of August 2019. c) and d) FCP2 (approved at the Shadow Audit Meeting on 2 October 2018) sets out the basic requirements for the disposal and impairment of assets. A separate procedure note will be prepared providing further details of the process.		Complete	Complete	Complete	a) The quote received for the procurement of the asset management system in use across the rest of NHS Wales was prohibitive. Therefore, a spreadsheet solution is currently being prepared that will provide the required information for the management and accounting of fixed assets. This is considered to be appropriate due to the relatively small number of assets owned. This decision will be reviewed in the future should the asset base significantly increase. b) Approximately 50% of laptops have been tagged. As this is being carried out in conjunction with additional security markings this is taking longer than anticipated. Tagging of fixtures and fittings needs to be carried out when the office is empty. This has been planned for 16th November to coincide with system testing work that is being carried out over that weekend. c) and d) A revised FCP for non-current assets is included as a separate item for consideration by the Audit and Assurance Committee	Nov-19		Yes	No
39	19/20	Management Letter July 2019	Board Secretary	Recommendation 4: Procedures for identifying and reporting of related party transactions should be strengthened I recommend: <ul style="list-style-type: none"> • officers should be reminded to declare all interests and ensure the names of the interests are disclosed; and • original emails from officers are provided as audit evidence where electronic submission of the declaration of interests has been accepted. 	Officers will be reminded of the requirements for declaration with immediate effect. We will update working papers for an appropriate audit trail for the 2019-20 financial statements.	Immediate / April 2020	Complete	Complete	Complete	Reminder emails to officers are issued periodically to ensure relevant interests are declared. The Standards of Behaviour Policy is currently under review and the Declarations of Interest Register has been updated to include the date of the declaration.	Nov-19		Yes	No

External Audit Closed Recommendations

HEIW Ref. No.	Year	Report Title	Responsible Officer	Recommendation	Management Response	Agreed Deadline	Status	Due	Reason overdue / Reason closed	Progress	Proposed completion date / Date completed	No. of months past agreed deadline	ET Sign Off	Risk Register? Yes/No
40	19/20	Management Letter July 2019	Interim Director of Finance	Recommendation 5: Working papers to support provisions need to evidence compliance with accounting standards I recommend that working papers supporting any future provisions should document management's consideration of the requirements of IAS37 and provide appropriate evidence (such as legal opinion) where relevant. Specifically: • a description of the circumstances which create the present legal or constructive obligation and the past event that gives rise to this obligation; • the view of management on the likelihood that there will be an outgoing of resources to settle this obligation (in terms of whether it is probable, possible or remote); and • provide a reliable estimate for the provision Where this is not possible, consideration should be given to whether the provision is valid, or whether a contingent liability is more appropriate.	Appropriate working papers to support all provisions will be provided for all future audits.	Apr-20	Complete	Complete	Complete	This is a year-end issue, and will be considered during April 2020.	Nov-19		Yes	No
41	19/20	Management Letter July 2019	Interim Director of Finance	Recommendation 6: The year-end procedures for identifying prepayments should be strengthened I recommend that year-end procedures to identify prepayments are reviewed and improved, and ensure staff receive appropriate training.	For the 2019-20 year-end a supporting 'Closing Pack' will be prepared outlining the key processes and requirements for finance staff. Appropriate training will be built into the closing timetable.	Mar-20	Complete	Complete	Complete	This is a year-end issue, and will be considered during March 2020.	Nov-19		Yes	No
42	19/20	Management Letter July 2019	Interim Director of Finance	Recommendation 7: VAT advice should be sought to minimise the risk of any future VAT inspections identifying errors in recovering VAT The Authority should seek specialist VAT advice during the 2019-20 financial year to ensure that its VAT arrangements are in line with the contracted-out services guidance.	The procurement exercise to secure the provision of VAT supporting advice has commenced and the contract will be agreed from August 2019. A separate tender process to undertake a retrospective review of the 2018-19 transactions will also be progressed.	Aug-19	Complete	Complete	Complete	Complete - The procurement of specialist VAT advice is now complete. The contract has been awarded to EY LLP.	Nov-19		Yes	No
43	19/20	Management Letter July 2019	Director of Workforce & OD	Recommendation 8: A review should be undertaken of historic allowances to ensure they are still valid Whilst acknowledging that staff transferred over to the Authority under TUPE arrangements, the Authority should determine whether such payments were properly due immediately prior to the transfer and whether to continue paying them.	Management will review all cases to ensure that the individual is still appropriately remunerated, given the length of time they have been in receipt of the allowance.	Mar-20	Complete	Complete	Complete	Management has reviewed TUPE arrangements of the senior individuals below executives and sought legal advice to support the appropriateness of individuals' remuneration. Advice was shared with the Remuneration and Terms and Conditions Committee and Board who noted the assurances provided and the arrangements in	Nov-19		Yes	No
44	19/20	Management Letter July 2019	Interim Director of Finance	Recommendation 9: The mapping of the payroll feeder to the ledger needs to be corrected for refunds of pensions The Payroll feeder should be amended to correctly record any pension refunds as netting off against pension payments.	The error occurred as a result of the set-up of the Oracle and ESR interface on formation of HEIW. All refunds are now correctly allocated and this has been confirmed through monthly payroll/pension reconciliations.	Immediate	Complete	Complete	Complete	Complete	Nov-19		Yes	No
45	19/20	Baseline Review - Structured Assessment July 2019	Board Secretary	Well Led and Well Governed Learning Points: Board and Committees: • IM understanding of Board versus Board Development Sessions important • include details and (open) papers of all committees on website • diagram Board, committees & advisory groups and how they link (IA rec)	HEIW IMs have a clear understanding on the difference between Board and a BDS. All open Board and Committee papers are on the HEIW website. Complete		Complete	Complete	Complete	All areas complete	Nov-19		Yes	No
45	19/20	Baseline Review - Structured Assessment July 2019	Board Secretary/ Interim Director of Finance	Well Led and Well Governed Learning Points: Proper Business arrangements: • update Scheme of Delegation for IM's champion roles/ responsibilities • keep a register of single tender/quotation actions and review periodically (WAO ref 1)	Subject to further discussion regarding amendment of Standing Orders. Details of single tender/quotation reviews are held by the NWSSP procurement team and will be reported to each Audit & Assurance Committee for review		Complete	Complete	Complete	Advisory Learning Points that will be given consideration	Nov-19		Yes	No
45	19/20	Baseline Review - Structured Assessment July 2019	Board Secretary	Well Led and Well Governed Learning Points: BAF – risk and performance management: • swift implementation of BAF (with assigned risks) and directorate registers (WAO ref 2) • staff training essential for consistency of risk assessment across HEIW • ensure sufficiently understand performance in interim • IA & EA recommendations tracker should include others (WG/regulators?)	BAF adopted at September Board. BAF to be reviewed on a regular basis. Executive and SLT training undertaken. Training of managers scheduled for November and December 2019. Executive and SLT training undertaken. Training of managers scheduled for November and December 2019. Tracker includes recommendations from both internal audit and WAO.		Complete	Complete	Complete	Advisory Learning Points that will be given consideration	Nov-19		Yes	No

