

Structured Assessment 2023 – Health Education and Improvement Wales

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Summary report

About this report

- 1 This report sets out the findings from the Auditor General's 2023 structured assessment work at Health Education and Improvement Wales Special Health Authority (HEIW). Our structured assessment work is designed to help discharge the Auditor General's statutory requirement under section 61 of the Public Audit (Wales) Act 2004 to be satisfied that NHS bodies have made proper arrangements to secure economy, efficiency, and effectiveness in their use of resources.
- 2 Our 2023 Structured Assessment work took place at a time when NHS bodies were still responding to the legacy of the COVID-19 pandemic as they look to recover and transform services and respond to the additional demand in the system that has built up during the pandemic. Furthermore, health bodies are also dealing with a broader set of challenges associated with the cost-of-living crisis, the climate emergency, inflationary pressures on public finances, workforce shortages, and an ageing estate. More than ever, therefore, NHS bodies and their Boards need to have sound corporate governance arrangements that can provide assurance to themselves, the public, and key stakeholders that the necessary action is being taken to deliver high quality, safe and responsive services, and that public money is being spent wisely.
- 3 The key focus of the work has been on HEIW's corporate arrangements for ensuring that resources are used efficiently, effectively, and economically, with a specific focus on Board transparency, cohesion, and effectiveness, corporate systems of assurance, the corporate approach to planning, and the corporate approach to financial management. We have not reviewed HEIW's operational arrangements as part of this work.
- 4 Our work has been informed by our previous structured assessment work, which has been developed and refined over a number of years. It has also been informed by:
 - Model Standing Orders, Reservation and Delegation of Powers;
 - Model Standing Financial Instructions;
 - Relevant Welsh Government health circulars and guidance;
 - The Good Governance Guide for NHS Wales Boards (Second Edition); and
 - Other relevant good practice guides.We undertook our work between July 2023 and September 2023. The methods we used to deliver our work are summarised in **Appendix 1**.
- 5 We also provide an update in this report on HEIW's progress in addressing outstanding recommendations identified in previous structured assessment reports in **Appendix 2**.

Key findings

HEIW's arrangements for governance, assurance, planning, and financial management are generally good, with opportunities to strengthen them further in a small number of areas. The key action for HEIW's Board over the next year is to gain greater assurance on the impact the organisation is having on, and the value it is providing to, its wider NHS Wales partners.

Board transparency, effectiveness, and cohesion

- 6 **The Board and committees operate effectively and transparently, with opportunity to enhance some arrangements.**
- 7 HEIW demonstrates a commitment to transparency of its business, with open and frank discussions. It reviews core control frameworks regularly. However, it needs to keep its wider policy framework under review because some policies have now expired. Board and committees are well chaired, supported by balanced agendas and papers.
- 8 Both the Audit and Assurance Committee and the Education Commissioning and Quality Committee discharge their responsibilities appropriately and effectively. However, some aspects of assurances into the Education Commissioning and Quality Committee can be strengthened. This includes formally reviewing risks within its terms of reference and strengthening dental and pharmacy commissioning quality assurance reporting. The organisation has good arrangements to hear from its students and staff, which helps to inform discussions and scrutiny at the Board and committees.
- 9 Overall, the Board is cohesive, capable, and demonstrates good self-reflection and learning. But some change is anticipated, as the Vice-Chair and Chair of the Education Commissioning and Quality Committee are expected to reach the end of their terms in February 2024. As a result, HEIW will need to start preparing for these changes to board membership.

Corporate approach to planning

- 10 **HEIW's approach to strategy and plan development is comprehensive. However, there is a need for an increased focus on the impact of plan delivery. The Board should, in due course, review its strategic objectives to meet Wellbeing of Future Generations Act (Wales) 2015 requirements.**
- 11 HEIW has a clear planning framework linked to national strategy. Its Integrated Medium Term-Plan (IMTP) for 2023-26 sets a well-defined vision, aims and strategic objectives. Development and preparation of the IMTP and Education and Training Plan is informed by good internal and external stakeholder engagement and understanding of workforce risks needs and challenges. HEIW has a robust focus on delivery of key actions within its plans, but there is a need to focus more on the difference these actions are achieving.

- 12 HEIW has already started work to adopt the principles of the Wellbeing of Future Generations Act (Wales) 2015 (the Act). But it will be required to formally comply with the Act in 2024. This, and the associated introduction of the Social Partnership and Public Procurement (Wales) Act 2023, will place a requirement on HEIW to formally review its objectives.

Corporate systems of assurance

- 13 **Risk, performance, and quality assurance frameworks are well defined, embedded, and proportionate to the remit of the organisation. Over the next 6 months, HEIW will need to progress the implementation of the Duties of Candour and Quality, review of its strategic risk controls, and development of its impact focussed performance measures.**
- 14 HEIW's Board Assurance Framework is regularly reviewed, with strategic risks and associated assurances and controls appropriately updated and linked to current organisational objectives. However, as we highlight in **paragraph 12**, the organisation will need to review its strategic objectives. Following this, it should reconsider and refresh its strategic risks and associated risk control framework. At the same time, the organisation should seek to achieve a better balance between its internally focussed strategic risks and externally focussed risks in line with its role as a strategic enabler for the NHS in Wales. This could mean, for example, articulating the impact and consequences on the wider NHS in Wales if it were to fail to adequately deliver its objectives. HEIW has appropriate corporate risk management arrangements, including its risk policy, its setting of risk appetite, and its use and review of the corporate risk register.
- 15 HEIW demonstrate an improving approach to performance oversight. The Board effectively oversees its performance and its members challenge and seek to understand the difference it is making to the wider NHS. HEIW is now progressing work to develop impact focussed performance measures.
- 16 HEIW has broadly sound quality monitoring of its commissioned education and training. However, there is opportunity to improve pharmacy, dental and optometry quality assurance reporting to the Education Commissioning and Quality Committee to bring it in line with good assurance reporting seen for medicine and nursing and health professionals. The organisation is appropriately taking forward its implementation of Health and Social Care (Quality and Engagement) Act (2020) requirements. It should use this opportunity to formally update its quality management framework.
- 17 HEIW tracks and takes action to address audit and review recommendations in a timely manner.

