

Cyfarfod Bwrdd Awdurdod Iechyd Arbennig Iechyd a Gofal Digidol Cymru

Thu 01 April 2021, 13:00 - 16:00

Agenda

13:00 - 13:15
15 min

1. MATERION RHAGARWEINIOL

1.1. Croeso a Chyflwyniadau

I'w Nodi. Cadeirydd

1.2. Ymddiheuriadau absenoldeb

I'w Nodi. Cadeirydd

1.3. Gwrthdaro Buddiannau

I'w Nodi Cadeirydd

13:15 - 13:20
5 min

2. AGENDA GYDSYNIO - SEFYDLU IECHYD A GOFAL DIGIDOL CYMRU

2.1. Cadarnhau Rheolau Sefydlog a Chyfarwyddiadau Ariannol Sefydlog

I'w Cymeradwyo Ysgrifennydd y Bwrdd / Cyfarwyddwr Cyllid

- 2.1 DHCW Standing Orders and Standing Financial Instructions Report.pdf (4 pages)
- 2.1a Appendix 1 DHCW Standing Orders Reservation and Delegation of Powers Final Version March 2021.pdf (83 pages)
- 2.1b Appendix 2 DHCW Schedule 2.1 Model SFIs - Final - Version 1 - March 2021.pdf (75 pages)
- 2.1c Appendix 2.1 SFIs Grants vs Procurement WRO3988.pdf (4 pages)

2.2. Polisiâu Hanfodol i'w mabwysiadu

I'w Cymeradwyo Ysgrifennydd y Bwrdd

- 2.2 Policies for Adoption by DHCW.pdf (8 pages)

13:20 - 13:50
30 min

3. EITEMAU I'W HADOLYGU

3.1. Adroddiad y Cadeirydd

I'w Nodi Cadeirydd

- 3.1 DHCW Chair's Report March 21.pdf (4 pages)

3.2. Adroddiad y Prif Weithredwr

I'w Nodi Prif Weithredwr Dros Dro

- 3.2 DHCW Chief Executive Report March 21.pdf (5 pages)

13:50 - 14:30
40 min

4. LLYWODRAETHU, PERFFORMIAD A SICRWYDD

4.1. Strwythur Bwrdd a Phwyllgor Iechyd a Gofal Digidol Cymru

I'w Nodi *Ysgrifennydd y Bwrdd*

 4.1 DHCW - Board and Committee Structure Report.pdf (5 pages)

4.2. Rhaglen Busnes Flynyddol Iechyd a Gofal Digidol Cymru

I'w Nodi *Ysgrifennydd y Bwrdd*

 4.2 DHCW Board Annual Cycle of Business Report.pdf (4 pages)

 4.2a Appendix 1 DHCW - Board Business Cycle 19.03.21 v2.pdf (3 pages)

 4.2b Appendix 2 DHCW Board Key Dates 2021.pdf (1 pages)

4.3. Dyranriad Ariannol Iechyd a Gofal Digidol Cymru

I'w Cymeradwyo *Cyfarwyddwr Cyllid*

 4.3 DHCW Financial Plan and Allocation 2021_22 - Delegated Budget Allocation.pdf (14 pages)

 4.3a Appendix A DHCW Allocation Letter 202122.pdf (3 pages)

4.4. Trefniadau Cyfarfodydd Bwrdd yn y Dyfodol

I'w Nodi *Ysgrifennydd y Bwrdd*

 4.4 DHCW Future Meeting Arrangements Report v1.pdf (4 pages)

14:30 - 14:45
15 min

5. Egwyl

14:45 - 15:50
65 min

6. EITEMAU STRATEGOL

6.1. Strwythur Gorchymyn Ymateb i Argyfwng

I'w Nodi *Prif Swyddog Gweithredol*

 6.1 DHCW Emergency Response Command Structure.pdf (8 pages)


 6.1a Appendix B Eng COVID-19 Response.pdf (7 pages)

 6.1b Appendix B Wel COVID-19 Response.pdf (7 pages)

6.2. Gwaddol Gwasanaeth Gwybodeg GIG Cymru a Chyfleoedd i Iechyd a Gofal Digidol Cymru

I'w trafod *Prif Weithredwr Dros Dro*

 6.2 DHCW NWIS Legacy and Opportunities for DHCW Report.pdf (4 pages)

 6.2a Appendix 1 NWIS Legacy DHCW Board 1 April 2021.pdf (17 pages)