External Audit Closed Recommendations

HEIW Ref. No.	Year	Report Title	Responsible Officer	Recommendation	Management Response	Agreed Deadline	Status	Due	Reason overdue / Reason closed	Progress	Proposed completion date / Date completed	No. of months past agreed deadline	ET Sign Off	Risk Register? Yes/No
45	19/20	Baseline Review - Structured Assessment July 2019	Executive Team	Well Led and Well Governed Learning Points: Organisational structure: • work with WG and regulators to clarify blurred boundaries	• Ongoing 1:1 discussions between CEO and Director General to clarify interface issues • Quality and Delivery meetings with Welsh Government underway • Second JET held on 31 October 2019 • Regular meetings being held with key professional and policy leads		Complete	Complete	Complete	Advisory Learning Points that will be given consideration	Nov-19		Yes	No
46	19/20	Baseline Review - Structured Assessment July 2019	Director of Workforce & OD/ Interim Director of Finance	Strategic Planning Learning Points: Vision and Strategic Objectives • keep doing what you are doing! 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 inc. trainees and potential trainees. 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 (training / DU / secondments / peer review etc). Operational strategies and plans: • think about how you will go about making informed choices on competing proposals given finite resource (priorities/criteria) KPIs and monitoring of delivery: • be clear about Pls v KPIs. Identify suitable benchmarks. Don't forget about providing insight with data (WAO ref 3)	These are considered advisory points and have been/are being considered. Given this they have not been RAG rated		Complete	Complete	Complete	Advisory Learning Points that will be given consideration	Nov-19		Yes	No
47	19/20	Baseline Review - Structured Assessment July 2019	Interim Director of Finance	Financial Management Learning Points: • 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 (WAO ref 4)	The Finance Academy has produced a best practice guide for financial reporting to the Board. This is being reviewed to refine the information presented.		Complete	Complete	Complete	Advisory Learning Points that will be given consideration	Nov-19		Yes	No
48	19/20	Baseline Review - Structured Assessment July 2019	Director of Workforce & OD	Workforce Management Learning Points: Workforce planning and development: • statutory and mandated training delivery priority • ensure reporting is clear on whether posts are vacancies or future potential posts Staff engagement and culture: • keep doing what you are doing!	These are advisory and are not deemed to require a RAG rating. Some observations included below for information: Statutory and mandated training – The People team are undertaking further ESR training for staff to refresh on using the ESR system. For staff with dual contract (NHS and CU T&Cs) reminders during the training that if staff have already completed their Statutory and mandatory training with their NHS contract, we will accept a screenshot of their completion pages that will be used to update ESR.		Complete	Complete	Complete	Advisory Learning Points that will be given consideration	Nov-19		Yes	No
49	19/20	Baseline Review - Structured Assessment July 2019	Director of Workforce & OD	Procurement arrangements Learning Points: • ensure linked procurement / contracting / commissioning strategies in place with clear management arrangements • identify contracts and compile a contracts register	Work is underway to produce a contracts register. See earlier comments in response to audit recommendations		Complete	Complete	Complete	Advisory Learning Points that will be given consideration	Nov-19		Yes	No
50	19/20	Baseline Review - Structured Assessment July 2019	Interim Director of Finance	Asset Management Learning Points: • compile asset register • compile lease register (accounting changes in 20-21) • develop asset management strategy	See comments at 46 above; work is underway on these learning points		Complete	Complete	Complete	Advisory Learning Points that will be given consideration	Nov-19		Yes	No
65	2019	Structured Assessment 2019 January 2020	Board Secretary	Managing risk to achieve strategic priorities: R3 HEIW should improve its risk management by determining and clearly communicating its risk appetites to ensure a consistent approach to: a) tolerance of risk	a) HEIW January Board will consider the approval of its approach to managing risk appetite which will include setting tolerance levels for risk.	Jan-20	Complete	Complete	Complete	COMPLETE - The Board approved its risk appetite at the January Board meeting.	Jan-20		Yes	No
67	2019	Structured Assessment 2019 January 2020	Board Secretary	Embedding a sound system of assurance: R5 HEIW should strengthen information governance and cyber security arrangements by: b) developing and reporting information governance KPIs;	b) Reports are tabled at specific meetings and committees on the work completed within IG to date. Information Governance and Information Management Group to create and monitor KPIs which shall be presented to the Audit Committee on a quarterly basis.	Apr-20	Complete	Complete	Complete	Current Progress: The IGIM Group has developed KPIs for reporting. The Group meets on a quarterly basis and will report into the Audit & Assurance Committee.	Mar-20		Yes	No