Corporate approach to managing financial resources

- 18 **In general, there is a good approach to financial management and assurance.**
- 19 HEIW met its financial duty to breakeven for 2022-23 and is on course to meeting its objectives in 2023-24. A clear challenge last year was that of underfilled education and training places, resulting in a £22 million funding return to the Welsh Government. It achieved its main financial target, delivering an end of year £1.14 million underspend. The underspend was, in large, a result of a technical adjustment required following the audit of accounts.
- 20 In general, financial planning is sound and based on known forecast expenditure commitments over a five-year timeframe. Financial plans are appropriately adapted year on year based on intelligence on changing commissioning commitments. There is a clear programme to better predict underfilled training places and student placement attrition (where students leave the course before completion), which will help the organisation understand the impact on its finances. As a result, HEIW should be able to both take remedial action sooner and forecast its finances earlier. HEIW is starting to focus more on savings and efficiencies. Formal cost efficiency measures were not needed in the past. However, the overall financial position across NHS Wales is likely to necessitate a stronger and more formal approach in future.
- 21 Overall, there is effective application of key financial controls and policy. There is effective oversight of financial controls at the audit and assurance committee. Financial monitoring by the Board is good.

Recommendations

- 22 **Exhibit 1** details the recommendations arising from our work. These include timescales and our assessment of priority. We have assessed progress on last year's recommendations in **Appendix 2**. HEIW's response to our recommendations is summarised in **Appendix 3**.

Exhibit 1: 2023 recommendations

Recommendations

Policy review

The organisation has a number of policies that are out of date or reaching their review date. HEIW should:

- R1 Introduce a review process to routinely identify policies reaching expiry (**high priority**).

Recommendations

- R2 Review and approve updates to policies identified as requiring review (**high priority**).
 - R3 Provide short policy update reports at six monthly periods to the Audit and Assurance Committee to ensure there is appropriate oversight of the policy lifecycle (**high priority**).
-

Board member turnover

Two board members with key roles are expected to leave when their term comes to an end in February 2024. HEIW should:

- R4 Prepare a plan to manage the transition of responsibilities in key independent member roles (**high priority**).
-

Review of strategic objectives

A formal requirement to comply with the Wellbeing of Future Generations (Wales) Act 2015 will commence in 2024.

- R5 HEIW should review the organisation's strategic objectives as part of the setting of wellbeing objectives (**high priority**).
-

Reporting of progress against corporate and strategic plans

HEIW demonstrates generally good reporting of progress of key actions. While this provides assurance on the extent an action or task has been delivered, it in general does not enable the organisation to determine what impact it is having.

- R6 HEIW should revise reporting of progress on key plans to ensure they are evaluative in the way they assess the impact of delivery (**high priority**).
-

Review of strategic risks

As identified above, HEIW will need to review its strategic objectives to meet Wellbeing of Future Generation Act (Wales) 2015 requirements. Following this, HEIW will need review the strategic risks with consideration to any changes to objectives. Our work also identified the opportunity to strengthen the focus of strategic risks to better consider external impact and consequence of service delivery.

- R7 Following completion of recommendation 4, HEIW should undertake a review of the strategic risks and use this opportunity to achieve a better balance

Recommendations

between internally focussed and externally focussed risk. For example, by articulating the impact on the wider NHS in Wales if HEIW failed to adequately deliver its services (**high priority**).

- R8 Following completion of recommendation 7, HEIW should review the strategic risk control framework. This should also involve identifying the specific assurances required, the frequency they are required and adopt 'Red, Amber, Green (RAG)¹ rating of the risk (**high priority**).
-

Corporate and strategic risk oversight

While the risk management arrangements are currently meeting organisational requirements, some specific risks within the remit of the Education Commissioning and Quality Committee, particularly relating to student attrition and unfilled placements are increasing.

- R9 HEIW should formally report the risks that sit within the Education Commissioning and Quality Committee terms of reference to that committee (**high priority**).
-

Quality assurance reporting

Quality assurance reports relating to Medical and Nursing Professionals provide a good degree of quality assurance. They very clearly set out clearly where there is progress on quality issues, highlight concerns, areas that are in escalation and the level of increased oversight. However, Dental, Pharmacy and Optometry quality reports are not drafted in a way that provides assurance as clearly.

- R10 HEIW should strengthen quality assurance reporting for dental, pharmacy and optometry presented to the Education Commissioning and Quality Committee to ensure they are as clear and well-structured as the equivalent Medical and Nursing and Health Professionals versions (**high priority**).

¹ RAG stands for red, amber, green. To achieve a RAG rating, each risk first needs a likelihood and impact score. Using the risk "RAG" rating system for scoring risks means risks can be ranked so that the most severe are addressed first.

Recommendations

Implementing the requirements of the Health and Social Care (Quality and Engagement) (Wales) Act 2020

HEIW is taking action to implement the requirements of the Health and Social Care (Quality and Engagement) (Wales) Act 2020. At present it hasn't yet formally updated its quality management framework to ensure it fully aligns with the Act. HEIW should:

- R11 review, revise and approve the quality management framework to ensure that the organisation complies with the Health and Social Care (Quality and Engagement) (Wales) Act 2020 (high priority).
 - R12 prepare a process document to ensure that if the Duty of Candour were triggered, the organisation has a clear and agreed process to follow (high priority).
-

Counter Fraud Policy

HEIW's current Counter Fraud Policy on its website is a Cardiff and Vale Policy and not specifically tailored to HEIW.

- R13 HEIW should review the Counter Fraud Policy to ensure that it focusses specifically on HEIW and local risks (**medium priority**).

Detailed report

Board transparency, effectiveness, and cohesion

- 23 We considered whether HEIW's Board conducts its business appropriately, effectively, and transparently.
- 24 We found that **the Board and committees operate effectively and transparently, with opportunity to enhance some arrangements.**

Public transparency of Board business

- 25 We considered whether the Board promotes and demonstrates a commitment to public transparency of board and committee business. We were specifically looking for evidence of:
- Board and committee meetings that are accessible to the public;
 - Board and committee papers being made publicly available in advance of meetings;
 - Board and committee business and decision-making being conducted transparently; and
 - Board and committee meeting minutes being made publicly available in a timely manner.
- 26 We found that **the Board demonstrates a commitment to transparency in the conduct of its business, with open and frank discussions on the challenges it faces as well as the things that are going well.**
- 27 In general, the Board promotes and demonstrates that it is operating transparently. Although the Board and its committees are reverting to in-person meetings, they continue to be live-streamed and recorded. All Board and committee meeting papers are prepared and published sufficiently in advance of meetings. However, as we found last year, all un-approved minutes and recordings should be uploaded to the website in a timelier manner (see **Appendix 2 Recommendation 1a 2022**).
- 28 Decision making is conducted transparently. Key decisions, such as approval of funding and commissioning agreements are linked to core strategic plans such as the Board approved IMTP and Education and Training Plan. The Board is open and honest about its performance, challenges, and risks. This generally fosters improvement focussed discussions, helping to focus the organisation on areas that it needs to develop further.

