

Cyfarfod Cyhoeddus Y Pwllgor Archwilio a Sicrwydd

Tue 09 July 2024, 09:30 - 12:30

Agenda

09:30 - 09:30 1. MATERION RHAGARWEINIOL

0 min

1.1 Croeso a chyflwyniadau

I'w Nodi Cadeirydd

1.2 Ymddiheuriadau am Absenoldeb

I'w Nodi Cadeirydd

1.3 Datganiadau o Fuddiannau

I'w Nodi Cadeirydd

09:30 - 09:35 2. AGENDA GYDSYNIO

5 min

2.1 Cofnodion heb eu cadarnhau o gyfarfodydd blaenorol

2.1i Cyhoeddus 16 Ebrill 2024

I'w Gymeradwyo Cadeirydd

📄 2.1i 16042024 AA-MDA-PUBLIC DRAFTv1JA-en-cy-C.pdf (20 pages)

2.1ii Preifat a chryno 16 Ebrill 2024

I'w Gymeradwyo Cadeirydd

📄 2.1ii 16042024 AA-MDA-PRIVATE ABRIDGED-en-cy-C.pdf (4 pages)

2.1iii Preifat a chryno Cyfarfod Arbennig 09 Mai 2024

I'w Gymeradwyo Cadeirydd

📄 2.1iii 09052024 AA-MDA-Extraordinary Private ABRIDGED-en-cy-C.pdf (4 pages)

2.2 Adroddiad Sicrwydd Pwyllgor Partneriaeth Cydwasanaethau GIG Cymru

I'w Nodi Cyfarwyddwr Gweithredol Cyllid

📄 2.2 SSPC Assurance Report 21 March 2024.pdf (5 pages)

2.3 Blaengynllun Gwaith

I'w Nodi Ysgrifennydd y Bwrdd

📄 2.3 Forward Workplan.pdf (5 pages)

2.4 Polisiau

📄 2.4 Policy Report.pdf (5 pages)

2.4i Polisi Ansawdd

I'w Gymeradwyo Pennaeth Llywodraethu Corfforaethol

📄 2.4i Policy Revision Cover Sheet Quality.pdf (1 pages)

2.4ii Polisi System Reoli Integredig

I'w Gymeradwyo Pennaeth Llywodraethu Corfforaethol

📄 2.4ii Policy Revision Cover Sheet Integrated Management System Policy.pdf (1 pages)

2.5 Colledion a Thaliadau Arbennig – Diweddariad Ar Lafar

I'w Nodi Cyfarwyddwr Cyswllt Cyllid

2.6 Adroddiad Safonau Ymddygiad

I'w Nodi Pennaeth Llywodraethu Corfforaethol

📄 2.6 Standards of Behaviour Report July 2024.pdf (5 pages)

2.7 Adroddiad Cylchlythyr Iechyd Cymru

I'w Nodi Pennaeth Llywodraethu Corfforaethol

📄 2.7 WHC Report.pdf (4 pages)

09:35 - 09:40 3. BUSNES Y CYFARFOD

5 min

3.1 Cofnod Gweithredu

I'w Nodi Cadeirydd

📄 3.1 Action log.pdf (1 pages)

09:40 - 10:25 4. ARCHWILIO AC ATAL TWYLL

45 min

4.1 Adroddiad Cynnydd yr Archwiliad Mewnol

Er Sicrwydd Archwilio Mewnol PCGC

📄 4.1 Progress Report Audit Committee Report Cover Sheet July 2024.pdf (4 pages)

4.2 Adroddiadau Adolygiad Archwilio Mewnol

4.2i Ansawdd Data

4.2ii Gwaith dilynol ar yr Argymhellion Archwilio Mewnol

4.2iii Datgarboneiddio

4.2iv Cynaliadwyedd Ariannol a Chyflenwi Gwasanaethau

📄 4.2 DHCW Internal Audit Reports July 2024.pdf (6 pages)

4.3 Adroddiad Blynyddol a Barn y Pennaeth Archwilio Mewnol

Er Sicrwydd Archwilio Mewnol PCGC

📄 4.3 DHCW Internal Audit Opinion Annual Report.pdf (4 pages)

4.4 Diweddariad Archwilio Cymru i'r Pwyllgor

4.4 DHCW Audit and Assurance Committee Update - July 2024.pdf (10 pages)

4.5 Cofnodion Gweithredu Archwilio

I'w Nodi Pennaeth Llywodraethu Corfforaethol

4.5 Audit Action Log - Public July 2024.pdf (6 pages)

4.6 Adroddiad Diweddarau ar Atal Twyll Lleol

I'w Nodi Gwasanaethau Atal Twyll Caerdydd a'r Fro

4.6 Q1 Counter Fraud Progress cover (PUBLIC).pdf (4 pages)

10:25 - 11:20 5. CYFRIFON WEDI'U HARCHWILIO

55 min

5.1 Cyfrifon Ariannol Blynyddol

I'w Gymeradwyo Cyfarwyddwr Cyswllt Cyllid

5.1i Gan gynnwys llythyr cynrychiolaeth a Barn Archwilio

5.1 Annual Accounts.pdf (8 pages)

5.1i Appendix A - DHCW SHA 2023-24 Letter of Representation Final F-01.pdf (3 pages)

5.2 Adroddiad Blynyddol - Adroddiad Atebolrwydd ac Adroddiad Perfformiad

Er Sicrwydd Ysgrifennydd y Bwrdd

5.2 DHCW Annual Report.pdf (5 pages)

5.2i DHCW-Annual-Report-2023-2024-English.pdf (249 pages)

5.3 Adroddiad ar yr Archwiliad o'r Datganiadau Ariannol (ISA 260)

Er Sicrwydd Archwilio Cymru

5.3 Audit Committee Report Cover Sheet- Annual Accounts ISA260 F-01 9.7.24.pdf (5 pages)

5.3i DHCW FINAL Audit of Accounts Report 2024.pdf (26 pages)

Egwyl – 15 munud

11:20 - 12:30 6. ADRODDIADAU LLYWODRAETHU

70 min

6.1 Diweddariad Cyllid

I'w Nodi Cyfarwyddwr Cyswllt Cyllid/Cyfarwyddwr Gweithredol Cyllid

6.1i Adroddiad Archeb Prynu Gwerth Uchel a Chronnus

6.1ii Diweddariad Deddf Caffael – diweddariad llawn

6.2 Adroddiad Diweddarau Cydymffurfiaeth Ansawdd a Rheoleiddio

I'w Nodi Pennaeth Ansawdd a Chydymffurfiaeth Rheoleiddio

6.2 DHCW Quality and Regulatory Update Report.pdf (7 pages)

6.2i Adroddiad Ansawdd Blynyddol

I'w Nodi Pennaeth Ansawdd a Chydymffurfiaeth Rheoleiddio

6.2i DHCW Annual Quality Report.pdf (5 pages)

6.3 Adroddiad Ystadau, Datgarboneiddio a Chydymffurfiaeth

I'w Nodi *Pennaeth Gwasanaethau Corfforaethol*

 6.3 Estates, Decarbonisation and Compliance Update.pdf (8 pages)

6.4 Adroddiad Risg Corfforaethol

I'w Draford *Ysgrifennydd y Bwrdd*

 6.4 Corporate Risk Report.pdf (6 pages)

6.5 Adroddiad Cydymffurfiaeth Caffael a Chynllun Dirprwyo

I'w Nodi *Pennaeth Gwasanaethau Masnachol*

 6.5 Procurement Report April and May 2024.pdf (5 pages)

6.6 Adroddiad yr Iaith Gymraeg i gynnwys:

Er Sicrwydd *Pennaeth Llywodraethu Corfforaethol*

- Adroddiad Blynyddol y Gymraeg

 6.6 A&A Welsh Language July 24.pdf (5 pages)

12:30 - 12:30
0 min

7. MATERION I GLOI

7.1 Adroddiad Crynhoi Cynnydd y Pwyllgor i'r Bwrdd

I'w Draford *Cadeirydd*

7.2 Unrhyw Faterion Brys eraill

I'w Draford *Cadeirydd*

7.3 Dyddiad y cyfarfod nesaf: 15 Hydref 2024

I'w Nodi *Cadeirydd*

Pwyllgor Archwilio a Sicrwydd – CYHOEDDUS

COFNODION, PENDERFYNIADAU A CHAMAU GWEITHREDU I'W CYMRYD

🕒 09:30 – 12:30

📅 16/04/2024

📍 MS Teams

Cadeirydd	Marian Wyn Jones
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Yn Bresennol (Aelodau)		Teitl	Sefydliad
Marian Wyn Jones (Cadeirydd)	MW- J	Aelod Annibynnol, Cadeirydd	IGDC
Alistair Klaas Neill	AKN	Aelod Annibynnol, Is- gadeirydd y Pwyllgor Archwilio a Sicrwydd	IGDC
Ruth Glazzard	RG	Aelod Annibynnol, Is- gadeirydd y Bwrdd	IGDC
Marilyn Bryan Jones	MB-J	Aelod Annibynnol	IGDC
Yn bresennol			
Julie Ash	JA	Pennaeth Gwasanaethau Corfforaethol	IGDC
Stephen Chaney	StC	Dirprwy Bennaeth Archwilio Mewnol	Archwilio Mewnol PCGC
Nathan Couch (ar gyfer eitem 1.4 yn unig)	NC	Arweinydd Archwilio Perfformiad	Archwilio Cymru
Chris Darling	CD	Ysgrifennydd y Bwrdd	IGDC
Andrew Doughton (ar gyfer eitem 1.4 yn unig)	AD	Archwilio Cymru	IGDC
Ifan Evans (ar gyfer eitem 4.3 yn unig)	IE	Cyfarwyddwr Gweithredol Strategaeth	IGDC

Paul Evans	PE	Pennaeth Ansawdd a Rheoleiddio	IGDC
Julie Francis	JF	Pennaeth Gwasanaethau Masnachol	IGDC
Sam Hall (ar gyfer eitem 4.3 yn unig)	SH	Cyfarwyddwr Gwasanaethau Digidol Gofal Sylfaenol, Cymunedol ac Iechyd Meddwl	IGDC
Gareth Lavington	GL	Arbenigwr Atal Twyll Lleol Arweiniol	Caerdydd a'r Fro
Claire Osmundsen-Little	CO-L	Cyfarwyddwr Gweithredol Cyllid	IGDC
Julie Robinson	JR	Cydlynnydd Llywodraethu Corfforaethol	IGDC
Laura Tolley	LT	Pennaeth Llywodraethu Corfforaethol	IGDC
Mike Whiteley (ar gyfer eitem 1.4 yn unig)	MW	Rheolwr Archwilio	Archwilio Cymru
Sian Williams	SW	Pennaeth Gwasanaethau Ariannol ac Adrodd	IGDC

Ymddiheuriadau			
Mark Cox	MC	Cyfarwyddwr Cyswllt Cyllid	IGDC

Acronymau			
IGDC	Iechyd a Gofal Digidol Cymru	AS	Archwilio a Sicrwydd
AIA	Awdurdod Iechyd Arbennig	DPIF	Cronfa Fuddsoddi Blaenoriaethau Digidol
BAF	Fframwaith Sicrwydd y Bwrdd	PCGC	Partneriaeth Cydwasanaethau GIG Cymru
DSPP	Gwasanaethau Digidol ar gyfer Cleifion a'r Cyhoedd		

Rhif yr Eitem	Eitem	Canlyniad	Cam Gweithredu
1	MATERION RHAGARWEINIOL		
1.1	<p>Croeso a Chyflwyniadau</p> <p>Croesawodd y Cadeirydd, Marian Wyn Jones, bawb i'r Pwyllgor Archwilio a Sicrwydd.</p> <p>Rhoddyd croeso arbennig i'r rhai oedd yn bresennol ar gyfer eitemau penodol ar yr agenda.</p> <p>Cynhaliwyd y cyfarfod trwy Microsoft Teams ac atgoffwyd y rhai a oedd yn bresennol bod y cyfarfod yn cael ei recordio ac y byddai'n cael ei bostio ar wefan IGDC yn dilyn y cyfarfod.</p>	Nodwyd	Dim i'w nodi
1.2	<p>Ymddiheuriadau am Absenoldeb</p> <p>Nodwyd yr ymddiheuriadau canlynol:-</p> <ul style="list-style-type: none"> • Mark Cox, Cyfarwyddwr Cyswllt Cyllid 	Nodwyd	Dim i'w nodi
1.3	<p>Datganiadau o Fuddiannau</p> <p>Nid oedd unrhyw ddatganiadau o fuddiannau i'w nodi.</p>	Nodwyd	Dim i'w nodi
1.4	<p>Diweddariad Pwyllgor Archwilio Cymru (i gynnwys sefyllfa ar archwiliad diwedd blwyddyn o gyfrifon)</p> <p>Cyflwynodd Nathan Couch (NC), Archwilio Cymru, Ddiweddariad Pwyllgor Archwilio Cymru a oedd yn rhoi manylion am y gwaith archwilio ariannol a pherfformiad cyfredol ac a gynlluniwyd a thynnodd sylw at y pwyntiau allweddol canlynol:</p> <ul style="list-style-type: none"> • Archwiliad o'r cyfrifon - roedd gwaith cynllunio manwl wedi'i wneud a byddai'r archwiliad llawn yn dechrau ar 3 Mai. • Cafodd yr Asesiad Strwythuredig, Adolygiad Thematig Cymru Gyfan ar drefniadau cynllunio'r gweithlu ac Adroddiad Archwilio Blynyddol 2023 eu hystyried gan y Pwyllgor yng nghyfarfod mis Chwefror 2024. • Roedd y gwaith maes ar y gweill yn y dull 	Nodwyd	<p>CAM GWEITHRED U:</p> <p>Adroddiad O Ymdrin â Heriau Wrth Iddynt Godi i Ddiogelu at y Dyfodol – yr Her i Wasanaethau Cyhoeddus Cymru i'w rannu gyda'r Bwrdd ar gyfer dysgu.</p>



yr oedd IGDC yn ei gymryd i gyflawni gwelliannau cost, arbedion effeithlonrwydd a chynaliadwyedd ariannol. Byddai'r canlyniadau'n cael eu cyflwyno drwy Archwiliad Dwfn yng nghyfarfod y Pwyllgor ym mis Gorffennaf.

- Roedd trefniadau'r Adolygiad Ymgysylltu â Rhanddeiliaid i'w cadarnhau ac roedd yn y cam cwmpasu.

Tynnodd Chris Darling, Ysgrifennydd y Bwrdd (CD), sylw at y ddolen "*O Ymdrin â Heriau Wrth Iddynt Godi i Ddiogelu at y Dyfodol – yr Her i Wasanaethau Cyhoeddus Cymru*" yn yr adroddiad a oedd yn manylu ar gost methiant wrth lywodraethu rheolaeth ariannol ac roedd potensial ar gyfer y risg hon yn rhywbeth i fod yn ymwybodol ohono.

Cytunodd Claire Osmundsen-Little, Cyfarwyddwr Gweithredol Cyllid (CO-L), ei fod yn llawn gwybodaeth a dywedodd fod 'Cyflymu trawsnewid digidol' yn bwnc a adleisiwyd mewn sgysiau â chydweithwyr. Amlygodd yr adroddiad fod cael sylfaen dda mewn technoleg ac amnewid hen dechnoleg yn flaenoriaeth.

Cytunodd y Pwyllgor y gellid tynnu sylw'r Bwrdd at yr adroddiad ar gyfer dysgu yn y dyfodol.

CAM GWEITHREDU: 20240416-A01 Adroddiad O Ymdrin â Heriau Wrth Iddynt Godi i Ddiogelu at y Dyfodol – yr Her i Wasanaethau Cyhoeddus Cymru i'w rannu gyda'r Bwrdd ar gyfer dysgu.

Gofynnodd y Pwyllgor i Archwilio Cymru ddarparu cyfiawnhad o'r codiad i'r ffi archwilio a oedd wedi codi i 6.4%. Ymatebodd Archwilio Cymru drwy ddweud iddo fod yn benderfyniad heriol, yn dilyn ymgynghoriad diweddar ar ffioedd. Roedd y proffil risg archwilio ar draws y GIG a chyrrff ehangach yn arwyddocaol ar hyn o bryd. Gallai ffi is danselilio'r gallu i gyflawni gwaith gan fod Archwilio Cymru yn wynebu cystadleuaeth a cholli staff i Loegr. Cynhaliodd Lloegr ymgynghoriad ar gyfraddau ffioedd ar yr un pryd ac maent wedi cynyddu eu ffioedd 151%. Felly, gan nad oedd y farchnad yr un fath, gyda chystadleuaeth yn y sector masnachol a thros y ffin, roedd yn benderfyniad y bu'n rhaid ei wneud



yn anffodus.

Cytunodd CO-L fod IGDC yn wynebu'r un pwysau h.y. dod o hyd i staff â'r sgiliau priodol a'r cymhlethdodau y bu'n rhaid ymdrin â hwy o ganlyniad i ofynion archwilio cynyddol. Byddai gan y Pwyllgor ddiddordeb mewn dysgu sut y bydd Archwilio Cymru, drwy dechnoleg a digidol, yn ceisio gwella ei effeithlonrwydd a'i effeithiolrwydd a beth all IGDC ei ddysgu o hynny.

Cyflwynodd Mike Whiteley, Rheolwr Archwilio (Archwilio Ariannol), Archwilio Cymru (MW), y diweddariad ar y Cynllun Archwilio a rhoddodd yr uchafbwyntiau a ganlyn:-

- Pennwyd y lefelau perthnasedd ar gyfer yr archwiliad o'r datganiadau ariannol. Ystyrir bod camdatganiad yn berthnasol os gallai ddylanwadu ar y penderfyniad i ddefnyddio datganiadau ariannol. Mae hon yn safon archwilio allweddol a ddilynir ac fe'i gosodwyd ar gyfer yr archwiliad datganiadau ariannol cyfan fel 1.508m. Pennir lefel perthnasedd isel ar gyfer y meysydd hynny o'r cyfrifon a allai fod yn fwy sensitif ac er budd y cyhoedd.
- Nodwyd y risgiau sylweddol ar gyfer yr archwiliad. Roedd y ddwy risg yn risgiau tybiedig o dan safonau archwilio a chyfrifyddu, fodd bynnag, ni nodwyd unrhyw beth penodol yn y gwaith cynllunio yn ymwneud â IGDC.
- Amlinellwyd y rhestr o ddyddiadau ar gyfer archwilio cyfrifon a dyddiadau cyfrifon terfynol y Pwyllgor.

Rhoddodd Archwilio Cymru sicrwydd i'r Pwyllgor fod ganddo dîm llawn ar waith i gynnal yr archwiliad ac nid oedd yn rhagweld unrhyw faterion sylweddol.

Rhoddodd Andrew Doughton, Rheolwr Archwiliwr (Perfformiad), Archwilio Cymru (AD), ddiweddariad ar elfen perfformiad y gwaith.

- Roedd tair elfen graidd i'r gwaith perfformio; yr Aseiad Strwythuredig (craidd) a fyddai'n cynnwys adolygiad o Les Cenedlaethau'r Dyfodol, yr Aseiad

	<p>Strwythuredig (adolygiad manwl – buddsoddi mewn systemau digidol i gefnogi gwydnwch a thrawsnewid gwasanaethau) ac Adolygiad o Drefniadau Ymgysylltu â Rhanddeiliaid.</p> <p>Diolchodd y Cadeirydd i Archwilio Cymru am ei gyflwyniadau clir.</p> <p>Penderfynodd y Pwyllgor</p> <p>NODI'R diweddariad a dderbyniwyd gan Archwilio Cymru.</p>		
2	AGENDA CYDSYNIO - I'W CHYMERADWYO		
2.1	<p>Cofnodion cryno cyfarfod 13 Chwefror 2024 heb eu cadarnhau – Cyhoeddus a Phreifat.</p> <p>Penderfynodd y Pwyllgor:</p> <p>GYMERADWYO'R cofnodion fel cofnod cywir o'r drafodaeth a fyddai ar gael i'r cyhoedd.</p>	Cymeradwywyd	Dim i'w nodi
2.2	<p>Adroddiad Sicrwydd Pwyllgor Partneriaeth Cydwasanaethau GIG Cymru</p> <p>Penderfynodd y Pwyllgor:</p> <p>NODI Adroddiad Sicrwydd Pwyllgor Partneriaeth Cydwasanaethau GIG Cymru</p>	Nodwyd	Dim i'w nodi
2.3	<p>Blaengynllun Gwaith</p> <p>Penderfynodd y Pwyllgor:</p> <p>NODI cynnwys Blaengynllun Gwaith y Pwyllgor.</p>	Nodwyd	Dim i'w nodi
2.4	<p>Polisiâu</p> <p>Penderfynodd y Pwyllgor:</p> <p>GYMERADWYO'R ddau bolisi, sef i) Safonau Ymddygiad a ii) Absenoldeb Rhiant a Rennir</p>	Cymeradwywyd	Dim i'w nodi
2.5	<p>Colledion a Thaliadau Arbennig</p> <p>Penderfynodd y Pwyllgor:</p> <p>NODI nad oedd unrhyw Golledion a Thaliadau Arbennig.</p>	Nodwyd	Dim i'w nodi
2.6	<p>Adroddiad Safonau Ymddygiad</p> <p>Penderfynodd y Pwyllgor:</p> <p>NODI'R Adroddiad Safonau Ymddygiad</p>	Nodwyd	Dim i'w nodi

RHAN 3 – BUSNES Y CYFARFOD

3.1	<p>Cofnod Gweithredu</p> <p>Nododd y Pwyllgor fod chwe cham gweithredu wedi'u nodi o'r cyfarfod diwethaf a gwblhawyd ac a ddogfennwyd yn y Cofnod Gweithredu.</p> <p>Penderfynodd y Pwyllgor:</p> <p>NODI statws y Cofnod Gweithredu.</p>	Nodwyd	Dim i'w nodi
RHAN 4	ARCHWILIO AC ATAL TWYLL		
4.1	<p>Adroddiad Cynnydd yr Archwiliad Mewnol</p> <p>Cyflwynodd Stephen Chaney (StC), Pennaeth Archwilio Mewnol Dros Dro Partneriaeth Cydwasaethau GIG Cymru, y Cynllun Cynnydd Archwilio Mewnol.</p> <p>Darparodd StC yr uchafbwyntiau o'r adroddiad cynnydd gan gynghori'r canlynol:-</p> <ul style="list-style-type: none"> • Statws presennol yr archwiliadau arfaethedig ar gyfer 2023/2024. • Roedd y gwaith o gyflawni'r ychydig archwiliadau diwethaf o Gynllun Archwilio Mewnol 2023/24 yn mynd rhagddo, ond roedd yr adnoddau a neilltuwyd i'r adolygiad o Wasanaethau Gofal Llygaid anorffenedig wedi effeithio'n sylweddol ar weddill y gwaith archwilio a gyflawnir. • Roedd gweddill y gwaith archwilio ar y gweill ac er gwaethaf yr heriau byddai'n cael ei gwblhau o fewn yr amserlen. • Roedd Barn y Pennaeth Archwilio ar y gweill ac roedd yn edrych ar Sicrwydd Rhesymol. <p>Penderfynodd y Pwyllgor:</p> <p>NODI'R diweddariad Archwilio Mewnol ar gyfer SICRWYDD.</p>	Er Sicrwydd	Dim i'w nodi
4.2	<p>Cynllun Archwilio Mewnol 2024/25</p> <p>Cyflwynodd StC Gynllun Archwilio Mewnol 2024/25 a oedd yn nodi'r cynllun arfaethedig ar gyfer IGDC a thynnodd sylw at y canlynol:</p> <ul style="list-style-type: none"> • Roedd yr adroddiad yn cynnwys y 13 archwiliad arfaethedig i'w cynnal; • Ystyrir y risgiau wrth ddatblygu'r cynllun. 	Cymeradwyd	Dim i'w nodi



	<ul style="list-style-type: none"> Roedd y Siarter Archwilio Mewnol yn diffinio pwrpas, awdurdod a chyfrifoldeb trosfwaol Archwilio Mewnol a'r Dangosyddion Perfformiad Allweddol ar gyfer y gwasanaeth. <p>Holodd RG a oedd gan yr Archwiliad Mewnol yr adnoddau i gyflawni'r cynllun a chafodd ei sicrhau na fyddai hyn yn broblem. Roedd capasiti hefyd i gael arian wrth gefn i gynnal un neu ddau o archwiliadau ychwanegol pe bai angen.</p> <p>Penderfynodd y Pwyllgor:</p> <p>DRAFOD a CHYMERADWYO Cynllun Archwilio Mewnol 2024/25.</p>		
4.3	<p>Adroddiadau Adolygiad Archwilio Mewnol</p> <p>Darparodd StC drosolwg lefel uchel o'r adolygiadau archwilio:</p> <p>Rheoli Rhaglenni</p> <p>Cadarnhaodd StC fod yr adolygiad wedi canolbwyntio ar y rhaglen Gwasanaethau Digidol i Gleifion a'r Cyhoedd (DSPP) ac Ap GIG Cymru. Sefydlodd yr adolygiad bod y rhaglen DSPP yn cydymffurfio'n dda â phump o'r saith thema rheoli rhaglen gyffredinol. Codwyd dau fater blaenoriaeth ganolig a amlinellwyd yn yr adroddiad.</p> <p>Roedd gwaith rhaglen fel arfer yn seiliedig ar Achos Busnes, fodd bynnag, yn yr achos hwn roedd yn Gyfarwyddeb Weinidogol felly nid oedd y mesurau traddodiadol y mesurwyd yn eu herbyn fel arfer yn bodoli. Ochr yn ochr ag un o'r argymhellion codwyd y ffocws ar sut mae IGDC yn asesu gwerth a blaenoriaethu gwaith rhaglen.</p> <p>Ar y cyfan, roedd yr adolygiad yn gadarnhaol gyda nifer o argymhellion i wella'r sicrwydd.</p> <p>Cadarnhaodd Ifan Evans, Cyfarwyddwr Gweithredol Strategaeth (IE), ei fod yn adroddiad pwysig iawn i IGDC geisio sicrwydd ar y DSPP am nifer o resymau:-</p> <ul style="list-style-type: none"> Roedd y DSPP yn rhaglen unigryw lle roedd IGDC wedi datblygu eu cod eu hunain, pan fyddai cynnyrch yn cael ei brynu gan 	Er Sicrwydd	Dim i'w nodi



gyflenwyr eraill fel arfer.

- Ariannwyd yr Ap gan Lywodraeth Cymru i'w ddarparu i GIG Cymru gyfan.
- Mae gan IGDC uchelgeisiau i symud tuag at fodel gweithredu cynnyrch a fyddai'n fwy ystwyth.

Roedd IE yn falch bod yr adolygiad wedi cael Sicrwydd Rhesymol ac yn arbennig bod y cylch pecyn gwaith 12 wythnos wedi'i alw allan fel enghraifft o 'Arfer Gorau'.

Rhaglen Gofal Llygaid Digidol

Cadarnhaodd StC fod yr adolygiad wedi archwilio'r trefniadau gan IGDC i hwyluso trosglwyddo'r contract Gwasanaethau Gofal Llygaid. Cododd yr adolygiad fater pwysig, yn ymwneud â chontractau aml-bartner h.y. y dylid sefydlu trefniadau llywodraethu neu y dylent fod yno o'r cychwyn cyntaf. Cyn cychwyn ar y gwaith cydnabuwyd nad oedd yn bosibl gyda'r adolygiad hwn ond ei fod yn rhywbeth i'w ystyried wrth symud ymlaen.

Diolchodd CD i'r Archwiliad Mewnol am godi'r adolygiad hwn ar fyr rybudd ac am roi'r sicrwydd i IGDC ei fod yn mynd i'r cyfeiriad cywir. Ychwanegodd fod yr adolygiad hwn yn cyd-fynd ag archwiliad ar y cyd â Bwrdd Iechyd Prifysgol Caerdydd a'r Fro nad oedd wedi'i gwblhau eto ond ei bod yn bwysig eu bod yn cael eu hystyried ochr yn ochr â'i gilydd. Byddai diweddariad llafar ar statws yr archwiliad ar y cyd yn cael ei dderbyn yn y cyfarfod preifat.

Gofynnodd Ruth Glazzard, Aelod Annibynnol (RG), am sicrwydd ynghylch yr hyn y dylai IGDC ei wneud cyn i raglenni gael eu trosglwyddo iddynt ac a oedd unrhyw ganfyddiadau yn y maes hwn.

Cyfeiriwyd at y maes hwn yn yr Adolygiad Rheoli Rhaglen o ran yr hyn y mae IGDC yn ei dderbyn cyn iddo gael ei drosglwyddo iddynt. Gan mai cyfarwyddiadau i wneud gwaith yw'r trosglwyddiadau rhaglen yn hytrach na thrwy'r achos busnes arferol, roedd angen i IGDC feintioli a derbyn unrhyw heriau. Dylid sefydlu strwythur llywodraethu cyn i raglen gael ei throsglwyddo a



	<p>oedd yn craffu ar risgiau ar y pwynt trosglwyddo ac sy'n darparu llwybr i reoli'r risgiau hynny a rhoi sicrwydd i'r Bwrdd eu bod yn cael eu rheoli cyn cael eu derbyn.</p> <p>Dywedodd Claire Osmundsen-Little, Cyfarwyddwr Gweithredol Cyllid (COL), ei bod yn anodd gwneud hyn heb berchnogaeth na goruchwyliaeth ym myd busnes pan fydd rhywbeth yn cael ei gaffael, cyn y caffaeliad. Mae gwersi wedi'u dysgu dros y tair blynedd diwethaf o ymgymryd â rhaglenni.</p> <p>Roedd yr adroddiad yn cyfeirio at a ddylai sefydliadau lleol ddarparu rhaglenni digidol cenedlaethol ac ai dyna ddylai fod y sefyllfa ddiodyn h.y. a ddylai rhaglenni cenedlaethol gael eu darparu drwy'r Awdurdod Iechyd Arbennig.</p> <p>Diolchodd Sam Hall, Cyfarwyddwr Gwasanaethau Digidol Gofal Sylfaenol, Cymunedol ac Iechyd Meddwl (SH), i'r Archwiliad Mewnol a dywedodd fod yr argymhellion yn glir ac er bod angen mwy o wybodaeth nad oedd unrhyw ddewis ond cymryd y rhaglen a'i bod bellach yn bosibl i symud ymlaen gyda'r wybodaeth a dderbyniwyd.</p> <p>Daeth SH i'r casgliad bod yr archwiliad wedi bod yn ddefnyddiol iawn i IGDC a diolchodd i'r Archwiliad Mewnol am eu cefnogaeth yn ystod yr adolygiad heriol hwn.</p> <p>Penderfynodd y Pwyllgor:</p> <p>DDERBYN y ddau adolygiad archwilio ar gyfer SICRWYDD.</p>		
4.4	<p>Traciwr Camau Gweithredu Archwilio</p> <p>Cyflwynodd Laura Tolley, (LT) Pennaeth Llywodraethu Corfforaethol, y Traciwr Gweithredu Archwilio.</p> <p>Yn dilyn cyngor gan Archwilio Mewnol, roedd un cam gweithredu a oedd yn dibynnu ar drydydd parti yn cael ei reoli trwy gofnod ar wahân ar gyfer olrhain.</p> <p>Adolygwyd 32 o gamau gweithredu yn y cyfarfod Pwyllgor diwethaf a chaewyd 19 gan adael cyfanswm o 13 o gamau gweithredu agored. Derbyniodd y Pwyllgor bedwar adroddiad yn y cyfarfod diwethaf a oedd yn cynnwys 26 cam</p>	Nodwyd	Dim i'w nodi



	<p>gweithredu newydd. Ychwanegwyd y rhain at Gofnod Gweithredu'r Archwiliad, sydd bellach yn cynnwys cyfanswm o 39 o gamau gweithredu. Nodwyd yr ystyriwyd bod 15 o'r rhain wedi'u cwblhau, roedd 20 ar darged a phedwar wedi pasio eu dyddiad targed gweithredu a gofynnwyd i'r Pwyllgor gymeradwyo estyniad ffurfiol i'r dyddiad.</p> <p>Rhoddodd Claire Osmundsen-Little, Cyfarwyddwr Gweithredol Cyllid (CO-L), ddiweddariad ar y tri cham gweithredu a oedd yn hwyr yn ymwneud â Gwireddu Buddion. Byddai'r camau hwyr sy'n weddill yn cael eu trafod mewn sesiwn breifat.</p> <p>DHCW2324-07REC1.1 Roedd y fframwaith bellach wedi'i ddrafftio'n llawn ond gofynnwyd am estyniad iddo gael ei gwblhau.</p> <p>DHCW2324-07REC2.1 Roedd IGDC yn gweithio gyda Llywodraeth Cymru fel rhan o'r adolygiad cyfalaf a oedd yn gofyn am amser i alinio syniadau ac i gytuno ar y mesurau trwy'r Grŵp Cyfalaf Cyllid.</p> <p>DHCW2324-07REC3.1 Gofynnwyd am estyniad er mwyn ailystyried y dechnoleg; oherwydd maint y ffeiliau ni fu'n bosibl eu huwchlwytho i SharePoint.</p> <p>Penderfynodd y Pwyllgor:</p> <p>NODI statws Traciwr Gweithredu Archwilio a CHYMERADWYO ymestyn dyddiadau ar gyfer y tri cham gweithredu cyhoeddus.</p>		
4.5	<p>Adroddiad Diweddarau ar Atal Twyll Lleol</p> <p>Derbyniodd y Pwyllgor yr Adroddiad Diweddarau Atal Twyll Lleol ar gyfer chwarter 4.</p> <p>Amlygodd Gareth Lavington (GL), Pennaeth Atal Twyll, y gwaith a wnaed yn ystod y cyfnod:</p> <ul style="list-style-type: none"> • Roedd tri digwyddiad ymsefydlu corfforaethol arall wedi'u cynnal yn ystod y cyfnod ar gyfer ymwybyddiaeth Atal Twyll. • Atal – cyhoeddwyd dau fwletin y chwarter hwn, deliwyd â'r ddau ac nid oedd unrhyw faterion i IGDC. • Risg Twyll - roedd gwaith yn mynd 	Nodwyd	Dim i'w nodi



rhadddo ar broffil risg twyll diwedd y flwyddyn a chwarter cyntaf y flwyddyn a byddai'r adroddiad yn cael ei gyflwyno yn y cyfarfod nesaf.

- Roedd y Fenter Twyll Genedlaethol bellach wedi'i chwblhau ac ni nodwyd unrhyw faterion.
- Un atgyfeiriad nad aeth ymlaen i ymchwiliad ffurfiol.
- Gordaliadau cyflog. Roedd dangosfyrddau Gordaliadau Cyflog newydd wedi'u cyflwyno a oedd yn rhoi dull gwell i PCGC o adrodd am Ordaliadau Cyflog sylweddol i Atal Twyll yn unol â pholisi Cymru Gyfan.

Roedd y Pwyllgor yn falch o nodi'r cynnydd a wnaed o ran cyflwyno'r E-Ddysgu Atal Twyll yn IGDC gyda 981 (79%) o aelodau staff wedi'i gwblhau hyd at ddiwedd mis Mawrth.

Trafododd y Pwyllgor feincnodi data a fyddai'n cael ei nodi yn yr Adroddiad Blynyddol.

Penderfynodd y Pwyllgor:

NODI'R Adroddiad Cynnydd Atal Twyll

Adroddiad Blynyddol y Gwasanaeth Atal Twyll Lleol 23/24

Cyflwynodd GL Adroddiad Blynyddol Atal Twyll 23/24 a oedd yn amlinellu'r gwaith a wnaed gan Atal Twyll dros y flwyddyn ddiwethaf. Roedd Rhan 2 yn crynhoi cydymffurfiaeth a gofynion rhestredig yr Awdurdod Atal Twyll sy'n bwydo i mewn i Gynllun Blynyddol y flwyddyn nesaf.

Nododd y Pwyllgor fod un maes ambr o gydymffurfio a oedd yn ymwneud â pholisi Atal Twyll Cymru Gyfan a oedd yn hen ffasiwn. Cadarnhaodd GL y byddai'n barod i fabwysiadu polisi lleol gan fod hyn allan o reolaeth Atal Twyll.

- Roedd Atal Twyll wedi darparu 83 diwrnod yn y flwyddyn.
- Bu 22 o sesiynau ymwybyddiaeth Atal Twyll.
- Roedd y ffigurau blwyddyn ar ôl blwyddyn a amlinellwyd yn yr atodiad yn darparu nifer o ddiwrnodau cynlluniedig yn erbyn



	<p>diwrnodau gwirioneddol.</p> <ul style="list-style-type: none"> • Mae nifer yr atgyfeiriadau ac ymchwiliadau yn cynyddu oherwydd gwell ymwybyddiaeth gan unigolion. • Nid yw meysydd ymchwilio thematig mor berthnasol i IGDC â Byrddau Iechyd eraill. <p>Cyfeiriodd Alistair Klaas Neil, Aelod Annibynnol (AKN), yn ôl at elfen feincnodi'r adroddiad a'r canlyniadau'n ymwneud yn benodol â sancsiynau a chostau sydd o ddiddordeb i drigolion Cymru.</p> <p>Penderfynodd y Pwyllgor:</p> <p>NODI'R Adroddiad Blynyddol.</p> <p>Cynllun Gwaith Drafft y Gwasanaeth Atal Twyll Lleol 24/25</p> <p>Cyflwynodd GL y Cynllun Gwaith Atal Twyll Drafft, a chadarnhaodd ei fod yn gynllun hyblyg y gellid ei newid neu ei addasu i ymateb i sefyllfaoedd sy'n datblygu.</p> <p>Dywedodd COL mai'r syniad oedd edrych ar y strategaeth tymor hwy yn IGDC a sut y gellid rhoi mwy o adnoddau yn y maes Atal Twyll i gymryd yr awenau o safbwynt digidol ar gyfer GIG Cymru. Bydd y Bwrdd yn cael ei hysbysu wrth i'r cynllun fynd yn ei flaen ond dyma'r flwyddyn pan fydd IGDC yn cymryd yr awenau ac yn amlinellu sut brofiad oedd Atal Twyll mewn digidol.</p> <p>Diolchodd y Cadeirydd i GL a'r tîm Atal Twyll am yr holl waith yr oeddent wedi'i wneud yn ystod y flwyddyn ddiwethaf.</p> <p>Penderfynodd y Pwyllgor:</p> <p>GYMERADWYO adroddiad Cynllun Gwaith Atal Twyll Drafft 24/25.</p>		
RHAN 5	ADRODDIADAU LLYWODRAETHU		
5.1	<p>Diweddariad Cyllid</p> <p>Cyflwynodd Claire Osmundsen Little, Cyfarwyddwr Gweithredol Cyllid (CO-L) a Sian Williams, Pennaeth Gwasanaethau Ariannol (SW), yr Archeb Brynu Gwerth Uchel a'r Adroddiad Cronnus a darparwyd yr uchafbwyntiau</p>	Nodwyd	Dim i'w nodi



canlynol:

- Roedd yr adroddiad yn rhoi'r wybodaeth ddiweddaraf i'r Pwyllgor mewn perthynas ag archebion prynu gwerth uchel dros £0.75m a godwyd ac a roddwyd i gyflenwyr.
- Dros y cyfnod 13 Ionawr 2024 - 31 Mawrth 2024 ni chodwyd unrhyw archebion gwerth uchel o fwy na £0.75m. Cafodd dwy archeb brynu yn y maes cynorthwyo a chynnal Systemau Meddygon Teulu eu diwygio i lawr ar 28 Mawrth 2024 a arweiniodd at ostyngiad bach o £0.070m.

Dyranid DPIF 2024/25

Darparodd CO-L ddiweddariad llafar ar Ddyranid DPIF ar gyfer 2024/25.

O ran cyllid ar gyfer y flwyddyn nesaf – roedd nifer y ffrydiau ariannu wedi cynyddu i 130m o 121m y llynedd h.y. cynnydd o 8.8 miliwn. Roedd hyn yn gyson â'r hyn a dderbyniwyd gan Fyrddau lechyd ac roedd yn cynnwys amrywiol ffactorau. Fodd bynnag, dyranid y DPIF oedd yr unig ffrwd ariannu a oedd wedi gostwng o 32.4 i 28.1m. Roedd IGDC wedi gweithio gyda Llywodraeth Cymru i leihau'r bid gwreiddiol am 36.4m i 33.3m ond ar ddiwedd mis Mawrth nodwyd y byddai'r dyranid yn 28.3m. Cafodd hyn ei gyfleu i'r rhaglenni perthnasol yr effeithiwyd arnynt gan y gostyngiad ac mae gwaith yn mynd rhagddo i ddeall beth mae'n ei olygu o ran cyflawni.

Rhoddyd sicrwydd i'r Pwyllgor fod IGDC yn gweithio'n agos gyda Llywodraeth Cymru a'r Cyfarwyddwyr Digidol i weld ble mae'r blaenoriaethau ac i gael mwy o dryloywder a dealltwriaeth. Cydnabuwyd y bu gorddibyniaeth ar y ffactor gwag felly roedd IGDC yn edrych ar y model gweithredu a sut y gellid ei ailstrwythuro mewn ffordd i'w wneud yn ddarpariaeth seiliedig ar gynnyrch.

Prydlesu TG i Feddygon Teulu

Cyflwynodd SW y Prydlesu TG i Feddygon Teulu, a oedd yn nodi'r cynnydd a wnaed o ran cytuno ar driniaeth gyfrifo prydlesu meddygon

	<p>teulu gan IGDC.</p> <ul style="list-style-type: none"> Ym mis Awst 2023 sefydlodd IGDC drefniadau masnachol i brydlesu gan DELL dros gyfnod o bum mlynedd. Oherwydd gweithredu IFRS 16 yn 2023 a threfniadau prydlesu, cynhaliodd IGDC asesiad trylwyr o'r effaith cyfrifyddu. Cyflwynwyd canfyddiadau'r adolygiad i Lywodraeth Cymru ym mis Chwefror. Cymeradwywyd y dull a fabwysiadwyd gan IGDC gan Archwilio Cymru a'r camau nesaf yw diweddarau'r Grŵp Cyfrifyddu Technegol gyda'r adroddiad ynghyd â'r tîm Digidol Sylfaenol, Gofal Cymunedol ac Iechyd Meddwl i'w galluogi i roi'r trefniant prydlesu ar waith. <p>Cadarnhaodd SW mai'r argymhelliad technegol a wnaed oedd y byddai'r prydlesi yn parhau i gael eu trafod drwy refeniw yn hytrach na chyfalaf.</p> <p>Penderfynodd y Pwyllgor: NODI'R Diweddariad Cyllid.</p>		
5.2	<p>Adroddiad Cydymffurfiaeth Ansawdd a Rheoleiddio</p> <p>Cyflwynodd Paul Evans, Pennaeth Ansawdd a Rheoleiddio (AG), yr adroddiad diweddaru Cydymffurfiaeth Ansawdd a Rheoleiddio ac Adroddiad Dyletswydd Ansawdd Ar Waith Bob Amser Ch3. Darparodd PE rai o'r uchafbwyntiau yn yr adroddiad:</p> <ul style="list-style-type: none"> Cynhaliwyd tri archwiliad allanol llwyddiannus heb unrhyw ddiffyg cydymffurfio. Roedd pum cyfle i wella ac roedd y timau perthnasol wedi mynd i'r afael â'r rhain Roedd un archwiliad wedi'i gynllunio ar gyfer chwarter 1. Roedd 96% o gydymffurfiaeth â'r cynllun archwilio ar ddiwedd y flwyddyn. Parhaodd Systemau Rheoli Ansawdd i wella ers y cyfarfod diwethaf. Bellach roedd System Rheoli Dogfennau ac felly roedd disgwyl gwelliannau pellach yn y 	Nodwyd	Dim i'w nodi



	<p>strategaeth a gwelwyd newidiadau yn y timau a oedd wedi croesawu'r system.</p> <ul style="list-style-type: none"> • Bu ymgysylltu da â thimau ar iPassport ar draws IGDC. • Deddfwriaeth – bu oedi arall gan yr MHRA ar y rheoliadau dyfeisiau meddygol. • Roedd cynnydd yn cael ei wneud tuag at ardystio'r ISO13485, sef y Safon Rheoli Ansawdd sy'n benodol i ddyfeisiadau meddygol. • Bellach yn ail flwyddyn y Ddyletswydd Ansawdd a'r tîm cyllid oedd y cyntaf i fynd i weithdy ar y mater hwn. • Roedd ail Adroddiad Ar Waith Bob Amser wedi'i gynnwys yn y diweddariad i'r Pwyllgor ei nodi. • Roedd gwaith wedi'i gwblhau ar Fframwaith Ansawdd a oedd yn cyd-fynd â ffordd o feddwl yn seiliedig ar gynnyrch a fydd yn cefnogi'r gwaith ar adrodd ar Ddyletswydd Ansawdd ymhellach. • Cwblhawyd y pecyn cymorth Asesiad o'r Effaith ar Ansawdd wedi'i ddiweddarau a byddai hwn yn cael ei adolygu a'i gymeradwyo'n fuan. <p>Penderfynodd y Pwyllgor:</p> <p>NODI cynnwys yr adroddiad diweddarau ac Adroddiad Dyletswydd Ar Waith Bob Amser Chwarter 3.</p>		
5.3	<p>Cofrestr Sicrwydd Deddfwriaethol</p> <p>Cyflwynodd Laura Tolley, Pennaeth Llywodraethu Corfforaethol (LT), yr uchafbwyntiau o'r Gofrestr Sicrwydd Deddfwriaethol:-</p> <ul style="list-style-type: none"> • Caiff y gofrestr ei hadolygu unwaith y mis gan Grwpiau Sicrwydd, Ansawdd a Rheoleiddio'r IMS. • Roedd saith darn o ddeddfwriaeth yn berthnasol i IGDC ac ni chafwyd unrhyw geisiadau i ddileu unrhyw ddeddfwriaeth yn ystod y cyfnod. 	Er Sicrwydd	Dim i'w nodi

	<ul style="list-style-type: none"> Bydd IGDC yn dod o dan Ddeddf Llesiant Cenedlaethau'r Dyfodol o 30 Mehefin 2024 a bydd hyn yn ymddangos ar y gofrestr yn ystod y cyfnod adrodd nesaf. <p>Rhodddwyd sicrwydd i'r Pwyllgor fod ymwybyddiaeth dda o'r gofrestr ar draws y sefydliad.</p> <p>Penderfynodd y Pwyllgor:</p> <p>NODI'R Gofrestr Sicrwydd Deddfwriaethol ar gyfer SICRWYDD .</p>		
5.4	<p>Adroddiad ar Ddatgarboneiddio, Ystadau a Chydymffurfiaeth</p> <p>Cyflwynodd Julie Ash (JA), Pennaeth Gwasanaethau Corfforaethol, y prif bwyntiau canlynol o'r adroddiad:</p> <ul style="list-style-type: none"> Adnewyddwyd dwy brydles. Roedd prydles Parc Bocam bellach wedi'i chwblhau a chafwyd trafodaethau cadarnhaol â'r landlord ar gyfer TGYA. Roedd y cynllun datgarboneiddio wedi'i adnewyddu a'i gymeradwyo gan y Bwrdd cyn ei gyflwyno i Lywodraeth Cymru. Mae ymgysylltu â PCGC yn parhau o ran allyriadau'r gadwyn gyflenwi. Galluogodd hyn i IGDC fesur allyriadau'r gadwyn gyflenwi yn fwy cywir. Roedd cydymffurfiaeth gyffredinol y gwaith cynnal a chadw cynlluniedig ar systemau ac offer yn 99%, a oedd ymhell ar y blaen i'r targed o 90%. Roedd Ystadau wedi bod yn cymryd rhan mewn archwiliad datgarboneiddio gyda'r Archwilwyr Mewnol a byddai'r adroddiad yn cael ei gyflwyno i gyfarfod yn y dyfodol. <p>Penderfynodd y Pwyllgor:</p> <p>NODI'R Adroddiad ar Ddatgarboneiddio, Ystadau a Chydymffurfiaeth.</p>		
5.5	<p>Y Gofrestr Risg Gorfforaethol -</p> <p>Rhodddodd CD ddiweddariad llafar ar Fframwaith Sicrwydd y Bwrdd a oedd ar hyn o bryd yn cael ei adolygu ar gyfer 2024/25 yn</p>	Nodwyd	Dim i'w nodi



	<p>dilyn cymeradwyo CTCI 2024-2027 a strategaeth hirdymor IGDC.</p> <ul style="list-style-type: none"> • Roedd yr adolygiad yn cynnwys asesiad o reolaeth a sicrwydd a oedd ar waith dros y flwyddyn ariannol ddiwethaf. • Bydd y Bwrdd yn cymryd rhan mewn adolygiad i werthuso'r parodrwydd i dderbyn risg yn ddiweddarach ym mis Ebrill • Neilltuwyd dwy risg i'r Pwyllgor eu goruchwyllo a'u craffu: DHCW0312 Risg Pwysau Newid i'r Model Gwasanaeth Cost Digidol a DHCW0331, Risg Adnoddau Ariannu Cyfnod Penodol. • Roedd yr adroddiad yn amlinellu'r sgorau risg targed yr oeddid yn gweithio tuag atynt i ddod â'r risgiau i lawr. Derbyniwyd diweddariad ar sut y byddai hyn yn cael ei gyflawni. Gan edrych ar gynaliadwyedd tymor hwy drwy'r rhaglen drawsnewidiol a'r map ffordd sy'n cael ei ddatblygu, bydd hwn yn cael ei ddwyn yn ôl i'r Pwyllgor yn ddiweddarach yn y flwyddyn. <p>Penderfynodd y Pwyllgor: DRAFOD y Gofrestr Risg Gorfforaethol</p>		
5.6	<p>Adroddiad Cydymffurfiaeth Caffael a Chynllun Dirprwyo</p> <p>Cyflwynodd Julie Francis, Pennaeth Gwasanaethau Masnachol (JF) yr adroddiad ar Gaffael a Chydymffurfiaeth Cynllun Dirprwyo. Tynnwyd sylw i'r canlynol o'r adroddiad:-</p> <ul style="list-style-type: none"> • 5 x tendr sengl gwerth £259,861.73 • 6 x Rheoli Newid • Cafodd 2 becyn gwaith eu gohirio yn ôl-weithredol nad oedd yn bodloni rheolau'r Fframwaith na'r Cyfarwyddiadau Ariannol Sefydlog. P812 Fframwaith Adnoddau Gweithlu Allanol, Pecyn Gwaith 7 (Kainos) am werth o £390,000 ac un ar gyfer P812 Swyddfa Rhaglenni Digidol, Pecyn Gwaith 14 (effaith TPX) am 	Nodwyd	Dim i'w nodi



	<p>werth o £271,000.</p> <p>Nodwyd nad dyma'r achos cyntaf o ddiffyg cydymffurfio â Chyfarwyddiadau Ariannol Sefydlog.</p> <p>Darparodd JF y prosesau a roddwyd ar waith i'r Pwyllgor i osgoi digwyddiad arall o alwad yn ôl-weithredol a oedd yn cynnwys; mabwysiadu ymagwedd amlochrog, partneriaeth agosach â chyfarwyddwyr arweiniol ar draws y sefydliad i ddeall y rhaglenni gweithgaredd o safbwynt caffael a chontractio, nodi adnoddau allweddol ar gyfer hyfforddiant ac addysg bellach ac atgoffa cyflenwyr trydydd parti na ddylent wneud unrhyw waith oni bai fod ymfyniad yn ei le.</p> <p>Penderfynodd y Pwyllgor:</p> <p>NODI'R Adroddiad Cydymffurfiaeth Caffael a Chynllun Dirprwyo a'r ffaith bod diffyg cydymffurfiaeth â Chyfarwyddiadau Ariannol Sefydlog wedi'i uwchgyfeirio.</p>		
5.7	<p>Adroddiad yr Iaith Gymraeg</p> <p>Cyflwynodd Laura Tolley, Pennaeth Llywodraethu Corfforaethol (LT), Adroddiad yr Iaith Gymraeg a thynnodd sylw at y canlynol:</p> <ul style="list-style-type: none"> • Mae 42.4% o staff wedi cyflawni sgiliau Iaith Gymraeg Lefel 1-5. • Parhaodd cydymffurfiaeth â Chyrsiau Ymwybyddiaeth o'r Gymraeg i gynyddu ac roedd bellach yn 93.4%. • Nid yw 3.6% o'r staff wedi nodi eu Sgiliau Iaith Gymraeg ar y Cofnod Staff Electronig. • Mae IGDC wedi cyflwyno gwobr Dysgwr y Flwyddyn i'r Gwobrau Cydnabod Staff. • Mae Tîm y Gymraeg yn datblygu cynllun adnewyddedig i roi rhwydwaith magu hyder ar waith ar draws IGDC i gefnogi hyder staff i wneud mwy o ddefnydd o'u sgiliau Cymraeg yn y gweithle. • Mae gwasanaeth cyfieithu mewnol IGDC wedi ei alluogi i ddarparu mwy o 	Er Sicrwydd	Dim i'w nodi



	<p>gyfathrebu dwyieithog mewnol ac allanol.</p> <p>Nododd y Pwyllgor newid cadarnhaol yn niwylliant IGDC o ran defnyddio'r Gymraeg.</p> <p>Penderfynodd y Pwyllgor:</p> <p>NODI Adroddiad yr Iaith Gymraeg ar gyfer SICRWYDD .</p>		
RHAN 6	MATERION I GLOI		
6.1	<p>Adroddiad Crynhoi Cynnydd y Pwyllgor i'r Bwrdd</p> <ul style="list-style-type: none">• Diffyg cydymffurfio â Chyfarwyddiadau Ariannol Sefydlog.• Manteision adroddiad Archwilio Cymru 'O Ymdrin â Heriau Wrth Iddynt Godi i Ddiogelu at y Dyfodol' – i'w uwchgyfeirio'n ehangach o fewn y sefydliad.• Newid diwylliant fel bod staff yn dod o hyd i bethau drostynt eu hunain fel y Gofrestr Ddeddfwriaethol.• Bydd IGDC yn dod o dan Ddeddf Llesiant Cenedlaethau'r Dyfodol o'r haf ymlaen• Dau archwiliad mewnol – Gofal Llygaid a Rheoli Rhaglenni• Diweddariad cyllid – heriau o ran cyllid DPIF.	Trafodwyd	Dim i'w nodi
6.2	<p>Unrhyw Faterion Brys eraill</p> <p>Ni chodwyd unrhyw faterion brys eraill i'w nodi.</p>	Nodwyd	Dim i'w nodi
6.3	<p>Dyddiad ac Amser y Cyfarfod Nesaf:</p> <ul style="list-style-type: none">• 9 Mai – adolygiad o'r cyfrifon drafft• 9 Gorffennaf – cyfarfod safonol i gynnwys adolygiad o'r cyfrifon terfynol.	Nodwyd	Dim i'w nodi

Pwyllgor Archwilio a Sicrwydd - PREIFAT

COFNODION, PENDERFYNIADAU A CHAMAU GWEITHREDU I'W CYMRYD

🕒 12:30 – 13:00

📅 16/04/24

📍 Galwad Teams

Cadeirydd	Marian Wyn Jones
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Yn bresennol		Teitl	Sefydliad
Marian Wyn Jones	MW -J	Aelod Annibynnol, Cadeirydd	IGDC
Alistair Klaas Neill	AKN	Aelod Annibynnol, Is-gadeirydd	IGDC
Ruth Glazzard	RG	Aelod Annibynnol	IGDC
Marilyn Bryan Jones	MB- J	Aelod Annibynnol	IGDC
Yn bresennol			
Julie Ash	JA	Pennaeth Gwasanaethau Corfforaethol	IGDC
Stephen Chaney	StC	Pennaeth Archwilio Mewnol Dros Dro	PCGC
Chris Darling	CD	Ysgrifennydd y Bwrdd	IGDC
Andrew Francis	AF	Arweinydd Cynllunio Argyfwng	IGDC
Gareth Lavington	GL	Pennaeth Atal Twyll	Caerdydd a'r Fro
Martyn Lewis	ML	Rheolwr Archwilio	Archwilio Cymru
Carwyn Lloyd Jones	CLJ	Prif Swyddog Cwmwl	IGDC
Claire Osmundsen-Little	COL	Cyfarwyddwr Gweithredol Cyllid	IGDC
Julie Robinson	JR	Ysgrifenyddiaeth y Cyfarfod	IGDC
Laura Tolley	LT	Pennaeth Llywodraethu Corfforaethol	IGDC

Ymddiheuriadau	Teitl	Sefydliad

Acronymau			
IGDC	lechyd a Gofal Digidol Cymru	FfAS	Fframwaith Asesu Seiber
AIA	Awdurdod Iechyd Arbennig	LIG	Llywodraethu Gwybodaeth
CPB	Cynllun Parhad Busnes	WPA S	System Gweinyddu Cleifion Cymru

Rhif yr Eitem	Eitem	Canlyniad	Cam Gweithred u
1	MATERION RHAGARWEINIOL		
1.1	Croeso a chyflwyniadau Croesawodd y Cadeirydd bawb i gyfarfod preifat y Pwyllgor.	Nodwyd	Dim i'w nodi
1.2	Ymddiheuriadau absenoldeb Ni chafwyd unrhyw ymddiheuriadau am absenoldeb.	Nodwyd	Dim i'w nodi
1.3	Datganiadau o Fuddiannau Ni chafwyd unrhyw Ddatganiadau o Fuddiannau.	Nodwyd	Dim i'w nodi
2	BUSNES Y CYFARFOD		
2.1	Cofnodion y Cyfarfod Preifat a gynhaliwyd ar 13 Chwefror 2024 Penderfynodd y Pwyllgor: GYMERADWYO'R cofnodion fel cofnod cywir.	Cymeradwywyd	Dim i'w nodi
3	ARCHWILIO, ATAL TWYLL A RISGIAU		
3.1	Camau Gweithredu Archwilio (Preifat) Cyflwynodd Laura Tolley (LT), Pennaeth Llywodraethu Corfforaethol y Camau Archwilio ar gyfer y sesiwn breifat	Nodwyd.	Dim i'w nodi

	<p>a thynnodd sylw at y canlynol:</p> <p>Yn dilyn cyngor gan Archwilio Mewnol, roedd yr un cam gweithredu a oedd yn dibynnu ar drydydd parti yn cael ei reoli trwy gofnod ar wahân ar gyfer olrhain. Adolygwyd pedwar cam gweithredu yn y cyfarfod Pwyllgor diwethaf. Derbyniwyd un adroddiad yn y cyfarfod diwethaf, sef Systemau TG a Gynhelir yn Genedlaethol, a oedd yn cynnwys cyfanswm o 11 o gamau gweithredu newydd. Ychwanegwyd y rhain at y Cofnod Gweithredu Archwilio Preifat sydd bellach yn cynnwys cyfanswm o 14 o gamau gweithredu. Nododd y Pwyllgor yr ystyriwyd bod saith wedi'u cwblhau a bod chwech ar darged i'w cwblhau erbyn eu dyddiad targed, ond roedd un cam gweithredu wedi mynd heibio'r dyddiad gweithredu a gofynnwyd am estyniad i 1 Mai 2024 i'w gymeradwyo.</p> <p>Dywedodd Carwyn Lloyd Jones, Prif Swyddog Cwmwl (CLJ) fod y templed ar gyfer gweithredu (DHCW-2223-112.1Arg-2.1) bellach wedi'i gwblhau ac y gellid ei gau, ac yn sgil colli rhai aelodau o staff, roedd hyn wedi achosi rhai problemau o ran cyflawni'r camau gweithredu yn amserol.</p> <p>Rhodddwyd gwybod i'r Pwyllgor fod y Pwyllgor Llywodraethu a Diogelwch Digidol wedi'i amserlennu ar gyfer yr ychydig wythnosau nesaf lle bydd adroddiadau seiber yn cael eu craffu'n rheolaidd a bod y tîm yn rheoli'r llwyth gwaith ar hyn o bryd, gyda'r gwaith recriwtio'n mynd rhagddo a chyda'r Prif Swyddog Diogelwch Gwybodaeth newydd i ddechrau ddechrau mis Mai.</p> <p>Bu'r Pwyllgor yn trafod cynllunio ar gyfer olyniaeth a nodi meysydd allweddol ac awgrymodd y dylid ymchwilio'n ddwfn yn y maes hwn ar adeg briodol.</p> <p>Penderfynodd y Pwyllgor:</p> <p>NODI'R diweddariad ar Gamau Archwilio ar gyfer SICRWYDD a CHYMERADWYO ymestyn yr un cam gweithredu a amlinellir yn 4.5.</p>		
3.2	<p>Adroddiad ar Adolygiad Archwilio Mewnol Parhad Busnes (Ransomware)</p> <p>Cyflwynodd Stephen Chaney, Pennaeth Archwilio Mewnol PCGC yr Adolygiad Archwilio Parhad Busnes (Ransomware) a chadarnhaodd fod yr archwiliad wedi bod yn gadarnhaol ar y cyfan gyda sgôr Sicrwydd Rhesymol.</p> <p>Ychwanegodd Martyn Lewis, Archwiliwr i PCGC (ML), y byddai unrhyw amhariad i IGDC yn fewnol yn arwain at gychwyn BCP.</p>	Nodwyd	<p>Cam Gweithredu A01 Dylid derbyn yr adroddiad mewnol ar y cyd terfynol ynghylch y rhaglen</p>

	<p>Atgoffwyd y Pwyllgor fod adferiad mewn trychineb yn wahanol i gael pethau yn ôl i redeg fel arfer.</p> <p>Ymatebodd Andrew Francis, Pennaeth Cynllunio at Argyfwng (AF), ei fod yn adroddiad cydweithredol iawn a bod mesurau wedi'u rhoi ar waith i ddatrys y camau gweithredu.</p> <p>Adolygiad Gofal Llygaid</p> <p>Rhoddodd SC ddiweddariad i'r adolygiad Gofal Llygaid a noddir ar y cyd â Chaerdydd a'r Fro a dywedodd fod yr archwiliad wedi bod yn heriol, gan nodi bod yr adolygiad wedi'i gomisiynu ym mis Hydref 2023.</p> <p>Dywedodd SC fod yr adroddiad drafft wedi'i anfon i Adran Gaffael PCGC yn bennaf er mwyn sicrhau ffeithiau a chywirdeb.</p> <p>Gofynnodd y Pwyllgor am sicrwydd bod prosesau a gweithdrefnau'n cael eu dilyn a bod y trafodion caffael yn ddiogel i barhau â'r contract presennol. Cadarnhaodd SC fod yr holl faterion o'r adolygiad archwilio mewnol wedi'u datrys, ond roedd angen eglurder ynghylch a oedd cyllid ar gael.</p> <p>Cytunwyd pan fyddai'r adroddiad terfynol yn dod i law yn y cyfarfod nesaf y byddai'n ddefnyddiol cael presenoldeb PCGC i ateb unrhyw gwestiynau.</p> <p>CAM GWEITHREDU: 16042024-A01 Dylid derbyn yr adroddiad terfynol yng nghyfarfod mis Gorffennaf a chynrychiolwyr caffael PCGC i'w gwahodd i ymateb i unrhyw gwestiynau.</p> <p>Penderfynodd y Pwyllgor:</p> <p>NODI'R Adolygiad Archwilio Mewnol i Barhad Busnes ar gyfer SICRWYDD a NODI'R diweddariad llafar ar statws yr Adolygiad Gofal Llygaid</p>		<p>Gofal Llygaid yng nghyfarfod mis Gorffennaf a chynrychiolwyr caffael i'w gwahodd i ymateb i unrhyw gwestiynau.</p>
4	MATERION I GLOI		
4.1	<p>Eitemau ar gyfer Adroddiad y Cadeirydd i'r Bwrdd</p> <ul style="list-style-type: none"> Statws adolygiad gofal llygaid Parhad Busnes - Ransomware Cynnydd ar Gamau Archwilio 	Trafodwyd	Dim i'w nodi
4.2	<p>Unrhyw Faterion Brys Eraill</p> <p>Ni thrafodwyd unrhyw faterion Busnes Brys eraill.</p>	Nodwyd	Dim i'w nodi
4.3	<p>Dyddiad ac Amser y Cyfarfod Nesaf: 9 Gorffennaf 2024</p> <p>Daethpwyd y cyfarfod i ben am 13:17pm.</p>	Nodwyd	Dim i'w nodi

Pwyllgor Archwilio a Sicrwydd – Eithriadol PREIFAT

COFNODION, PENDERFYNIADAU A CHAMAU GWEITHREDU I'W CYMRYD

🕒 16:00 – 16:50

📅 09/05/2024

📍 MS Teams

Cadeirydd	Marian Wyn Jones
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Yn Bresennol (Aelodau)		Teitl	Sefydliad
Marian Wyn Jones (Cadeirydd)	MW- J	Aelod Annibynnol, Cadeirydd	IGDC
Alistair Klaas Neill	AKN	Aelod Annibynnol, Is-gadeirydd y Pwyllgor Archwilio a Sicrwydd	IGDC
Ruth Glazzard	RG	Aelod Annibynnol, Is-gadeirydd y Bwrdd	IGDC
Marilyn Bryan Jones	MB-J	Aelod Annibynnol	IGDC
Yn bresennol			
Julie Ash	JA	Pennaeth Gwasanaethau Corfforaethol	IGDC
Stephen Chaney	StC	Dirprwy Bennaeth Archwilio Mewnol	Archwilio Mewnol PCGC
Nathan Couch	NC	Arweinydd Archwilio Perfformiad	Archwilio Cymru
Mark Cox	MC	Cyfarwyddwr Cyswllt Cyllid	IGDC
Chris Darling	CD	Ysgrifennydd y Bwrdd	IGDC
Andrew Doughton	AD	Archwilio Cymru	IGDC
Claire Osmundsen- Little	CO-L	Cyfarwyddwr Gweithredol Cyllid	IGDC
Laura Tolley	LT	Pennaeth Llywodraethu Corfforaethol	IGDC

Mike Whiteley	MW	Rheolwr Archwilio	Archwilio Cymru
Sian Williams	SW	Pennaeth Gwasanaethau Ariannol ac Adrodd	IGDC

Ymddiheuriadau			
Dim			

Acronymau			
IGDC	Iechyd a Gofal Digidol Cymru	AS	Archwilio a Sicrwydd
AIA	Awdurdod Iechyd Arbennig	DPIF	Cronfa Fuddsoddi Blaenoriaethau Digidol

Rhif yr Eitem	Eitem	Canlyniad	Cam Gweithredu
1	MATERION RHAGARWEINIOL		
1.1	Croeso a Chyflwyniadau Croesawodd y Cadeirydd, Marian Wyn Jones, bawb i Gyfarfod Preifat Eithriadol y Pwyllgor Archwilio a Sicrwydd.	Nodwyd	Dim i'w nodi
1.2	Ymddiheuriadau am Absenoldeb Ni chafwyd unrhyw ymddiheuriadau am absenoldeb.	Nodwyd	Dim i'w nodi
1.3	Datganiadau o Fuddiannau Nid oedd unrhyw ddatganiadau o fuddiannau i'w nodi.	Nodwyd	Dim i'w nodi

RHAN 2 - BUSNES Y CYFARFOD

2.1	Cyflwyno Cyfrifon Drafft 2023/24 Cyflwynwyd Cyfrifon drafft 2023/24 i'r Pwyllgor a dywedwyd y canlynol wrthynt: <ul style="list-style-type: none"> Roedd IGDC wedi cyflawni ei rwymedigaethau statudol ar gyfer 2023/24; 	Nodwyd	Dim i'w nodi
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	<ul style="list-style-type: none"> Eglurwyd y Dyletswyddau Ariannol Statudol. Darparwyd crynodeb o'r cyfrifon drafft a'r nodiadau ariannol; Rhodddwyd gwybod i'r Pwyllgor fod rhywfaint o wybodaeth heb ei rhoi gan Lywodraeth Cymru ynghylch gwybodaeth am bensiynau. <p>Diolchodd y Pwyllgor i'r tîm cyllid am yr holl waith a wnaed i gyflwyno cyfrifon drafft 2023/24.</p> <p>Penderfynodd y Pwyllgor: NODI Cyflwyniad o'r Cyfrifon Drafft 2023/24.</p>		
2.2	<p>Iechyd a Gofal Digidol Cymru – Ymholiadau Archwilio i'r rhai sy'n gyfrifol am Lywodraethu a Rheoli ar gyfer y cyfnod a ddaeth i ben 31 Mawrth 2024</p> <p>Rhodddwyd gwybod i'r Pwyllgor am y canlynol:</p> <p>Roedd Archwilio Cymru yn ceisio profi materion yn ymwneud â thwyll, cyfreithiau a rheoliadau a phartïon cysylltiedig;</p> <p>Mae'r tîm Gwrth-dwyll wedi cynyddu adnoddau i IGDC ac roedd gan y Rheolwyr wybodaeth am dwyll a amheuir i IGDC;</p> <p>Roedd rheolaethau ynghylch caffael cyflenwyr a gweithgarwch caffael mawr yn gadarn;</p> <p>Roedd y Pwyllgor Archwilio a Sicrwydd yn derbyn diweddariadau rheolaidd gan y gwasanaeth Gwrth-dwyll ac roedd yr adroddiadau a ddarparwyd yn gyfredol;</p> <p>Derbyniwyd adroddiad Safonau Ymddygiad (gan gynnwys Datganiadau o Ddiddordeb) ym mhob cyfarfod o'r Pwyllgor Archwilio a Sicrwydd.</p> <p>Penderfynodd y Pwyllgor: NODI'R Ymholiadau Archwilio i'r rhai sy'n gyfrifol am Lywodraethu a Rheolaeth am y cyfnod a ddaeth i ben ar 31 Mawrth 2024</p>	Nodwyd	Dim i'w nodi
2.3	<p>Adroddiad Blynyddol Drafft 2023/24</p> <p>Dywedwyd wrth y Pwyllgor fod yr adroddiad blynyddol yn cynnwys tair adran:</p> <ul style="list-style-type: none"> Yr Adroddiad Perfformiad 	Rhodddwyd sicrwydd	Dim i'w nodi



	<ul style="list-style-type: none">• Yr Adroddiad Atebolrwydd• Datganiadau ariannol <p>Roedd y Pwyllgor yn falch o nodi cynnydd yr adroddiad drafft.</p> <p>Penderfynodd y Pwyllgor: NODI'R Adroddiad Atebolrwydd er SICRWYDD</p>		
2.4	<p>Colledion a Thaliadau Arbennig</p> <p>Rhodddwyd trosolwg i'r Pwyllgor o'r adroddiad a gynhwyswyd yn y papurau a dywedwyd wrthynt nad oedd eitemau â 'gwerth llyfr' yn ymddangos yn yr adroddiad.</p> <p>Penderfynodd y Pwyllgor: NODI'R Colledion a'r Taliadau Arbennig</p>	Nodwyd	Dim i'w nodi
RHAN 3	MATERION I GLOI		
3.1	<p>Unrhyw Faterion Brys eraill</p> <p>Ni chodwyd unrhyw faterion brys eraill i'w nodi.</p>	Nodwyd	Dim i'w nodi
3.2	<p>Dyddiad ac Amser y Cyfarfod Nesaf:</p> <ul style="list-style-type: none">• 9 Gorffennaf – cyfarfod safonol i gynnwys adolygiad o'r cyfrifon terfynol.	Nodwyd	Dim i'w nodi

ASSURANCE REPORT

NHS WALES SHARED SERVICES PARTNERSHIP COMMITTEE

Reporting Committee	Shared Service Partnership Committee
Chaired by	Tracy Myhill, NWSSP Chair
Lead Executive	Neil Frow, Managing Director, NWSSP
Author and contact details.	Peter Stephenson, Head of Finance and Business Development
Date of meeting	21 March 2024
Summary of key matters including achievements and progress considered by the Committee and any related decisions made.	
<p><u>Chair's Report</u></p> <p>The Chair updated the Committee on her activities since the last meeting. This includes attending the Chairs' Peer Group and meeting with the Minister. The Welsh Risk Pool Committee was held the previous week with a full agenda and the Staff Awards Ceremony at the end of February was a very positive experience. The Chair also advised Committee members that there may be a need for an urgent Chair's Action before the May Committee. This is in respect of Radiopharmacy Isolators where approval is likely to be required in April to progress this urgent procurement.</p> <p>The Committee NOTED the update.</p>	
<p><u>Managing Director Update</u></p> <p>The Managing Director presented his report, which included the following updates on key issues:</p> <ul style="list-style-type: none"> • Following the approval of the IMTP by the Committee in January, the two keeping in touch meetings, with the Finance Delivery Unit and the Planning Director at Welsh Government, produced no significant issues and the plan, has now been formally submitted; • Work to finalise the Business Justification Case for the Radiopharmacy service to be located in IP5 is progressing well with all necessary appointments to relevant contractors having been made; • The NWSSP People & OD Team have recently supported a further visit to Kerala in India which included attendance by the Minister for Health and Social Care from Welsh Government, who signed a formal agreement with the Kerala Government to continue the current co-operation arrangements which provides for a further 250 qualified healthcare professionals to be recruited into NHS Wales; 	

- The closure of the Laundry in Carmarthen is well underway and is on track for the end of March, with the new hub coming into operation in April. All affected staff have been given the opportunity to continue to work in the service at the Swansea Laundry or working in a suitable alternative role within Hywel Dda UHB;
- The recruitment process to replace the Director of Finance & Corporate Services has concluded and Alison Ramsey, the current Director of Planning, Performance, and Informatics was successful in being appointed to this post;
- Similarly, Nicola Phillips the current Deputy Director of Primary Care Services was successful in being appointed to the role of Director of Primary Care Services.

The Committee **NOTED** the update.

Items Requiring SSPC Approval/Endorsement

Decarbonisation Action Plan

The original Action Plan covered the period 2021-23 and there is now a need to update it. The plan is both externally and internally focused. External achievements to date include setting up a reporting template for all NHS Wales organisations to measure their progress against the 46 initiatives contained in the Welsh Government Plan and providing advice on achieving net zero in future construction projects. Internally we have invested in LED lighting across the estate, solar panels, and electric vehicles in our fleet. Going forward the plan continues to provide support to NHS Wales organisations and to take forward projects within NWSSP subject to the availability of capital. The plan is ambitious but is equally pragmatic, given the financial context to the years ahead. In the light of these challenges, a coordinated approach across NHS Wales is essential. Monitoring of progress against the plan at Committee is via the quarterly IMTP updates, albeit this is by exception, and it was agreed that a more detailed half-yearly report would be helpful.