External Audit Closed Recommendations

HEIW Ref. No.	Year	Report Title	Responsible Officer	Recommendation	Management Response	Agreed Deadline	Status	Due	Reason overdue / Reason closed	Progress	Proposed completion date / Date completed	No. of months past agreed deadline	ET Sign Off	Risk Register? Yes/No
67	2019	Structured Assessment 2019 January 2020	Board Secretary/ Director of Workforce & OD	Embedding a sound system of assurance: R5 HEIW should strengthen information governance and cyber security arrangements by: d) establishing effective cyber security resources and expertise to manage risks;	d) The Board Secretary will lead on cybersecurity at the senior level until the appointment of the new Director of Digital. The Board have approved the recruitment of a cybersecurity analyst, a JD is under development, an agency worker will be recruited to cover in the short term. The Analyst will manage HEIW cyber risks and be responsible for defence measures.	May-20	Complete	Complete	Complete	Current Progress: Appointment to permanent role of Head of Cyber Security commenced on 29 June 2020.	Jun-20	1	Yes	No
68	2019	Structured Assessment 2019 January 2020	Director of Workforce & OD	Developing Strategic Plans: R6 HEIW should strengthen its strategic approach to digital and IT by: b) considering current capacity to deliver the Head of Digital role and whether it needs to appoint to the post	Following changes at Executive level, a review of the senior digital structure is being undertaken to ensure appropriate Board level input.	Mar-20	Complete	Complete	Complete	Current Progress: We have undertaken initial structural changes within the digital team and have recently recruited a Head of Digital Services.	Jun-20	3	Yes	No



GIG
CYMRU
NHS
WALES

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

Dyddiad y Cyfarfod	20 Hydref 2020		Eitem ar yr Agenda	2.14
Teitl yr Adroddiad	Adolygiad o Gylch Gorchwyl y Pwyllgor			
Awdur yr Adroddiad	Kay Barrow, Rheolwr Llywodraethu Corfforaethol			
Noddwr yr Adroddiad	Dafydd Bebb, Ysgrifennydd y Bwrdd			
Cyflwynwyd gan	Dafydd Bebb, Ysgrifennydd y Bwrdd			
Rhyddid Gwybodaeth	Agored			
Pwrpas yr Adroddiad	Darparu diweddariad i'r Pwyllgor Archwilio a Sicrwydd ar yr adolygiad o'i Gylch Gwaith ac Aelodaeth y Pwyllgor.			
Materion Allweddol	<ul style="list-style-type: none"> Yn ei gyfarfod ym mis Medi cymeradwyodd y Bwrdd yr argymhellion a oedd yn codi o Adolygiad Cadeirydd AaGIC o Aelodaeth y Pwyllgor: <ul style="list-style-type: none"> Gan fod cyfnod yr aelodaeth bresennol o'r Pwyllgor Archwilio a Sicrwydd yn dod i ben ddiwedd mis Medi 2020 cymeradwyodd y Bwrdd ailbenodiad aelodau presennol y Bwrdd am flwyddyn arall; Cymeradwyo penodiad Is-Gadeirydd i'r Pwyllgor; Cymeradwyo aelod newydd i'r Pwyllgor i ddarparu mwy o gydnerthedd a chapasiti i'r Pwyllgor. 			
Camau penodol i'w cymryd (rhowch un ✓ yn unig)	Gwybodaeth	Trafodaeth	Sicrwydd	Cymeradwyo
			✓	
Argymhellion	Gofynnir i'r Aelodau: <ul style="list-style-type: none"> Nodi ailbenodiad y Cadeirydd a'r Is-gadeirydd; Nodi ailbenodiad Aelodau presennol y Pwyllgor am flwyddyn arall; Nodi'r newidiadau pellach i Aelodaeth y Pwyllgor (Atodiad 1). 			

ADOLYGU CYLCH GORCHWYL Y PWYLLGOR

1. CYFLWYNIAD

Mae'n ymarfer llywodraethu da i adolygu Cylch Gorchwyl y Pwyllgor bob blwyddyn. Cafodd Cylch Gorchwyl cyfredol y Pwyllgor Archwilio a Sicrwydd ei adolygu ddiwethaf ym mis Tachwedd 2019 yn dilyn yr adolygiad o 'Ffyrdd o Weithio i'r Dyfodol' a gynhaliwyd ar ran y Bwrdd ac a gymeradwywyd gan y Bwrdd yn ei gyfarfod ym mis Tachwedd 2019.

Mae'r adroddiad hwn yn darparu canlyniad adolygiad Cadeirydd AaGIC o aelodaeth y Pwyllgor i'r Pwyllgor Archwilio a Sicrwydd a gymeradwywyd gan y Bwrdd ar 24 Medi 2020.