Arrangements to support the conduct of Board business

- 29 We considered whether there are proper and transparent arrangements in place to support the effective conduct of Board and committee business. We were specifically looking for evidence of:
- A formal, up-to-date, and publicly available Reservation and Delegation of Powers and Scheme of Delegation in place, which clearly sets out accountabilities;
 - Formal, up-to-date, and publicly available Standing Orders (SOs) and Standing Financial Instructions (SFIs) in place, along with evidence of compliance; and
 - Formal, up-to-date, and publicly available policies and procedures in place to promote and ensure probity and propriety.
- 30 We found that **the Board and committees regularly review and update core control frameworks including Standing Orders, Standing Financial Instructions, and the Scheme of Delegation. However, there is a need to ensure timelier reviews of HEIW's policies.**
- 31 Overall, HEIW has an appropriate scheme of delegation which is incorporated into its Standing Orders. These both align to the ministerially approved model which sets out responsibilities and delegated financial limits. The Board reviews its Standing Orders annually, which it last reviewed and approved in July 2023. The Standing Financial Instructions are regularly reviewed with the next update expected at the October 2023 Audit and Assurance Committee (see **Appendix 2 Recommendation 1b, 2022**). Internal reporting, internal audit work², and audit of accounts work over the last year indicates that key control frameworks are routinely complied with.
- 32 HEIW ensures its policies and related procedures are publicly available. Overall, the policies sufficiently cover the remit of the organisation. However, the organisation formed in 2018 and is reaching a position where a number of policies are either out of date or will shortly require review (**Recommendations 1, 2 and 3, 2023**).

² Reviews and reports included Internal Audit's reviews of budgetary control, service level agreements and monitoring of commissioned services, board and committee self-assessments, and routine audit committee reports on financial compliance, procurement, and counter fraud and register of interest and gifts and hospitality.

Effectiveness of Board and committee meetings

- 33 We considered whether Board and committee meetings are conducted appropriately and effectively. We were specifically looking for evidence of:
- An appropriate, integrated, and well-functioning committee structure in place, which is aligned to key strategic priorities and risks, reflects relevant guidance, and helps discharge statutory requirements;
 - Board and committee agendas and work programmes covering all aspects of their respective Terms of Reference as well being shaped on an ongoing basis by the Board Assurance Framework;
 - Well chaired Board and committee meetings that follow agreed processes, with members observing meeting etiquette and providing a good balance of scrutiny, support, and challenge;
 - Committees receiving and acting on required assurances and providing timely and appropriate assurances to the Board. and
 - Clear and timely Board and committee papers that contain the necessary / appropriate level of information needed for effective decision making, scrutiny, and assurance.
- 34 We found that **while there are some opportunities for improvement, Board and committee meetings are well chaired, conducted properly, have balanced agendas, and are generally supported by good papers. The remit of the Board's two committees is appropriate.**
- 35 Given its focussed remit, HEIW's Board and committee structure is appropriately aligned to its core business. The Board is supported by two assurance committees: the Audit and Assurance Committee and the Education Commissioning and Quality Committee. As with other bodies, a Remuneration and Terms of Service Committee oversees corporate senior appointments and pay. The well-attended Strategic Reference Group provides a good forum for engaging with key stakeholders on strategy, plans and wider developments. Oversight of finance and performance is not delegated to a committee, but at present there is sufficiently good oversight in these two areas by the Board.
- 36 The Board and its committees are well chaired and follow agreed processes. Members, in general, strike a good balance of support and challenge.
- 37 Committees are clearly focussed on improvement where there have been assurance gaps or concerns in the past. They demonstrate a track-record of following up on actions agreed at committee. Committees also adapt their forward work programmes to focus on emerging issues and risks when necessary.
- 38 Committee assurance reports prepared for Board are reasonably good. Whilst they could be improved by identifying the significant issues requiring the Board's attention, we recognise that the committee chairs' verbal reports to the Board highlight specific risks clearly. More generally as identified in last year's structured assessment, HEIW continues to produce good quality Board and committee

papers, typically supported by concise cover reports highlighting key points for Independent Members to consider.

Board commitment to hearing from students and staff

- 39 We considered whether the Board promotes and demonstrates a commitment to hearing students and staff.
- 40 We found that **the Board has effective arrangements to hear from students and its staff.**
- 41 HEIW demonstrates a good commitment to hearing from staff and students. This includes responding to results of the independently run national student survey, the Wales Health Student Forum, the Student Wellbeing Conference, feedback from student and mentor meetings and use of social media. Over the last year, Board meetings have included student stories a couple of times. This helps it to focus it on the quality of education and student experience, although board members clearly demonstrate they are routinely focussed on these areas in all meetings we observed.
- 42 Independent Members hear staff views through reports on staff surveys and pulse surveys and Independent Members attend the quarterly staff conferences. The executive also listens to staff views through well-attended fortnightly staff 'drop in' meetings.

Board cohesiveness and commitment to continuous improvement

- 43 We considered whether the Board is stable and cohesive and demonstrates a commitment to continuous improvement. We were specifically looking for evidence of:
- A stable and cohesive Board with a cadre of senior leaders who have the appropriate capacity, skills, and experience;
 - The Board and its committees regularly reviewing their effectiveness and using the findings to inform and support continuous improvement; and
 - A relevant programme of Board development, support, and training in place.
- 44 We found that **the Board is cohesive and demonstrates good self-reflection and learning. However, it will need to start preparing for changes to its membership.**
- 45 The Board acts cohesively and demonstrates appropriate support and challenge from Independent Members and appropriate responses from senior management. HEIW's senior leadership is clearly experienced and focussed on making a difference. They have a good track record of setting direction in strategy and plans and a consistent focus on plan delivery. Independent Members express a desire to better understand what difference the organisation is making.

- 46 The Board and its committees routinely review their effectiveness and use the self-assessments to inform and support continuous improvement. The Board, Audit and Assurance and Education Commissioning and Quality committees completed their self-assessment reviews between March and May. This allowed the findings to inform annual reporting and improvement cycles. The approach was timelier this year compared to last year (see **Appendix 2 Recommendation 2, 2022**).
- 47 The Board is currently stable, with a relevant programme of Board development, briefings, support, and training in place. However, the Board will need to plan for anticipated turnover and change of Independent Members. The Vice Chair and the Chair of the Education, Commissioning and Quality Committee are expected to leave at the end of their term in February 2024, with recruitment expected to start in September. This will require a careful transition of key independent member roles (**Recommendation 4, 2023**).