The Committee **APPROVED** the Decarbonisation Action Plan.

NHS Building for Wales 2 Framework

The framework provides a number of specialist advisors to support major capital schemes across NHS Wales. The current framework expires in April and work has been undertaken over the last two years to prepare for a new framework, which will commence in May for a period of four years, with the option to extend for a further two years. There has been extensive consultation with Health Boards throughout the development of the new framework, and there has been proactive initiatives to support the Welsh economy wherever possible,

The Committee **ENDORSED** the Framework for formal approval by the Welsh Government.

Nantgarw 2 Lease

Due to low occupancy rates at both Companies House and the current Nantgarw HQ, NWSSP is taking the opportunity to consolidate staff into one new building on the Nantgarw estate. This will provide a better working environment and will release revenue savings. The previous plan to move into Cathays Park was discounted due to increasing costs and restrictions on access, and it would also not have allowed the exit from the current HQ. The Committee was therefore asked to approve NWSSP entering into a 10-year lease for the new building.

The Committee **APPROVED** the signing of the lease for Nantgarw 2.

Items for Noting

All-Wales Energy Arrangements

The Committee were updated on developments with the implementation of new governance and contracting arrangements, and also the proposals for the supply of energy in the next few years.

The Welsh Energy Group, supported by the Welsh Energy Operating Group, were both established in March 2023, replacing the Energy Price Risk Management Group. Both of the new groups have performed well, with regular and well attended meetings, which has led to informed strategic decisions on energy supply. The governance arrangements were recently reviewed by Internal Audit and their report was rated as providing substantial assurance. NHS Trusts in England are considering the benefits of centralising their purchase of energy requirements and the Welsh Energy Group is similarly considering the benefit of joining this arrangement.

The Committee **NOTED** the update.

Flu Vaccination Proposal

The Central Procurement of Influenza project brief was approved by the Vaccination Programme Wales Transformation Board last July. The aim was to deploy centrally procured adult Influenza vaccine during the autumn of 2025. NWSSP have formed part of the Project Group to establish feasibility and design of a centrally procured Influenza model.

The next phase of implementation requires the Minister to direct General Practice to not purchase Influenza vaccine for Autumn 2025, which they would normally commence in September of this year. For this direction to be given, assurance needs to be provided that NHS Wales will be ready to provide GPs, Health Boards and Trusts with centrally procured adult Influenza vaccine. An Influenza vaccine tender process would run over the summer of 2024 to enable vaccine delivery commencing in September 2025.

NWSSP will procure the vaccines but there is the option of these being directly

delivered by the supplier or being held and distributed centrally via NWSSP. The paper provided to Committee focused in the latter option, but it is for Welsh Government to decide the preferred approach.

The Committee **NOTED** the proposal.

Staff Benefits Update

NWSSP currently provide administration services for several Staff Benefit Schemes for multiple NHS Wales organisations covering Salary Sacrifice Cars, Bicycles and Home Electronics. These services ensure that a fully procured supplier has been sourced, providing quality and value for money.

The Salary Sacrifice Car Scheme current fleet of vehicles stands at 3,736 at February 2024 which represents a 23% increase over the last 12 months. Additionally 94% of live fleet are electric/hybrid vehicles and 87% of cars on order are electric/hybrid vehicles. The car scheme deliver savings estimated at £750 per car per annum, resulting in a total annual saving of £2.8m across NHS Wales.

The Home Electronic scheme provides employees access to over 5000 items from Currys taken via salary sacrifice, allowing the employees to make savings through their salary.

The Cycle to Work scheme is supplied in conjunction with Halfords. The scheme provides employees access to bikes and accessories from Halfords and Tredz taken via salary sacrifice, allowing the employees to make savings on the cost of new bicycles.

The Committee **NOTED** the update.

Finance, Performance, People, Programme and Governance Updates

Finance – NWSSP reported a break-even Month 11 financial position with a year-to-date additional non-recurring savings of £2.277m. The 2023/24 distribution to NHS Wales is now finalised at £2m. In addition NWSSP anticipate being able to return £1m of funding to Welsh Government so that the total additional savings generated and distributed for 2023/24 is £3m.

People & OD Update – The sickness absence rate remains very low with the average for the last 12 months being 2.98%. Statutory and Mandatory training compliance is good at over 93% but PADR compliance needs to improve from the current level of 83%.

Performance – The in-month January performance was generally good with 38 KPIs achieving the target against the total of 41 KPIs. The three that missed the target were Recruitment, where performance has improved and the target was only marginally missed, and two for Audit & Assurance in respect of the issue of draft audit reports and the subsequent timeliness of management responses.

Project Management Office Update – Two projects are currently rated as red. These are the Primary Care Workforce Intelligence System and Transforming Access to Medicine (TrAMS). On the former there are issues with increasing costs and extremely tight implementation timescales and on the latter the lack of capital is the major issue although good progress is being made on the development of the Radiopharmacy Service.

Corporate Risk Register – There remain three red risks relating to the impact of industrial action and also of responding to the UK COVID Public Inquiry, and the development of the TrAMs project.

The Committee **NOTED** the above Reports.

Papers for Information

The following items were provided for information only:

- Finance Monitoring Returns (Months 10 and 11).
- Final Version of IMTP.
- PPE Dashboard
- Audit Committee Assurance Report.

AOB

N/a

Matters requiring Board/Committee level consideration and/or approval

- The Board is asked to **NOTE** the work of the Shared Services Partnership Committee.

Matters referred to other Committees

N/A

Date of next meeting

16 May 2024



DIGITAL HEALTH AND CARE WALES FORWARD WORKPLAN

Agenda Item	2.3
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Name of Meeting	Audit and Assurance Committee
Date of Meeting	09 July 2024

Public or Private	Public
IF PRIVATE: please indicate reason	N/A

Executive Sponsor	Chris Darling, Board Secretary
Prepared By	Julie Robinson, Corporate Governance Coordinator
Presented By	Chris Darling, Board Secretary

Purpose of the Report	For Noting
Recommendation	The Committee is being asked to
NOTE the report.	

WC:
APP:
TOTAL:

1 IMPACT ASSESSMENT

STRATEGIC MISSION	All missions apply
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CORPORATE RISK (ref if appropriate)	The Corporate Risk log is presented at every meeting for oversight and scrutiny
QUALITY IMPACT ASSESSMENT (ref if appropriate)	

WELL-BEING OF FUTURE GENERATIONS ACT	A Healthier Wales
If more than one standard applies, please list below:	

DHCW QUALITY STANDARDS	N/A
If more than one standard applies, please list below:	

DUTY OF QUALITY ENABLER	Information
DOMAIN OF QUALITY	Effective
If more than one enabler / domain applies, please list below:	

EQUALITY IMPACT ASSESSMENT STATEMENT	Date of submission: N/A
No, (detail included below as to reasoning)	Outcome: N/A
Statement: N/A	

IMPACT ASSESSMENT	
QUALITY AND SAFETY IMPLICATIONS/IMPACT	No, there are no specific quality and safety implications related to the activity outlined in this report.
LEGAL IMPLICATIONS/IMPACT	No, there are no specific legal implications related to the activity outlined in this report.
FINANCIAL IMPLICATION/IMPACT	No, there are no specific financial implications related to the activity outlined in this report
WORKFORCE IMPLICATION/IMPACT	No, there is no direct impact on resources as a result of the activity outlined in this report.

SOCIO ECONOMIC IMPLICATION/IMPACT	No, there are no specific socio-economic implications related to the activity outlined in this report.
RESEARCH AND INNOVATION IMPLICATION/IMPACT	No, there are no specific research and innovation implications relating to the activity outlined within this report.

2 APPROVAL / SCRUTINY ROUTE

Person / Committee / Group who have received or considered this paper prior to this meeting		
PERSON, COMMITTEE OR GROUP	DATE	OUTCOME
Chris Darling, Board Secretary	June 2024	Approved

Acronyms			
DHCW	Digital Health and Care Wales	SHA	Special Health Authority

3 SITUATION / BACKGROUND

3.1	The Audit and Assurance Committee have a Cycle of Business that is reviewed on an annual basis. Additionally, there is a forward workplan which is used to identify any additional timely items for inclusion to ensure the Committee are reviewing and receiving all relevant matters in a timely fashion.
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4 SPECIFIC MATTERS FOR CONSIDERATION BY THIS MEETING (ASSESSMENT)

4.1 The Forward Workplan has been updated to include the following items to be presented at the July 2024 meeting:

- Welsh Health Circular Report
- Welsh Language Annual Report
- Audit Wales Audit of the Financial Statements (ISA 260) Report (including the letter of Representation and Audit Opinion)
- Head of Internal Audit Opinion and Annual Report
- Duty of Quality Always On report – Quarter 4
- Raising Concerns – PRIVATE
- Windows 2012 Project Status Report – PRIVATE

4.2 Additional items identified for the October 2024 meeting are:-

- Legislative Assurance Register
- Board Assurance Framework Escalations – Deep Dives
- Corporate Risk Trend Analysis
- Management of Physical Assets
- Commercial and Social Value Strategy
- Procurement Act Update
- Building our Future (BoF) and Finding Value Workstream

4.3 The Board has requested additional horizon scanning is undertaken across all Committees to ensure appropriate governance process is followed and the Board is receiving the appropriate levels of assurance from the Committee activity. The Corporate Governance team will support the Executive Director of Finance as Executive lead for the Committee to identify items for the forward workplan on a continued basis.

4.4 The updated forward workplan can be found in full at item [2.3i Appendix A Forward Workplan](#).

5 KEY RISKS / MATTERS FOR ESCALATION TO BOARD / COMMITTEE

5.1 There are no key risks / matters for escalation to Board / Committee.

6 RECOMMENDATION

Recommendation	The Committee is being asked to
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NOTE the report.



DIGITAL HEALTH AND CARE WALES POLICY REPORT

Agenda Item	2.4
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Name of Meeting	Audit and Assurance Committee
Date of Meeting	9 July 2024

Public or Private	Public
IF PRIVATE: please indicate reason	N/A

Executive Sponsor	Chris Darling, Board Secretary
Prepared By	Skylar Eva Green, Corporate Governance Co-Ordinator.
Presented By	Laura Tolley, Head of Corporate Governance

Purpose of the Report	For Approval
Recommendation	The Committee is being asked to
NOTE the contents of the report and the updates provided and APPROVE the policies listed in 4.2.	

WC:
APP:
TOTAL:

1 IMPACT ASSESSMENT

STRATEGIC MISSION	Deliver high quality digital products and services
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CORPORATE RISK (ref if appropriate)	N/A
QUALITY IMPACT ASSESSMENT (ref if appropriate)	

WELL-BEING OF FUTURE GENERATIONS ACT	A Healthier Wales
If more than one standard applies, please list below:	

DHCW QUALITY STANDARDS	N/A
If more than one standard applies, please list below:	

DUTY OF QUALITY ENABLER	Information
DOMAIN OF QUALITY	Safe
If more than one enabler / domain applies, please list below:	

EQUALITY IMPACT ASSESSMENT STATEMENT	Date of submission: N/A
No, (detail included below as to reasoning)	Outcome: N/A
Statement: N/A	

IMPACT ASSESSMENT	
QUALITY AND SAFETY IMPLICATIONS/IMPACT	Yes, please see detail below Controlled documents underpin a quality approach to organisational management.
LEGAL IMPLICATIONS/IMPACT	No, there are no specific legal implications related to the activity outlined in this report.
FINANCIAL IMPLICATION/IMPACT	No, there are no specific financial implications related to the activity outlined in this report
WORKFORCE IMPLICATION/IMPACT	Yes, please see detail below Controlled documents have roles and responsibilities outlined within them.

SOCIO ECONOMIC IMPLICATION/IMPACT	No, there are no specific socio-economic implications related to the activity outlined in this report.
RESEARCH AND INNOVATION IMPLICATION/IMPACT	No, there are no specific research and innovation implications relating to the activity outlined within this report.

2 APPROVAL / SCRUTINY ROUTE

Person / Committee / Group who have received or considered this paper prior to this meeting		
PERSON, COMMITTEE OR GROUP	DATE	OUTCOME
Executive Leads	As noted per policy	Approved

Acronyms			
DHCW	Digital Health and Care Wales	SHA	Special Health Authority
DG&S	Digital Governance & Safety Committee	IMS	Integrated Management System
A&A	Audit & Assurance Committee		

3 SITUATION / BACKGROUND

3.1	DHCW have a number of policies, procedures and processes that help manage the running of the Organisation by outlining responsibilities related to legislation, accreditation, and regulation.
3.2	The Corporate Governance team have undertaken an audit of all organisational policies listed on the Integrated Management System, and along with a number of new policies that have been progressed through the Corporate Governance process of approval, DHCW currently have 79 policies across the organisation, 43 of which are out of date and require review (as of 26/06/2024) with 18 of these being All-Wales policies.
3.3	As part of the approval process, policies will be presented to the Management Board for review, discussion, and endorsement.
3.4	All policies are shared with the Local Partnership Forum for discussion / review as part of the formal consultation process.
3.5	All policies are approved by the assigned committee (per policy).

4 SPECIFIC MATTERS FOR CONSIDERATION BY THIS MEETING (ASSESSMENT)

4.1 The 43 policies that are currently either in review / progressing through the approval process or require immediate review can be found in the table below, as noted per Directorate:

Operational Area	Number of existing DHCW policies currently in review / approval process	Number of existing DHCW policies out-of-date that require review.	Number of all-Wales policies out of date	Executive Lead
Clinical	0	2	0	Rhidian Hurle, Executive Medical Director
Corporate Governance	0	0	2	Chris Darling, Board Secretary
Communications	0	0	2	
Corporate Services	0	0	0	
Finance & Business Assurance	1	1	1	Claire Osmundsen-Little, Executive Director of Finance
Service Management	6	7	0	Sam Lloyd, Executive Director of Operations
Operations	1	3	0	
People and Organisational Development	0	4	13	Sarah-Jane Taylor, Director of People and Organisational Development
Strategy	0	0	0	Ifan Evans, Executive Director of Strategy
Total out of date (43)		DHCW 25	All-Wales 18	

4.2 The following new and existing policies have been through the Corporate Governance consultation process, amended according to feedback received, and are tabled for endorsement today before being presented to the relevant Committee for approval, translated, published, and uploaded to IMS/iPassport;

App. ID	Type	Document ID	Policy	Executive Lead	Assigned Committee	Committee Date
2.4i	New Policy	POL-QRC-001	Quality Policy	Claire Osmundsen-Little	A&A	09/07/2024
2.4ii	Existing Policy	POL-DHCW-001	Integrated Management System Policy	Claire Osmundsen-Little	A&A	09/07/2024

5 KEY RISKS / MATTERS FOR ESCALATION TO BOARD / COMMITTEE

5.1 There are no key risks/matters for escalation to Board/Committee.

6 RECOMMENDATION

Recommendation Management Board is being asked to

NOTE the contents of the report and the updates provided and **APPROVE** the policies listed in 4.2.

POLICY REVISION COVER SHEET

Policy ID:	POL-QRC-001
Policy Title:	Quality Policy
Document Author:	Laura Beddoe (DHCW - QA and Regulatory Compliance)
Executive Lead:	Claire Osmundsen-Little (DHCW – Executive Director Finance and Business Assurance)
Type	New Policy
Number of revisions:	1
Link to Policy:	Quality Policy
Purpose:	Endorsement from Management Board
Date of meeting/committee:	20 May 2024
Current Status:	
Committee Outcome:	
Detail of Revisions:	
<p>New policy to document DHCW's commitment to quality and excellence and to the Health and Social Care (Quality and Engagement) (Wales) Act 2020.</p>	

POLICY REVISION COVER SHEET

Policy ID:	POL-DHCW-001
Policy Title:	Integrated Management System Policy
Document Author:	Laura Beddoe (DHCW - QA and Regulatory Compliance)
Executive Lead:	Claire Osmundsen-Little (DHCW - Executive Director Finance and Business Assurance)
Type	Existing policy
Number of revisions:	14
Link to Policy:	POL-DHCW-001 - Integrated Management System Policy
Purpose:	Endorsement from Management Board
Date of meeting/committee:	20 May 20204
Current Status:	
Committee Outcome:	
Detail of Revisions:	<p>Addition of the legislation section to include the Health and Social Care (Quality and Engagement) (Wales) Act 2020 and Medical Device regulations.</p> <p>Addition of ISO 30415 Human Resource Management and ISO 22301 Security and Resilience.</p> <p>Review and update, where required, of scope of each ISO / BS standard.</p> <p>Change of author.</p>



DIGITAL HEALTH AND CARE WALES STANDARDS OF BEHAVIOUR REPORT

Agenda Item	2.6
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Name of Meeting	Audit and Assurance Committee
Date of Meeting	9 July 2024

Public or Private	Public
IF PRIVATE: please indicate reason	N/A

Executive Sponsor	Chris Darling, Board Secretary
Prepared By	Laura Tolley, Head of Corporate Governance
Presented By	Laura Tolley, Head of Corporate Governance

Purpose of the Report	For Noting
Recommendation	The Committee is being asked to
NOTE the Standards of Behaviour Report.	

WC:
APP:
TOTAL:

1 IMPACT ASSESSMENT

STRATEGIC MISSION	All missions apply
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CORPORATE RISK (ref if appropriate)	
QUALITY IMPACT ASSESSMENT (ref if appropriate)	

<u>WELL-BEING OF FUTURE GENERATIONS ACT</u>	A Healthier Wales
If more than one standard applies, please list below:	

<u>DHCW QUALITY STANDARDS</u>	N/A
If more than one standard applies, please list below:	

<u>DUTY OF QUALITY ENABLER</u>	Leadership
<u>DOMAIN OF QUALITY</u>	Effective
If more than one enabler / domain applies, please list below:	

<u>EQUALITY IMPACT ASSESSMENT STATEMENT</u>	Date of submission: N/A
No, (detail included below as to reasoning)	Outcome: N/A
Statement: N/A	

IMPACT ASSESSMENT	
QUALITY AND SAFETY IMPLICATIONS/IMPACT	No, there are no specific quality and safety implications related to the activity outlined in this report.
LEGAL IMPLICATIONS/IMPACT	Yes, please see detail below The declarations of interests process ensures DHCW staff adhere to the organisation's statutory responsibilities.
FINANCIAL IMPLICATION/IMPACT	No, there are no specific financial implications related to the activity outlined in this report
WORKFORCE IMPLICATION/IMPACT	No, there is no direct impact on resources as a result of the activity outlined in this report.

SOCIO ECONOMIC IMPLICATION/IMPACT	No, there are no specific socio-economic implications related to the activity outlined in this report.
RESEARCH AND INNOVATION IMPLICATION/IMPACT	No, there are no specific research and innovation implications relating to the activity outlined within this report.

2 APPROVAL / SCRUTINY ROUTE

Person / Committee / Group who have received or considered this paper prior to this meeting		
PERSON, COMMITTEE OR GROUP	DATE	OUTCOME
Chris Darling, Board Secretary	June 2024	Approved

Acronyms			
DHCW	Digital Health and Care Wales	SHA	Special Health Authority
SoB	Standards of Behaviour	DoI	Declaration of Interest

3 SITUATION / BACKGROUND

3.1	In accordance with the requirements of the DHCW's Standing Orders and Standards of Behaviour Policy , a report is required to be received by the Audit & Assurance Committee as a standing agenda item, which details the Declarations of Interest, Gifts, Honoraria, Hospitality and Sponsorship activities.
3.2	All declarations of interest are reviewed and checked by the Corporate Governance team and any queries are addressed prior to entry on the register. The register focuses initially on staff band 8a and above, however, DHCW are pursuing best practice and asking all staff to complete a declarations of interest form.
3.3	In line with other NHS Trusts, Health Boards and Special Health Authorities, DHCW have agreed to operate a 3-year declaration of interest form. However, DHCW Board members will be required to complete an annual declaration of interest form.

4 SPECIFIC MATTERS FOR CONSIDERATION BY THIS MEETING (ASSESSMENT)

- 4.1 All Board Members declarations of interest have been updated for 2024/25 and captured on the [Declarations of Interest Register](#).
- 4.2 As of 21/06/2024, 96% of band 8a and above declarations of interest have been received and captured on the Declarations of Interest Register. In addition, 34% of staff banded 2-7 have also been received and captured on the register.
- 4.3 Work is ongoing to capture the declarations of interest of all DHCW staff band 8a and above, in line with the SOB Policy requirement and an escalation process is in place to address if staff banded 8a and above have been requested to complete a declaration form, but it has not been submitted.
- 4.4 The Committee are asked to note the [Gifts, Hospitality, Honoraria and Sponsorship Register](#) and note since the last meeting, four declarations have been submitted and included on the register, a summary of these can be found in the table below.

Nature of Declaration	Accepted	Declined	Grand Total	Value accepted	Value of declined
Gifts	48	0	48	48	0
Honorarium	0	0	0	0	0
Hospitality	130	0	130	130	0
Sponsorship	234	0	234	234	0
Grand Total	412	0	412	412	0

5 KEY RISKS / MATTERS FOR ESCALATION TO BOARD / COMMITTEE

- | | |
|-----|---|
| 5.1 | Work is ongoing to actively promote the Standards of Behaviour Policy and Declarations of Interest, Hospitality, Honoraria and Sponsorship across the organisation. |
| 5.2 | Internal Audit are currently undertaking an audit into Declarations of Interest, the audit report and findings will be shared at the next Committee meeting. |

6 RECOMMENDATION

Recommendation	The Committee is being asked to
NOTE the Standards of Behaviour Report.	



DIGITAL HEALTH AND CARE WALES WELSH HEALTH CIRCULARS COMPLIANCE UPDATE REPORT

Agenda Item	2.7
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Name of Meeting	Audit and Assurance Committee
Date of Meeting	9 July 2024

Public or Private	Public
IF PRIVATE: please indicate reason	N/A

Executive Sponsor	Chris Darling, Board Secretary
Prepared By	Julie Robinson, Corporate Governance Coordinator
Presented By	Laura Tolley, Head of Corporate Governance

Purpose of the Report	For Noting
Recommendation	The Committee is being asked to
NOTE the updated provided and take ASSURANCE on the process for recording and monitoring the organisation's compliance with Welsh Health Circulars.	

WC:
APP:
TOTAL:

1 IMPACT ASSESSMENT

STRATEGIC MISSION	All missions apply
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CORPORATE RISK (ref if appropriate)	
QUALITY IMPACT ASSESSMENT (ref if appropriate)	

<u>WELL-BEING OF FUTURE GENERATIONS ACT</u>	A Globally Responsible Wales
If more than one standard applies, please list below:	

<u>DHCW QUALITY STANDARDS</u>	N/A
If more than one standard applies, please list below:	

<u>DUTY OF QUALITY ENABLER</u>	N/A
<u>DOMAIN OF QUALITY</u>	N/A
If more than one enabler / domain applies, please list below:	

<u>EQUALITY IMPACT ASSESSMENT STATEMENT</u>	Date of submission: N/A
No, (detail included below as to reasoning)	Outcome: N/A
Statement: N/A	

IMPACT ASSESSMENT	
QUALITY AND SAFETY IMPLICATIONS/IMPACT	No, there are no specific quality and safety implications related to the activity outlined in this report.
LEGAL IMPLICATIONS/IMPACT	No, there are no specific legal implications related to the activity outlined in this report.
FINANCIAL IMPLICATION/IMPACT	No, there are no specific financial implications related to the activity outlined in this report
WORKFORCE IMPLICATION/IMPACT	No, there is no direct impact on resources as a result of the activity outlined in this report.

SOCIO ECONOMIC IMPLICATION/IMPACT	No, there are no specific socio-economic implications related to the activity outlined in this report.
RESEARCH AND INNOVATION IMPLICATION/IMPACT	No, there are no specific research and innovation implications relating to the activity outlined within this report.

2 APPROVAL / SCRUTINY ROUTE

Person / Committee / Group who have received or considered this paper prior to this meeting		
PERSON, COMMITTEE OR GROUP	DATE	OUTCOME
Laura Tolley, Head of Corporate Governance	June 2024	Reviewed
Chris Darling, Board Secretary	June 2024	Approved

Acronyms			
DHCW	Digital Health and Care Wales	SHA	Special Health Authority
WG	Welsh Government	WHC	Welsh Health Circular
MD	Ministerial Directives		

3 SITUATION / BACKGROUND

- 3.1 The purpose of this report is to provide an update to the Audit and Assurance Committee on the organisation's compliance with Welsh Health Circulars (WHCs) and Ministerial Directives (MD) that are issued by Welsh Government.
- 3.2 The Corporate Governance Team maintain a tracker for monitoring and recording the WHCs and MDs that are received by DHCW. The WHC's are sent to the Weekly Executive Directors' meeting for review and to agree the relevant Executive Lead for action.
- 3.3 A monthly progress report is presented at the Weekly Executive Directors meeting for information, monitoring and assurance purposes.

4 SPECIFIC MATTERS FOR CONSIDERATION BY THIS MEETING (ASSESSMENT)

- 4.1 The [WHC Register](#) details the WHC's received in the period 2023/24, these have been reported to Weekly Executive Directors and Management Board.
- 4.2 With the exception of two WHCs, to be reviewed by Executive Directors after the date of reporting, all WHCs are completed and have been signed off by the Executive Leads. There were no outstanding circulars on the register for the 2023/24 period at the time of reporting.

5 KEY RISKS / MATTERS FOR ESCALATION TO BOARD / COMMITTEE

- 5.1 There are no key risks of matters for escalation to the Committee.

6 RECOMMENDATION

Recommendation	The Committee is being asked to
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NOTE the updated provided and take **ASSURANCE** on the process for recording and monitoring the organisation's compliance with Welsh Health Circulars.

Action log agenda item 3.1

Reference	Date of Meeting	Action/Decision Detail	Action Lead	Due Date	Status/Outcome Narrative	Status	Revised Action	Revised due date	Session Type
20240416-A01	16/04/2024	From Firefighting to Future Proofing - the Challenge for Welsh Public Services report to be shared with the Board for learning.	Chris Darling (DHCW - Board Secretary)	25/04/2024	The report was shared via the Board Development session in April.	Complete			Public



DIGITAL HEALTH AND CARE WALES INTERNAL AUDIT PROGRESS REPORT

Agenda Item	4.1
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Name of Meeting	Audit and Assurance Committee
Date of Meeting	9 July 2024

Public or Private	Public
IF PRIVATE: please indicate reason	N/A

Executive Sponsor	Chris Darling, Board Secretary
Prepared By	Stephen Chaney, Interim Head of Internal Audit
Presented By	Stephen Chaney, Interim Head of Internal Audit

Purpose of the Report	For Noting
Recommendation	The Committee is being asked to
NOTE the Internal Audit Progress Report.	

WC:
APP:
TOTAL:

1 IMPACT ASSESSMENT

STRATEGIC MISSION	All missions apply
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CORPORATE RISK (ref if appropriate)	N/A
QUALITY IMPACT ASSESSMENT (ref if appropriate)	N/A

<u>WELL-BEING OF FUTURE GENERATIONS ACT</u>	A Healthier Wales
If more than one standard applies, please list below:	

<u>DHCW QUALITY STANDARDS</u>	N/A
If more than one standard applies, please list below:	

<u>DUTY OF QUALITY ENABLER</u>	N/A
<u>DOMAIN OF QUALITY</u>	N/A
If more than one enabler / domain applies, please list below: All enablers / domains may apply due to the nature of the assurance work completed.	

<u>EQUALITY IMPACT ASSESSMENT STATEMENT</u>	Date of submission: N/A
No, (detail included below as to reasoning)	Outcome: N/A
Statement: N/A	

IMPACT ASSESSMENT	
QUALITY AND SAFETY IMPLICATIONS/IMPACT	No, there are no specific quality and safety implications related to the activity outlined in this report.
LEGAL IMPLICATIONS/IMPACT	No, there are no specific legal implications related to the activity outlined in this report.
FINANCIAL IMPLICATION/IMPACT	Yes, please see detail below We provided assurance over Financial and Service Delivery Sustainability
WORKFORCE	No, there is no direct impact on resources as a result of

IMPLICATION/IMPACT	the activity outlined in this report.
SOCIO ECONOMIC IMPLICATION/IMPACT	Yes, please detail below The impact of carbon emissions on the population of Wales, as reported within the Decarbonisation Audit.
RESEARCH AND INNOVATION IMPLICATION/IMPACT	No, there are no specific research and innovation implications relating to the activity outlined within this report.

2 APPROVAL / SCRUTINY ROUTE

Person / Committee / Group who have received or considered this paper prior to this meeting		
PERSON, COMMITTEE OR GROUP	DATE	OUTCOME
N/A		

Acronyms			
DHCW	Digital Health and Care Wales	SHA	Special Health Authority

3 SITUATION / BACKGROUND

- 3.1 The [Internal Audit Progress Report](#) sets out a summary of the progress of the Internal Audit Plan for 2023/24 for Digital Health and Care Wales (DHCW), detailing the final assurance rating and a summary of recommendation priorities for the internal audit reports, Decarbonisation (reasonable assurance); Follow-up of High Priority Recommendations (reasonable assurance); and Financial and Service Delivery Sustainability (reasonable assurance).
- 3.2 We also completed our review of Data Quality, but we were unable to fully test our sample due to the availability of retrospective / legacy data. Therefore, we deemed the allocation of an assurance rating not applicable in this instance.

4 SPECIFIC MATTERS FOR CONSIDERATION BY THIS MEETING (ASSESSMENT)

- 4.1 The Committee is asked to note the Audit Progress Report.

5 KEY RISKS / MATTERS FOR ESCALATION TO BOARD / COMMITTEE

- 5.1 The report confirms the delivery of the remaining audit reports for 2023/24, including detailing the assurance and priority ratings.
- The report also provides details of work in progress for the 2024/25 Internal Audit Plan.

6 RECOMMENDATION

Recommendation	The Committee is being asked to
NOTE the Internal Audit Progress Report.	



DIGITAL HEALTH AND CARE WALES INTERNAL AUDIT REPORTS

Agenda Item	4.2
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Name of Meeting	Audit and Assurance Committee
Date of Meeting	9 July 2024

Public or Private	Public
IF PRIVATE: please indicate reason	N/A

Executive Sponsor	Chris Darling, Board Secretary
Prepared By	Stephen Chaney, Interim Head of Internal Audit
Presented By	Stephen Chaney, Interim Head of Internal Audit

Purpose of the Report	For Assurance
Recommendation	The Committee is being asked to
RECEIVE the internal audit reports for ASSURANCE and NOTING , which have been agreed with the relevant Executive Lead.	

WC:
APP:
TOTAL:

1 IMPACT ASSESSMENT

STRATEGIC MISSION	All missions apply
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CORPORATE RISK (ref if appropriate)	N/A
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QUALITY IMPACT ASSESSMENT (ref if appropriate)	N/A
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<u>WELL-BEING OF FUTURE GENERATIONS ACT</u>	A Healthier Wales
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If more than one standard applies, please list below:

<u>DHCW QUALITY STANDARDS</u>	N/A
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If more than one standard applies, please list below:

<u>DUTY OF QUALITY ENABLER</u>	N/A
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<u>DOMAIN OF QUALITY</u>	N/A
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If more than one enabler / domain applies, please list below:

<u>EQUALITY IMPACT ASSESSMENT STATEMENT</u>	Date of submission: N/A
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No, (detail included below as to reasoning)	Outcome: N/A
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Statement: N/A

IMPACT ASSESSMENT	
QUALITY AND SAFETY IMPLICATIONS/IMPACT	No, there are no specific quality and safety implications related to the activity outlined in this report.
LEGAL IMPLICATIONS/IMPACT	No, there are no specific legal implications related to the activity outlined in this report.
FINANCIAL IMPLICATION/IMPACT	Yes, please see detail below Financial sustainability may not be achieved
WORKFORCE IMPLICATION/IMPACT	No, there is no direct impact on resources as a result of the activity outlined in this report.

SOCIO ECONOMIC IMPLICATION/IMPACT	Yes, please detail below Carbon emissions targets may not be achieved.
RESEARCH AND INNOVATION IMPLICATION/IMPACT	No, there are no specific research and innovation implications relating to the activity outlined within this report.

2 APPROVAL / SCRUTINY ROUTE

Person / Committee / Group who have received or considered this paper prior to this meeting		
PERSON, COMMITTEE OR GROUP	DATE	OUTCOME
N/A		

Acronyms			
DHCW	Digital Health and Care Wales	SHA	Special Health Authority

3 SITUATION / BACKGROUND

3.1 The following internal audit reports are included:

[Decarbonisation](#)

This audit was rated as reasonable assurance with one high and two medium priority recommendations raised.

[Follow-up of High Priority Recommendations](#)

This audit was rated as reasonable assurance with two medium and one low priority recommendations raised.

[Financial and Service Delivery Sustainability](#)

This audit was rated as reasonable assurance with two medium and one low priority recommendations raised.

[Data Quality](#)

As it was not possible to fully test the sample selected, we determined that an assurance rating was not applicable for this audit. We raised three medium priority recommendations.

4 SPECIFIC MATTERS FOR CONSIDERATION BY THIS MEETING (ASSESSMENT)

4.1 A summary of the key findings is included below:

Decarbonisation

We recognised that DHCW is reporting good progress towards delivery of the Decarbonisation Action Plan (DAP) and benchmarking well in this area against other NHS Wales organisations. A forecast achievement of the Welsh Government's carbon reduction targets is also reported. DHCW is in the minority of NHS organisations when anticipating achievement of this target.

Follow-up of High Priority Recommendations

The audit focused on the process used to record internal audit recommendations on the Audit Action Tracker (the 'tracker'). Alongside this, we also assessed whether the recommendations have been implemented in a timely manner and reported to the Audit and Assurance Committee for completeness.

Overall, we found the process for updating the tracker, monitoring and extending recommendation deadlines clear and appropriate. However, we identified inaccuracies in the recording of recommendations and associated information.

Financial and Service Delivery Sustainability

We found good arrangements in place to ensure financial and service delivery sustainability. However, we raised recommendations over the consistency of information reported to the Board and the updating of relevant standard operating procedures.

Data Quality

Within the original audit scope we sought to agree a sample of performance metrics reported within the Integrated Operational Performance Report (IOPR). However, whilst we verified some of the sample selected, due to the live nature of the data, we were unable to retrospectively reconcile the figures.

Therefore, we undertook a walkthrough of the arrangements in place to ensure the quality of the metrics reported. We raised recommendations over the documentation process for utilising applicable data within the IOPR, the retention of a snapshot of data used within the reporting and some inaccuracies identified within the portion of source data verified.

5 KEY RISKS / MATTERS FOR ESCALATION TO BOARD / COMMITTEE

- 5.1 Any matters for escalation to the Board (other relevant committees) to be determined by the Committee following the consideration of the reports.

6 RECOMMENDATION

Recommendation	The Committee is being asked to
<p>RECEIVE the internal audit reports for ASSURANCE and NOTING, which have been agreed with the relevant Executive Lead.</p>	



DIGITAL HEALTH AND CARE WALES

HEAD OF INTERNAL AUDIT OPINION

Agenda Item	4.3
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Name of Meeting	Audit and Assurance Committee
Date of Meeting	9 July 2024

Public or Private	Public
IF PRIVATE: please indicate reason	N/A

Executive Sponsor	Chris Darling, Board Secretary
Prepared By	Stephen Chaney, Interim Head of Internal Audit
Presented By	Stephen Chaney, Interim Head of Internal Audit

Purpose of the Report	For Assurance
Recommendation	The Committee is being asked to
RECEIVE the Head of Internal Audit Opinion for ASSURANCE and NOTING .	

WC:
APP:
TOTAL:

1 IMPACT ASSESSMENT

STRATEGIC MISSION	All missions apply
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CORPORATE RISK (ref if appropriate)	N/A
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QUALITY IMPACT ASSESSMENT (ref if appropriate)	N/A
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<u>WELL-BEING OF FUTURE GENERATIONS ACT</u>	A Healthier Wales
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If more than one standard applies, please list below:

<u>DHCW QUALITY STANDARDS</u>	N/A
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If more than one standard applies, please list below:

<u>DUTY OF QUALITY ENABLER</u>	N/A
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<u>DOMAIN OF QUALITY</u>	N/A
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If more than one enabler / domain applies, please list below:

<u>EQUALITY IMPACT ASSESSMENT STATEMENT</u>	Date of submission: N/A
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No, (detail included below as to reasoning)

Outcome: N/A

Statement: N/A

IMPACT ASSESSMENT	
QUALITY AND SAFETY IMPLICATIONS/IMPACT	No, there are no specific quality and safety implications related to the activity outlined in this report.
LEGAL IMPLICATIONS/IMPACT	No, there are no specific legal implications related to the activity outlined in this report.
FINANCIAL IMPLICATION/IMPACT	No, there are no specific financial implications related to the activity outlined in this report
WORKFORCE IMPLICATION/IMPACT	No, there is no direct impact on resources as a result of the activity outlined in this report.

SOCIO ECONOMIC IMPLICATION/IMPACT	No, there are no specific socio-economic implications related to the activity outlined in this report.
RESEARCH AND INNOVATION IMPLICATION/IMPACT	No, there are no specific research and innovation implications relating to the activity outlined within this report.

2 APPROVAL / SCRUTINY ROUTE

Person / Committee / Group who have received or considered this paper prior to this meeting		
PERSON, COMMITTEE OR GROUP	DATE	OUTCOME
N/A		

Acronyms			
DHCW	Digital Health and Care Wales	SHA	Special Health Authority

3 SITUATION / BACKGROUND

- 3.1 The Head of Internal Audit Opinion is delivered based on the programme of internal audit work completed during 2023/24.
- 3.2 The purpose of the [Annual Head of Internal Audit opinion](#) is to contribute to the assurances available to the Chief Executive as Accountable Officer and the Board which underpin the Board's own assessment of the effectiveness of the system of internal control. The approved Internal Audit plan is focused on risk and therefore the Board will need to integrate these results with other sources of assurance when making a rounded assessment of control for the purposes of the Annual Governance Statement.

4 SPECIFIC MATTERS FOR CONSIDERATION BY THIS MEETING (ASSESSMENT)

- 4.1 For 2023/24, REASONABLE assurance has been provided to DHCW, based on the findings from the results of our internal audit work.
- 4.2 This year we completed 13 reviews of which three were substantial, eight were reasonable assurance, one was an advisory review and one a rating was not applicable.
- 4.3 Overall, the Board, through the Audit and Assurance Committee, will need to consider the Head of Internal Audit opinion together with assurances from other sources including reports issued by other review bodies, assurances given by management and other relevant information when forming a rounded picture on governance, risk management and control for completing its Governance Statement.

5 KEY RISKS / MATTERS FOR ESCALATION TO BOARD / COMMITTEE

- 5.1 Any matters for escalation to the Board (other relevant committees) to be determined by the Committee following the consideration of the Head of Internal Audit Opinion.

6 RECOMMENDATION

Recommendation	The Committee is being asked to
	RECEIVE the Head of Internal Audit Opinion for ASSURANCE and NOTING .

Audit and Assurance Committee Update – Digital Health and Care Wales

Date issued: July 2024

Document reference: 4016A2024

This document has been prepared for the internal use of Digital Health and Care Wales as part of work performed / to be performed in accordance with statutory functions.

The Auditor General has a wide range of audit and related functions, including auditing the accounts of Welsh NHS bodies, and reporting on the economy, efficiency, and effectiveness with which those organisations have used their resources. 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.

Audit Wales is the non-statutory collective name for the Auditor General for Wales and the Wales Audit Office, which are separate legal entities each with their own legal functions as described above. Audit Wales is not a legal entity and itself does not have any functions.

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About this document

- 1 This document provides the Audit and Assurance Committee with an update on our current and planned accounts and performance audit work at Digital Health and Care Wales.
- 2 We also provide additional information on:
 - Other relevant examinations and studies published by the Audit General.
 - Relevant corporate documents published by Audit Wales (e.g. fee schemes, annual plans, annual reports), as well as details of any consultations underway.
- 3 Details of future and past Good Practice Exchange (GPX) events are also available on our [website](#).

Accounts audit update

4 Exhibit 1 summarises the status of our current and planned accounts audit work.

Exhibit 1 – Accounts audit work

Area of work	Executive Lead	Focus of the work	Current status	Planned date for consideration
Audit of 2023-24 financial statements	Claire Osmundsen-Little – Executive Director of Finance	Audit of the draft financial statements submitted to Welsh Government on 3 May 2024	Complete	Audit Report (ISA260) being considered at this committee meeting

Performance audit update

5 Exhibit 2 summarises the status of our current and planned performance audit work.

Exhibit 2 – Performance audit work

Area of work	Executive Lead	Focus of the work	Current status	Planned date for consideration
Structured Assessment 2023 – Deep Dive – Cost Savings	Executive Director of Finance	This work will examine the approach DHCW is taking in respect of achieving cost improvements, efficiencies, and financial sustainability.	Fieldwork underway	October 2024
Structured Assessment 2024 - Core	Chief Executive Officer	Our structured assessment work is designed to examine the existence of proper arrangements for the efficient, effective, and economical use of resources. Our 2024 Structured Assessment work reviewed: <ul style="list-style-type: none"> Board and committee effectiveness, cohesion, and transparency; 	Fieldwork underway	October 2024

Area of work	Executive Lead	Focus of the work	Current status	Planned date for consideration
		<ul style="list-style-type: none"> • Corporate systems of assurance; • Corporate planning arrangements; and • Corporate financial planning, management, and performance arrangements. 		
Structured Assessment 2024 – Deep Dive – Digital	Chief Executive Officer	This work will examine DHCW's role in designing, developing, and delivering digital services for the NHS in Wales.	Scoping	To be confirmed
Local project work – Review of stakeholder engagement arrangements	To be confirmed	This work will assess the effectiveness of DHCW's stakeholder engagement arrangements and the extent to which they are supporting the organisation to be seen as a trusted digital partner within the NHS in Wales.	Scoping	To be confirmed

Other relevant publications

- 6 **Exhibit 3** provides information on other relevant examinations and studies published by the Auditor General in the last six months. The links to the reports on our website are provided. The reports highlighted in **bold** have been published since the last committee update.

Exhibit 3 – Relevant examinations and studies published by the Auditor General

Title	Publication Date
<u>Community Pharmacy Data Matching Pilot</u>	May 2024
<u>Supporting Ukrainians in Wales</u>	March 2024
<u>From Firefighting to Future-proofing – the Challenge for Welsh Public Services</u>	February 2024
<u>Board effectiveness follow-up – Betsi Cadwaladr University Health Board</u>	February 2024

Additional information

- 7 **Exhibit 4** provides information on corporate documents published by Audit Wales since the last committee update. Links to the documents on our website are provided.
- 8 There are no relevant Audit Wales consultations currently underway.

Exhibit 4 – Audit Wales corporate documents

Title	Publication Date
<u>Annual Plan 2024-25</u>	April 2024



Audit Wales

Tel: 029 2032 0500

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Website: www.audit.wales

We welcome correspondence and telephone calls in Welsh and English.
Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.

DIGITAL HEALTH AND CARE WALES

AUDIT ACTION LOG

Agenda Item	4.5
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Name of Meeting	Audit and Assurance Committee
Date of Meeting	9 July 2024

Public or Private	Public
IF PRIVATE: please indicate reason	N/A

Executive Sponsor	Chris Darling, Board Secretary
Prepared By	Laura Tolley, Head of Corporate Governance
Presented By	Laura Tolley, Head of Corporate Governance

Purpose of the Report	For Noting
Recommendation	The Committee is being asked to
NOTE the Audit Action Log and APPROVE the request for an Audit Action extension outlined in section 4.5 and 4.6 of the report.	

1 IMPACT ASSESSMENT

STRATEGIC MISSION	All missions apply
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CORPORATE RISK (ref if appropriate)	
QUALITY IMPACT ASSESSMENT (ref if appropriate)	

WELL-BEING OF FUTURE GENERATIONS ACT	A Resilient Wales
If more than one standard applies, please list below:	

DHCW QUALITY STANDARDS	ISO 9001
If more than one standard applies, please list below:	

DUTY OF QUALITY ENABLER	Information
DOMAIN OF QUALITY	Effective
If more than one enabler / domain applies, please list below:	

EQUALITY IMPACT ASSESSMENT STATEMENT	Date of submission: N/A
No, (detail included below as to reasoning)	Outcome: N/A
Statement: N/A	

IMPACT ASSESSMENT	
QUALITY AND SAFETY IMPLICATIONS/IMPACT	Yes, please see detail below Audit findings contribute towards the improvement of processes and procedures leading to better quality services.
LEGAL IMPLICATIONS/IMPACT	No, there are no specific legal implications related to the activity outlined in this report.
FINANCIAL IMPLICATION/IMPACT	No, there are no specific financial implications related to the activity outlined in this report
WORKFORCE IMPLICATION/IMPACT	No, there is no direct impact on resources as a result of the activity outlined in this report.

SOCIO ECONOMIC IMPLICATION/IMPACT	No, there are no specific socio-economic implications related to the activity outlined in this report.
RESEARCH AND INNOVATION IMPLICATION/IMPACT	No, there are no specific research and innovation implications relating to the activity outlined within this report.

2 APPROVAL / SCRUTINY ROUTE

Person / Committee / Group who have received or considered this paper prior to this meeting		
PERSON, COMMITTEE OR GROUP	DATE	OUTCOME
Chris Darling, Board Secretary	June 2024	Approved

Acronyms			
DHCW	Digital Health and Care Wales	SHA	Special Health Authority

3 SITUATION / BACKGROUND

3.1	<p>This report details the current position with respect to audit recommendations that have been made, including:</p> <ul style="list-style-type: none"> • Recommendations that have been completed during the period; • Recommendations scheduled for completion with a target date; • Recommendations that are overdue; and • Recommendations that are anticipated not to meet target dates.
3.2	<p>The audit recommendation analysis outlines progress being made and illustrates the ongoing movement and change of status.</p>

4 SPECIFIC MATTERS FOR CONSIDERATION BY THIS MEETING (ASSESSMENT)

- 4.1 The [Audit Action Log](#) shows the current reported status against recommendations received and the analysis shows all recommendations giving the current status of each recommendation which remained open at the last Committee meeting, and also those presented in report form to the Committee since the last meeting.
- 4.2 Following advice from Internal Audit, the one action dependent on a third party is being managed via a separate log for tracking.
- 4.3 The Committee received 3 reports at the last meeting (listed below) which contained a total of 8 new actions. These have been added to the Audit Action Log, which now contains a total of 29 actions.
- Programme Management
 - Digital Eyecare Programme
 - Private Status **
- 4.4 The status of the 29 open actions is shown below:

Number	RAG	Status
10	GREEN	Complete
17	YELLOW	Indicates that the action is on target for completion by the agreed date
1	AMBER	Indicates that the action is not on target for completion by the agreed date
1	RED	Indicates that the implementation date has passed and management action is not complete

4.4 The Committee are requested to note the completion of the following 10 actions:

Area	Actions
Board Assurance Framework x 2	DHCW-2324-03 Rec - 1 DHCW-2324-03 Rec - 2
Structured Assessment x 1	DHCW R2
Review of the General Medical Services (GMS) Digital Programme Board x 3	3800A2023 Rec - R1 3800A2023 Rec - R2 3800A2023 Rec -R3
Benefits Realisation x 2	DHCW2324-07 Rec 1.1 DHCW2324-07 Rec 2.1
Programme Management x 2	DHCW-2324-08 DSPP Rec 2.1 DHCW-2324-08 DSPP Rec 4.1

4.5 There is one action overdue with a **RED** status allocated during the period.

Area	Actions	Extension Date Requested
Private Status** x 1	DHCW-2223-11 3.1 Rec - 3.1	01/08/2024

4.6 There is one action marked **AMBER** status allocated during the period.

Area	Actions	Extension Date Requested
Private Status x 1	DHCW-2223-11 3.1 Rec - 3.1	13/10/2026

A paper outlining the position will be discussed with an extension date requested of 13/10/2026 at the private Committee meeting.

4.7 The remaining 17 actions are reported as on track for completion by the target date.

5 KEY RISKS / MATTERS FOR ESCALATION TO BOARD / COMMITTEE

- 5.1 Due to their technical nature, 6 actions have been classified as private and have sensitive details redacted. These will be discussed in detail in the private Committee meeting.
- 5.2 Progress has been made over the period with a total of 10 actions completed. Progress against remaining actions will continue to be monitored by the Corporate Governance team in conjunction with Leads on a regular basis.

6 RECOMMENDATION

Recommendation	The Committee is being asked to
<p>NOTE the Audit Action Log and APPROVE the request for an Audit Action extension outlined in section 4.5 and 4.6 of the report.</p>	



DIGITAL HEALTH AND CARE WALES COUNTER FRAUD PROGRESS REPORT

Agenda Item	4.6
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Name of Meeting	Audit and Assurance Committee
Date of Meeting	9 July 2024

Public or Private	Public
IF PRIVATE: please indicate reason	N/A

Executive Sponsor	Claire Osmundsen-Little, Executive Director of Finance
Prepared By	Gareth Lavington, Counter Fraud Manager
Presented By	Gareth Lavington, Counter Fraud Manager

Purpose of the Report	For Noting
Recommendation	The Committee is being asked to
NOTE the contents of the report that relate to the Counter Fraud work carried out in Quarter 1 of the financial year 2024/25	

1 IMPACT ASSESSMENT

STRATEGIC MISSION	All missions apply
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CORPORATE RISK (ref if appropriate)	N/A
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QUALITY IMPACT ASSESSMENT (ref if appropriate)	
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<u>WELL-BEING OF FUTURE GENERATIONS ACT</u>	A Resilient Wales
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If more than one standard applies, please list below:

<u>DHCW QUALITY STANDARDS</u>	N/A
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If more than one standard applies, please list below:

<u>DUTY OF QUALITY ENABLER</u>	N/A
--------------------------------	-----

<u>DOMAIN OF QUALITY</u>	N/A
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If more than one enabler / domain applies, please list below:

<u>EQUALITY IMPACT ASSESSMENT STATEMENT</u>	Date of submission: N/A
---	-------------------------

No, (detail included below as to reasoning)	Outcome: N/A
---	--------------

Statement: N/A

IMPACT ASSESSMENT	
QUALITY AND SAFETY IMPLICATIONS/IMPACT	No, there are no specific quality and safety implications related to the activity outlined in this report.
LEGAL IMPLICATIONS/IMPACT	No, there are no specific legal implications related to the activity outlined in this report.
FINANCIAL IMPLICATION/IMPACT	No, there are no specific financial implications related to the activity outlined in this report
WORKFORCE IMPLICATION/IMPACT	No, there is no direct impact on resources as a result of the activity outlined in this report.

SOCIO ECONOMIC IMPLICATION/IMPACT	No, there are no specific socio-economic implications related to the activity outlined in this report.
RESEARCH AND INNOVATION IMPLICATION/IMPACT	No, there are no specific research and innovation implications relating to the activity outlined within this report.

2 APPROVAL / SCRUTINY ROUTE

Person / Committee / Group who have received or considered this paper prior to this meeting		
PERSON, COMMITTEE OR GROUP	DATE	OUTCOME
Claire Osmundsen Little	June 2024	Approved

Acronyms			
DHCW	Digital Health and Care Wales	SHA	Special Health Authority

3 SITUATION / BACKGROUND

3.1 Quarterly reports are required to appraise the Audit and Assurance Committee and provide assurance that the organisation has a robust Counter Fraud Bribery and Corruption provision.

4 SPECIFIC MATTERS FOR CONSIDERATION BY THIS MEETING (ASSESSMENT)

4.1 The progress made in the [Counter Fraud Provision for DHCW during Quarter 1](#) of the 2024/25 financial period.

5 KEY RISKS / MATTERS FOR ESCALATION TO BOARD / COMMITTEE

5.1 There are no key risks/matters for escalation to the Board / Committee.

6 RECOMMENDATION

Recommendation	The Committee is being asked to
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NOTE the contents of the report that relate to the Counter Fraud work carried out.

DIGITAL HEALTH AND CARE WALES 2023-24 DHCW ANNUAL ACCOUNTS

Agenda Item	5.1
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Name of Meeting	Audit and Assurance Committee
Date of Meeting	9 July 2024

Public or Private	Public
IF PRIVATE: please indicate reason	N/A

Executive Sponsor	Claire Osmundsen-Little, Executive Director of Finance and Business Assurance
Prepared By	Sian Williams Head of Financial Services and Reporting
Presented By	Mark Cox, Associate Director of Finance/ Sian Williams Head of Financial Services and Reporting

Purpose of the Report	For Approval
Recommendation	The Committee is being asked to
The Audit and Assurance Committee is being asked to APPROVE the Annual Accounts for DHCW for 2023-24 and APPROVE the Letter of Representation for DHCW to be signed by the Chief Executive and Chair. Note Audit Wales recommendations and actions.	

WC:
APP:
TOTAL:

Tŷ GLAN-YR-AFON 21 Heol Ddwyreiniol Y Bont-Faen, Caerdydd CF11 9AD

Tŷ GLAN-YR-AFON 21 Cowbridge Road East, Cardiff CF11 9AD

1 IMPACT ASSESSMENT

STRATEGIC MISSION	All missions apply
--------------------------	--------------------

CORPORATE RISK (ref if appropriate)	
QUALITY IMPACT ASSESSMENT (ref if appropriate)	N/A

<u>WELL-BEING OF FUTURE GENERATIONS ACT</u>	A Healthier Wales
If more than one standard applies, please list below:	

<u>DHCW QUALITY STANDARDS</u>	N/A
If more than one standard applies, please list below:	

<u>DUTY OF QUALITY ENABLER</u>	N/A
<u>DOMAIN OF QUALITY</u>	N/A
If more than one enabler / domain applies, please list below:	

<u>EQUALITY IMPACT ASSESSMENT STATEMENT</u>	Date of submission:
Choose an item.	Outcome:
Statement:	

IMPACT ASSESSMENT	
QUALITY AND SAFETY IMPLICATIONS/IMPACT	No, there are no specific quality and safety implications related to the activity outlined in this report.
LEGAL IMPLICATIONS/IMPACT	No, there are no specific legal implications related to the activity outlined in this report.
FINANCIAL IMPLICATION/IMPACT	No, there are no specific financial implications related to the activity outlined in this report
WORKFORCE IMPLICATION/IMPACT	No, there is no direct impact on resources as a result of the activity outlined in this report.

SOCIO ECONOMIC IMPLICATION/IMPACT	No, there are no specific socio-economic implications related to the activity outlined in this report.
RESEARCH AND INNOVATION IMPLICATION/IMPACT	No, there are no specific research and innovation implications relating to the activity outlined within this report.

2 APPROVAL / SCRUTINY ROUTE

Person / Committee / Group who have received or considered this paper prior to this meeting		
PERSON, COMMITTEE OR GROUP	DATE	OUTCOME
Claire Osmundsen Little	03/07/24	Approved

Acronyms			
DHCW	Digital Health and Care Wales	SHA	Special Health Authority
ISA	International Standard on Auditing		
SoCNE	Statement of Comprehensive Net Expenditure		

3 SITUATION / BACKGROUND

- 3.1 The purpose of the report is to present the Annual Accounts for the financial year ended 31st March 2024 (see the accountability section of the Annual Report 5.2i) and request that these accounts be recommended to the Board for approval.
- 3.2 The draft Annual Accounts for DHCW for 2023-24 were submitted to the Welsh Government and Audit Wales on 3rd May 2024 and circulated to the Audit & Assurance Committee on 9th May 2024 to give an opportunity for any queries to be raised relating to their contents.
- 3.3 The main changes to the draft Accounts are explained within Audit Wales' "Audit of Accounts Report" (a separate report on their findings called an ISA260 inclusive of any forward looking recommendations).
- 3.4 Audit Wales have issued an unqualified audit opinion on this year's accounts pending provision of a signed Letter of Representation (see 5.1i Appendix A – DHCW SHA 2023-24 Letter of Representation).
- 3.5 The final audited accounts for 2023-24 will be submitted to the Welsh Government on 15th July after approval by the SHA Board on 9th July.

4 SPECIFIC MATTERS FOR CONSIDERATION BY THIS MEETING (ASSESSMENT)

4.1 The Annual Accounts consist of 5 key summary statements accompanied by 56 pages of published accounting notes and numerous off submission file notes, source documents and reconciliations.

4.2 Summary Statements comprise of:

- Statement of Comprehensive Net Expenditure - The Statement of Comprehensive Net Expenditure (SoCNE) summarises, on an accruals basis, DHCW's net operating costs.
- Other Comprehensive Net Expenditure - This report is a primary statement showing the expenditure impact of changes to fixed asset valuations, reserve valuations and impairments.
- Statement of Financial Position as at 31 March 2024 - This statement is what is commonly known as the Balance sheet which presents Organisational assets and liabilities.
- Statement of Changes in Taxpayers' Equity - This Statement is now required under IAS 1, interpreted to include figures for net operating cost for the year and net Welsh Government funding for the year.
- Statement of Cash Flows for period ended 31 March 2024 - The cash flows reported relate to movements in cash and cash equivalents (short-term highly liquid investments that are readily converted into known amounts of cash and subject to insignificant risk of changes in value, which is assumed if the instrument's maturity is 90 days or less).

4.3 **Performance against statutory targets:** DHCW was established as a Special Health Authority. The statutory financial duties of Special Health Authorities are set out in section 172 of the National Health Service (Wales) Act 2006.

- **Statutory Financial Duties – First Financial Duty:** Section 172(1) sets out what is referred to as the 'First Financial Duty' -a duty to secure that DHCW expenditure does not exceed the aggregate of the funding allotted to it for a financial year. Under the powers of direction in the National Health Service (Wales) Act section 172(6) WHC/2019/004 clarified that the annual statutory financial duty is set separately for revenue and capital resource allocations. Revenue and Capital resource allocations were issued to DHCW for the period 1 April 2023 to 31 March 2024 and will form the basis of assessment of the First Financial Duty in the first statutory accounts.

DHCW has reported meeting this duty with the accounts presenting a revenue underspend of £0.307m and a capital underspend of £0.019m.



- **Administrative Financial Duties – Second Financial Duty:** The 'Second Financial Duty' for NHS bodies in Wales is the duty to prepare a plan and for that plan to be submitted to and approved by the Welsh Ministers. DHCW must prepare a one-year plan, however, Ministerial approval is not required for this.

Approver: [Claire Osmundsen Little]

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5 KEY RISKS / MATTERS FOR ESCALATION TO BOARD / COMMITTEE

- 5.1 **Misstatements:** Audit Wales concluded that there are no non-trivial uncorrected misstatements in the accounts.
- 5.2 **Changes to Notes:** A number of presentational amendments were made within the accounts, mostly as a result of the new “Computer software licences and maintenance contracts (DHCW only)” heading in Note 3.3 Other Operating Expenditure. classification heading. The recommendations from Audit Wales were all actioned (with nil financial impact).
- 5.3 **Amendment with a Financial Impact:** An amendment was agreed to be made to the DHCW reported financial performance as follows within note 3.1: General Medical Services provided in 2023-24 to correctly reflect the value and classification of an accrued purchase credit note, which resulted in expenditure within Note 3.1 being misstated by £0.014m and corrections required in five other notes (see ISA260 for details). This item has been amended within the financial performance and resulted in the draft position moving from £0.293m underspend to £0.307m underspend with no impact upon our statutory targets.
- 5.4 **Audit process improvement:** DHCW would like to note that the Audit process has been more efficient and effective in 2023-24. DHCW would like to thank Audit Wales on implementing our joint improvement actions and DHCW will continue to work in partnership with Audit Wales to identify and action further areas of improvement for 2024/25.



6 RECOMMENDATION

Recommendation	The Committee is being asked to
The Audit and Assurance Committee is being asked to APPROVE the Annual Accounts for DHCW for 2023-24 and APPROVE the Letter of Representation for DHCW to be signed by the Chief Executive and Chair. Note Audit Wales recommendations and actions.	

Letter of representation

Auditor General for Wales
Audit Wales
1 Capital Quarter
Tyndall Street
Cardiff
CF10 4BZ

9 July 2024

Representations regarding the 2023-24 financial statements

This letter is provided in connection with your audit of the financial statements (including that part of the Remuneration Report that is subject to audit) of Digital Health and Care Wales for the year ended 31 March 2024 for the purpose of expressing an opinion on their truth and fairness, their proper preparation and the regularity of income and expenditure.

We confirm that to the best of our knowledge and belief, having made enquiries as we consider sufficient, we can make the following representations to you.

Management representations

Responsibilities

As Chief Executive and Accountable Officer I have fulfilled my responsibility for:

- preparing the financial statements in accordance with legislative requirements and the Treasury's Financial Reporting Manual. In preparing the financial statements, I am required to:
 - observe the accounts directions issued by Welsh Ministers, including the relevant accounting and disclosure requirements and apply appropriate accounting policies on a consistent basis;
 - make judgements and estimates on a reasonable basis;
 - state whether applicable accounting standards have been followed and disclosed and explain any material departures from them; and
 - prepare them on a going concern basis on the presumption that the services of Digital Health and Care Wales will continue in operation;
- ensuring the regularity of any expenditure and other transactions incurred; and
- the design, implementation and maintenance of internal control to prevent and detect error.

Information provided

We have provided you with:

- full access to:
 - all information of which we are aware that is relevant to the preparation of the financial statements such as books of account and supporting documentation, minutes of meetings and other matters;
 - additional information that you have requested from us for the purpose of the audit; and

- unrestricted access to staff from whom you determined it necessary to obtain audit evidence.
- the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- our knowledge of fraud or suspected fraud that we are aware of and that affects Digital health and Care Wales and involves:
 - management;
 - employees who have significant roles in internal control; or
 - others where the fraud could have a material effect on the financial statements.
- our knowledge of any allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, regulators or others.
- our knowledge of all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.
- the identity of all related parties and all the related party relationships and transactions of which we are aware.
- our knowledge of all possible and actual instances of irregular transactions.

Financial statement representations

All transactions, assets and liabilities have been recorded in the accounting records and are reflected in the financial statements.

The methods, the data and the significant assumptions used in making accounting estimates, and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.

Related party relationships and transactions have been appropriately accounted for and disclosed.

All events occurring subsequent to the reporting date which require adjustment or disclosure have been adjusted for or disclosed.

All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to the auditor and accounted for and disclosed in accordance with the applicable financial reporting framework.

The financial statements are free of material misstatements, including omissions. There are no non-trivial misstatements within the accounts which remain uncorrected.

Representations by the Board

We acknowledge that the representations made by management, above, have been discussed with us.

We acknowledge our responsibility for the preparation of true and fair financial statements in accordance with the applicable financial reporting framework. The financial statements were approved by the Board on 9 July 2024.

We confirm that we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that it has been communicated to you. We confirm that, as far as we are aware, there is no relevant audit information of which you are unaware.

Signed by: Helen Thomas

Chief Executive

Date: 9 July 2024

Signed by: Simon Jones

Chair

Date: 9 July 2024



DIGITAL HEALTH AND CARE WALES ANNUAL REPORT 2023-24

Agenda Item	5.2
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Name of Meeting	Audit and Assurance Committee
Date of Meeting	9 July 2024

Public or Private	Public
IF PRIVATE: please indicate reason	N/A

Executive Sponsor	Chris Darling, Board Secretary
Prepared By	Laura Tolley, Head of Corporate Governance
Presented By	Chris Darling, Board Secretary

Purpose of the Report	For Endorsement
Recommendation	The Committee is being asked to
NOTE and ENDORSE the final version of the 2023/24 Annual Report to recommend it is approved by the Board prior to submission to the Welsh Government as part of the required annual reporting for 2023/24.	

WC:
APP:
TOTAL:

1 IMPACT ASSESSMENT

STRATEGIC MISSION	All missions apply
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CORPORATE RISK (ref if appropriate)	
QUALITY IMPACT ASSESSMENT (ref if appropriate)	

<u>WELL-BEING OF FUTURE GENERATIONS ACT</u>	A Healthier Wales
If more than one standard applies, please list below:	

<u>DHCW QUALITY STANDARDS</u>	ISO 20000
If more than one standard applies, please list below:	

<u>DUTY OF QUALITY ENABLER</u>	Information
<u>DOMAIN OF QUALITY</u>	Effective
If more than one enabler / domain applies, please list below:	

<u>EQUALITY IMPACT ASSESSMENT STATEMENT</u>	Date of submission: N/A
No, (detail included below as to reasoning)	Outcome: N/A
Statement: N/A	

IMPACT ASSESSMENT	
QUALITY AND SAFETY IMPLICATIONS/IMPACT	Yes, please see detail below Evidence suggests there is correlation between governance behaviours in an organisation and the level of performance achieved at that same organisation. Therefore, ensuring good governance within the Special Health Authority supports quality and safety.
LEGAL IMPLICATIONS/IMPACT	No, there are no specific legal implications related to the activity outlined in this report.
FINANCIAL IMPLICATION/IMPACT	No, there are no specific financial implications related to the activity outlined in this report

WORKFORCE IMPLICATION/IMPACT	No, there is no direct impact on resources as a result of the activity outlined in this report.
SOCIO ECONOMIC IMPLICATION/IMPACT	Yes, please detail below The Annual Report should highlight any areas of improvement in relation to socio economic duty
RESEARCH AND INNOVATION IMPLICATION/IMPACT	No, there are no specific research and innovation implications relating to the activity outlined within this report.

2 APPROVAL / SCRUTINY ROUTE

Person / Committee / Group who have received or considered this paper prior to this meeting		
PERSON, COMMITTEE OR GROUP	DATE	OUTCOME
Weekly Executive Directors	3 July 2024	
Chris Darling, Board Secretary	June 2024	Approved

Acronyms			
DHCW	Digital Health and Care Wales	SHA	Special Health Authority
MfA	Manual for Accounts	NHS	National Health Service
AGM	Annual General Meeting		

3 SITUATION / BACKGROUND

- 3.1 The SHA is required to submit its Annual Report 2023-24, including its Accountability Report to Welsh Government following the commencement of the new financial year, after which the documents are to be received at its Annual General Meeting.
- 3.2 The Manual for Accounts sets out that all NHS organisations are required to publish as a single unified document, a three-part Annual Report and Accounts which includes:
- The Performance Report
 - The Accountability Report
 - The Financial Statements
- 3.3 The Performance Report provides information on the entity, its main objectives and strategies and the principal risks its faces. The performance report must provide a fair, balanced and understandable analysis of the entity's performance, in line with the overarching requirement for the annual report and accounts to be fair, balanced and understandable.
- The Performance Report provides information was a collaborative effort developed by staff across the organisation and will form the basis for the information shared at the Annual General Meeting and provide an overview of DHCW performance to our wider stakeholders.
- 3.4 The Accountability Report is designed to meet the key requirements to Welsh Government and comprises of the following elements:
- Corporate Governance Report
 - Remuneration and Staff Report
 - A National Assembly for Wales Accountability and Audit Report
- 3.5 Feedback from Welsh Government, Audit Wales and Internal Audit on the draft Annual Report and Accounts 2023-24 has been received and all comments and feedback addressed in the final Annual Report 2023-24.
- 3.6 The Audit & Assurance Committee has a key role in reviewing the Annual Report, Annual Accounts and key financial statements and the ISA 260 report from Audit Wales.
- 3.7 In reviewing the Annual Report, financial statements and associated documentation, the Audit & Assurance Committee has considered the work carried out throughout the year by internal audit and counter fraud. The Annual Report including the Annual Accounts was received by the Audit & Assurance Committee on the 9 July and feedback from this meeting will be provided to the SHA Board.

4 SPECIFIC MATTERS FOR CONSIDERATION BY THIS MEETING (ASSESSMENT)

4.1 Annual Report 2023-24 Format

As per Chapter 3 guidance issued by Welsh Government, the Annual Report has been produced as a single unified document in PDF. However, to allow for greater accessibility and as a digital organisation, DHCW have also produced the Annual Report in HTML format, once the Annual Report has been laid at the Senedd, this will be published and promoted.

4.2 Annual General Meeting – 25 July 2024

The Annual General meeting is planned for Thursday 25 July 2024. The information from the Annual Report will be shared public, giving and opportunity for reflection, celebration and identification of key learning points for the future.

The Annual General meeting will be held virtually and advertised via our social channels. It's important to provide the public with the opportunity to ask questions about our performance and financial position, which will be collated ahead of the meeting and time allocated within the meeting to address these in full.

5 KEY RISKS / MATTERS FOR ESCALATION TO BOARD / COMMITTEE

5.1 There are no key risks / matters for escalation to Board / Committee.

6 RECOMMENDATION

Recommendation
<p>The Committee is being asked to NOTE and ENDORSE the final version of the 2023/24 Annual Report to recommend it is approved by the Board prior to submission to the Welsh Government as part of the required annual reporting for 2023/24.</p>



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NHS
WALES

Iechyd a Gofal
Digidol Cymru
Digital Health
and Care Wales

DIGITAL HEALTH AND CARE WALES

ANNUAL REPORT 2023 - 2024

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FOREWORD

THE PERFORMANCE REPORT

PERFORMANCE OVERVIEW

OUR ORGANISATION

DELIVERY AND PERFORMANCE ANALYSIS

MISSION 1: PROVIDE A PLATFORM FOR ENABLING DIGITAL TRANSFORMATION

MISSION 2: DELIVER HIGH QUALITY DIGITAL PRODUCTS AND SERVICES

MISSION 3: EXPAND THE DIGITAL AND CARE RECORD AND THE USE OF DIGITAL TO IMPROVE HEALTH AND CARE

MISSION 4: DRIVE BETTER VALUE AND OUTCOMES THROUGH INNOVATION

MISSION 5: BE THE TRUSTED STRATEGIC PARTNER AND A HIGH QUALITY, INCLUSIVE AND AMBITIOUS ORGANISATION

THE ACCOUNTABILITY REPORT AND ACCOUNTS

ANNUAL GOVERNANCE STATEMENT

DIRECTOR'S REPORT FOR THE PERIOD ENDED 31 MARCH 2024

ANNUAL GOVERNANCE STATEMENT: ACCOUNTABLE OFFICER OF THE SPECIAL HEALTH AUTHORITY.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

REMUNERATION AND STAFF REPORT

SENEDD CYMRU/WELSH PARLIAMENTARY ACCOUNTABILITY & AUDIT REPORT FOR THE YEAR ENDED 31 MARCH 2024

AUDIT CERTIFICATE AND THE AUDIT GENERAL FOR WALES REPORT

REPORT OF THE AUDITOR GENERAL TO THE SENEDD

APPENDIX 1: BOARD AND COMMITTEE MEMBERSHIP AND ATTENDANCE 1 APRIL 2023 TO 31 MARCH 2024

APPENDIX 2: LEAD OFFICERS

APPENDIX 3: SCHEDULE OF BOARD, COMMITTEE AND ADVISORY GROUP MEETINGS 1 APRIL 2023 TO 31 MARCH 2024

APPENDIX 4 : MINISTERIAL DIRECTIONS

FOREWORD

As we complete our third successful year as a Special Health Authority, Digital Health and Care Wales (DHCW) continues to grow and develop its digital leadership role.

Despite significant pressures across NHS Wales for both staff and patients, our committed workforce of more than 1,200 people have worked together to deliver some of the UK's biggest digital and data healthcare projects, while supporting more than 100 high quality and secure health and care services for our partners.

We continue to listen to our staff, stakeholders and partners to evolve the way that we operate and provide the digital solutions our users need. We have made significant progress in developing strategic partnerships within NHS Wales and key commercial organisations, while empowering and supporting our staff.

In March, we published our long-term strategy, outlining our transformational role in the delivery of health and care services over the next six years. The strategy builds on the five missions in our three year Integrated Medium-Term Plan (IMTP) and presents a bold, ambitious view of where we need to get to. Our updated purpose 'To make digital a force for good in health and care', underlines the value and benefits our work will deliver to healthcare professionals, patients and the public.

The NHS Wales App, now deployed to all 373 GP practices in Wales, achieved over 170,000 user downloads by March 2024. As we continue to develop its features, the App will be pivotal in transforming health and care delivery in Wales. The App will empower people to take a more active role in managing their own health and wellbeing, with features such as appointment scheduling, test result access, ordering repeat prescriptions and choosing the pharmacy they want their prescriptions to be sent to.

In November, the Electronic Prescription Service (EPS) delivered the first electronic transfer of a prescription between a GP practice and community pharmacy in Wales. Delivery of this service is set to accelerate in 2024/25 and the EPS will make the process of prescribing and dispensing medicines easier, safer and more efficient for patients and healthcare patients.

Progress has been made this year in enhancing cancer care through the Welsh Clinical Portal (WCP), which shares, delivers and displays patient information from multiple sources with a single log-on across health board boundaries. WCP has also improved the information quality and speed of delivering radiology and cardiology requests.



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WALES

Iechyd a Gofal
Digidol Cymru
Digital Health
and Care Wales

The Welsh Nursing Care Record (WNCR), now in its fourth year, is transforming the way nurses record, store and access patient information by replacing adult inpatient nursing notes with a secure digital system. The WNCR is now available in 85% of adult inpatient wards with nearly 13 million inpatient nursing notes captured.

Over 12,000 users in primary care have benefited from an expanding range of digital tools, including Choose Pharmacy which supports community pharmacies in providing patient services, freeing up GP appointments for people with more complex needs.

We supported 14,000 vaccinators across NHS Wales to deliver the 10 millionth COVID vaccination and developed a new Primary Care Strategy to support the delivery of digital transformation across primary care services in Wales.

We have made significant strides in advancing the key platforms and infrastructure that are essential for modern healthcare delivery. Completing the build of the Google Cloud Platform has laid the groundwork for further development of the National Data Resource. We have migrated one of our Data Centres to a new location, supporting our Decarbonisation Strategic Plan, providing the next step to our cloud-first approach and ensuring stable and resilient systems.