2. CEFNDIR

O ganlyniad i Bandemig COVID-19, cynhaliodd y Cadeirydd, gyda chefnogaeth Ysgrifennydd y Bwrdd, adolygiad llywodraethu o aelodaeth Pwyllgorau'r Bwrdd. Cyfarfu'r Cadeirydd gyda phob Aelod Annibynnol yn unigol hefyd fel rhan o'u proses arfarnu flynyddol gan ystyried cefndiroedd a meysydd diddordeb ac arbenigedd yr Aelodau.

Gan fod cyfnod aelodaeth bresennol y Pwyllgor Archwilio a Sicrwydd yn dod i ben ar ddiwedd Medi 2020 cymeradwyodd y Bwrdd y penderfyniad i ailbenodi'r aelodau presennol am flwyddyn arall a phenodi aelod newydd fel y nodir isod:

• Y Pwyllgor Archwilio a Sicrwydd

Cadeirydd:	Gill Lewis (ailbenodiad)
Is-gadeirydd:	John Hill-Tout (ailbenodiad)
Aelodau:	Dr Ruth Hall (ailbenodiad)
	Dr Heidi Phillips (penodiad newydd)

3. MATERION LLYWODRAETHU A RISG

Ymarfer llywodraethu da yw adolygu aelodaeth y pwyllgor yn rheolaidd i gefnogi trefniadau craffu a sicrwydd priodol.

4. GOBLYGIADAU ARIANNOL

Nid oes unrhyw oblygiadau ariannol i'r Pwyllgor eu hystyried.

5. ARGYMHELLIAD

Gofynnir i'r Aelodau:

- **Nodi** ailbenodiad y Cadeirydd a'r Is-gadeirydd;
- **Nodi** ailbenodiad Aelodau presennol y Pwyllgor am flwyddyn arall;
- **Nodi'r** newidiadau pellach i Aelodaeth y Pwyllgor.

Llywodraethu a Sicrwydd			
Cysylltu ag amcanion strategol yr IMTP <i>(rhowch ✓)</i>	Nod Strategol 1: Arwain y broses o gynllunio a datblygu gweithlu cymwys, cynaliadwy a hyblyg, a sicrhau ei lesiant, er mwyn helpu i gyflawni 'Cymru Iachach'	Nod Strategol 2: Gwellu ansawdd a hygyrchedd addysg a hyfforddiant ar gyfer yr holl staff gofal iechyd er mwyn sicrhau ei fod yn diwallu anghenion y dyfodol	Nod Strategol 3: Gweithio gyda phartneriaid i ddylanwadu ar newid diwylliannol yn GIG Cymru drwy ddatblygu capasiti arwain tosturiol a chydweithredol ar bob lefel
	Nod Strategol 4: Datblygu'r gweithlu er mwyn helpu i ddarparu diogelwch ac ansawdd	Nod Strategol 5: Bod yn gyflogwr rhagorol ac yn lle gwych i weithio ynddo	Nod Strategol 6: Cael ei nabod fel partner, dylanwadwr ac arweinydd rhagorol
			✓
Ansawdd, Diogelwch a Phrofiad y Claf			
Mae sicrhau bod y Bwrdd yn cynnal ei fusnes yn briodol drwy ei Bwyllgorau ac yn gyson â'i reolau sefydlog yn ffactor allweddol yn ansawdd a phrofiad myfyrwyr a hyfforddeion.			
Goblygiadau Ariannol			
Nid oes unrhyw effaith ariannol uniongyrchol yn gysylltiedig â'r cynigion.			
Goblygiadau Cyfreithiol (yn cynnwys asesiad o gydraddoldeb ac amrywiaeth)			
Mae'n hanfodol bod AaGIC yn cydymffurfio â'i Reolau Sefydlog.			
Goblygiadau Staffio			
Nid oes unrhyw effaith staffio uniongyrchol yn gysylltiedig â'r cynigion.			
Goblygiadau Hirdymor (yn cynnwys effaith Deddf Llesiant Cenedlaethau'r Dyfodol (Cymru) 2015)			
Dim goblygiadau hirdymor uniongyrchol.			
Hanes yr Adroddiad	Mae aelodaeth y Pwyllgor Archwilio a Sicrwydd a'r Pwyllgor Addysg, Comisiynu ac Ansawdd yn cael ei adolygu gan y Bwrdd bob blwyddyn.		
Atodiadau	Atodiad 1 – Cylch Gorchwyl y Pwyllgor		

Terms of Reference and Operating Arrangements Audit and Assurance Committee

Date: October 2020

Review Date: Annually

1. Introduction

In line with Section 3 of the Standing Orders, the Board shall nominate annually a committee which covers Audit. This remit of this Committee will be extended to include Assurance and Corporate Governance and will be known as the **Audit and Assurance Committee**.

The detailed terms of reference and operating arrangements set by the Board in respect of this Committee are detailed below.

These terms of reference and operating arrangements are to be read alongside the standard terms of reference and operating arrangements applicable to all committees.

2. Purpose

The purpose of the Audit and Assurance Committee ("the Committee") is to:

- **Advise** and **assure** the Board and the Chief Executive (who is the Accountable Officer) on whether effective arrangements are in place, through the design and operation of HEIW's assurance framework, to support them in their decision taking and in discharging their accountabilities for securing the achievement of its objectives, in accordance with the standards of good governance determined for the NHS in Wales
- Where appropriate, the Committee will **advise** the Board and the Chief Executive on where, and how, its systems and assurance framework may be strengthened and developed further
- **Approve** on behalf of the Board policies, procedures and other written control documents in accordance with the Scheme of Delegation.