Corporate approach to planning

- 48 We considered whether HEIW has a sound corporate approach to producing strategies and corporate plans and overseeing their delivery.
- 49 We found **that HEIW's approach to strategy and plan development is comprehensive. However, there is a need for an increased focus on the impact of plan delivery. The Board should, in due course, review its strategic objectives in light of the forthcoming requirement to meet Wellbeing of Future Generations Act (Wales) 2015 requirements.**

Corporate approach to producing strategies and plans

- 50 We considered whether HEIW has a sound corporate approach to producing, overseeing, and scrutinising the development of strategies and corporate plans. We were specifically looking for evidence of:
- A clear Board approved vision and long-term strategy in place, which are future-focussed, rooted in population health, and informed by a detailed and comprehensive analysis of needs, opportunities, challenges, and risks;
 - Appropriate and effective corporate arrangements in place for developing and producing the Integrated Medium-Term Plan (IMTP), and other corporate plans; and
 - The Board appropriately scrutinising the IMTP and other corporate plans prior to their approval.
- 51 We found that **there is a sound corporate approach to developing of strategic and corporate plans. The Board should plan to review its strategic objectives as part of Wellbeing of Future Generations Act requirements.**
- 52 HEIW's IMTP for 2023-26 sets a well-defined vision which is underpinned by a streamlined set of aims and strategic objectives. Its Education and Training Plan appropriately sets the organisation's commissioning ambition, the associated

funding commitments, and the number of education and training places available. The plan is based on a good understanding of the risks, needs, and challenges facing the NHS workforce. This is developed with good consideration of health body requests and requirements, proactive ongoing engagement with key stakeholders, and a strategic review of relevant workforce intelligence.

Nevertheless, HEIW recognise the need to strengthen how it utilises intelligence and scenarios with longer-term horizons and modelling. It is currently working with an external consultant to develop this approach.

53 In terms of wider strategic planning, HEIW is strengthening how it supports workforce planning in bodies across Wales. This includes development of strategic workforce plans for nursing, mental health, pharmacy and primary care. These have been designed to reflect clinical need and service design informed by good stakeholder engagement.

54 The process for developing the IMTP appears to be robust, with opportunity for challenge and debate across the organisation and with Independent Members. HEIW demonstrates a mature approach to the way it engages its stakeholders on its externally focussed key strategies and plans. These often involve professional stakeholder engagement groups, the Stakeholder Reference Group, and with the various professional bodies representing the NHS professions. The IMTP, the Education and Training Plan, the various professional strategic workforce plans, and internal plans are all subject to formal and informal scrutiny and challenge prior to Board approval.

55 HEIW has already started work to adopt principles set out in the Wellbeing of Future Generations Act (Wales) 2015 (the Act). It will be formally required to comply with the Act in 2024. Alongside this, the introduction of the Social Partnership and Public Procurement (Wales) Act 2023 will place a requirement on HEIW to formally review its objectives. Given the timeframe for development of the next IMTP, HEIW should prepare to formally review its objectives in the autumn (**Recommendation 5, 2023**).

Corporate approach to overseeing the delivery of strategies and plans

56 We considered whether HEIW has a sound corporate approach to overseeing and scrutinising the implementation and delivery of corporate plans. We were specifically looking for evidence of:

- Corporate plans, including the IMTP, containing clear strategic priorities / objectives and SMART³ milestones, targets, and outcomes that aid monitoring and reporting; and

³ specific, measurable, achievable, relevant, and time-bound

- The Board appropriately monitoring the implementation and delivery of corporate plans, including the IMTP.

57 We found that **HEIW has a robust focus on ensuring delivery of key actions within its plans, but there is a need for greater focus more what difference these actions are achieving.**

58 Key plans, and in particular the IMTP, contain actions that are generally well-defined, achievable, relevant, and linked to national workforce strategy and plans. However, timescales for action delivery could be clearer, to identify where delivery is off-track and enable better scrutiny of the mitigating actions and as identified by Internal Audit this year, clearly identify where milestones have changed.

59 The Education Commissioning and Quality Committee appropriately monitors and scrutinises relevant aspects of the underpinning planning framework, including the Education and Training Plan and NHS professions workforce plans.

60 The Board monitors progress on plans regularly as part of its integrated performance reporting. While the organisation has a strong task-focused approach for monitoring key agreed actions and milestones which describes work completed, it needs to better describe the difference it is making. HEIWs development of impact focussed performance measures (see **paragraph 75**), should help, but key performance indicators alone will not provide a fully rounded assurance on whether key plans are having the desired impact. As a result, HEIW needs to better identify the intended impact/outcomes of key actions (**Recommendation 6, 2023**).

Corporate systems of assurance

61 We considered whether HEIW has a sound corporate approach to managing risks, performance, and the quality and safety of services.

62 We found that **risk, performance, and quality assurance frameworks are well defined, embedded, and proportionate to the remit of the organisation. Over the next 6 months, HEIW will need to progress the implementation of the Duties of Candour and Quality, review of its strategic risk controls, and development of its impact focussed performance measures.**

Corporate approach to overseeing strategic risks

63 We considered whether HEIW has a sound corporate approach to identifying, overseeing, and scrutinising strategic risks. We were specifically looking for evidence of:

- An up-to-date and publicly available Board Assurance Framework (BAF) in place, which brings together all the relevant information on the risks to achieving the organisation's strategic priorities / objectives; and
- The Board actively owning, reviewing, updating, and using the BAF to oversee, scrutinise, and address strategic risks.

- 64 We found that **while the BAF is a live tool and reviewed appropriately by the Board, there is a need to review the strategic risks and subsequently update and review its strategic risk control framework.**
- 65 The Audit and Assurance Committee reviewed the BAF, which defines the organisation’s approach to managing strategic risks, and the strategic risks within it in July 2023. This was followed by Board approval in July. The strategic risk control framework, which maps the risks to assurances and controls, was last reviewed by the Audit and Assurance Committee in October 2022 and is shortly due for review. The BAF comprises the core framework and the strategic risk control framework. The BAF provides a reasonable approach for management of its strategic risks, but as identified below, there is opportunity to review the strategic risks and the strengthen the wider risk control framework.
- 66 As we highlight in **paragraph 55**, the organisation will need to review its strategic objectives with consideration of Wellbeing of Future Generations (Wales) Act 2015 requirements. Following this, the organisation should review its strategic risks and update the associated strategic risk control framework. Our review of the strategic risks indicates that while reasonable, they are generally too focussed on their internal impact and consequences. Given the organisation’s role as a system leader and a strategic enabler for other health bodies in Wales, there is opportunity to strike a better balance between internally and externally focussed risk (**Recommendation 7, 2023**). This could mean, for example, articulating the impact and consequences on the wider NHS in Wales if HEIW were to fail to adequately deliver its services. Our review of the current risk control framework, approved in October 2022 also identified that while it links strategic risks to objectives, RAG⁴ rating based on assessment of likelihood and impact was absent, there weren’t any links between the corporate risk register and the framework (where applicable) and there is opportunity to highlight the frequency that the Board or committees should receive assurances. (**Recommendation 8, 2023**).