We are proud of the early progress we are making in our approach to user-centred design, working collaboratively with partners to develop services to best meet their needs, and being awarded Digital Inclusion Charter Accreditation by Digital Communities Wales, which recognised our approach as 'exemplary'.

DHCW aims to be a great place to work and substantial progress has been made in leadership and talent development, recruitment pipelines, equality and diversity, and strategic workforce planning. We are proud that our staff feel positive about working for DHCW, with this year's staff survey telling us that 80% of staff rate DHCW as an 'excellent/very good place to work,' and 88% feel motivated to work for DHCW.

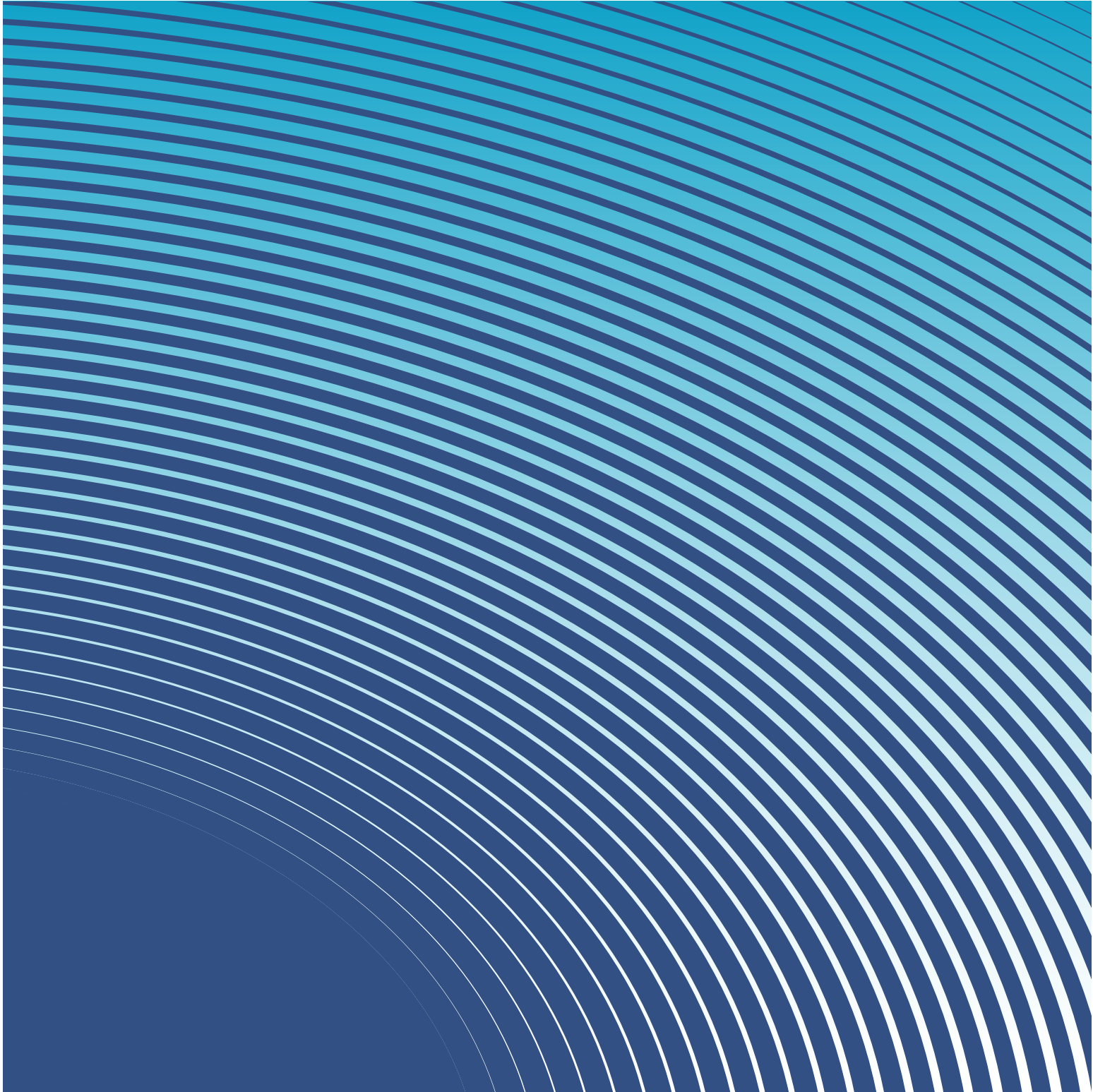
This is just a snapshot of the last 12 months, with more details of our successes and challenges within this report.

We look forward to continuing our progress in the coming year, collaborating closely with stakeholders and partners to make digital a force for good in health and care.



Simon Jones - Chair
and **Helen Thomas** -
Chief Executive Officer
& Accountable Officer





THE PERFORMANCE REPORT

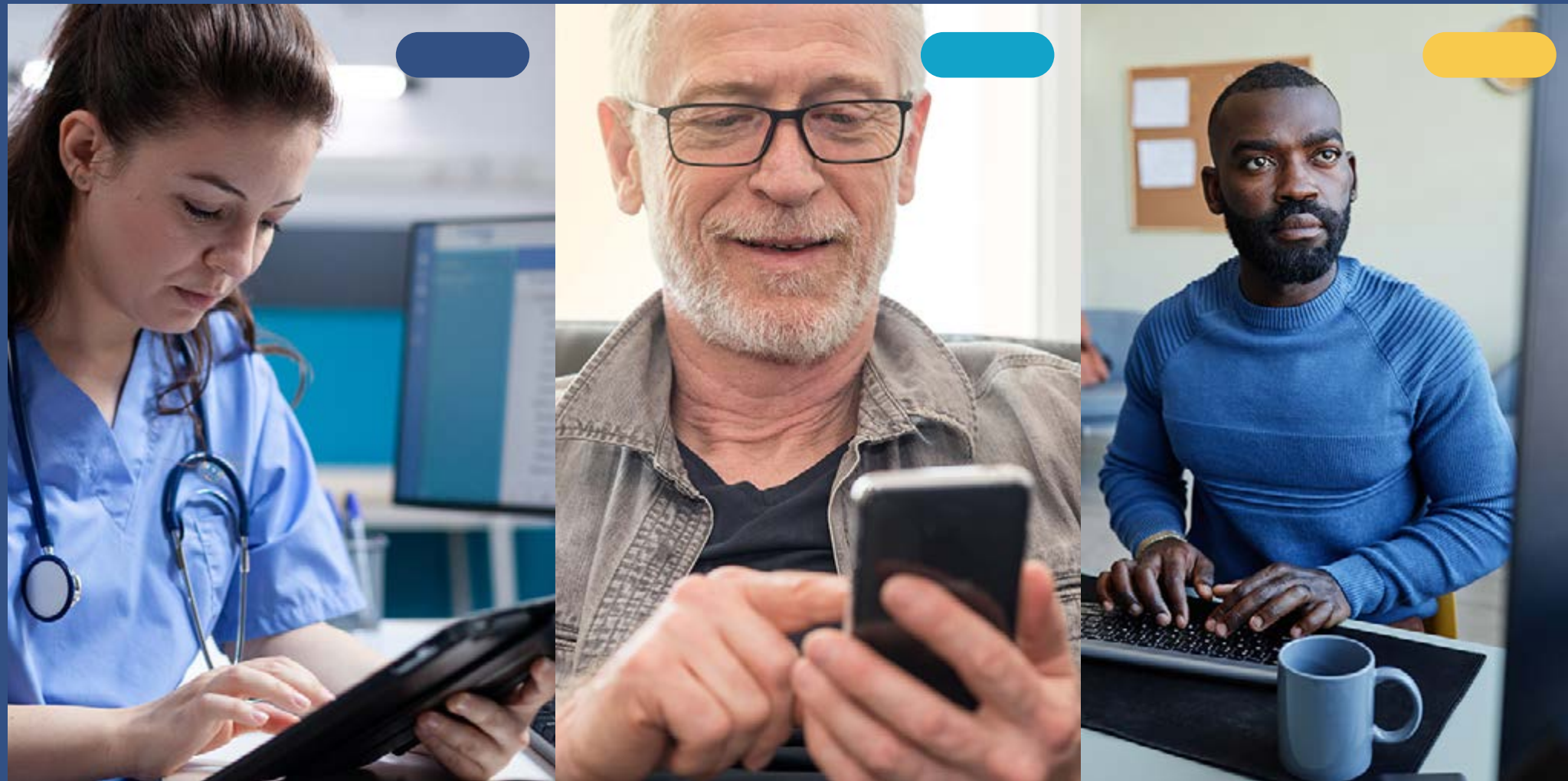
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PERFORMANCE OVERVIEW

PURPOSE OF REPORT

The performance report provides a summary of our key achievements, performance and challenges. It details how we have performed against our plans and Welsh Government targets. It also describes how we have maintained a focus on quality.





OUR VISION

To provide world leading digital services, empowering people to live healthier lives.

OUR PURPOSE

To make digital a force for good in health and care.

WHO WE ARE AND WHAT WE DO

Digital Health and Care Wales is a Special Health Authority with a unique role in providing national digital, data and technology services to support health and care delivery in Wales. Established under statute on April 1st 2021, we are primarily funded by Welsh Government and work closely and in partnership with health boards and trusts, primary care, social care, life sciences, industry and academia.

Our digital applications enable health and care staff to record and access the information they need in the right place, at the right time, to support informed decision making. We operate two national data centres, and manage major national digital infrastructure, including cyber security.

Our work supports the research, innovation and transformation of health and social care services to achieve better health and wellbeing outcomes for people in Wales.

We deliver national digital transformation programmes including the National Data Resource, Digital Medicines, two diagnostics change programmes, new digital systems for intensive care and maternity, national primary care, community and mental health, Choose Pharmacy and vaccines. We are working to provide better digital access to the public through the NHS Wales app to allow people to manage their own health and wellbeing more effectively.

We put people at the heart of what we do, working with partners to deliver digital and data services for health and care in Wales. We value our staff and work to make DHCW a supportive and fulfilling place to work. DHCW was recognised as the best place to work for IT professionals in the UK by the British Computer Society (BCS) in 2020 and again in 2022.

OUR ORGANISATION

As a key member of the NHS Wales family, we develop and deliver the digital systems and services which support healthcare professionals to deliver safe and effective care.

Our impact is evident through the more than 100 operational services used daily by our partners.

We are structured into seven directorates:

- Digital Strategy
- Operational Services
- Clinical
- Primary, Community and Mental Health Digital Services
- People and Organisational Development
- Finance and Business Assurance
- Corporate Governance and Communications

More than half of our people are technical, including software engineers, data analysts and digital architects. Our hybrid operating model means our staff benefit from a blend of collaborative working at one of our offices, and remote working from home.

DHCW achieved success in the Corporate Health Standard – Gold level – Enhanced Status Check in May 2023. The award is given to employers who demonstrate excellence in health and wellbeing in the workplace.

The assessors commented: “It was very clear that the ethos and culture of wellbeing at DHCW is exemplary, progressive and comprehensive, having evolved to become fully strategic in approach. It is clear that wellbeing is at the core of the way DHCW operates.”



Watch a showcase of our work
[DHCW – A showcase of our work](#)
[IGDC – Arddangosiad o'n gwaith](#)



A SYNOPSIS OF THE PERFORMANCE ANALYSIS

With three successful years of operating as a Special Health Authority (SHA), DHCW continues to grow and develop its digital leadership role.

With a workforce that has grown from an average whole time equivalent (WTE) of 1,030 to 1,177 in 2023/24 and total funding (revenue and capital) of £186.0m, we offer over 100 resilient digital services, technologies, and information.

This year we published our [long-term strategy](#) and several underpinning strategies including:

- [Primary Care Strategy 2024-27](#)
- [Information Governance Strategy 2023-26](#)
- [Clinical Informatics and Business Change Strategy 2023-26](#)
- [Information and Analytics Strategy 2023-26](#)
- [Communications Strategy 2023-26](#)
- [Engagement Strategy 2023-26](#)

During the year, governance of key digital programmes transferred to DHCW. We established a Programmes Delivery Committee, to provide assurance and scrutiny on the delivery of major DHCW hosted programmes in an open and transparent manner. Additionally, we set up a new programme management office to simplify and standardise programme governance processes and inform decision making and delivery.



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OUR MISSIONS

MISSION **1** **Provide a platform for enabling digital transformation**

We provide a platform for digital transformation through data protection, infrastructure and information and by opening up the NHS Wales architecture to enable faster sharing of data with partners and suppliers, supporting joined-up, consistent care.

MISSION **2** **Deliver high quality digital products and services**

As technology and the needs of health and care evolve, we are developing and delivering standardised services to Wales' health and care providers, as well as rapidly providing new services to cope with unforeseen situations, whilst also supporting efficiencies and improvements in care processes.

MISSION **3** **Expand the digital health and care record and the use of digital to improve health and care**

Clinical and health care information for citizens in Wales is accessible to their care providers through the digital health and care record, when and where needed, helping to improve treatment quality. Moving forward, more elements of the record will become available directly to citizens.

MISSION **4** **Drive better values and outcomes through innovation**

The need for accurate data for insight and analytics is more important than ever to improve health and care. A data-driven system that supports value in healthcare through timely information to support decision making and better outcomes.

MISSION **5** **Be the trusted strategic partner and a high quality, inclusive and ambitious organisation**

Being a trusted NHS Wales organisation is key to successful delivery of the DHCW vision and achieving all that is expected of us.

MISSIONS

During the year we have developed our [long-term strategy](#) which sets out the role we will play in the health and care system in Wales over the coming six years. The strategy builds on our missions, which are the central pillars that guide our Integrated Medium-Term Plan (IMTP). It describes our strategic objectives and the transformational impact we expect to have on the delivery of health and care services.

Our five missions provide a structured view of our activity, and what we are doing to improve digital and data technologies to support better health and care services. These missions guide how we manage delivery across our organisation, helping us prioritise investment and resources across live services and transformation programmes.

The first four strategic missions focus on what we do, with activities grouped into fourteen delivery portfolios. The fifth strategic mission is focussed on how we work as an organisation, with activities grouped into six strategic enablers.

MISSION 1

The [National Data Resource](#) (NDR) is a collaborative programme which will provide a modern cloud-based data platform across Wales. Launched in August 2023, the NDR Data Platform enables seamless data sharing between national and local platforms. The implementation of the Google Apigee Application Programming Interfaces (API) management product has streamlined communication with our supplier's products.

We play a vital role in supporting NHS Wales with extensive national infrastructure, including data centres, network infrastructure, cyber security services, end-user device support and collaboration services. Transitioning to a new data centre, has improved our service availability to 99.984%. The new data centre supports our [decarbonisation plan](#), and we are continuing to reduce emissions which this year have decreased by 43% compared to our baseline year of 2019-20. This year we have invested £0.834m (revenue and capital) in cyber security to further protect NHS Wales against the growing number of threats.

We have developed a new Information Governance (IG) Framework, which helps to monitor and improve understanding of responsible information handling practices across Wales. This framework sets high standards for information management and gives organisations the tools to achieve these standards.

MISSION 2

We develop and deliver high quality digital systems and services essential for our partners across NHS Wales to provide effective health and care.

DHCW's programme portfolio has expanded, with the Laboratory Information Management System (LIMS) and Radiology Informatics System Procurement (RISP) programmes transferring to DHCW from the NHS Wales Collaborative in January 2023. Working closely with health boards and government, we now have a clear integrated commercial and delivery plan which will modernise the diagnostics landscape. Similarly, the Eye Care Digitisation Programme transferred to DHCW from Cardiff and Vale University Health Board, and we will look to implement the Welsh Government planning assumptions over the next year.

The vision for planned care in Wales aims to better meet the clinical need of patients from effective referral through to accessing appropriate treatment at the right time and place. We play a significant role in this, by supporting patient administration throughout their care journey through systems such as the WPAS (Welsh Patient Administration System). WPAS enables electronic prioritisation of referrals, standardised core datasets and provides analysis and insight for service re-design. This year, DHCW successfully launched a consolidated instance of the WPAS across Betsi Cadwaladr University Health Board, enhancing access to patient information and interactions across the area – saving on time, increasing patient safety and improving the patient experience.

In November 2023, patients in Rhyl were the first in Wales to benefit from a new [Electronic Prescription Service \(EPS\)](#), enabling GPs to securely send prescriptions online to the patient's chosen community pharmacy, eliminating the need for paper forms. To date, pharmacies have processed 1,457 prescriptions through the system.

We support primary care users by providing end user computing services and GP systems to 12,216 users in GP practices. During the year, we replaced 4,000 computers for GPs. Additionally, the GP Systems Framework Contract mini competition process took place, allowing all GP practices to choose their next clinical system.

The Welsh Immunisation System (WIS) recently marked a significant milestone by recording its 10 millionth COVID vaccination. The WIS supports over 22,000 users across all health boards, to deliver COVID and seasonal-flu vaccinations both in general practice and in pharmacies.

MISSION 3

We are working to provide better digital access to help people manage their own health and wellbeing more effectively. The NHS Wales App has been rolled out to all 373 GP practices and in 2023-24 the app achieved 170,000 user downloads. The App and its accompanying desktop website offer easy access to a range of health and care services through smartphones, tablets, and personal computers, allowing patients and the public to take control of their own health and wellbeing.

Our work is making a difference to our health and care colleagues and the services they deliver to the people of Wales. The [e-Library for Health](#), which supports effective healthcare delivery by providing evidence-based, relevant and timely online information, has increased its user base by 981 reaching a total of 14,441 users. Additionally, 227 social workers and social care managers have registered to access the e-library.

Our Microsoft 365 Centre of Excellence supports over 100,000 users across NHS Wales. We continue to work towards maximising the value and usage of this toolkit in Wales.

MISSION 4

Our new Research and Innovation (R&I) function aims to foster the knowledge, innovation, and insight necessary for service enhancement, transformation, and improved health outcomes. We have taken our strategy forward through enhanced partnerships and resources, using a multifaceted approach that includes assets, resourcing, culture, partnership, value, and impact.

We work closely with our partners, including the Welsh Value in Health Centre, to drive value from data. This includes creating dashboards that support healthcare delivery in areas such as primary care and cancer pathways. Throughout the year, DHCW has worked to expand and improve the use of digital and data for clinical users, care providers and other key decision makers within health and care. More information on these dashboards and their impact is provided later in this report.

MISSION 5

We have started implementing our [People and Organisational Development Strategy 2022-25](#), by developing our staff through leadership and talent management schemes. This ensures we have the right mix of skills to make digital a force for good.

Quality and safety are central to everything we do. Following publication of the [Health and Social Care \(Quality and Engagement\) \(Wales\) Act 2020](#) on 1st of April 2023, DHCW is proactively addressing the defined requirements. We were the first in Wales to publish an 'Always on' report and are developing training and processes to support the Duty of Quality. This work is supported by four ISO certificates including [ISO 20000](#), [ISO 9001](#), [ISO 140001](#) and [ISO 27001](#).

During the year, we met our statutory obligations and identified £0.7m of savings which were returned to Welsh Government to support the wider NHS financial pressures. The digital commercial environment is increasingly recognising consolidation and inflationary pressures, particularly around licensing.

We have worked with stakeholders across Wales to agree a refreshed benefits framework and toolkit using a standardised dataset. Additionally, we are developing an All-Wales Benefits Reporting system which will collate report all benefits from digital programmes. This helps us to better understand the value our systems provide to NHS Wales.

The summary above provides an overview of the content in the remainder of this document which offers further detail and information on additional activity.

OUR YEAR IN NUMBERS

Choose Pharmacy
34,453 consultations
 through the common
 ailment service
77% would have seen
 a GP

**Welsh Immunisation
 System** 10 millionth
 Covid vaccination
 supported

Service Availability
99.984%

**Welsh Patient
 Administration
 Service** 52,653 users
6 million documents
4.5 billion transactions

**Welsh Radiology
 Information
 Management System**
 over 4500 users
2.8million radiology
 requests

Desktop Support to
16,628 users across
 NHS organisations,
 prisons and hospices

**Welsh Community
 Care Information
 System**
16,853 users across
 health and social
 care

E-library for health
14,441 users
227 social workers
 and care managers

**Data stored in the
 data warehouse**
25 Terabytes

NHS Wales App rapid
 deployment to all 373
 GP practices
170,000 downloads
 from app stores

Welsh Clinical Portal
36,977 users
1.5 million
 documents stored

4,000 GP laptops
 replaced

**Welsh Laboratory
 Information
 Management System**
40 million laboratory
 tests managed

**Welsh Nursing Care
 Record**
20.9 million digital
 risk assessments
 completed

Decarbonisation we
 have reduced our
 emissions by 43%
 on our baseline



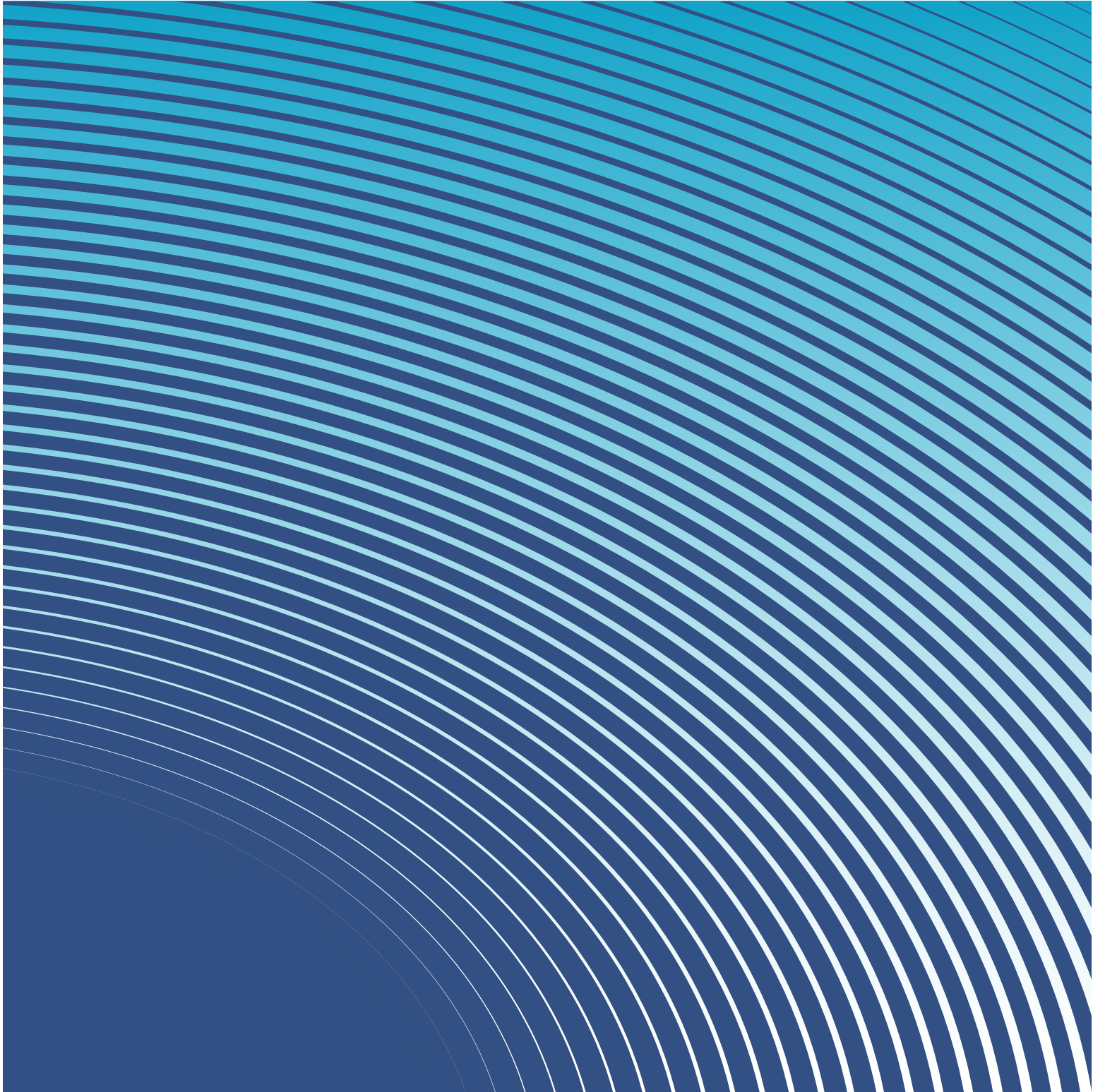
[Welsh Nursing Care Record
 - Two years of the WNCR](#)



[NHS Wales App - Digital services
 for Patients and the public](#)



[Welsh Clinical Portal
 Video](#)



DELIVERY AND PERFORMANCE ANALYSIS

IGDC • DHCW

MISSION 1: PROVIDE A PLATFORM FOR ENABLING DIGITAL TRANSFORMATION

This mission underpins everything we deliver, ensuring that information flows safely between systems on secure infrastructure. The volume of health and care data collected has grown rapidly in Wales as we transition to digital systems. However, data is often fragmented and siloed across different systems, services and geographical areas due to the complexity of care pathways.

The Welsh government has recognised the need for better data use to support decision making and improve care in its [Information Statement of Intent 2017](#) and [A Healthier Wales policy 2019](#). A barrier to data sharing is the lack of technical standards for interoperability, security, and infrastructure.

DHCW plans to address this by implementing a cloud based 'open platform' architecture, national standards, and a [National Data Resource](#) (NDR) to bring patient data together in one place. This will improve data storage and reusability, reduce dependence on specific suppliers, make data more portable and secure, and enable analytics and research to support value in healthcare.



PROGRAMME DELIVERY

NATIONAL DATA RESOURCE

The [National Data Resource](#) Programme is a collaborative national programme to develop a new data architecture and enhances data analytics skills across Wales. Using Google Cloud technology, this data platform allows for better access to data for clinical, operational and research purposes.

The programme supports the creation of a single digital health and social care record, providing information to the right person at the right time. The NDR platform will ensure that health and social care data is stored safely and securely, reducing data management costs and improving collaboration. National and local teams will have access to reliable patient information and trends when needed, including at the point of care.

The NDR is our future data platform and part of our shift to cloud and open architecture. It will enable us to do more with data in a safe and secure way and deploy new technologies including artificial intelligence and advanced analytics.

Core elements of the platform include the Care Data Repository (CDR) and the National Data and Analytics Platform (NDAP). Enterprise API management is crucial for securely delivering an open architecture and interoperability, while a terminology service ensures consistent use of code systems and terminologies and distributes all-Wales administrative reference resources.

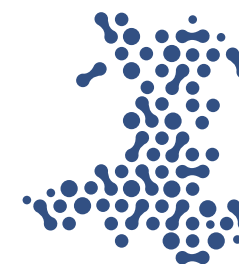
We are supporting health boards and trusts to use the NDR platform and services to integrate new functionality into their plans and align national and local roadmaps.

The completion of the Google Cloud platform's build was a significant step, laying the groundwork for the NDAP and CDR. The review of the terminology server infrastructure was completed, with ongoing alignment underway.

All milestones in this area were achieved, including:

- Delivery of the NDAP and CDR as live operational services.
- Starting phase four of the analytics learning programme.
- Providing APIs to access current stores of documents, terminology and demographics.
- Enabling integration capabilities on the Google Cloud platform.
- Making local partitions of the national platform available to partners.

Towards the end of the year, challenges emerged regarding programme funding for 2024-25, prompting a review of plans across all delivery partners (DHCW, health boards, trusts, Health Education and Improvement Wales, and Social Care Wales). Despite funding uncertainties, progress continues towards enhancing data sharing capabilities, laying a strong foundation for future advancements in healthcare delivery and data-driven decision-making in Wales.



Adnodd Data Cenedlaethol
National Data Resource

OPEN ARCHITECTURE AND INTEROPERABILITY

We are creating an open digital architecture across Wales, using a data platform that shares information safely & securely. We work with NHS Wales colleagues and private sector partners to follow rules that protect patient data while supporting the aims of A Healthier Wales, through an API Management system.

We are building key part of our architecture roadmap, such as the Care Data Repository, National Data & Analytics Platform and API Management.

This year we have expanded our architectural building blocks and Application Programming Interfaces (APIs) and developed our open architecture onboarding process. The National Data Resource (NDR) Programme has advanced its API management and open architecture capabilities, focusing on better patient care and access to information. We successfully implemented the Google Apigee API management product, enabling the hosting and management of API endpoints with enhanced logging and security features.

Creating a developer community within DHCW has encouraged API-first development, increasing the number of APIs available for modernisation and publication through Google Apigee. We delivered initial sets of APIs and engagement products, which improved access and contribution to the single patient record, benefiting patients and citizens across Wales. Collaboration

with health boards and suppliers has shown the practical use of APIs, particularly in areas such as electronic Prescribing and Medicines Administration (ePMA).

Most of our product roadmaps remained on track for delivery, though we made adjustments due to changes in priorities and funding. In the fourth quarter, we made significant progress with the API roadmap, despite some delays due to limited resources.

We enhanced engagement and ensured the smooth integration of diagnostic and document APIs for enhanced data sharing across health boards.

Looking ahead, the NDR Programme plans to continue growing and developing, with further improvements to API capabilities, more engagement initiatives, and better resource allocation to achieve strategic objectives. A Data and Integration Hub will be established in 2024-25.



INFORMATION GOVERNANCE

We have developed a new Information Governance Framework to monitor and improve information governance understanding and responsibility in Wales. Without a framework, it becomes more difficult to make information available to services providing health and care.

The IG Framework includes the Wales Accord for Sharing Personal Information (WASPI), the National Intelligent Integrated Audit Solution (NIIAS), Data Protection Officer advice to GPs, the Welsh Information Governance (IG) Toolkit and advising on data publication to ensure compliance with information governance standards. We develop and promote a National IG framework for Wales to enable safe and secure sharing of patient information.

The NIIAS project has achieved significant milestones, strengthening information governance and audit capabilities across the organisation. Starting with procurement approval, we have improved auditing processes. The launch of the third version of the IG Toolkit further solidified our information governance practices. The publication of the NIIAS Single Tender Agreement streamlined procurement procedures, and drafting the [Information Governance Strategy](#) prioritised key initiatives for the planning cycle. As the year progressed, we awarded contracts for critical tools and solutions, signalling continued progress in audit capabilities.

Updates to the Service Level Agreement for the GP Data Protection Officer Service enhanced data protection measures. Key accomplishments included the publication of the WASPI Code of Conduct consultation report, the latest version of the IG Toolkit, and planned developments for standards adoption. We managed corporate risks associated with long-term funding effectively. Looking ahead, exploring an API management layer for audit data extraction promises future procurement enhancements, affirming our commitment to information governance and audit capabilities.

The DHCW Information Governance team manages application of British Standard 10008 (BS10008): Evidential Weight and Legal Admissibility of Electronic Information. The standard currently covers our national data repositories, namely the Welsh Care Records Service (WCRS) and Welsh Results Reporting Service (WRRS). We initially achieved the standard in November 2019, with annual external surveillance audits in 2020, 2021. We were reaccredited in 2022 following a three-year cycle.

The most recent report concluded that the audit objectives have been achieved. The standard has recently been updated, so we reviewed DHCW's accreditation against the updated standard. A standard surveillance audit was held in January 2024, with DHCW's accreditation passing with no nonconformities or opportunities for improvement.

CYBER SECURITY

Cyber threats against the health sector are increasing rapidly, especially targeted ransomware attacks, which are highly damaging and disruptive. To protect the confidentiality, availability and integrity of critical health services, we continue to invest in preventing, detecting and responding to cyber incidents across NHS Wales.

Throughout the year, DHCW has modernised infrastructure and enhanced cyber security measures, including deploying a DNS-based security solution for outbound internet traffic. We made significant progress on our 3-year Cyber Security plan, including procuring Security Information and Event Management (SIEM) systems. The National SIEM has been acquired by DHCW for NHS Wales. We have onboarded all domain controllers and training is underway with all organisations.

DATA CENTRE MIGRATION

The Data Centre Two Transition Project's aims to move our infrastructure from the current data centre before the contract ends in 2024. The new data centre will support DHCW's Decarbonisation Strategic Plan and enable us to adopt a cloud-first approach. We advanced cloud migration planning and business cases, successfully implementing a Cloud PC solution and starting cloud migration assessment scans.

We started the year by receiving the new data centre hall and continued with installation work. Although we faced challenges with networking, we successfully migrated all services to the new data centre by the end of the year, with networking due to be completed early in the new financial year.

OPERATIONAL PERFORMANCE

MISSION

1

INFORMATION GOVERNANCE CORPORATE COMPLIANCE

In addition to monitoring and support to improve stakeholders Information Governance compliance, we also need to provide assurance that we continue to meet our statutory obligations under information rights legislation. Highlights of our Corporate Information Governance compliance are set out follows.



UK General Data Protection Regulation Audit -As part of a rolling programme of audits, between July and October 2023, NHS Wales Shared Services Partnership (NWSSP) audited DHCW's approach to Information Governance.

The audit focused on our compliance with data protection legislation, in particular the UK General Data Protection Regulation (UK GDPR). NWSSP's final report concluded that DHCW has "substantial" assurance in line with the scope of the audit.

DHCW Information Governance Toolkit submission - DHCW is responsible for maintaining and developing the Information Governance (IG) toolkit, which stakeholders must complete annually. Additionally, we must submit our own IG toolkit to demonstrate our own compliance to national Information Governance standards and legislation.

We submitted the 2022/23 IG Toolkit in June 2023 and presented our scoring to the Digital Governance and Safety (DG&S) Committee in August 2023. An action plan was created with key priorities shared with the DG&S Committee at subsequent meetings. We submitted the 2023/24 IG Toolkit in March 2024, with the scoring presented to the DG&S Committee in May 2024.

Information Governance Requests for Information - The public have the right to request information from public authorities. This includes information about themselves (Subject Access Requests), or information held by public authorities (Freedom of Information Act and Environmental Information Regulations requests). DHCW is required to respond to any requests in line with statutory timeframes.

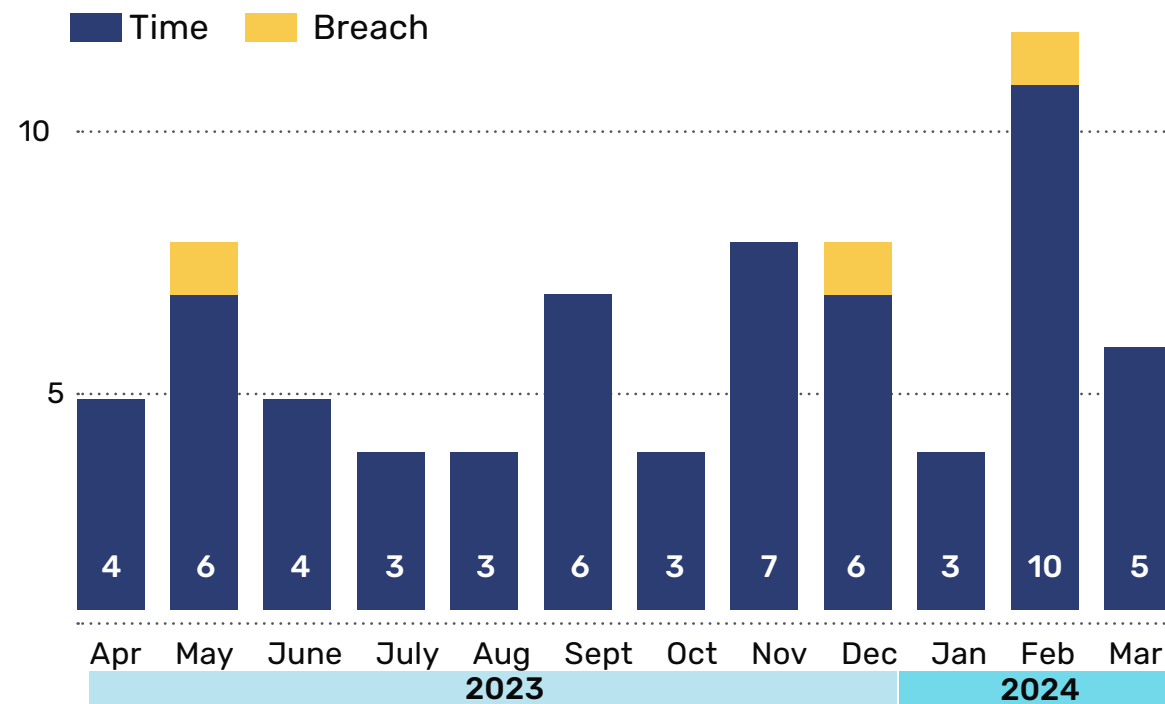


Fig 2 - Freedom of Information Requests Compliance Dashboard

From April 2023 to March 2024, we received 62 requests under the Freedom of Information Act 2000. Three of these were responded to outside of the statutory timeframes.

We received 20 Subject Access Requests, with one response falling outside of the statutory timescales.

We also received two other Individual Rights requests, one Environmental information Regulation request and three requests made by the police and other agencies under Schedule 2 of the Data Protection Act. All of these requests were responded to within the statutory timescales.

Information Governance breaches - There were three information governance incidents recorded during the year. None of these incidents were deemed reportable to the Information Commissioner’s Office.

CLIENT SERVICES

Client Services provide computing services to 16,628 users, across Digital Health and Care Wales, GP practices and other NHS Wales organisations. These include (but are not limited to):

Organisation	No of Active Users*
Digital Health and Care Wales (DHCW)	1,268
GP Practices (NHS Wales)	12,216
Health Education & Improvement Wales (HEIW)	590
National Imaging Academy (NIA)	10
NHS Wales Executive	285
NHS Wales Shared Services Partnership (NWSSP)	1,995
Non-Statutory Hospices	106
Prison Health Centres	158
Total	16,628

*Active Users based on Microsoft 365 Licences – recorded on 14th March 2024.

Throughout the past year, our focus on innovation and improving services has led to significant achievements.

We successfully introduced cutting-edge solutions, including a Teams Voice Telephone a Cloud-Based Contact Centre, and a Secure Web Gateway. These solutions strengthened our communication infrastructure and enhanced our cyber security measures, ensuring a robust and secure environment for our clients. Additionally, we facilitated the acquisition of a new End User Hardware contract, providing reliable and efficient computing resources for our partners.

In collaboration with stakeholders, we supported the establishment of NHS Wales Executive and Llais, laying the groundwork for their integration into our network. Additionally, we implemented a new GP Managed Print Service and transitioned to Microsoft Windows 11, marking a pivotal step towards modernising our technological landscape.

Embracing cloud computing solutions, we oversaw the deployment of Microsoft SharePoint Online and initiated the development of Microsoft Windows Cloud Computing. The aim of these initiatives is to future-proof our infrastructure and unlock new possibilities for digital innovation. Our commitment to continuous improvement is shown through our ongoing IT refresh activities, including the upgrade of 4,000 GP computers to ensure our systems remain optimised and up to date to meet evolving needs.

Enhancing user experiences has been a priority, as demonstrated by the modernisation of the DHCW Meeting Room experience and the implementation of improvements to asset management.

Looking ahead, we have outlined future goals to further enhance our services:

- *The migration of NHS Wales Executive Phase 2, reinforcing our commitment to facilitating seamless transitions and operational continuity.*
- *Implementing Microsoft Windows Cloud Computing and deploying an End User Experience monitoring solution to enhance performance and user satisfaction.*
- *Migration projects, such as the migration of GP Clinical Systems and on-premise Network File Shares to cloud solutions.*

We are dedicated to ensuring that our partners have access to the best-in-class technologies and support services needed to deliver exceptional healthcare outcomes.



MISSION
1

DESKTOP SUPPORT PERFORMANCE

Desktop Support is the managed desktop service we offer to our supported organisations. Our performance metrics, or Key Performance Indicators (KPIs), are set by Service Level Agreements with each organisation. The following chart shows the total number of calls we handled, grouped by incidents and service requests, and the percentage of resolutions that met our agreed goals.

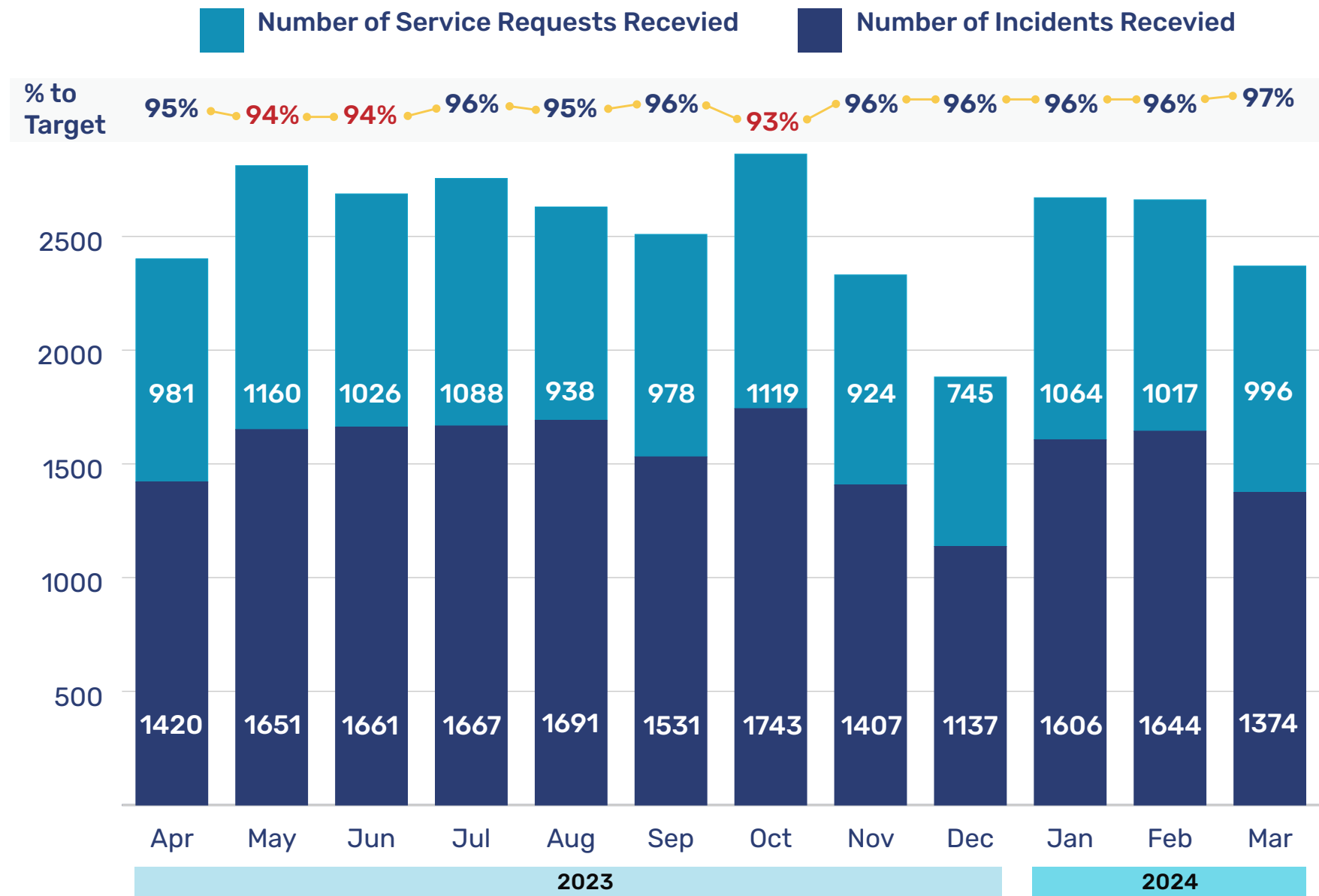


Fig 3 - Desktop Support Performance 2023/2024

SERVICE DESK

Our Service Desk Institute (SDI) accredited Customer Led IT Service Desk provides direct support for over 16,000 staff in GP practices, the NHS Wales Shared Services Partnership, Digital Health and Care Wales, and other national organisations. The team also acts as the point of escalation for all NHS Wales organisations' local service desks, helping to resolve issues and requests from health boards, trusts and others.

In December 2023, after a successful audit, the DHCW Service Desk retained its 3-star accreditation from the Service Desk Institute, recognising it as a customer led Service Desk.

In the past year, the Service Desk handled over 219,130 support tickets from across NHS Wales. On average, the Service Desk successfully answered 96.7% of calls, with an average abandoned call rate of just 3.3%.

Our Service Desk collects feedback on quality of service and based on the responses received, has maintained a customer satisfaction rate of 95% and over.

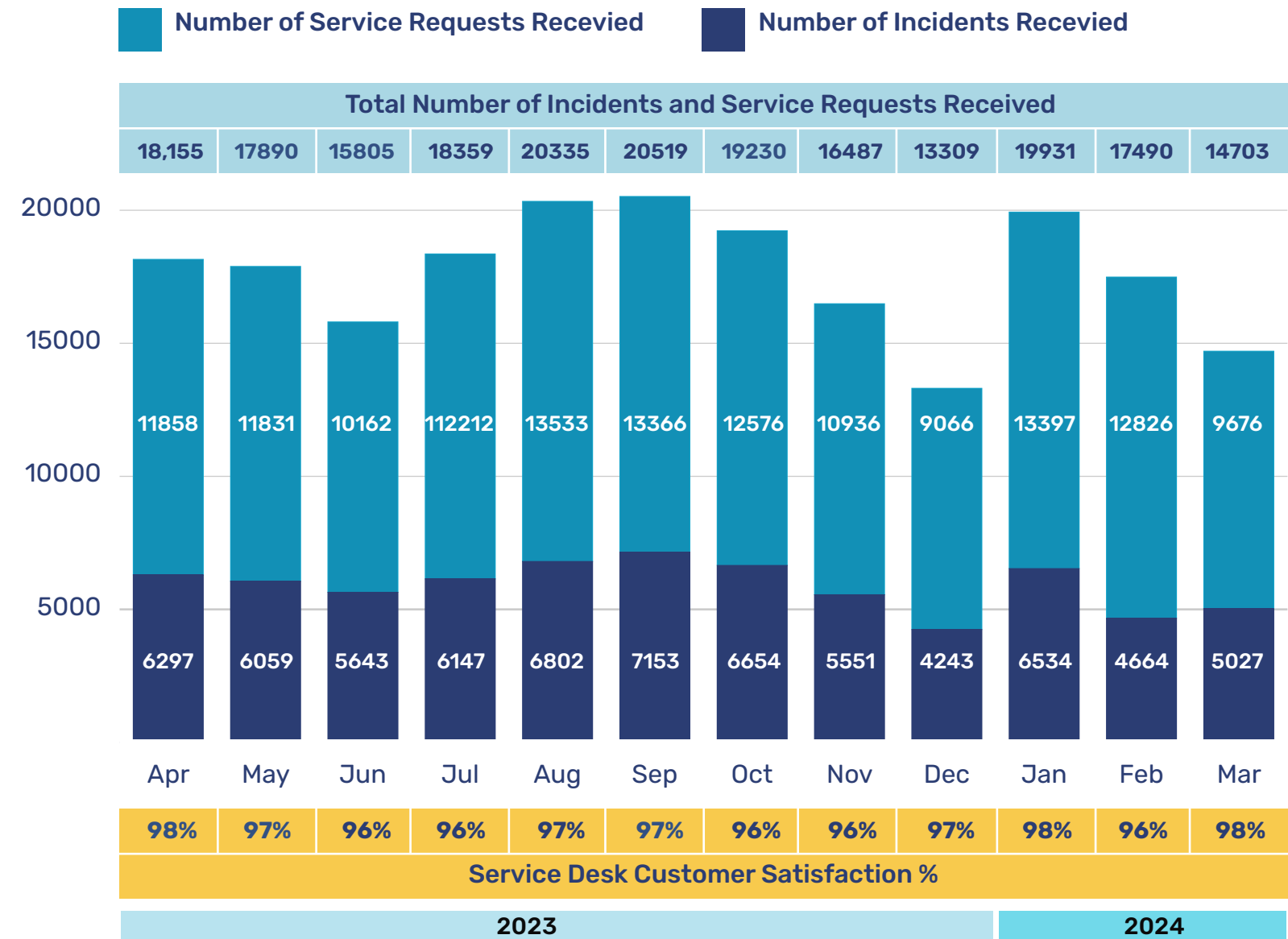


Fig 4 - Service Desk Incidents and Service Requests Received 2023/2024

MISSION 2: DELIVER HIGH QUALITY DIGITAL PRODUCTS AND SERVICES

This mission covers major clinical areas and care settings, as well as the key national specialist systems that we build or purchase on behalf of NHS Wales. There are many opportunities to:

'design more person-centred, holistic and efficient pathways rather than patients being seen by many different teams focusing on only one aspect of their health need'

National Clinical Framework

Digital supports the key programmes set up to deliver this vision.



Llywodraeth Cymru
Welsh Government

National Clinical Framework: A Learning Health
and Care System. gov.wales



PROGRAMME DELIVERY

NATIONAL IMMUNISATION FRAMEWORK (NIF)

The [National Immunisation Framework \(NIF\)](#) for Wales was published by Welsh Government in October 2022. The framework highlights the important role of digital technology in delivering high-quality health and social care services. We have been commissioned to review all vaccination systems and explore how to make these systems work better together. Challenges in the third quarter led to revised time frames for the National Immunisation Framework (NIF) discovery, but activity continues, and interim reports have been received.

WELSH IMMUNISATION SYSTEM (WIS)

The Welsh Immunisation System is at the heart of the COVID-19 vaccination programme in Wales. It also supports the administration of seasonal flu vaccinations alongside COVID-19 vaccinations, or at walk-in flu clinics. Patient GP records are automatically updated when information is added to WIS. The system is used across all health boards, with nearly 14,000 users in vaccination settings, 8,187 in general practice and 352 in pharmacies.

Since its launch in December 2020, the Welsh Immunisation System (WIS) has continually been improved, including features like booking and reminder SMS messages, and integration with the Vaccine Re-Booking Service.

At the start of the financial year, WIS was successfully separated from the Children and Young Persons Integrated System (CYPrIS). Operating the WIS as a standalone system has improved system stability, ease of maintenance and will enable further modernisation to meet users' needs.

In August 2023, the WIS was deployed for the Autumn Booster campaign. Improvements in test automation and operating WIS as a standalone system supported improved data quality following a refresh of cohorts. Test automation has reduced the time taken to make changes to WIS.

MISSION
2

In February 2024 we made changes for the Spring Booster Campaign in less than 4 weeks, almost two months faster when compared to previous spring campaigns.

Despite challenges in Quarter 4, such as resource constraints, recruitment challenges and delays in securing funding, significant milestones were achieved such as recording the 10 millionth COVID vaccination on WIS.

New ways of working and automation have supported ongoing improvements and enabled us to respond to the needs of the National Immunisation Framework for Wales. Achievements include, making changes to the HPV Immunisation Programme within Children and Young Persons Integrated System (CYPrIS) and migrating our CYPrIS code to Git, enhancing development practices. There are 3,821 users in health board's and 360 users in general practice.



WELSH COMMUNITY CARE SYSTEM

The [Welsh Community Care Information System \(WCCIS\)](#) provides digital tools for community nurses, mental health teams, social workers and therapists to work better together. It supports community care, helps reduce unnecessary hospital stays and improves record-keeping to avoid duplication. WCCIS also ensures appropriate access to sensitive data and supports integrated assessments between health and social care staff, improving multi-disciplinary team working. Since 2016, 19 organisations, including 15 local authorities and four health boards have implemented the system.

Throughout the year, significant progress has been made in advancing digital healthcare services within the Primary Care strategic programme, aimed at providing seamless access to services close to home.

Managed by DHCW, the programme focuses on building, procuring, and managing systems for healthcare professionals, including GPs, community pharmacists, dentists, and community health, mental health, and social care staff.

Key achievements include releasing mobile capabilities for the WCCIS system and multiple updates to the Care Director platform in the first quarter. Ministerial engagement-initiated discussions on the Outline Business Case for Phase 2, alongside the commencement of discovery work for mental health services and allied health professions.

DIGITAL MATERNITY CYMRU

Digital Maternity Cymru aims to provide a digital maternity solution across Wales that supports clinicians and empowers women and birthing people to take part in high-quality, safe care that supports improved outcomes and experiences.

The Digital Maternity Cymru (DMC) programme has made progress by setting up governance arrangements, recruiting staff and starting pre-procurement engagement. In the second quarter, DMC approved its strategy, vision, and target operating model. However, by the third quarter, the programme faced approval challenges and funding uncertainties, which led to resource constraints and delays. The programme produced a draft Outline Business Case in the fourth quarter and is now awaiting feedback from Welsh Government on the funding approach moving forward.

NATIONAL DIGITAL EYE CARE PROGRAMME

The National Digital Eye Care Programme aims to give hospital ophthalmologists and community optometrists access to shared clinical information. This helps to monitor eye health and provide shared care in both hospital and community settings such as high street opticians, as part of a single connected pathway.

The National Digital Eye Care Programme supports the following Welsh Government investment themes;

- Transforming digital services for patients and public
- Transforming digital services for professionals
- Investing in data and intelligent information

This year, the National Digital Eye Care Programme transferred to DHCW from Cardiff and Vale University Health Board. At the request of Welsh Government, we undertook a 'pause and review', of the programme and started activities to support the migration which will need to be under a new supplier contract. We have been working with Cardiff and Vale University Health Board to find the best procurement method and with all health boards to determine what can be delivered under the current contract, which ends in January 2025.

Cardiff and Vale University Health Board has implemented the Electronic Patient Record system for several sub-specialities at various sites. Cwm Taf Morgannwg University Health Board has implemented the system for glaucoma, all within a reduced funding envelope.

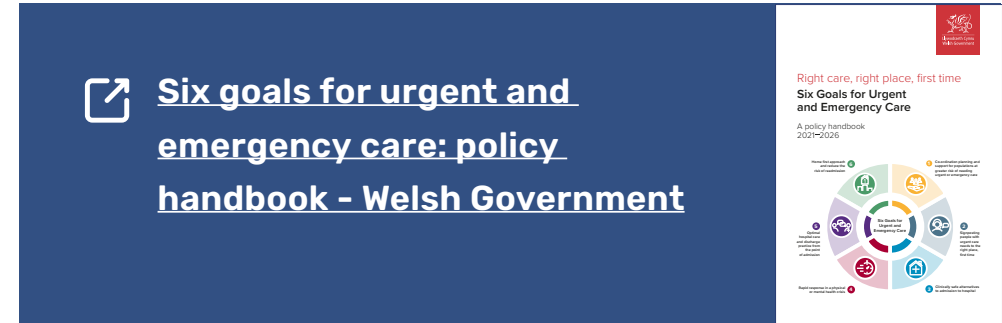


THE SIX GOALS PROGRAMME



SIX GOALS FOR URGENT AND EMERGENCY CARE RIGHT CARE, RIGHT PLACE, FIRST TIME

For optimal staff and patient experience, clinical outcomes and value



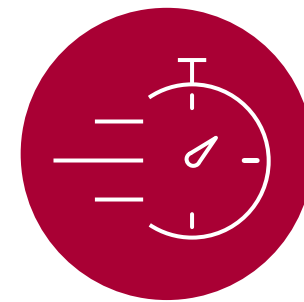
1. Co-ordination planning and support for populations at greater risk of needing urgent or emergency care



2. Signposting people with urgent care needs to the right place, first time



3. Clinically safe alternatives to admission to hospital



4. Rapid response in a physical or mental health crisis



5. Optimal hospital care and discharge practice from the point of admission



6. Home first approach and reduce the risk of readmission

MISSION
2

The Six Goals, co-designed by clinical and professional leads, spans the Urgent and Emergency Care pathway and reflects the priorities in the [Programme for Government 2021-2026](#) to provide effective, high quality and sustainable healthcare as close to home as possible, and to improve service access and integration. The period of 2023/24 saw significant advancements in healthcare data management and service integration across Wales, aligned with the strategic imperatives of the Six Goals programme.

The Six Goals for Urgent and Emergency Care Programme is a priority for Welsh Government, to understand 'what good looks like' for patients accessing care at an Emergency Department. A Welsh Emergency Care Data Set (WECDS) is needed, to agree care standards, create a uniform approach to measuring activity and develop a nationally agreed model of care for emergency departments. This will enable improvements in clinical outcomes, as well as patient and staff experience.

The Welsh Emergency Care Data Set supports the delivery of Goal 4 of the Six Goals. The draft data set and development proposal were presented at the Welsh Information Development Group on the March 7th, 2024 and is due to be published in the first quarter of 2024/25. In future, the data set will be adopted by the ambulance service in their 999 and 111 services, leading to better service integration and more meaningful insights.



The Patient Care Record (ePCR) and Computer Aided Dispatch (CAD) support Goals 2 and 3 by creating a robust data set for sharing with health boards and trusts, linking with other data sets to enhance understanding of the service and patient pathways. Work is underway with the Welsh Ambulance Service NHS Trust (WAST) and Warwick University to establish the foundation data set that will be shared with health boards. This data will reside in the National Data Resource (NDR).

The Same Day Emergency Care (SDEC) service, supporting Goal 3 is still in the early stages of development across all health boards. The SDEC service is part of the Welsh Emergency Care Data Set phase one approach. We have worked with the Goal 3 and 4 leads to develop outline measures, and these are currently being collected across SDEC services across Wales. We continue to work on improving data quality to ensure that it is meaningful and usable.

The Urgent Primary Care Centres (UPCC), 111 and Out of Hours Services (OOH) have been working with the Data Standards team to update the existing [Data Standards Change Notice](#) (DSCN) from 2019, supporting Goal 2. A telephony DSCN, including UPCC work, is planned for publication in the first quarter of 2024/25.

We have been working with the Goal 6 director to develop an aggregate data set to measure Discharge to Recover then Assess (D2RA) activity across health boards.

We have produced two new Urgent and Emergency Care dashboards to replace the old Unscheduled Care Dashboard.

- An operations dashboard with real-time or near-real-time metrics and demands across Urgent and Emergency care.
- A management dashboard with metrics related to service performance.

The dashboards, managed and maintained by DHCW's Information Services, went live in September 2023 and are being used across NHS Wales and Welsh Government. They are accessible without needing an NHS Wales Laptop or login, enabling significant progress in data access for Welsh Government.

WELSH INTENSIVE CARE INFORMATION SYSTEM (WICIS)

DHCW has been supporting the development and testing of the [Welsh Intensive Care Information System \(WICIS\)](#).



System Wybodaeth
Gofal Dwys Cymru
Welsh Intensive Care
Information System

IGDC • DHCW

The WICIS will collect real-time information from monitoring devices, pumps and respiratory equipment used inpatient care. The system will provide frontline staff with easy access to vital data and insights, offering a quick and clear overview of patient and device statuses across the ward. The new digital solution aims to replace all paper charts and hand-written observations of vital signs. With over 10,000 patients admitted to critical care in Wales every year, this digital system will help reduce the burden on frontline staff. It will include medicines management and will be integrated into NHS Wales digital systems, ensuring information is available when and where it is needed.

Testing cycles for WICIS progressed as planned at the Grange Hospital, indicating readiness for go-live. However, challenges emerged in the third quarter following user acceptance testing (UAT) and validation testing, requiring re-planning with the health boards and the NHS Wales Executive. As a result, the first go-live has been postponed.

WELSH EMERGENCY DEPARTMENT SYSTEM (WEDS)

Earlier in the year, a strategic review of the Welsh Emergency Department System (WEDS) project was completed and presented to the national project Board. Following this review, it was decided not to extend the roll out beyond the pilot site. As a result, commercial discussions have taken place with the supplier and the project is due to be closed.



DIAGNOSTICS

MISSION

2

Diagnostic services in Wales are facing challenges due to increasing demand, changes in clinical care, a lack of standardisation and scarce expertise. NHS Wales aims to improve service efficiency and effectiveness by reconfiguring services and providing diagnosis closer to the patient. Digital technology is being used to enhance service delivery, patient safety, communication, error rates, costs and data usage.

We are working to integrate new laboratory and radiology informatics solutions, expand electronic requesting functionality, and enhance the national availability of diagnostic results and reports. This means better access to test results, improving patient care and clinical safety. Better information sharing across boundaries and improved storage and distribution of imaging are also key goals.

Modern diagnostic imaging is essential for diagnosis and treatment in modern patient care. Radiology services are being provided in a wide range of healthcare settings across all health boards and trusts in Wales. In future, regional diagnostic hubs will expand the range of services provided outside of typical hospital environments.

The Radiology Informatics System Procurement programme (RISP) aims to procure and implement new system that integrates picture archive and communication, patient dose management and radiology information management functionality. The integrated system will be rolled out across Wales by 2026.

The Laboratory Information Management System (LIMS2.0) Programme supports delivery of a modern, sustainable and safe pathology service as part of the [Pathology Statement of Intent](#).

Both programmes transferred to DHCW from the NHS Wales Health Collaborative in January 2023.

In the first quarter, the full business case for the RISP project was approved, allowing for the contract to be awarded. Progress continued with the execution of the Master Service Agreement (MSA) in June and the endorsement of Local Deployment Orders by multiple health boards. However, setbacks were encountered due to changes in the supplier's implementation plan and discussions are ongoing.

An agreement was reached with the supplier to terminate the contract for the replacement laboratory information system. As a result, the term was extended for the legacy laboratory information system to June 2030. Upgrades to the latest software version began in the second quarter and significant progress was made in LIMS2.0 by the third quarter which the programme transitioning into the launch phase. The project continues to progress at pace despite tight timescales and is now in the set-up and build phase, whilst system integration testing has begun on the phase one interfaces.

Both programmes have faced resource constraints and concerns about ambitious build schedules and supplier delivery confidence. However, overall, substantial advancements have been made.



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IGDC • DHCW

DIGITAL MEDICINES

The [Pharmacy Delivering a Healthier Wales 2019](#), plan outlines ‘A transformation which is required to maximise the health gain the citizens of Wales derive from their interactions with the pharmacy profession.’ This plan also focuses on providing greater value and finding cost-saving efficiencies.

[Digital Medicines](#) combines projects that will deliver the benefits of a fully digital prescribing approach in all care settings in Wales. Responding to an [independent review](#), In September 2021 the Minister for Health and Social Services set out an [ambition for a comprehensive digital medicines plan for Wales](#) and asked Digital Health and Care Wales to establish the programme. The programme has four interconnected areas of work: Primary Care Electronic Prescription Service (EPS) Primary Care Electronic Prescription Service (EPS)

- Secondary Care electronic Prescribing and Medicines Administration
- Shared Medicines Record
- Patient Access (NHS Wales App)

In November, the Proof of Concept (SPoC) of the EPS programme went live. EPS replaces paper prescription forms with a digital system that allows GPs to electronically send a prescription directly to a pharmacy of the patient’s choosing. The [Minister for Health and Social Care Eluned Morgan visited the test sites the mark the occasion](#).

The Patient Access Project completed the software development for the “prescription ready push notification” feature on the NHS Wales App. This feature notifies patients when their GP prescription is ready to collect from their community pharmacy. Development also began on a feature that allows patients to nominate a community pharmacy within the NHS Wales App to receive their GP prescription.

Since the Primary Care Electronic Prescription Service (EPS) Programme launched, 1,457 prescriptions and 3,196 prescription items have been sent so far., Two additional pharmacy systems have been approved to use EPS and the service has been rolled out to another GP practice. Although dependencies on the patient demographics have affected the Shared Medicines Record (SMR), testing with two suppliers on the ePMA framework is ongoing. The Patient Access Project prioritised migrating patients affected by issues with [My Health Online](#).

Overall, significant progress has been made in advancing electronic prescription and medication management initiatives. These efforts demonstrate an ongoing commitment to overcoming challenges and ensuring successful implementation for the benefit of patients and healthcare providers across Wales.

OPERATIONAL DELIVERY

MISSION
2

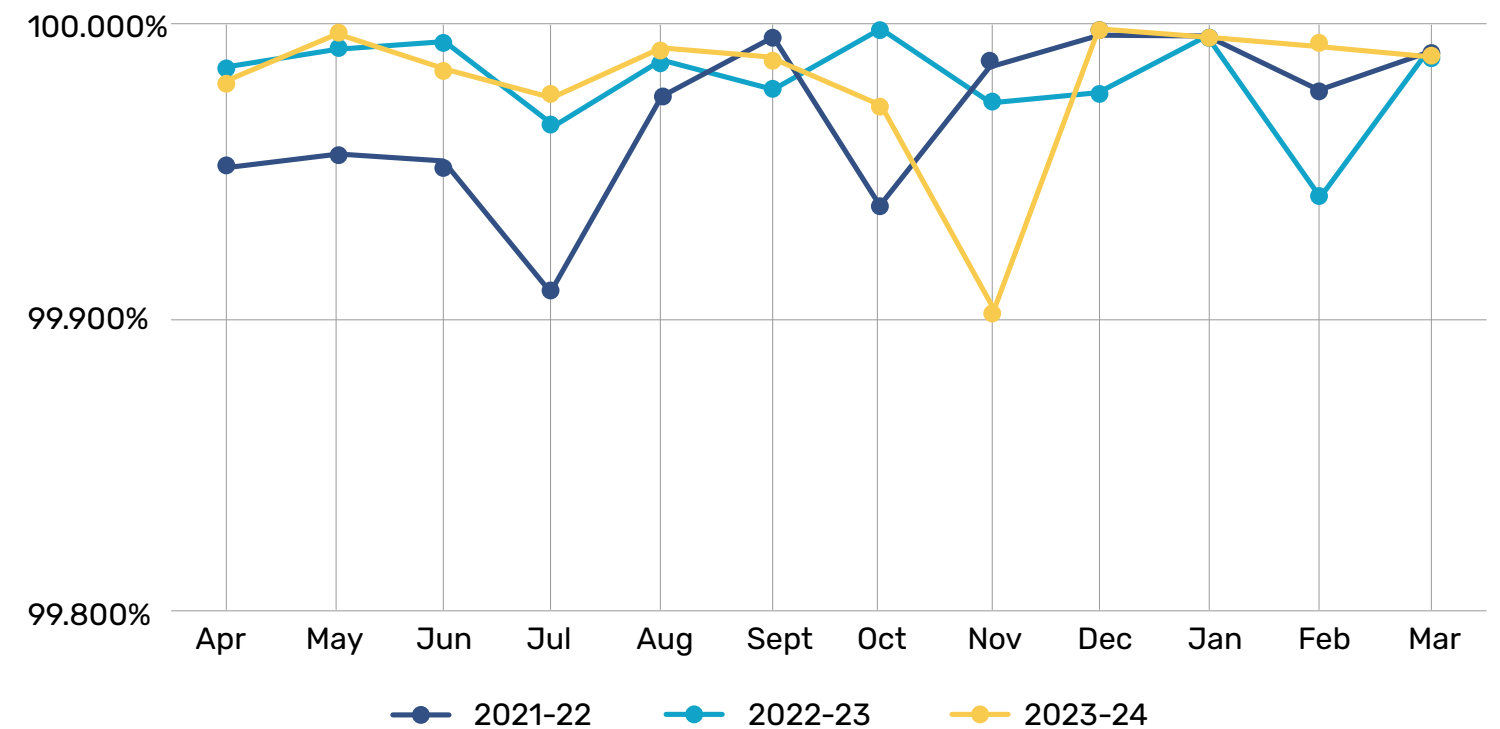
SERVICE AVAILABILITY

Healthcare professionals rely on the technology and services we provide. We work proactively to ensure maximum reliability and availability.

We are pleased to note that our operational services performed well over the past year, achieving an average availability of 99.984%. During this period, we experienced a total of 44 major incidents.

Major IT incidents affect a large number of users and include issues such as delays in processing test results, service downtime or partial service disruption. Some of these incidents were due to issues with third party suppliers or infrastructure problems at health board premises. Of these major IT incidents 98% were resolved within their target fix-times.

Fig 5 - DHCW Service Availability Annual Comparison



PRIMARY CARE

Computer systems are at the heart of primary care and manage millions of patient records each year. We provide primary care with a growing range of digital tools to help GPs manage records, organise daily tasks and care for patients.

Further to the establishment of the Primary Community and Mental Health Directorate at the end of last year, we have developed our [Primary Care Services strategy](#). The strategy which, published in quarter two, aims to provide DHCW a platform from which we can deliver digital products and services with improved value and benefits.

The GP Systems Framework Contract mini competition process was undertaken this year, this is the process by which all GP practices choose their next clinical system. Following the conclusion of this process, one of the GP systems suppliers confirmed their withdrawal from Wales. This has necessitated planning for the migration of 198 GP Practices, consequently highlighting resource allocation challenges.

CHOOSE PHARMACY

[Choose Pharmacy](#) helps community pharmacies provide services for patients and the public, freeing up GP appointments for people with more complex needs. It supports pharmacists in clinical decision-making and improves patient safety by offering:

- accessible advice and support at a time and place convenient to local communities.
- digital templates which help to guide pharmacists through a patient consultation.

Of those surveyed, 77% (344,371) said they would have made an appointment with their GP if Choose Pharmacy was not available. This year, we also introduced a Urinary Tract Infection (UTI) service across Wales to aid pharmacists in providing person-centred care closer to home.

MISSION
2

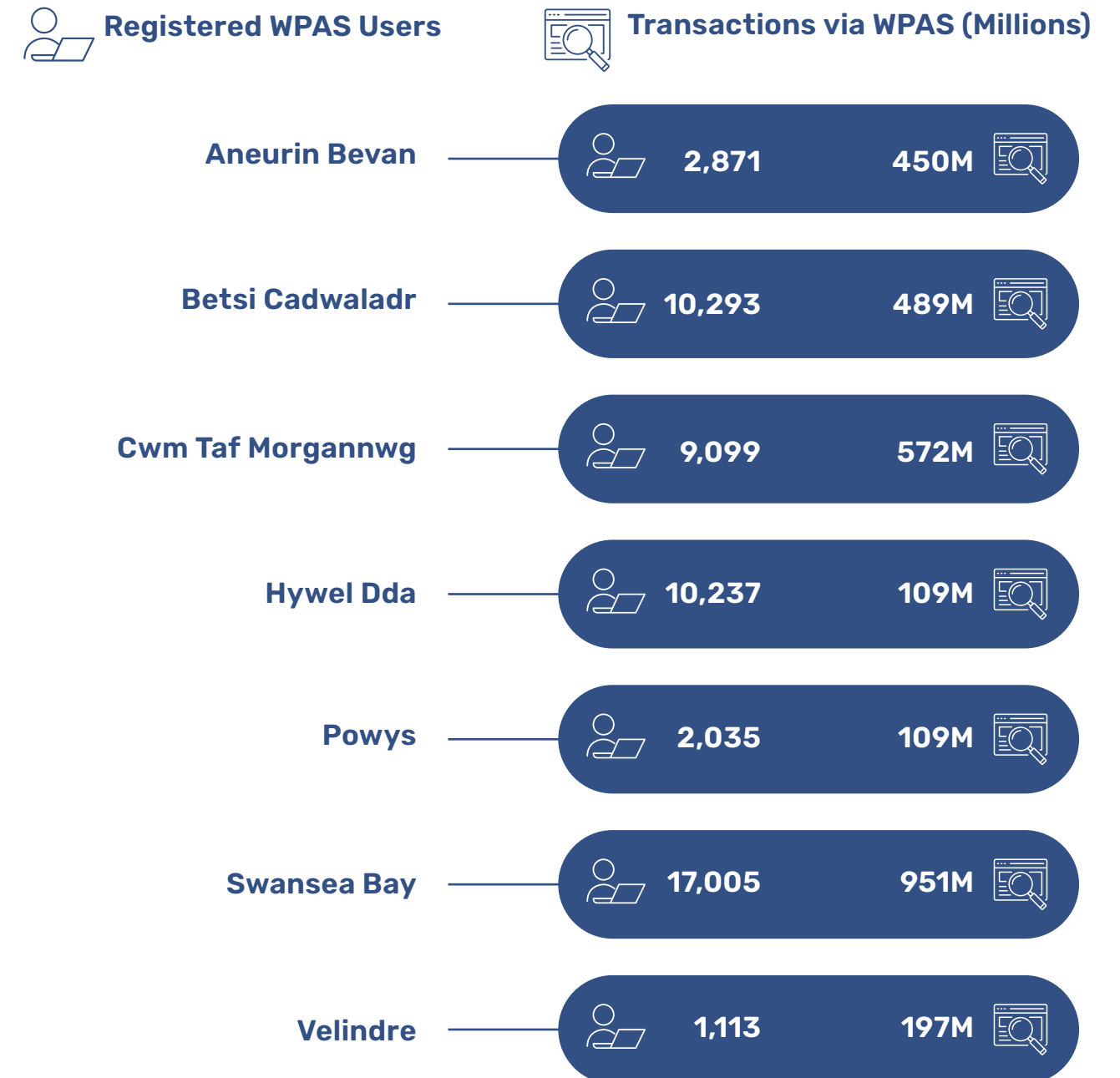
WELSH PATIENT ADMINISTRATION SYSTEM

The [Welsh Patient Administration System \(WPAS\)](#) holds patient identification details, outpatient appointments, admin letters, notes and patient pathway referral to treatment (RTT) data. We are working towards a single view of this data, promoting seamless links with the [Welsh Clinical Portal](#), and standardising reference data and ways of working. WPAS is used in six health boards in Wales and Velindre Cancer Centre.

The year began with the successful launch of a consolidated instance of [Welsh Patient Administration System across the Betsi Cadwaladr University Health Board](#) making patient information and interactions easily accessible across the whole health board. This saves time, increases patient safety and improves the patient experience.

Work is continuing to address the implications of the boundary change between Swansea Bay University Health Board and Cwm Taf Morgannwg University Health Board on WPAS and related systems.

Additionally, functionality was implemented to enable multi-disciplinary teams to collaborate effectively.



WELSH LABORATORY INFORMATION MANAGEMENT SYSTEM (WLIMS)

WLIMS is a clinical IT system used by pathology staff across Wales to store, record and exchange information such as blood test results. The system also links to the machines that perform tests and analyse the samples. In the past year, the system managed 39,789,462 tests. WLIMS links to the Welsh Clinical Portal, allowing health professionals to see all previous tests conducted for a patient, and request new ones, no matter where they are in Wales.

This year, the Blood Transfusion part of the service went live in Swansea Bay University Health Board, this means blood transfusion data is now available across Wales for both laboratory and clinical staff, enabling a more joined up approach.