3. Delegated Powers

With regard to its role in providing advice to the Board, the Committee will comment specifically on the:

- adequacy of HEIW's strategic governance and assurance framework, systems and processes for the maintenance of an effective system of governance, internal control, and risk management across the whole organisation's activities, designed to support the public disclosure statements

that flow from the assurance processes, including the Annual Governance Statement, providing reasonable assurance on:

- the organisations ability to achieve its objectives
- compliance with relevant regulatory requirements and other directions and requirements set by the Welsh Government and others
- reliability, integrity, safety and security of the information collected and used by the organisation
- the efficiency, effectiveness and economic use of resources
- the extent to which the organisation safeguards and protects all its assets, including its people.

In undertaking its work and responsibility the Committee will comment specifically on:

- Board's Standing Orders, and Standing Financial Instructions (including associated framework documents, as appropriate)
- accounting policies, the accounts, and the annual report of the organisation, including the process for review of the accounts prior to submission for audit, levels of error identified, the ISA 260 Report 'Communication with those charged with Governance' and managements' letter of representation to the external auditors
- Schedule of Losses and Special Payments
- planned activity and results of internal audit, external audit and the Local Counter Fraud Specialist (including strategies, annual work plans and annual reports)
- adequacy of executive and management's response to issues identified by audit, inspection and other assurance activity
- anti fraud policies, whistle-blowing (raising concerns) processes and arrangements for special investigations
- issues upon which the Board, its Committees or the Chief Executive may seek advice
- contracting and tendering process
- provide assurance and undertake scrutiny of ensuring value for money

The Committee will support the Board with regard to its responsibilities for governance (including risk and control) by **reviewing** and **approving** as appropriate:

- all risk and control related disclosure statements, in particular the Annual Governance Statement together with any accompanying Head of Internal

Audit statement, external audit opinion or other appropriate independent assurances, prior to endorsement by the Board

- the underlying assurance processes that indicate the degree of the achievement of corporate objectives, the effectiveness of the management of principal risks and the appropriateness of the above disclosure statements
- the policies for ensuring compliance with relevant regulatory, legal and code of conduct and accountability requirements
- the policies and procedures for all work related to fraud and corruption as set out in National Assembly for Wales Directions and as required by the Counter Fraud and Security Management Service

In carrying out this work the Committee will primarily utilise the work of Internal Audit, External Audit and other assurance functions, but will not be limited to these audit functions. It will also seek reports and assurances from directors and managers as appropriate, concentrating on the overarching systems of good governance, risk management and internal control, together with indicators of their effectiveness.

This will be evidenced through the Committee's use of effective governance and assurance arrangements to guide its work and that of the audit and assurance functions that report to it, and enable the Committee to review and form an opinion on the:

- comprehensiveness of assurances in meeting the Board and the Chief Executives assurance needs across the whole of HEIW activities;
- the reliability and integrity of these assurances

To achieve this, the Committee's programme of work will be designed to provide assurance that:

- there is an effective internal audit function that meets the standards set for the provision of internal audit in the NHS in Wales and provides appropriate independent assurance to the Board and the Chief Executive through the Committee
- there is an effective counter fraud service that meets the standards set for the provision of counter fraud in the NHS in Wales and provides appropriate assurance to the Board and the Chief Executive through the Committee
- there is an effective improvement function that provides appropriate assurance to the Board and the Chief Executive
- there are effective arrangements in place to secure active, ongoing assurance from management with regard to their responsibilities and accountabilities, whether directly to the Board and the Chief Executive or through the work of the Board's committees

- the work carried out by key sources of external assurance, in particular, but not limited to HEIW's external auditors, is appropriately planned and co-ordinated and that the results of external assurance activity complements and informs (but does not replace) internal assurance activity
- the work carried out by the whole range of external review bodies is brought to the attention of the Board, and that the organisation is aware of the need to comply with related standards and recommendations of these review bodies, and the risks of failing to comply
- systems for financial reporting to the Board, including those of budgetary control, are effective
- results of audit and assurance work specific to HEIW, and the implications of the findings of wider audit and assurance activity relevant to the HEIW's operations are appropriately considered and acted upon to secure the ongoing development and improvement of the organisations governance arrangements

The Committee will review and agree the programme of work on an annual basis, and will recommend it to the Board for approval.

4. Access

The Head of Internal Audit and the Auditor General and his representatives shall have unrestricted and confidential access to the Chair of the Audit and Assurance Committee at any time, and vice versa.

The Committee will meet with Internal and External Auditors and the nominated Local Counter Fraud Specialist without the presence of officials on at least one occasion each year.

The Chair of the Audit and Assurance Committee shall have reasonable access to Executive Directors and other relevant senior staff.

5. Membership, Attendees and Quorum

5.1 Members

A minimum of three members, comprising:

Chair	Independent Member
Vice Chair	Independent Member
Members	Independent Members

The Chair of the organisation shall not be a member of the Audit and Assurance Committee, but may be invited to attend by the Chair of the Committee as appropriate.

5.2 Attendees

In attendance:

Executive Director of Finance and Corporate Services
Board Secretary
Head of Internal Audit (or representative)
Local Counter Fraud Specialist
Representative of the Auditor General for Wales
Head of Finance

In addition to this others from within or outside the organisation who the Committee considers should attend, will be invited taking account of the matters under consideration at each meeting.