⁴ RAG stands for red, amber, green. To achieve a RAG rating, each risk first needs a likelihood and impact score. Using the risk “RAG” rating system for scoring risks means risks can be ranked so that the most severe are addressed first.

Corporate approach to overseeing corporate risks

- 67 We considered whether HEIW has a sound corporate approach to identifying, overseeing, and scrutinising corporate risks. We were specifically looking for evidence of:
- An appropriate and up-to-date risk management framework in place, which is underpinned by clear policies, procedures, and roles and responsibilities;
 - The Board providing effective oversight and scrutiny of the effectiveness of the risk management system; and
 - The Board providing effective oversight and scrutiny of corporate risks.
- 68 We found that **while there are appropriate corporate risk arrangements in place, there is opportunity for the Education Commissioning and Quality Committee to formally review the risks relevant to its remit.**
- 69 HEIW has an appropriate corporate risk management framework in place and effective Board level oversight and scrutiny of the effectiveness of the risk management system. The Board has appropriately agreed the level of risk that it is prepared to tolerate in a risk appetite statement. It agreed low risk appetite for aspects such as quality of training, but higher tolerance for risk-taking in areas of innovation and change. HEIW reviews its risk management policy regularly, most recently in July 2023, where it set out requirements for strengthening monitoring of risk rating trend. There is also appropriate review of the corporate risk register at Board and at Audit and Assurance Committee. Both review the register at each meeting.
- 70 Some risks relating to education commissioning appear to be increasing particularly in relation to student placement and attrition. To strengthen arrangements, the Education Commissioning and Quality Committee should have more formal oversight of strategic and corporate risks that fall within its remit (**Recommendation 9, 2023**).

Corporate approach to overseeing organisational performance

- 71 We considered whether HEIW has a sound corporate approach to identifying, overseeing, and scrutinising organisational performance. We were specifically looking for evidence of:
- An appropriate, comprehensive, and up-to-date performance management framework in place, underpinned by clear roles and responsibilities; and
 - The Board and committees providing effective oversight and scrutiny of organisational performance.
- 72 We found that **there is an improving approach to identifying, overseeing, and scrutinising organisational performance.**

- 73 The Board has a clear performance management framework which it last reviewed in May 2023. It sets out accountability and frequency for reviewing performance at service, management, committee, and Board levels.
- 74 Many of the national key metrics are not relevant to HEIW as it is not a healthcare provider. Instead, HEIW appropriately reports relevant specific key performance indicators (KPIs) and tracks progress over time in its performance dashboard and its integrated performance reporting to the Board. The dashboard KPIs appropriately cover core aspects of business. These relate to training and education and corporate functions including social media presence, compliance with legislative duties, and financial and workforce performance. There is also high-level but clear narrative reporting on aspects of finance, digital, decarbonisation, and workforce.
- 75 Responsibility for formal oversight of performance reporting rests with the Board. It effectively discusses and challenges where performance is off track. There is also a clear desire from board members to better understand the impact that the organisation is having on the wider NHS. HEIW is currently undertaking work to develop impact focussed performance measures which it expects to complete by March 2024. The work that HEIW is progressing on impact focussed performance measures should strengthen assurance. However, we recognise the difficulty measuring impact where the organisation is not in direct control (for example the ability to maximise the number of people that enter training who are then employed in NHS Wales).

Corporate approach to overseeing the quality and safety of services

- 76 We considered whether HEIW has a sound corporate approach to overseeing and scrutinising the quality and safety of services. We were specifically looking for evidence of:
- Corporate arrangements in place that set out how the organisation will deliver its requirements under the new Health and Social Care (Quality and Engagement) (Wales) Act 2020;
 - A framework (or similar) in place that supports effective quality governance;
 - Clear organisational structures and lines of accountability in place for clinical /quality governance; and
 - The Board and relevant committee providing effective oversight and scrutiny of the quality and safety of services.
- 77 We found that **there is a clear and mature approach for monitoring and scrutinising quality of commissioned education. However, there is a need to strengthen some aspects of reporting and to ensure the quality management framework is reviewed in the context of new legislative duties relating to quality and candour.**

- 78 HEIW's quality remit is largely, and appropriately, focussed on the quality of the education and training it commissions. There is a clear and mature approach for monitoring the quality of commissioned education aligned to a quality management framework. The approach is well-established, linking to formal review processes, where the organisation collates education and training related quality intelligence and data supported by discussion with training providers. This is supported by a good interrelationship between HEIW and the Royal Colleges, with effective approaches to escalate quality concerns to education and training providers as required. Escalated services require a clear improvement plan, must demonstrate improvement, and are subject to more frequent review.
- 79 There are clear responsibilities for quality oversight and clarity on lines of operational accountability for quality monitoring. The Education Commissioning Quality Committee provides formal and effective oversight of the quality of commissioned education services. Quality assurance reports relating to Medical and Nursing Professionals provide a good degree of quality assurance. They very clearly set out clearly where there is progress on quality issues, highlight concerns, areas that are in escalation and the level of increased oversight. However, Dental, Pharmacy, and Optometry quality reports are not drafted in a way that provides assurance as clearly (**Recommendation 10, 2023**).
- 80 The organisation has new duties as part of the Health and Social Care (Quality and Engagement) (Wales) Act 2020 (the Act). HEIW is making reasonable progress on these. It is building on its existing quality assurance approaches, engaging and training its staff, and informing and engaging the Board at board development sessions. We understand that the Duty of Quality work is progressing well within the education commissioning functions, but there is more to do to embed it across the organisation. When arrangements to implement the Act are sufficiently progressed, HEIW should update its quality management framework (**Recommendation 11, 2023**).
- 81 Whilst the Duty of Candour requirement applies to HEIW, the likelihood that it will be triggered is extremely low in comparison to major healthcare providers. Nevertheless, HEIW should prepare a short procedure document to be followed in the event that the duty is triggered (**Recommendation 12, 2023**).