15:50 - 16:00
10 min

7. EITEMAU ERAILL

7.1. Unrhyw Faterion Brys Eraill

I'w trafod *Cadeirydd*

7.2. Dyddiad y cyfarfod nesaf: 10am, 27 Mai 2021

I'w Nodi. *Cadeirydd Iechyd a Gofal Digidol Cymru*

DIGITAL HEALTH AND CARE WALES

Ratification of Standing Orders including Standing Financial Instructions

Agenda
Item

2.1

Name of Meeting	SHA Board
Date of Meeting	01 April 2021

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

Executive Sponsor	Chris Darling, Board Secretary Claire Osmundsen-Little, Executive Director of Finance
Prepared By	Chris Darling, Board Secretary
Presented By	Chris Darling, Board Secretary Claire Osmundsen-Little, Executive Director of Finance

Purpose of the Report	For Approval
Recommendation	
The Board is being asked to: Approve the DHCW Standing Orders (appendix 1) which include the Standing Financial Instructions (appendix 2).	

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

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

Acronyms			
DHCW	Digital Health and Care Wales	SO	Standing Orders
NWSSP	NHS Wales Shared Services Partnership	SFI	Standing Financial Instructions

1 SITUATION/BACKGROUND

- 1.1 Digital Health and Care Wales (DHCW) or Iechyd a Gofal Digidol Cymru will become operational on 1 April 2021. Digital Health and Care Wales (Membership and Procedures) Regulations 2020 provides that Digital Health and Care Wales (DHCW) must make standing orders for the regulation of its proceedings and business, including provision for the suspension of all or any of the standing orders.

2 SPECIFIC MATTERS FOR CONSIDERATION BY THIS MEETING (ASSESSMENT)

- 2.1 The DHCW Board must consider and agree to adopt the Standing Orders (Appendix 1) for the regulation of their proceedings and business. They are designed to translate the statutory requirements set out in legislation into day to day operating practice. The Standing Orders include the Scheme of Decisions reserved to the Board; a Scheme of Delegations to officers and others; and Standing Financial Instructions (Appendix 2). The SOs provide the regulatory framework for the business conduct of DHCW.
- 2.2 DHCW Standing Orders have been developed taking into account recommendations of the Special Health Authority Transition Finance and Governance Workstream, a sub-group of the Special Health Authority Transition Programme Board, with membership representing Welsh Government, Board Secretaries and Directors of Finance, which has recently reviewed the NHS Wales Model Reservation of Powers and Scheme of Delegation.
- 2.3 In addition, the Model Standing Orders, Reservation and Delegation of Powers and Model Standing Financial Instructions have been informed, where appropriate, by the model documents issued to Health Education and Improvement Wales (the only other Welsh Special Health Authority), Local Health Boards (LHBs) and Trusts.
- 2.4 Draft versions of the DHCW Standing Orders have been shared for comment with colleagues from DHCW, members of the DHCW Establishment Finance and Governance Workstream, Audit Wales and the Director of Audit and Assurance Services, NWSSP.
- 2.5 Whilst DHCW has the authority to amend the Model Standing Orders any amendment or variation must not contravene Directions issued by Welsh Ministers or statutory

requirements. The following provisions cannot be varied without the consent of Welsh Ministers:

- Section A – Introduction – The role of the Board Secretary
- Non-officer Members – Paragraph 1.1.4
- Associate Members – May include the Chief Digital Officer for NHS Wales – Paragraph 1.1.7
- Tenure of Board Members – Paragraph 1.3
- Committees Established by DHCW – Paragraph 3.4.1
- Advisory Groups – as a minimum to include the Local Partnership Forum
- Arrangements relating to meetings, with particular emphasis on timescales and the quorum
- Matters reserved for the Board where the full Board is required to retain responsibility or is in accordance with statutory requirements.
- Removal of requirements of the Committee model terms of reference, although these can be added to.

3 KEY RISKS/MATTERS FOR ESCALATION TO BOARD/COMMITTEE

- 3.1 All DHCW Special Health Authority members and officers must be made aware of these SOs and, where appropriate, should be familiar with their detailed content. If approved the SOs will be uploaded to the DHCW Internet site and DHCW SharePoint site.

4 RECOMMENDATION

The Board is being asked to:

Approve the DHCW Standing Orders (Appendix 1) which include the Standing Financial Instructions (Appendix 2).

5 IMPACT ASSESSMENT

STRATEGIC OBJECTIVE	All Objectives apply
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CORPORATE RISK (ref if appropriate)	
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WELL-BEING OF FUTURE GENERATIONS ACT	A healthier Wales
If more than one standard applies, please list below:	

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

HEALTH CARE STANDARD

Effective Care

If more than one standard applies, please list below:

EQUALITY IMPACT ASSESSMENT STATEMENT

Date of submission: March 2021

Yes, applicable

Outcome: Positive

Statement:

The impact of the Model SOs has been assessed as positive.