The Chief Executive shall be invited to attend, at least annually, to discuss with the Committee the process for assurance that supports the Annual Governance Statement.

5.3 Quorum

At least **two** members must be present to ensure the quorum of the Committee, one of whom should be the Committee Chair (or Vice Chair where appointed).

6. Frequency of Meetings

Meetings shall be held no less than quarterly and otherwise as the Chair of the Committee deems necessary – consistent with HEIW's annual plan of Board Business. The External Auditor or Head of Internal Audit may request that the Chair convene a meeting if they consider this necessary.

7. Relationships and accountabilities with the board and its Committees/Groups:¹

The Audit and Assurance Committee must have an effective relationship with other committees or sub-committees of the Board so that it can understand the system of assurance for the Board as a whole. It is very important that the Audit and Assurance Committee remains aware of its distinct role and does not seek to perform the role of other committees.

The Committee will consider the assurance provided through the work of the Board's other committees and sub groups to meet its responsibilities for advising the Board on the adequacy of HEIW's overall framework of assurance.

¹ Reference to the Board's Committees/Groups incorporates its sub committees, joint committees and joint sub committees as well as other groups, such as Task and Finish Groups, where this is appropriate to the remit of this Audit and Assurance Committee

8. Reporting and Assurance Arrangements

The Committee shall provide a written, annual report to the Board and the Chief Executive on its work in support of the Annual Governance Statement, specifically commenting on the adequacy of the assurance framework, the extent to which risk management is comprehensively embedded throughout the organisation, the integration of governance arrangements and the appropriateness of self assessment activity against relevant standards. The report will also record the results of the committee's self assessment and evaluation.



GIG
CYMRU
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WALES

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

Dyddiad y Cyfarfod	20 Hydref 2020		Eitem ar yr Agenda	2.15
Teitl yr Adroddiad	Cymeradwyo Diwygiadau Arfaethedig i Reolau Sefydlog AaGIC			
Awdur yr Adroddiad	Dafydd Bebb, Ysgrifennydd y Bwrdd			
Noddwr yr Adroddiad	Dafydd Bebb, Ysgrifennydd y Bwrdd			
Cyflwynwyd gan	Dafydd Bebb, Ysgrifennydd y Bwrdd			
Rhyddid Gwybodaeth	Agored			
Diben yr adroddiad	Gwahodd y Pwyllgor Archwilio a Sicrwydd i ystyried ac argymhell bod y Bwrdd yn cymeradwyo'r diwygiadau arfaethedig i Reolau Sefydlog AaGIC.			
Materion Allweddol	<p>Gwahoddir y Pwyllgor Archwilio a Sicrwydd i ystyried ac argymhell y diwygiadau canlynol i'r Rheolau Sefydlog mewn perthynas â:</p> <ul style="list-style-type: none"> • Chynyddu'r Terfynau Ariannol Dirprwyedig ar gyfer anfonebau gan Bartneriaeth Cydwasanaethau GIG Cymru sy'n ymwneud â chyflogau meddygon teulu Cyflogwyr Arweiniol Sengl (gweler Atodiad 1 ar gyfer y diwygiad arfaethedig); • Cylch gorchwyl y Pwyllgor Comisiynu ac Ansawdd Addysg i gyfeirio at rôl yr Is-gadeirydd, i ddiweddarau teitlau swyddi ac i gadarnhau bod penodi'r tri Deon yn 'bresennol' yn y Pwyllgor (gweler Atodiad 2 am y gwelliannau arfaethedig). <p>Rhaid i'r Pwyllgor Archwilio a Sicrwydd adolygu diwygiadau i'r SOs yn gyntaf.</p>			
Camau Gweithredu Penodol Gofynnol (un ✓ yn unig)	Gwybodaeth	Trafodaeth	Sicrwydd	Cymeradwyo
				✓
Argymhellion	<p>Gofynnir i aelodau'r Adran Damweiniau ac Achosion Addysg:</p> <ul style="list-style-type: none"> • ystyried y diwygiadau arfaethedig i'r Rheolau Sefydlog fel yr amlinellir yn Atodiad 1 a 2ac, argymhell eu cymeradwyo ym mis Tachwedd. 			

CYMERADWYO DIWYGIADAU ARFAETHEDIG I REOLAU SEFYDLOG AaGIC

1. CYFLWYNIAD

Diben yr adroddiad yw gwahodd y Pwyllgor Archwilio a Sicrwydd (A&AC) i ystyried y diwygiadau arfaethedig i Reolau Sefydlog AaGIC ac argymhell eu bod yn cael eu cymeradwyo ym Mwrdd mis Tachwedd.

2. CEFNDIR AC ARGYMHELLIAD

- **Terfynau ariannol dirprwyedig**

Ers mis Awst, mae'r anfoneb fisol gan NWSSP mewn perthynas â chyflogau Meddygon Teulu Cyflogwyr Arweiniol Sengl (Anfonebau Misol) wedi rhagori'n rheolaidd ar derfyn presennol yr awdurdod dirprwyedig o £2 filiwn. Felly, mae angen awdurdodi'r anfoneb gan ddefnyddio Camau Gweithredu'r Cadeirydd. O ystyried hyn, cynigir mai dim ond i £3 miliwn y dylid cynyddu'r derfyn ariannol dirprwyedig mewn perthynas â'r Anfonebau Misol hyn.

Amlinellir y gwelliant hwn yn Atodiad 1.