Corporate approach to tracking recommendations

- 82 We considered whether HEIW has a sound corporate approach to overseeing and scrutinising systems for tracking progress to address audit and review recommendations and findings. We were specifically looking for evidence of:
- Appropriate and effective systems in place for tracking responses to audit and other review recommendations and findings in a timely manner.
- 83 We found that **there are appropriate systems in place for tracking and actioning audit and review recommendations and findings in a timely manner**.

84 HEIW has an effective system for tracking recommendations. The recommendations tracker is reviewed at each Audit and Assurance Committee meeting. The format is clear, showing progress against internal and external recommendations. The Executive Team scrutinises the recommendations tracker prior to each Audit and Assurance Committee.

Corporate approach to managing financial resources

85 We considered whether HEIW has a sound corporate approach to managing its financial resources.

86 We found that in general, there is a good approach to financial management and assurance.

Financial objectives

87 We considered whether HEIW has a sound corporate approach to meeting its key financial objectives. We were specifically looking for evidence of:

- The organisation meeting its financial objectives and duties for 2022-23; and
- The organisation is on course to meeting its objectives and duties in 2023-24.

88 We found that the **organisation met its financial duty to breakeven for 2022-23 and is on course to meet its objectives in 2023-24.**

89 The organisation met its statutory financial objectives in 2022-23. During 2022-23, underfilled commissioned training places alongside student attrition resulted in an underspend of around £22 million which HEIW returned to Welsh Government. HEIW ended the 2022-23 year with a £1.14 million underspend, which in large part was due to a technical adjustment required following the audit of accounts⁵. During 2022-23, HEIW achieved a performance of 93.9% of non-NHS creditors paid within 30 days of delivery against a Welsh Government target of 95%.

90 For the 2023-24 financial year, HEIW is currently on track to meet its 2023-24 financial objectives. As of July 2023, it reported an underspend of £0.136 million. This is subject to it returning £5 million to the Welsh Government which related to unfilled commissioned places in the first three months of the year. There remains a risk that there may be a further underspend because of education placement underfill for the larger autumn student cohort. The organisation will have a better understanding of the position in November 2023, once data on placements is available for the autumn student cohort.

⁵ The net impact of the technical adjustment reduced 2022-23 expenditure by £1.036 million. The related to timing of payments to and recovery from universities that are across two financial years and ensuring they are accounted for in the correct year.

Corporate approach to financial planning

- 91 We considered whether HEIW has a sound corporate approach to overseeing and scrutinising financial planning. We were specifically looking for evidence of:
- Clear and robust corporate financial planning arrangements in place;
 - The Board appropriately scrutinising financial plans prior to their approval;
 - Sustainable, realistic, and accurately costed savings and cost improvement plans in place, which are designed to support financial sustainability and service transformation; and
 - The Board appropriately scrutinising savings and cost improvement plans prior to their approval.
- 92 We found that **the organisation is strengthening its approach for financial planning and increasing its focus on savings.**
- 93 HEIW's IMTP clearly sets out the financial plan each year. The financial plan is forecast over a five-year period and heavily linked to financial commitments relating to the Education and Training Plan and associated education contracts. The plan is updated annually based on expected funded placements in the annually prepared Education and Training Plan. Financial planning is complicated to an extent by the differing financial year and academic year periods and changes in student cohort numbers which are only fully understood well into the financial year. The organisation is working to better align commissioning and financial planning. It is also taking action to understand the risk of unfilled student places at an earlier stage, working with its contracted education providers.
- 94 Financial planning is appropriately scrutinised by the Board as part of the wider IMTP approval process. Historically, HEIW has not been required to deliver any financial savings targets. However, as part of financial recovery work across NHS Wales this year, it is taking appropriate action to consider how it can help contribute to reduce the wider financial pressures facing the NHS. It responded to a recent request by Welsh Government to contribute toward NHS Wales financial improvement. The organisation will need to ensure that it balances the potentially significant risk of achieving short-term cost reductions (i.e. reducing education or training commissioning) without compromising the longer-term workforce pipeline, or the financial viability of some education providers.

Corporate approach to financial management

- 95 We considered whether HEIW has a sound corporate approach to overseeing and scrutinising financial management. We were specifically looking for evidence of:
- Effective controls in place that ensure compliance with Standing Financial Instructions and Schemes of Reservation and Delegation;
 - The Board maintaining appropriate oversight of arrangements and performance relating to single tender actions, special payments, losses, and counter-fraud;

- The organisation's financial statements for 2022-23 were submitted on time, contained no material misstatements, and received a clean audit opinion.
- 96 We found that **there is broadly effective application of key financial controls and policy.**
- 97 As highlighted previously, the organisation regularly reviews its Standing Financial Instructions and Scheme of Delegation. Work conducted by Internal Audit as part of its 2022-23 plan, and Audit Wales work on the financial accounts indicate that there are good financial controls in place. Oversight of financial controls assurances is effectively and appropriately undertaken at the Audit and Assurance Committee. The committee regularly receives, discusses, and where required, questions officers on updates on losses and special payments, counter fraud, and procurement controls such as single tender actions and public sector payment policy. The reports appropriately include the required information to enable good scrutiny. The Local Counter Fraud Service is in the process of developing a tailored approach to its fraud risk assessment focussing on HEIW specifically and this is progressing. Our review of the Counter Fraud Policy indicates that this too should be tailored to HEIW's specific functions, as the current version on HEIW's website is a direct copy of the Cardiff and Vale University Health Board policy (**Recommendation 13, 2023**).
- 98 HEIW submitted its financial statements in line with the new timescales agreed with Audit Wales. Whilst there was a technical adjustment required relating to changing the accounting for cost in the financial year, rather than the academic year, Audit Wales gave an unqualified audit opinion for the 2022-23 accounting period.

Board oversight of financial performance

- 99 We considered whether the Board appropriately oversees and scrutinises financial performance. We were specifically looking for evidence of:
- The Board receiving accurate, transparent, and timely reports on financial performance, as well as the key financial challenges, risks, and mitigating actions;
 - Effective financial reporting arrangements in place, which enable the Board to understand cost drivers and how they impact on the delivery of strategic objectives; and
 - The Board appropriately scrutinising the ongoing assessments of the organisation's financial position.
- 100 We found that **there is good approach to monitoring the organisation's financial position. It is also taking positive steps to strengthen how it forecasts and predicts risk of underspend associated with underfilled education and training places.**
- 101 The Board appropriately scrutinises the organisation's financial position with an increasing focus on the consequences of the underspend associated with underfilled places, and a recognition of the need to demonstrate efficiencies.