WELSH HOSPITAL PHARMACY STOCK MANAGEMENT SYSTEM (WHPSMS)

WHPSMS is a digital hospital pharmacy system used nationally in 28 sites across seven health boards and one trust in Wales.

Implemented in 2022, it improves the accuracy of computerised dispensing and medicines stock management, replacing 30-year-old software. It offers better performance, reliability and efficient medicines management. The improved data clarity ensures compliance with national governance, meaning safer and more consistent patient care. In 2023/24 we introduced the National Pathology Exchange. This system allows users such as nurses to track the status of prescriptions without calling the pharmacy for updates. This saves time, provides patients with up-to-date information.

MISSION 3: EXPAND THE DIGITAL AND CARE RECORD AND THE USE OF DIGITAL TO IMPROVE HEALTH AND CARE

This mission is about improving and expanding the content, availability and functionality of the Digital Health and Care Record for clinicians and patients. This includes making information accessible and shareable wherever it's needed, regardless of health board or geographic boundaries. It's also about supporting evidence-based decision making and connectivity using NHS Wales e-library and Microsoft 365.

Using high-quality information, systems and technologies together supports patient care. However, patient data is often scattered across paper and digital formats, making it hard for healthcare professionals to access and use. This can lead to lost information, wrong decisions, and harm to patients.

NHS Wales wants to make digital information more accessible and widely used, to improve health and care. [A Healthier Wales](#), Welsh Government's long-term plan for health and social care includes an ambition to provide citizens with an online digital platform to contribute to and share information about their health and care, manage appointments and communicate with healthcare professions. This will empower people to play a more active role in managing their own health and well-being'.



PROGRAMME DELIVERY

MISSION
3

NHS WALES MICROSOFT 365 CENTRE OF EXCELLENCE



Canolfan Ragoriaeth
Microsoft 365 GIG Cymru
**NHS Wales Microsoft 365
Centre of Excellence**

IGDC • DHCW

The [NHS Wales Microsoft 365 Centre of Excellence](#) develops digital products, apps and automations to solve clinical and operational challenges across all health boards and trusts.

The CoE helps NHS Wales staff make the most out of tools like Teams and SharePoint, and supports newer applications such as the Microsoft Power Platform, which includes Power Apps, Power BI and Power Automate. They support teams to develop low code apps, data dashboards, and automated processes to free up valuable time, improve efficiency, and enhance the way staff work.

The programme has adopted a user-centred design approach and prioritises maximising benefits to users. It shares its outputs with the health and care sector, the wider Welsh public sector, and the citizens of Wales. The CoE has celebrated its first year of live operation and working with digital teams in each organisation to support one of the largest Microsoft 365 tenancies in the UK, driving service improvements and cost savings.

Initiatives to enhance and streamline operations including the launch of the Teams Telephony service, retiring the Welsh Health Telephony Network and refreshing the Public Key Infrastructure (PKI) have been completed or are in progress. Migrating email security to Microsoft 365 is underway to save costs, by

avoiding additional third-party licence costs and reducing administrative burden. The annual re-accreditation to the Secure Email Standard was completed in quarter three and underscores the commitment to maintaining and enhancing security. The CoE supports the use of Power Platform across NHS Wales to drive innovation. This includes the launch of the Staff Movement Advice Modernisation app (in partnership with NWSSP) and developing solutions for teams such as the National Trauma Network.

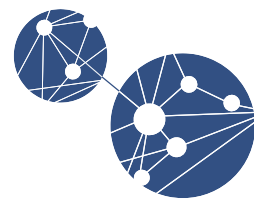
The CoE has led a trial of Copilot for Microsoft 365, involving 300 trial participants across all NHS Wales organisations. Adopting AI enabled tools has the potential to increase personal productivity and NHS Wales is at the forefront of exploring these opportunities while prioritising information security. The digital champions network peer group and 'digital exchange' community provide opportunities to engage with and support staff across NHS Wales to improve their use Microsoft 365 products. The CoE will start an initiative called Llwybrau 365 in May 2024 to develop targeted learning pathways, beginning with the Children's Speech and Language Therapy department in Cardiff and Vale University Health Board.

Overall, the organisation has made significant progress in using technology to enhance service delivery, streamline processes, and improve patient care across Wales. Ongoing efforts are essential to address challenges and ensure continued success in meeting organisational goals.



[Case study: NHS Wales Centre of Excellence](#)

NHS WALES APP



Gwasanaethau Digidol ar gyfer Cleifion a'r Cyhoedd
Digital Services for Patients and the Public

IGDC • DHCW

DHCW is creating a core platform of digital services for patients in Wales through the [Digital Services for Patients](#)

[and the Public](#) programme. The Programme will put digital tools at the heart of patient care. It includes the NHS Wales App which allows patients and the public to take control of their own health and well-being, make informed choices about their own treatment and find the most appropriate service for their needs.

Significant progress has been made over the year in developing and deploying the NHS Wales App, highlighting a commitment to improving healthcare access for patients across Wales.

The App had a soft launch via Public Beta, marking a significant milestone. Key developments included completing a GP search function, adding the option to choose a preferred pharmacy, and testing integration with suppliers. Software tools were acquired to support technical delivery, and Azure subscriptions were migrated to new contractual arrangements to ensure continued support and delivery of the app during transition.

All 373 GP practices were successfully onboarded through a comprehensive rapid deployment plan for both GP system suppliers.

The Programme Board endorsed the business case for sustainable funding, marking a crucial step towards securing ongoing support from the Welsh Government. Key milestones for 2024/25 were approved, including the completion of Agile Product Delivery Partner Framework Procurement Contract, showing a commitment to efficient project management. Discovery activities for Planned Care features were completed, paving the way for integrating essential functionalities like "See on Symptoms" and "Patient Initiated Follow Up". Challenges remain, particularly with bilingual login functionality and operational support agreements with GP system suppliers.

Overall, the NHS Wales App has made substantial progress, with ongoing efforts to expand functionality, increase adoption and ensuring sustainability for the future. Despite, the commitment to delivering a comprehensive digital healthcare solution for Wales remains strong, with continuous efforts to address key issues and ensure App's successful rollout.



OPERATIONAL DELIVERY

WELSH CLINICAL PORTAL



Porth Clinigol Cymru
Welsh Clinical Portal

IGDC • DHCW

The **Welsh Clinical Portal** (WCP) shares, delivers and displays patient information from a number of sources with a single

log-on, across health boards boundaries. It provides access to millions of test results and clinical documents across Wales.

Significant progress has been made enhancing cancer care programs through WCP, and improving information quality and speed for delivering radiology and cardiology requests. In quarter 3, all palliative care features were made available for user acceptance testing. Radiology electronic test requesting (ETR) was extended to most health boards and into primary care. Feedback on cardiology requests from the three piloting health boards was positive. The focus of ETR has now moved to developing the Welsh Clinical Worklist Manager (WCWM) to support full end-to-end ETR for those specialities without an order receipting system. The design for endoscopy ETR design has begun and a prototype has been approved by the National Endoscopy Programme (NEP). Digitisation of nursing notes has led to secure retention and exposure of the information for re-use.

DHCW also supported the integration of the proposed 111 service with the Welsh Clinical Portal (WCP) for GP records.



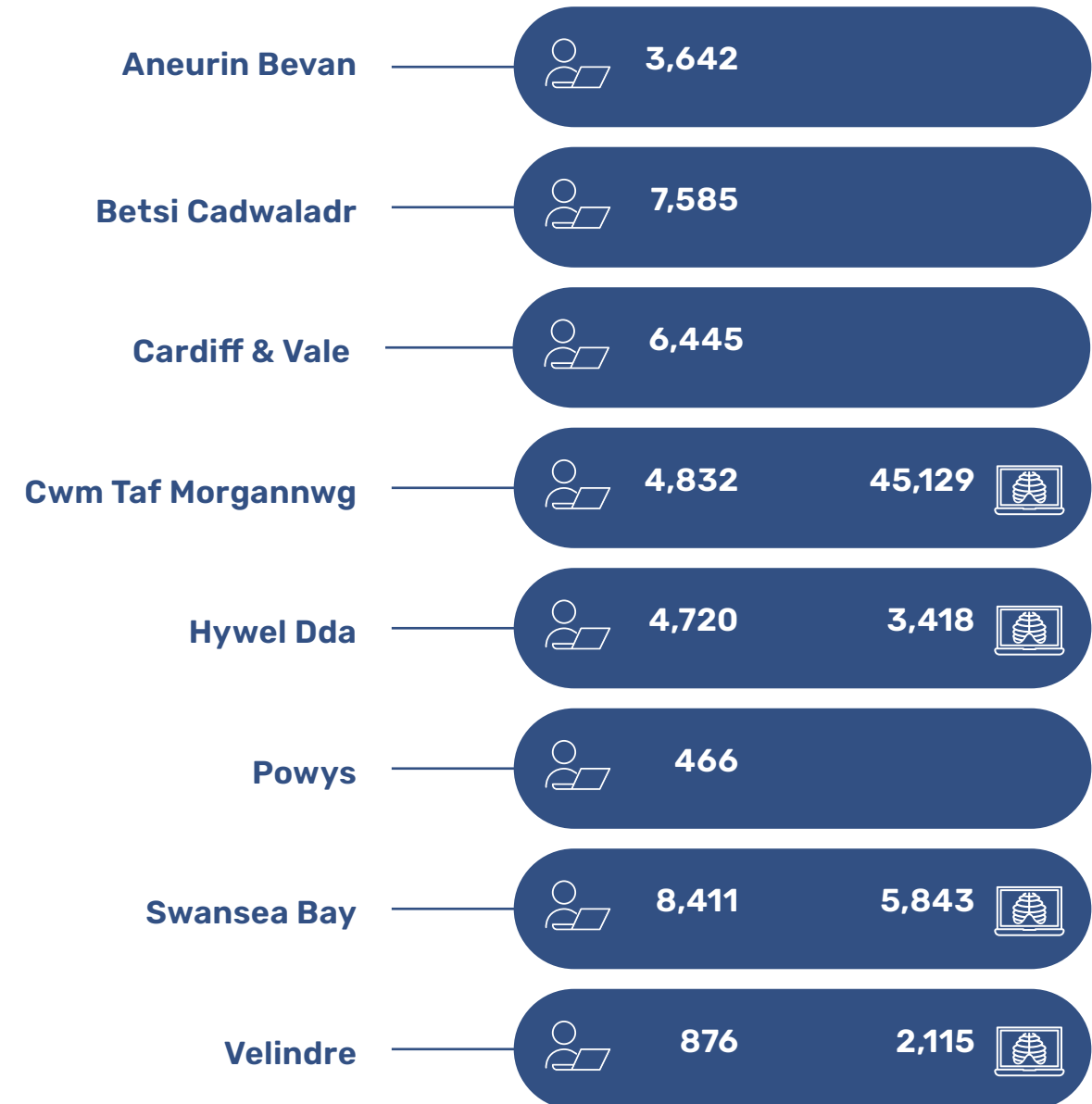
Welsh Clinical Portal in use



WCP Average Number of Users



Radiology Requests via WCP



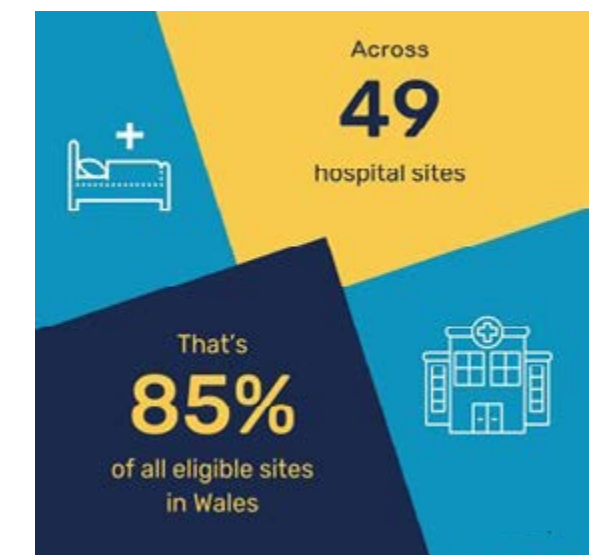
WELSH NURSING CARE RECORD

The [Welsh Nursing Care Record](#) (WNCR) went live in April 2021, it is now live in all health boards across Wales and Velindre Trust covering 85% of adult in-patient wards. Through collaboration with clinical professionals, WNCR now includes nine risk assessments, nursing notes and digitised adult in-patient assessments. It will extend into paediatric wards over the next year.

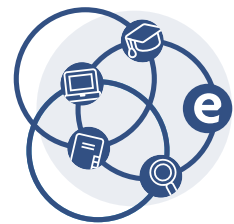
The WNCR contributes to efficient, accurate, and patient-centred nursing care and:

- Replaces paper forms with digital assessments completed by nurses at the patient's bedside, using digital devices such as tablets), improving accuracy and efficiency.
- Has standardised forms and nursing language, reducing duplication and giving nurses more time to care for patients.
- Meets auditing and reporting needs.
- Captures data centrally which can be accessed anywhere irrespective of health board boundaries.

During quarter three, the WNCR was reorganised into a single instance, enabling the service to be supported 24 hours 7 days a week.



E-LIBRARY FOR HEALTH



e-Lyfrgell GIG Cymru
NHS Wales e-Library

IGDC • DHCW

The [e-Library for Health](#) supports effective healthcare delivery by providing evidence-based, relevant and timely online information to

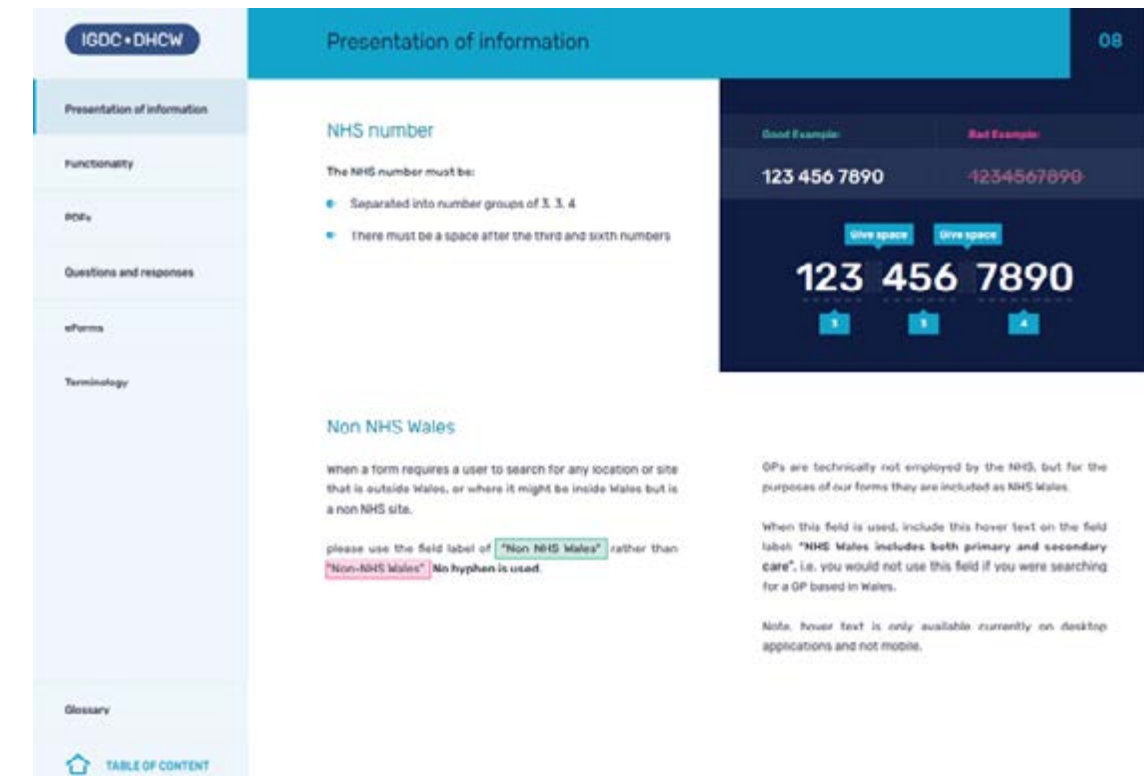
support NHS Wales. It is accessible by all 92,000+ NHS Wales employees, contract holders, including community pharmacists, dentists and hospice workers, students on placement and Welsh Government departments. There are 14,441 users of the e-library, an increase of 981 accounts from the previous year.

In quarter two, a new Social Care Wales representative joined the e-Library Service Board, developing this partnership with new social care users following the roll-out of the service to social care users in January 2023. As of January 15th 2024, one year since launch, there were 227 registered social workers and social care managers using the service.

Procurement activities and contract extensions for the E-Library Service have contributed to its expansion and effectiveness during the year.

USER CENTRED DESIGN

The User Centre Design (UCD) Working Group was established in November 2023 and now includes more than 30 members from all areas of DHCW. The Group has developed a roadmap for embedding UCD best practice across all products and services. Work is underway to create UCD role profiles for all professions which can be used across all healthcare areas.



MISSION 4: DRIVE BETTER VALUE AND OUTCOMES THROUGH INNOVATION

Research and innovation in the digital and data sense involves introducing new ideas and processes to solve problems and improve services across NHS Wales. Gaining insights from the vast amounts of data collected by the NHS is crucial for recovering from the COVID-19 pandemic and addressing its challenges.

The Value from Data Portfolio focuses on processing, analysing and applying this data to solve real health problems and derive value.



RESEARCH AND INNOVATION

The Research and Innovation portfolio supports and enhances both established and new Research and Innovation (R&I) resources and programmes. It aims to take forward an ambitious, expansive and clinically rich digital strategy for R&I, by collaborating with DHCW teams and external partners. The four strategic objectives outlined in the DHCW R&I Strategy 2022/23, were developed through stakeholder engagement and strategy review. [Our first annual report](#), which highlights our progress, is now available.

Throughout the year, significant progress was made in Research and Innovation initiatives, showcasing our commitment to advancing healthcare practices and building partnerships within and beyond Wales. Efforts focused on increasing awareness and adherence to correct processes, expanding R&I awareness through presentations and engagements with various stakeholders such as the Bevan Commission, Blood Cancer UK, Cardiff University, and the NDR Big Data Fund.

We have also worked to enhance partnerships and resources by focusing on assets, resourcing, culture, partnership, value, and impact. Plans for marketing R&I to external partners were reviewed, and innovative training modules were developed in collaboration with stakeholders. These initiatives include exploring a commercial clinical trial recruitment service and expanding datasets for clinical trials to increase their value and impact.

Challenges such as limited capacity and delays in legal reviews highlight the need for more resources and streamlined governance processes. Significant milestones include the endorsement of proposals for the Find-Recruit-Follow up service and the progression of agreements with SAIL and the Welsh Government.

Looking ahead, the appointment of a new Head of R&I promises to further drive forward R&I initiatives, ensuring continued progress and impact in healthcare innovation.



VALUE FROM DATA

The Value from Data portfolio focuses on the entire data life cycle, from acquiring and curating data to analysing it to provide intelligence for informed decision making and taking actions to improve service delivery and population health. The [Information and Analytics Strategy](#) sets out the ambitions of the National Information & Analytics Service. By safely, securely sharing data within current information governance requirements, we aim to make the wealth of acquired data available to achieve this mission.

The Welsh Health and Care Intelligence Portal (WHCIP) is the central place to access published data products such as the Primary Care Information Portal and Value in Health Dashboards.

Throughout the year, the [Information Services Team](#) at DHCW undertook several initiatives to enhance healthcare delivery and decision-making processes.

The team developed various dashboards and visualisations, including the Vascular Dashboard and STAVES visualisations, to improve emergency care and benchmarking. Updates were made to the Primary Care Information Portal and Audit+ modules were deployed to support quality improvement projects. Participation in conferences and awards ceremonies promoted the team's work and highlighted the value derived from data analytics.

The successful implementation of the General Medical Practice Escalation Tool in the Primary Care Information Portal benefited all health board areas. The Health Intelligence team published several dashboards, including the Suspected Cancer Pathway and [Annual APC](#), contributing to informed decision-making. Collaborative efforts with the Value Based Health Care and R&I teams led to winning a bid to further explore myeloma statistics and their impact, showcasing our commitment to advancing healthcare through data analysis.

The Data warehouse team conducted the first quarterly refresh of the National Community Child Health Database and began restructuring the Welsh Health and Care Intelligence Portal webpage for improved accessibility. Preparation for the Spring booster update for vaccinations commenced alongside ongoing efforts to support various programs and initiatives. Achievements included the launch of new dashboards like the Spinal Dashboard and the approval and publication of the Information and Analytics Strategy, providing a roadmap for the organisation's data analytics efforts.

Overall, our activities throughout the year demonstrate a concerted effort to leverage data analytics and innovation to drive improvements in healthcare delivery and decision-making processes.

MISSION 5: BE THE TRUSTED STRATEGIC PARTNER AND A HIGH QUALITY, INCLUSIVE AND AMBITIOUS ORGANISATION

This year marks our third as a Special Health Authority. We have set ourselves an ambitious vision and programme of work, and Mission 5 describes the enablers which underpin all that we do.

WELL-BEING OF FUTURE GENERATIONS (WALES) ACT 2015

While DHCW was not formally under the [Well-being of Future Generations \(Wales\) Act](#) during 2023/24, we followed its principles, specifically the Sustainable Development Principle and associated Five Ways of Working.



MISSION
5

Here are some of the actions we took against each of the Act's objectives:



A Globally Responsible Wales. We created a sustainability strategy based on the ISO 14001 Environmental Management System requirements and a decarbonisation delivery plan. Our procurement processes follow foundational economy principles.



A Prosperous Wales. We focused on financial sustainability, efficiency, benefits management and our decarbonisation plan. We strengthened our relationships with universities and the Welsh Institute of Digital Information (WIDI) to support our commitment to upskill our people and provide opportunities through apprenticeships, internships, placements and academic programmes.



A Resilient Wales. Our Digital Services for Patients and the Public programme encourages better communication between citizens and healthcare providers. We also test our organisational resilience through quality initiatives such as quality standards accreditation.



A Healthier Wales. Our 14 delivery portfolios show how our services can support this objective by providing the right data at the right time to clinicians no matter where patients are treated.



A More Equal Wales. We prioritise talent and succession planning, aligning with standardised skills frameworks such as the Digital, Data and Technology Profession (DDAT) Framework, and developing our strategic equality plan.



A Wales of Cohesive Communities. Our stakeholder strategy and central engagement team focus on developing and maintaining our strategic relationships with patients, users and wider stakeholder communities.



A Wales of Vibrant Culture and thriving Welsh Language. Our [strategic equality plan](#) includes a commitment to being a bilingual organisation with a focus on Welsh Language training.

PEOPLE AND CULTURE

Our vision is to be a great place to work where our people are fully engaged, high performing and embody our values and behaviour. Our [People and Organisation Development \(POD\) Strategy for 2022-25](#), supports our strategic ambitions, vision and focus, ensuring that our newly developed values are embedded throughout the organisation. .

Our [Strategy Equality Plan](#) which was developed in partnership and endorsed by the Board in 2023 highlights our commitment to equality and diversity

We have made substantial progress in leadership and talent development, succession planning, recruitment, equality, diversity, and strategic workforce planning. We continue to demonstrate our commitment to the Welsh Language scheme by encouraging staff to learning and use the language.



LEADERSHIP AND TALENT MANAGEMENT, INCORPORATING SUCCESSION PLANNING

As a learning organisation, we provide training and development opportunities at all levels of the organisation. At least a third of our vacancies were filled through internal career moves, demonstrating our commitment to supporting our staff to develop and progress their career at DHCW. In addition to in house training and development, opportunities are provided through HEIW and externally, including through professional membership, universities and our partnership with the Welsh Institute of Digital Information (WIDI).

We support leadership and talent management at all levels across the organisation: Examples of leadership, talent management and succession planning, include:

- We are working closely with Deloitte and Gartner to provide development opportunities for our Board members and executive team, supported by coaching and buddy arrangements.
- We appointed two external specialist providers to support our Senior Leadership Development Programme, talent management and succession planning commitments.
- More than 80 people attended the launch of the Talent Cohort in June 2023, which was well supported by the Executive team and senior leaders across the organisation.
- More than 150 people attended the launch of the Emerging Talent Programme in March 2024, aimed at colleagues at the start of their career.
- Critical and single point of failure roles were identified across the organisation to support succession planning.
- Engagement with local community groups, schools (Welsh and English Medium), colleges and universities has showcased careers in digital and opportunities to develop a career at DHCW.
- We are continuing to appoint new apprentices and graduates who join us as direct hires, through intake schemes or as NHS Wales graduates supported by HEIW placements.

GREAT ORGANISATION TO WORK FOR

We work closely with Trade Unions and external partners to position ourselves as an employer of choice. We have achieved

- international ISO standards and a highly rated outcome from internal and external Audits.
- We implemented our Strategic Equality Plan (SEP) in April 2023 which includes five key commitments aligned with National Action Plans including the Race Equality Action Plan and the LGBTQ+ Action Plan for Wales. Key achievements include:
 - Appointed an Equality, Diversity, Inclusion and Wellbeing Lead.
 - Established an Equality, Diversity and Inclusion Network with 32 employees, who engage and participate in activities, influencing decisions undertaken in the organisation.
 - Developed a robust practice of conducting comprehensive Equality Impact Assessments (EIA) for relevant policies, frameworks, strategies, projects, and schemes.
 - Published the Gender Pay Gap Reports
 - Achieved certification for the ISO 30415 Diversity and Inclusion standard which reflects a pivotal step toward ensuring our commitment to diversity and inclusion.

Further details to our commitment to equality, anti-corruption and the prevention of human trafficking can be found in the [Accountability report](#)

SHAPING THE WORKFORCE – STRATEGIC WORKFORCE PLANNING AND RESOURCING

Key achievements include:

- Launched annual Strategic Workforce Planning to address skills gaps optimise resourcing
- Established the Strategic Resourcing Group to explore and monitor resourcing requirements and options to mitigate risks.
- Developed a new Resourcing Strategy in partnership with the Strategic Resourcing Group.
- Developed a Resource Tracker Dashboard.
- Increased collaboration with wider digital community networks and groups such as the Centre for Digital Public Services (CDPS), HEIW, Federation for Informatics Professionals (FEDIP) and the British Computer Society (BCS).
- Developed a recruitment pipeline with academic institutions, cultivating partnerships with schools, colleges and universities across Wales.

WELLBEING & ENGAGEMENT

- DHCW successfully retained Gold Corporate Health Standard and achieved recertification for the BS76000 Valuing People Standard.
- The DHCW Health and Wellbeing Network and People and OD team worked closely in partnership with Trade Unions to develop and signpost people to financial and wellbeing support.
- Managers and colleagues carried out wellness checks which has received positive feedback through staff surveys.

Sickness Absence

Overall Sickness is 2.7% at the end of March 2024 with an average over the year of 3.46%.

Appraisals

Appraisal completion rate is 83% at the end of March 2024, with an average over the year of 88%.

Statutory and Mandatory Training

The completion rate is 92.6% at the end of March 2024, with an average over the year of 91.8%.


Welsh Language Recruitment





2.61% of new and vacant posts advertised during the year were categorised Welsh language essential with 97.39 categorised as desirable.

FINANCE

Our main objective is financial sustainability. We want to automate more processes, explore Cloud environments and lead on cloud accounting guidance, benefits management and financial analytics.

DELIVERY

DHCW is reporting achievement of all the key financial indicators for the period  Achieved

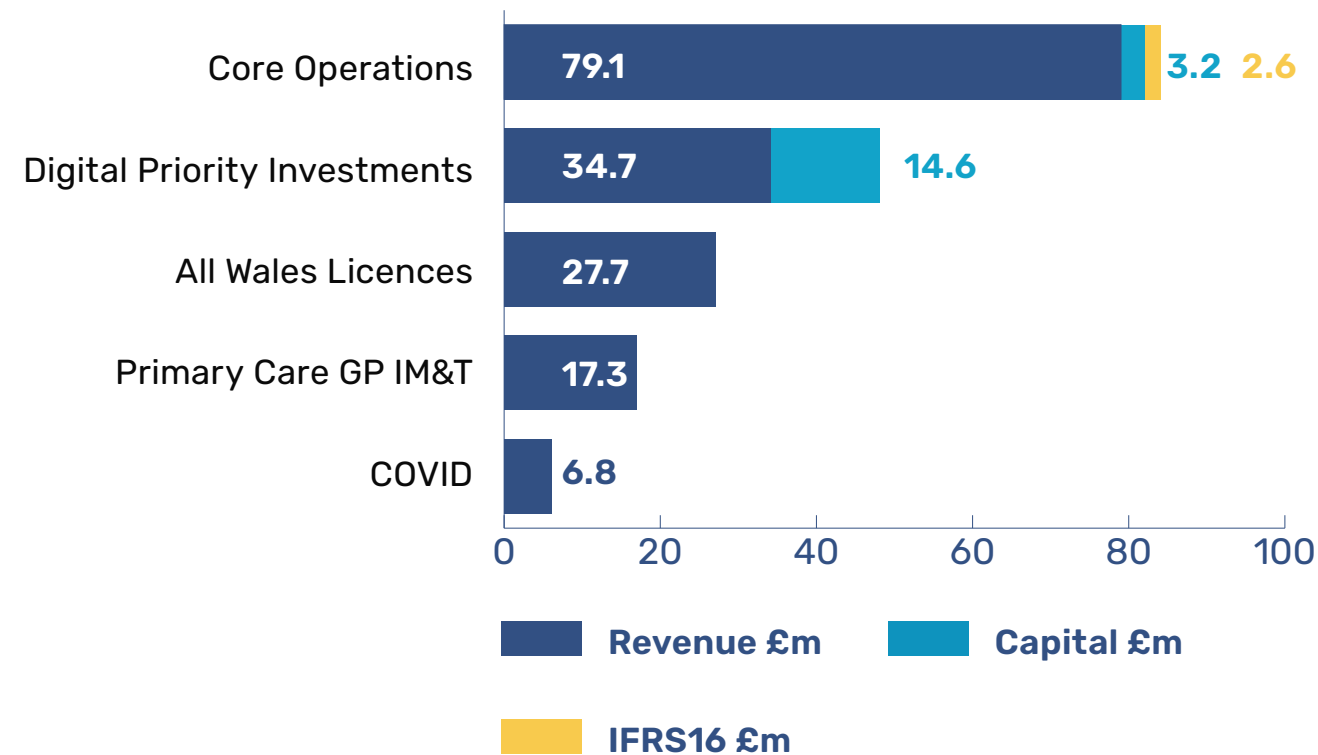
Indicator	Result	Summary
Revenue Breakeven (To secure that the organisations expenditure does not exceed aggregated income)		Small operational surplus of £0.307m (0.2% of funding received)
Remain within Capital Resource Limit (To ensure net Capital Spend does not exceed the Capital Resource Limit CRL)		DHCW recorded £17.809m spend for period against a capital limit of £17.828m presenting an underspend of £0.019m. The organisation also received IFRS16 lease funding to support recorded spend of £2.599m
Public Sector Payment Policy (To pay a minimum of all non-NHS creditors within 30 days of receipt of a valid invoice)		PSPP target achieved 97% achieved against a target of 95%
Bank Sufficient bank balances		Balance as at 31/03/24 £2.093m

These results reflect the post audit organisational position.

During the year, we delivered our statutory obligations and identified £0.7m of savings which were returned to Welsh Government to support the wider NHS financial pressures.

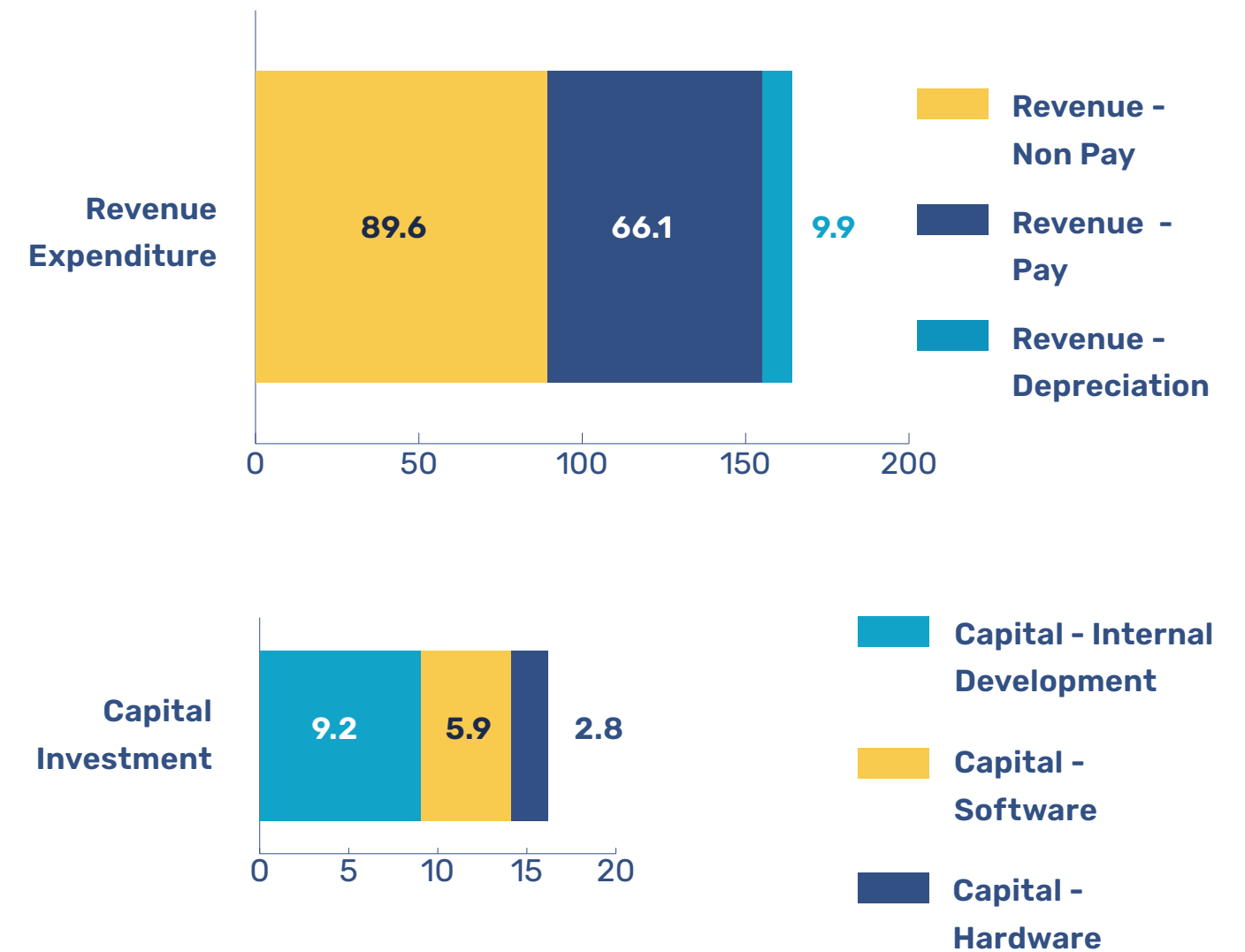
To support organisational activities DHCW spent £186.0m (Revenue & Capital) in the following 5 main areas:

Fig 6 - 2023/24 Organisational Spend Areas £m



A total of £17.9m capital was invested supported by £165.6m of in year revenue spend. (£183.4m adjust for rounding).

Fig 7 - 2023/24 How We Spend Our Funding £m



SAVINGS & EFFICIENCY

In order to deliver the required activity and support the broader NHS Wales wide financial challenge, DHCW instigated wide ranging savings and cost avoidance initiatives to mitigate both recurrent and non-recurrent financial pressures.

Key themes included:

Recurrent

- Directorate Cost Improvement Programmes
- Estates Rationalisation
- Travel Reductions
- IT Maintenance & Support
- Procurement Savings

Non-Recurrent

- Vacancy Management
- Accountancy & Non-Recurrent Gains

A target of £4.9m was identified to address the following pressures:

Recurrent

- IMTP Funding Gap

Non-Recurrent

- Datacentre Migration Activity
- Strengthening Cyber & Information Security
- Digital Priority Investment Scheme (Acceleration & Delivery)
- Cloud Preparation
- Supporting the NHS Wales wide Financial Improvement Exercise

As part of our savings plan, DHCW achieved £1.8m of savings to mitigate these planned and emerging financial pressures.

We met our statutory obligations and participated in the financial challenge, returning £0.7m of savings to Welsh Government. Our plan also resulted in recurrent savings of £2.1m to offset underlying organisational cost pressures.

In addition to meeting our statutory financial targets, the finance department accomplished the following:

National Leadership – *Technical Accounting for Digital Expenditure*

DHCW presented guidance and held a number of “roadshows” for NHS organisations and senior digital representatives. These sessions aimed to help finance and digital teams understand how to account for digital assets and cloud spend in accordance with the NHS Wales Manual for Accounts. The guidance supports users to make consistent judgements on how digital assets are accounted for and whether spend incurred on digital projects creates an asset or should be expensed.

National Leadership – *Benefits Realisation*

The finance team worked with stakeholders across Wales to agree a refreshed benefits framework and toolkit, as well as a standardised dataset. We are developing an All-Wales Benefits Reporting system to collect and report benefits from digital programmes. Benefit dashboards will be available for the whole of Wales, each NHS organisation and for each programme. Phase 1, which developed a central benefits repository and reporting dashboard, was completed this year. Phase 2 and 3, focusing on piloting and populating the repository, will be completed in 2024/25.

Funding of Service Level Agreements

As part of the 2024/25 IMTP SLA review, DHCW held sessions with senior teams from all organisations to provide increased transparency on service costs, pressures and mitigating actions. These sessions also focussed on service changes and growth, providing a solid understanding of funding requirements for the financial year

Control of Cloud Spend (FinOps)

As our cloud presence grows, it is vital that good governance and cost control are embedded into the organisations processes. The finance team established an accredited function to ensure processes are followed and spend is cost-efficient. This year, the team published standard operating procedures, created cost and consumption monitoring dashboards, and held masterclasses for finance professionals across Wales to share knowledge and awareness.

Financial Sustainability

Our savings plan resulted in a recurrent benefit of £2.2m to offset underlying and emerging cost pressures. The finance team undertook a detailed assessment of service costs to provide cost basis as the future target operating model is established. Further research is currently underway

SUSTAINABILITY

At DHCW we know we must safeguard the environment and its natural resources. That's why we have a Sustainability Strategy in place that includes the requirements of the ISO14001:2015 Environmental Management System standard. We also have a Decarbonisation Action Plan (DAP) that supports our strategy and helps us use a methodical and organised approach to reducing carbon emissions.

Environmental Statement

Our Decarbonisation action plan for 2023/24 was successfully completed. Our environmental annual trend is positive, with operational emissions reduced by 43% (1,166tCO₂e) in Quarters 1 - 3 2023/24, compared to our baseline year of 2019-20. Our full year footprint for 2023-24 will be available by the end of Quarter 1 of 2024-25. We continue to monitor emissions in multiple areas to ensure we are actively reducing CO₂ levels.

The NHS Wales Decarbonisation Strategic Delivery Plan shows how NHS Wales can contribute to climate recovery and the Wellbeing of Future Generations (Wales) Act 2015. The act addresses long-term challenges such as poverty, health inequity, and climate change.

As a digital organisation, we have a unique opportunity to help reduce carbon emissions within the larger NHS by developing and enhancing digital solutions. These include tools to enable the digital transfer and storing of information, as well as remote consultation services.

Our Carbon Footprint

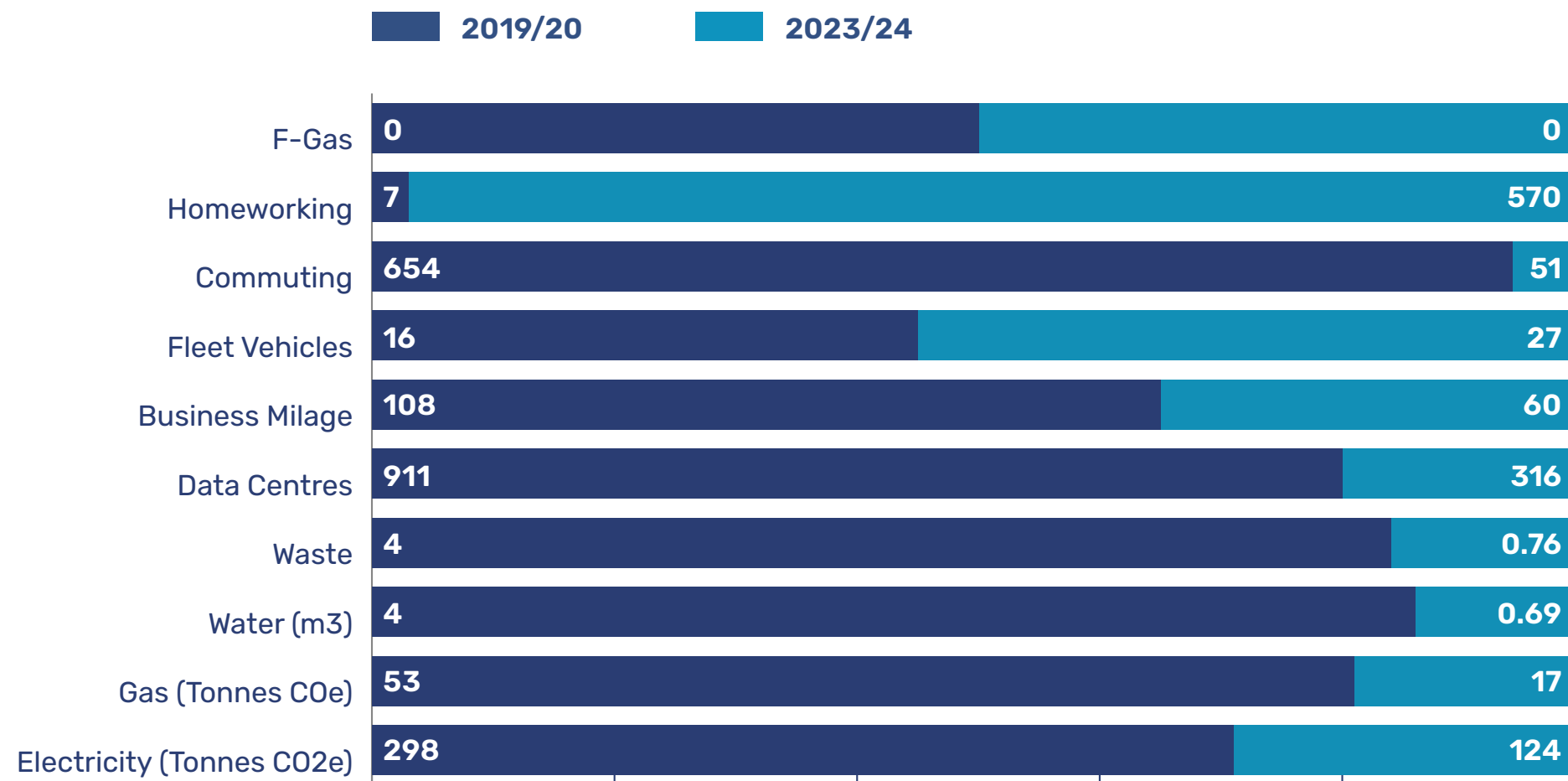
Carbon emissions are a key measure of our environmental impact. Our carbon footprint is calculated as the total greenhouse gas (GHG) emissions produced by our activities and services, expressed as carbon dioxide equivalent.

In 2019/20, DHCW (as its predecessor organisation) measured emissions for the first time. We refer to this year as our baseline. Most of our carbon footprint that year was attributed to gas (18%) and electricity (80%). Our operational emissions during 2019/20 were 2757 MtCO₂e (Metric Tons of Carbon Dioxide equivalent).

In our current reporting year (2023/24), figures for Quarter 1 - 3 show operational emissions have continued to decrease, largely due to our estates rationalisation work, as a result of hybrid working. This allowed DHCW to vacate premises at Pontypool and we anticipate further reductions in 2024/25.

The below table features data from quarters 1 – 3 in comparison to our baseline year, which so far show a 43% reduction in operational emissions.

Fig 8 - Operational Emissions Comparison QTR 1-3 2023/24 vs 2019/20: Baseline Year



Please see the [DHCW Decarbonisation Action Plan](#) for further information.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURE (TCFD)

We follow the TCFD-aligned disclosure application guidance, which is tailored for the UK public sector. We see climate change as a major risk, so we comply with the TCFD's guidelines and disclosures set out in phase 1 regarding:

- General principles (including scoping)
- Governance recommendation and recommended disclosures (a) and (b); and
- Metrics and Targets recommended disclosure (b) – where data is available.

DHCW plans to follow the next phases of TCFD in line with central government's timeline.

STAKEHOLDER ENGAGEMENT

DHCW operates within a complex ecosystem of stakeholders, and building open and constructive stakeholder relationships so we are viewed as a trusted strategic partner is key to our success.

We work with our users – patients and public, clinicians, administrative and managerial staff, and other public bodies to provide the digital solutions they need.

We align our priorities with Welsh Government's policies and priorities. We work with our digital colleagues in health boards, trusts, special health authorities, local authorities and other partners and suppliers, to modernise our digital infrastructure and services offerings, plan jointly and increase our level of digital maturity.

We work with academia to develop innovative partnerships both in terms of technology and building the digital workforce of the future.

People are at the heart of transformation. By working closely with our national and local partners from the beginning, we can understand the future direction of healthcare and help enable transformation through data and technology solutions.

We refined our Engagement Action Plan focusing on four key pillars to ensure we engage and coproduce the national digital health and care systems for the people of Wales.

Our stakeholders and partners are key to the delivery of our vision, and we will continue to work closely with our patient groups, health boards and trusts and other delivery partners. The setting up of a Digital Change Delivery Network will see an increase in collaborative working to accelerate effective adoption of digital solutions.



Achievements	Impact
PILLAR 1: Foster a culture of effective engagement, enhancing DHCW's capability and capacity	
<ul style="list-style-type: none"> • Established the DHCW Professional Network for Engagement and Communications, with 80+ members and bi-monthly meetings. • Created engagement toolkit and intranet site to support staff to engage effectively. • Undertaken workshops and planning with DHCW programmes to embed targeted, consistent, and resourced approach to engagement. • Agreed trial of Stakeholder Relationship Management (SRM) system with six external facing DHCW teams to help manage our engagement and create better experience for stakeholders. • Developed a small central team to support our strategic engagement and create a culture of consistent and professional engagement across DHCW. 	<ul style="list-style-type: none"> • Supporting coordinated approach to stakeholder engagement across programmes and departments. • Creating a consistent engagement experience for our stakeholders. • Enabling and supporting our staff to engage effectively. • Sharing best practice and learning.
PILLAR 2: Develop effective strategic partnerships, forums and networks to enable successful collaborative working	
<ul style="list-style-type: none"> • Reviewed and refocused our strategic engagement with NHS Wales partners to support alignment, joint planning and identifying and addressing opportunities and challenges. • Established All Wales Digital Leads Forum which meets quarterly with representation from all NHS Wales partners. • Partnership agreement in place with CDPS and Social Care Wales, with agreed programmes of joint work and regular meetings. • Strategic engagement with key suppliers to ensure they understand and support needs of Wales. • Mapping of governance boards for all programmes, projects and services underway to ensure appropriate representation. • Regular meetings established with Welsh Government colleagues and supporting NHS Executive to embed in roles and understand opportunities for digital to support transformation. • Continuing to develop strong partnerships with third sector and patient representative groups to promote, support and evaluate the design and development of services including the NHS Wales App. 	<ul style="list-style-type: none"> • Supporting more effective partnership working with NHS Wales partners, with efforts ongoing to further improve. • Raising awareness of DHCW plans and ambitions and identified opportunities to collaborate through joint plans with other national bodies and organisations. • Supporting Welsh Government to identify and address needs at national level, align plans and identify opportunities.

Achievements	Impact
PILLAR 3: Be recognised as a system leader in the development of high-quality technology, data products and services for the NHS	
<ul style="list-style-type: none"> • Established successful Big Data and Analytics series, with over 130 people attending last event representing all health boards across Wales, Social Care Wales, NHS Exec, Public Health Wales and Welsh Government. • Positioned DHCW as central to sharing learning about advanced analytics in health and social care. • Delivered successful four nations event September 2023 to bring together DHCW, Welsh Government and respective digital leads from across UK to share insight, best practice, and learning. • Significant work progressed on digital inclusion agenda; achieved Digital Inclusion Charter Accreditation; undertaken DHCW Executives and Board sessions with Cwmpas; and established DHCW Digital Inclusion Working Group. • Working with Digital Communities Wales provided training sessions for 120 out of potential 880 Digital Champions to cascade using the NHS Wales App and good digital skills. Over 60 DHCW staff have had training to date. 	<ul style="list-style-type: none"> • Shared learning and leadership on advanced analytics in health and care. • Consistent messaging developed to enhance stakeholder understanding of NDR • Raising awareness of work of DHCW in Wales, UK and beyond and opportunities for learning and collaboration. • Highlighting importance of digital inclusion and DHCW’s commitment and leadership role and working with others to reduce digital exclusion.
PILLAR 4: Operate as an agile and responsive organisation, listening and responding to stakeholders	
<ul style="list-style-type: none"> • Undertaken number of workshops with NHS Wales partners to identify key themes, and support improved ways of working in partnership, • Supported undertaking of Wales wide survey to assess usability of digital systems with clinical users. • Scoped annual stakeholder review to include interviews and survey across all stakeholder groups. • Undertook mapping of current mechanisms of feedback with different stakeholder groups to improve sharing of intelligence and introducing more co-ordinated approach. • Created a digital inclusion survey for patients and public working with key partners including third sector, Patient representative groups and Cwmpas. • Use in App feedback for continuous improvement of the NHS Wales App • Registered over 5000 patients for User Research Panels for discovery and development of new features • Set up Proxy Access Working Group to develop and evaluate new feature with varied representatives and subject matter experts 	<ul style="list-style-type: none"> • Increasing our understanding of our NHS Wales stakeholders, their views of the partnership with DHCW and how to improve collaborative working. • Consolidating data and Intelligence on engagement to inform actions and decision making. • Introducing regular feedback mechanisms for delivery and other partners. • Ensure that patients and the public have a voice • Ensure feedback is acted on

COMMUNICATIONS

As a national NHS organisation, it is vital that DHCW delivers strong and proactive communications to raise the profile of its work and build its role as a trusted strategic partner with a reputation as a system leader for digital health and care services.

In September 2023, following wide engagement across DHCW and with our partners, a new [communications strategy](#) was approved by DHCW’s SHA Board.

The strategy identifies a proactive approach to communications with five strategic aims designed to support our staff, build our relationships with stakeholders and establish DHCW’s reputation as a trusted strategic partner. The strategy is supported by a yearly action plan, with most of the first year’s actions already achieved.

In terms of raising our profile, we are building DHCW’s brand identity with the launch and roll-out of new branding across the organisation. We have also been developing case studies of work where we are delivering for partners. There has been continued directorate communications support to gain insight and develop stories about team achievements. This directorate approach has also resulted in communications advice and support being given to teams to support them in their work. We have continued our successful delivery of events, including two Ministerial visits, a Senedd event and continued presence at major industry events such as Rewired and HETT, as well as securing presence at new events.



The communications team has also continued to build on our internal communications to support staff, working with People and Organisational Development to share key information for staff, and building on our internal events programme. Our internal events regularly receive high levels of attendance and are helping to build relationships and information share across the organisation. We also created a new and highly successful 'Festive Thank You' campaign at Christmas time to provide an opportunity for staff to celebrate the work of their colleagues, and we have hosted regular events where staff can come together, including the first hybrid staff briefing in December.

In terms of our stakeholder communications, joint planning sessions are now being held between the communications and engagement teams to share information about stakeholders and their needs. We have undertaken a series of joint workshops with the engagement team to support DHCW's programmes with a co-ordinated approach to communications and engagement, based on understanding stakeholders' needs. Workshops with more teams are planned. The DHCW Engagement and Communications Network is now established and meets regularly. Guest speakers from partner organisations are attending the network to share good practice and information.

We have also upskilled the communications team in digital communications and can now produce digital content in-house. We are undertaking improvements to both SharePoint and the website following a review of these channels and an increase in specialist skills within the team. We have delivered training and information to DHCW staff as well as NHS Wales communications leads on best practice for digital communications.

Some key indicators of success in our communications work include:

- Record levels of attendance at staff briefings
- A waiting list for some of our internal events, including TENTalks
- Consistently high levels of engagement across our digital and social channels – which are higher than those we benchmark against
- Both the communications and engagement teams are being approached by teams across DHCW to support them in developing their communications and engagement work
- High staff engagement in key areas such as opinion surveys

In terms of next steps, we will be focusing efforts on completing the outstanding actions within this year's plan and developing the action plan for year two of the strategy.

QUALITY AND SAFETY

Quality and safety are at the heart of everything we do. The Health and Social Care (Quality and Engagement) (Wales) Act 2020, which took effect on April 1st 2023, strengthens the voice of citizens, introduces a duty of candour and strengthens the existing duty of quality on NHS bodies. We are addressing the requirements by producing an annual report and developing training and processes in support of the Duty of Quality. We are also focusing on new regulations around medical devices.

DHCW has a quality framework supported by the electronic Quality Management System (eQMS), iPassport, and the Integrated Management System (IMS). The Quality and Regulatory group monitors these matters, with support from the Integrated Management Systems Assurance Group and Medical Devices Alerts Group. There several groups manage key processes and provide quality assurance, such as the Wales Informatics Assurance Group and Operational Service Board. The Audit and Assurance Committee provides assurance to the Board on the Quality and Regulatory plan and its outcomes. This assurance framework increases transparency and scrutiny of quality and regulatory support. DHCW maintains several [ISO certifications](#).

More information on our approach to the [Duty of Quality](#), part of the Health and Social Care (Quality and Engagement) (Wales) Act 2020, can be found on our website including our Annual Report and 'Always on' reports.

CLINICAL INCIDENTS

Digital Health and Care Wales uses the following definitions to categorise incidents clinical incidents:

Clinical incident: *"Unexpected or unintended incident associated with DHCW products and services that could have or did lead to harm of one or more patients receiving NHS / Social funded care"*.

Serious clinical incident: *"A clinical incident that prevents or threatens to prevent an organisation's ability to continue to deliver health or social care services, for example, significant disruption to services due to a failure of an IM&T system, actual or potential loss or damage to property, reputation or the environment"*.

We also use the definition of a serious incident, now referred to as a Nationally Reportable Incident, provided by the [Nationally Reportable Patient Safety Incident Policy](#) (June 2021): *"A patient safety incident which caused or contributed to the unexpected or avoidable death, or severe harm, of one or more patients, staff or members of the public, during NHS funded healthcare."*

During the past year, five clinical incidents were logged. Two of these incidents were escalated to Welsh Government as Early Warning notifications due to initial assessments indicating the potential for patient harm. No patient harm has been identified in relation to any of the incidents, and there were no requirements to trigger the Duty of Candour.

CLINICAL INFORMATICS FRAMEWORK

Our Clinical Informatics Professionals are registered health professionals who play an important role in ensuring the safety, assurance and development of national systems. They draw on their clinical expertise as end-users and engage with national clinical networks.

We have developed our [Clinical Informatics and Business Change Strategy 2023-2026](#). The strategy includes a framework to guide how clinical input and the Business Change team can shape the development and deployment of our products. Including these perspectives will strengthen and maintain high standards of clinical quality within our Product Operating Model and Portfolio Management Office.

GOVERNANCE, PERFORMANCE AND ASSURANCE

This enabler ensures that we provide assurance to our Board through risk management, business continuity, performance and planning frameworks.

PLANNING APPROACH

The health service in Wales is facing significant challenges and digital is crucial to driving forward the transformation needed to address these challenges.

The digital landscape is evolving rapidly and presents its own challenges: increasing cyber threats, supply chain disruptions, varying availability and affordability of digital resource, and tackling outdated technology.

That is why our plan places a strong focus on how digital and data can help manage the significant pressure on healthcare services and improve patient outcomes. We are committed to working in the open and our IMTP sets out our plans, risks and challenges clearly. This transparency supports our commitment to being a trusted strategic partner.

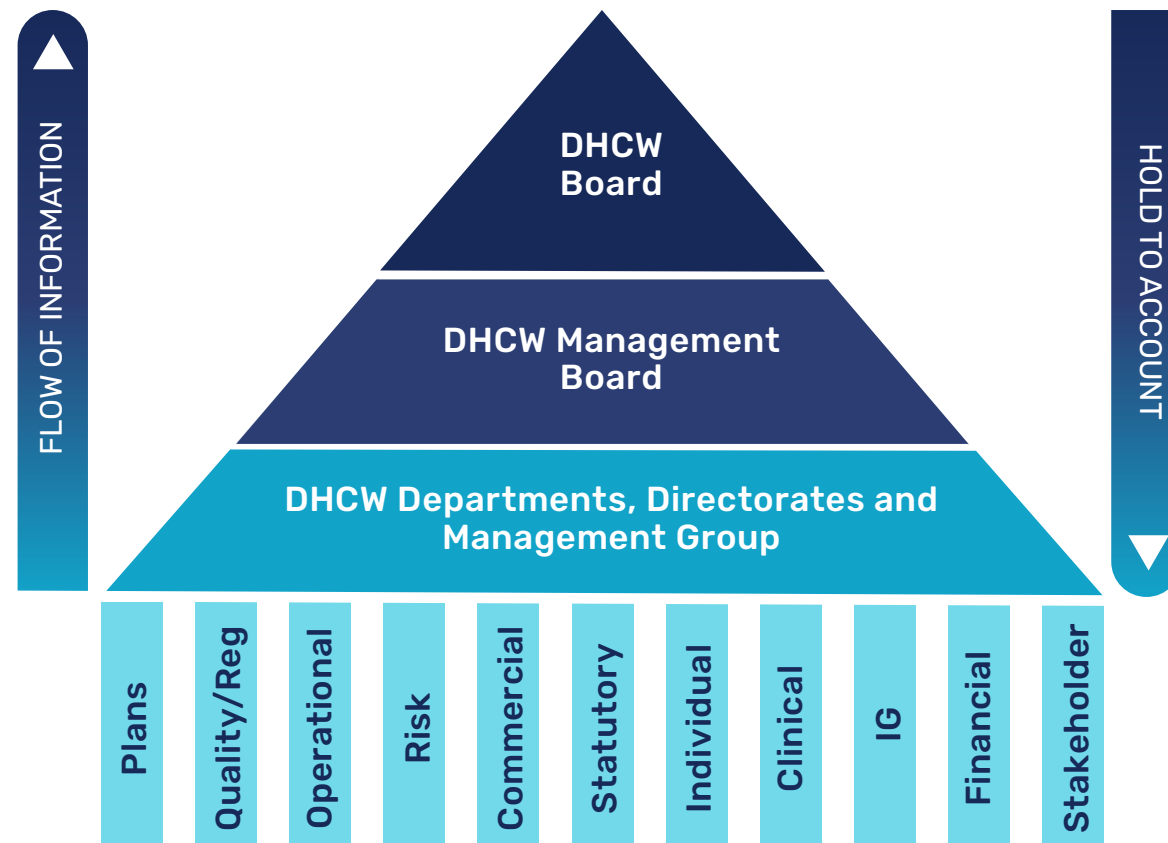
In 2023/24 we refined our missions and portfolios to align more closely to Ministerial Priorities and the IMTP Framework. We developed new and revised portfolios to highlight our commitment to open architecture and standards, as well as infrastructure investment and our increased activity in primary and community care. Throughout the IMTP period of 2023-26, we effectively managed our key pressures and risks and identified upcoming work.

Our annual business plan is an ambitious, comprehensive plan covering our portfolio of change initiatives for the year. To enable DHCW to respond to changing priorities and new requests for additional work in-year, we enact a robust change control process to ensure close management of the plan and our deliverables. While this means some initiatives may be slowed or paused, it enables resources to be focussed on the highest priority initiatives which deliver the most benefit to NHS Wales.

We successfully achieved 87% of our IMTP milestones through carefully managing funding, resource constraints and other complexities within the system.

PERFORMANCE APPROACH

Fig 9 - Performance Management Framework Information Flow Outline



A strong operating model is essential for delivering our vision and strategic objectives. This is underpinned with an effective Performance Management Framework and clear lines of responsibility and accountability at a team and individual level.

DHCW’s operating model is set out in our Standing Orders and Standing Financial Instructions.

The Performance Management Framework outlines how performance is managed through a hierarchy of directorates, departments and groups, overseen by DHCW’s Management Board, and assured by the DHCW Board.

Fig 10 - Performance Framework Focus



Performance is centred on three main areas:

Plans which articulate requirements and expected outcomes

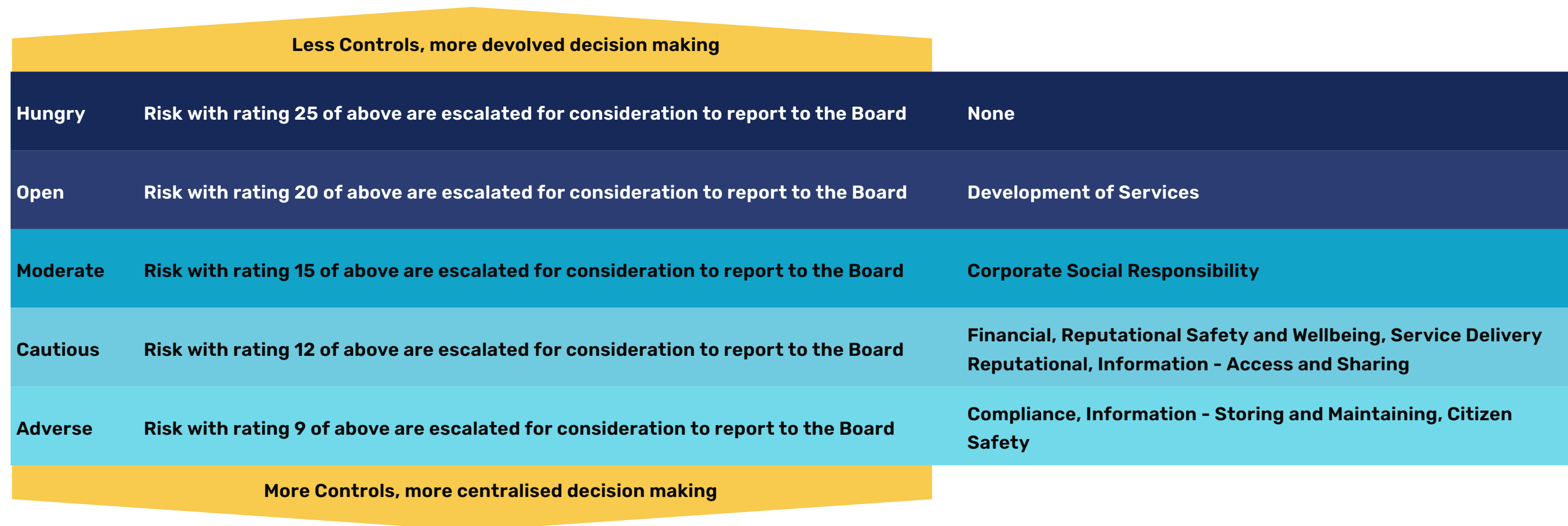
Resources to deliver the plans and achieve the outcomes

Outcomes of achieved plans, and how they relate to the development of the individual, team, department or organisation

RISK MANAGEMENT

DHCW understands the need to embrace risks to achieve our strategic objectives and delivering value to stakeholders. Each risk is carefully considered using a methodical approach to ensure control is maintained. Our Board ensures that our exposure to risks remains within acceptable limits, with regular reviews for adjustments as circumstances evolve.

Any deviations from our risk tolerance undergo a governance process to ensure transparency and effective management. Some risks may be accepted beyond our usual limits if they are deemed unlikely, offer significant potential rewards, are deemed too costly to mitigate compared to potential impacts, have a limited exposure window, or require external parties to mitigate.



Our IMTP 2023 - 26 identified our main areas of risk as

CYBER. Protecting against cyber-attacks is critical to ensure the availability and safety of our digital solutions. This year we procured the National Security Information and Event Management (SIEM) system for NHS Wales and invested in other areas to protect NHS Wales from cyber security threats.

SUPPLIERS. We are reliant on supplier capacity to support our key systems. We need to be confident that delivery timescales are not at risk, and suppliers remain focussed on an NHS Wales roadmap and requirements.

DIGITAL INFLATION. Increased costs from digital service suppliers could impact our ability to balance finances.

SUSTAINABLE FUNDING. There are key funding risks including the requirement of additional funding in year 1 and sustainable funding for future years to support evolving service models and growth. These could impact on delivery of new systems and the continuity of our operational services. Additionally, uncertainties about future income from service level agreements with other NHS organisations add complexity, including the transition of major programmes from Welsh Government digital priority investments into business as usual. This year, we completed an initial assessment of service and product costs and their accompanying funding. We are working closely with the Welsh Government on the future funding model state.

RESOURCING. There is a risk of not filling vacancies in a timely manner. Some digital skills are in short supply and posts are difficult to fill. We set up a Strategic Resourcing Group which enables monitoring of resource requirements at an organisational level to minimise resourcing risks.

LEGACY ISSUES. There is still legacy infrastructure which needs upgrading across the estate. Any focus away from this means new systems could sit on sub-optimal infrastructure which could delay roll out and have a reputational impact due to instability. This year, we migrated to a new data centre, recruited 5 of 6 staff to the Cloud team and developed a Cloud economic case. We also implemented a Cloud PC solution, commenced cloud migration assessment scans and continued to reduce legacy infrastructure.

COMPLEX INTERDEPENDENCIES. Integrating digital systems in health and social care is extremely complex. This can result in unexpected delays which may be difficult to mitigate, for example, when systems are provided by third parties. This year we published our API roadmap and delivered 6 priority API's.

CONCERNS

Although the DHCW Special Health Authority is not covered by the Putting Things Right (PTR) Regulations, we follow the recommended response and guidance set out under PTR Regulations. We take our responsibilities and accountabilities seriously and aim to ensure that our responses to concerns raised are cohesive, measured and timely.

We have robust monitoring metrics and systems in place. This allows us to promptly alert our board to emerging issues and provide assurances. We also maintain a dedicated learning group to ensure proactive measures are in place to address any deviations from our expected standards.

CONCLUSION AND FORWARD LOOK

Digital Health and Care Wales plays a unique role, providing the national digital and data systems that underpin health and care services in Wales. As the expert national body and part of the NHS Wales family, we are committed to fulfilling our role as a trusted strategic partner, delivering some of the largest healthcare digital and data projects in the UK.

As we enter our fourth year as a Special Health Authority, we are constantly seeking ways to learn, innovate and improve, while continuing the delivery of our core services. These are challenging times for NHS Wales – both for patients and staff, but there are also numerous opportunities for digital and data to help with these challenges. The Minister for Health and Social Services has set out their digital expectations in the planning framework – ‘digital developments are essential to transforming efficiency, access and care’.

Digital transformation will deliver better and safer patient care, while supporting the system in managing ongoing pressures, and helping to deliver vital longer-term preventative work.

Our plans must make the most of these opportunities by increasing our ambitions and placing a strong focus on how our systems and services can improve care and patient outcomes.

In the past year, we achieved significant milestones including the introduction of the NHS Wales App, the launch of the Electronic Prescription Service, major developments in the National Data Resource platform and progress in key areas such as cancer, diabetes and electronic testing requests. DHCW has also taken on the management of national digital diagnostic programmes. We are proud of the early progress we are making in our approach to user-centred design, working collaboratively with partners to develop services to best meet their needs, and being awarded Digital Inclusion Charter Accreditation by Digital Communities Wales, which recognised our approach as ‘exemplary’.

With partnership, innovation and quality at the heart of everything we do, we remain focused on our five strategic missions to ensure alignment with national objectives and value in healthcare.

Gwneud digidol yn rym er gwell ym maes iechyd a gofal
Making digital a force for good in health and care



THE ACCOUNTABILITY REPORT AND ACCOUNTS

IGDC • DHCW



GIG
CYMRU
NHS
WALES

Iechyd a Gofal
Digidol Cymru
Digital Health
and Care Wales

CORPORATE GOVERNANCE REPORT

The Corporate Governance Report provides an overview of the governance arrangements and structures in place across Digital Health and Care Wales Special Health Authority during 2023/24. It includes:

The Annual Governance Statement

Sets out the governance arrangements and structures and brings together how the organisation manages governance, risk and control.

The Directors' Report

Provides details of the Board and Executive Team, which has authority or responsibility for directing and controlling the major activities of the Special Health Authority during the year. Some of the information which would normally be shown here is provided in other parts of the Annual Report and Accounts and this is highlighted where applicable.

The Statement of Accountable Officer's Responsibilities and Statement of Directors' Responsibilities

The Accountable Officer, Chairman and Executive Director of Finance confirm their responsibilities in preparing the financial statements and that the Annual Report and Accounts, as a whole, is fair, balanced and understandable.

ANNUAL GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITIES

The Board of Digital Health and Care Wales, is accountable for:

- setting the strategic direction
- the governance framework
- organisational tone and culture
- steering the risk appetite and overseeing strategic risks
- developing strong relationships with key stakeholders and partners and
- the successful creation and delivery of the organisations Long Term Strategy.

The Board is accountable for Governance, Risk Management and Internal Control. As Chief Executive of the Board, I have responsibility for maintaining appropriate governance structures and procedures as well as a sound system of internal control that supports the achievement of the organisation's policies, aims and objectives, whilst safeguarding the public funds and the organisation's assets for which I am personally responsible. These are carried out in accordance with the responsibilities assigned by the Accountable Officer of NHS Wales.

The annual report outlines the different ways the organisation has worked internally and with partners during 2023/24. It explains arrangements for ensuring standards of governance are maintained, risks identified and mitigated, and assurance has been sought and provided. Where necessary additional information is provided in the Governance Statement (GS), however the intention has been to reduce duplication where possible. It is therefore necessary to review other sections in the Annual Report alongside this Governance Statement.

This Governance Statement explains the composition and organisation of DHCW's governance structures and how they support the achievement of our objectives. The background to DHCW, its functions and plans are set out in the [Performance Report](#).

The Board sits at the top of our internal governance and assurance system. It sets strategic objectives, monitors progress, agrees actions to achieve these objectives and ensures appropriate controls are in place and working properly. The Board also takes assurance from its committees, assessments against professional standards and regulatory frameworks.

OPENNESS AND TRANSPARENCY

In accordance with the Public Bodies (Admissions to Meetings) Act 1960 and in addition to DHCW being committed to ensure we are being as open and transparent we are:

- Live streaming and recording our Public Board meetings and posting them to our website within 3 working days of the meeting being held
- Recording our Committee meetings and posting them to our website within 3 working days of the meeting being held
- Advising stakeholders of our intention to hold Board meetings 10 days before Board and Committee meetings
- Sharing papers with members 7 days before, and publishing public papers to our website 7 days before Board and Committee meetings
- Providing a highlight report of all Committee and Advisory Group meetings, covering any agenda items discussed in public and private to the Board and publishing these to our website

The Remuneration and Terms of Service Committee is a private Committee of the Board, in addition the singular advisory group, the Local Partnership Forum (LPF) is currently private, but to commit to openness and transparency, a highlight report from both meetings is shared at each Public Board meeting.

The reporting period for this Annual Governance Statement is primarily focussed on the financial year 1 April 2023 to 31 March 2024.

During 2023/24, DHCW supported the [Health and Social Care Committee Session on Gynaecological Cancer](#). DHCW Representatives attended the inquiry on 29 June 2023, which looked at how cancer data is collected, stored and shared securely and efficiently, digital tools and systems that can improve cancer care and treatment and information held on cancer screening, diagnosis and treatment and how this is used to inform service planning and development.

OUR GOVERNANCE FRAMEWORK AND ASSURANCE SYSTEM

DHCW's [standing orders](#) are designed to translate the statutory requirements set out in the DHCW (Establishment and Constitution) Order 2020 into day-to-day operating practice. Together with the adoption of a scheme of matters reserved to the Board; a scheme of delegation to officers and others; and standing financial instructions, they provide the regulatory framework for the business conduct of DHCW and define its 'ways of working'. These documents, together with the range of corporate policies, including the [Standards of Behaviour Policy](#) set by the Board, make up the Governance Framework.

The Board reviewed and approved [DHCW's standing orders](#) in March 2024, in addition the Board received an update on [DHCW's compliance with standing orders during 2023-24](#) in March 2024. There have been no variations to DHCW standing orders during 2023-24.

In accordance with DHCW's standing orders and scheme of delegation, the following [policies](#) were approved by the Board and its Committees during 2023/24.

2023/24 Approved Policies

- POL-OSD-008 Principles & Standards of Privileged Access Management
- POL-OSD-002 Anti-Malware
- POL-OSD-001 Access Control
- POL-OSD-004 Acceptable Use Policy
- POL-OSD-006 Information Security
- POL-WIA-002 Wales Informatics Assurance
- Service Management
- POL-CF-006 Control of Contractors
- POL-CF-012 Asbestos Management Policy
- POL-CF-17 Fire Safety Policy
- POL-CG-018 Environmental and Sustainability Policy
- POL-POD-024 Smoke Vape Free Policy
- POL-WFOD-022 Mental Health, Wellbeing and Stress Management Policy
- POL-CG-011 Suspect Packages & Bomb Threats Policy
- DHCW-POL-7 Use of Welsh Language Internally Policy
- TBCPOL-WFOD-025 Study Leave Policy, Procedure & Guidelines
- POL-CG-010 Display Screen Equipment
- PO-CG-013 Control of Substances Hazardous to Health
- POL-CF-014 Safe Manual Handling
- PO-CG-008 Incident Reporting and Investigating
- POL-CG-19 Standards of Behaviour
- POL-WFOD-023 Shared Parental Leave Policy

The command structure was not utilised during 2023/24.

BUSINESS CONTINUITY

The NHS needs to plan for and respond to a wide range of emergency incidences that could affect health or patient care. Although DHCW is not formally named in the Civil Contingencies Act 2004, as a Categorised “Responder” under the Act. The Welsh Government has recognised the importance of the role of DHCW in emergency and business continuity planning on a Pan Wales basis. To this end the Welsh Government have formally included DHCW within the new Wales Resilience Framework and has instructed DHCW to act as a Category 1 Responder until such time as DHCW can be legally included into the Civil Contingencies Act as it applies to Wales.