- **Y Pwyllgor Comisiynu ac Ansawdd Addysg (CE&QC)**

Ym Mwrdd mis Medi penderfynwyd penodi'r tri Deon AaGIC (Deon Deintyddol, Deon Fferylliaeth a'r Deon Meddygol) yn aelodau llawn o'r Pwyllgor Comisiynu ac Ansawdd Addysg. Ar ôl ystyried, mae'r Pwyllgor Comisiynu ac Ansawdd Addysg, gan ystyried argymhelliad Cadeirydd y Pwyllgor, y Prif Swyddog Gweithredol a Chadeirydd AaGIC, wedi penderfynu argymhell y dylid penodi'r tri Deon yn 'bresennol' yn y Pwyllgor yn hytrach nag fel aelodau llawn.

Argymhellodd y Pwyllgor Comisiynu ac Ansawdd Addysg hefyd newidiadau i gadarnhau rôl Is-gadeirydd y pwyllgor ac i ddiweddarau dau o deitlau'r swyddi o fewn y cylch gorchwyl.

Mae'r diwygiad arfaethedig i gylch gorchwyl y Pwyllgor Comisiynu ac Ansawdd Addysg i'w weld yn Atodiad 2.

3. MATERION LLYWODRAETHU A RISG

Mae egluro a diweddarau Rheolau Sefydlog CGGCC yn cefnogi'r strwythur llywodraethu corfforaethol o fewn AaGIC.

4. GOBLYGIADAU ARIANNOL

Nid oes unrhyw oblygiadau ariannol i'r Bwrdd eu hystyried.

5. ARGYMHELLIAD

Gofynnir i aelodau'r Adran Damweiniau ac Achosion Addysg:

- ystyried y diwygiadau arfaethedig i'r Rheolau Sefydlog fel yr amlinellir yn atodiad 1 a 2 ac, argymhell eu cymeradwyo ym mis Tachwedd.

Llywodraethu a Sicrwydd			
Linc i nodau strategol Cynlluniau Tymor Integredig Clwstwr (os gwelwch yn ddau)	Nod Strategol 1: Arwain y gwaith o gynllunio, datblygu a lles gweithlu cymwys, cynaliadwy a hyblyg i gefnogi'r gwaith o gyflawni 'Cymru Iachach'	Nod Strategol 2: Gwella ansawdd a hygyrchedd addysg a hyfforddiant i'r holl staff gofal iechyd gan sicrhau ei fod yn diwallu anghenion y dyfodol	Nod Strategol 3: Gweithio gyda phartneriaid i ddylanwadu ar newid diwylliannol o fewn GIG Cymru drwy feithrin gallu arweinyddiaeth dosturiol a chyfunol ar bob lefel
	✓	✓	✓
	Nod Strategol 4: Datblygu'r gweithlu i gefnogi'r gwaith o sicrhau diogelwch ac ansawdd	Nod Strategol 5: Bod yn gyflogwr enghreifftiol ac yn lle gwych i weithio	Nod Strategol 6: I gael ei gydnabod fel partner, dylanwadwr ac arweinydd rhagorol
	✓	✓	✓
Ansawdd, Diogelwch a Phrofiad Cleifion			
Mae egluro a diweddarau Rheolau Sefydlog CGGCC yn cefnogi'r strwythur llywodraethu corfforaethol o fewn AaGIC ac yn cefnogi CGGCC i wneud penderfyniadau cwbl wybodus. Mae penderfyniadau gwybodus yn fwy tebygol o effeithio'n ffafriol ar ansawdd, diogelwch a phrofiad cleifion a staff.			
Goblygiadau Ariannol			
Dim goblygiadau ariannol i'r Bwrdd fod yn ymwybodol ohonynt.			
Goblygiadau Cyfreithiol (gan gynnwys asesu cydraddoldeb ac amrywiaeth)			
Mae'n hanfodol bod AaGIC yn cydymffurfio â'i Reolau Sefydlog.			
Goblygiadau Staffio			
Dim goblygiadau staffio i'r pwyllgor fod yn ymwybodol ohonynt.			
Goblygiadau Hirdymor (gan gynnwys effaith Deddf Llesiant Cenedlaethau'r Dyfodol (Cymru) 2015)			
NA			
Hanes yr Adroddiad			
Atodiadau	Atodiad 1 – Terfynau ariannol Dirprwyedig Arfaethedig. Atodiad 2 – Cylch Gorchwyl Arfaethedig y Pwyllgor Comisiynu ac Ansawdd Addysg.		

Appendix 1 - Delegated Financial Limits

Post	Education and Training Contracts	Education and Training Invoices	Revenue (Other Than Education & Training Contracts)
Board	Above £5m		No Limit
Chief Executive	up to £5m	No Limit (subject to Appropriate Contract Approval). <u>NWSSP monthly invoices for SLE GP Salaries £3m.</u>	£250,000
Deputy Chief Executive (when acting in that capacity)	up to £5m	No Limit (subject to Appropriate Contract Approval). <u>NWSSP monthly invoices for SLE GP Salaries £3m.</u>	£250,000
Director of Finance & Corporate Services	up to £2m	£2m	£100,000
Director of Nursing & Medical Director within delegated budget area		£500,000	£50,000
Executive Directors within delegated directorate budget area			£50,000
Deputy Director of Finance		£50,000	£50,000

Delegated Budget Managers (within delegated budget area)			£25,000
Delegated Budget Managers (within delegated budget area)			£10,000
Delegated Budget Managers (within delegated budget area)			£5,000
Delegated Budget Managers (within delegated budget area)			£1,000

Education, Commissioning and Quality Committee Terms of Reference and Operating Arrangements

Date: October 2020

Review Date: Annually

1. Introduction

In line with Section 3 of the Standing Orders, the Board shall nominate annually a committee which covers education, education commissioning and quality management of education provision and contracts. This Committee will be known as the Education, Commissioning and Quality Committee.