HEIW's financial reports are sufficiently clear and accurate at a point in time. However, the organisation is constrained by the information it has available to provide financial forecasts because accurate information on student placement numbers is not known until at least ten weeks into the first academic term. HEIW is appropriately taking action to improve this position, seeking additional intelligence sources, such as the Universities and Colleges Admissions Service (UCAS), and working with the commissioned Higher Education Institutes.

102 Last year we issued a recommendation that HEIW should undertake work to understand the consequences of any underspend (see **Appendix 2 Recommendation 3, 2022**). In July 2023, the financial report indicated that the £5 million underspend to date equated to a "loss of around 135 nurses⁶". While this meets the criteria for closing last year's recommendation, there is opportunity to do more work to explore the consequences of the underspend, considering issues such as:

- How the impact of underspend (unused training places) may be felt in some professions more than others;
- regional variations that could see some parts of Wales more affected than others; and
- equalities factors which are inhibiting entry for protected and disadvantaged groups.

⁶ HEIW calculated that the £5 million underspend related to a loss of 135 when considering the cost of nurse training equated to around £37,000.

Appendix 1

Audit methods

Exhibit 2 below sets out the methods we used to deliver this work. Our evidence is limited to the information drawn from the methods below.

Element of audit approach	Description
Observations	We observed Board meetings as well as meetings of the following committees: <ul style="list-style-type: none">• Audit and Assurance Committee on 13th and 20th July• Education Commissioning and Quality Committee on 17th of July
Documents	We reviewed a range of documents, including: <ul style="list-style-type: none">• Board and Committee Terms of Reference, work programmes, agendas, papers, and minutes;• Key governance documents, including Schemes of Delegation, Standing Orders, Standing Financial Instructions, Registers of Interests, and Registers of Gifts and Hospitality;• Key organisational strategies and plans, including the IMTP;• Key risk management documents, including the Board Assurance Framework and Corporate Risk Register;• Key reports relating to organisational performance and finances;• Annual Report, including the Annual Governance Statement;• Relevant policies and procedures; and• Reports prepared by the Internal Audit Service and Local Counter-Fraud Service

Element of audit approach	Description
Interviews	<p>We interviewed the following Senior Officers and Independent Members (in chronological order):</p> <ul style="list-style-type: none"> • Chair of the Audit and Assurance Committee; • Deputy Director of Finance and Planning; • Board Secretary; • Chair of the Education Commissioning Quality Committee; • Chief Executive Officer; • Executive Director of Finance, Planning and Performance; • Chair of Health Education and Improvement Wales; and • Medical Director.

Appendix 2

Progress made on previous year recommendations

Exhibit 3 below sets out the progress made by HEIW in implementing recommendations from previous structure assessment reports

2022 Recommendation	Description of progress
<p>R1 We found that elements of HEIW’s website are not updated in a timely fashion. This relates to unconfirmed minutes of Board and committee meetings, recordings of committee meetings, Standing Financial Instructions, and Board declarations of interest. To further enhance public transparency of Board business, HEIW should ensure:</p> <ol style="list-style-type: none">a. unconfirmed Board and committee minutes and/or meeting recordings are published on HEIW’s website within 14 days of a meeting taking place;b. the most recent version of key governance documents underpinning the organisation’s arrangements, such as Standing Financial Instructions and Board declarations of interest, are publicly available on the website.	<p>Unconfirmed board minutes and recordings of these meetings are now in general uploaded in a timely fashion. Audit and Assurance and Education Commissioning and Quality Committee unconfirmed minutes and recordings generally experience a greater delay. As of 14th August 2023:</p> <ul style="list-style-type: none">• The last unconfirmed public board minutes are May 2023 and recording was also May 2023. July 2023 meeting is missing.• The last Audit and Assurance committee unconfirmed minutes are April 2023 and the last recording was May 2023, with two meetings in July 2023• The last Education Quality and Assurance unconfirmed minutes are September 2022 and recording was March 2023 with meetings having taken place in July 2023, April 2023, March 2023 and December 2022 <p>Standing Financial Instructions were last updated in 2022 and it is this version on the website. These are next due for review by Audit and Assurance Committee in October 2023. Standing Orders were reviewed by the Board in July 2023.</p>

2022 Recommendation	Description of progress
	<p>Our assessment on progress against the recommendation: Ongoing</p>
<p>R2 We found that there are opportunities to improve the timeliness and transparency of Board and committee effectiveness reviews. HEIW should ensure:</p> <ul style="list-style-type: none"> a. all effectiveness reviews are completed in time to feed into annual reporting cycles such as the annual governance statement; and b. that action plans resulting from effectiveness reviews are presented at public Board and committee sessions. 	<p>Board and committee self-assessments/effectiveness reviews are now reported in a timely manner with clear actions reported.</p> <p>Our assessment on progress against the recommendation: Completed</p>
<p>R3 Building on the work HEIW is doing to improve its financial reports, it should enhance financial reporting by including an explanation of the short and medium-term consequences of any underspends.</p>	<p>As identified in paragraph 102 of this report, technically this recommendation is complete because the Board financial reporting included a basic explanation of the short and medium-term consequences of any underspends in the forms of the equivalent potential lost nursing places. However, as we identify, there is further opportunity to improve the reporting approach.</p> <p>Our assessment on progress against the recommendation: Completed</p>
<p>R4 We found that HEIW is not meeting its target for Performance Appraisal and Development Review compliance. At the end of 2021-22, compliance was 70% against a target of 85%. HEIW should report the</p>	<p>Last year we reported that performance for PADR was 70% against a target of 85%. While the organisation indicated that it acted and closed the recommendation, the performance reported July 2023 indicates deterioration to 64.7%.</p>

2022 Recommendation	Description of progress
specific actions it is taking to improve this target in its integrated performance report, with a view to achieving 85% by March 2023.	Our assessment on progress against the recommendation: Ongoing

Appendix 3

Organisational response to audit recommendations

Exhibit 4: Health Education and Improvement Wales, Special Health Authority response to our audit recommendations

Recommendation	Organisational response	Completion date	Responsible officer
R1 Introduce a review process to routinely identify policies reaching expiry (high priority).	<p>The Policy on Policies was reviewed and approved by HEIW Executive Team in August 2023. HEIW reviews policies in line with the review process detailed within the Policy on Policies.</p> <p>The Corporate Governance Team regularly and routinely review the organisation policy document library and highlight policies approaching review to the Policy Owner.</p>	August 2023	Board Secretary
R2 Review and approve updates to policies identified as requiring review (high priority).	A report detailing policies due for review will be presented to the Audit and Assurance Committee in October 2023.	12 October 2023	Board Secretary