Extract from the Wales Resilience Framework reads:

“Category 1 and/or Category 2 Responders 1.10

As defined by the Civil Contingencies Act 2004, including Digital Health and Care Wales, who have been directed by Welsh Government to undertake the duties of a Category 1 responder, even though it is not formally identified as a Category 1 responder under the Civil Contingencies Act 2004.”

The Welsh Government has previously instructed Digital Health Care Wales (DHCW) to continue engagement and participation in emergency and contingency planning for Wales. As such DHCW was formally directed (under the powers of the NHS Wales Act 2006) to continue to carry out a number of activities aligned to the Civil Contingencies Act, hence DHCW have much already in place to satisfy the Civil Contingencies Act and will work with its multi-agency partners to further build resilience processes and response plans that fully satisfy the Civil Contingencies Act. DHCW is now also working toward the ISO 22301 Business Continuity International Standard.

DHCW has continued its collaborative approach to business continuity and emergency planning through the active membership of Planning groups:

- The Welsh Health Emergency Planning Advisory Group.
- Welsh Health and Social Services System Resilience and Planning Group.

The DHCW Emergency Planning Lead now represents the Organisation, on the four Welsh Local Resilience Forums. This will aid in satisfying the requirement to collaborate, plan, share information and jointly exercise resilience plans on a multi-agency basis.

THE ROLE OF THE BOARD

The Board has been constituted to comply with the Digital Health and Care Wales (Membership and Procedure) Regulations 2020.

In addition to responsibilities and accountabilities set out in terms and conditions of appointment, Independent Members have worked with the Chair to agree their Board Champion roles.

A detailed [Board Champion Annual Report](#) was shared at our Board Meeting in January 2024.

The Board is made up of Independent Members and Executive Directors.

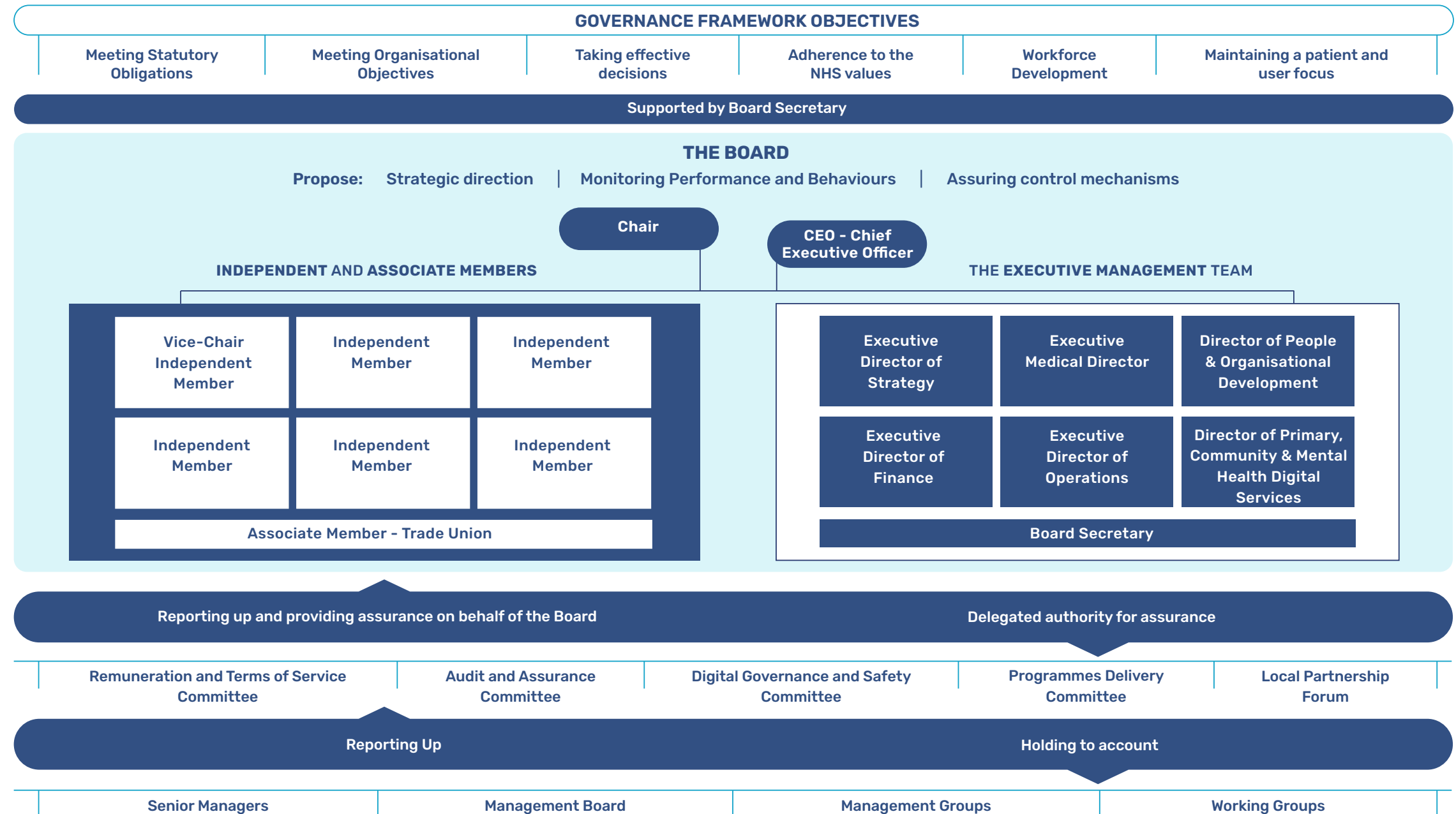


Fig 11 - DHCW Board Structure

During 2023/24 Board development and briefing sessions took place that included a focus on the following elements of governance:

- Programme Governance Independent Review
- Radiology Information Systems Procurement Full Business Case
- Stakeholder Engagement Management
- Communications Strategy
- Primary Care Strategy
- Welsh Government Health and Care Digital Strategy
- DHCW Long Term Strategy x 5
- IMTP 2024-25 Plan
- Stakeholder Messaging
- DHCW Role in Care
- Duty of Quality
- IMTP 2025-27 x 2
- Draft Accounts 2022-24
- Cyber Awareness
- Digital Services for Patients and the Public
- Eyecare Digitisation Programme
- Joint International Board learning session with UMASS Memorial Health
- Structured Assessment 2023
- IMTP Financial Context 2024/25

DHCW continued its partnership with Deloitte as our Board Development partner during 2023-24, and the Board held the following workshops with Deloitte during the period:

- Good Governance
- Board Skills Matrix
- Strategy Workshop
- Board Organisational Development Conclusion

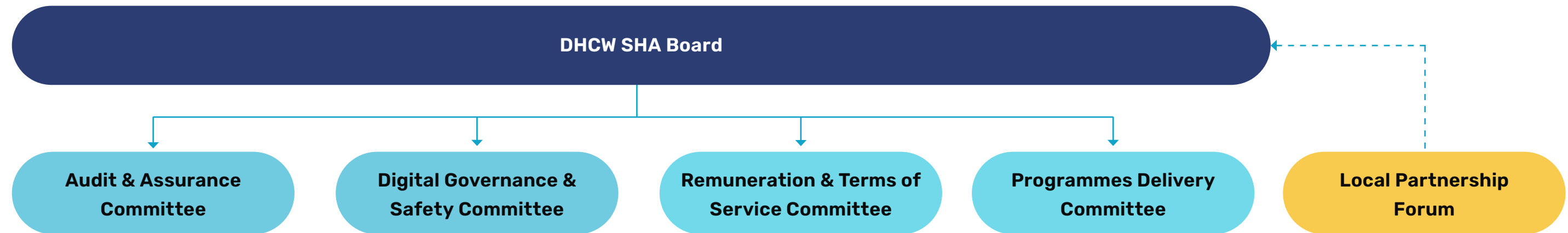
We are looking forward to taking the learnings and opportunities from this work forward in 2024-25.

Full membership of the Board is outlined in [Appendix 1](#). Below is a summary of the Board and Committee structure. This is reflective of the proposed structure in the DHCW model standing orders.

During 2023-24 the DHCW, with the support of Welsh Government commissioned an independent review into Programme Governance Arrangements. The main recommendation from the report was to simplify governance arrangements to include streamlining lines of accountability, ensure greater clarity on roles and responsibilities, allowing DHCW hosted programmes to operate in an open and transparent manner.

The DHCW Chair and Chief Executive Officer agreed to establish a sub-committee of the DHCW Board, the Programmes Delivery Committee, to provide assurance and scrutiny on the delivery of major DHCW hosted programmes in an open and transparent manner. This was approved by the [SHA Board in November 2023](#).

Fig 12 - Board and Committee Structure



The Board provides leadership and direction to the organisation and has a key role in ensuring the organisation has sound governance arrangements in place. The Board also seeks to ensure the organisation has an open culture and high standards when conducting its work.

Together, Board members share corporate responsibility for all decisions and play a key role in monitoring the performance of the organisation. All Board meetings during 2023/24 were appropriately constituted with a quorum. The key business and risk matters considered by the Board during 2023/24 are outlined in this statement and further information can be obtained from meeting papers available on our website: dhw.nhs.wales.

ROLE OF THE COMMITTEES

The Board has four committees, the [Audit and Assurance Committee](#), [Remuneration and Terms of Service Committee](#), [Digital Governance and Safety Committee](#) and the [Programmes Delivery Committee](#). These committees are chaired by the Chair or Independent Members of the Board and have key roles in relation to the system of governance and assurance, decision making, scrutiny and in assessing current risks. The committees provide assurance and key issue reports to each Board meeting to contribute to the Board's assessment of assurance and to provide scrutiny on the delivery of objectives.

The Board is responsible for keeping the committee structure under review and reviews its standing orders on an annual basis. The Board will consider whether any changes are needed during 2024/25 in line with the Board's governance framework and priorities of the Integrated Medium-Term Plan. DHCW is committed to openness and transparency with regard to the way in which it conducts its committee business. The DHCW Board and its committees aim to undertake the minimum of its business in closed sessions and ensure wherever possible business is considered in public with open session papers published on [DHCW's website](#). Information received in closed session meetings are undertaken because of the confidential nature of the business. Such confidential issues may include commercially sensitive issues, matters relating to personal issues or discussing plans in their formative stages.

In addition, the Annual Committee and Advisory Group Annual Reports give an overview of the activity undertaken across the year and can be found here:

- [Audit & Assurance Committee](#)
- [Digital Governance & Safety Committee](#)
- [Remuneration & Terms of Service Committee](#)
- [Local Partnership Forum](#)

There is no Programmes Delivery Committee Annual Report for 2023-24 as the Committee was established during the later part of the financial year with only two meetings held, therefore the first annual report for the Committee will be produced in 2024-25.

AUDIT AND ASSURANCE COMMITTEE

An important Committee of the Board in relation to this Annual Governance Statement is the Audit and Assurance Committee. The Committee keeps under review the design and adequacy of DHCW's governance and assurance arrangements and its system of internal control. During 2023/24, key issues considered by the Audit and Assurance Committee relating to the overall governance of the organisation included:

- Revisiting its terms of reference, which will be kept under regular review
- Approving the Internal Audit Plan for 2023/24 and keeping under review the resulting Internal Audit Reports. Noting key areas of risk and tracking the management responses made to improve systems and organisational policies
- Ensuring effective financial systems and controls procedures are in place
- Monitoring the risk management systems
- Monitoring standards of behaviour, including declarations of interests, gifts, hospitality and sponsorship
- Developing arrangements to work with Audit Wales (AW), and considering, the [2023 Structured Assessment](#) and [Audit Wales's 2023-24 Audit Plan](#)
- Monitoring progress on the development of the [Welsh Language Scheme for DHCW](#)
- Approving and reviewing [DHCW's Legislative Assurance Framework](#)
- Developing and endorsing new policies, strategies and framework in support of good governance and appropriate control.

REMUNERATION AND TERMS OF SERVICE COMMITTEE

The Remuneration and Terms of Service Committee considers and recommends salaries, pay awards and terms and conditions of employment for the Executive Team and other key senior staff. During 2023/24 key issues considered by the Remuneration and Terms of Service Committee included:

- Performance of Executive Directors against individual objectives
- Executive Team structure
- Ratification of Executive Team posts
- Review of DHCW leavers data

DIGITAL GOVERNANCE AND SAFETY COMMITTEE

The Digital Governance and Safety Committee advises and assures the Board with regard to the quality and integrity, safety, security and appropriate use of information and data to support health and care delivery and service improvement and the provision of high-quality digital health and care. Key issues considered by the Committee in 23/24 relating to their remit included:

- Revisiting its terms of reference, which will be kept under regular review
- Cyber Security arrangements
- Incident review and organisational learning
- Information Governance
- Information Services Assurance
- Informatics Assurance
- Research and Innovation Assurance

PROGRAMMES DELIVERY COMMITTEE

The Programmes Delivery Committee advises and assures the Board with regard to how programmes are delivered, in particular that they have regular and proper governance, have robust control processes and reporting, and are demonstrating good planning, management and delivery.

The Committee will also provide assurance to the Board on the delivery of programmes as a portfolio, prioritised allocation of resources, programmes impact on wider DHCW delivery, and transition of programmes activity to live services which are sustainable in the longer term.

Key issues considered by the Committee in 23/24 relating to their remit included:

- Refining and agreeing the Committee terms of reference which will be kept under regular review
- Programmes Assurance
- Portfolio Assurance
- Governance (including reviewing which programmes are in scope of the Committee)

EFFECTIVENESS SELF-ASSESSMENT

The Board and Committees of the Board undertook a [self-assessment for 2023/24](#) between January and March 2024 and the findings were discussed at the relevant committee meeting and reported to the SHA Board. There was no Programmes Delivery Committee self effectiveness survey for 2023/24 as the Committee was established during the later part of the financial year with only two meetings held, therefore the first Committee self-assessment will be undertaken in 2024-25.

The Audit and Assurance Committee questionnaire was based on the Audit Committee Handbook and circulated to Committee members and attendees.

The SHA Board, Digital Governance and Safety Committee, Remuneration and Terms of Service Committee and Local Partnership Forum questionnaires were based on the composition, establishment and duties, then Board, Committee, Advisory Group leadership and support questions of the Audit and Assurance Committee.

MEMBERSHIP OF THE BOARD AND ITS COMMITTEES

[Appendix 1](#) outlines the membership and attendance of the Board and its Committees for the period 1 April 2023 to 31 March 2024. Members undertake a range of other activities on behalf of the Board including Board Development and Briefing Sessions, and a range of internal and external meetings.

Any proposed changes to the structure and membership of Board committees requires Board approval. The Audit and Assurance Committee and Digital Governance and Safety Committee together with the Programmes Delivery Committee, has considered its own terms of reference and recommended changes to the Board. The Board will ensure that terms of reference for each committee are reviewed annually to ensure the work of committees clearly reflects any governance requirements, changes to delegation arrangements or areas of responsibility. All committees and advisory groups of the Board have developed annual reports of their business and activities which were received and noted in March 2024. The lead officers are included in [Appendix 2](#) and the schedule of Board and Committee meetings 23/24 is included at table [Appendix 3](#).

LOCAL PARTNERSHIP FORUM

The DHCW [Local Partnership Forum](#) (LPF) provides the formal mechanism for social partnership within DHCW as well as providing a vehicle for engagement, consultation, negotiation and communication between trade unions and DHCW management. During 2023/24, the LPF has met quarterly and focussed on both strategic and practical issues including culture, values & behaviours, staff recognition, wellbeing, new ways of working & welfare, organisational development, employment policies and equality and diversity.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

DHCW’s Board system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risks, this has been articulated in DHCW’s risk appetite statement. It can therefore only provide reasonable and not absolute assurances of effectiveness.

The system of internal control is based on an ongoing process designed to identify and prioritise risks to the achievement of the policies, aims and objectives. It also evaluates the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively, and economically. The system of internal control has been in place for the year ended 31 March 2024 and up to the date of approval of the annual report and accounts.

The **Board Assurance Framework** was reviewed and approved by the Board in May 2023. The Board Assurance Framework identifies all the key controls and lines of assurance to be reported to the Board.

We use the BAF system and process to monitor, seek assurance and ensure that shortfalls are addressed through the scrutiny of the Board and its Committees. Oversight of our Corporate Risk Register system is provided through the scrutiny and monitoring of the Board and its Committees.

Key controls are defined as those controls and systems in place to assist in securing the delivery of the Board’s strategic objective. The effectiveness of the system of internal control is assessed by our internal and external auditors.

Fig 13 - Our Board Assurance Framework annual reporting cycle

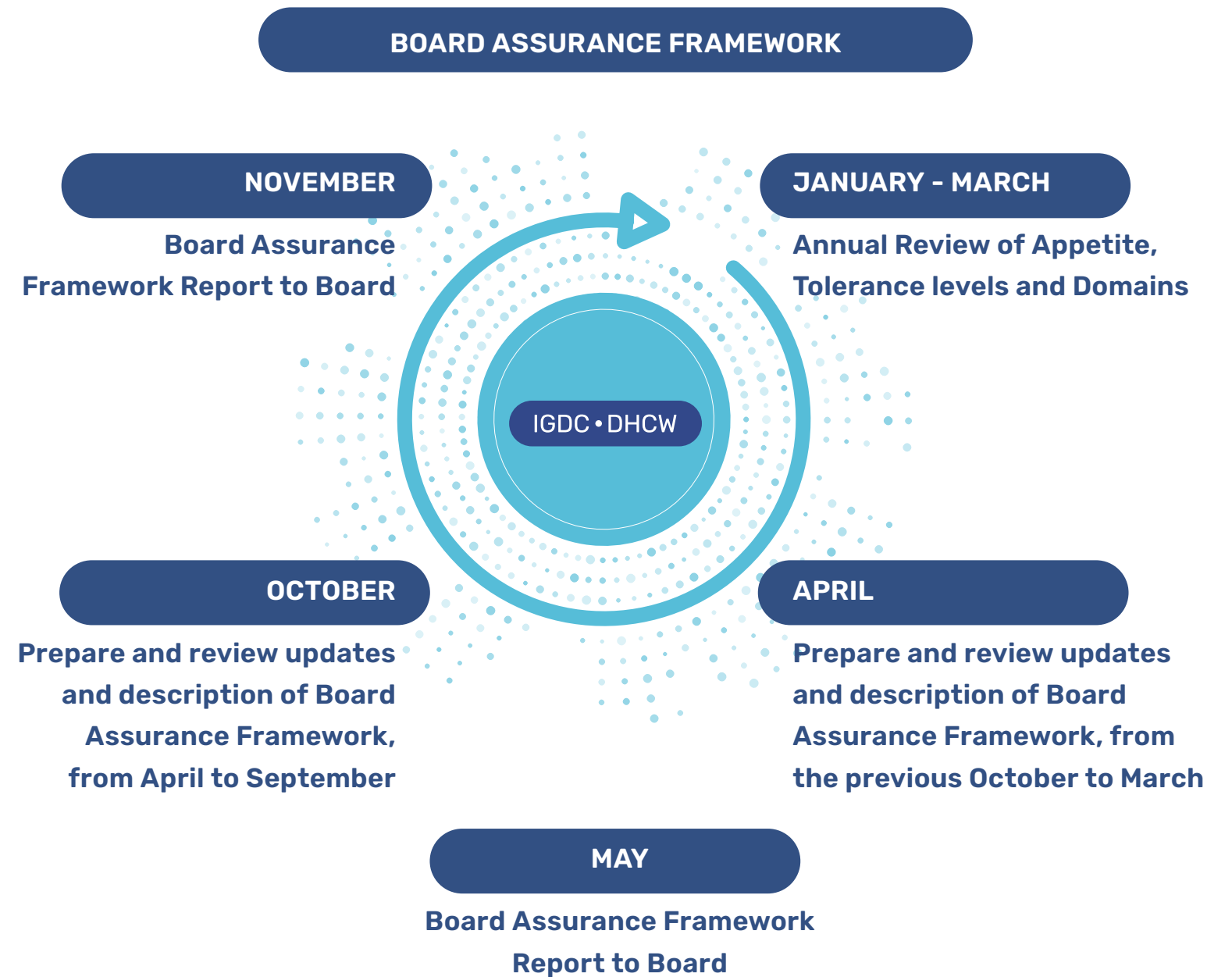


Fig 14 - Board Control Framework



CAPACITY TO HANDLE RISK

The Chief Executive/Accountable Officer has overall responsibility for the management of risk but the SHA's lead for risk is the Board Secretary. This means leading on the design, development and implementation of the [Risks Management and Board Assurance Framework Strategy](#) and Board Assurance Framework.

DHCW's risk appetite statement, set out below, describes DHCW's approach to risk management and the risks it is prepared to accept or tolerate in the pursuit of its strategic goals:

- DHCW must take risks to achieve its strategic aims and deliver beneficial outcomes to stakeholders
 - Risks will be taken in a considered and controlled manner
 - Exposure to risks will be kept to a level of impact deemed acceptable by the Board
 - The acceptable level may vary from time to time and will therefore be subject to at least annual review and revision
 - Any risk outside our agreed appetite may be accepted and will be subject to a governance process to ensure visibility and management
- Some particular risks above the agreed risk appetite may be accepted because:
 - the likelihood of them occurring is deemed to be sufficiently low
 - they have the potential to enable realisation of considerable reward/benefit
 - they are considered too costly to control given other priorities
 - the cost of controlling them would be greater than the cost of the impact should they materialise
 - there is only a short period of exposure to them
 - mitigating action is required by an external party

DHCW's risk appetite considers its capacity for risk, which is the amount of risk it is willing to accept in pursuit of its objectives having regard to its financial and other resources, before a breach in statutory obligations and duties occurs.

The risk tolerance gives guidance regarding escalation for risks across its activities, the below infographic provides details on the risk domains identified and agreed by the DHCW Board, associate appetite, tolerance levels and sets the expectation of the Board regarding the number of key controls when reviewing Corporate Risks in those categories in the Board Assurance Report.

All risks will be clearly linked to organisational objectives with a line of sight to the [Board Assurance Framework](#). Our Board Assurance Framework has five principal risks, these were discussed in detail with the Board and approved in May 2023. In addition, in July 2022, the Board approved DHCW’s risk appetite for each principal risk. Work was undertaken by the Board throughout the year to define the principal risks to the strategic objectives,

Fig 15 - Risk Impact Domain and associated appetites

Hungry	Risk with rating 25 of above are escalated for consideration to report to the Board	None
Open	Risk with rating 20 of above are escalated for consideration to report to the Board	Development of Services
Moderate	Risk with rating 15 of above are escalated for consideration to report to the Board	Corporate Social Responsibility
Cautious	Risk with rating 12 of above are escalated for consideration to report to the Board	Financial, Reputational Safety and Wellbeing, Service Delivery Reputational, Information - Access and Sharing
Adverse	Risk with rating 9 of above are escalated for consideration to report to the Board	Compliance, Information - Storing and Maintaining, Citizen Safety

CURRENT PRINCIPAL RISKS AGAINST OUR STRATEGIC MISSIONS

Strategic Mission	Principle Risks
1. Provide a platform for enabling digital transformation	IF we do not provide robust and secure platform services supported by common standards and open architecture principles THEN we will be unable to deliver high quality, innovative and joined up digital services RESULTING IN not being able to digitally transform services at pace.
2. Deliver high quality digital products and services	IF we do not deliver safe, secure, accessible, resilient products and services of high quality THEN the ability of health and care partners to deliver and modernise services is compromised RESULTING IN less effective, less sustainable care that could cause harm, would not meet the expectations of patients or professionals and holds potential cost implications.
3. Expand the digital health and care record and the use of digital to improve health and care	IF we fail to provide a comprehensive digital health and care record, engage users and drive the adoption and use of our Digital Services THEN we will not realise value from Digital investment and service delivery RESULTING IN a reduced ability to use information to inform care and empower citizens, leading to poorer outcomes.
4. Drive better value and outcomes through innovation	IF we do not focus on making use of data and innovation to improve outcomes THEN we may not be optimising value for citizens RESULTING IN less sustainable health and care services and reduced or delayed benefit for the public and patients.
5. Be the trusted strategic partner and a high quality, inclusive, and ambitious organisation	IF we are not a Trusted Partner and a high performing inclusive organisation THEN people will not want to work with and for us RESULTING IN a failure to achieve our strategic ambition of delivering world leading digital services.

During 2023/24 due to the economic crisis the financial risk profile of DHCW has seen a significant increase in risks identified that have the potential to impact our achievement of objectives and deliverables across the last year and potential to impact greatly on our achievement of objectives in the next financial period. These range from investment for digital developments to staffing levels.

A competitive workplace market along with evolving hybrid working options have also posed a risk to the organisation across the last 12 months and will continue to do so for the foreseeable future. Our People and Organisational Development team have provided mitigation to this by increasing their network of resources and adapting our hybrid working policy to enable engagement with resources outside of our immediate community, further work is required to ensure we have a rich and diverse knowledge and skillset amongst our workforce and continue to develop the talent pool currently in place.

During 2023-24 there has been an increased risk and threat of Cyber-attack. As an organisation we recognise this will be a long-term risk and emerging threats will continue to increase in intensity and intelligence; we have as an organisation undertaken extensive evaluation of our current risks, key controls and assurances to identify a significant Service Improvement Plan offering assurance and protection to both our organisation and also the wider NHS Wales Domain.



RISK MANAGEMENT FRAMEWORK

The Board sees active and integrated risk management as key elements of all aspects of our functions and responsibilities to support the successful delivery of our business. The Board and its Committees identify and monitor risks within the organisation.

Risks are escalated to the Board as appropriate. At an operational level Executive Directors are responsible for regularly reviewing their Directorate Risk Registers and for ensuring that effective controls and action plans are in place and monitoring progress.

Fig 16 - Corporate Risk Register Review Flow Chart

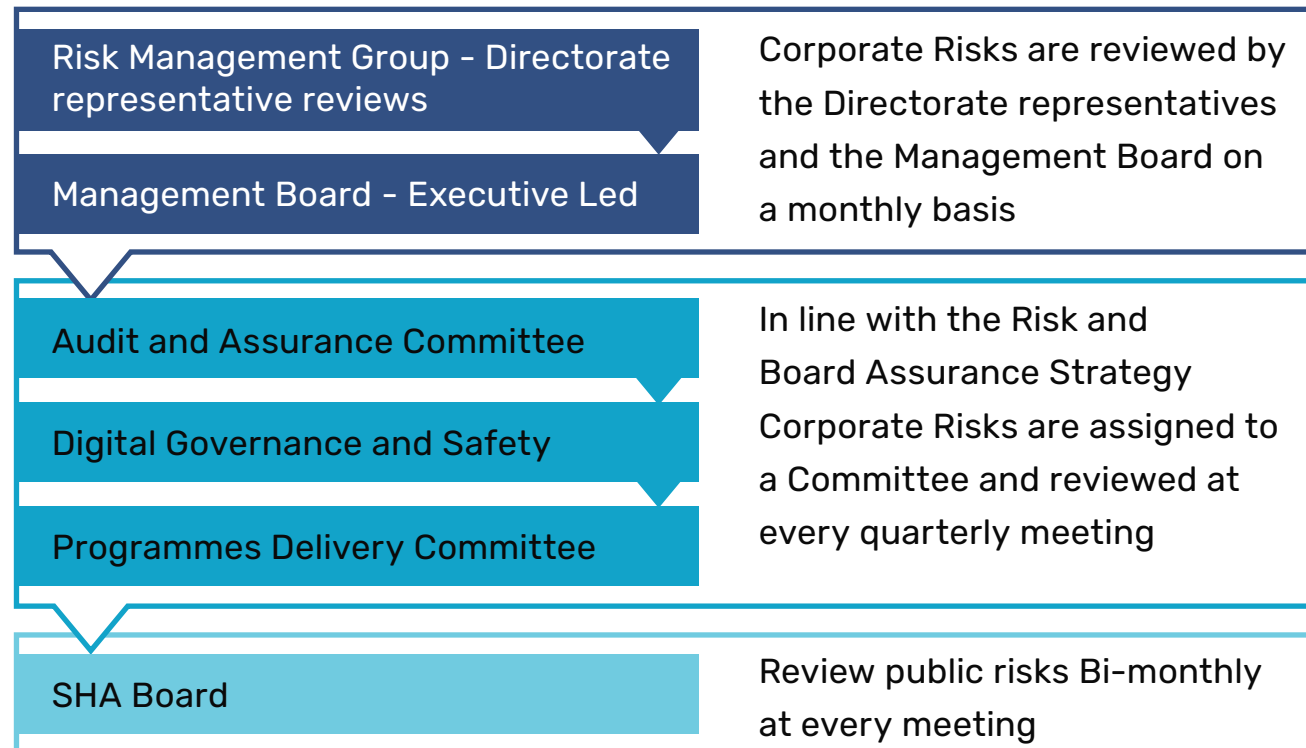
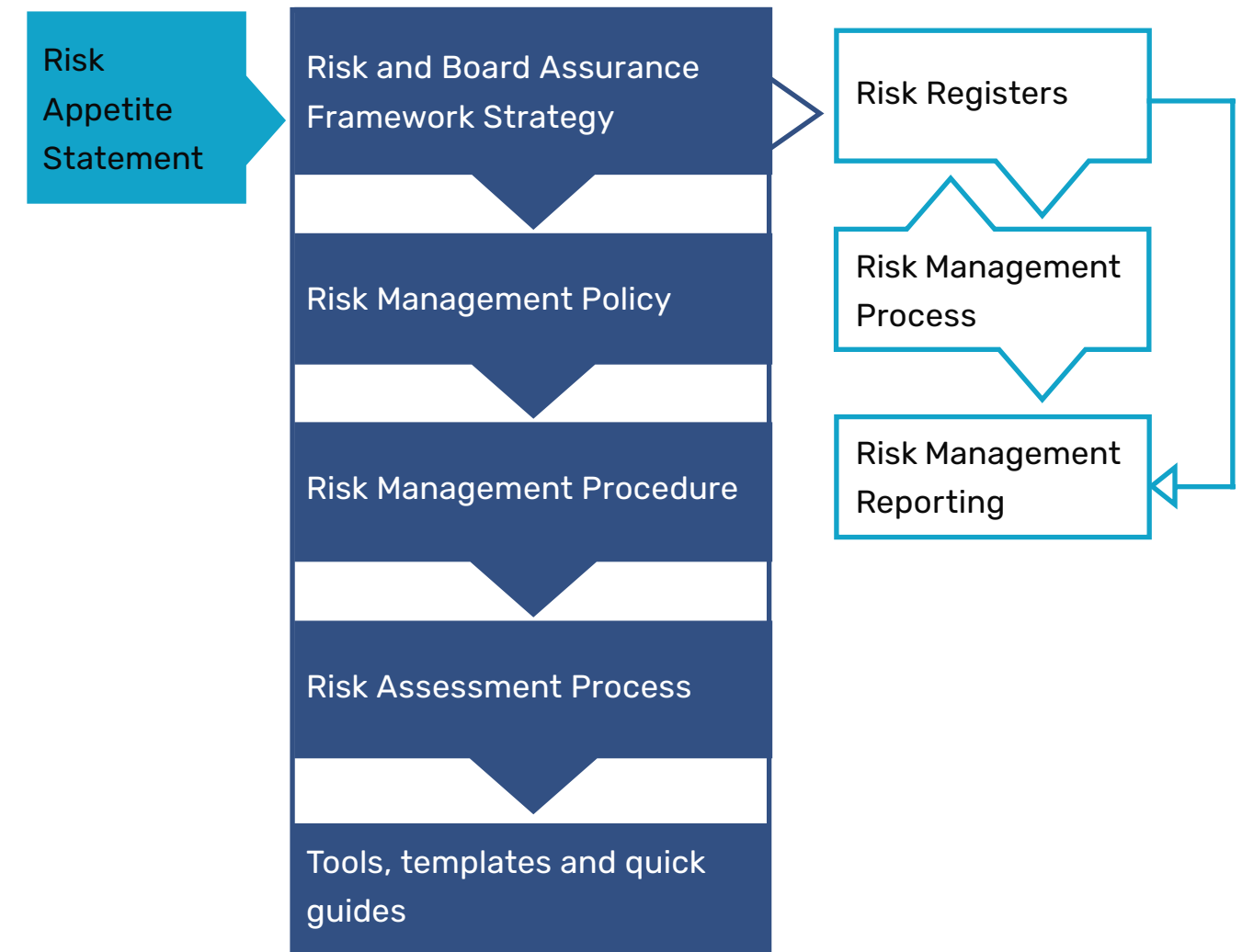


Fig 17 - DHCW Risk Management Framework



The framework includes strategy to operational tools and provides the working context for the staff in the organisation with regard to the management of risk from identification and scoring through to monitoring.

EMBEDDING EFFECTIVE RISK MANAGEMENT

Members of DHCW's corporate governance team provide risk management training, support and advice to the organisation. Full training is also provided on our Risk Information Management System before access is granted, to ensure a consistent approach to writing risks, mitigation action plans and mapping of dependencies:

Introduction to Risk Management

This training provides an overview of how to identify, score, write, monitor, and escalate a risk.

Risk Management for risk owners and handler

This training provides detailed information regarding how to use the organisations risk management system and re-validates the risk assessment and management process with a focus on the control and assurance elements of risk.

Risk and board assurance framework

This training targets expanding the knowledge of strategic risk and the approach outlined in the Risk and Board Assurance Framework Strategy. It focuses on the difference between the BAF and the Corporate Risk Register.

Overall risk performance has met expectations over the last 12 months with our [risk management policy](#) becoming embedded across the organisation and aligned with our Board Assurance Framework.

Ongoing progress has been made in [embedding the Risk Management and Board Assurance Framework Strategy](#) (the 'Strategy') during 2023/24.

The Strategy, policy, and associate policies and procedures have been communicated across the organisation with training provided. New processes have been rolled out to all staff and data cleansing activities have greatly improved data quality regarding our risk profile position.

We have an internal risk management page to assist staff in positive risk management, quick guides are available alongside the policies and procedures to enable staff to be more pragmatic in scoring and proactive with the management of their risks in accordance with policy. Staff are more empowered to identify risks in a clear and consistent manner and escalate where appropriate for decision making and mitigation. Risk registers and a live Risk Dashboard are available to staff through this secure mechanism for openness, transparency and allowing a collaborative approach to risk identification and management.

All risks are fully aligned to our strategic missions and clearly mapped against their primary risk domain and dependencies. In depth risk reviews have assisted in the identification of risks that are not DHCW's to own or mitigate and work has been underway through the Governance structures and Clinical risk reviews to identify and share these risks for correct ownership and accountability. As a direct result of this DHCW's risk profile is now becoming more streamlined and accurate allowing the focus on critical risks and identification of emerging risks to the organisation.

Upon the establishment of the Programmes Delivery Committee in November 2023, work was undertaken on Committee assignment, to transfer a number of risks from the Digital Governance and Safety Committee to the Programmes Delivery Committee for scrutiny and oversight.

To ensure appropriate focus is provided on our [corporate level risks \(March 2024\)](#), our Board Committees periodically undertake deep dives into specific areas.

During 2023/24, the following deep dives were held:

RISK	Assigned Committee
Technical Debt	Digital Governance & Safety Committee
Financial Sustainability	Audit & Assurance Committee
Demand on integration resources	Digital Governance & Safety
Choose Pharmacy DHCW maintaining funding gap	Audit & Assurance Committee
Cyber security	Digital Governance & Safety Committee
Data functions	Digital Governance & Safety Committee
Citizen and stakeholder trust in uses of Health and Care Data	Digital Governance & Safety Committee
Switching Service	Programmes Delivery Committee

An [analysis of corporate risks](#) including the movement in corporate risks since the establishment of DHCW, from October 2022 to September 2023, was undertaken during the year and presented to our Board in November 2023.

THE CONTROL FRAMEWORK

NHS Wales organisations are not required to comply with all elements of the [corporate governance code for central government departments](#).

The information provided in this governance statement provides an assessment of how we comply with the main principles of the code as they relate to DHCW as an NHS public sector organisation. DHCW is following the spirit of the code to good effect and is conducting its business openly and in line with the code. The Board recognises that not all reporting elements of the code are outlined in this governance statement but are reported more fully in the organisation's wider annual report. There have been no reported departures from the corporate governance code.

DHCW's risk management framework complies materially with the Orange Book Management of Risk principles taking into account the organisation's size, structure and needs. There have been no reported departures from the [Orange Book](#).

OTHER CONTROL FRAMEWORK ELEMENTS

QUALITY AND DUTY OF CANDOUR

DHCW came under the Duty of Quality and Duty of Candour Act in April 2023, in line with the Health and Social Care (Quality and Engagement) (Wales) (Act) 2020. In line with the Duties, DHCW have produced its first [Duty of Quality Annual Report](#) and [Duty of Candour Annual Report](#) on compliance with the duties.

The Board also held a Briefing session on the Duty of Quality during 2023/24 to discuss what Quality means for DHCW in addition to hear progress on the implementation of the Duty.

INFORMATION GOVERNANCE ARRANGEMENTS

DHCW is responsible for the Information Governance Framework ([see Fig 18](#)) which helps monitor and improve Information Governance understanding and responsibility in Wales. Without a framework, the challenge of making information available to services providing Health & Care becomes far more difficult construct.

The framework is key to [DHCW's Information Governance 2023-2026 Strategy](#), which was approved as part of the set of Clinical Strategies at the Digital Governance and Safety Committee meeting in November 2023. The IG Strategy outlines the team's vision, mission statement and strategic aims, highlighting any challenges and opportunities and how the team are intending to meet their key aims identified in the Strategy.

DHCW's Information Governance Strategy outlines the component elements of the IG framework. Updates on these components include:

Framework for Sharing – DHCW provide the central support function of the Wales Accord on the Sharing of Personal Information (WASPI) framework. The WASPI framework helps organisations, that provide services to the public, share information effectively and lawfully. This is achieved through commitment to common principles and standards, and put in practice through template information sharing agreement provided by the framework.

Over the past year, WASPI has progressed work in becoming an Information Commissioner's Office Code of Conduct. This has included a public consultation campaign, with results published in a [Code of Conduct consultation report](#). WASPI are now to progress through the accreditation of the Code through ICO processes, building on their other achievements from the last year, including being shortlisted for "Privacy Team of the Year" and "Governance Team of the Year" at the GRC World Forums Risk awards, work to digitise templates and processes and being referenced by the Information Commissioner's Office in events, publications and guidance (including the [2023 Data Protection Practitioners' Conference](#), [public webinars](#) and an [article on safeguarding](#)).

Framework for Assurance – The Welsh Information Governance Toolkit ("IG Toolkit") is a self-assessment tool enabling organisations to measure their level of compliance against national Information Governance standards and legislation. The annual assessment helps organisations identify areas of improvement which can assist in organisations Information Governance improvement and action plans. All Welsh Health Boards, Trusts, Special Health Authorities, General Medical Practices (GMPs) and Community Pharmacies (CPs) complete the IG Toolkit. The new Caforb platform for IG Toolkit replaces an existing application and has been developed by a team of software developers in DHCW, providing improved functionality implementing changes proposed from a range of stakeholder feedback. Platform developments are continuing to fully implement IG Toolkit requirements for all stakeholders. The further platform developments will enable expansion from those organisations that currently use the existing platform to a wider set of stakeholders who need to provide IG assurance when processing personal data in the provision of NHS Wales services.

Framework for Advice – The Data Protection Officer Support Service ("the Service") provides dedicated advice and assistance to General Medical Practitioners (GMPs) on a subscription basis, by providing the functions of the statutory Data Protection Officer role. The Service provides a range of functions including an IG service desk, training and awareness sessions, auditing of the annual IG Toolkit submissions and providing a range of guidance, templates and other documentation to help GMPs meet and improve their compliance with information rights legislation. 83% of GP practices in Wales are subscribers to this service, with input and feedback from subscribers supporting the development and focus of the service. Through the service, subscribers are supported on all Information Governance and data protection matters, giving them the knowledge and the confidence to keep patient information safe within their practice.

Framework for Access – The National Intelligent Integrated Audit Solution (NIIAS) is a proactive monitoring tool, which identifies potentially inappropriate access to clinical records for many national systems. National systems such as the Welsh Clinical Portal, the Welsh Patient Administration System and the Welsh Demographic Service have large amounts of users accessing information on a daily basis. Whilst health and care staff are aware of their responsibilities not to access any information not relevant to them, NIIAS is in place to identify instances of potential inappropriate use. NIIAS sits behind a number of national systems to flag instances of potential inappropriate access to alert NHS Wales Health Boards and Trusts with daily notification reports of user access. DHCW's Information Governance responsibilities are monitored by the Digital Governance and Safety Committee via the standing Information Governance Assurance Report.

Fig 18 - IG Framework Components

VISION

Leading Information Governance compliance for health and care in Wales

MISSION

We lead the development and strengthening of an Information Governance compliance framework for the health and care system in Wales. This sets the foundations for digital transformation by providing DHCW, stakeholders and the people of Wales with confidence that data is used lawfully and safely.

STRATEGIC AIMS

To assure the Board that DHCW continues to meet its statutory obligations under information rights legislation and to ensure our IG function applies latest policy developments and good practice

To provide organisations and professionals in Wales with the IG advice, guidance, services and products they need to ensure health and care data is processed lawfully and appropriately

To contribute to the development and implementation of policy that builds trust with patients and the public by allowing them to exercise their information rights

To embed the domains and enablers of the duty of quality across DHCW's IG function

ELEMENTS OR THE IG FRAMEWORK

Accountability

Assurance

Information Sharing

Advice and Guidance

Training

Standards

Policy & Governance

DHCW corporate compliance

IG PRODUCTS AND SERVICES

NIIAS

IG Toolkit

WASPI

GP DPO Support

E-Learning

BS10008

Government Policy Decisions

ISG Tool

Primary Care Support

National Policies

Portfolios, Programmes and Projects

National Boards and Groups

FOUNDATIONS

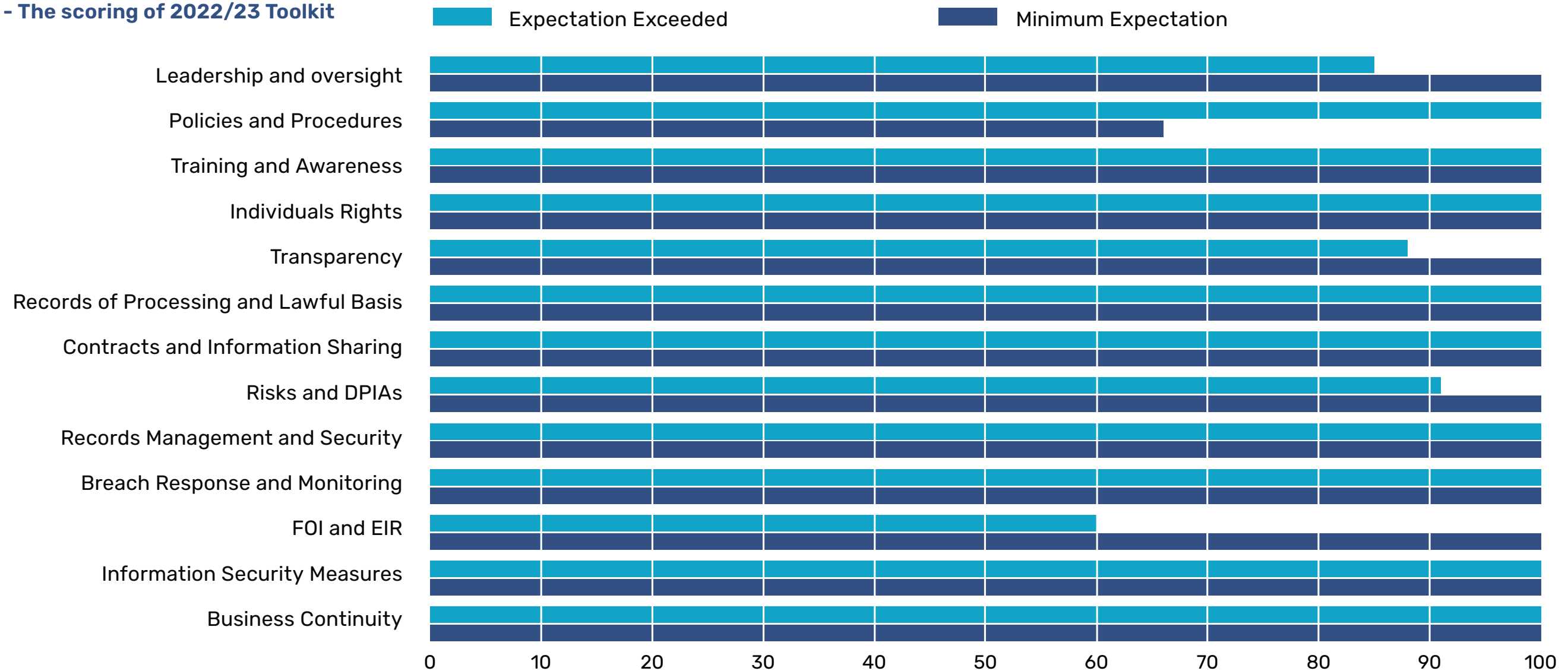
Our own compliance with Information Rights Legislation and good practice is critical to our aim of being a trusted strategic partner (mission 5 of DHCW's IMTP 2023-26)

DHCW'S WELSH INFORMATION GOVERNANCE TOOLKIT SUBMISSION

DHCW have dual responsibilities for the The Welsh Information Governance Toolkit ("IG Toolkit"), in that it is responsible for the development and maintenance of the IG Toolkit and is required to complete and submit annually.

The deadline for submission of the 2022/23 IG Toolkit was 31st June 2023. This was the first IG Toolkit on the new technical platform, and therefore this was used as a pilot for Welsh Health Boards, Trusts and Special Health Authorities.

Fig 19 - The scoring of 2022/23 Toolkit



DHCW's scoring shows a high level of compliance. The scoring should only be used as a guide to DHCW's level of IG compliance. Organisations completing the IG Toolkit are not expected to achieve 100% across all sections as the self-assessment is intended to be used to identify areas of improvement. Therefore, where DHCW has not scored 100% in some sections, this does not indicate that the organisation does not meet the legal requirements for these sections, more so, it identifies areas which can be improved.

Within each section of the IG Toolkit, organisations answer questions to meet the "Minimum Expectations" required for that section. Answering all the "Minimum Expectations" in one section allow the organisation to answer further questions to demonstrate that they are working above the minimum in that topic area, this is known as the "Expectations Exceeded" question set.

Please note, the new technical platform changed the way in which the IG Toolkit was measured. Therefore, it is difficult to compare this scoring against previous submissions. However, a comparison against previous year's submissions evidences DHCW's continued high level of IG compliance, providing confidence that processes, safeguards and documentation are in place to ensure that personal information is managed appropriately within DHCW.

An Information Governance action plan was established, which also took into account feedback from DHCW's internal audit on its UK General Data Protection Regulation (UK GDPR) compliance (referenced in the "Internal Audit including head of internal audit conclusion" section). Key actions from the plan were shared and monitored through the Digital Governance and Safety Committee.

The 2023/24 IG Toolkit was submitted on 31st March 2024, with the outcome and action plan to be presented to the Digital Governance and Safety Committee.



Pecyn Cymorth Llywodraethu Gwybodaeth Cymru Welsh Information Governance Toolkit

IGDC • DHCW

LINKED STRATEGIES AND PROGRAMMES

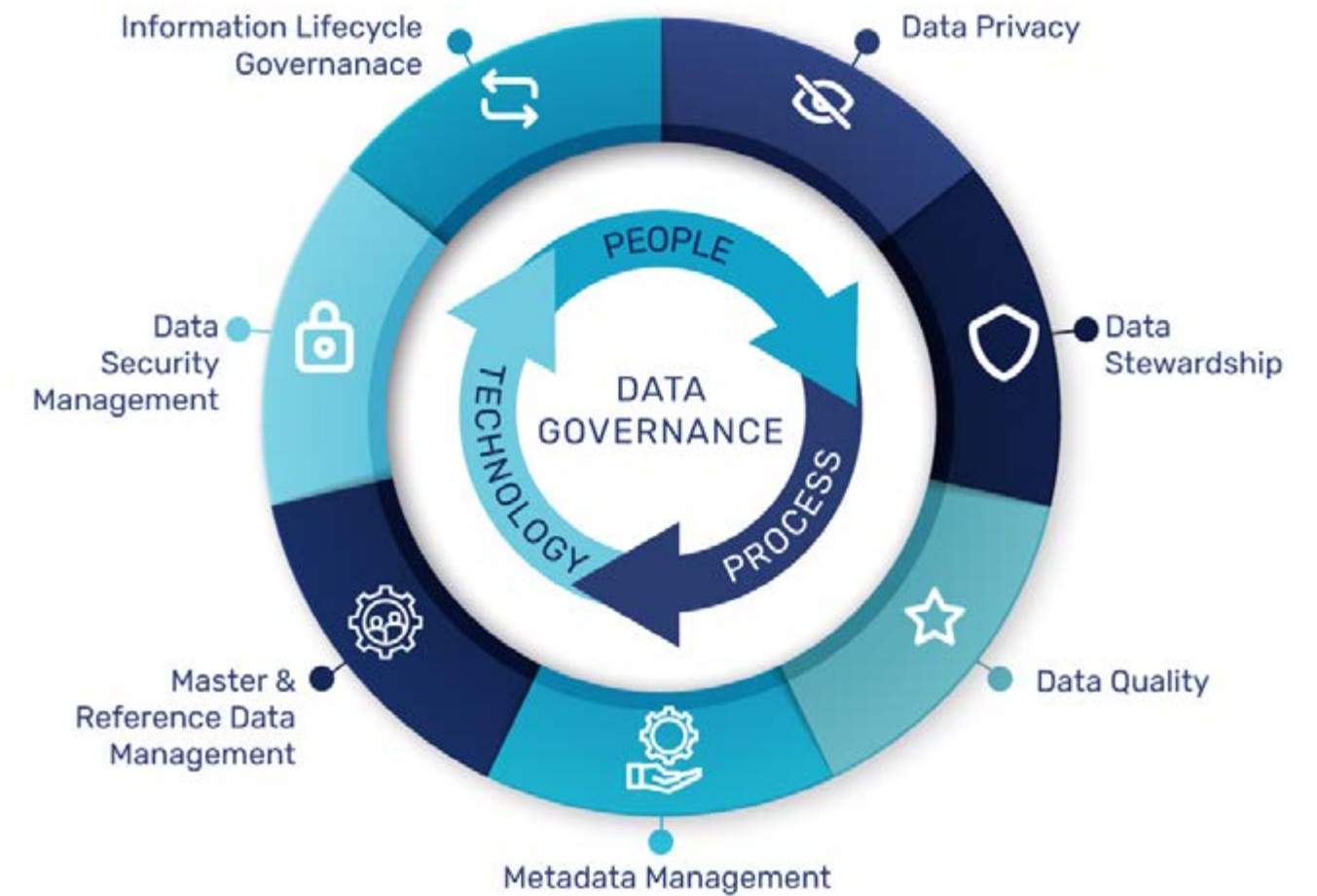
DHCW responsibilities have expanded over time to support information sharing and assurance for its own internal strategies and programmes as well as those being delivered by other organisations – These include:

- Single Patient Record
- National Data Resource (NDR)
- Data Promise
- Digital Services for Patients and the Public (DSPP)
- Strategic Programme for Primary Care
- Medicines Management
- Welsh Community Care Information System

COUNTER FRAUD

In line with the NHS Protect Fraud, Bribery and Corruption Standards for NHS Bodies (Wales), the Local Counter Fraud Specialist (LCFS) and Executive Director of Finance agreed at the beginning of the financial year a work plan for 2023/24 which was approved by the Audit and Assurance Committee in April 2023.

Updates on delivering against this work plan have been provided to the Audit and Assurance Committee during 2023/24.



COMPLIANCE WITH EQUALITY, DIVERSITY, AND HUMAN RIGHTS LEGISLATION



EQUALITY DIVERSITY AND INCLUSION

DHCW is committed to putting people at the centre of everything it does and as an organisation, we are guided by our core values. Our ambition is to celebrate our organisation as a place where people thrive, innovate and achieve great things. We believe our values are integral to everything we do.

MODERN SLAVERY ACT 2015 – TRANSPARENCY IN SUPPLY CHAINS

The Welsh Government's Code of Practice: Ethical Employment in Supply Chains was introduced to highlight the need, at every stage of the supply chain, to ensure good employment practices exist for all employees, both in the United Kingdom and overseas.

DHCW is committed to embedding the principles and requirements of the Code and the Modern Slavery Act 2015.

In doing so it is demonstrating the commitment to our role as a public sector employer, to eradicate unlawful and unethical employment practices, such as:

- inequality
- modern Slavery and Human rights abuses
- false self-employment
- unfair use of umbrella schemes and zero hours contracts; and
- not paying the Living Wage

During 2023/24 took the following actions:

- It paid the governments living wage rate on its lowest pay scale, which is at Agenda for change pay band 3 and no longer recruits to bands 1 or 2 as band 3 is now our entry grade
- It has a Raising Concerns (Whistle blowing) Policy, which provides the workforce with a fair and transparent process, to empower and enable them to raise suspicions of any form of malpractice, by staff, suppliers or contractors working on DHCW premises and supports the no detriment in regards to anyone raising a concern.

- It has robust IR35 processes, which ensures that there is no unfair use of false self-employed workers or workers being engaged under umbrella schemes. These processes also ensure the fair and appropriate engagement of all workers and prevents individuals from avoiding paying Tax and National Insurance contributions. It also ensures that no worker is unduly disadvantaged in terms of pay, rights or substantive employment opportunities.
- It does not engage or employ staff or workers on zero-hour contracts
- It has an open and robust Recruitment and Selection Policy and Procedure, which ensures a fair and transparent process. Specific commitments to support equality is to: advertise opportunities to join the organisation in wider and diverse communities. The organisation has published its Strategic Equality Plan (SEP) in April 2023 which are in line with the commitments outlined in the organisation's People and Organisation Strategy.
- Has worked closely in partnership with the trade unions, employee assistance provider and wider networks to support employees
- Commitment to the Digital Inclusion Charter - DHCW described as 'exemplary' after being awarded Digital Inclusion Charter Accreditation in January 2024
- The organisation has an Equality and Diversity Policy, which ensures that no potential applicant, employee or worker engaged by DHCW is in any way unduly disadvantaged. This relates to pay, employment rights, employment, training and development or career opportunities. A gender pay report was provided to the DHCW Board in March 2024.

PENSION SCHEME

As an employer with staff entitled to membership of the NHS pension scheme, control measures are in place to ensure all employer obligations contained within the scheme regulations are complied with. This includes ensuring that deductions from salary, employer's contributions and payments into the scheme are in accordance with the scheme rules, and that member pension scheme records are accurately updated in accordance with the timescales detailed in the regulations.

WELSH RISK POOL

The Welsh Risk Pool Services (WRPS) is a risk sharing mechanism, akin to an insurance arrangement, which provides indemnity to NHS Wales's organisations against negligence claims and losses. Individual NHS organisations must meet the first £25,000 of a claim or loss, which is similar to an insurance policy excess charge. The Board along with its internal sources of assurance, which includes its internal audit function provided by NHS Shared Services, also uses sources of external assurance and reviews from auditors, regulators and inspectors to inform and guide our development. The outcomes of these assessments are being used by the Board to further inform our planning and the embedding of good governance across a range of the organisation's responsibilities.

CARBON REDUCTION DELIVERY PLAN

In March 2024 DHCW Board approved a revised Decarbonisation Delivery Plan (DAP) 2024-2027, which takes a fresh look at our building, energy, procurement and travel needs, as well as other sources of emissions, and features a roadmap with actions up to 2030. The plan has been developed to support the ambitions set out within the NHS Wales Decarbonisation Strategic Delivery Plan which outlines how NHS Wales can contribute to the recovery and its commitment to the Wellbeing of Future Generations (Wales) Act 2015, which addresses long-term persistent challenges such as poverty, health inequity, and climate change. DHCW have made significant progress in decarbonising our estate in 2023/24, however, we recognise there is more to do.

CLIMATE CHANGE ACT AND ADAPTATION

DHCW has undertaken the required risk assessments in accordance with our obligations under the Climate Change Act. We have reviewed the Local Partnerships Climate Adaptation Toolkit with accompanying Risk Assessments and will continue to comply with further assessments as they become available to us.

We maintain a Legislation Register, which is reviewed regularly to ensure that we are providing the required assurance and fulfilling our compliance obligations. We have an Environmental Aspects Register, which is used to risk assess environmental impacts and allows us to comply with the Climate Change Act.

We will continue to ensure that DHCW's obligations under the Adaptation Reporting requirements are complied with. We are in the process of collaborating with other NHS bodies on an NHS Wales specific adaptation risk assessment toolkit. This is due to be shared with us in early 2024/25.

At this time, we can confirm that we are in compliance with the requirements of the Climate Change Act and the Adaptation Reporting. We remain committed to maintaining compliance in this area and will take all necessary steps to ensure that we continue to meet these important obligations.

DATA BREACHES

Incidents resulting in a data breach are reported in accordance with DHCW's statutory requirements and documented Standard Operating Procedure on Personal Data Breach Reporting Management. Under Data Protection legislation, personal data breaches are considered a breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, personal data.

Personal data breaches are required to be risk assessed to determine the likelihood of the risk to the individuals' affected rights and freedoms. If a risk is likely, under Data Protection, the breach must be reported to the Information Commissioners Office (ICO) within 72 hours. Failure to report could lead to financial or reputational loss. Additionally, those individuals concerned directly may need to be informed where the breach is likely to result in a high risk to the rights and freedoms of individuals.

All data breaches are appropriately investigated by our Information Governance team and are reported to the Digital Governance and Safety Committee. Where appropriate or mandated, Welsh Government are informed as part of a no surprises report.

During 2023/24, we recorded a total of 3 incidents on the Datix system which resulted in potential personal data breaches. Of these incidents, none met the assessment criteria for reporting to the ICO.

The UK GDPR internal audit (referenced in the "Internal Audit including head of internal audit conclusion" section) made one low priority recommendation on promoting awareness within DHCW of personal data breaches. A layered approach to communication and awareness to DHCW staff is planned.

MINISTERIAL DIRECTIONS

Whilst Ministerial Directions are received by NHS Wales organisations, these are not always applicable to DHCW. Ministerial Directions issued throughout the year are listed on the [Welsh Government website](#). Details of the ministerial direction received and their applicability to DHCW as at year end 31 March 2024 are included at [Appendix 4](#).

PLANNING ARRANGEMENTS

The IMTP was submitted to the SHA Board and finally Welsh Government at the end of March 2023. The plan was subsequently acknowledged by the Minister for Health and Social Services via an accountability letter in October 2023.

DHCW accountability conditions can be found below:

GENERAL

The '**Five Ways of Working**' and the **Well-being of Future Generations Act** must be central to the health board's approach. It is essential that your organisation continues to build on the progress made to utilise the five ways of working, sustainable development principles, to deliver your plan. The organisation should ensure its well-being objectives are consistent with and continue to be supported by its planning arrangements.

The **Duty of Quality** and **Duty of Candour**, effective from April 2023, must underpin your operational models and demonstration of this will be required in discussions at regular IQPD meetings and other governance arrangements.

Strong but **compassionate leadership** will be needed to demonstrate commitment to staff of the need to adopt new ways of working. This should encourage staff of all grades to learn lessons from the pandemic.

Demand and capacity and the financial risks pose significant challenge across the system. Difficult choices will need to be taken at all levels and decisions must be robust and be in line with the organisation's governance arrangements.

Climate change is a global risk. As anchor institutions, all organisations across NHS in Wales should ensure that planning arrangements and decision making considers the risks of the choices made on climate change (across both decarbonisation and adaptation planning objectives). NHS Wales is committed to the ambition for a collectively net zero public sector by 2030 and to ensuring resilience to climate impacts.

Reporting must be submitted quarterly to provide an update on progress against the plan. There should be reporting against the key milestones associated with that quarter, any slippage against the plan, next milestones and the mitigation of any new/emerging risks. A copy of your Board report should be submitted on a quarterly basis to HSS-PlanningTeam@gov.wales.

Organisations should refresh their **Minimum Data Set (MDS)** on a quarterly basis as part of their internal review of plans. Please submit your quarter two MDS returns to HSS-PlanningTeam@gov.wales by 27th October 2023.

FINANCE AND EFFICIENCY

Provide **monthly reports** to Welsh Government, outlining delivery against savings plans outlined in Accountable Officer letter, with clear remedial action of planned profile, and assurance is clearly provided to the DHCW Board with associated mitigations.

Ensure **Benefit frameworks** and methodology are established and ensure all business case proposals have a clear benefits case, benefits frameworks are in place, and delivery of benefits tracked.

Support the development of new **funding models**, strengthened analysis around allocative efficiency across portfolios, and national SLAs and services to inform national funding model for 23/24, this will include greater transparency around SLA costs for all partners.

GOVERNANCE AND ENGAGEMENT

Develop an enhanced **portfolio management and governance framework**, that aligns and is integrated to wider NHS System and governance development, to enable delivery and proportionate reporting to DHCW boards and Welsh Government and NHS Executive boards and teams.

Review **SLA arrangements** with health boards and associated services to ensure during year all Health boards understands detail of services being provided, or to be provided by DHCW nationally, with clear service catalogues for all health boards.

DELIVERY

Develop a clear plan and **roadmap for integrated and interoperable National Architecture** to enable a singular view of the patient across all ages and care settings, including children and young people – drawing together in single portfolio work on WICCS/WCP/WNCR and NDR, NHS App and Primary Care EPR developments, optimising architectural and deployment resource, and ensuring national architecture is open to all health boards to utilise to support local health and care planning and improved care, population health management and development of Clinical Data repositories

Establish a digital **diagnostics portfolio** to optimise the use of resources across that portfolio's programmes.

DHCW to work closely with all NHS and Social Care partners with regard to overarching **Information Governance Strategy and Toolkits**, such that it supports effective and safe delivery at scale within Health and Social Care settings.

Evidence that your Board demonstrates **System Leadership** on key digital and data issues, in particular Cyber and Data Security is vital.

Complete the development of all priority functionality within the **Cancer Information System** required to deliver patient care

WORKFORCE

Strengthened the plan, in collaboration with HEIW, to **develop digital skills** and experience of NHS Wales DDaT workforce with clear measures to assess impact.

REVIEW OF EFFECTIVENESS

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the system of internal control is informed by the work of the internal auditors, and the executive officers within the organisation who have responsibility for the development and maintenance of the internal control framework, and comments made by external auditors in their audit letter and other reports.

The Board and its Committees rely on several sources of internal and external assurances which demonstrate the effectiveness of the Special Health Authority's system of internal control and advise where there are areas of improvement. These elements are detailed above in the diagram of the [DHCW Board Control Framework](#).

The processes in place to maintain and review the effectiveness of the system of internal control include:

- Board and committee oversight of internal and external sources of assurance and holding to account Executive Directors and Senior Managers
- Executive Directors and Senior Managers who have responsibility for development, implementation and maintenance of the internal control framework and the continuing improvement in effectiveness within the organisation
- The oversight of operational risk through the Board and its Committees
- Oversight of fraud risk through the Cardiff and Vale Local Counter Fraud team
- The monitoring of the implementation of recommendations through the audit tracker overseen by the Audit and Assurance Committee
- Audit and Assurance Committee oversight of audit, risk management and assurance arrangements

All Committees of the Board provided an annual report to the March 2024 Board detailing the work undertaken by the relevant Committee within the year and the key decisions taken.

I am satisfied that generally the mechanisms in place to assess the effectiveness of the system of internal control are working well and that the Special Health Authority has the right balance between the level of assurance I receive from my Executives, Board and Board Committee arrangements and DHCW Internal Audit Services.

INTERNAL AUDIT INCLUDING HEAD OF INTERNAL AUDIT CONCLUSION

Internal Audit provide me as Accountable Officer and the Board through the Audit and Assurance Committee with a flow of assurance on the system of internal control. I have commissioned a programme of audit work which has been delivered in accordance with public sector internal audit standards by the NHS Wales Shared Services Partnership. The scope of this work is agreed with the Audit and Assurance Committee and is focussed on significant risk areas and local improvement priorities.

The overall opinion by the Head of Internal Audit on governance, risk management and control is a function of this risk-based audit programme and contributes to the picture of assurance available to the Board in reviewing effectiveness and supporting our drive for continuous improvement.

The programme has been delivered substantially in accordance with the agreed schedule and changes required during the year have been approved by the Audit & Assurance Committee, in addition, regular audit progress reports have been submitted to the Committee. Although minor changes have been made to the plan during the year, the Head of Internal Audit is satisfied that there has been sufficient internal audit coverage during the reporting period in order to provide the Head of Internal Audit Annual Opinion.

In forming the Opinion, the Head of Internal Audit has considered the impact of all the audits carried out, summarised in the table below:

Name of Audit	Date received by the Audit Committee	Assurance Rating
Corporate Governance	18/04/2023	Substantial
Estates Compliance - Waste Management	18/04/2023	Substantial
Risk Management	18/04/2023	Substantial
Workforce Planning PADR	18/04/2023	Reasonable
Centre of Excellence	03/07/2023	Reasonable
Cyber Security Improvement	03/07/2023 (Private)	Substantial
Hybrid Working	17/10/2023	Substantial
Board Assurance Framework	17/10/2023	Substantial
UK GDPR	17/10/2023 (Private)	Substantial
Stock Management	17/10/2023 (Private)	Reasonable
Benefits Realisation	13/02/2024	Reasonable

The Head of Internal Audit has concluded:

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.

In reaching this opinion the Head of Internal Audit has identified that the majority of reviews during the year concluded positively with robust control arrangements operating in some areas. The 2023/24 Internal Audit Plan included audits over key operational deliverables and associated risks, with previous plans incorporating risks associated with the establishment of the Special Health Authority.

From the opinions issued during the year, seven were allocated Substantial Assurance, six were allocated Reasonable Assurance. No reports were allocated a 'no assurance' opinion. We also issued one advisory report during the year, which has been considered when reaching our opinion.

AUDIT WALES STRUCTURED ASSESSMENT

The aim of this work is designed to help discharge the Auditor General's statutory requirement to be satisfied that DHCW has made proper arrangements to secure economy, efficiency, and effectiveness in its use of resources under section 61 of the Public Audit (Wales) Act 2004.

The work specifically focussed on DHCW's arrangements in relation to governance; strategic planning; financial management; and managing the workforce, digital assets, the estate and other physical assets,

The overall **Structured Assessment 2023** conclusion found: "DHCW is embedding good governance arrangements, and must now seek to further develop its role as a trusted digital partner to exploit digitally enabled service opportunities across Wales".

The recommendations from Audit Wales together with management's response are recorded and this will be received at every Audit and Assurance Committee meeting.

DATA QUALITY

The quality and effectiveness of the information and data provided to the Board is continually reviewed at each meeting of the Board and some revisions have been made to the Integrated Performance Report during the year to provide further clarity.

CONCLUSION

As indicated throughout this statement and the Annual Report, there are no control issues or significant governance issues that have arisen in 2023/24, however, financial pressures on public services continue across the board in addition as reliance on digital and data continues to increase year on year the cyber threat continues to be a high risk for DHCW to continue to manage. I will ensure our Governance Framework considers and responds to this need.

Signed by Helen Thomas

Chief Executive

Date: 9th July 2024



DIRECTOR'S REPORT FOR THE PERIOD ENDED 31 MARCH 2024

IGDC • DHCW

The information required for this report can be found in the tables and pages of the annual report detailed below:

THE COMPOSITION OF THE BOARD AND MEMBERSHIP

Composition of Board: [Appendix 1](#) provides detailed information in relation to the composition of the Board including executive directors and independent members, who have authority or responsibility for directing or controlling the major activities of DHCW during the financial year 2022/23. This includes the names of the Chair and Chief Executive. [Table 1](#) also includes the names of the directors forming the Audit and Assurance Committee. [Appendix 1](#) also details the meetings attended during the year and the champion roles agreed by Board Members for the forthcoming year. In addition, short biographies of all [Board Members can be found on the Special Health Authorities website](#).

REGISTER OF INTERESTS

To ensure fair and equitable decision making the Board are required to declare any interests which may conflict with the organisation's responsibilities. This is updated on a regular basis and received by the Audit and Assurance Committee on behalf of the Board, it is published to the [DHCW website under key documents](#). A hard copy can be obtained from the [Board Secretary on request](#).

PERSONAL DATA RELATED INCIDENTS

Information on personal data related incidents formally reported to the Information Commissioner's Office and "serious untoward incidents" involving data loss or confidentiality breaches are detailed in the [Annual Governance Statement](#).

ENVIRONMENTAL, SOCIAL AND COMMUNITY ISSUES

Details of DHCW [decarbonisation strategy](#) and progress are in the Performance Report pages.

STATEMENT FOR PUBLIC SECTOR INFORMATION HOLDERS

DHCW confirms it has complied with cost allocation and the charging requirements set out in HM Treasury guidance during the year.



ANNUAL GOVERNANCE STATEMENT: ACCOUNTABLE OFFICER OF THE SPECIAL HEALTH AUTHORITY.

IGDC • DHCW

The Welsh Ministers have directed that the Chief Executive should be the Accountable Officer to the SHA.

The relevant responsibilities of Accountable Officers, including their responsibility for the propriety and regularity of the public finances for which they are answerable, and for the keeping of proper records, are set out in the Accountable Officer's Memorandum issued by the Welsh Government.

I can confirm that:

- To the best of my knowledge there is no relevant audit information of which the entity's auditors are unaware, and I as the Accountable Officer have taken all the steps that ought to have taken to make myself aware of any relevant audit information and have established that the entity's auditors are aware of that information.
- The DHCW annual report and accounts as a whole is fair, balanced and understandable and that I take personal responsibility for the annual report and accounts and the judgments required for determining that it is fair, balanced and understandable.

The Accountable Officer is responsible for authorising the issue of the financial statements on the date they were certified by the Auditor General for Wales.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in my letter of appointment as an Accountable Officer.

Signed by Helen Thomas

Chief Executive

Date: 9th July 2024



STATEMENT OF DIRECTORS' RESPONSIBILITIES

IGDC • DHCW

The directors are required under the National Health Service Act (Wales) 2006 to prepare accounts for each financial year. The Welsh Ministers, with the approval of the Treasury, direct that these accounts give a true and fair view of the state of affairs of the Special Health Authority and of the income and expenditure of the Special Health Authority for that period.

In preparing those accounts, the directors are required to:

- apply on a consistent basis accounting principles laid down by the Welsh Ministers with the approval of the Treasury
- make judgements and estimates which are responsible and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the account.

The directors confirm that they have complied with the above requirements in preparing the accounts.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the authority and to enable them to ensure that the accounts comply with the requirements outlined in the above-mentioned direction by the Welsh Ministers.

By Order of the Board

Simon Jones

Chair:

Helen Thomas

Chief Executive and
Accountable Officer:

Claire Osmundsen-Little

Director of Finance:

Dated: 9th July 2024



REMUNERATION AND STAFF REPORT

IGDC • DHCW

REMUNERATION REPORT

The information contained in this report relates to the remuneration of the senior managers employed by Digital Health and Care Wales (DHCW). The definition of "Senior Manager" is: 'those persons in senior positions having authority or responsibility for directing or controlling the major activities of the NHS body. This means those who influence the decisions of the entity as a whole rather than the decisions of individual directorates or departments.' For DHCW, the senior managers are considered to be the regular attendees of Board meetings, i.e. Members of the Executive Team and the Independent Members.

Existing public sector pay arrangements apply to all staff including members of the Executive Team. All members of the Executive Team are on pay points and not pay scales.

The performance of members of the Executive Team is assessed against personal objectives and against the overall performance of the SHA. The SHA does not operate a performance related pay scheme.

There have been some payments to former Executives or other former senior managers during the year and these are detailed in the [Table 1](#).

The totals in some of the following tables may differ from those in the Annual Accounts as they represent staff in post at 31 March 2023 whilst the Annual Accounts (note 9.2) shows the average number of employees during the year.

Transparency of senior remuneration in the devolved Welsh Public Sector – [Guide to Tackling Unfair Employment Practices and False Self-Employment](#)

REMUNERATION AND TERMS OF SERVICE COMMITTEE

The pay and terms and conditions of employment for the Executive Team and senior managers have been and will be determined by the Remuneration and Terms of Service Committee, within the framework set by the Welsh Government. The SHA Remuneration Committee members are Independent Members of the Board. The Committee is chaired by the SHA Chair. The Terms of Reference for the Committee are reviewed on an annual basis. Details of the membership of the Remuneration & Terms of Service Committee are captured in [Appendix 1](#).

SALARY AND PENSION DISCLOSURES

Salary and pension disclosure tables (unaudited) – single total figure of remuneration

This Remuneration Report includes a single total figure of remuneration. The amount of pension benefits for the year which contributes to the single total figure is calculated based on guidance provided by the NHS Business Services Authority Pensions Agency.

The amount included in the table for pension benefit is based on the increase in accrued pension adjusted for inflation. This will generally take into account an additional year of service together with any changes in pensionable pay. This is not an amount which has been paid to an individual by the SHA during the year; it is a calculation which uses information from the pension benefit table.

These figures can be influenced by many factors e.g. changes in a person's salary, whether or not they choose to make additional contributions to the pension scheme from their pay, and other valuation factors affecting the pension scheme as a whole.

The salary and pension disclosures reflect the senior managers' information. In 2022/23 the senior management team consists of the Chief Executive, the Executive Directors and the Independent Members (Non-Executive Directors), the Director of Primary, Community and Mental Health Digital Services, the Director of People and Organisational Development and the Board Secretary.