APPROVAL/SCRUTINY ROUTE:

Person/Committee/Group who have received or considered this paper prior to this meeting

COMMITTEE OR GROUP	DATE	OUTCOME
Establishment of Digital Health and Care Wales Programme Board	25/02/2021	Approved subject to minor amendments

IMPACT ASSESSMENT

QUALITY AND SAFETY IMPLICATIONS/IMPACT	No, there are no specific quality and safety implications related to the activity outlined in this report.
	The SOs are a key foundation of DHCW's governance and accountability framework. A robust governance and accountability framework is more likely to impact favourably on the safety and experience of patients and staff.
LEGAL IMPLICATIONS/IMPACT	Yes, please see detail below
	The SOs are designed to translate the statutory requirements for DHCW set out in legislation into day to day operating practice.
FINANCIAL IMPLICATION/IMPACT	No, there are no specific financial implication 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

Model Standing Orders

Reservation and Delegation of Powers

Digital Health and Care Wales

Executive Sponsor & Function:

Board Secretary

Document Author:

Chris Darling

Approved by:

DHCW Board

Approval Date:

TBC

Date of Equality Impact Assessment:

22 March 2021

Equality Impact Assessment Outcome:

Positive Outcome

Review Date:

Annual Review required by DHCW – 1 April
2022

Version: 1

Foreword

The Digital Health and Care Wales (Membership and Procedures) Regulations 2020 provides that Digital Health and Care Wales (DHCW) or Iechyd a Gofal Digidol Cymru must make standing orders for the regulation of its proceedings and business.

The DHCW Board must consider and agree to adopt the Standing Orders (SOs) for the regulation of their proceedings and business. They are designed to translate the statutory requirements set out in legislation into day to day operating practice, and, together with the adoption of a Scheme of Decisions reserved to the Board; a Scheme of Delegations to officers and others; and Standing Financial Instructions (SFIs), they provide the regulatory framework for the business conduct of DHCW.

These documents form the basis upon which DHCW's governance and accountability framework is developed and, together with the adoption of the DHCW's Values and Standards of Behaviour Framework, is designed to ensure the achievement of the standards of good governance set for health organisations in Wales.

All DHCW Board members and officers must be made aware of these Standing Orders and, where appropriate, should be familiar with their detailed content. The Board Secretary will be able to provide further advice and guidance on any aspect of the Standing Orders or the wider governance arrangements within DHCW.

Further information on governance in the NHS in Wales may be accessed at <https://nwssp.nhs.wales/all-wales-programmes/governance-e-manual/>

Contents

□ Foreword	2
□ Section A – Introduction	6
□ Statutory framework	6
□ NHS framework	7
□ Applying Standing Orders	8
□ Variation and amendment of Standing Orders	8
□ Interpretation	8
□ The role of the Board Secretary	9
□ Section B – Standing Orders	10
□ 1. DIGITAL HEALTH AND CARE WALES	10
□ 1.1 Membership of Digital Health and Care Wales Board	10
○ <i>Officer Members [to be known as Executive Directors]</i>	10
○ <i>Non Officer Members [to be known as Independent Members]</i>	11
○ <i>Associate Members</i>	11
○ <i>Use of the term ‘Independent Members’</i>	11
□ 1.2 Joint Post Holders	11
□ 1.3 Tenure of Board members	12
□ 1.4 The Role of the DHCW Board and responsibilities of individual members	12
○ <i>Role</i>	12
○ <i>Responsibilities</i>	13
□ 2. RESERVATION AND DELEGATION OF DHCW FUNCTIONS	14
□ 2.1 Chair’s action on urgent matters	15
□ 2.2 Delegation of Board functions	15
□ 2.3 Delegation to officers	15
□ 3. COMMITTEES	16
□ 3.1 DHCW Committees	16
○ <i>Use of the term ‘Committee’</i>	16
□ 3.2 Joint-Committees	16
○ <i>Joint Committee Standing Orders, terms of reference and operating arrangements</i>	17
□ 3.3 Sub-Committees	17
□ 3.4 Committees established by DHCW	17
□ 3.5 Other Committees	18
□ 3.6 Confidentiality	18
□ 3.7 Reporting activity to the Board	19
□ 4. NHS WALES SHARED SERVICES PARTNERSHIP	19
□ 5. WORKING IN PARTNERSHIP	19
□ 6. ADVISORY GROUP(S)	20