Recommendation	Organisational response	Completion date	Responsible officer
<p>R3 Provide short policy update reports at six monthly periods to the Audit and Assurance Committee, to ensure there is appropriate oversight of the policy lifecycle (high priority).</p>	<p>Policy Update reports will be provided to the Audit and Assurance Committee at six monthly periods. This has been added to the Audit and Assurance Committee forward work programme.</p>	<p>First report presented to the Audit and Assurance Committee in October 2023</p>	<p>Board Secretary</p>
<p>R4 Prepare a plan to manage the transition of responsibilities in key independent member roles (high priority).</p>	<p>The Chair has consulted with the independent members to agree a plan for transition into key member roles. The chairs of the committees and Vice Chair have been tasked with producing a legacy statement which shall include observations and guidance to support their successors. Provision shall also be made to enable future vice chair of HEIW to shadow the current incumbent of the role.</p> <p>The process for recruiting two new Independent Members in January 2024 is already underway. HEIW already has induction plans in place for new independent member and for members of the Audit and Assurance and Education Commissioning and Quality Committees. These will be updated to reflect the needs and experience of individual together with the evolving requirements of the organisation.</p>	<p>Completed</p>	<p>Board Secretary</p>

Recommendation	Organisational response	Completion date	Responsible officer
<p>R5 HEIW should review the organisation's strategic objectives as part of the setting of wellbeing objectives (high priority).</p>	<p>This will be considered as part of developing the Integrated Medium-Term Plan for 2024-2027.</p>	<p>31 January, 2024</p>	<p>Director of Finance, Planning & Performance</p>
<p>R6 HEIW should revise reporting of progress on key plans to ensure they are evaluative in the way they assess the impact of delivery (high priority).</p>	<p>The performance development framework is being reviewed to identify the use of data that enables impact to be measured. Key business questions and revised performance indicators will be presented to the November 2023 board for consideration.</p> <p>Further work will be undertaken to develop measures and acquire necessary data not already collected. A gateway review in March 2024 will report on progress and provide an updated plan.</p>	<p>31 November, 2023</p> <p>31 March, 2024</p>	<p>Director of Finance, Planning & Performance</p>
<p>R7 Following completion of recommendation 4, HEIW should undertake a review of the strategic risks that would impact delivery of strategic objectives. Use this opportunity to achieve a better balance between internally focussed and externally focussed risk. For example, by articulating the impact on the wider NHS in Wales if HEIW failed to adequately deliver its services (high priority).</p>	<p>HEIW's Strategic Risks will be considered for approval at September Board. The process for creating these Strategic Risks has included a focus on ensuring a better balance between internal and external risk.</p> <p>In terms of the Strategic Risks in response to the 2024-27 IMTP (relating to recommendation 4) the development of these is included in the Board forward work programme for March Board.</p>	<p>28 September, 2023</p> <p>28 March, 2024</p>	<p>Board Secretary</p>

Recommendation	Organisational response	Completion date	Responsible officer
<p>R8 Following completion of recommendation 7, HEIW should review the strategic risk control framework. This should also involve identifying the specific assurances required, the frequency they are required and adopt 'Red, Amber, Green (RAG)⁷ rating of the risk (high priority).</p>	<p>The strategic risk control framework will be updated in support of the Strategic Risks in response to the IMTP for 2024-27 (relating to recommendation 7) and is included in the Board forward work programme for March Board.</p>	<p>28 March, 2024</p>	<p>Board Secretary</p>
<p>R9 HEIW should formally report the risks that sit within the Education Commissioning and Quality Committee terms of reference to that committee (high priority).</p>	<p>The Education, Commissioning and Quality Committee receives quality assurance reports which update the Committee on quality issues, risks and exceptions in relation to postgraduate medical training, optometry, dental, pharmacy and pre-registration education nursing and health professional education.</p> <p>The approach to the Education, Commissioning and Quality Committee receiving risks will be reviewed to ensure risks are presented to the Committee that fall within the Committees terms of reference.</p>	<p>7 December 2023</p>	<p>Board Secretary</p>

⁷ RAG stands for red, amber, green. To achieve a RAG rating, each risk first needs a likelihood and impact score. Using the risk "RAG" rating system for scoring risks means risks can be ranked so that the most severe are addressed first.

Recommendation	Organisational response	Completion date	Responsible officer
<p>R10 HEIW should strengthen quality assurance reporting for dental, pharmacy and optometry presented to the Education Commissioning and Quality Committee to ensure they are as clear and well-structured as the equivalent Medical and Nursing and Health Professionals versions (high priority).</p>	<p>HEIW regularly reviews the structure and content of the quality reports to the Education Commissioning and Quality Committee. The reports are scheduled for a review meeting on 20 October involving the relevant executive directors and senior leaders who are responsible for producing the papers.</p> <p>The review meeting will include consideration of R10, and comments received at the meeting of the Education Commissioning and Quality Committee held on 14 September. The quality reports will then be updated in time for the next meeting of the Education Commissioning and Quality Committee to be held in December.</p>	<p>7 December 2023</p>	<p>Medical Director</p>
<p>R11 Review, revise and approve the quality management framework to ensure that the organisation complies with the Health and Social Care (Quality and Engagement) (Wales) Act 2020 (high priority).</p>	<p>HEIW is currently developing its quality strategy in accordance with the requirement of the Health and Social Care (Quality and Engagement) (Wales) Act. The quality management framework is a key component of this strategy and as such is a part of this development process.</p>	<p>28 March, 2024</p>	<p>Board Secretary</p>
<p>R12 Prepare a process document to ensure that if the Duty of Candour were triggered, the organisation has a clear and agreed process to follow (high priority).</p>	<p>The Complaints Policy, approved by HEIW Board in March 2023, outlines that should a Duty of Candour matter be raised, it would be dealt with in accordance with Putting Things Right Regulations.</p> <p>HEIW will prepare a process document to ensure there is an agreed process in place for Duty of Candour matters.</p>	<p>28 March, 2024</p>	<p>Board Secretary</p>

Recommendation	Organisational response	Completion date	Responsible officer
R13 HEIW should review the Counter Fraud Policy to ensure that it focusses specifically on HEIW and local risks (medium priority).	A revised Counter Fraud Financial Control Procedure will be presented to the October Audit & Assurance Committee.	12 October, 2023	Director of Finance, Planning & Performance



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