TABLE 1 - SINGLE TOTAL FIGURE OF REMUNERATION 2022/23

Name	(a) Salary (£'000) £5k bands	(b) Bonus payments (£'000) £5k bands	(c) Benefits in kind £ (to the nearest £100)	(d) Pension benefits *** £'000 (to the nearest £1000)	(e) Total £'000 £5k bands
Executive and Senior Management					
Helen Thomas	160 - 165	-	-	0	160 - 165
Claire Osmundsen-Little	130 - 135	-	-	32	160 - 165
Chris Darling	105 - 110	-	-	4	110 - 115
Rhidian Hurle	160 - 165	-	-	50	210 - 215
Sarah-Jane Taylor	120 - 125	-	-	N/A	120 - 125
Samantha Hall	115 - 120	-	-	27	145 - 150
Sam Lloyd	125 - 130	-	-	28	150 - 155
Ifan Evans (1)	120 - 125	-	-	7	125 - 130

(1) Ifan Evans was seconded from Welsh Government for the entire year

*** Pension figures were submitted prior to the very senior manager pay uplift. Although these figures have been excluded, they would not have a material impact on pension benefits

TABLE 2 - SINGLE TOTAL FIGURE OF REMUNERATION 2022/23

Name	(a) Salary (£'000) £5k bands	(b) Bonus payments (£'000) £5k bands	(c) Benefits in kind £ (to the nearest £100)	(d) Pension benefits *** £'000 (to the nearest £1000)	(e) Total £'000 £5k bands
Non-Executive Directors					
Simon Jones	40 - 45	-	-	-	40 - 45
Marian Jones	5 - 10	-	-	-	5 - 10
Ruth Glazzard	20 - 25	-	-	-	20 - 25
David Selway	5 - 10	-	-	-	5 - 10
Rowan Gardener (2)	5 - 10	-	-	-	5 - 10
Marilyn Bryan-Jones	5 - 10	-	-	-	5 - 10
Alastair Klaas Neill	5 - 10	-	-	-	5 - 10

(2) Rowan Gardner left 31st January 2024- Full year equivalent salary is £5K-£10K

*** Pension figures were submitted prior to the very senior manager pay uplift. Although these figures have been excluded, they would not have a material impact on pension benefits

TABLE 3 - SALARY AND PENSION DISCLOSURES 2022/23

Name	(a) Salary (£'000) £5k bands	(b) Bonus payments (£'000) £5k bands	(c) Benefits in kind £ (to the nearest £100)	(d) Pension benefits £'000 (to the nearest £1000)	(e) Total £'000 £5k bands
Executive and Senior Management					
Helen Thomas	150 - 155	-	-	***	150 - 155
Claire Osmundsen-Little	125 - 130	-	-	30	155 - 160
Chris Darling	100 - 105	-	-	88	190 - 195
Rhidian Hurle	155 - 160	-	-	76	230 - 235
Carwyn Lloyd-Jones (1)	30-35	-	-	8	35-40
Sarah-Jane Taylor (2)	105-110			N/A	105-110
Samantha Hall (3)	45-50			11	55-60
Sam Lloyd (4)	25-30			6	30-35
Gareth Davis (5)	60-65			N/A	60-65
Ifan Evans (6)	120-125			97	215-220

(1) Carwyn Lloyd-Jones performed Interim Executive Director of Operations between 17th October 2022 and 15th January 2023 (91 Days) - Full year equivalent salary is £110K-£115K

(2) Sarah-Jane Taylor commenced 2nd May 2022 - Full year equivalent salary is £110K-£115K

(3) Samantha Hall commenced 1st November 2022 - Full year equivalent salary is £115K-£120K

(4) Sam Lloyd commenced 16th January 2023 - Full year equivalent salary is £115K-£120K

(5) Gareth Davis Left 23rd October 2022 - Full year equivalent is £120K-£125K

(6) Ifan Evans was seconded from Welsh Government for the entire year

Name	(a) Salary (£'000) £5k bands	(b) Bonus payments (£'000) £5k bands	(c) Benefits in kind £ (to the nearest £100)	(d) Pension benefits £'000 (to the nearest £1000)	(e) Total £'000 £5k bands
Non-Executive Directors					
Simon Jones	40 - 45	-	-	-	40 - 45
Marian Jones	5 - 10	-	-	-	5 - 10
Ruth Glazzard	20 - 25	-	-	-	20 - 25
David Selway	5 - 10	-	-	-	5 - 10
Rowan Gardener	5 - 10	-	-	-	5 - 10
Grace Quantock (1)	0 - 5	-	-	-	0 -5
Marilyn Bryan-Jones (2)	5-10	-	-	-	5-10
Alastair Klaas Neill (3)	5-10	-	-	-	5-10

- (1) Grace Quantock left 17th June 2022- Full year equivalent is £5K-£10K
- (2) Marilyn Bryan-Jones commenced 15th July 2022- Full year equivalent is £5K-£10K
- (3) Alistair Klaas Neill commenced 8th August 2022- Full year equivalent is £5K-£10K

SALARY AND PENSION DISCLOSURE CASH EQUIVALENT TRANSFER VALUES

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme.

A CETV is a payment made by a pension scheme or an arrangement to secure pension benefits in another pension scheme or an arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The CETV figures and the other pension details include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost.

CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries. REAL INCREASE IN CETV This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another scheme or arrangement) and uses common market valuation factors for the start and end of the period.

TABLE 4 - SALARY AND PENSION DISCLOSURE TABLES (AUDITED) - SINGLE TOTAL FIGURE OF REMUNERATION PENSION BENEFITS 2023-24

Name and Title	(a) Accrued pension at pension age as at 31/03/23 and related lump sum (bands of £5,000) £000	(b) Real increase in pension lump sum at pension age (bands of £2,500) £000	(c) Cash Equivalent Transfer Value at 31/3/23 to the nearest £1,000 £000	(d) Cash Equivalent Transfer Value at 31/3/22 to the nearest £1,000 £000	(e) Real increase in Cash Equivalent Transfer Value to the nearest £1,000 £000	(f) IF APPLICABLE Employer contribution to partnership pension account £000
Executive and Senior Management						
Ms Helen Thomas Chief Executive Officer	60-65 plus lump sum of 165-170	25-27.5	1,408	1,090	209	N/A
Ms Claire Osmundsen-Little Executive Director of Finance	15-20	0-2.5	251	168	66	N/A
Mr Chris Darling Board Secretary	25-30 plus lump sum of 70-75	25-27.5	528	344	150	N/A
Mr Rhidian Hurle Executive Medical Director	60-65 plus lump sum of 180-185	57.5-60	1,576	1,121	342	N/A
Mrs. Samantha Hall, Director of Primary Care and Mental Health	0-5	0-2.5	46	11	34	N/A
Mr. Sam Lloyd, Executive Director of Operations	10-15 plus lump sum of 25-30	0-2.5	248	168	63	N/A
Mr. Ifan Evans, Executive Director of Strategy	35 - 40	0-2.5	661	533	0	N/A

Pension figures were submitted prior to the very senior manager pay uplift. Although these figures have been excluded, they would not have a material impact on pension benefits

TABLE 5 - SALARY AND PENSION DISCLOSURE TABLES (AUDITED) - SINGLE TOTAL FIGURE OF REMUNERATION PENSION BENEFITS 2022-23

Name and Title	(a) Accrued pension at pension age as at 31/03/23 and related lump sum (bands of £5,000) £000	(b) Real increase in pension lump sum at pension age (bands of £2,500) £000	(c) Cash Equivalent Transfer Value at 31/3/23 to the nearest £1,000 £000	(d) Cash Equivalent Transfer Value at 31/3/22 to the nearest £1,000 £000	(e) Real increase in Cash Equivalent Transfer Value to the nearest £1,000 £000	(f) IF APPLICABLE Employer contribution to partnership pension account £000
Executive and Senior Management						
Ms Helen Thomas Chief Executive Officer	55-60 plus lump sum of 120-125	0	1,090	1,052	0	N/A
Ms Claire Osmundsen-Little Executive Director of Finance	10-15	0-2.5	168	132	16	N/A
Mr Chris Darling Board Secretary	25-30 plus lump sum of 40-45	12.5-15	344	265	57	N/A
Mr Rhidian Hurle Executive Medical Director	60-65 plus lump sum of 115-120	10-12.5	1,121	989	75	N/A
Dr. Carwyn Lloyd-Jones, Interim Executive Director of Operations	5-10 plus lump sum of 10-15	0-2.5	520	465	27	N/A
Mrs. Samantha Hall, Director of Primary Care and Mental Health	0-5	0-2.5	11	0	5	N/A
Mr. Sam Lloyd, Executive Director of Operations	5-10 plus lump sum of 25-30	0-2.5	168	0	5	N/A
Mr. Ifan Evans, Executive Director of Strategy	35-40	5-7.5	553	447	63	N/A

FAIR PAY DISCLOSURES

REMUNERATION RELATIONSHIP

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director / employee in their organisation and the 25th percentile, median and 75th percentile remuneration of the organisation’s workforce.

TABLE 6 - THE ALL STAFF RANGE INCLUDES DIRECTORS (INCLUDING THE HIGHEST PAID DIRECTOR) AND EXCLUDES PENSION BENEFITS OF ALL EMPLOYEES.

	2023 -2024	2023 -2024	2023 -2024
	£000	£000	£000
Total pay and benefits	Chief Executive	Employee	Ratio
25th percentile pay ratio	162.5	35.9	4.5:1
Median pay	162.5	44.2	3.7:1
75th percentile pay ratio	162.5	52.0	3.1:1
Salary component of total pay and benefits			
25th percentile pay ratio	162.5	35.1	
Median pay	162.5	43.3	
75th percentile pay ratio	162.5	51.7	

	Highest Paid Director	Employee	Ratio
Total pay and benefits			
25th percentile pay ratio	162.5	35.9	4.5:1
Median pay	162.5	44.2	3.7:1
75th percentile pay ratio	162.5	52.0	3.1:1
Salary component of total pay and benefits			
25th percentile pay ratio	162.5	35.1	
Median pay	162.5	43.3	
75th percentile pay ratio	162.5	51.7	

	2022 -2023	2022 -2023	2022 -2023
	£000	£000	£000
Total pay and benefits	Chief Executive	Employee	Ratio
25th percentile pay ratio	152.5	33.7	4.5:1
Median pay	152.5	41.8	3.6:1
75th percentile pay ratio	152.5	49.9	3.1:1
Salary component of total pay and benefits			
25th percentile pay ratio	152.5	33.4	
Median pay	152.5	41.2	
75th percentile pay ratio	152.5	49.3	
Total pay and benefits	Highest Paid Director	Employee	Ratio
25th percentile pay ratio	157.5	33.7	4.7:1
Median pay	157.5	41.8	3.8:1
75th percentile pay ratio	157.5	49.9	3.2:1
Salary component of total pay and benefits			
25th percentile pay ratio	157.5	33.4	
Median pay	157.5	41.2	
75th percentile pay ratio	157.5	49.3	

The median pay ratio for the relevant financial year is consistent with the pay, reward and progression policies for the entity’s employees taken as a whole.

STAFF REPORT

NUMBER OF SENIOR STAFF

As of 31 March 2024, there were 15 members of the Board, of which five were Executive Directors, three Directors and seven Independent Members including DHCW Chair and Vice Chair.

STAFF NUMBERS AND COMPOSITION AS OF 31 MARCH 2024

TABLE 7 - BREAKDOWN OF NUMBER OF STAFF BY GROUP

Staff Group	Permanent Staff	Staff on Inward Secondment	Agency Staff	Specialist Trainee (SLE)	Other Staff	Total	Financial Year
Administrative, Clerical and Board Members	1154	12	8	0	2	1176	2023-24
Medical and Dental					1	1	2023-24
Administrative, Clerical and Board Members	1016	5	9	0	0	1030	2022-23

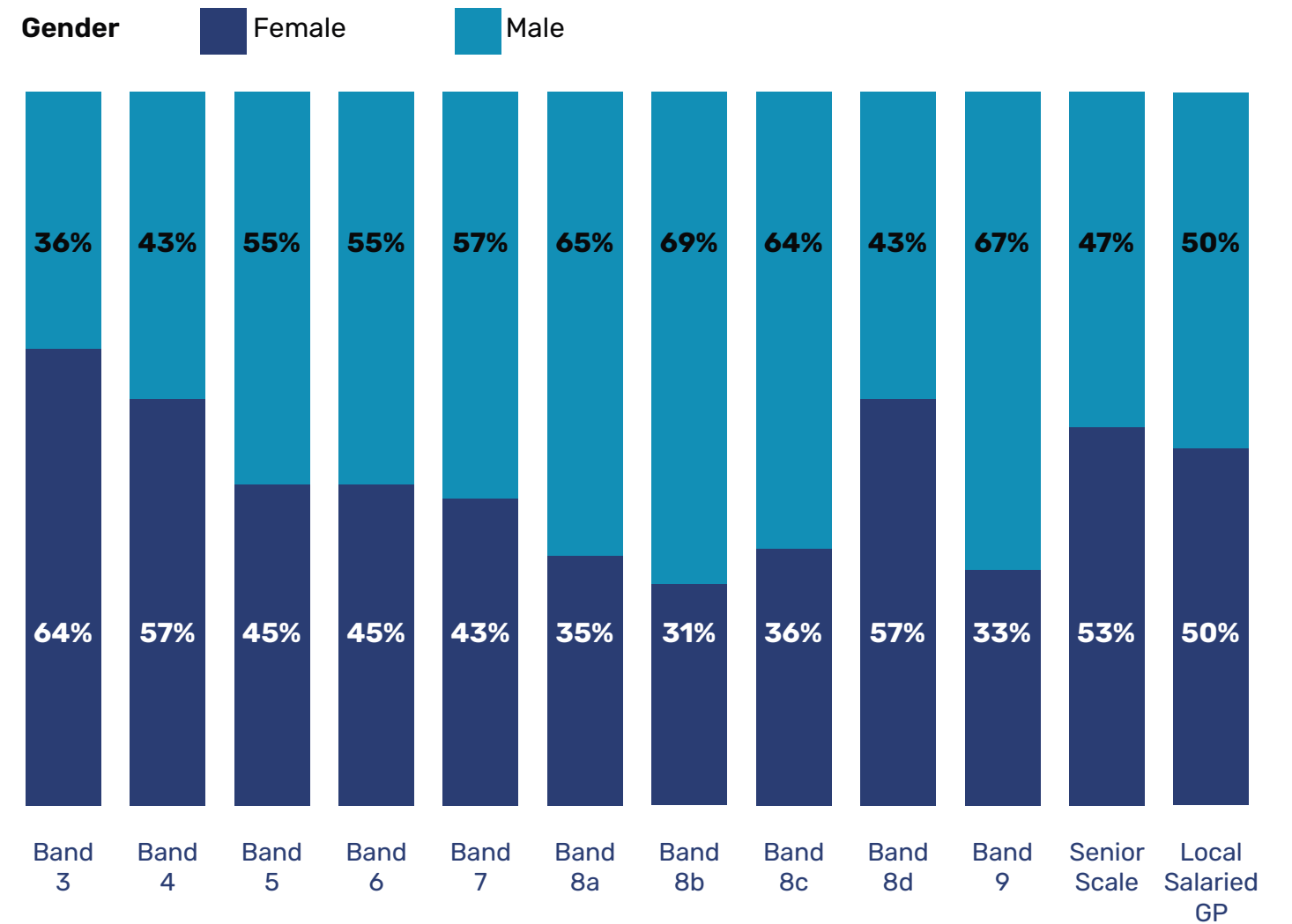
TABLE 8 - GENDER BREAKDOWN OF THE BOARD AND DIRECTORS- UPDATED AS OF 31/03/24

Position	Female	Male	Total
Chair		1	1
Chief Executive Officer	1		1
Executive Director of Finance & Deputy Chief Executive Officer	1		1
Executive Director of Strategy		1	1
Executive Director of Operations		1	1
Executive Medical Director		1	1
Director of People & Organisational Development	1		1
Board Secretary		1	1
Director of Primary, Community & Mental Health Digital Services	1		1
Independent Member - Vice Chair	1		1
Independent Member	3	2	5
Grand Total	8	7	15

TABLE 9 - GENDER BREAKDOWN BY EXECUTIVE TEAM AND OTHER EMPLOYEES AS AT 31ST MARCH 2024

Staff Composition	Female	Male	Total
Senior Employees (Executive Team, Directors, IMs)	8	7	15
Other Employees	530	699	1229
Secondment In	11	8	19
Total	549	715	1263
% All Staff	43%	57%	

FIG 20 - BREAKDOWN BY GENDER AND BY BAND



SICKNESS ABSENCE DATA

The People and Organisation Development Team work closely with each Directorates to support and manage the wellbeing of DHCW people and sickness absence. Monthly performance reports are developed for Directorates and Executive colleagues to monitor sickness absence. DHCW offers and provides its people with access to an Occupational Health Service and to an Employee Assistance Programme, which family members can also access for free.

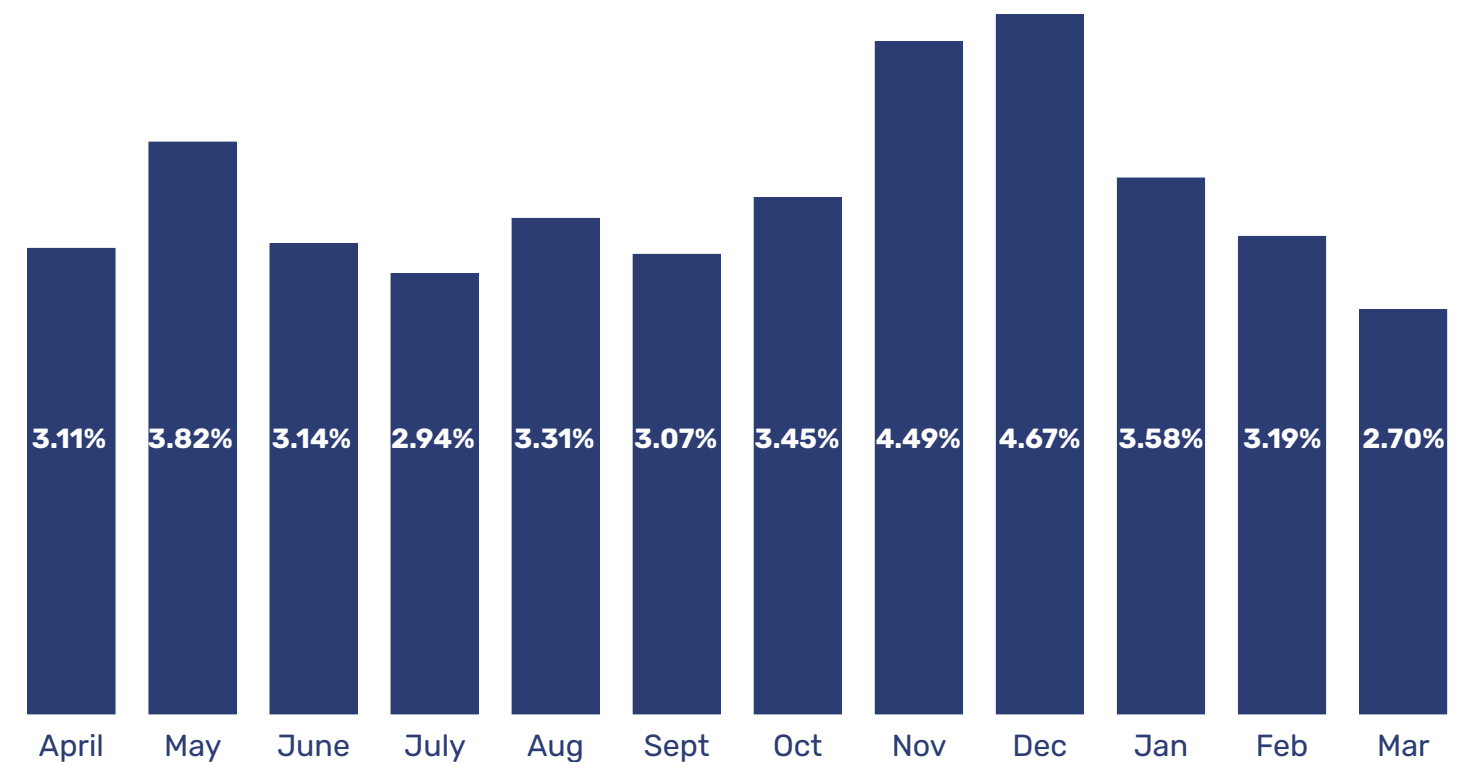
The top reason for sickness absence across the organisation during 2023/2024 was stress and anxiety, which was predominantly caused by circumstances outside of the work environment. Health and Wellbeing interventions to support both the individual and their managers are developed and monitored regularly. The DHCW’s Health and Well-Being Group also meet on a bi-monthly basis to ensure continuous reviewing of well-being support offered and to develop innovative ways to introduce initiatives to enable the health and wellbeing of our people.

TABLE 11 - NUMBER OF WORKING DAYS LOST TO SICKNESS

Number of working days lost due to sickness	
Calendar Days Lost	14886
Calendar Sickness Days Lost (Short-term)	6065
Calendar Sickness Days Lost (Long-term)	8821
% of Employees with Zero Absence	49.89%
% Employees with Absence	50.11%

The table 6 below shows the sickness absence levels during 2023/24. The current rate as at 31st March 2024 is 2.70% which benchmarks very favourably across NHS Wales.

FIG 21 - PERCENTAGE SICKNESS ABSENCE 2023/24



POLICIES APPLIED DURING THE FINANCIAL YEAR

All DHCW policies and procedures are equality impact assessed against the nine protected characteristics, to ensure that they do not discriminate against people who apply to work in the DHCW or are employed by the DHCW. All policies and procedures are available to access via the [DHCW website](#).

Additional policies were adopted and implemented throughout the year; they are as follows:

- Health and Safety Welfare Policy Procedure
- Handling Concerns and Complaints
- Validation Policy
- Policy on Policies
- Appraisal and Development Review
- Waste Management Policy
- Hybrid Working Policy
- Disaster Recovery Policy
- Water Safety Policy

HEALTH & WELLBEING, EQUALITY, DIVERSITY AND INCLUSION

HEALTH & WELLBEING

The health and wellbeing of our people continues to be paramount. In 2023-24, we successfully retained the Gold Corporate Health Standard and recertification of for BS76000 –Valuing People Standard and BS76005 Diversity, Inclusion Standards.

The Health and Wellbeing Network, made up of diverse DHCW volunteers across the organisation, leads on the promotion of national and local campaigns and initiatives to support the resilience and wellbeing of our people. This provides a helpful signpost of information and support for our workforce. The following is an update on the work of the network.

Support for National Campaigns - International Women’s Day, International Men’s Day, National Fitness Day, Menopause Awareness Day, Carers Right Day, Dry January, World’s Biggest Coffee Morning and Brew Monday,

Health and Wellbeing Network Local initiatives – Community Projects Initiative (particularly supporting the Digital Inclusion projects), Winter Wellbeing initiatives through the season, Cost of Living Master Class, Know your Numbers – Blood Pressure UK, Talk Money Week, Step Challenge, Health and Wellbeing Photo Competition, Sun Awareness, Cycle to Work and The Body Hotel (Moving Self-Compassion' courses



EQUALITY, DIVERSITY AND INCLUSION

The [Strategic Equality Plan](#) (SEP), which incorporated organisational anti-bullying and anti-racism commitments was developed in partnership with Staff Side Representatives, DHCW Staff and key external stakeholders and approved by the Board in March 2023 and published in April 2023. This continues to provide a key signal of the importance of equality, diversity, and inclusion for DHCW. The plan included a range of commitments to be delivered. As part of the SEP, EDI network was established in May 2023 to provide a new outlet for input and a voice for employees. The SEP 2023-2027 is underpinned by the Equality Act 2010, the Anti-racist Wales Action Plan 2022, and the Wales LGBTQ+ Action Plan 2010. DHCW demonstrates commitment to fostering an environment that supports an anti-racist and anti-bullying environment achieved through role-modelling behaviour aligned with our core values, and by cultivating an inclusive culture. Where everyone thrives and there is equality of opportunity for all.

The action plan identifies five key commitments, underpinned by our People and Organisational Development Strategy. Shown below are a number of developments to meet these commitments.

Commitment 1 - Supporting our People

DHCW Equality, Diversity and Inclusion Network – representation across all nine protected characteristics outlined in the Equality Act. The membership is growing and is driving improved understanding and positive change in how policies and materials are developed, and language used to support improved engagement and inclusion for everyone in the workforce.

Across Digital Health and Care Wales, several trained Mental Health First Aiders are available to talk to staff in confidence.

Commitment 2 - Ensuring everyone is educated and held accountable

Education and improved understanding of EDI – upskilling workforce through Induction, Senior Leadership Development, Talent programmes, Statutory and Mandatory training of Equality, Diversity and Human Rights (99% completion rate), Ten Talks sessions and shared lived experiences by members of workforce.

Robust Equality Impact Assessments (including Welsh Language) concentrating on systematically assessing and recording the likely impact of new projects, policies or schemes and decipher if there is detrimental impact on equality, inclusion and human rights. Our commitment is to continue to raise awareness, assess, evaluate and embed all the principles and practices integral within EIA in all strategic and operational endeavours.

Commitment 3 - To utilise data and tracking to understand our starting point

DHCW utilises data to develop and guide meaningful equality, diversity and inclusion support features and initiatives. Data is utilised in internal reports and those for the Welsh Government and wider stakeholders

Commitment 4 - Analyse to better understand

Deep analysis within People and OD team has been a challenge, and it is important for us to better understand a range of opportunities and barriers, particularly those real challenges faced by people with lived experiences. The challenge is that some people who need support are reluctant to request help, particularly those with invisible or non-physical disability, however this is slowly improving. This is slowly improving through examples such as exit interview data analysis and the Access to Work Programme provided through gov.uk following concentrated communication campaign. As a Disability Confident Employer, DHCW makes provision for reasonable adjustments, placing the organisation in a good position to continue to attract and retain disabled people and support the development of their careers. Currently, 8.5% of workforce have characterised as disabled on Electronic Staff Record as at 31st March 2024.

Commitment 5 - Visible and active sponsorship through our partners

The Board and Executive team are visible and keen sponsors of the People and OD Strategy and the Strategic Equality Plan. The EDI Network meetings are attended by the Director of People and OD and the appointed Equality Champion (Independent Member).

DHCW is represented and participates in the various NHS All Wales groups and meetings across EDI agenda such as Equality Leadership Group (ELG) and the Workforce Race Equality Steering Group.. ELG, as a group jointly participate in activities such as a film screening for LGBTQ+ History Month. DHCW is also represented at the NHS Anti-Violence Collaborative which supports efforts to address violence in healthcare.

In addition to above, DHCW has promoted and participated in a number of National Campaigns and DHCW events during 2023-24 such as Equality week, Pride month and the Parade, Brew Monday, Interfaith week, Accessibility Awareness, International Men's Day, International Women's Day, South Asian Heritage Month, Transgender Remembrance Day, Armed Forces, Anti-bullying, Windrush and Neurodiversity Awareness Day.

REPORTING OF OTHER COMPENSATION SCHEMES – EXIT PACKAGES

During 2023/24 there were no exit packages paid or approved.

EXPENDITURE ON CONSULTANCY SERVICES

During 2023/2024 the SHA spent £0.757m of its revenue funding on external consultancy services, this remained the same spend as in 2022/23.

For the purpose of the statutory accounts, consultancy is defined as time limited/ ad-hoc assignments related to the provision of professional and strategic advice and not directly attributable to activities delivering digital products.

Examples include:

- Accountancy & Commercial fees
- Legal fees
- Design fees
- IT consultancy and advice

EXPENDITURE ON TEMPORARY STAFF

During 2023/2024 the SHA spent £1.657m of its revenue funding on temporary staff. This includes Temporary (agency) workers, Interim managers and Specialist Contractors. There is an increase in spend from 2022/2023 is due to the use of an agency staff in the PC refresh and Datacentre Migration project in 2023/2024.

TAX ASSURANCE FOR OFF-PAYROLL ENGAGEMENTS

Following the Review of Tax Arrangements of Public Sector Appointees published by the Chief Secretary to the Treasury on 23 May 2012, departments must publish information on their highly paid and/or senior off-payroll engagements. The information, contained in the three tables below, includes all off-payroll engagements as at 31 March 2024 for those earning more than £245 per day for the core SHA and any hosted organisations.

Table 12 - Highly paid off-payroll worker engagements as at 31 March 2024, earning £245 per day or greater.

Number (No.) of existing engagements as of 31 March 2024	7
Of which...	
existed less than 1 year	0
for between one and two years	2
for between two and three years	4
for between three and four years	1
for four or more years	0

All the off-payroll engagements, outlined above, have at some point been subject to a risk-based assessment as to whether assurance is required that the individual is paying the right amount of tax, and where necessary, that assurance has been sought.

Table 13 - All highly paid off-payroll workers engaged at any point during the year ended 31 March 2024, earning £245 per day or greater

Number of temporary off-payroll workers engaged during the year ended	13
Of which...	
Not subject to off-payroll legislation	13
Subject to off-payroll legislation and determined as in-scope of IR35	0
Subject to off-payroll legislation and determined as out-of-scope of IR35	0
No. of engagements reassessed for compliance or assurance purposes during the year	0
Of which: No. of engagements that saw a change to IR35 status following review	0

Table 14 - For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2023 and 31 March 2024

Number of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year.	0
Total Number of individuals that have been deemed "board members, and/or, senior officials with significant financial responsibility", during the financial year. This figure should include both off-payroll and on-payroll engagements.	15

STATEMENT OF ASSURANCE

I confirm that there is no relevant audit information in the Annual Report of which the Audit Wales is unaware. As Chief Executive, I have taken all the steps in order to make myself aware of any relevant information and ensure the Audit Wales is aware of that information.

Helen Thomas

Chief Executive and Accountable Officer, Digital Health and Care Wales

Date: 9th July 2024



SENEDD CYMRU/WELSH PARLIAMENTARY ACCOUNTABILITY & AUDIT REPORT

FOR THE YEAR ENDED 31 MARCH 2024

IGDC • DHCW

REGULARITY OF EXPENDITURE

Regularity is the requirement for all items of expenditure and receipts to be dealt with in accordance with the legislation authorising them, any applicable delegated authority and the rules of Government Accounting. The Digital Health and Care Wales (DHCW) Board ensures the funding provided by Welsh Ministers has been expended for the purposes intended by Welsh Ministers and that the resources authorised by Welsh Ministers to be used have been used for the purposes for which the use was authorised. The Chief Executive is the Accountable Officer and ensures that the financial statements are prepared in accordance with legislative requirements and the Treasury’s Financial Reporting Manual. In preparing the financial statements, the Chief Executive is required to:

- observe the accounts directions issued by Welsh Ministers, including the relevant accounting and disclosure requirements and apply appropriate accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards have been followed and disclosed and explain any material departures from them; and
- prepare them on a going concern basis on the presumption that the services of the Special Health Authority will continue in operation.

FEEs AND CHARGES

Where DHCW undertakes an activity which is not funded directly by the Welsh Government, DHCW receives income to cover its costs. Further detail of income received is published in the annual accounts. DHCW confirms it has complied with cost allocation and the charging requirements set out in HM Treasury guidance during the year.

REMOTE CONTINGENT LIABILITIES

Remote contingent liabilities are those liabilities that due to the unlikelihood of a resultant charge against DHCW are therefore not recognised as an expense nor as a contingent liability. Detailed below are the remote contingent liabilities as at 31 March 2024.

2023/2024	
Guarantees	Nil
Indemnities	Nil



AUDIT CERTIFICATE AND THE AUDIT GENERAL FOR WALES REPORT

IGDC • DHCW

THE CERTIFICATE AND REPORT OF THE AUDITOR GENERAL FOR WALES TO THE SENEDD

Opinion on financial statements

I certify that I have audited the financial statements of Digital Health and Care Wales for the year ended 31 March 2024 under Section 61 of the Public Audit (Wales) Act 2004.

These comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Cash Flow Statement and Statement of Changes in Taxpayers' Equity and related notes, including a summary of material accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards as interpreted and adapted by HM Treasury's Financial Reporting Manual.

In my opinion, in all material respects, the financial statements:

- give a true and fair view of the state of affairs of Digital Health and Care Wales as at 31 March 2024 and of its net operating costs for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards as interpreted and adapted by HM Treasury's Financial Reporting Manual; and
- have been properly prepared in accordance with the National Health Service (Wales) Act 2006 and directions made there under by Welsh Ministers.

Opinion on regularity

In my opinion, in all material respects, the expenditure and income in the financial statements have been applied to the purposes intended by the Senedd and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my certificate.

My staff and I are independent of the Board in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinions.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the body's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for Digital Health and Care Wales is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future.

Other Information

The other information comprises the information included in the annual report other than the financial statements and my auditor's report thereon. The Chief Executive is responsible for the other information contained within the annual report. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report,

I do not express any form of assurance conclusion thereon. My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion, the part of the remuneration report to be audited has been properly prepared in accordance with the National Health Service (Wales) Act 2006 and directions made there under by Welsh Ministers.

In my opinion, based on the work undertaken in the course of my audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with the National Health Service (Wales) Act 2006 and directions made there under by Welsh Ministers' directions; and;
- the information given in the Performance and Accountability Reports for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with Welsh Ministers' guidance.

Matters on which I report by exception

In the light of the knowledge and understanding of the Authority and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report, Accountability Report or the Governance Statement.

- I have nothing to report in respect of the following matters, which I report to you, if, in my opinion:
- I have not received all the information and explanations I require for my audit;
- adequate accounting records have not been kept, or returns adequate for my audit have not been received from branches not visited by my team;
- the financial statements and the audited part of the Accountability Report are not in agreement with the accounting records and returns;
- information specified by HM Treasury or Welsh Ministers regarding remuneration and other transactions is not disclosed;
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual are not made or parts of the Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of Directors and the Chief Executive for the financial statements

As explained more fully in the Statements of Directors' and Chief Executive's Responsibilities, the Directors and the Chief Executive are responsible for:

- maintaining adequate accounting records
- the preparation of financial statements and annual report in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- ensuring that the annual report and financial statements as a whole are fair, balanced and understandable;
- ensuring the regularity of financial transactions;
- internal controls as the Directors and Chief Executive determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and
- assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors and Chief Executive anticipate that the services provided by the Authority will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the National Health Service (Wales) Act 2006.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

My procedures included the following:

- Enquiring of management, the audited entity's Head of Internal Audit and those charged with governance, including obtaining and reviewing supporting documentation relating to Digital Health and Care Wales' policies and procedures concerned with:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- Considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following areas: expenditure recognition and management override of controls;
- Obtaining an understanding of Digital Health and Care Wales' framework of authority as well as other legal and regulatory frameworks that Digital Health and Care Wales operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of Digital Health and Care Wales; and
- Obtaining an understanding of related party relationships.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, the Audit and Assurance Committee and legal advisors about actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance and the Board; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all audit team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of Digital Health and Care Wales' controls, and the nature, timing and extent of the audit procedures performed.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditors-responsibilities. This description forms part of my auditor's report.

Other auditor's responsibilities

I am also required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Senedd and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report

I have no observations to make on these financial statements.

Adrian Crompton

Auditor General for Wales
1 Capital Quarter
Tyndall Street, Cardiff

July 2024



REPORT OF THE AUDITOR GENERAL TO THE SENEDD

IGDC • DHCW

REPRESENTATIONS REGARDING THE 2023-24 FINANCIAL STATEMENTS

This letter is provided in connection with your audit of the financial statements (including that part of the Remuneration Report that is subject to audit) of Digital Health and Care Wales for the year ended 31 March 2024 for the purpose of expressing an opinion on their truth and fairness, their proper preparation and the regularity of income and expenditure.

We confirm that to the best of our knowledge and belief, having made enquiries as we consider sufficient, we can make the following representations to you.

MANAGEMENT REPRESENTATIONS

Responsibilities

As Chief Executive and Accountable Officer I have fulfilled my responsibility for:

- preparing the financial statements in accordance with legislative requirements and the Treasury's Financial Reporting Manual. In preparing the financial statements, I am required to:
 - observe the accounts directions issued by Welsh Ministers, including the relevant accounting and disclosure requirements and apply appropriate accounting policies on a consistent basis;
 - make judgements and estimates on a reasonable basis;
 - state whether applicable accounting standards have been followed and disclosed and explain any material departures from them; and
 - prepare them on a going concern basis on the presumption that the services of Digital Health and Care Wales will continue in operation;

- ensuring the regularity of any expenditure and other transactions incurred; and
- the design, implementation and maintenance of internal control to prevent and detect error.

INFORMATION PROVIDED

We have provided you with:

- full access to:
 - all information of which we are aware that is relevant to the preparation of the financial statements such as books of account and supporting documentation, minutes of meetings and other matters;
 - additional information that you have requested from us for the purpose of the audit; and
 - unrestricted access to staff from whom you determined it necessary to obtain audit evidence.
- the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- our knowledge of fraud or suspected fraud that we are aware of and that affects Digital health and Care Wales and involves:
 - management;
 - employees who have significant roles in internal control; or
 - others where the fraud could have a material effect on the financial statements.
- our knowledge of any allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, regulators or others.

- our knowledge of all known instances of non-compliance or suspected
- non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.
- the identity of all related parties and all the related party relationships and transactions of which we are aware.
- our knowledge of all possible and actual instances of irregular transactions.

FINANCIAL STATEMENT REPRESENTATIONS

All transactions, assets and liabilities have been recorded in the accounting records and are reflected in the financial statements.

The methods, the data and the significant assumptions used in making accounting estimates, and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.

Related party relationships and transactions have been appropriately accounted for and disclosed.

All events occurring subsequent to the reporting date which require adjustment or disclosure have been adjusted for or disclosed.

All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to the auditor and accounted for and disclosed in accordance with the applicable financial reporting framework.

The financial statements are free of material misstatements, including omissions. There are no non-trivial misstatements within the accounts which remain uncorrected.

REPRESENTATIONS BY THE BOARD

We acknowledge that the representations made by management, above, have been discussed with us.

We acknowledge our responsibility for the preparation of true and fair financial statements in accordance with the applicable financial reporting framework. The financial statements were approved by the Board on 9 July 2024.

We confirm that we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that it has been communicated to you. We confirm that, as far as we are aware, there is no relevant audit information of which you are unaware.

Auditor General for Wales

Audit Wales

1 Capital Quarter

Tyndall Street

Cardiff CF10 4BZ

9 July 2024

Signed by: Helen Thomas - Chief Executive

Date: 9 July 2024

Signed by: Simon Jones - Chair

Date: 9 July 2024



FINANCIAL STATEMENTS AND NOTES 2023/24

IGDC • DHCW

FOREWORD

These accounts have been prepared by Digital Health and Care Wales, a Welsh Special Health Authority under schedule 9 section 178 Para 3(1) of the National Health Service (Wales) Act 2006 (c.42) in the form in which the Welsh Ministers have, with the approval of the Treasury, directed. These accounts cover the period 1 April 2023 to 31 March 2024.

STATUTORY BACKGROUND

DHCW was established by establishment order 2020 No 1451 (W313) under section 22 of the National Health Service (Wales) Act 2006 ("the Act"), which was made on 7th December 2020 and came into force on the 30th December 2020.

DHCW operated in a shadow form until 1 April 2021 with all establishment and set up costs being borne by the Welsh Government, and Public Health Wales NHS Trust. The predecessor body NHS Wales Informatics Services (NWIS) hosted by Velindre University NHS Trust delivered operational activity to 31st March 2021.

On 1st April 2021 staff were transferred into DHCW and the organisation became fully operational.

DHCW is the second Special Health Authority within Wales created to take forward the digital transformation needed for better health and care in Wales, making services more accessible and sustainable while supporting personal health and well-being.

PERFORMANCE MANAGEMENT AND FINANCIAL RESULTS

DHCW must comply fully with the Treasury's Financial Reporting Manual to the extent that it is applicable to them. As a result, the Primary Statement of in-year income and expenditure is the Statement of Comprehensive Net Expenditure, which shows the net operating cost incurred by DHCW which is funded by the Welsh Government. This funding is allocated on receipt directly to the General Fund in the Statement of Financial Position.

DHCW has an annual requirement to achieve a balanced year end position against the Resource and Capital limits set for the year.

Performance against these limits is reported in [Note 2](#) to the financial statements.

STATEMENT OF COMPREHENSIVE NET EXPENDITURE FOR THE PERIOD ENDED 31 MARCH 2024

See note 2 on page 179 for details of performance against Revenue and Capital allocations. The notes on pages 159 to 237 form part of these accounts.

	Note	2023-24 £000	2022- 23 £000
General Medical Services	3.1	17,300	16,066
Other Operating Expenditure	3.3	148,158	134,794
		165,458	150,860
Less: Miscellaneous Income	4	(55,064)	(46,162)
Net operating costs before interest and other gains and losses		110,394	104,698
Investment Revenue	5	0	0
Other (Gains) / Losses	6	0	0
Finance costs	7	103	79
Net operating costs for the financial period		110,497	104,777

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2024

	Note	31 March 2024 £000	31 March 2023 £000
Non-current assets			
Property, plant and equipment	11	9,608	10,356
Right of Use Assets	11.3	3,215	2,237
Intangible assets	12	32,893	22,607
Trade and other receivables	15	1,297	405
Other financial assets	16	0	0
Total non-current assets		47,013	35,605
Current assets			
Inventories	14	62	109
Trade and other receivables	15	23,984	21,273
Other financial assets	16	0	0
Cash and cash equivalents	17	2,093	1,130
		26,139	22,512

**STATEMENT OF FINANCIAL
POSITION AS AT 31 MARCH
2024 (CONTINUED)**

	Note	31 March 2024 £000	31 March 2023 £000
Non-current assets classified as "Held for Sale"	11.2	0	0
Total current assets		26,139	22,512
Total assets		73,152	58,117
Current liabilities			
Trade and other payables	18	(19,276)	(17,537)
Other financial liabilities	19	0	0
Provisions	20	(15,387)	(9,702)
Total current liabilities		(34,663)	(27,239)
Net current assets/ (liabilities)		(8,524)	(4,727)
Non-current liabilities			
Trade and other payables	18	(1,958)	(1,339)
Other financial liabilities	19	0	0
Provisions	20	0	0
Total non-current liabilities		(1,958)	(1,339)
Total assets employed		36,531	29,539
Financed by :			
Taxpayers' equity			
General Fund		36,442	29,478
Revaluation reserve		89	61
Total taxpayers' equity		36,531	29,539

The financial statements on pages 151 to 158 were approved by the Board on 9 July 2024

Helen Thomas - Chief Executive and Accountable Officer, Digital Health and Care Wales -Date:

[The notes](#) on pages 159 to 237 form part of these accounts.

OTHER COMPREHENSIVE NET EXPENDITURE

	2023-24 £000	2022-23 £000
Net (gain) / loss on revaluation of property, plant and equipment	(28)	(28)
Net (gain) / loss on revaluation of right of use assets	0	0
Net (gain) / loss on revaluation of intangibles	0	0
(Gain) / loss on other reserves	0	0
Net (gain) / loss on revaluation of available for sale financial assets	0	0
Impairment and reversals	0	0
Other comprehensive net expenditure for the period	(28)	(28)
Total comprehensive net expenditure for the period	110,469	104,749

[The notes](#) on pages 159 to 237 form part of these accounts.

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY

FOR THE PERIOD ENDED 31
MARCH 2024

	General Fund £000	Revaluation Reserve £000	Total Reserves £000
Changes in taxpayers' equity			
Balance b/f as at 31 March	29,478	61	29,539
NHS Wales Transfer	0	0	0
RoU Asset Transitioning Adjustment	0	0	0
Impact of IFRS 16 on PPP/PFI Liability	0	0	0
Balance at 1 April 2023	29,478	61	29,539
Net operating cost for the period	(110,497)		(110,497)
Net gain/(loss) on revaluation of property, plant and equipment	0	28	28
Net gain/(loss) on revaluation of right of use assets	0	0	0
Net gain/(loss) on revaluation of intangible assets	0	0	0
Net gain/(loss) on revaluation of financial assets	0	0	0
Net gain/(loss) on revaluation of assets held for sale	0	0	0
Impairments and reversals	0	0	0
Other reserve movement	0	0	0
Transfers between reserves	0	0	0
Release of reserves to SoCNE	0	0	0
Transfers to/from (please specify)	0	0	0
Total recognised income and expense for period	(110,497)	28	(110,469)
Net Welsh Government funding	114,500		114,500
Welsh Government notional funding	2,961		2,961
Balance at 31 March 2024	36,442	89	36,531

Notional Welsh Government funding line includes the 6.3% staff employer pension paid centrally by Welsh Government.

Notional Welsh Government funding split; Notional 6.3% staff employer pension £2.961m

[The notes](#) on pages 159 to 237 form part of these accounts.

**STATEMENT OF CHANGES
IN TAXPAYERS' EQUITY**

**FOR THE PERIOD ENDED 31
MARCH 2023**

	General Fund £000	Revaluation Reserve £000	Total Reserves £000
Changes in taxpayers' equity			
Balance b/f as at 31 March	29,580	33	29,613
NHS Wales Transfer	0	0	0
RoU Asset Transitioning Adjustment	0	0	0
Balance at 1 April 2022	29,580	33	29,613
Net operating cost for the year	(104,777)		(104,777)
Net gain/(loss) on revaluation of property, plant and equipment	0	28	28
Net gain/(loss) on revaluation of right of use assets	0	0	0
Net gain/(loss) on revaluation of intangible assets	0	0	0
Net gain/(loss) on revaluation of financial assets	0	0	0
Net gain/(loss) on revaluation of assets held for sale	0	0	0
Impairments and reversals	0	0	0
Other reserve movement	0	0	0
Transfers between reserves	0	0	0
Release of reserves to SoCNE	0	0	0
Transfers to/from LHBs	0	0	0
Total recognised income and expense for period	(104,777)	28	(104,749)
Net Welsh Government funding	102,272		102,272
Welsh Government notional funding	2,403		2,403
Balance at 31 March 2023	29,478	61	29,539

Notional Welsh Government funding line includes the 6.3% staff employer pension paid centrally by Welsh Government.

Notional Welsh Government funding split; Notional 6.3% staff employer pension £2.4m

[The notes](#) on pages 159 to 237 form part of these accounts.

STATEMENT OF CASH FLOWS FOR PERIOD ENDED 31 MARCH 2024

Cash Flows from operating activities	Note	2023-24 £000	2022-23 £000
Net operating cost for the financial period		(110,497)	(104,777)
Movements in Working Capital	27	(4,428)	(5,805)
Other cash flow adjustments	28	18,565	22,350
Provisions utilised	20	0	(50)
Net cash outflow from operating activities		(96,360)	(88,282)

	Note	2023-24 £000	2022-23 £000
Cash Flows from investing activities			
Purchase of property, plant and equipment		(2,634)	(1,742)
Proceeds from disposal of property, plant and equipment		0	0
Purchase of intangible assets		(12,790)	(10,994)
Proceeds from disposal of intangible assets		0	0
Payment for other financial assets		0	0
Proceeds from disposal of other financial assets		0	0
Payment for other assets		0	0
Proceeds from disposal of other assets		0	0
Net cash inflow/(outflow) from investing activities		(15,424)	(12,736)
Net cash inflow/(outflow) before financing		(111,784)	(101,018)
Cash Flows from financing activities			
Welsh Government funding (including capital)		114,500	102,272
Capital receipts surrendered		0	0
Capital grants received		0	0
Capital element of payments in respect of finance leases and on-SoFP		0	0
Capital element of payments in respect of on-SoFP PFI		0	0
Capital element of payments in respect of Right of Use Assets		(1,753)	(1,670)
Cash transferred (to)/ from other NHS bodies		0	0
Net financing		112,747	100,602
Net increase/(decrease) in cash and cash equivalents		963	(416)
Cash and cash equivalents (and bank overdrafts) at 1 April 2023		1,130	1,546
Cash and cash equivalents (and bank overdrafts) at 31 March 2024		2,093	1,130

The notes on pages 159 to 237 form part of these accounts.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

The Minister for Health and Social Services has directed that the financial statements of Special Health Authorities (SHAs) in Wales shall meet the accounting requirements of the NHS Wales Manual for Accounts. Consequently, the following financial statements have been prepared in accordance with the 2023-24 Manual for Accounts. The accounting policies contained in that manual follow the 2023-24 Financial Reporting Manual (FReM), in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006, to the extent that they are meaningful and appropriate to the NHS in Wales.

Where the Manual for Accounts permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the SHA for the purpose of giving a true and fair view has been selected. The particular policies adopted by the SHA are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

1.1. Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets and inventories.

1.2. Acquisitions and discontinued operations

Activities are considered to be 'acquired' only if they are taken on from outside the public sector. Activities are considered to be 'discontinued' only if they cease entirely. They are not considered to be 'discontinued' if they transfer from one public sector body to another.

1.3. Income and funding

The main source of funding for the SHA are allocations (Welsh Government funding) from the Welsh Government within an approved cash limit, which is credited to the General Fund of the SHA. Welsh Government funding is recognised in the financial period in which the cash is received.

Non-discretionary funding outside the Revenue Resource Limit is allocated to match actual expenditure incurred. Non-discretionary expenditure is disclosed in the accounts and deducted from operating costs charged against the Revenue Resource Limit.

Funding for the acquisition of fixed assets received from the Welsh Government is credited to the General Fund.

Miscellaneous income is income which relates directly to the operating activities of the SHA and is not funded directly by the Welsh Government. This includes payment for services uniquely provided by the SHA for the Welsh Government. Income received from LHBs transacting with the SHA is always treated as miscellaneous income.

From 2018-19, IFRS 15 Revenue from Contracts with Customers has been applied, as interpreted and adapted for the public sector, in the FREM. It replaces the previous standards IAS 11 Construction Contracts and IAS 18 Revenue and related IFRIC and SIC interpretations. The potential amendments identified as a result of the adoption of IFRS 15 are significantly below materiality levels.

Income is accounted for applying the accruals convention. Income is recognised in the period in which services are provided. Where income had been received from third parties for a specific activity to be delivered in the following financial year, that income will be deferred.

Only non-NHS income may be deferred.

1.4. Employee benefits

1.4.1. Short-term employee benefits

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees. The cost of leave earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry forward leave into the following period.

1.4.2. Retirement benefit costs

Past and present employees are covered by the provisions of the NHS Pensions Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run

in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

The latest NHS Pension Scheme valuation results indicated that an increase in benefit required a 6.3% increase (14.38% to 20.68%) which was implemented from 1 April 2019.

As an organisation within the full funding scope, the joint (in NHS England and NHS Wales) transitional arrangement operated from 2019-20 where employers in the Scheme would continue to pay 14.38% employer contributions under their normal monthly payment process, in Wales the additional 6.3% being funded by Welsh Government directly to the Pension Scheme administrator, the NHS Business Services Authority (BSA the NHS Pensions Agency).

However, NHS Wales' organisations are required to account for their staff employer contributions of 20.68% in full and on a gross basis, in their annual accounts. Payments made on their behalf by Welsh Government are accounted for on a notional basis. For detailed information see Note 34.1 within these accounts.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to expenditure at the time the NHS Wales organisation commits itself to the retirement, regardless of the method of payment.

Where employees are members of the Local Government Superannuation Scheme, which is a defined benefit pension scheme this is disclosed. The scheme assets and liabilities attributable to those employees can be identified and are recognised in the NHS Wales organisation's accounts. The assets are measured at fair value and the liabilities at the present value of the future obligations. The increase in the liability arising from pensionable service earned during the year is recognised within operating expenses. The expected gain during the year from scheme assets is recognised within finance income. The interest cost during the year arising from the unwinding of the discount on the scheme liabilities is recognised within finance costs.

1.4.3. NEST Pension Scheme

An alternative pensions scheme for employees not eligible to join the NHS Pensions scheme has to be offered. The NEST (National Employment Savings Trust) Pension scheme is a defined contribution scheme and therefore the cost to the NHS body of participating in the scheme is equal to the contributions payable to the scheme for the accounting period.

1.5. Other expenses

Other operating expenses for goods or services are recognised when, and to the extent that, they have been received. They are measured at the fair value of the consideration payable.

1.6. Property, plant and equipment

1.6.1. Recognition

Property, plant and equipment is capitalised if:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential will be supplied to, the NHS Wales organisation;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably; and
- the item has cost of at least £5,000; or
- Collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
- Items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, the components are treated as separate assets and depreciated over their own useful economic lives.

1.6.2. Valuation

All property, plant and equipment are measured initially at cost, representing the cost directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

At the Statement of Financial Position date the building asset held by the SHA relates solely to expenditure on leasehold improvements, which is carried at depreciated cost.

Future asset purchases that are not leasehold improvements will be carried on the following basis:

Land and buildings used for services or for administrative purposes are stated in the Statement of Financial Position (SoFP) at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses.

Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. Fair values are determined as follows:

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost

HM Treasury has adopted a standard approach to depreciated replacement cost valuations based on modern equivalent assets and, where it would meet the location requirements of the service being provided, an alternative site can be

valued. NHS Wales' organisations have applied these new valuation requirements from 1 April 2009.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at fair value. Assets are revalued and depreciation commences when they are brought into use.

An increase arising on revaluation is taken to the revaluation reserve except when it reverses an impairment for the same asset previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Impairment losses that arise from a clear consumption of economic benefit should be taken to expenditure.

References in IAS 36 to the recognition of an impairment loss of a revalued asset being treated as a revaluation decrease to the extent that the impairment does not exceed the amount in the revaluation surplus for the same asset, are adapted such that only those impairment losses that do not result from a clear consumption of economic benefit or reduction of service potential (including as a result of loss or damage resulting from normal business operations) should be taken to the revaluation reserve. Impairment losses that arise from a clear consumption of economic benefit should be taken to the Statement of Comprehensive Net Expenditure (SoCNE).

From 2015-16, IFRS 13 Fair Value Measurement must be complied with in full. However IAS 16 and IAS 38 have been adapted for the public sector context which limits the circumstances under which a valuation is prepared under IFRS 13. Assets which are held for their service potential and are in use should be measured at their current value in existing use. For specialised assets current value in existing use should be interpreted as the present value of the assets remaining service potential, which can be assumed to be at least equal to the cost of replacing that service potential. Where there is no single class of asset that falls within IFRS 13, disclosures should be for material items only.

In accordance with the adaptation of IAS 16 in table 6.2 of the FReM, for non-specialised assets in operational use, current value in existing use is interpreted as market value for existing use which is defined in the RICS Red Book as Existing Use Value (EUUV).

Assets which were most recently held for their service potential but are surplus should be valued at current value in existing use, if there are restrictions on the SHA or the asset which would prevent access to the market at the reporting date. If the SHA could access the market then the surplus asset should be used at fair value using IFRS 13. In determining whether such an asset which is not in use is surplus, an assessment should be made on whether there is a clear plan to bring the asset back into use as an operational asset. Where there is a clear plan, the asset is not surplus and the current value in existing use should be maintained. Otherwise the asset should be assessed as being surplus and valued under IFRS13.

Assets which are not held for their service potential should be valued in accordance with IFRS 5 or IAS 40 depending on whether the asset is actively held for sale. Where an asset is not being used to deliver services and there is no plan to bring it back into use, with no restrictions on sale, and it does not meet the IAS 40 and IFRS 5 criteria, these assets are surplus and are valued at fair value using IFRS 13.

1.6.3. Subsequent expenditure

Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is capitalised. Where subsequent expenditure restores the asset to its original specification, the expenditure is capitalised and any carrying value of the item replaced is written-out and charged to the SoCNE. As highlighted in previous years the NHS in Wales does not have systems in place to ensure that all items being "replaced" can be identified and hence the cost involved to be quantified. The NHS in Wales has thus established a national protocol to ensure it complies with the standard as far as it is able to which is outlined in the capital accounting chapter of the Manual For Accounts. This dictates that to ensure that asset carrying values are not materially overstated. For All Wales Capital Schemes that are completed in a financial year, the SHA is required to obtain a revaluation during that year (prior to them being brought into use) and also similar revaluations are needed for all Discretionary Building Schemes completed which have a spend greater than £0.5m. The write downs so identified are then charged to operating expenses.

1.7. Intangible assets

1.7.1. Recognition

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of the business or which arise from contractual or other legal rights. They are recognised only when it is probable that future economic benefits will flow to, or service potential be provided to, the SHA; where the cost of the asset can be measured reliably, and where the cost is at least £5,000.

Intangible assets acquired separately are initially recognised at fair value. Software that is integral to the operating of hardware, for example an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, for example application software, is capitalised as an intangible asset. Expenditure on research is not capitalised: it is recognised as an operating expense in the period in which it is incurred. Internally-generated assets are recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use
- the intention to complete the intangible asset and use it
- the ability to use the intangible asset
- how the intangible asset will generate probable future economic benefits
- the availability of adequate technical, financial and other resources to complete the intangible asset and use it

- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Measurement

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the criteria above are initially met. Where no internally-generated intangible asset can be recognised, the expenditure is recognised in the period in which it is incurred.

Following initial recognition, intangible assets are carried at fair value by reference to an active market, or, where no active market exists, at amortised replacement cost (modern equivalent assets basis), indexed for relevant price increases, as a proxy for fair value. Internally-developed software is held at historic cost to reflect the opposing effects of increases in development costs and technological advances.

1.8. Depreciation, amortisation and impairments

Freehold land, assets under construction and assets held for sale are not depreciated.

Otherwise, depreciation and amortisation are charged to write off the costs or valuation of property, plant and equipment and intangible non-current assets, less any residual value, over their estimated useful lives, in a manner that reflects the consumption of economic benefits or service potential of the assets. The estimated useful life of an asset is the period over which the NHS Wales Organisation expects to obtain economic benefits or service potential from the

asset. This is specific to the SHA and may be shorter than the physical life of the asset itself. Estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis. Assets held under finance leases are depreciated over the shorter of the lease term and estimated useful lives.

At each reporting period end, the NHS Wales organisation checks whether there is any indication that any of its tangible or intangible non-current assets have suffered an impairment loss. If there is indication of an impairment loss, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount. Intangible assets not yet available for use are tested for impairment annually.

Impairment losses that do not result from a loss of economic value or service potential are taken to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to the SoCNE. Impairment losses that arise from a clear consumption of economic benefit are taken to the SoCNE. The balance on any revaluation reserve (up to the level of the impairment) to which the impairment would have been charged under IAS 36 are transferred to retained earnings.

1.9. Research and Development

Research and development expenditure is charged to operating costs in the year in which it is incurred, except insofar as it relates to a clearly defined project, which can be separated from patient care activity and benefits there from can reasonably be regarded as assured. Expenditure so deferred is limited to the

value of future benefits expected and is amortised through the SoCNE on a systematic basis over the period expected to benefit from the project.

1.10 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met when the sale is highly probable, the asset is available for immediate sale in its present condition and management is committed to the sale, which is expected to qualify for recognition as a completed sale within one year from the date of classification. Non-current assets held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell. Fair value is open market value including alternative uses.

The profit or loss arising on disposal of an asset is the difference between the sale proceeds and the carrying amount and is recognised in the SoCNE. On disposal, the balance for the asset on the revaluation reserve, is transferred to the General Fund.

Property, plant and equipment that is to be scrapped or demolished does not qualify for recognition as held for sale. Instead it is retained as an operational asset and its economic life adjusted. The asset is derecognised when it is scrapped or demolished.

1.11 Leases

A lease is a contract or part of a contract that conveys the right to use an asset for a period of time in exchange for consideration.

IFRS 16 leases is effective across public sector from 1 April 2022. The transition to IFRS 16 has been completed in accordance with paragraph C5 (b) of the Standard, applying IFRS 16 requirements retrospectively recognising the cumulative effects at the date of initial application.

In the transition to IFRS 16 a number of elections and practical expedients offered in the standard have been employed. These are as follows: The entity has applied the practical expedient offered in the standard per paragraph C3 to apply IFRS 16 to contracts or arrangements previously identified as containing a lease under the previous leasing standards IAS 17 leases and IFRIC 4 determining whether an arrangement contains a lease and not to those that were identified as not containing a lease under previous leasing standards.

On initial application DHCW has measured the right of use assets for leases previously classified as operating leases per IFRS 16 C8 (b)(ii), at an amount equal to the lease liability adjusted for accrued or prepaid lease payments.

No adjustments have been made for operating leases in which the underlying asset is of low value per paragraph C9 (a) of the standard.

The transitional provisions have not been applied to operating leases whose terms end within 12 months of the date of initial application has been employed per paragraph C10 (c) of IFRS 16.

Hindsight is used to determine the lease term when contracts or arrangements contain options to extend or terminate the lease in accordance with C10 (e) of IFRS 16.

Due to transitional provisions employed the requirements for identifying a lease within paragraphs 9 to 11 of IFRS 16 are not employed for leases in existence at the initial date of application. Leases entered into on or after the 1st April 2022 will be assessed under the requirements of IFRS 16.

There are further expedients or election that have been employed by [the entity] in applying IFRS 16.

These include:

- the measurement requirements under IFRS 16 are not applied to leases with a term of 12 months or less under paragraph 5 (a) of IFRS 16
- the measurement requirements under IFRS 16 are not applied to leases where the underlying asset is of a low value which are identified as those assets of a value of less than £5,000, excluding any irrecoverable VAT, under paragraph 5 (b) of IFRS 16

DHCW will not apply IFRS 16 to any new leases of intangible assets applying the treatment described in section 1.7 instead.

DHCW is required to apply IFRS 16 to lease like arrangements entered into with other public sector entities that are in substance akin to an enforceable contract, that in their formal legal form may not be enforceable. There are currently no such arrangements in place.

DHCW is required to apply IFRS 16 to lease like arrangements entered into in which consideration exchanged is nil or nominal, therefore significantly below market value. These arrangements are described as peppercorn leases. Such arrangements are again required to meet the definition of a lease in every other respect prior to inclusion in the scope of IFRS 16. The accounting for peppercorn arrangements aligns to that identified for donated assets. Peppercorn leases are different in substance to arrangements in which consideration is below market value but not significantly below market value. There are currently no such arrangements in place.

The nature of the accounting policy change for the lessee is more significant than for the lessor under IFRS 16. IFRS 16 introduces a singular lessee approach to measurement and classification in which lessees recognise a right of use asset.

For the lessor leases remain classified as finance leases when substantially all the risks and rewards incidental to ownership of an underlying asset are transferred to the lessee. When this transfer does not occur, leases are classified as operating leases.

1.11.1 DHCW as lessee

At the commencement date for the leasing arrangement a lessee shall recognise a right of use asset and corresponding lease liability. The entity employs a revaluation model for the subsequent measurement of its right of use assets unless cost is considered to be an appropriate proxy for current value in existing use or fair value in line with the accounting policy for owned assets. Where consideration exchanged is identified as below market value, cost is not

considered to be an appropriate proxy to value the right of use asset.

Irrecoverable VAT is expensed in the period to which it relates and therefore not included in the measurement of the lease liability and consequently the value of the right of use asset.

The incremental borrowing rate of 0.95% has been applied to the lease liabilities recognised at the date of initial application of IFRS 16.

Where changes in future lease payments result from a change in an index or rate or rent review, the lease liabilities are remeasured using an unchanged discount rate.

Where there is a change in a lease term or an option to purchase the underlying asset DHCW applies a revised rate to the remaining lease liability.

Where existing leases are modified DHCW must determine whether the arrangement constitutes a separate lease and apply the standard accordingly.

Lease payments are recognised as an expense on a straight-line or another systematic basis over the lease term, where the lease term is in substance 12 months or less, or is elected as a lease containing low value underlying asset by DHCW.

1.11.2 DHCW as lessor

DHCW does not lease out any of its assets and is therefore not a lessor.

1.12. Inventories

Whilst it is accounting convention for inventories to be valued at the lower of cost and net realisable value using the weighted average or "first-in first-out" cost formula, it should be recognised that the NHS is a special case in that inventories are not generally held for the intention of resale and indeed there is no market readily available where such items could be sold. Inventories are valued at cost and this is considered to be a reasonable approximation to fair value due to the high turnover of stocks. Work-in-progress comprises goods in intermediate stages of production. Partially completed contracts for patient services are not accounted for as work-in-progress.

1.13. Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value. In the Statement of Cash flows (SoCF), cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the cash management.

1.14. Provisions

Provisions are recognised when the NHS Wales organisation has a present legal or constructive obligation as a result of a past event, it is probable that the NHS Wales organisation will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties. Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows using the discount rate supplied by HM Treasury.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

Present obligations arising under onerous contracts are recognised and measured as a provision. An onerous contract is considered to exist where the SHA has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

A restructuring provision is recognised when the SHA has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a

restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with ongoing activities of the entity.

1.14.1. Clinical negligence and personal injury costs

The Welsh Risk Pool Services (WRPS) operates a risk pooling scheme which is co-funded by the Welsh Government with the option to access a risk sharing agreement funded by the participative NHS Wales bodies. The risk sharing option was implemented in both 2023-24 and 2022-23, although no costs were apportioned to the SHA during the year. The WRP is hosted by Velindre NHS Trust.

1.15 Discount Rates

Where discount is applied, a disclosure detailing the impact of the discounting on liabilities to be included for the relevant notes. The disclosure should include where possible undiscounted values to demonstrate the impact. An explanation of the source of the discount rate or how the discount rate has been determined to be included.

1.16. Financial Instruments

From 2018-19 IFRS 9 Financial Instruments has applied, as interpreted and adapted for the public sector, in the FReM. The principal impact of IFRS 9 adoption by NHS Wales' organisations, was to change the calculation basis for bad debt provisions, changing from an incurred loss basis to a lifetime expected credit loss (ECL) basis.

All entities applying the FReM recognised the difference between previous carrying amount and the carrying amount at the beginning of the annual reporting period that included the date of initial application in the opening general fund within Taxpayer's equity.

1.17. Financial assets

Financial assets are recognised on the SoFP when the SHA becomes party to the financial instrument contract or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are derecognised when the contractual rights have expired or the asset has been transferred.

The accounting policy choice allowed under IFRS 9 for long term trade receivables, contract assets which do contain a significant financing component (in accordance with IFRS 15), and lease receivables within the scope of IAS 17 has been withdrawn and entities should always recognise a loss allowance at an amount equal to lifetime Expected Credit Losses. All entities applying the FReM should utilise IFRS 9's simplified approach to impairment for relevant assets.

IFRS 9 requirements required a revised approach for the calculation of the bad debt provision, applying the principles of expected credit loss, using the practical expedients within IFRS 9 to construct a provision matrix.

1.17.1. Financial assets are initially recognised at fair value

Financial assets are classified into the following categories: financial assets 'at fair value through SoCNE'; 'held to maturity investments'; 'available for sale' financial assets, and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

1.17.2. Financial assets at fair value through SoCNE

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial assets at fair value through SoCNE. They are held at fair value, with any resultant gain or loss recognised in the SoCNE. The net gain or loss incorporates any interest earned on the financial asset.

1.17.3 Held to maturity investments

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity, and there is a positive intention and ability to hold to maturity. After initial recognition, they are held at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

1.17.4. Available for sale financial assets

Available for sale financial assets are non-derivative financial assets that are

designated as available for sale or that do not fall within any of the other three financial asset classifications. They are measured at fair value with changes in value taken to the revaluation reserve, with the exception of impairment losses. Accumulated gains or losses are recycled to the SoCNE on de-recognition.

1.17.5. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. After initial recognition, they are measured at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

Fair value is determined by reference to quoted market prices where possible, otherwise by valuation techniques.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, to the net carrying amount of the financial asset.

At the SOFP date, the SHA assesses whether any financial assets, other than those held at 'fair value through profit and loss' are impaired. Financial assets are impaired and impairment losses recognised if there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the SoCNE and the carrying amount of the asset is reduced directly, or through a provision of impairment of receivables.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the SoCNE to the extent that the carrying amount of the receivable at the date of the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

1.18. Financial liabilities

Financial liabilities are recognised on the SOFP when the SHA becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are de-recognised when the liability has been discharged, that is, the liability has been paid or has expired.

1.18.1. Financial liabilities are initially recognised at fair value

Financial liabilities are classified as either financial liabilities at fair value through the SoCNE or other financial liabilities.

1.18.2. Financial liabilities at fair value through the SoCNE

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial liabilities at fair value through profit and loss. They are held at fair value, with any resultant gain or loss recognised in the SoCNE. The net gain or loss incorporates any interest earned on the financial asset.

1.18.3. Other financial liabilities

After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the life of the asset, to the net carrying amount of the financial liability. Interest is recognised using the effective interest method.

1.19. Value Added Tax (VAT)

Most of the activities of the SHA are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.20. Foreign currencies

Transactions denominated in a foreign currency are translated into sterling at the exchange rate ruling on the dates of the transactions. Resulting exchange gains and losses are taken to the SoCNE. At the SoFP date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the reporting date.

1.21. Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the SHA has no beneficial interest in them. Details of third party assets are given in the Notes to the accounts.

1.22. Losses and Special Payments

Losses and special payments are items that the Welsh Government would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way each individual case is handled.

Losses and special payments are charged to the relevant functional headings in the SoCNE on an accruals basis, including losses which would have been made good through insurance cover had the SHA not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure). However, the note on losses and special payments is compiled directly from the losses register which is prepared on a cash basis.

The SHA accounts for all losses and special payments gross (including assistance from the WRP).

The NHS Wales organisation accrues or provides for the best estimate of future pay-outs for certain liabilities and discloses all other potential payments as contingent liabilities, unless the probability of the liabilities becoming payable is remote.

All claims for losses and special payments are provided for, where the probability of settlement of an individual claim is over 50%. Where reliable estimates can be made, incidents of clinical negligence against which a claim has not, as yet, been received are provided in the same way. Expected reimbursements from the WRP are included in debtors. For those claims where the probability of settlement is between 5- 50%, the liability is disclosed as a contingent liability.

1.23. Pooled budget

In accordance with section 33 of the NHS (Wales) Act 2006, the SHA is able to operate pooled budgets with Local Authorities for specific activities defined in the Pooled budget Note.

The SHA has not entered into any pooled budget arrangements.

1.24. Critical Accounting Judgements and key sources of estimation uncertainty

In the application of the accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates. The estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or the period of the revision and future periods if the revision affects both current and future periods.

1.25. Key sources of estimation uncertainty

There are no estimation uncertainties at the SoFP date that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

1.26 Private Finance Initiative (PFI) transactions

DHCW has no PFI arrangements.

1.27. Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the NHS Wales organisation, or a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured sufficiently reliably. A contingent liability is disclosed unless the possibility of a payment is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the NHS Wales organisation. A contingent asset is disclosed where an inflow of economic benefits is probable.

Where the time value of money is material, contingencies are disclosed at their present value.

Remote contingent liabilities are those that are disclosed under Parliamentary reporting requirements and not under IAS 37 and, where practical, an estimate of their financial effect is required.

1.28. Absorption accounting

Transfers of function are accounted for as either by merger or by absorption accounting dependent upon the treatment prescribed in the FReM. Absorption accounting requires that entities account for their transactions in the period in which they took place with no restatement of performance required.

Where there is a transfer of function the gain or loss resulting from the assets and liabilities transferring is recognised in the SoCNE and is disclosed separately from the operating costs.

1.29. Accounting standards that have been issued but not yet been adopted

The following accounting standards have been issued and or amended by the IASB and IFRIC but have not been adopted because they are not yet required to be adopted by the FReM

IFRS14 Regulatory Deferral Accounts.

Applies to first time adopters of IFRS after 1 January 2016. Therefore not applicable.

IFRS 17 Insurance Contracts, Application required for accounting periods beginning on or after 1 January 2023, Standard is not yet adopted by the FReM which is expected to be from April 2025: early adoption is not permitted.

1.30. Accounting standards issued that have been adopted early

During 2023-24 there have been no accounting standards that have been adopted early. All early adoption of accounting standards will be led by HM Treasury.

1.31. Charities

The NHS Organisation has no NHS Charitable Fund.

2. FINANCIAL DUTIES PERFORMANCE

The statutory financial duties of Special Health Authorities are set out in section 172 of the National Health Service (Wales) Act 2006.

Section 172(1) sets out what is referred to as the 'First Financial Duty' - a duty to secure that SHA expenditure does not exceed the aggregate of the funding allotted to it for a financial year. Under the powers of direction in the National Health Service (Wales) Act section 172(6) WHC/2019/004 clarified that the annual statutory financial duty is set separately for revenue and capital resource allocations.

2.1 Revenue Resource Performance

Financial performance 2022-23	
	£000
Net operating costs for the period	110,497
Less general ophthalmic services expenditure and other non-cash limited expenditure	0
Less revenue consequences of bringing PFI schemes onto SoFP	0
Less any non funded revenue consequences of IFRS 16	0
Total operating expenses	110,497
Revenue Resource Allocation	110,804
Under /(over) spend against Allocation	307

DHCW has met its financial duty to break-even against its Revenue Resource Limit over the period.

2.2 Capital Resource Performance

	2023-24
	£000
Gross capital expenditure	20,408
Add: Losses on disposal of donated assets	0
Less NBV of property, plant and equipment, right of use and intangible assets	0
Less: capital grants received	0
Less: donations received	0
Less IFRS16 Peppercorn income	0
Less initial recognition of RoU Asset Dilapidations	0
Add: recognition of RoU Assets Dilapidations on crystallisation	0
Charge against Capital Resource Allocation	20,408
Capital Resource Allocation	20,427
(Over) / Underspend against Capital Resource Allocation	19

DHCW has met its financial duty to break-even against its Capital Resource Limit over the period.

2.3 Integrated Medium Term Plan

DHCW has submitted an Integrated Medium Term Plan for the period 2023-26 in accordance with NHS Wales Planning Framework 2023-26. However, as this was not a statutory requirement for SHAs under the NHS Finance (Wales) Act 2014 the plan did not require Ministerial approval.

2.4 Creditor payment

The SHA is required to pay 95% of the number of non-NHS bills within 30 days of receipt of goods or a valid invoice (whichever is the later). The SHA has achieved the following results:

	2023-24	2022-23
Total number of non-NHS bills paid	4,532	4,074
Total number of non-NHS bills paid within target	4,409	4,006
Percentage of non-NHS bills paid within target	97.3%	98.3%

SHA has met the target.