The terms of reference and operating arrangements set by the Board in respect of this Committee are detailed below.

These terms of reference and operating arrangements are to be read alongside the standard terms of reference and operating arrangements applicable to all HEIW committees.

2. Purpose

The purpose of the Education, Commissioning and Quality Committee ("the Committee") is to:

- **Advise** and **assure** the Board and the Chief Executive (who is the Accountable Officer) on whether effective arrangements are in place to plan, commission, deliver and quality manage education systems and provide assurance on behalf of the organisation.
- Where appropriate, **advise** the Board and the Chief Executive on where, and how, its education systems and assurance framework may be strengthened and developed further.
- Recommend to the Board education training plans including investment in new programmes and disinvestment in others. .
- Recommend to the Board on strategic matters relating to Education Commissioning and Education Quality.
- **Recommend** the specification of tender documents in respect of Education to the Board

3. Delegated Powers

With regard to its role in providing advice to the Board, the Committee will:

- i. Provide assurance to the Board as to the effective management and improvement of the quality of HEIW's education and related research activities.
- ii. Recommend to the Board areas for investment/disinvestment in education and training plans taking into account value based commissioning.
- iii. Recommend to the Board the national annual education and training plan.
- iv. Alert the Audit and Assurance Committee and the Board to any matters requiring governance action, and oversee such action on behalf of the Board.
- v. Oversee the development, implementation and updating of strategies, policies, structures and processes for the governance of education and training which shall including taking a forward looking and strategic view.
- vi. Seek assurance of the effective performance, monitoring, management and value of education and training programmes and contracts, including the identification and management of related risk.
- vii. Monitor compliance of education and training activities with:
 - a. statutory and regulatory requirements, including equity, equality legislation and Welsh language requirements and;
 - b. with NHS Wales policy and other relevant policies and HEIW's priorities in relation to equity, equality and diversity, person-centred care and participation, and educational quality.
- viii. Monitor HEIW's compliance with delegated responsibilities given to it by health regulators i.e. GMC, GDC and GPhC as delegated to HEIW.
- ix. Promote collaboration within HEIW and with external agencies in relation to educational and training governance which shall include wellbeing.
- x. To work collaboratively with other HEIW Board standing committees.

- xi. Scrutinise the specification of education tender documents.
- xii. Recommend the specification of tender documents to the Board for Education.
- xiii. Recommend undertaking research on Education, Quality and Commissioning to the Board.
- xiv. Engage with Board Development Sessions with regards to making recommendations on strategic matters relating to Education Commissioning and Education Quality.
- xv. Seek assurance in respect of risk areas within its area of responsibility and highlight material areas of concern to the Audit and Assurance Committee.
- xvi. Highlight any issues out of the ordinary to the Board.

The Committee will review and agree its forward work programme on an annual basis, and will recommend it to the Board for approval.

4. Membership, Attendees Quorum and Term

4.1.1 Members

A minimum of two members, comprising of at least:

- Chair: Independent Member
~~Members — 1 Independent Member in addition to the Chair~~
- Vice Chair: Independent Member

The Chair of the organisation shall not be a member of the Committee, but may be invited to attend by the Chair of the Committee as appropriate.

4.1.2 Deputy Independent Member

The Board may appoint a Deputy Independent Member for the Committee. Where a member of the Committee is unable to attend a Committee meeting, then the nominated Deputy may attend in his or her absence as a member of the Committee. If a Deputy attends a Committee as a member of the Committee then the Deputy shall be included for the calculation of a quorum and may exercise voting rights.

4.2 Attendees

In attendance:

- Director of Nursing
- Medical Director
- Director of Finance ~~and Corporate Services~~
- Board Secretary
- Deputy Director ~~Head~~ of Education, Commissioning and Quality
- Dental Dean
- Pharmacy Dean
- Postgraduate Medical Dean

In addition to this, others from within or outside the organisation who the Committee considers should attend, will be invited taking account of the matters under consideration at each meeting.

The Chief Executive shall be invited to attend, at least annually, to discuss with the Committee the process for assurance that supports the Annual Governance Statement.

4.3 Quorum

At least **two** members must be present to ensure the quorum of the Committee, one of whom should be the Committee Chair (or Vice Chair where appointed).

4.4 Terms

Immediately following the establishment of HEIW the Members shall be appointed for an initial period of two years. Thereafter Members shall be appointed for a term of one year.

5. Frequency of Meetings

Meetings shall be held no less than quarterly and otherwise as the Chair of the Committee deems necessary – consistent with HEIW's annual plan of Board Business.

6. Relationships and accountabilities with the Board and its Committees/ Groups

The Committee must have an effective relationship with other committees or sub-committees of the Board so that it can understand the system of assurance for the Board as a whole. It is very important that the Committee remains aware of its distinct role and does not seek to perform the role of other committees.

The Committee will maintain effective working relationships with HEIW'S Audit and Assurance Committee (AAC), and with HEIW's other Board committees and subcommittees. To strengthen liaison with the AAC, one Independent Member will serve on both committees.