3. ANALYSIS OF GROSS OPERATING COSTS

3.1 General Medical Services

	2023-24	2022-23
	£'000	£'000
IT Support and Refresh	5,059	4,001
Public Sector Broadband Aggregation	576	651
Systems & Services Contract	4,942	5,253
Licences	3,376	3,046
Data Quality System Audit	521	442
Primary Care Services	2,527	2,281
Other Expenditure	299	392
Total	17,300	16,066

3.3 Other Operating Expenditure

	2023-24	2022-23
	£000	£000
Local Health Boards	6,223	7,231
Welsh NHS Trusts	2,567	2,071
Welsh Special Health Authorities	67	3
Goods and services from other NHS bodies	0	0
WHSSC/EASC	0	0
Local Authorities	1,012	1,012
Purchase of healthcare from non-NHS bodies	0	0
Welsh Government	0	0
Other NHS Trusts	0	0
Directors' costs	1,485	1,369
Operational Staff costs	60,733	50,328
Supplies and services - clinical	0	0
Supplies and services - general	5,837	3,783
Consultancy Services	757	742
Establishment	1,807	1,990
Transport	29	52
Premises	2,152	43,789
Computer software licences and maintenance contracts (DHCW only)	45,326	0

	2023-24	2022-23
	£000	£000
External Contractors	9,934	11,596
Depreciation	3,277	3,781
Depreciation RoU Asset)	1,621	1,765
Amortisation	5,021	4,911
Fixed asset impairments and reversals (Property, plant & equipment)	1	6
Fixed asset impairments and reversals (RoU Assets)	0	0
Fixed asset impairments and reversals (Intangible assets)	0	0
Impairments & reversals of financial assets	0	0
Impairments & reversals of non-current assets held for sale	0	0
Audit fees	193	197
Other auditors' remuneration	0	0
Losses, special payments and irrecoverable debts	(17)	133
Research and Development	0	0
Expense related to short-term leases	97	0
Expense related to low-value asset leases (excluding short-term leases)	0	0
Other operating costs	36	35
Total	148,158	134,794

3.4 Losses, special payments and irrecoverable debts:**charges to operating expenses**

Increase/(decrease) in provision for future payments:	2023-24	2022-23
Clinical negligence;	£000	£000
Secondary care	0	0
Primary care	0	0
Redress Secondary care	0	0
Redress Primary care	0	0
Personal injury	0	0
All other losses and special payments	0	50
Defence legal fees and other administrative costs	0	0
Gross increase/(decrease) in provision for future payments	0	50
Contribution to Welsh Risk Pool	0	0
Premium for other insurance arrangements	0	0
Irrecoverable debts	(17)	96
Less: income received/due from Welsh Risk Pool	0	0
Total	(17)	146

The significant decrease in premises expenditure from the prior year is due to the reclassification of costs associated with computer software licenses and maintenance contracts. These expenses, previously included under premises, are now reported under a new line "Computer Software Licences and Maintenance Contracts" to better reflect their nature.

	2023-24	2022-23
	£	£
Permanent injury included within personal injury £:	0	0

4. MISCELLANEOUS INCOME

	2023-24	2022-23
	£000	£000
Local Health Boards	45,461	36,915
Welsh Health Specialised Services Committee (WHSSC) / Emergency Ambulance Services Committee (EASC)	244	205
NHS trusts	7,411	7,228
Welsh Special Health Authorities	800	685
Foundation Trusts	0	0
Other NHS England bodies	0	0
Other NHS Bodies	115	114
Local authorities	60	114
Welsh Government	165	84
Welsh Government Hosted Bodies	60	0
Non NHS:		
Private patient income	0	0
Overseas patients (non-reciprocal)	0	0
Injury Costs Recovery (ICR) Scheme	0	0
Other income from activities	748	0
Patient transport services	0	0
Education, training and research	0	817
Charitable and other contributions to expenditure	0	0
Receipt of NWSSP Covid centrally purchased assets	0	0
Receipt of Covid centrally purchased assets from other organisations	0	0
Receipt of NWSSP Covid centrally purchased assets	0	0

Receipt of donated assets	0	0
Receipt of Government granted assets	0	0
Right of Use Grant (Peppercorn Lease)	0	0
Non-patient care income generation schemes	0	0
NWSSP	0	0
Deferred income released to revenue	0	0
Right of Use Asset Sub-leasing rental income	0	0
Contingent rental income from finance leases	0	0
Rental income from operating leases	0	0
Rental income from operating leases	0	0
Other income		
Provision of laundry, pathology, payroll services	0	0
Accommodation and catering charges	0	0
Mortuary fees	0	0
Staff payments for use of cars	0	0
Business units	0	0
Scheme Pays Reimbursement Notional	0	0
Other	0	0
Total	55,064	46,162

Injury Cost Recovery (ICR) Scheme income is subject to a provision for impairment re personal injury claims

	2023-24	2022-23
	%	%
To reflect expected rates of collection ICR income is subject to a provision for impairment of:	0.00	0.00

5. INVESTMENT REVENUE

	2023-24 £000	2022-23 £000
Rental revenue:		
PFI Finance lease income		
planned	0	0
contingent	0	0
Other finance lease revenue	0	0
Interest revenue:		
Bank accounts	0	0
Other loans and receivables	0	0
Impaired financial assets	0	0
Other financial assets	0	0
Total	0	0

6. OTHER GAINS AND LOSSES

	£000	£000
Gain/(loss) on disposal of property, plant and equipment	0	0
Gain/(loss) on disposal of intangible assets	0	0
Gain/(loss) on disposal of assets held for sale	0	0
Gain/(loss) on disposal of financial assets	0	0
Change on foreign exchange	0	0
Change in fair value of financial assets at fair value through SoCNE	0	0
Change in fair value of financial liabilities at fair value through SoCNE	0	0
Recycling of gain/(loss) from equity on disposal of financial assets held for sale	0	0
Total	0	0

7. FINANCE COSTS

	2023-24 £000	2022-23 £000
Interest on loans and overdrafts	0	0
Interest on obligations under finance leases	0	0
Interest on obligations under Right of Use Leases	103	79
Interest on obligations under PFI contracts		
main finance cost	0	0
contingent finance cost	0	0
Impact of IFRS 16 on PPP/PFI contracts	0	0
Interest on late payment of commercial debt	0	0
Other interest expense	103	79
Total interest expense	0	0
Provisions unwinding of discount	0	0
Other finance costs	0	0
Total	103	79

8. FUTURE CHANGE TO SOCNE/OPERATING LEASES

SHA as lessee

As at 31st March 2023 DHCW SHA had 11 arrangements in respect of equipment and 17 in respect of vehicles, with no equipment leases expiring and 6 vehicle leases having expired in year.

Payments recognised as an expense	Low Value & Short Term	Other	Total	
	2023-24 £000	2023-24 £000	2023-24 £000	2022-23 £000
Minimum lease payments	97	0	97	63
Contingent rents	0	0	0	0
Sub-lease payments	0	0	0	0
Total	97	0	97	63

Total future minimum lease payments Payable	Low Value & Short Term	Other	Total	
	2023-24 £000	2023-24 £000	2023-24 £000	2022-23 £000
Not later than one year	89	0	89	31
Between one and five years	19	0	19	0
After 5 years	0	0	0	0
Total	108	0	108	31

SHA as lessor

Rental revenue	2023-24 £000	2022-23 £000
Rent	0	0
Contingent rents	0	0
Total revenue rental	0	0

Total future minimum lease payments Receivable	2023-24 £000	2022-23 £000
Not later than one year	0	0
Between one and five years	0	0
After 5 years	0	0
Total revenue rental	0	0

9. EMPLOYEE BENEFITS AND STAFF NUMBERS

9.1 Employee costs

	Permanent Staff	Staff on inward secondment	Agency Staff	Specialist Trainee (SLE)	Other Staff	Total 2023-24	Total 2022-23
	£000	£000	£000	£000	£000	£000	£000
Salaries and wages	51,235	891	525	0	120	52,771	43,809
Social security costs	5,530	0	0	0	0	5,530	4,631
Employer contributions to NHS Pension Scheme	9,594	0	0	0	0	9,594	7,821
Other pension costs	0	0	0	0	0	0	0
Other employment benefits	0	0	0	0	0	0	0
Termination benefits	0	0	0	0	0	0	0
Total Employee costs	66,359	891	525	0	120	67,895	56,261

Other staff includes temporary workers paid via Bank

Charged to capital	1,475	1,525
Charged to revenue	66,420	54,736
	67,895	56,261
Net movement in accrued employee benefits (untaken staff leave)	(48)	(456)

9.2 Average number of employees

	Permanent Staff	Staff on inward secondment	Agency Staff	Specialist Trainee (SLE)	Other Staff	Total 2023-24	Total 2022-23
	Number	Number	Number	Number	Number	Number	Number
Administrative, clerical and board members	1,154	12	8	0	2	1,176	1,030
Medical and dental	0	0	0	0	1	1	0
Nursing, midwifery registered	0	0	0	0	0	0	0
Professional, Scientific, and technical staff	0	0	0	0	0	0	0
Additional Clinical Services	0	0	0	0	0	0	0
Allied Health Professions	0	0	0	0	0	0	0
Healthcare Scientists	0	0	0	0	0	0	0
Estates and Ancillary	0	0	0	0	0	0	0
Students	0	0	0	0	0	0	0
Total Employee costs	1,154	12	8	0	3	1,177	1,030

9.3. Retirements due to ill-health

	2023-24	2022-23
Number	1	1
Estimated additional pension costs £	150,653	99,478

The estimated additional pension costs of these ill-health retirements have been calculated on an average basis and are borne by the NHS Pension Scheme.

9.4 Employee benefits

DHCW operates four salary sacrifice schemes (childcare vouchers, cycle to work, home electronics and lease cars) for the financial benefit of its employees. It also provides a purchase of annual leave scheme. In addition, staff have access to a non contributory Employee Assistance Programme which provides financial wellbeing support, and a financial wellbeing scheme to provide staff with access to simple financial education, salary deducted loans, and a range of savings and investment products.

9.5 Reporting of other compensation schemes - exit packages

Exit packages cost band (including any special payment element)	2023 -2024				2022 -2023
	Number of compulsory redundancies	Number of other departures	Total number of exit packages	Number of departures where special payments have been made	Total number of exit packages
	Whole numbers only	Whole numbers only	Whole numbers only	Whole numbers only	Whole numbers only
less than £10,000	0	0	0	0	0
£10,000 to £25,000	0	0	0	0	0
£25,000 to £50,000	0	0	0	0	1
£50,000 to £100,000	0	0	0	0	0
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	0	0	0	0	0

Exit packages cost band (including any special payment element)	2023 -2024				2022 -2023
	Cost of compulsory redundancies	Cost of other departures	Total cost of exit packages	Cost of special element included in exit packages	Total cost of exit packages
	£	£	£	£	Whole numbers only
less than £10,000	0	0	0	0	0
£10,000 to £25,000	0	0	0	0	0
£25,000 to £50,000	0	0	0	0	36,848
£50,000 to £100,000	0	0	0	0	0
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	0	0	0	0	36,848

Exit costs paid in year of departure	Total paid in year 2023-24	Total paid in year 2022-23
	£	£
Exit costs paid in year	0	36,848
Total	0	36,848

Redundancy costs are paid in accordance with the NHS Redundancy provisions, other departure costs are paid in accordance with the provisions of the NHS Voluntary Early Release Scheme (VERS). Where the SHA has agreed early retirements, the additional costs are met by the SHA and not by the NHS pension scheme. Ill-health retirement costs are met by the NHS pensions scheme and are not included in the table.

9.6 Fair Pay disclosures

9.6.1 Remuneration Relationship

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director /employee in their organisation and the 25th percentile, median and 75th percentile remuneration of the organisation’s workforce.

	2023 -2024	2023 -2024	2023 -2024
	£000	£000	£000
Total pay and benefits	Chief Executive	Employee	Ratio
25th percentile pay ratio	162.5	35.9	4.5:1
Median pay	162.5	44.2	3.7:1
75th percentile pay ratio	162.5	52.0	3.1:1
Salary component of total pay and benefits			
25th percentile pay ratio	162.5	35.1	
Median pay	162.5	43.3	
75th percentile pay ratio	162.5	51.7	
Total pay and benefits	Highest Paid Director	Employee	Ratio
25th percentile pay ratio	162.5	35.9	4.5:1
Median pay	162.5	44.2	3.7:1
75th percentile pay ratio	162.5	52.0	3.1:1
Salary component of total pay and benefits			
25th percentile pay ratio	162.5	35.1	
Median pay	162.5	43.3	
75th percentile pay ratio	162.5	51.7	

2022 -2023	2022 -2023	2022 -2023
£000	£000	£000
Chief Executive	Employee	Ratio
152.5	33.7	4.5:1
152.5	41.8	3.6:1
152.5	49.9	3.1:1
Highest Paid Director		
152.5	33.4	
152.5	41.2	
152.5	49.3	
Highest Paid Director	Employee	Ratio
157.5	33.7	4.7:1
157.5	41.8	3.8:1
157.5	49.9	3.2:1
Salary component of total pay and benefits		
157.5	33.4	
157.5	41.2	
157.5	49.3	

In 2023-24, 0 (2022-23, 0) employees received remuneration in excess of the highest-paid director.

Remuneration for all staff ranged from £20,790 to £164,029 (2022-23, £22,055 to £158,526).

The all staff range includes directors (including the highest paid director) and excludes pension benefits of all employees.

Financial year summary

Between 2022/23 and 2023/24 the median ratio of the workforce and the Chief Executive increased from 3.6:1 to 3.7:1 and the ratio of the highest paid director decreased from 3.8:1 to 3.7:1.

The median for salary component of total pay and benefits is £43,257 and £44,178 for total pay and benefits (In 2022/23 these figures were £41,197 and 41,806 respectively) which for both years is the top of a band 6 on the agenda for change pay scales.

There were 112 additional wte in year, of which there were 63 above the median, which will cause the median to increase but as it is still in the same band, remains constant.

Pay rates for all employees of DHCW are set nationally, predominately through the Executive and Senior Pay Terms and conditions of service, the Agenda for Change agreement or the Medical & Dental Terms and Conditions of Service. Different awards applied to Medical and Agenda for Change pay scales, and also between bands within each sets of terms and conditions, has had an impact on the change in the median pay for staff.

9.6.2 Percentage Changes

	2022-23 to 2023-24	2021-222 to 2022-23
% Change from previous financial year in respect of Chief Executive	%	%
Salary and allowances	6.6	0
Performance pay and bonuses	0.0	0
% Change from previous financial year in respect of highest paid director		
Salary and allowances	3.2	0
Performance pay and bonuses	0.0	0

9.7 Pension costs

Past and present employees are covered by the provisions of the NHS Pension Schemes. Details of the benefits payable and rules of the schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both the 1995/2008 and 2015 schemes are accounted for, and the scheme liability valued, as a single combined scheme. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities.

Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that *“the period between formal valuations shall be four years, with approximate assessments in intervening years”*.

An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary’s Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2024, is based on valuation data as 31 March 2023, updated to 31 March 2024 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the Statement by the Actuary, which forms part of the annual NHS Pension Scheme Annual Report and Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2020. The results of this valuation set the employer contribution rate payable from 1 April 2024 to 23.7% of pensionable pay. The core cost cap cost of the scheme was calculated to be outside of the 3% cost cap corridor as at 31 March 2020. However, when the wider economic situation was taken into account through the economic cost cap cost of the scheme, the cost cap corridor was not similarly breached. As a result, there was no impact on the member benefit structure or contribution rates.

c) National Employment Savings Trust (NEST)

NEST is a workplace pension scheme, which was set up by legislation and is treated as a trust-based scheme. The Trustee responsible for running the scheme is NEST Corporation. It's a non-departmental public body (NDPB) that operates at arm's length from government and is accountable to Parliament through the Department for Work and Pensions (DWP).

NEST Corporation has agreed a loan with the Department for Work and Pensions (DWP). This has paid for the scheme to be set up and will cover expected shortfalls in scheme costs during the earlier years while membership is growing.

NEST Corporation aims for the scheme to become self-financing while providing consistently low charges to members.

Using qualifying earnings to calculate contributions, currently the legal minimum level of contributions is 8% of a jobholder's qualifying earnings, for employers whose legal duties have started. The employer must pay at least 3% of this.

The earnings band used to calculate minimum contributions under existing legislation is called qualifying earnings. Qualifying earnings are currently those between £6,240 and £50,270 for the 2023-24 tax year (2022-23 £6,240 and £50,270).

Restrictions on the annual contribution limits were removed on 1st April 2017.

10. PUBLIC SECTOR PAYMENT POLICY - MEASURE OF COMPLIANCE

10.1 Prompt payment code - measure of compliance

The Welsh Government requires that DHCW pay all their trade creditors in accordance with the CBI prompt payment code and Government Accounting rules. The Welsh Government has set as part of the SHA financial targets a requirement to pay 95% of the number of non-NHS creditors within 30 days of delivery. DHCW met the target in 2023-24.

	2023-24	2023-24	2022-23	2022-23
	Number	£000	Number	£000
NHS				
Total bills paid	940	12,509	728	15,137
Total bills paid within target	894	11,983	693	14,142
Percentage of bills paid within target	95.1%	95.8%	95.2%	93.4%
Non-NHS				
Total bills paid	4,532	120,700	4,074	107,563
Total bills paid within target	4,409	117,646	4,006	102,689
Percentage of bills paid within target	97.3%	97.5%	98.3%	95.5%
Total				
Total bills paid	5,472	133,209	4,802	122,700
Total bills paid within target	5,303	129,629	4,699	116,831
Percentage of bills paid within target	96.9%	97.3%	97.9%	95.2%

10.2 The Late Payment of Commercial Debts (Interest) Act 1998

	2023-24	2022-23
	£	£
Amounts included within finance costs (note 7) from claims made under this legislation	0	0
Compensation paid to cover debt recovery costs under this legislation	0	0
Total	0	0

11. PROPERTY, PLANT AND EQUIPMENT

2023-24	Land £000	Building excluding dwellings £000	Dwelling £000	Assets under construction & payments on account £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Cost at 31 March bf	0	1,597	0	1,288	196	0	21,784	0	24,865
NHS Wales Transfers	0	0	0	0	0	0	0	0	0
Prepayments	0	0	0	0	0	0	0	0	0
Transfer of Finance Leases to ROU Asset Note	0	0	0	0	0	0	0	0	0
Cost or valuation at 1 April 2023	0	1,597	0	1,288	196	0	21,784	0	24,865
Revaluation/Indexation	0	85	0	0	0	0	0	0	85
Additions									
- purchased	0	32	0	1,431	0	0	1,019	29	2,511
- donated	0	0	0	0	0	0	0	0	0
- government granted	0	0	0	0	0	0	0	0	0
Transfer from/into other organisations	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	(1,260)	0	0	1,143	108	(9)
Revaluations	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	(932)	0	(932)
At 31 March 2024	0	1,714	0	1,459	196	0	23,014	137	26,520

2023-24	Land £000	Building excluding dwellings £000	Dwelling £000	Assets under construction & payments on account £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Depreciation at 31 March bf	0	1,068	0	0	109	0	13,332	0	14,509
NHS Wales Transfers	0	0	0	0	0	0	0	0	0
Transfer of Finance Leases to ROU Asset Note	0	0	0	0	0	0	0	0	0
Depreciation at 1 April 2023	0	1,068	0	0	109	0	13,332	0	14,509
Revaluation/Indexation	0	57	0	0	0	0	0	0	57
Transfer from/into other organisations	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluations	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	1	0	1
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	(932)	0	(932)
Provided during the period	0	188	0	0	39	0	3,030	20	3,277
At 31 March 2024	0	1,313	0	0	148	0	15,431	20	16,912
Net book value at 1 April 2023	0	529	0	1,288	87	0	8,452	0	10,356
Net book value at 31 March 2024	0	401	0	1,459	48	0	7,583	117	9,608

Net book value at 31 March 2024 comprises :	Land £000	Building excluding dwellings £000	Dwelling £000	Assets under construction & payments on account £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Purchased	0	401	0	1,459	48	0	7,583	117	9,608
Donated	0	0	0	0	0	0	0	0	0
Government Granted	0	0	0	0	0	0	0	0	0
At 31 March 2024	0	401	0	1,459	48	0	7,583	117	9,608
Asset financing									
Owned	0	401	0	1,459	48	0	7,583	117	9,608
On-SoFP MIMS Funded PPP contracts	0	0	0	0	0	0	0	0	0
On-SoFP PFI contracts	0	0	0	0	0	0	0	0	0
PFI residual interests	0	0	0	0	0	0	0	0	0
At 31 March 2024	0	401	0	1,459	48	0	7,583	117	9,608

The net book value of land, buildings and dwellings at 31 March 2024 comprises :

	£000
Freehold	0
Long Leasehold	0
Short Leasehold	401
	401

2022-23	Land £000	Building excluding dwellings £000	Dwelling £000	Assets under construction & payments on account £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Cost at 31 March bf	0	1,450	0	1,986	201	0	21,511	0	25,148
NHS Wales Transfers	0	0	0	0	0	0	0	0	0
Prepayments	0	0	0	0	0	0	0	0	0
Transfer of Finance Leases to ROU Asset Note	0	0	0	0	0	0	0	0	0
Cost or valuation at 1 April 2022	0	1,450	0	1,986	201	0	21,511	0	25,148
Indexation	0	68	0	0	0	0	0	0	68
Additions									
- purchased	0	79	0	1,261	(5)	0	458	0	1,793
- donated	0	0	0	0	0	0	0	0	0
- government granted	0	0	0	0	0	0	0	0	0
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	(1,959)	0	0	2,111	0	152
Revaluations	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	(7)	0	(7)
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	(2,289)	0	(2,289)
At 31 March 2023	0	1,597	0	1,288	196	0	21,784	0	24,865

2022-23	Land £000	Building excluding dwellings £000	Dwelling £000	Assets under construction & payments on account £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Depreciation at 31 March bf	0	868	0	0	69	0	12,041	0	12,978
NHS Wales Transfers	0	0	0	0	0	0	0	0	0
Transfer of Finance Leases to ROU Asset Note	0	0	0	0	0	0	0	0	0
Depreciation at 1 April 2023	0	868	0	0	69	0	12,041	0	12,978
Revaluation/Indexation	0	40	0	0	0	0	0	0	40
Transfer from/into other organisations	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluations	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	(1)	0	(1)
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	(2,289)	0	(2,289)
Provided during the period	0	160	0	0	40	0	3,581	0	3,781
At 31 March 2023	0	1,068	0	0	109	0	13,332	0	14,509

Net book value at 1 April 2022	0	582	0	1,986	132	0	9,470	0	12,170
Net book value at 31 March 2023	0	529	0	1,288	87	0	8,452	0	10,356

Net book value at 31 March 2023 comprises:	Land £000	Building excluding dwellings £000	Dwelling £000	Assets under construction & payments on account £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Purchased	0	529	0	1,288	87	0	8,452	0	10,356
Donated	0	0	0	0	0	0	0	0	0
Government Granted	0	0	0	0	0	0	0	0	0
At 31 March 2023	0	529	0	1,288	87	0	8,452	0	10,356
Asset financing									
Owned	0	529	0	1,288	87	0	8,452	0	10,356
On-SoFP MIMS Funded PPP contracts	0	0	0	0	0	0	0	0	0
On-SoFP PFI contracts	0	0	0	0	0	0	0	0	0
PFI residual interests	0	0	0	0	0	0	0	0	0
At 31 March 2024	0	529	0	1,288	87	0	8,452	0	10,356

The net book value of land, buildings and dwellings at 31 March 2023 comprises :

	£000
Freehold	0
Long Leasehold	0
Short Leasehold	529
	529

Additional disclosures re Property, Plant and Equipment

Disclosures:

i) Donated Assets

DHCW has not received any donated assets during the year.

ii) Valuations

The SHA is required to apply the revaluation model set out in IAS 16 and value its capital assets to fair value. Fair value is defined by IAS 16 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction. This has been undertaken on the assumption that the property is sold as part of the continuing enterprise in operation.

iii) Asset Lives

Depreciated as follows:

- Land is not depreciated.
- Equipment 5-15 years.

iv) Compensation

No compensation has been received from third parties for assets impaired, lost or given up, that is included in the income statement.

v) Write Downs

There have not been write downs.

vi) DHCW does not hold any property where the value is materially different from its open market value.

vii) Assets Held for Sale or sold in the period.

There are no assets held for sale or sold in the period.

11.1 Non-current assets held for sale

	Land £000	Buildings, including dwelling £000	Other property, plant and equipment £000	Intangible assets £000	Other assets £000	Total £000
Balance at 1 April 2023	0	0	0	0	0	0
Plus assets classified as held for sale in the period	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0
Less assets sold in the period	0	0	0	0	0	0
Add reversal of impairment of assets held for sale	0	0	0	0	0	0
Less impairment of assets held for sale	0	0	0	0	0	0
Less assets no longer classified as held for sale, for reasons other than disposal by sale	0	0	0	0	0	0
Balance carried forward 31 March 2024	0	0	0	0	0	0
Balance at 1 April 2022	0	0	0	0	0	0
Plus assets classified as held for sale in the period	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0
Less assets sold in the period	0	0	0	0	0	0
Add reversal of impairment of assets held for sale	0	0	0	0	0	0
Less impairment of assets held for sale	0	0	0	0	0	0
Less assets no longer classified as held for sale, for reasons other than disposal by sale	0	0	0	0	0	0
Balance carried forward 31 March 2023	0	0	0	0	0	0

Assets sold in the period - There were no assets sold in the period. Assets classified as held for sale during the period - No assets were classified as held for sale during 2022-23.

11.2 Right of Use Assets

The organisation's right of use asset leases are disclosed across the relevant headings below. All are individually insignificant.

2023 - 24	Land £000	Building excluding dwellings £000	Dwelling £000	Assets under construction & payments on account £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Cost or valuation at 31 March	0	1,853	0	0	0	0	2,149	0	4,002
Lease prepayments in relation to RoU Assets	0	0	0	0	0	0	0	0	0
Transfer of Finance Leases from PPE Note	0	0	0	0	0	0	0	0	0
Operating Leases Transitioning	0	0	0	0	0	0	0	0	0
Cost or valuation at 1 April	0	1,853	0	0	0	0	2,149	0	4,002
Additions	0	485	0	0	0	0	2,114	0	2,599
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	0
Disposals other than by sale	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluations	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
De-recognition	0	(102)	0	0	0	0	0	0	(102)
At 31 March	0	2,236	0	0	0	0	4,263	0	6,499

	Land £000	Building excluding dwellings £000	Dwelling £000	Assets under construction & payments on account £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Net book value at 1 April	0	1,312	0	0	0	0	925	0	2,237
Net book value at 31 March	0	1,278	0	0	0	0	1,937	0	3,215
RoU Asset Total Value Split by Lessor									
NHS Wales Peppercorn Leases	0	0	0	0	0	0	0	0	0
NHS Wales Market Value Leases	0	287	0	0	0	0	0	0	287
Other Public Sector Peppercorn Leases	0	0	0	0	0	0	0	0	0
Other Public Sector Market Value Leases	0	0	0	0	0	0	0	0	0
Private Sector Peppercorn Leases	0	0	0	0	0	0	0	0	0
Private Sector Market Value Leases	0	991	0	0	0	0	1,937	0	2,928
Total	0	1,278	0	0	0	0	1,937	0	3,215

2022 - 23	Land £000	Building excluding dwellings £000	Dwelling £000	Assets under construction & payments on account £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Cost or valuation at 31 March	0	0	0	0	0	0	0	0	0
Lease prepayments in relation to RoU Assets	0	0	0	0	0	0	0	0	0
Transfer of Finance Leases from PPE Note	0	0	0	0	0	0	0	0	0
Operating Leases Transitioning	0	1,853	0	0	0	0	2,149	0	4,002
Cost or valuation at 1 April	0	1,853	0	0	0	0	2,149	0	4,002
Additions	0	0	0	0	0	0	0	0	0
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	0
Disposals other than by sale	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluations	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
De-recognition	0	0	0	0	0	0	0	0	0
At 31 March	0	1,853	0	0	0	0	2,149	0	4,002

2022 - 23	Land £000	Building excluding dwellings £000	Dwelling £000	Assets under construction & payments on account £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Depreciation at 31 March	0	0	0	0	0	0	0	0	0
Transfer of Finance Leases from PPE Note	0	0	0	0	0	0	0	0	0
Operating Leases Transitioning	0	0	0	0	0	0	0	0	0
Depreciation at 1 April	0	0	0	0	0	0	0	0	0
Recognition	0	0	0	0	0	0	0	0	0
Transfers from/into other NHS bodies	0	0	0	0	0	0	0	0	0
Disposals other than by sale	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluations	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
De-recognition	0	0	0	0	0	0	0	0	0
Provided during the year	0	541	0	0	0	0	1,224	0	1,765
At 31 March	0	541	0	0	0	0	1,224	0	1,765

2022-23	Land £000	Building excluding dwellings £000	Dwelling £000	Assets under construction & payments on account £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Net book value at 1 April	0	1,853	0	0	0	0	2,149	0	4,002
Net book value at 31 March	0	1,312	0	0	0	0	925	0	2,237
RoU Asset Total Value Split by Lessor									
NHS Wales Peppercorn Leases	0	0	0	0	0	0	0	0	0
NHS Wales Market Value Leases	0	4	0	0	0	0	0	0	4
Other Public Sector Peppercorn Leases	0	0	0	0	0	0	0	0	0
Other Public Sector Market Value Leases	0	0	0	0	0	0	0	0	0
Private Sector Peppercorn Leases	0	0	0	0	0	0	0	0	0
Private Sector Market Value Leases	0	1,308	0	0	0	0	925	0	2,233
Total	0	1,312	0	0	0	0	925	0	2,237

Quantitative disclosures

	2023-24	2023-24	2023-24	2023-24	2022-23
Maturity analysis	LAND	BUILDINGS	OTHER	TOTAL	TOTAL
Contractual undiscounted cash flows relating to lease liabilities					
Less than 1 year	0	574	728	1,302	1,044
2-5 years	0	689	1,171	1,860	1,200
> 5 years	0	235	0	235	219
Less finance charges allocated to future periods	0	(133)	(87)	(220)	(132)
Total	0	1,365	1,812	3,177	2,331

Lease Liabilities (net of irrecoverable VAT)
Current
Non-Current
Total

2023-24	2022-23
1,219	992
1,958	1,339
3,177	2,331

Amounts Recognised in Statement of Comprehensive Net Expenditure
Depreciation
Impairment
Variable lease payments not included in lease liabilities - Interest expense
Sub-leasing income
Expense related to short-term leases
Expense related to low-value asset leases (excluding short-term leases)

2023-24	2022-23
1,621	1,765
0	0
103	79
0	0
97	0
0	0

Amounts Recognised in Statement of Cashflows (net of irrecoverable VAT)
Interest expense
Repayments of principal on leases
Total

(103)	(79)
(1,753)	(1,670)
(1,856)	(1,749)

12. INTANGIBLE NON-CURRENT ASSETS

2023-24	Software (purchased) £000	Software (internally generated) £000	Licences and trademarks £000	Patents £000	Development expenditure- internally generated £000	Assets under Construction £000	Total £000
Cost or valuation at 1 April 2023	23,671	7,838	3,040	0	0	12,190	46,739
Revaluation	0	0	0	0	0	0	0
Reclassifications	0	5,327	252	0	0	(5,570)	9
Reversal of impairments	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0
Additions- purchased	0	0	693	0	0	0	693
Additions- internally generated	0	148	0	0	0	14,457	14,605
Additions- donated	0	0	0	0	0	0	0
Additions- government granted	0	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0
Disposals	(1,327)	0	(337)	0	0	0	(2,397)
Gross cost at 31 March 2024	22,344	13,313	3,648	0	0	21,077	60,382

Amortisation at 1 April 2023	17,725	3,367	3,040	0	0	0	24,132
Revaluation	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0
Provided during the period	2,593	2,222	206	0	0	0	5,021
Reclassified as held for sale	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0
Disposals	(1,327)	0	(337)	0	0	0	(1,664)
Amortisation at 31 March 2024	18,991	5,589	2,909	0	0	0	27,489
Net book value at 1 April 2023	5,946	4,471	0	0	0	12,190	22,607
Net book value at 31 March 2024	3,353	7,724	739	0	0	21,077	32,893

At 31 March 2024							
Purchased	3,353	0	739	0	0	0	4,092
Donated	0	0	0	0	0	0	0
Government Granted	0	0	0	0	0	0	0
Internally generated	0	7,724	0	0	0	21,077	28,801
Total at 31 March 2024	3,353	7,724	739	0	0	21,077	32,893

12.1 Intangible non-current assets

2022-23	Software (purchased) £000	Software (internally generated) £000	Licences and trademarks £000	Patents £000	Development expenditure- internally generated £000	Assets under Construction £000	Total £000
Cost or valuation at 1 April 2022	25,834	4,723	3,151	0	0	5,673	39,381
Revaluation	0	0	0	0	0	0	0
Reclassifications	0	1,723	0	0	0	(1,875)	(152)
Reversal of impairments	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0
Additions- purchased	0	0	0	0	0	3,638	3,638
Additions- internally generated	0	1,515	0	0	0	4,754	6,269
Additions- donated	0	0	0	0	0	0	0
Additions- government granted	0	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0
Disposals	(2,163)	(123)	(111)	0	0	0	(2,397)
Gross cost at 31 March 2023	23,671	7,838	3,040	0	0	12,190	46,739

Amortisation at 1 April 2022	16,217	2,339	3,062	0	0	0	21,618
Revaluation	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0
Provided during the period	3,671	1,151	89	0	0	0	4,911
Reclassified as held for sale	0	1,515	0	0	0	0	6,269
Transfers	0	0	0	0	0	0	0
Disposals	(2,163)	(123)	(111)	0	0	0	(2,397)
Amortisation at 31 March 2023	17,725	3,367	3,040	0	0	0	24,132
Net book value at 1 April 2022	9,617	2,384	89	0	0	5,673	17,763
Net book value at 31 March 2023	5,946	4,471	0	0	0	12,190	22,607

At 31 March 2023							
Purchased	5,946	0	0	0	0	6,537	12,483
Donated	0	0	0	0	0	0	0
Government Granted	0	0	0	0	0	0	0
Internally generated	0	4,471	0	0	0	5,653	10,124
Total at 31 March 2023	5,946	4,471	0	0	0	12,190	22,607

13 . IMPAIRMENTS

	2023-24			2022-23		
	Property, plant & equipment £000	Rights of Use Assets £000	Intangible assets £000	Property, plant and equipment £000	Rights of Use Assets £000	Intangible assets £000
Impairments arising from	0	0	0	0	0	0
Loss or damage from normal operations	0	0	0	0	0	0
Abandonment in the course of construction	0	0	0	0	0	0
Over specification of assets (Gold Plating)	0	0	0	0	0	0
Loss as a result of a catastrophe	0	0	0	0	0	0
Unforeseen obsolescence	0	0	0	0	0	0
Changes in market price	0	0	0	0	0	0
Others (specify)	1	0	0	6	0	0
Reversal of impairments	0	0	0	0	0	0
Total of all impairments	1	0	0	6	0	0

Analysis of impairments charged to reserves in period :

Charged to the Statement of Comprehensive Net Expenditure	1	0	0	6	0	0
Impairments as a result of revaluation/indexation Charged to Revaluation Reserve	0	0	0	0	0	0
Impairments as a result of a loss of economic value or service potential Charged to Revaluation Reserve	0	0	0	0	0	0
	1	0	0	6	0	0

The impairment shown under other relates to loss of IT Equipment.

14 INVENTORIES

	31 March 2024 £000	31 March 2023 £000
Drugs	0	0
Consumables	62	109
Energy	0	0
Work in progress	0	0
Other	0	0
Total	62	109
Of which held at realisable value	0	0

14.1 Inventories recognised in expenses

	31 March 2024 £000	31 March 2023 £000
Inventories recognised as an expense in the period	47	0
Write-down of inventories (including losses)	0	0
Reversal of write-downs that reduced the expense	0	0
Total	47	0

15. TRADE AND OTHER RECEIVABLES

Current	31 March 2024	31 March 2023
	£000	£000
Welsh Government	0	87
Welsh Health Specialised Services Committee (WHSSC) / Emergency Ambulance Services Committee (EASC)	0	0
Welsh Health Boards	5,029	962
Welsh NHS Trusts	369	2,617
Welsh Special Health Authorities	0	0
Non - Welsh Trusts	526	340
Other NHS	0	0
2019-20 Scheme Pays - Welsh Government Reimbursement	0	0
Welsh Risk Pool Claim Reimbursement;		
NHS Wales Secondary Health Sector	0	0
NHS Wales Primary Sector FLS Reimbursement	0	0
NHS Wales Redress	0	0
Other	0	0
Local Authorities	153	53
Capital debtors - Tangibles	0	0
Capital debtors - Intangibles	1	0
Other debtors	2,256	3,124
Provision for irrecoverable debts	(2)	(96)
Pension Prepayments NHS Pensions	0	0
Other prepayments	15,524	14,186
Other accrued income	128	0
Sub total	23,984	21,273

Non-current	31 March 2024	31 March 2023
	£000	£000
Welsh Government	0	0
Welsh Health Specialised Services Committee (WHSSC) / Emergency Ambulance Services Committee (EASC)	0	0
Welsh Health Boards	0	0
Welsh NHS Trusts	0	0
Welsh Special Health Authorities	0	0
Non - Welsh Trusts	0	0
Other NHS	0	0
2019-20 Scheme Pays - Welsh Government Reimbursement	0	0
Welsh Risk Pool Claim Reimbursement;		
NHS Wales Secondary Health Sector	0	0
NHS Wales Primary Sector FLS Reimbursement	0	0
NHS Wales Redress	0	0
Other	0	0
Local Authorities	0	0
Capital receivables - Tangibles	0	0
Capital receivables - Intangibles	0	0
Other receivables	0	0
Provision for irrecoverable debts	0	0
Pension Prepayments NHS Pensions	0	0
Pension Prepayments NEST	0	0
Other prepayments	1,297	405
Other accrued income	0	0
Sub total	1,297	405
Total	25,281	21,678

Receivables past their due date but not impaired	31 March 2024	31 March 2023
	£000	£000
By up to three months	555	314
By three to six months	70	4
By more than six months	27	5
	652	323

Expected Credit Losses (ECL) previously Allowance for bad and doubtful debts		
Balance at 1 April	(96)	0
Transfer to other NHS Wales body	0	0
Amount written off during the period	0	0
Amount recovered during the period	0	0
(Increase) / decrease in receivables impaired	94	(96)
ECL/Bad debts recovered during period	0	0
Balance at 31 March	(2)	(96)

In determining whether a debt is impaired consideration is given to the age of the debt and the results of actions taken to recover the debt, including reference to credit agencies.

Receivables VAT		
Trade receivables	2	33
Other	0	0
Total	2	33

16. OTHER FINANCIAL ASSETS

	31 March 2024 £000	31 March 2023 £000	31 March 2024 £000	31 March 2023 £000
Financial assets				
Shares and equity type investments				
Held to maturity investments at amortised costs	0	0	0	0
At fair value through SOCNE	0	0	0	0
Available for sale at FV	0	0	0	0
Deposits	0	0	0	0
Loans	0	0	0	0
Derivatives	0	0	0	0
Other (Specify)				
Right of Use Asset Finance Sublease	0	0	0	0
Held to maturity investments at amortised costs	0	0	0	0
At fair value through SOCNE	0	0	0	0
Available for sale at FV	0	0	0	0
Total	0	0	0	0

RoU Sub-leasing income Recognised in Statement of Comprehensive Net Expenditure

	2023-24	2022-23
RoU Sub-leasing income	0	0

17. CASH AND CASH EQUIVALENTS

	31 March 2024 £000	31 March 2023 £000
Opening Balance	1,130	1,546
Net change in cash and cash equivalent balances	963	(416)
Balance at 31 March	2,093	1,130

Made up of:		
Cash held at Government Banking Service (GBS)	2,093	1,130
Commercial banks	0	0
Cash in hand	0	0
Cash and cash equivalents as in Statement of Financial Position	2,093	1,130
Bank overdraft - GBS	0	0
Bank overdraft - Commercial banks	0	0
Cash and cash equivalents as in Statement of Cash Flows	2,093	1,130

In response to the IAS 7 requirement for additional disclosure, the changes in liabilities arising for financing activities are:

Lease Liabilities (ROUA) £1.855m

Lease Liabilities (short-term and low value leases) £0.0m

PFI liabilities: £0.0m

The movement relates to cash, no comparative information is required by IAS 7 in 2022-23.

18. TRADE AND OTHER RECEIVABLES

Current	31 March 2024	31 March 2023
	£000	£000
Welsh Government	8	79
Welsh Health Specialised Services Committee (WHSSC) / Emergency Ambulance Services Committee (EASC)	0	0
Welsh Health Boards	925	861
Welsh NHS Trusts	730	784
Welsh Special Health Authorities	8	3
Other NHS	20	136
Taxation and social security payable / refunds	0	(3)
Refunds of taxation by HMRC	0	0
VAT payable to HMRC	0	0
Other taxes payable to HMRC	0	0
NI contributions payable to HMRC	0	0
Non-NHS trade payables - revenue	2,029	3,316
Local Authorities	(7)	215
Capital payables-Tangible	391	514
Capital payables- Intangible	3,753	1,245
Overdraft	0	0
Rentals due under operating leases	0	0
RoU Lease Liability	1,219	992
Obligations under finance leases, HP contracts		
Imputed finance lease element of on SoFP PFI contracts	0	0
Impact of IFRS 16 on SoFP PFI contracts	0	0

Pensions: staff	2	19
Non NHS Accruals	1,804	9,376
Deferred Income:		
Deferred Income brought forward	0	0
Deferred Income Additions	0	0
Transfer to / from current/non current deferred income	0	0
Released to SoCNE	0	0
Other creditors	8,394	0
PFI assets -deferred credits	0	0
Payments on account	0	0
Sub total	19,276	17,537

Non-Current	31 March 2024	31 March 2023
	£000	£000
Welsh Government	0	0
Welsh Health Specialised Services Committee (WHSSC) / Emergency Ambulance Services Committee (EASC)	0	0
Welsh Health Boards	0	0
Welsh NHS Trusts	0	0
Welsh Special Health Authorities	0	0
Other NHS	0	0
Taxation and social security payable / refunds	0	0
Refunds of taxation by HMRC	0	0
VAT payable to HMRC	0	0
Other taxes payable to HMRC	0	0
NI contributions payable to HMRC	0	0
Non-NHS trade payables - revenue	0	0
Local Authorities	0	0
Capital payables-Tangible	0	0
Capital payables- Intangible	0	0
Overdraft	0	0
Rentals due under operating leases	0	0
RoU Lease Liability	1,958	1,339
Obligations under finance leases, HP contracts	0	0
Imputed finance lease element of on SoFP PFI contracts	0	0
Impact of IFRS 16 on SoFP PFI contracts	0	0

Pensions: staff	0	0
Non NHS Accruals	0	0
Deferred Income:		
Deferred Income brought forward	0	0
Deferred Income Additions	0	0
Transfer to / from current/non current deferred income	0	0
Released to SoCNE	0	0
Other creditors	0	0
PFI assets –deferred credits	0	0
Payments on account	0	0
Sub total	1,958	1,339
Total	21,234	18,876

It is intended to pay all invoices within the 30 day period directed by the Welsh Government.

Amounts falling due more than one year are expected to be settled as follows:	2022-24 £000	2021-23 £000
Between one and two years	706	1,003
Between two and five years	1,030	197
In five years or more	222	139
Sub-total	1,958	1,339

19. OTHER FINANCIAL LIABILITIES

	Current		Non-current	
	31 March 2024 £000	31 March 2023 £000	31 March 2024 £000	31 March 2023 £000
Financial liabilities				
Financial Guarantees:				
At amortised cost	0	0	0	0
At fair value through SOCNE	0	0	0	0
Derivatives at fair value through SoCNE	0	0	0	0
Other				
At amortised cost	0	0	0	0
At fair value through SOCNE	0	0	0	0
Total	0	0	0	0

20. PROVISIONS

2023-24	At 1 April 2023	Structured settlement cases transferred to Risk Pool	Transfer of provisions to creditors	Transfer between current and non-current	Arising during the period	Utilised during the period	Reversed unused	Unwinding of discount	At 31 March 2024
Current	£000	£000	£000	£000	£000	£000	£000	£000	£000
Clinical negligence:-									
Secondary care	0	0	0	0	0	0	0	0	0
Primary care	0	0	0	0	0	0	0	0	0
Redress Secondary care	0	0	0	0	0	0	0	0	0
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	0	0	0	0	0	0	0	0	0
All other losses and special payments	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	0	0	0	0	0	0	0		0
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	0			0	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	0			0	0	0	0	0	0
Restructuring	0			0	0	0	0	0	0
RoU Asset Dilapidations CAME	0			0	0	0	0	0	0
Other Capital Provisions	0			0	0	0	0	0	0
Other	9,702		0	0	6,105	0	(420)		15,387
Total	9,702	0	0	0	6,105	0	(420)	0	15,387

2023-24	At 1 April 2023	Structured settlement cases transferred to Risk Pool	Transfer of provisions to creditors	Transfer between current and non-current	Arising during the period	Utilised during the period	Reversed unused	Unwinding of discount	At 31 March 2024
Non-Current	£000	£000	£000	£000	£000	£000	£000	£000	£000
Clinical negligence:-		0	0	0	0	0	0	0	0
Secondary care	0	0	0	0	0	0	0	0	0
Primary care	0	0	0	0	0	0	0	0	0
Redress Secondary care	0	0	0	0	0	0	0	0	0
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	0	0	0	0	0	0	0	0	0
All other losses and special payments	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	0	0	0	0	0	0	0		0
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	0			0	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	0			0	0	0	0	0	0
Restructuring	0			0	0	0	0	0	0
RoU Asset Dilapidations CAME	0			0	0	0	0	0	0
Other Capital Provisions	0			0	0	0	0	0	0
Other	0		0	0	0	0	0		0
Total	0	0	0	0	0	0	0	0	0

2023-24	At 1 April 2023	Structured settlement cases transferred to Risk Pool	Transfer of provisions to creditors	Transfer between current and non-current	Arising during the period	Utilised during the period	Reversed unused	Unwinding of discount	At 31 March 2024
Total	£000	£000	£000	£000	£000	£000	£000	£000	£000
Clinical negligence:-	0	0	0	0	0	0	0	0	0
Secondary care	0	0	0	0	0	0	0	0	0
Primary care	0	0	0	0	0	0	0	0	0
Redress Secondary care	0	0	0	0	0	0	0	0	0
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	0	0	0	0	0	0	0	0	0
All other losses and special payments	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	0	0	0	0	0	0	0		0
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	0			0	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	0			0	0	0	0	0	0
Restructuring	0			0	0	0	0	0	0
RoU Asset Dilapidations CAME	0			0	0	0	0	0	0
Other Capital Provisions	0		0	0	0	0	0	0	0
Other	9,702	0	0	0	6,105	0	(420)		15,387
Total	9,702	0	0	0	6,105	0	(420)	0	15,387

Expected timing of cash flows:	In year to 31 March 2025	Between 1 April 2025 31 March 2029	Thereafter	Total
	£000	£000	£000	£000
Clinical negligence:-	0	0	0	0
Secondary care	0	0	0	0
Primary care	0	0	0	0
Redress Secondary care	0	0	0	0
Redress Primary care	0	0	0	0
Personal injury	0	0	0	0
All other losses and special payments	0	0	0	0
Defence legal fees and other administration	0	0	0	0
Pensions relating to former directors	0	0	0	0
Pensions relating to other staff	0	0	0	0
2019-20 Scheme Pays - Reimbursement	0	0	0	0
Restructuring	0	0	0	0
RoU Asset Dilapidations CAME	0	0	0	0
Other Capital Provisions	0	0	0	0
Other	15,387	0	0	15,387
Total	15,387	0	0	15,387

The provision of £9,565k on the balance sheet as of 31st March 2023 reflects treatment of recovery of VAT, which has yet to be concluded. This provision has increased by £5,606k during the year, bringing the total to £15,171k as of 31st March 2024. Additionally, a provision of £137k on the balance sheet as of 31st March 2023 relates to ongoing contract price negotiations for software services delivered. This provision has increased by £79k during the year, bringing the total to £216k as of 31st March 2024.

2022-23	At 1 April 2022	Structured settlement cases transferred to Risk Pool	Transfer of provisions to creditors	Transfer between current and non-current	Arising during the period	Utilised during the period	Reversed unused	Unwinding of discount	At 31 March 2023
Current	£000	£000	£000	£000	£000	£000	£000	£000	£000
Clinical negligence:-	0	0	0	0	0	0	0	0	0
Secondary care	0	0	0	0	0	0	0	0	0
Primary care	0	0	0	0	0	0	0	0	0
Redress Secondary care	0	0	0	0	0	0	0	0	0
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	0	0	0	0	0	0	0	0	0
All other losses and special payments	0	0	0	0	50	(50)	0	0	0
Defence legal fees and other administration	0	0	0	0	0	0	0		0
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	0			0	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	0			0	0	0	0	0	0
Restructuring	0			0	0	0	0	0	0
RoU Asset Dilapidations CAME	0			0	0	0	0	0	0
Other Capital Provisions	0			0	0	0	0	0	0
Other	267		0	0	9,637	0	(202)		9,702
Total	267	0	0	0	9,687	(50)	(202)	0	9,702

2022-23	At 1 April 2022	Structured settlement cases transferred to Risk Pool	Transfer of provisions to creditors	Transfer between current and non-current	Arising during the period	Utilised during the period	Reversed unused	Unwinding of discount	At 31 March 2023
Non-Current	£000	£000	£000	£000	£000	£000	£000	£000	£000
Clinical negligence:-		0	0	0	0	0	0	0	0
Secondary care	0	0	0	0	0	0	0	0	0
Primary care	0	0	0	0	0	0	0	0	0
Redress Secondary care	0	0	0	0	0	0	0	0	0
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	0	0	0	0	0	0	0	0	0
All other losses and special payments	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	0	0	0	0	0	0	0		0
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	0			0	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	0			0	0	0	0	0	0
Restructuring	0			0	0	0	0	0	0
RoU Asset Dilapidations CAME	0			0	0	0	0	0	0
Other Capital Provisions	0			0	0	0	0	0	0
Other	0		0	0	0	0	0		0
Total	0	0	0	0	0	0	0	0	0

	At 1 April 2022	Structured settlement cases transferred to Risk Pool	Transfer of provisions to creditors	Transfer between current and non-current	Arising during the period	Utilised during the period	Reversed unused	Unwinding of discount	At 31 March 2023
Total	£000	£000	£000	£000	£000	£000	£000	£000	£000
Clinical negligence:-	0	0	0	0	0	0	0	0	0
Secondary care	0	0	0	0	0	0	0	0	0
Primary care	0	0	0	0	0	0	0	0	0
Redress Secondary care	0	0	0	0	0	0	0	0	0
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	0	0	0	0	0	0	0	0	0
All other losses and special payments	0	0	0	0	50	(50)	0	0	0
Defence legal fees and other administration	0	0	0	0	0	0	0		0
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	0			0	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	0			0	0	0	0	0	0
Restructuring	0			0	0	0	0	0	0
RoU Asset Dilapidations CAME	0			0	0	0	0	0	0
Other Capital Provisions	0		0	0	0	0	0	0	0
Other	267	0	0	0	9,637	0	(202)		9,702
Total	267	0	0	0	9,687	(50)	(202)	0	9,702

The provision of £267k held on the balance sheet as of 31st March 2022 reflects ongoing contract price negotiations related to software services delivered. This has been reduced to £65K for the same period with an additional £71K arising for 22/23. A further provision of £9,565k has arisen in year regarding the treatment of recovery of VAT which has yet to be concluded.

21. CONTINGENCIES

21.1 Contingent liabilities

Provisions have not been made in these accounts for the following amounts :	31 March 2024 £000	31 March 2023 £000
Legal claims for alleged medical or employer negligence	0	0
Secondary Care	0	0
Primary Care	0	0
Secondary Care Redress	0	0
Primary Care Redress	0	0
Doubtful debts	0	0
Equal Pay costs	0	0
Defence costs	0	0
Continuing Health Care costs	0	0
Other	12,030	7,425
Total value of disputed claims	12,030	7,425
Amounts recovered in the event of claims being successful	0	0
Net contingent liability	12,030	7,425

As at 31st March 2024 DHCW have identified a potential contingent liability that may arise in the future. The potential liability of DHCW includes recovery of VAT of an estimated £12.03m to be returned to Welsh NHS organisations in the event that DHCW VAT recovery claim to HMRC is successful.

21.2 Remote Contingent liabilities

Please disclose the values of the following categories of remote contingent liabilities :	31 March 2024 £000	31 March 2023 £000
Guarantees	0	0
Indemnities	0	0
Letters of Comfort	0	0
Total	0	0

21.3 Contingent assets

	31 March 2024 £000	31 March 2023 £000
	0	0
	0	0
	0	0
Total	0	0

DHCW does not hold any contingent assets at the balance sheet date.

22. CAPITAL COMMITMENTS

Contracted capital commitments

The disclosure of future capital commitments not already disclosed as liabilities in the accounts.	31 March 2024 £000	31 March 2023 £000
Property, plant and equipment	635	488
Right of Use Assets	0	0
Intangible assets	8,520	6,118
Total	9,155	6,606

23. LOSSES AND SPECIAL PAYMENTS

Losses and special payments are charged to the Statement of Comprehensive Net Expenditure in accordance with IFRS but are recorded in the losses and special payments register when payment is made. Therefore, the payments in this note are prepared on a cash basis.

Gross loss to the Exchequer

23.1 Number of cases and associated amounts paid out during the financial year

	Amounts paid out during period to 31 March 2024	
	Number	£
Clinical negligence	0	0
Personal injury	0	0
All other losses and special payments	2	793
Total	2	793

23.2 Analysis of number of cases and associated amounts paid out during the financial year

	Case Type	In year claims in excess of £300,000		Cumulative amount
		Number	£	£
Cases in excess of £300,000:		0	0	0
Sub-total		0	0	0
All other cases paid in year		2	793	793
Total cases paid in year		2	793	793

23.3 Analysis of number of cases and associated amounts where no payments were made in financial year

	Number	£
Cumulative amount up to £300k	0	0
Cumulative amount greater than £300k	0	0
Total	0	0

24. RIGHT OF USE / LEASES OBLIGATIONS**24.1 Obligations (as lessee)**

Amounts payable under right of use asset / finance leases:

2023-24	LAND - 31 March 2024	BUILDINGS - 31 March 2024	OTHER - 31 March 2024	TOTAL - 31 March 2024
Minimum lease payments	£000	£000	£000	£000
Within one year	0	574	728	1,302
Between one and five years	0	689	1,171	1,860
After five years	0	235	0	235
Less finance charges allocated to future periods	0	(133)	(87)	(220)
Minimum lease payments	0	1,365	1,812	3,177
Included in:				
Current borrowings	0	532	687	1,219
Non-current borrowings	0	833	1,125	1,958
	0	1,365	1,812	3,177
Present value of minimum lease payments				
Within one year	0	532	687	1,219
Between one and five years	0	611	1,125	1,736
After five years	0	222	0	222
Present value of minimum lease payments	0	1,365	1,812	3,177
Included in:				
Current borrowings	0	532	687	1,219
Non-current borrowings	0	833	1,125	1,958
	0	1,365	1,812	3,177

2022-23	LAND - 31 March 2023	BUILDINGS - 31 March 2023	OTHER - 31 March 2023	TOTAL - 31 March 2023
Minimum lease payments	£000	£000	£000	£000
Within one year	0	547	497	1,044
Between one and five years	0	760	440	1,200
After five years	0	219	0	219
Less finance charges allocated to future periods	0	(123)	(9)	(132)
Minimum lease payments	0	1,403	928	2,331
Included in:				
Current borrowings	0	500	492	992
Non-current borrowings	0	903	436	1,339
	0	1,403	928	2,331
Present value of minimum lease payments				
Within one year	0	500	492	992
Between one and five years	0	695	436	1,131
After five years	0	208	0	208
Present value of minimum lease payments	0	1,403	928	2,331
Included in:				
Current borrowings	0	500	492	992
Non-current borrowings	0	903	436	1,339
	0	1,403	928	2,331

24.2 Right of Use Assets lease receivables (as lessor)

The SHA has no RoU leases receivable as a lessor.

Amounts receivable under right of use assets leases:

	31 March 2024	31 March 2023
Gross Investment in leases	£000	£000
Within one year	0	0
Between one and five years	0	0
After five years	0	0
Less finance charges allocated to future periods	0	0
Minimum lease payments	0	0
Included in:		
Current financial assets	0	0
Non-current financial assets	0	0
	0	0
Present value of minimum lease payments	£000	£000
Within one year	0	0
Between one and five years	0	0
After five years	0	0
Less finance charges allocated to future periods	0	0
Minimum lease payments	0	0
Included in:		
Current financial assets	0	0
Non-current financial assets	0	0
	0	0

25. PRIVATE FINANCE INITIATIVE CONTRACTS

25.1 PFI schemes off-Statement of Financial Position

The SHA has no PFI schemes which are deemed to be on or off the statement of financial position.

26. FINANCIAL RISK MANAGEMENT

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. The SHA is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which these standards mainly apply. The SHA has limited powers to invest and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the SHA in undertaking its activities.

Currency risk

The SHA is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and Sterling based. The SHA has no overseas operations and therefore has low exposure to currency rate fluctuations.

Interest rate risk

The SHA is not permitted to borrow. The SHA therefore has low exposure to interest rate fluctuations

Credit risk

Because the majority of the SHA funding derives from funds voted by the Welsh Government the SHA has low exposure to credit risk.

Liquidity risk

The SHA is required to operate within cash limits set by the Welsh Government for the financial year and draws down funds from the Welsh Government as the requirement arises. The SHA is not, therefore, exposed to significant liquidity risks.

27. MOVEMENTS IN WORKING CAPITAL

Amounts receivable under right of use assets / finance leases:	2023-24 £000	2022-23 £000
(Increase)/decrease in inventories	47	(109)
(Increase)/decrease in trade and other receivables - non-current	(892)	(34)
(Increase)/decrease in trade and other receivables - current	(2,711)	(7,566)
Increase/(decrease) in trade and other payables - non-current	619	1,339
Increase/(decrease) in trade and other payables - current	1,739	1,860
Total	(1,198)	(4,510)
Adjustment for accrual movements in fixed assets - creditors	(2,385)	1,098
Adjustment for accrual movements in fixed assets - debtors	1	(62)
Adjustment for accrual movements in right of use assets - creditors	(846)	0
Adjustment for accrual movements in right of use assets - debtors	0	0
Other adjustments	0	(2,331)
	(4,428)	(5,805)

28. OTHER CASH FLOW ADJUSTMENTS

	2023-24 £000	2022-23 £000
Depreciation	4,898	5,546
Amortisation	5,021	4,911
(Gains)/Loss on Disposal	0	0
Impairments and reversals	1	6
Release of PFI deferred credits	0	0
Donated assets received credited to revenue but non-cash	0	0
Government Grant assets received credited to revenue but non-cash	0	0
Right of Use Grant (Peppercorn Lease) credited to revenue but non cash	0	0
Non-cash movements in right of use assets	0	0
Non-cash movements in provisions	5,685	9,485
Other movements	2,961	2,402
Total	18,565	22,350

Other movements are Notional funding received for the SHA notional 6.3% Staff Employer Pension Contributions funded directly to the NHSBA Pensions Division by Welsh Government.

29. EVENTS AFTER THE REPORTING PERIOD

These financial statements were authorised for issue by the Chief Executive and Accountable Officer on 9th July 2024; post the date the financial statements were certified by the Auditor General for Wales.

30. RELATED PARTY TRANSACTIONS

The Welsh Government is regarded as a related party. During the accounting period SHA has had a significant number of material transactions with the Welsh Government and with other entities for which the Welsh Government is regarded as the parent body. These are set out on the table below along with details of the transactions with other organisations in which senior members of the organisation have an interest.

Related Party	Expenditure to related party	Income from related party	Amounts owed to related party	Amounts due from related party
	£000	£000	£000	£000
Please list all related party transactions to include:				
Welsh Government	233	114,077	8	0
Welsh LHBS	7,394	45,438	1,051	5,029
Welsh NHS Trusts	2,954	7,318	816	369
Local Authorities	1,237	60	(7)	153
Welsh Special Health Authorities	67	1,044	8	0
NHS Wales Charities	0	0	0	0
Bangor University	27	5	5	0
Cardiff University	97	0	5	0
	12,009	167,942	1,886	5,551

Related party transaction where Board Members have declared an interest (See notes below for details of relationships):

David Selway is a Cardiff University Lay Member

Marian Wyn Jones, Independent Member, is the Chair of Council at Bangor University.

31. THIRD PARTY ASSETS

The SHA does not hold cash on behalf of third parties.

32. POOLED BUDGETS

The SHA does not does not operate any pooled budgets.

33. OPERATING SEGMENTS

IFRS 8 requires bodies to report information about each of its operating segments.

The SHA is deemed to operate as one segment.

34. OTHER INFORMATION

34.1. 6.3% Staff Employer Pension Contributions - Notional Element

The notional transactions are based on estimated costs for the twelve month period, calculated from actual Welsh Government expenditure for the 6.3% staff employer pension contributions as at month eleven and the actual employer staff payments for month 12.

Transactions include notional expenditure in relation to the 6.3% paid to NHS BSA by Welsh Government and notional funding to cover that expenditure as follows:

Statement of Comprehensive Net Expenditure for the period ended 31 March 2024	2023-24 £000	2022-23 £000
General Medical Services	0	0
Other Operating Expenditure	2,961	2,403

Statement of Changes in Taxpayers' Equity for the period ended 31 March 2023	2023-24 £000	2022-23 £000
Net operating cost for the year	(2,961)	(2,403)
Notional Welsh Government Funding	2,961	2,403

Statement of Cash Flows for period ended 31 March 2024	31 March 2024	31 March 2023
Net operating cost for the financial year	(110,497)	(104,777)
Other cash flow adjustments	2,961	2,403

2.1 REVENUE RESOURCE PERFORMANCE

Revenue Resource Allocation	2,961	2,403
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3. ANALYSIS OF GROSS OPERATING COSTS**3.1 General Medical Services**

	2023-24 £000	2022-23 £000
General Medical Services	0	0

3.2 Other Operating Expenditure

Directors' costs	50	41
Staff costs	2,911	2,362

9.1 EMPLOYEE COSTS

Permanent Staff		
Employer contributions to NHS Pension Scheme	2,961	2,403
Charged to capital	0	0
Charged to revenue	2,961	2,403

18. TRADE AND OTHER PAYABLES**Current**

Pensions: staff	0	0
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28. OTHER CASH FLOW ADJUSTMENTS

Other movements	2,961	2,403
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THE NATIONAL HEALTH SERVICE IN WALES ACCOUNTS DIRECTION GIVEN BY WELSH MINISTERS IN ACCORDANCE WITH PARAGRAPH 3(1) OF SCHEDULE 9 TO THE NATIONAL HEALTH SERVICE (WALES) ACT 2006 (C.42) AND WITH THE APPROVAL OF TREASURY

DIGITAL HEALTH AND CARE WALES

1. Digital Health and Care Wales (DHCW), a special health authority, shall prepare accounts for the financial period 30th December 2020 to 31st March 2022 and subsequent financial years in the form specified in paragraphs 2 to 4 below.

BASIS OF PREPARATION

2. The accounts of DHCW shall comply with:

(a) the accounting principles and disclosure requirements of the Government Financial Reporting Manual ('the FReM') issued by HM Treasury which is in force for that financial year, as detailed in the NHS Wales Manual for Accounts; and

(b) any other specific guidance or disclosures required by the Welsh Government.

3. The accounts shall be prepared so as to:

(a) give a true and fair view of the state of affairs as at the year-end and of the net expenditure, financial position, cash flows and changes in taxpayers' equity for the financial year then ended; and

(b) provide disclosure of any material expenditure or income that has not been applied to the purposes intended by the Senedd Cymru - Welsh Parliament or material transactions that have not conformed to the authorities which govern them.

4. Compliance with the requirements of the FReM as detailed in the NHS Wales Manual for Accounts will, in all but exceptional circumstances, be necessary for the accounts to give a true and fair view. If, in these exceptional circumstances, compliance with the requirements of the FReM as detailed in the NHS Wales Manual for Accounts is inconsistent with the requirement to give a true and fair view, the requirements of the FReM as detailed in the NHS Wales Manual for Accounts should be departed from only to the extent necessary to give a true and fair view. In such cases, informed and unbiased judgment should be used to devise an appropriate alternative treatment which should be consistent both with the economic characteristics of the circumstances concerned and the spirit of the FReM. Any material departure from the FReM should be discussed in the first instance with the Welsh Government.

Signed by the authority of the Welsh Ministers

Signed:

Dated: 18/01/22

Steve Elliot, Interim Director of Finance HSS

UNAUDITED FINANCIAL ACCOUNTABILITY REPORT

The SHA has completed its third year of operation since transitioning from being a hosted body within Velindre NHS Trust to its own statutory Special Health Authority and consequently is required to prepare accounts for the financial period April 1st 2023 to 31 March 2024 and subsequent financial years.

During this time, the organisation has embedded the financial systems, controls, governance and reporting required to meet both statutory requirements and business need within the challenging context of the COVID-19 pandemic.

Digital solutions supporting the pandemic response (Test, Trace & Protect and Mass Immunisation scheduling systems) resulted in an additional requirements of £9.128m revenue and capital £0.370m capital investment. Funding from Welsh Government was secured in order to ensure that there was no additional organisational financial impact upon its ability to breakeven.

DHCW also leads the delivery of a number of digital initiatives supported by the Welsh Governments Digital Priority Investment Fund. For 2022/23 the SHA received £31.057m in revenue funding and £9.407m in capital. During the year the Laboratory Informatics Network Cymru (LINC) and Radiology Informatics System Procurement Programme (RISP) transfer to DHCW management arrangements. The financial impact amounted to a capital asset transfer £3.448m for LINC and £0.191m for RISP. From revenue perspective the organisation received DPIF funding of £0.169m (supplemented by NHS contributions totalling £0.294m) and RISP £0.025m (supplemented by £0.097m contributions from NHS contributions).

The future focus will remain on providing first class digital information and solutions to support effective patient care and citizen services, some will require shifts in technology (such as transition to cloud first services) which will require additional revenue funding for the organisation to meet its financial targets.

FINANCIAL TARGETS

DHCW was established as a Special Health Authority. The statutory financial duties of Special Health Authorities are set out in section 172 of the National Health Service (Wales) Act 2006.

Statutory Financial Duties – First Financial Duty

Section 172(1) sets out what is referred to as the 'First Financial Duty' -a duty to secure that DHCW expenditure does not exceed the aggregate of the funding allotted to it for a financial year. Under the powers of direction in the National Health Service (Wales) Act section 172(6) WHC/2019/004 clarified that the annual statutory financial duty is set separately for revenue and capital resource allocations. DHCW was in shadow form for the period 30 December 2020 to 1 April 2021, no resource allocations were made to DHCW for this period. The entity was dormant for the purposes of accounting, with expenditure incurred by predecessor entities for service provision to the date of transfer, or by Welsh Government for establishment costs. Revenue and Capital resource allocations were issued to DHCW for the period 1 April 2022 to 31 March 2023 and formed the basis of the statutory accounts and comparator/baseline for trend analysis in 2023/24.

Administrative Financial Duties – Second Financial Duty

The 'Second Financial Duty' for NHS bodies in Wales is the duty to prepare a plan and for that plan to be submitted to and approved by the Welsh Ministers.

Financial performance

DHCW is reporting the achievement all financial targets set

- Breakeven duty - DHCW has an annual requirement to achieve a balanced year end position against the Resource and Capital limits set for the year. The SHA reported a revenue surplus of £0.307m (0.1% of total allocation) and capital underspend of £0.190m (0.4% of total allocation) for the financial year therefore achieving its statutory financial duty to achieve financial breakeven.
- The SHA submitted an Annual Plan for the period 2024/2023 was submitted in accordance with the NHS Wales Planning Framework.
- Creditor payments - The Trust is required to pay 95% of the number of non-NHS bills within 30 days of the receipt of goods or a valid invoice (whichever is the later). The SHA has met this target, paying 97% of invoices within the required timeframe.

APPENDIX 1

BOARD AND COMMITTEE MEMBERSHIP AND ATTENDANCE 1 APRIL 2023 TO 31 MARCH 2024

Name	Position	Area of expertise/Representation Role	Board/Committee membership	Meeting attendance	Champion roles
Simon Jones	Chair	<ul style="list-style-type: none"> • Board cohesion and oversight • Partnership working across the system 	Board RATS Committee (Chair)	9/9 3/3	N/A
Ruth Glazzard	Vice-Chair	<ul style="list-style-type: none"> • Stakeholder engagement strategy with focus on patient and citizen experience • Champion primary, community and mental health digital services • National strategic primary care programme • Advice and advocacy to the decarbonisation and quality and regulatory agendas 	Board RATS Committee (Vice Chair) Audit and Assurance Committee Programmes Delivery Committee	9/9 3/3 6/6 2/2	<ul style="list-style-type: none"> • Mental health • Children and Young People • Older Persons
Rowan Gardner	Independent Member	<ul style="list-style-type: none"> • Research and Innovation strategy • Population health and Value-Based healthcare agenda • Cyber Security 	Board RATS Committee Digital Governance and Safety Committee (Chair)	8/9 2/3 3/4	<ul style="list-style-type: none"> • Infection prevention and control • Research • Armed forces and veterans
David Selway	Independent Member	<ul style="list-style-type: none"> • National Data Resource programme • Stakeholder engagement strategy with focus on patient and citizen experience • DHCW product approach 	Board RATS Committee (Vice Chair) Digital Governance and Safety Committee (Vice Chair) Programmes Delivery Committee	7/9 3/3 4/4 2/2	<ul style="list-style-type: none"> • Putting Things Right

Name	Position	Area of expertise/Representation Role	Board/Committee membership	Meeting attendance	Champion roles
Marian Wyn Jones	Independent Member	DHCW Communications function review DHCW Communications and public relations approach	Board RATS Committee Audit and Assurance Committee (Chair) Programmes Delivery Committee	8/9 2/3 5/6 2/2	<ul style="list-style-type: none"> • Raising concerns(staff) • Welsh Language
Alistair Klaas Neill*	Independent Member		Board RATS Committee Audit and Assurance Committee Digital Governance and Safety Committee - appointed to the Committee October 2023	6/9 3/3 5/6 2/2	N/A
Marilyn Bryan Jones*	Independent Member		Board RATS Committee Audit and Assurance Committee Digital Governance and Safety Committee	7/9 3/3 4/6 3/4	<ul style="list-style-type: none"> • Equality
Helen Thomas	Chief Executive	N/A	Board	8/9	N/A
Claire Osmundsen-Little	Deputy Chief Executive/ Executive Director of Finance	N/A	Board Audit & Assurance Committee	8/9 6/6	<ul style="list-style-type: none"> Fire Safety Infection Prevention and Control

(*) Denotes a member who left or joined part way through the year, attendance reflects the number of Board and Committee meetings before the exit or after the start date.

Name	Position	Area of expertise/Representation Role	Board/Committee membership	Meeting attendance	Champion roles
Rhidian Hurle	Executive Medical Director	N/A	Board Digital Governance and Safety Committee	7/9 3/4	Caldicott Mental Health Children and Young People Putting Things Right Older Persons Research
Chris Darling	Board Secretary	N/A	Board	9/9	Raising Concerns (Staff)
Ifan Evans	Executive Director of Strategy	N/A	Board Programmes Delivery Committee	9/9 2/2	Emergency Planning Welsh Language
Sarah-Jane Taylor	Director of People and Organisational Development	N/A	Board	6/9	Violence and Aggression Armed Forces and Veterans Equality
Sam Hall	Director of Primary, Community and Mental Health Digital Services	N/A	Board Programmes Delivery Committee	7/9 2/2	N/A
Sam Lloyd	Executive Director of Operations	N/A	Board	8/9	N/A

APPENDIX 2

LEAD OFFICERS

Committee	Officer
Audit and Assurance Committee	Executive Director of Finance
Remuneration and Terms of Service	Chief Executive Officer supported by the Director of People and OD
Digital Governance and Safety Committee	Executive Medical Director
Programmes Delivery Committee	Executive Director of Strategy / Director of Primary, Community & Mental Health Digital Services

APPENDIX 3

SCHEDULE OF BOARD, COMMITTEE AND ADVISORY GROUP MEETINGS 1 APRIL 2023 TO 31 MARCH 2024

Board/Committee	April	May	June	July	August	September	October	November	December	January	February	March
DHCW SHA Board *Extraordinary	20/04/23*	25/05/23	22/06/23*	27/07/23	10/08/23*	28/09/23		30/11/23		25/01/24		28/03/24
Audit and Assurance Committee	18/04/23	04/05/23		03/07/23 18/07/23			17/10/23				13/02/24	
Remuneration and Terms of Service			22/06/23						14/12/23		22/02/24	
Digital Governance and Safety Committee		11/05/23			03/08/23			02/11/23			01/02/24	
Programmes Delivery Committee								09/11/23			06/02/24	
Local Partnership Forum	04/04/23		06/06/23			05/09/23			05/11/23			05/03/24

APPENDIX 4

MINISTERIAL DIRECTIONS

[2023 Health circulars | GOV.WALES](#) [2024 Health circulars | GOV.WALES](#) 

Name	Date Issued	Applicable/ Not Applicable	Date of Adoption if relevant	Action to demonstrate implementation/response
WHC/2023/003 Guideline for the Investigation of Moderate or Severe early developmental impairment or intellectual disability (EDI/ID)	04/04/2023	Not applicable		
WHC/2023/009 Covid-19 vaccination of children aged 6 months to 4 years in a clinical risk group	06/04/2023	Applicable		The implications for DHCW have been addressed by the Assistant Director of ADS and his team.
WHC/2023/010 Certification of Vision impairment in primary and community care	28/06/2023	Not applicable		
WHC/2023/011 NICE Guidance on Self Harm: Assessment, management and preventing occurrence	21/04/2023	Not applicable		
WHC/2023/012 2023/24 LHB, SHA & Trust Monthly Financial Monitoring Return guidance	26/04/2023	Applicable		The Executive Director of Finance and Associate Director of Finance would take this forward.
WHC/2023/013 Health and Care Quality Standards 2023 (replacing Health and Care Standards 2015 – WHC2015/015)	02/05/2023	Applicable		This was taken forward by the Executive Director of Finance and Head of Regulatory and Compliance, Board Secretary and Head of Corporate Governance.
WHC/2023/015 Covid 19 vaccination observation periods / vaccination following recovery from Covid 19.	09/05/2023	Not applicable		

Name	Date Issued	Applicable/ Not Applicable	Date of Adoption if relevant	Action to demonstrate implementation/response
WHC/2023/017 NHS Wales Executive National Policy on Patient Safety Incident Reporting and Management	10/05/2023	Applicable		The Executive Medical Director to provide a response to Chief Medical Officer
WHC/2023/018 Introduction of HL7 FHIR as a foundational standard in all NHS Wales bodies	14/06/2023	Applicable		The actions were taken forward and discussed with Welsh Government.
WHC/2023/019 In support of prevention of suicide and self-harm: GMC and NICE guidance on information disclosure for the protection of patients and others.	09/06/2023	Applicable		Information Governance reviewed and highlighted there was no reference to WASPI in the report and this was fed back.
WHC/2023/021 Consent to examination or treatment update	08/08/2023	Applicable		There were no implications for DHCW however, it was agreed that the Head of Governance would take an action to raise with Welsh Government leads that the WHC was not addressed to DHCW although it named the NHS app within it.
WHC/2023/022 Armed Forces Covenant – Healthcare Priority / Special Consideration for Veterans / Ex Armed Forces Personnel	20/06/2023	Applicable		The veteran status is recorded in DHCW systems and the organisation has signed up to the Covenant.
WHC/2023/023 The National influenza Immunisation Programme	22/06/2023	Applicable		There were no implications for DHCW but the WHC was shared with directorates for information.
WHC/2023/024 Change of vaccine and cohort expansion for shingles vaccination programme from September 2023	28/06/2023	Applicable		Eligibility criteria. This was circulated to the appropriate team.
WHC/2023/025 Guidelines for managing patients on the suspected cancer pathway	20/07/2023	Applicable		The WHC was reviewed by the relevant team and the guidelines were accepted.

Name	Date Issued	Applicable/ Not Applicable	Date of Adoption if relevant	Action to demonstrate implementation/response
WHC/2023/026 NHS Framework for Research and Development – Research Matters – What excellence looks like in NHS Wales	28/07/2023	Applicable		The WHC was reviewed by the relevant team and the guidelines were accepted.
WHC/2023/028 Withdrawal of WHC 2019/042 re Annual Quality Statements	01/08/2023	Applicable		N/A
WHC/2023/029 Winter Respiratory Vaccination Programme: Autumn and Winter 2023 to 2024	17/08/2023	Applicable		It was confirmed the cohort identification was in hand.
WHC/2023/030 New 2023 National Safety Standards for Invasive Procedures (NatSSIPS2) by the Centre for Perioperative Care (CPOC) and Patient Safety Notice PSN 034	17/08/2023	Not Applicable		
WHC/2023/031 AMR & HCAI Improvement Goals for 2023-24	22/08/2023	No applicable		
WHC/2023/032 Amendments to Model Standing Orders and Model Standing Financial Instructions – NHS Wales	09/10/2023	Applicable		The WHC was taken forward by the Executive Director of Finance's team.
WHC/2023/033 Vaccine products to be used in the Autumn 2023 Covid 19 vaccination programme	01/09/2023	Applicable		The Executives agreed the vaccine codes needed to be reviewed and this would be taken forward.
WHC/2023/034 The NHS Welsh Sustainability Conference and Awards	25/09/2023	Applicable		The WHC was taken forward for action by the Head of Corporate Services
WHC/2023/035 Update of Guidance on Clearance and Management of Healthcare Workers living with a bloodborne virus (BBV) and a reminder of health clearance for tuberculosis	31/10/2023	Not applicable		

Name	Date Issued	Applicable/ Not Applicable	Date of Adoption if relevant	Action to demonstrate implementation/response
WHC/2023/036 Speaking up Safely Framework – NHS Wales	20/09/2023	Applicable		All actions that need to be undertaken by DHCW were actioned.
WHC/2023/037 Patient Testing Framework for Autumn / Winter 2023	26/09/2023	Not applicable		
WHC/2023/038 Healthy Start eLearning Course	09/11/2023	Not applicable		
WHC/2023/039 Independent Authorisation of Blood Component Transfusion (IABT)	23/11/2023	Not applicable		
WHC/2023/040 The NHS Wales: Newborn and Infant Physical Examination Cymru (NIPEC)	09/11/2023	Not applicable		
WHC/2023/043 Vaccination of Healthcare Staff to Protect against Measles	14/12/2023	Applicable		Communications was published to advise on the importance of vaccine and the consequences of not having it.
WHC/2023/044 Influenza Vaccination Programme deployment 'mop up' 2023-24	11/12/2023	Applicable		The WHC was cascaded to the relevant team.
WHC/2023/046 All Wales Control Framework for Flexible Workforce Capacity	13/12/2023	Applicable		The actions associated with the WHC were completed by the relevant teams.
WHC/2023/047 Influenza vaccines and eligible cohorts for 24/25 season	21/12/2023	Applicable		The WHC was forwarded to for the relevant action.
WHC/2023/048 2024-25 Health Board Revenue Allocation	21/12/2023	Applicable		The WHC was taken forward by the Executive Director of Finance
WHC/2024/001 Changes to the way individuals who are at highest risk from Covid 19 access lateral flow tests	10/01/2024	Not applicable		

Name	Date Issued	Applicable/ Not Applicable	Date of Adoption if relevant	Action to demonstrate implementation/response
WHC/2024/002 Standards for Competency Assurance of Non Medical Prescribers	05/03/2024	Not applicable		There were no implications for DHCW
WHC/2024/004 Assurance of Aseptic preparation of medicines in NHS Wales	21/02/2024	Not applicable		
WHC/2024/005 Private Obesity surgery and the Welsh NHS	01/02/2024	Not applicable		
WHC/2024/008 Vaccination against measles	02/02/2024	Not applicable		
WHC/2024/009 COVID-19 Spring Booster vaccination programme	08/02/2024	Applicable		
WHC/2024/010 Sustainability Awards	27/02/2024	Applicable		This was taken forward by SH as lead and cascaded to all relevant teams.
WHC/2024/011 Changes to dietary advice on feeding young children aged 1-5 years.	06/03/2024	Not applicable		Update to the deadline for submission
WHC/2024/012 Nursing Preceptorship & Restorative Clinical Supervision – A National Position Statement	19/03/2024	Not applicable		

DIGITAL HEALTH AND CARE WALES 2023-24 DHCW ANNUAL ACCOUNTS AUDIT REPORT (ISA260)

Agenda Item	5.3
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Name of Meeting	Audit and Assurance Committee
Date of Meeting	9 July 2024

Public or Private	Public
IF PRIVATE: please indicate reason	N/A

Executive Sponsor	Claire Osmundsen-Little, Executive Director of Finance and Business Assurance
Prepared By	Sian Williams Head of Financial Services and Reporting
Presented By	Mike Whiteley, Audit Manager, Audit Wales

Purpose of the Report	For Noting
Recommendation	The Committee is being asked to
NOTE the Final Audit Of Accounts Report (ISA260) Digital Health And Care Wales SHA.	

WC:
APP:
TOTAL:

Tŷ GLAN-YR-AFON 21 Heol Ddwyreiniol Y Bont-Faen, Caerdydd CF11 9AD

Tŷ GLAN-YR-AFON 21 Cowbridge Road East, Cardiff CF11 9AD

1 IMPACT ASSESSMENT

STRATEGIC MISSION	All missions apply
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CORPORATE RISK (ref if appropriate)	
QUALITY IMPACT ASSESSMENT (ref if appropriate)	N/A

<u>WELL-BEING OF FUTURE GENERATIONS ACT</u>	A Healthier Wales
If more than one standard applies, please list below:	

<u>DHCW QUALITY STANDARDS</u>	N/A
If more than one standard applies, please list below:	

<u>DUTY OF QUALITY ENABLER</u>	N/A
<u>DOMAIN OF QUALITY</u>	N/A
If more than one enabler / domain applies, please list below:	

<u>EQUALITY IMPACT ASSESSMENT STATEMENT</u>	Date of submission:
Choose an item.	Outcome:
Statement:	

IMPACT ASSESSMENT	
QUALITY AND SAFETY IMPLICATIONS/IMPACT	No, there are no specific quality and safety implications related to the activity outlined in this report.
LEGAL IMPLICATIONS/IMPACT	No, there are no specific legal implications related to the activity outlined in this report.
FINANCIAL IMPLICATION/IMPACT	No, there are no specific financial implications related to the activity outlined in this report
WORKFORCE IMPLICATION/IMPACT	No, there is no direct impact on resources as a result of the activity outlined in this report.

SOCIO ECONOMIC IMPLICATION/IMPACT	No, there are no specific socio-economic implications related to the activity outlined in this report.
RESEARCH AND INNOVATION IMPLICATION/IMPACT	No, there are no specific research and innovation implications relating to the activity outlined within this report.

2 APPROVAL / SCRUTINY ROUTE

Person / Committee / Group who have received or considered this paper prior to this meeting		
PERSON, COMMITTEE OR GROUP	DATE	OUTCOME
Claire Osmundsen Little	03/07/24	Approved

Acronyms			
DHCW	Digital Health and Care Wales	SHA	Special Health Authority
ISA	International Standard on Auditing		

3 SITUATION / BACKGROUND

- 3.1 The purpose of the report is to present the Audit Wales' Audit of DHCW Accounts Report (ISA 260) attached for the Committee's information and to support consideration of the annual accounts.

4 SPECIFIC MATTERS FOR CONSIDERATION BY THIS MEETING (ASSESSMENT)

- 4.1 The report has been prepared as part of Audit Wales work undertaken in accordance with statutory functions.

Proposed audit opinion

We intend to issue an unqualified audit opinion on this year's accounts once DHCW have provided us with a Letter of Representation based on that set out in (5.1i).

The Letter of Representation contains certain confirmations we are required to obtain from you under auditing standards along with confirmation of other specific information you have provided to us during our audit (which incorporates a note for information relating to agreed immaterial uncorrected items).

Amendments to the draft accounts as a consequence of our review are set out in within the Annual Report, all have been accepted by DHCW.

- 4.2 The full report is included within the ISA260 report attached as Appendix 1 (5.3i).



5 KEY RISKS / MATTERS FOR ESCALATION TO BOARD / COMMITTEE

5.1 The Audit and Assurance Committee is asked to Note the Audit of Accounts Report for Digital Health and Care Wales SHA.

6 RECOMMENDATION

Recommendation	The Committee is being asked to
<p>NOTE the Final Audit Of Accounts Report (ISA260) Digital Health And Care Wales SHA.</p>	

Audit of Accounts Report Digital Health and Care Wales Special Health Authority

Audit year: 2023-24

Date issued: June 2024

Document reference: 4327A2024



This document has been prepared as part of work performed in accordance with statutory functions. Further information can be found in our [Statement of Responsibilities](#).

Audit Wales is the non-statutory collective name for the Auditor General for Wales and the Wales Audit Office, which are separate legal entities each with their own legal functions as described above. Audit Wales is not a legal entity and itself does not have any functions.

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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.

This document is also available in Welsh.

About Audit Wales

Our aims and ambitions

Assure



the people of
Wales that public
money is well
managed

Explain



how public
money is being
used to meet
people's needs

Inspire



and empower
the Welsh
public sector to
improve



Fully exploit
our unique
perspective,
expertise and
depth of insight



Strengthen our
position as an
authoritative,
trusted and
independent
voice



Increase our
visibility,
influence and
relevance



Be a model
organisation for
the public sector
in Wales and
beyond

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Introduction

I have now largely completed my audit in line with my Detailed Audit Plan 2024 dated March 2024.

This Audit of Accounts Report summarises the main findings from my audit of your 2023-24 annual report and accounts. My team have already discussed these issues with the Executive Director of Finance.

I am very grateful to your officers for their support in undertaking this audit.



Adrian Crompton

Auditor General for
Wales

Your audit at a glance



Audit opinions

We are proposing to give an unqualified opinion on the accounts.

We have nothing to report under the other sections of my report, i.e. those relating to going concern; other information; other matters; or matters I report by exception.



Significant issues

There are no misstatements or significant issues to report.



Materiality

Materiality	£1,654,000
Reporting threshold ('trivial')	£82,000
Areas of specific interest:	
• Remuneration report	£5,000
• Related party disclosures relating to individuals	£10,000

Financial statements materiality



Materiality £1.654m

My aim is to identify and correct material misstatements, ie those that might otherwise cause the user of the accounts to be misled.

Materiality is calculated using:

- 2023-24 gross expenditure of £165.473 million
- Materiality percentage of 1%

I apply the materiality percentage to gross expenditure to calculate materiality.

I will report to you any misstatements above £82,000, calculated as 5% of materiality (called the 'trivial level').



Areas of specific interest

There are some areas of the accounts that may be of more importance to the user of the accounts. We set lower materiality levels for these as follows:

- Remuneration report £5,000
- Related party disclosures relating to individuals £10,000

Ethical compliance



Compliance with ethical standards

We believe that:

- we have complied with the ethical standards we are required to follow in carrying out our work;
- we have remained independent of yourselves;
- our objectivity has not been comprised; and
- we have no relationships that could undermine our independence or objectivity in respect of our accounts audit work. However, for full transparency we wanted to draw your attention to the fact that DHCW's recently appointed Programme Lead for Urgent and Emergency Care is the sister-in-law of Dave Thomas, the Audit Wales Engagement Director for DHCW, and that the necessary provisions are in place to safeguard auditor independence in respect of this.

Proposed audit opinion



Audit opinion

We intend to issue an unqualified audit opinion on this year's accounts once you have provided us with a Letter of Representation (see below).

Our proposed audit report is set out in **Appendix 1**.



Letter of representation

A Letter of Representation is a formal letter in which you confirm to us the accuracy and completeness of information provided to us during the audit. Some of this information is specified as being necessary by auditing standards; other information may relate specifically to your audit.

The letter we are requesting you to sign is included in **Appendix 2**.

Issues arising during the audit



Misstatements

A misstatement arises where information in the accounts is not in accordance with accounting standards.

Uncorrected misstatements

There are no non-trivial uncorrected misstatements in the accounts.

Corrected misstatements

During our audit, we identified misstatements that have been corrected by management, but which we consider should be drawn to your attention.

These are set out in **Appendix 3**.



Other significant issues

In the addition to misstatements identified during the audit we also report other significant issues to you.

There were no such issues identified during the audit.

Appendix 1

Proposed audit report

The Certificate and report of the Auditor General for Wales to the Senedd

Opinion on financial statements

I certify that I have audited the financial statements of Digital Health and Care Wales for the year ended 31 March 2024 under Section 61 of the Public Audit (Wales) Act 2004.

These comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Cash Flow Statement and Statement of Changes in Taxpayers' Equity and related notes, including a summary of material accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards as interpreted and adapted by HM Treasury's Financial Reporting Manual.

In my opinion, in all material respects, the financial statements:

- give a true and fair view of the state of affairs of Digital Health and Care Wales as at 31 March 2024 and of its net operating costs for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards as interpreted and adapted by HM Treasury's Financial Reporting Manual; and
- have been properly prepared in accordance with the National Health Service (Wales) Act 2006 and directions made there under by Welsh Ministers.

Opinion on regularity

In my opinion, in all material respects, the expenditure and income in the financial statements have been applied to the purposes intended by the Senedd and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my certificate.

My staff and I are independent of the Board in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities

in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinions.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the body's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for Digital Health and Care Wales is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future.

Other Information

The other information comprises the information included in the annual report other than the financial statements and my auditor's report thereon. The Chief Executive is responsible for the other information contained within the annual report. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon. My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion, the part of the remuneration report to be audited has been properly prepared in accordance with the National Health Service (Wales) Act 2006 and directions made there under by Welsh Ministers.

In my opinion, based on the work undertaken in the course of my audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with the National Health Service (Wales) Act 2006 and directions made there under by Welsh Ministers' directions; and;

- the information given in the Performance and Accountability Reports for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with Welsh Ministers' guidance.

Matters on which I report by exception

In the light of the knowledge and understanding of the Authority and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report, Accountability Report or the Governance Statement.

I have nothing to report in respect of the following matters, which I report to you, if, in my opinion:

- I have not received all the information and explanations I require for my audit;
- adequate accounting records have not been kept, or returns adequate for my audit have not been received from branches not visited by my team;
- the financial statements and the audited part of the Accountability Report are not in agreement with the accounting records and returns;
- information specified by HM Treasury or Welsh Ministers regarding remuneration and other transactions is not disclosed;
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual are not made or parts of the Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of Directors and the Chief Executive for the financial statements

As explained more fully in the Statements of Directors' and Chief Executive's Responsibilities, the Directors and the Chief Executive are responsible for:

- maintaining adequate accounting records
- the preparation of financial statements and annual report in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- ensuring that the annual report and financial statements as a whole are fair, balanced and understandable;
- ensuring the regularity of financial transactions;
- internal controls as the Directors and Chief Executive determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and
- assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors and Chief Executive anticipate that the services provided by the Authority will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the National Health Service (Wales) Act 2006.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

My procedures included the following:

- Enquiring of management, the audited entity's Head of Internal Audit and those charged with governance, including obtaining and reviewing supporting documentation relating to Digital Health and Care Wales' policies and procedures concerned with:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- Considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following areas: expenditure recognition and management override of controls;
- Obtaining an understanding of Digital Health and Care Wales' framework of authority as well as other legal and regulatory frameworks that Digital Health and Care Wales operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of Digital Health and Care Wales; and
- Obtaining an understanding of related party relationships.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, the Audit and Assurance Committee and legal advisors about actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance and the Board; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential

bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all audit team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of Digital Health and Care Wales' controls, and the nature, timing and extent of the audit procedures performed.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Other auditor's responsibilities

I am also required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Senedd and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report

I have no observations to make on these financial statements.

Adrian Crompton
Auditor General for Wales
12 July 2024

1 Capital Quarter
Tyndall Street
Cardiff

Appendix 2

Letter of representation

Auditor General for Wales

Audit Wales

1 Capital Quarter

Tyndall Street

Cardiff

CF10 4BZ

9 July 2024

Representations regarding the 2023-24 financial statements

This letter is provided in connection with your audit of the financial statements (including that part of the Remuneration Report that is subject to audit) of Digital Health and Care Wales for the year ended 31 March 2024 for the purpose of expressing an opinion on their truth and fairness, their proper preparation and the regularity of income and expenditure.

We confirm that to the best of our knowledge and belief, having made enquiries as we consider sufficient, we can make the following representations to you.

Management representations

Responsibilities

As Chief Executive and Accountable Officer I have fulfilled my responsibility for:

- preparing the financial statements in accordance with legislative requirements and the Treasury's Financial Reporting Manual. In preparing the financial statements, I am required to:
 - observe the accounts directions issued by Welsh Ministers, including the relevant accounting and disclosure requirements and apply appropriate accounting policies on a consistent basis;
 - make judgements and estimates on a reasonable basis;
 - state whether applicable accounting standards have been followed and disclosed and explain any material departures from them; and
 - prepare them on a going concern basis on the presumption that the services of Digital Health and Care Wales will continue in operation;
- ensuring the regularity of any expenditure and other transactions incurred; and

- the design, implementation and maintenance of internal control to prevent and detect error.

Information provided

We have provided you with:

- full access to:
 - all information of which we are aware that is relevant to the preparation of the financial statements such as books of account and supporting documentation, minutes of meetings and other matters;
 - additional information that you have requested from us for the purpose of the audit; and
 - unrestricted access to staff from whom you determined it necessary to obtain audit evidence.
- the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- our knowledge of fraud or suspected fraud that we are aware of and that affects Digital health and Care Wales and involves:
 - management;
 - employees who have significant roles in internal control; or
 - others where the fraud could have a material effect on the financial statements.
- our knowledge of any allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, regulators or others.
- our knowledge of all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.
- the identity of all related parties and all the related party relationships and transactions of which we are aware.
- our knowledge of all possible and actual instances of irregular transactions.

Financial statement representations

All transactions, assets and liabilities have been recorded in the accounting records and are reflected in the financial statements.

The methods, the data and the significant assumptions used in making accounting estimates, and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.

Related party relationships and transactions have been appropriately accounted for and disclosed.

All events occurring subsequent to the reporting date which require adjustment or disclosure have been adjusted for or disclosed.

All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to the auditor and accounted for and disclosed in accordance with the applicable financial reporting framework.

The financial statements are free of material misstatements, including omissions. There are no non-trivial misstatements within the accounts which remain uncorrected.

Representations by the Board

We acknowledge that the representations made by management, above, have been discussed with us.

We acknowledge our responsibility for the preparation of true and fair financial statements in accordance with the applicable financial reporting framework. The financial statements were approved by the Board on 9 July 2024.

We confirm that we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that it has been communicated to you. We confirm that, as far as we are aware, there is no relevant audit information of which you are unaware.

Signed by: Helen Thomas

Chief Executive

Date: 9 July 2024

Signed by: Simon Jones

Chair

Date: 9 July 2024

Appendix 4

Summary of corrections made

During our audit, we identified the following misstatements that have been corrected by management, but which we consider should be drawn to your attention.

Value of correction	Nature of correction	Reason for Correction
<p>£5,605,000</p> <p>(£nil impact on overall financial position)</p>	<p>Note 3.3 - Other Operating Expenditure</p> <ul style="list-style-type: none"> Computer software licences and maintenance contracts (DHCW only): increased by £5,605,000. Premises: decreased by £5,605,000. <p>Removal of reclaimed VAT from expenditure had been mismatched to the corresponding costs, resulting in computer software licences and maintenance contracts being understated and premises being overstated within note 3.3.</p>	<p>To ensure correct classification expenditure disclosed within Note 3.3.</p>
<p>£4,207,000</p> <p>(£nil impact on overall financial position)</p>	<p>Note 3.3 - Other Operating Expenditure</p> <ul style="list-style-type: none"> Computer software licences and maintenance contracts (DHCW only): increased by £204,000. Premises: increased by £4,003,000. Operational Staff: decreased by £4,207,000. <p>Upon review, the SHA identified that expenditure previously classified as premises costs should have been classified as computer software and maintenance contracts.</p>	<p>To ensure correct classification expenditure disclosed within Note 3.3.</p>
<p>£4,293,000</p> <p>(£nil impact on overall financial position)</p>	<p>Note 3.3 - Other Operating Expenditure</p> <ul style="list-style-type: none"> Computer software licences and maintenance contracts: increased by £4,293,000. Premises costs: decreased by £4,293,000. <p>The miscellaneous recharge from operating expenditure to general medical services was taken from the incorrect</p>	<p>To ensure correct classification expenditure disclosed within Note 3.3.</p>

	classification of expenditure, based on the nature of costs incurred.	
£97,000 (£nil impact on overall financial position)	<p>Note 3.3 - Other Operating Expenditure</p> <ul style="list-style-type: none"> Supplies & Services decreased by £4,000. Establishment decreased by £85,000. Transport decreased by £7,000. Premises decreased by £2,000. Expense related to short-term leases: increased by £97,000. 	To correctly classify the expenses relating to short term leases within Note 3.3
£420,000 (£nil impact on overall financial position)	<p>Note 20 - Provisions</p> <ul style="list-style-type: none"> Other - Arising during the period: increased by £420,000. Other - Reversed Unused: decreased by £420,000. 	To reflect amounts provided for within prior years that have been reversed from the provision.
Various (disclosure only)	<p>Remuneration Report – Pension Benefit table: accrued pension at benefit age</p> <ul style="list-style-type: none"> Chris Darling: Lump sum amended from 40-45 to 70-75 Rhidian Hurle: Lump sum amended from 115-120 to 180-185 Sam Lloyd: Accrued pension amended from 5-10 to 10-15 	To correctly reflect the pension benefits of senior officers.
Various (disclosure only)	<p>Remuneration report – pension benefits disclosures amended for Ifan Evans</p> <p><u>Executive & Senior Management Table (2023-24):</u></p> <ul style="list-style-type: none"> Pension Benefits amended to £7,000 <p><u>Pension Benefits Table (2023-24):</u></p> <ul style="list-style-type: none"> Accrued Pension at 31/3/24 amended to 35-40. Real increase in Pension & related lump sum at pension age amended to £0 - £2,500. CETV at 31/3/24 amended to £661,000. Real Increase in CETV amended to £0. 	To include pension benefit details which were unavailable when draft accounts submitted

<p>Various (disclosure only)</p>	<p>Note 30 - Related Party Transactions</p> <ul style="list-style-type: none"> • Expenditure to Local Authorities: amended from £996,000 to £1,237,000. • Income from Local Health Boards: amended from £45,703,000 to £45,436,000 • Income from Special Health Authorities: amended from £800,000 to £1,044,000 • Amounts due from Local Authorities: amended from £61,000 to £153,000. • Income from Bangor University: amended from £0 to £5,000. • Amounts owed to Bangor University: amended from £0 to £5,000. • Amounts owed to Cardiff University: amended from £0 to £5,000. 	<p>To correctly reflect transactions & balances with Related Parties.</p>
<p>£91,000 (£14,000 reduction in expenditure)</p>	<p>Statement of Comprehensive Net Expenditure, Statement of Financial position and associated notes</p> <ul style="list-style-type: none"> • Statement of Comprehensive Net Expenditure: General Medical Services: reduced by £14,000 • Note 3.1 – Systems & Services Contracts: reduced by £14,000. • Statement of Financial position: Current Assets – trade and other receivables: reduced by £77,000 • Note 15 – Current - Other Prepayments: reduced by £77,000 • Statement of Financial position: Current Assets – trade and other payables: increased by £91,000 • Note 18 – Current - Non-NHS Payables: increased by £91,000 <p>This amendment also has an impact on the Statement of Cashflows</p>	<p>To correctly reflect the value and classification of an accrued purchase credit note.</p>
<p>Various: other presentational changes to supporting notes</p>	<p>A number of other narrative, presentational and minor amendments were made to supporting disclosure notes.</p>	<p>To ensure that all disclosures are accurately presented.</p>

Audit Quality

Our commitment to audit quality in Audit Wales is absolute. We believe that audit quality is about getting things right first time.

We use a three lines of assurance model to demonstrate how we achieve this. We have established an Audit Quality Committee to co-ordinate and oversee those arrangements. We subject our work to independent scrutiny by QAD*, and our Chair acts as a link to our Board on audit quality. For more information see our [Audit Quality Report 2023](#).

Our People



The first line of assurance is formed by our staff and management who are individually and collectively responsible for achieving the standards of audit quality to which we aspire.

- Selection of right team
- Use of specialists
- Supervisions and review

Arrangements for achieving audit quality



The second line of assurance is formed by the policies, tools, learning & development, guidance, and leadership we provide to our staff to support them in achieving those standards of audit quality.

- Audit platform
- Ethics
- Guidance
- Culture
- Learning and development
- Leadership
- Technical support

Independent assurance



The third line of assurance is formed by those activities that provide independent assurance over the effectiveness of the first two lines of assurance.






- EQCRs
- Themed reviews
- Cold reviews
- Root cause analysis
- Peer review
- Audit Quality Committee
- External monitoring

* QAD is the quality monitoring arm of ICAEW.

Supporting you

Audit Wales has developed a range of resources to support the scrutiny of Welsh public bodies and to support those bodies in continuing to improve the services they provide to the people of Wales.

Visit our website to find:

	our Good Practice work where we share emerging practice and insights from our audit work in support of our objectives to assure, to explain and to inspire.
	our newsletter which provides you with regular updates on our public service audit work, good practice, and events.
	our publications which cover our audit work completed at public bodies.
	information on our forward performance audit work programme 2023-2026 which is shaped by stakeholder engagement activity and our picture of public services analysis.
	various data tools and infographics to help you better understand public spending trends including a range of other insights into the scrutiny of public service delivery.

You can find out more about Audit Wales in our [Annual Plan 2024-25](#) and [Our Strategy 2022-27](#).



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We welcome correspondence and telephone calls in Welsh and English.
Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.



DIGITAL HEALTH AND CARE WALES QUALITY ASSURANCE & REGULATORY COMPLIANCE REPORT

Agenda Item	6.2
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Name of Meeting	Audit and Assurance Committee
Date of Meeting	9 July 2024

Public or Private	Public
IF PRIVATE: please indicate reason	N/A

Executive Sponsor	Claire Osmundsen-Little, Executive Director of Finance
Prepared By	Paul Evans, Head of Quality Assurance and Regulatory Compliance
Presented By	Paul Evans, Head of Quality Assurance and Regulatory Compliance

Purpose of the Report	For Noting
Recommendation	The Committee is being asked to
NOTE the report.	

WC:
APP:
TOTAL:

1 IMPACT ASSESSMENT

STRATEGIC MISSION	Be the trusted strategic partner and a high quality, inclusive and ambitious organisation
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CORPORATE RISK (ref if appropriate)	N/A
QUALITY IMPACT ASSESSMENT (ref if appropriate)	N/A

WELL-BEING OF FUTURE GENERATIONS ACT	A Globally Responsible Wales
If more than one standard applies, please list below:	

DHCW QUALITY STANDARDS	ISO 9001
If more than one standard applies, please list below:	

DUTY OF QUALITY ENABLER	Whole Systems Approach
DOMAIN OF QUALITY	Effective
If more than one enabler / domain applies, please list below: All Quality Standards apply	

EQUALITY IMPACT ASSESSMENT STATEMENT	Date of submission: N/A
No, (detail included below as to reasoning)	Outcome: N/A
Statement: N/A	

IMPACT ASSESSMENT	
QUALITY AND SAFETY IMPLICATIONS/IMPACT	Yes, please see detail below Duty of Quality implications throughout this report
LEGAL IMPLICATIONS/IMPACT	No, there are no specific legal implications related to the activity outlined in this report.
FINANCIAL IMPLICATION/IMPACT	No, there are no specific financial implications related to the activity outlined in this report
WORKFORCE	No, there is no direct impact on resources as a result of

IMPLICATION/IMPACT	the activity outlined in this report.
SOCIO ECONOMIC IMPLICATION/IMPACT	No, there are no specific socio-economic implications related to the activity outlined in this report.
RESEARCH AND INNOVATION IMPLICATION/IMPACT	No, there are no specific research and innovation implications relating to the activity outlined within this report.

2 APPROVAL / SCRUTINY ROUTE

Person / Committee / Group who have received or considered this paper prior to this meeting		
PERSON, COMMITTEE OR GROUP	DATE	OUTCOME
Claire Osmundsen-Little	17/06/2024	Approved

Acronyms			
DHCW	Digital Health and Care Wales	SHA	Special Health Authority
ISO	International Standards Organisation	QIAL	Quality Improvement Action List
eQMS	Electronic Quality Management System	MHRA	Medicines and Healthcare Products Regulatory Agency
OFl	Opportunity for improvement	IOPR	Integrated Organisational Performance Report
SaMD	Software as a Medical Device	SLT	Senior Leadership Team
DMS	Document Management Strategy	IMS	Integrated Management System

3 SITUATION / BACKGROUND

3.1 External Audits

There was one external audit conducted within the period:

- ISO 27001:2013 Information Security Management System surveillance audit

The audit was successful with one minor non-compliance found over the course of the audit. With two observations or opportunities for improvement (OFI). Overall, an excellent result. In line with procedure the standard leads and deputies continue to log audits and findings on iPassport managed within quality management modules within the system.

3.2 Milestones

The Quality Assurance and Regulatory Compliance team have successfully completed all their milestones for the quarter.

3.3 Risk-Based Audit Programme

The risk-based internal audit program is currently achieving 100% completion against its targeted goal of conducting two audits per month. Looking forward highlighted areas of risk for audit have been identified, commitment from auditees within departments, however, remains challenging.

3.4 Quality Portal

Ongoing development with the Quality Portal continues. The portal is being given a full refresh and shall include Quality improvement tools and resources,

3.5 Document Management Strategy (DMS) & iPassport

Following approval of the DMS, key, identified documentation has been migrated onto iPassport. The Quality Assurance and Regulatory Compliance Team conducted phase one of this exercise for the organisation during May. All known, visible documentation, outlined to be managed on iPassport within the DMS has been migrated from the IMS onto iPassport, updated to the latest templates and corporate branding.

4 SPECIFIC MATTERS FOR CONSIDERATION BY THIS MEETING (ASSESSMENT)

4.1 External Audits

There is one additional planned ISO 20000-1:2018 Information Technology Service Management surveillance audit which has been added to Q1 – The audit shall be conducted mid-June '24.

4.2 Legislation Register

Controlled updates to the Legislation Register via iPassport continue to work very well, ensuring required changes are reviewed by the Quality team, before changes are made to the live register. Reviews continue monthly at key meetings, and we remain compliant with the requirements of various standards which require us to manage a Legislative Register.

4.3 Document Management Strategy (DMS) & iPassport

With successful completion of phase one, planning for phase two of the migration is underway. Identifying documentation types captured in the DMS, not openly visible to the wider organisation to migrate onto the iPassport. Phase two, being a much larger project, shall roll throughout the financial year.

4.4 Quality Improvements

All current open Quality Improvements are 77% within target date, with a total of 91 open findings currently logged on iPassport. The recent corporate branding audits has caused an increase in overall number of findings towards the end of the quarter. The Quality team continue the working with finding owners to drive down the numbers and improve turnaround times.

The document position on the IMS is currently at 89% within review date (*not including policies*). We've seen a slow but steady increase in compliance. Our highlighting document position campaign within the various directories reported at the IMS, Quality group and Senior Leadership Team meetings by Quality Business Partners, including being actively chased by members of the Quality team have all contributed to the improvement.

4.5 Quality Assurance & Regulatory Compliance IMTP milestones for Quarter one have been achieved. Work continues on quarter two milestones.

- 4.6 The 1st phase 'Discovery & adherence to current UK MDR 2002' has been completed. This has permitted the QA&RC team to manage new service requests that have been assessed as a Class I SaMD to be developed and taken to market. Work on the new UK Medical Device Regulation compliance continues. Detailed plan has been created and implemented alongside task management to maintain momentum. The objective of this work is to minimise impact on new/current processes when the new UK MDR becomes mandatory. QA & RC team are maintaining communication with MHRA and other relevant stakeholders to act upon guidance when it becomes available. The new UK legislation will come into force in 2025. Work continues to assess new services and changes to existing services via DHCW's new service request and WIAG processes. Any services identified as a Medical Device will follow UK 2002 legislation until the new UK Medical Device regulations come into force. Internal audit and gap analysis against ISO 13485 is expected to be completed during quarter 2. All remedial work will be targeted for completion prior to quarter 4 to allow us to seek certification to this standard.
- 4.7 The Health and Social Care (Quality and Engagement) (Wales) Act 2020 came into force on 1st April 2023. This brings into force an updated Duty of Quality. Annual Quality Report is being reviewed prior to it being shared with the SHA Board in July. One Duty of Quality workshop took place in this quarter and seven are planned between April -September 2024. Each workshop will produce a quality action plan which will identify areas for improvement to ensure that DHCW is compliant with the duty. DHCW Executives have agreed to mandate the NHS Executive developed Duty of Quality e-learning programme for all staff. The e-learning programme focuses on 4 areas, Health and Care Quality Standards, Quality-driven decision making, Quality Management Systems and Quality reporting.
- 4.8 The first [Annual Duty of Quality report is included as item 6.2i](#) for the committee to approve.
- 4.9 Work is continues to develop a Product based Quality framework in line with Juran's quality quadrilogy. This will also align with Duty of Quality expectations and requirements.

5 KEY RISKS / MATTERS FOR ESCALATION TO BOARD / COMMITTEE

In summary:

- 5.1 In the last period DHCW had successful audit for ISO 27001 with the pull forward of ISO 20000, which shall have been undertaken by submission of this report.
- 5.2 The Quality and Regulatory Group will target a standard and directorate view of quality compliance; focus will be on integrating the quality and regulatory plans as part of the directorate Annual Plans. Further development of metrics will continue in line with organisational performance reporting. This workstream will also contribute to the reporting requirements of the Duty of Quality.
- 5.3 The importance of good document management practices and the enhancement of quality management systems is being emphasised as part of the ongoing document management strategy and the integration of departments into iPassport.
- 5.4 Continued improvements with compliance and commitment to the internal and external audit programme with a view to becoming more aware of impact of regulatory requirements in the organisation.
- 5.5 The key activities for the team as we move into quarter one are:
 - Duty of Quality compliance, including running workshops on the duty across all Directorate SLT's and development and publication of the first Annual Quality report.
 - Roll out of quality improvement training and toolkit to support teams within the organisation in meeting the Quality improvement requirements of the Duty of Quality.
 - Finalise and rollout Quality Impact Assessment toolkit.
 - Focus on training for all staff (role dependent) in iPassport.
 - Finalise the Product based Quality framework.
 - Implementing phase 2 of the document management strategy.
 - Implementation of the WIAG Power App.
 - Critical evaluation of the Risk based Internal Audit programme to inform improvements.

6 RECOMMENDATION

Recommendation	The Committee is being asked to
NOTE the report.	



DIGITAL HEALTH AND CARE WALES ANNUAL QUALITY REPORT

Agenda Item	6.2i
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Name of Meeting	Audit and Assurance Committee
Date of Meeting	9 July 2024

Public or Private	Public
IF PRIVATE: please indicate reason	N/A

Executive Sponsor	Claire Osmundsen-Little, Executive Director of Finance
Prepared By	Laura Beddoe (DHCW - QA and Regulatory Compliance)
Presented By	Claire Osmundsen-Little, Executive Director of Finance

Purpose of the Report	For Approval
Recommendation	The Committee is being asked to
APPROVE the Report.	

WC:
APP:
TOTAL:

1 IMPACT ASSESSMENT

STRATEGIC MISSION	All missions apply
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CORPORATE RISK (ref if appropriate)	
QUALITY IMPACT ASSESSMENT (ref if appropriate)	

<u>WELL-BEING OF FUTURE GENERATIONS ACT</u>	A Healthier Wales
If more than one standard applies, please list below:	

<u>DHCW QUALITY STANDARDS</u>	ISO 9001
If more than one standard applies, please list below:	

<u>DUTY OF QUALITY ENABLER</u>	Whole Systems Approach
<u>DOMAIN OF QUALITY</u>	Safe
If more than one enabler / domain applies, please list below:	

<u>EQUALITY IMPACT ASSESSMENT STATEMENT</u>	Date of submission: N/A
No, (detail included below as to reasoning)	Outcome: N/A
Statement: N/A	

IMPACT ASSESSMENT	
QUALITY AND SAFETY IMPLICATIONS/IMPACT	Yes, please see detail below Compliance to the Duty of Quality is a legislative requirement.
LEGAL IMPLICATIONS/IMPACT	Yes, please see detail below It is a legislative requirement to comply with the Health and Care (Quality and Engagement) (Wales) Act 2020
FINANCIAL IMPLICATION/IMPACT	No, there are no specific financial implications related to the activity outlined in this report
WORKFORCE IMPLICATION/IMPACT	No, there is no direct impact on resources as a result of the activity outlined in this report.

SOCIO ECONOMIC IMPLICATION/IMPACT	No, there are no specific socio-economic implications related to the activity outlined in this report.
RESEARCH AND INNOVATION IMPLICATION/IMPACT	No, there are no specific research and innovation implications relating to the activity outlined within this report.

2 APPROVAL / SCRUTINY ROUTE

Person / Committee / Group who have received or considered this paper prior to this meeting		
PERSON, COMMITTEE OR GROUP	DATE	OUTCOME
Paul Evans, Head of Quality Assurance and Regulatory Compliance	20/05/2024	Reviewed
Claire Osmundsen-Little, Executive Director Finance and Business Assurance	07/06/2024	Reviewed
Quality and Regulatory Group	03/06/2024	Reviewed
Incident Review and Learning Group	03/06/2024	Reviewed
Management Board	13/06/2024	Approved

Acronyms			
DHCW	Digital Health and Care Wales	SHA	Special Health Authority

3 SITUATION / BACKGROUND

3.1 The [Annual Quality Report](#) is a requirement of the Duty of Quality which is part of the Health and Care (Quality and Engagement) (Wales) Act 2020. The purpose of the report is to demonstrate how Digital Health and Care Wales (DHCW) has complied with the Duty of Quality, whose aim is to improve the quality of health services for the population of Wales.

The Report has been drafted following the Duty of Quality Statutory Guidance document which identified key areas to include:

- Statement from Chief Executive Officer and the Board
- Steps taken to comply with the Duty of Quality
- Key strategic decision taken by DHCW and how the Duty of Quality has informed them
- Achievements
- Assessments of the extent of any improvements
- Progress to improve the quality of health services
- Look forward to quality priorities and ambitions

3.2 Advice from the Duty of Quality Reference Group was not to repeat all the information shared in the Always On Reports, but to link them to the Annual Quality Report.

3.3 The Annual Quality Report will be published on the Duty of Quality external webpage following Management Board, Audit and Assurance Committee and SHA Board approval.

4 SPECIFIC MATTERS FOR CONSIDERATION BY THIS MEETING (ASSESSMENT)

- 4.1 This is the first Annual Quality Report for the Duty of Quality and is explaining how DHCW has complied with the new legislation.
- There are two sections where information in this first year is limited:
- Section 8 Assessment of extent of any improvements
 - Section 9 Progress to improve the quality of health services
- 4.2 2023-24 has been spent engaging with DHCW on the Duty of Quality requirements and publishing the Always On Reports. In 2024-25, we have introduced a programme of Duty of Quality workshops across directorates to further engage with staff and align the Duty with what is happening in each directorate.
- 4.3 One aim of the workshops is map processes against the Duty and identify areas for improvement which will be reported on through the Always On Reports.
- 4.4 Through the workshops, we will increase knowledge of the Duty of Quality, and gain information to assess the progress of improvements which will be included in the 2024-25 Annual Quality Report.

5 KEY RISKS / MATTERS FOR ESCALATION TO BOARD / COMMITTEE

- 5.1 The Annual Quality Report is scheduled for final approval at the SHA Board in July in readiness for it to be externally published.

6 RECOMMENDATION

Recommendation	The Committee is being asked to
APPROVE the Report.	



DIGITAL HEALTH AND CARE WALES ESTATES, DECARBONISATION AND COMPLIANCE UPDATE

Agenda Item	6.3
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Name of Meeting	Audit and Assurance Committee
Date of Meeting	9 July 2024

Public or Private	Public
IF PRIVATE: please indicate reason	N/A

Executive Sponsor	Chris Darling, Board Secretary
Prepared By	Julie Ash, Head of Corporate Services
Presented By	Julie Ash, Head of Corporate Services

Purpose of the Report	For Assurance
Recommendation	The Committee is being asked to
NOTE the report.	

WC:
APP:
TOTAL:

1 IMPACT ASSESSMENT

STRATEGIC MISSION	All missions apply
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CORPORATE RISK (ref if appropriate)	
QUALITY IMPACT ASSESSMENT (ref if appropriate)	

<u>WELL-BEING OF FUTURE GENERATIONS ACT</u>	A Globally Responsible Wales
If more than one standard applies, please list below:	

<u>DHCW QUALITY STANDARDS</u>	ISO 14001
If more than one standard applies, please list below:	

<u>DUTY OF QUALITY ENABLER</u>	Whole Systems Approach
<u>DOMAIN OF QUALITY</u>	Efficient
If more than one enabler / domain applies, please list below:	

<u>EQUALITY IMPACT ASSESSMENT STATEMENT</u>	Date of submission: January 2024
Yes, applicable	Outcome: Positive
Statement: The equalities assessment to date has not found that there is a risk that a disproportionately negative impact could exist to one or more groups of people who share a protected characteristic under the Equality Act 2010. However, any office closure would have an impact (positive or negative) for staff who would need to change base (noting the hybrid working protocols in place). A full assessment will provide additional analysis of staff data, to ensure that any risk identified can be removed or reduced through the implementation of the actions to be agreed through consultation.	

IMPACT ASSESSMENT	
QUALITY AND SAFETY IMPLICATIONS/IMPACT	Yes, please see detail below Measures are in place (i.e. compliance testing) to ensure that the DHCW Estate is a safe environment
LEGAL IMPLICATIONS/IMPACT	Yes, please see detail below Compliance with legislation and lease arrangements
FINANCIAL IMPLICATION/IMPACT	Yes, please see detail below Proposals will be costed and ongoing savings identified
WORKFORCE	Yes, please see detail below

IMPLICATION/IMPACT	Any change to base as a result of changes will be subject to consultation by way of Local Partnership Forum updates and team discussions
SOCIO ECONOMIC IMPLICATION/IMPACT	Yes, please detail below
	Social impacts on health are embedded in the broader environment and shaped by complex relationships between economic systems and social structures.
RESEARCH AND INNOVATION IMPLICATION/IMPACT	No, there are no specific research and innovation implications relating to the activity outlined within this report.

2 APPROVAL / SCRUTINY ROUTE

Person / Committee / Group who have received or considered this paper prior to this meeting		
PERSON, COMMITTEE OR GROUP	DATE	OUTCOME
Chris Darling	18 June 2024	Approved
Audit and Assurance Committee	9 July 2024	

Acronyms			
DHCW	Digital Health and Care Wales	SHA	Special Health Authority
TGYA	Ty Glan-yr-Afon	HTW	Health Technology Wales
WNHSC	Welsh NHS Confederation		

3 SITUATION / BACKGROUND

- 3.1 Digital Health and Care Wales (DHCW) have 5 offices across Wales following a review of the estate in 2022 in terms of location, required area and suitability. There are a number of reasons why this review took place and these included the following:
- Decarbonisation challenges and the need to minimise the DHCW carbon footprint
 - Implementation of Hybrid Working
 - DHCW needs to rationalise its Estate to ensure that it optimises the workspaces
 - DHCW has a duty to make the best use of its financial resources and therefore needs to ensure that it demonstrates value for money
 - Lease expiry
- 3.2 The following actions were agreed:
- Modernise offices to provide an environment suited to a modern digital collaborative working space.
 - Undertake Estates Rationalisation where possible.
 - Work with Partner Organisations and NHS Wales Shared Services Partnership (NWSSP) to identify suitable opportunities for shared local space.
 - Ensure staff are kept apprised of any developments relating to the DHCW Estate.
- 3.3 This paper provides an update on the agreed actions and describes the approach to be taken towards implementing our Estates Plan/Strategy over the next year.
- 3.4 An Estates Development Group, which is chaired by the Board Secretary, has been established. This Group, which meets monthly and contains representation from all Directorates of DHCW, enables staff input into future plans.
- 3.5 DHCW have undertaken two site visits to newly refurbished modern offices which have provided new and innovative ideas and will be using learning from these visits to inform our office design through our estates planning.
- 3.5 Welsh Government have issued reporting templates for the qualitative and quantitative decarbonisation measures in the NHS Performance Framework. The reporting period for the current update is 1 April 2023 to 31 March 2024. We have submitted our Annual Qualitative Return for 2023-24 (a narrative update) and are gathering data in partnership with NHS Wales Shared Services Partnership to produce our Annual Quantitative Return for 2023-24 (our emissions return).
- 3.7 DHCW produce monthly reports on Estates Compliance. The latest available report for [May 2024 is attached for the Committee's information as 6.3i.](#)

4 SPECIFIC MATTERS FOR CONSIDERATION BY THIS MEETING (ASSESSMENT)

4.1 Estates Development Opportunities

The following work is progressing:

- Staff have relocated from the Ground Floor of Ty Glan-yr-Afon to Floors 2, 4, 5 and 6 to enable design of a Collaboration Space.
- Work on a concept design for the Ground Floor of Ty Glan-yr-Afon (TGYA) to provide a Conferencing Facility, a User Centered Design space and a Digital Inclusion Lounge. This new space will need to be supported by robust procedures for managing the space which set out clear responsibilities. The initial design is due to be finalised in June 2024 to enable progression to the next step which is a costed detailed specification prior to procurement and contract award.
- Modernisation of space across the Estate by re-purposing existing furniture and equipment.

4.2 Estates Rationalisation

Welsh Government, following on from discussions at Capital Review Meetings, wrote to all NHS organisations regarding estates rationalisation of non-clinical space. Given the current financial climate we are all operating within, reviewing the utilisation of estates is now more essential than ever. They were keen that organisations look at estate rationalisation opportunities which can be derived from:-

- Disposing of surplus freehold property
- Terminating leases or renewing leases on a reduced footprint
- Sharing accommodation with other NHS bodies and the wider public sector
- Letting surplus accommodation to the private sector

We met with Welsh Government in late 2023, the meeting was very positive with the following actions already undertaken by DHCW noted:

- Surrender (at break point) of two leases in Castlebridge 5
- Surrender (at lease end) of three leases for two and half floors in Mamhilad House

There is further opportunity for rationalisation in Technium 2, Swansea where the Landlords have indicated that they are happy to discuss a reduction of our footprint. It is anticipated that this will be undertaken by a Deed of Variation once confirmed.

We also intend to surrender our space on the Ground Floor of Castlebridge 2 in March 2025 when the lease ends and alternative space for the small amount of staff who currently work from there has been identified in TGYA.

4.3 Leases

We have now completed a new 5-year lease in Bocam Park from 1 March 2024. This includes a break clause at 3 years.

We have received a proposal for a new lease at Ty Glan-yr-Afon from 1 April 2025 for 10 years (with a break option at Year 6). We were able to request works in lieu of a rent free period and this option has been exercised and agreement reached to improve accessibility to the front of the building in the form of a ramp. Planning permission is currently being sought. Due to the value of this lease renewal, we required Ministerial Approval which was sought and approval confirmed on 21 June 2024.

We have reached agreement with the Welsh NHS Confederation (WNHSC) to provide them with access to 10 desks on a part time basis at Ty Glan-yr-Afon under licence. The licence is currently being reviewed by the WNHSC for occupancy from Summer 2024. We have received an enquiry from Health Technology Wales (HTW) about the potential for access to 10 desks in TGYA.

We currently have agreements to share some space in Mold with the Joint Commissioning Committee who have enquired about further desks and the NHS Executive.

4.4 Decarbonisation

Digital Health and Care Wales (DHCW) refreshed their Decarbonisation Action Plan (DAP) in March 2024 which includes actions to be undertaken every year up to 2030. We have established targets in line with those of NHS Wales (that in turn are aligned to the collective public sector ambition of being net zero by 2030), targets are featured within our Delivery Action Plan which is attached.

Hybrid working practices have allowed our workforce (approximately 87%) to work remotely from home, which has contributed to a reduction in our building and commuting emissions.

Decarbonisation is reflected in our major plans and strategies, including our Annual Plan, Integrated Medium Term Plan and Estates Plan and it is also being included in the National Benefits Framework that is being developed by our Finance Department.

We will continue to engage with NHS Wales Shared Services Partnership with the aim of improving the calculation mechanisms for procurement emissions, we have seen some recent improvements which have allowed us to more accurately calculate our supply chain emissions which has resulted in a reduction.

We have recently received a positive audit report from NHS Wales Shared Services Partnership Internal Audit.

4.5 Environmental and Compliance Update

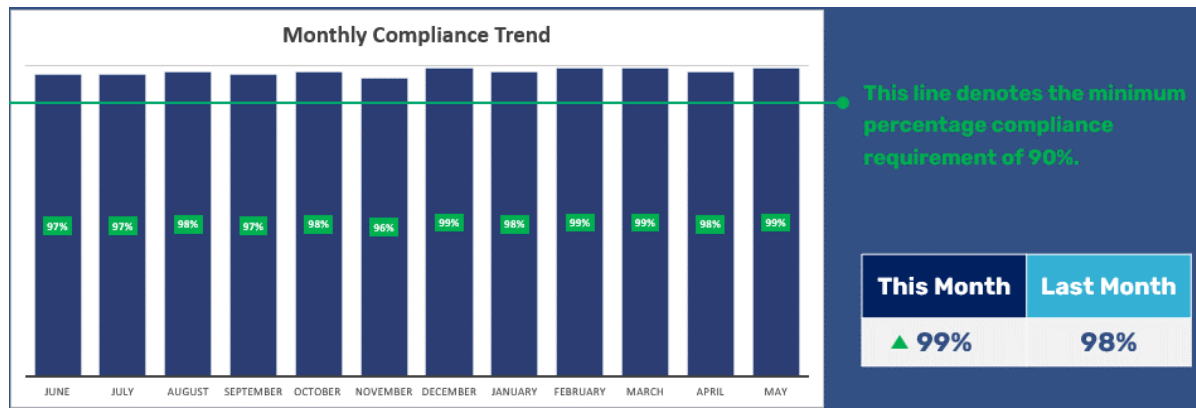
DHCW (via its predecessor organisation, the NHS Wales Informatics Service) has held ISO 14001 Environmental Management System certification since 2014.

ISO 14001 is an internationally agreed standard that sets out the requirements for an environmental management system.

ISO 14001 EMS Assurance Rating
Substantial Assurance / Good Control

All ten ISO 14001 KPI's (objectives and targets) for 2023-24 were achieved.

Overall Compliance of plant systems and equipment is 99%, well above our target of 90%.



Internal planned preventative maintenance remains at 100%, which is an excellent position reflecting the continued focus in this area.

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5 KEY RISKS / MATTERS FOR ESCALATION TO BOARD / COMMITTEE

- 5.1 The focus is currently on the re-design of the Ground Floor of Ty Glan-yr-Afon to provide a collaborative space providing facilities for Conferencing, User Centered Design and Digital Inclusion.
- 5.2 There is further opportunity for estates rationalisation in Technium 2, Swansea where the Landlords has confirmed that they are happy to discuss a reduced footprint. Discussions are currently ongoing with our intention to reduce our space by two Units (7 and 8) which is approximately a 40% reduction via a Deed of Variation.
- 5.3 A new five year lease for Bocam Park is now agreed and in place.
- 5.4 A proposal for a new lease for Ty Glan-yr-Afon has been received for 10 years (which has a break option at Year 5). Heads of Terms and an Agreement to Lease are currently being worked through.
- 5.5 Our Decarbonisation Returns continue to be submitted on time and positive feedback has been received from Internal Audit.
- 5.6 Estates Compliance continues to be managed very effectively.

6 RECOMMENDATION

Recommendation	The Committee is being asked to
NOTE the report.	



DIGITAL HEALTH AND CARE WALES CORPORATE RISK REGISTER

Agenda Item	6.4
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Name of Meeting	Audit and Assurance Committee
Date of Meeting	9 July 2024

Public or Private	Public
IF PRIVATE: please indicate reason	N/A

Executive Sponsor	Chris Darling, Board Secretary
Prepared By	Bethan Walters, Corporate Risk Manager
Presented By	Chris Darling, Board Secretary

Purpose of the Report	To Receive/Discuss
Recommendation	The Committee is being asked to
DISCUSS The Corporate Risks assigned to the Audit and Assurance Committee NOTE the status of the Corporate Risk Register.	

WC:
APP:
TOTAL:

1 IMPACT ASSESSMENT

STRATEGIC MISSION	All missions apply
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CORPORATE RISK (ref if appropriate)	All Apply
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QUALITY IMPACT ASSESSMENT (ref if appropriate)	
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<u>WELL-BEING OF FUTURE GENERATIONS ACT</u>	A Healthier Wales
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If more than one standard applies, please list below:

<u>DHCW QUALITY STANDARDS</u>	ISO 9001
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If more than one standard applies, please list below:
ISO 14001, ISO 20000, ISO 27001, BS10008

<u>DUTY OF QUALITY ENABLER</u>	Leadership
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<u>DOMAIN OF QUALITY</u>	Effective
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If more than one enabler / domain applies, please list below:
Safe Care, Governance, Leadership and accountability

<u>EQUALITY IMPACT ASSESSMENT STATEMENT</u>	Date of submission: N/A
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Choose an item. Outcome: N/A

Statement:
Risk Management and Assurance activities, equally affect all. An EQIA is not applicable

IMPACT ASSESSMENT	
QUALITY AND SAFETY IMPLICATIONS/IMPACT	Yes, please see detail below Additional scrutiny and clear guidance as to how the organisation manages risk has a positive impact on quality and safety.
LEGAL IMPLICATIONS/IMPACT	Yes, please see detail below Should effective risk management not take place, there could be legal implications
FINANCIAL IMPLICATION/IMPACT	Yes, please see detail below Should effective risk management not take place, there could be financial implications
WORKFORCE IMPLICATION/IMPACT	No, there is no direct impact on resources as a result of the activity outlined in this report.

SOCIO ECONOMIC IMPLICATION/IMPACT	No, there are no specific socio-economic implications related to the activity outlined in this report.
RESEARCH AND INNOVATION IMPLICATION/IMPACT	No, there are no specific research and innovation implications relating to the activity outlined within this report.

2 APPROVAL / SCRUTINY ROUTE

Person / Committee / Group who have received or considered this paper prior to this meeting		
PERSON, COMMITTEE OR GROUP	DATE	OUTCOME
Risk Management Group	4/06/2024	Discussed and Verified
Management Board	13/06/2024	Discussed and Verified

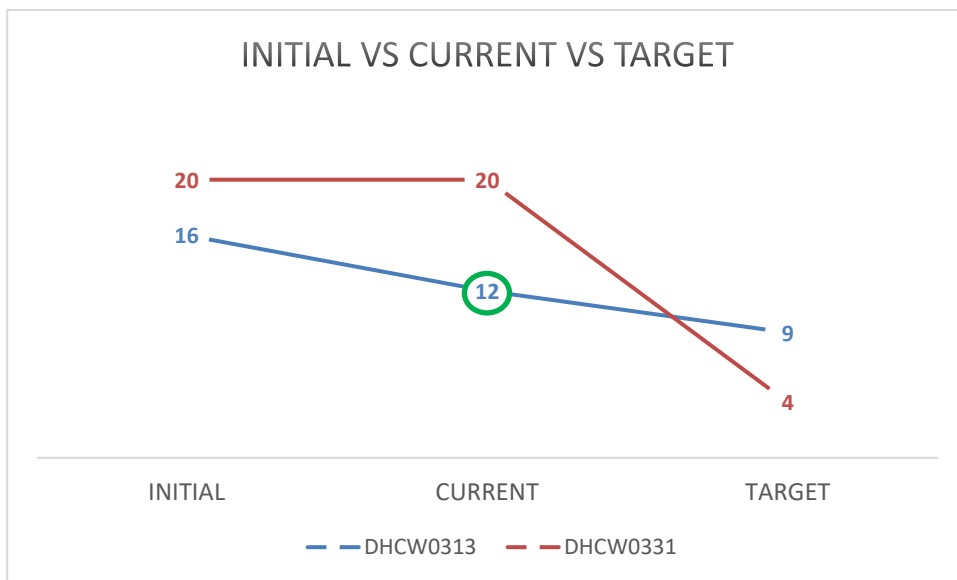
Acronyms			
DHCW	Digital Health and Care Wales	SHA	Special Health Authority
BAF	Board Assurance Framework	IMTP	Integrated Medium Term Plan

3 SITUATION / BACKGROUND

3.1	The DHCW Risk Management and Board Assurance Framework (BAF) Strategy outlines the approach the organisation will take to managing risk and Board assurance.
3.2	A full review of the BAF took place during April 2024 and was approved by the SHA Board in May 2024.

4 SPECIFIC MATTERS FOR CONSIDERATION BY THIS MEETING (ASSESSMENT)

- 4.1 Committee members are asked to consider risk, in the context of assurance 'what could impact on the Organisation being successful in the short term (1 – 12 months) and in the longer term (12 – 36 months).
- 4.2 The Committee are asked to consider the risks assigned to the Committee (DHCW0313 Digital Cost Pressure – Service Model Changes, and DHCW0331 – Fixed Term Resource Funding), the overview of initial risk score versus current versus target and risks that may be identified for further investigation and action. Those highlighted in green have reduced their current score below initial scoring.



- 4.4 DHCW's Corporate Risk Register currently has 17 risks on Register, 2 of which are allocated to the Audit and Assurance Committee. 2 are detailed at [item 6.4i Appendix A](#) for consideration by this Committee. The remaining 15 risks are assigned to the Digital Governance and Safety and the Programmes Delivery Committee and are considered in public/private session as per the Committee assignment approach.

4.5 Committee members are asked to note the following changes to the Corporate Risk Register as a whole (new risks, risks removed and changes in risk scores) since the last report:

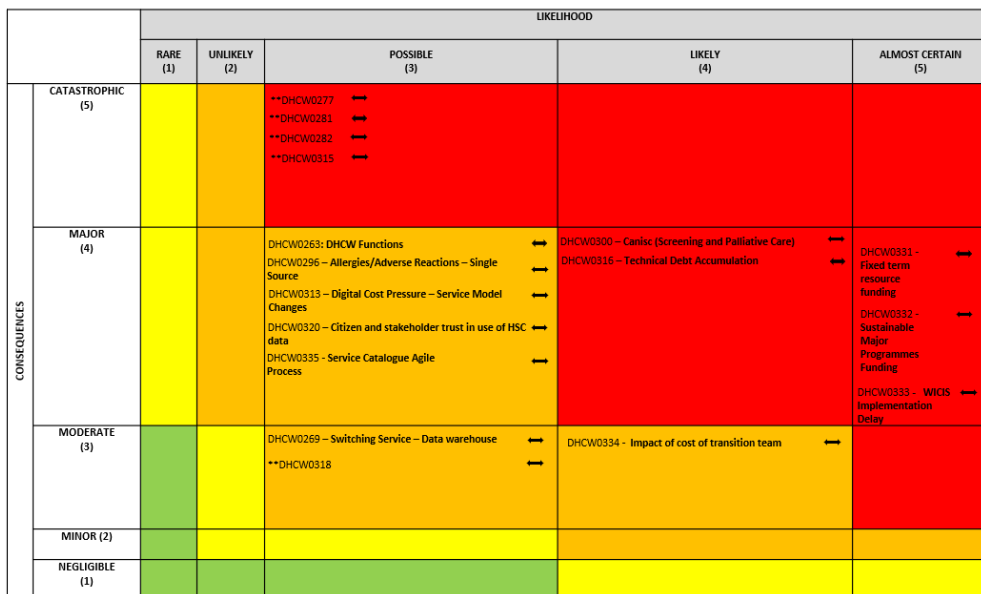
NEW RISKS (1) 1 Public, 0 Private

RISK REF	RISK TITLE	COMMITTEE ASSIGNMENT
DHCW0335	Service Delivery Risk due to incomplete service catalogue	Digital Governance and Safety Committee

RISKS REMOVED (0) 0 Public, 0 Private
 There were no risks removed during the period.

CHANGES IN SCORE (0) 0 Public, 0 Private
 There were no changes in score during the period

4.6 The Committee are asked to consider the DHCW Corporate Risk Register Heatmap showing a summary of the DHCW risk profile. The key indicates movement since the last risk report.



★ New Risk ↔ Non-Mover ↓ Reduced ↑ Increased **Private risks

5 KEY RISKS / MATTERS FOR ESCALATION TO BOARD / COMMITTEE

- 5.1 The Committee is asked to note the changes in the risk profile during the reporting period (since the last Audit and Assurance Committee meeting) as a result of one new risk being added to the Corporate Register.

6 RECOMMENDATION

Recommendation	The Committee is being asked to
<p>DISCUSS The Corporate Risks assigned to the Audit and Assurance Committee</p> <p>NOTE the status of the Corporate Risk Register.</p>	



DIGITAL HEALTH AND CARE WALES PROCUREMENT AND SCHEME OF DELEGATION COMPLIANCE REPORT

Agenda Item	6.5
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Name of Meeting	Audit and Assurance Committee
Date of Meeting	9 July 2024

Public or Private	Public
IF PRIVATE: please indicate reason	N/A

Executive Sponsor	Claire Osmundsen-Little, Executive Director of Finance
Prepared By	Julie Williams, Senior IT Category and Contracts Manager
Presented By	Julie Francis, Head of Commercial Services

Purpose of the Report	For Noting
Recommendation	The Committee is being asked to
NOTE the report.	

WC:
APP:
TOTAL:

1 IMPACT ASSESSMENT

STRATEGIC MISSION	All missions apply
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CORPORATE RISK (ref if appropriate)	
QUALITY IMPACT ASSESSMENT (ref if appropriate)	

<u>WELL-BEING OF FUTURE GENERATIONS ACT</u>	A Healthier Wales
If more than one standard applies, please list below:	

<u>DHCW QUALITY STANDARDS</u>	ISO 20000
If more than one standard applies, please list below:	
ISO 27001	
ISO 9001	
BS 10008	

<u>DUTY OF QUALITY ENABLER</u>	N/A
<u>DOMAIN OF QUALITY</u>	N/A
If more than one enabler / domain applies, please list below:	

<u>EQUALITY IMPACT ASSESSMENT STATEMENT</u>	Date of submission: N/A
No, (detail included below as to reasoning)	Outcome: N/A
Statement: N/A	

IMPACT ASSESSMENT	
QUALITY AND SAFETY IMPLICATIONS/IMPACT	Yes, please see detail below The contracts within the report are legally binding and there could be legal implications arising from activity
LEGAL IMPLICATIONS/IMPACT	Yes, please see detail below All contracts have been awarded in line with the Public Contracts Regulations 2015, Standing Financial Instructions and SHA Governance

FINANCIAL IMPLICATION/IMPACT	Yes, please see detail below There are financial implications from single tenders and potentially change notices.
WORKFORCE IMPLICATION/IMPACT	No, there is no direct impact on resources as a result of the activity outlined in this report.
SOCIO ECONOMIC IMPLICATION/IMPACT	No, there are no specific socio-economic implications related to the activity outlined in this report.
RESEARCH AND INNOVATION IMPLICATION/IMPACT	No, there are no specific research and innovation implications relating to the activity outlined within this report.

2 APPROVAL / SCRUTINY ROUTE

Person / Committee / Group who have received or considered this paper prior to this meeting		
PERSON, COMMITTEE OR GROUP	DATE	OUTCOME
Julie Francis Head of Commercial Services	06 th June 2024	
Claire Osmundsen-Little		

Acronyms			
DHCW	Digital Health and Care Wales	SHA	Special Health Authority
IMTP	Integrated Medium Term Plan	SQA	Single Quotation Action
PCR	Public Contracts Regulations	SFI	Standing Financial Instructions
CCN	Change Control Notice	STA	Single Tender Action
GPSS	GP Systems and Services Framework		

3 SITUATION / BACKGROUND

3.1 The purpose of this report is to provide the Audit and Assurance Committee with an update in relation to procurement activity undertaken during the period 1st January 2024 to 29th February 2024 and in accordance with reference 1.2 (Schedule 2.1 Procurement and Contracting for Goods and Services) of the standing Financial Instructions.

3.1 An explanation of the reasons, circumstances and details of any further action taken is also included.

SFI Reference	Description	Items
12.9.4	Free of Charge Services	0
12.11.5	Procurement Thresholds	0
12.13	Single Quotation Actions	0
12.13	Single Tender Actions	3
12.13	Single Tenders for consideration following a call for Competition under PCR2015.	0
12.17	Contract Extensions: Award of additional funding outside the terms of the contract (executed via Contract Change Note (CCN) or Variation of Terms)	5

4 SPECIFIC MATTERS FOR CONSIDERATION BY THIS MEETING (ASSESSMENT)

4.1 The Committee is required to note the following DHCW activity as set out in [6.5i Appendix A](#):

- 3 x Single tenders
- 7 x Change control

5 KEY RISKS / MATTERS FOR ESCALATION TO BOARD / COMMITTEE

5.1 There are no key risks or matters for escalation to the Board / Committee.

6 RECOMMENDATION

Recommendation	The Committee is being asked to
NOTE the report.	



DIGITAL HEALTH AND CARE WALES WELSH LANGUAGE REPORT

Agenda Item	6.6
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Name of Meeting	Audit and Assurance Committee
Date of Meeting	9 July 2024

Public or Private	Public
IF PRIVATE: please indicate reason	N/A

Executive Sponsor	Chris Darling, Board Secretary
Prepared By	Eleri Jenkins, Welsh Language Services Manager
Presented By	Laura Tolley, Head of Corporate Governance

Purpose of the Report	For Approval
Recommendation	The Committee is being asked to
NOTE the Welsh Language Report and APPROVE the Welsh Language Annual Report 2023-2024 for submission to the Welsh Language Commissioner.	

WC:
APP:
TOTAL:

1 IMPACT ASSESSMENT

STRATEGIC MISSION	Be the trusted strategic partner and a high quality, inclusive and ambitious organisation
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CORPORATE RISK (ref if appropriate)	
QUALITY IMPACT ASSESSMENT (ref if appropriate)	

WELL-BEING OF FUTURE GENERATIONS ACT	A Wales of Vibrant Culture and Thriving Welsh Language
If more than one standard applies, please list below: A more equal Wales	

DHCW QUALITY STANDARDS	N/A
If more than one standard applies, please list below:	

DUTY OF QUALITY ENABLER	Culture
DOMAIN OF QUALITY	Equitable
If more than one enabler / domain applies, please list below: All enablers apply	

EQUALITY IMPACT ASSESSMENT STATEMENT	Date of submission: N/A
No, (detail included below as to reasoning)	Outcome: N/A
Statement: Not required	

IMPACT ASSESSMENT	
QUALITY AND SAFETY IMPLICATIONS/IMPACT	No, there are no specific quality and safety implications related to the activity outlined in this report.
LEGAL IMPLICATIONS/IMPACT	No, there are no specific legal implications related to the activity outlined in this report.
FINANCIAL IMPLICATION/IMPACT	Yes, please see detail below Additional funding required for the recruitment of essential posts using external Welsh language recruitment sites.

WORKFORCE IMPLICATION/IMPACT	Yes, please see detail below Failure to recruit sufficient numbers of Welsh speakers to the Service Desk could result in non-compliance and additional pressures on existing staff.
SOCIO ECONOMIC IMPLICATION/IMPACT	No, there are no specific socio-economic implications related to the activity outlined in this report.
RESEARCH AND INNOVATION IMPLICATION/IMPACT	No, there are no specific research and innovation implications relating to the activity outlined within this report.

2 APPROVAL / SCRUTINY ROUTE

Person / Committee / Group who have received or considered this paper prior to this meeting		
PERSON, COMMITTEE OR GROUP	DATE	OUTCOME
Laura Tolley, Head of Corporate Governance	June 2024	Reviewed
Chris Darling, Board Secretary	June 2024	Approved
Welsh Language Group Members	11 th June 2024	Approved
Management Board	13 th June 2026	Approved

Acronyms			
DHCW	Digital Health and Care Wales	SHA	Special Health Authority
WIDI	Wales Institute of Digital Information	NWSSP	NHS Wales Shared Services Partnership

3 SITUATION / BACKGROUND

3.1	<p>This report outlines the steps taken to monitor compliance with the actions included in the DHCW Welsh Language Scheme and gives an overview of:</p> <ul style="list-style-type: none"> • the More Than Just Words Plan 2022-2027 Annual Report; • the Welsh Language Commissioner Annual Report; • an update on the Welsh Language Standards • a compliance action plan that identifies areas for improvement and actions required to achieve compliance with the scheme; • the current Welsh Language skills dashboard showing staff's self-assessment of their Welsh skills,
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4 SPECIFIC MATTERS FOR CONSIDERATION BY THIS MEETING (ASSESSMENT)

4.1 The More Than Just Words Plan 2022-2027 Annual Report

The [More than Just Words Plan Annual Report](#) covers the period of September 2023 to the end of March 2024. The report outlines the actions undertaken by DHCW against specific points within the More Than Just Words Plan dictated by a template issued by the Welsh Government, Welsh language policy department. The deadline for submission is the end of June 2024.

4.2 Welsh Language Commissioner Annual Report 2023-2024

The [Welsh Language Commissioner Annual Report 2023-24](#) covers the period April 2023 to March 2024. Should the Committee approve the report, it will then be submitted to the Welsh Language Commissioners Office in the required timescales.

4.3 Welsh Language Standards

The Welsh Government are holding a [consultation](#) in relation to adding Bodies to existing Welsh Language Standards Regulations and have listed DHCW as a Special Health Authority to be added. The consultation period will close on the 7 October 2024 and DHCW's response will be shared at the next Committee meeting for information.

4.4 Welsh Language Scheme

The Welsh Language team monitors compliance with the Welsh Language Scheme and reports non-compliance and areas for improvement to the Welsh Language Group and Management Board. The [Welsh Language Action Plan](#) is reviewed routinely for progress.

The summary findings are below:

Compliance Area	RAG Rating
Service Delivery	Green
Policy Making	Green
Operational	Yellow
Record Keeping	Green

- 4.5 **DHCW Welsh Language Skills Dashboard** as at the end of May 2024 outlined the following:
- 44.3% of staff have Welsh Language skills level 1-5 achieved
 - Welsh Language Awareness Compliance continues to increase and is now at 95%;
 - 3.3% of staff haven't entered their Welsh language skills on the Electronic Staff Record.
- 4.6 In order to meet the More than just words action of 100% of staff with at least a courtesy level of Welsh by 2027, an internal target of 60% has been set for the period 2024-2025.
- 4.7 Work continues to implement a **confidence building network** across DHCW, in addition the Welsh Language team have launched a Cynllun Mentora | Mentoring Scheme, to pair learners and Welsh language speakers together to meet monthly, in person or virtually, to encourage and build confidence in speaking Welsh in addition, to providing any support with Welsh course work if needed.

5 KEY RISKS / MATTERS FOR ESCALATION TO BOARD / COMMITTEE

- 5.1 Out of 356 posts, only 8 were advertised as Welsh Essential during 2023-24. Recruiting managers are required to complete a Welsh Language skills assessment, via the app and adhere to the recommendations provided in the app.
- 5.2 Recruitment to Welsh essential posts requires additional funding to ensure they are advertised in appropriate Welsh recruitment sites.
- 5.3 There is a need to strengthen Welsh Language within the recruitment strategy and action plan to support the attraction and recruitment of Welsh speakers into DHCW.

6 RECOMMENDATION

Recommendation	The Committee is being asked to
NOTE the Welsh Language Report and APPROVE the Welsh Language Annual Report 2023-2024 for submission to the Welsh Language Commissioner.	