<input type="checkbox"/> 7. MEETINGS	23
<input type="checkbox"/> 7.1 Putting Citizens first	23
<input type="checkbox"/> 7.2 Annual Plan of Board Business	24
<input type="checkbox"/> <i>Annual General Meeting (AGM)</i>	24
<input type="checkbox"/> 7.3 Calling Meetings	25
<input type="checkbox"/> 7.4 Preparing for Meetings	25
<input type="checkbox"/> <i>Setting the agenda</i>	25
<input type="checkbox"/> <i>Notifying and equipping Board members</i>	25
<input type="checkbox"/> <i>Notifying the public and others</i>	26
<input type="checkbox"/> 7.5 Conducting Board Meetings	26
<input type="checkbox"/> <i>Admission of the public, the press and other observers</i>	26
<input type="checkbox"/> <i>Addressing the Board, its Committees and Advisory Groups</i>	27
<input type="checkbox"/> <i>Chairing Board Meetings</i>	27
<input type="checkbox"/> <i>Quorum</i>	28
<input type="checkbox"/> <i>Dealing with motions</i>	28
<input type="checkbox"/> <i>Voting</i>	29
<input type="checkbox"/> 7.6 Record of Proceedings	30
<input type="checkbox"/> 7.7 Confidentiality	30
<input type="checkbox"/> 8. VALUES AND STANDARDS OF BEHAVIOUR	30
<input type="checkbox"/> 8.1 Declaring and recording Board members' interests	31
<input type="checkbox"/> 8.2 Dealing with Members' interests during Board meetings	32
<input type="checkbox"/> 8.3 Dealing with officers' interests	33
<input type="checkbox"/> 8.4 Reviewing how Interests are handled	33
<input type="checkbox"/> 8.5 Dealing with offers of gifts and hospitality	33
<input type="checkbox"/> 8.6 Sponsorship	35
<input type="checkbox"/> 8.7 Register of Gifts and Hospitality	35
<input type="checkbox"/> 9. SIGNING AND SEALING DOCUMENTS	36
<input type="checkbox"/> 9.1 Register of Sealing	36
<input type="checkbox"/> 9.2 Signature of Documents	36
<input type="checkbox"/> 9.3 Custody of Seal	36
<input type="checkbox"/> 10. GAINING ASSURANCE ON THE CONDUCT OF DHCW BUSINESS	37
<input type="checkbox"/> 10.1 The role of Internal Audit in providing independent internal assurance	37
<input type="checkbox"/> 10.2 Reviewing the performance of the Board, its Committees and Advisory Groups	38
<input type="checkbox"/> 10.3 External Assurance	38
<input type="checkbox"/> 11. DEMONSTRATING ACCOUNTABILITY	38
<input type="checkbox"/> 12. REVIEW OF STANDING ORDERS	39
<input type="checkbox"/> Schedule 1	40
<input type="checkbox"/> Schedule 2	55
<input type="checkbox"/> Key Guidance, Instructions and Other Related Documents	55
<input type="checkbox"/> DHCW Framework	55
<input type="checkbox"/> NHS Wales framework	55

□	Schedule 3	56
○	Board Committee Arrangements.....	56
○	Standard Terms of Reference and Operating Arrangements for all Committees of the Board	58
○	Terms of Reference and Operating Arrangements – Audit Committee ..	63
○	Terms of Reference and Operating Arrangements – Remuneration and Terms of Service Committee.....	70
□	Schedule 4	73
○	Advisory Groups	73
○	Terms of Reference and Operating Arrangements.....	73
○	Local Partnership Forum Advisory Group	74
○	Terms of Reference and Operating Arrangements.....	74
□	Appendix 1	79
□	Appendix 2	80
□	Appendix 3	81

Section A – Introduction

Statutory framework

- i) Digital Health and Care Wales (DHCW) is a Special Health Authority (SHA) that was established on 30 December 2020 and became operational on the 1 April 2021, under The Digital Health and Care Wales (Establishment and Membership) Order 2020 (SI No. 2020/1451 (W. 313)) “the Establishment Order”.
- ii) The principal place of business of DHCW is Ty Glan-yr-Afon, 21 Cowbridge Road East, Cardiff, CF11 9AD.
- iii) All business shall be conducted in the name of Digital Health and Care Wales.
- iv) DHCW is a corporate body and its functions must be carried out in accordance with its statutory powers and duties. DHCW’s functions are set out in the Establishment Order and in Directions issued by Welsh Ministers.
- v) In addition to Directions the Welsh Ministers will issue an annual remit letter and may from time to time issue guidance which DHCW must take into account when exercising any function.
- vi) Under powers set out in sections 25(1)(b), 25(2 and 203(9) and (10) of, and paragraphs 3(3) and (4), 5 and 13 of Schedule 5 to the NHS (Wales) Act 2006, the Welsh Ministers have made **the Digital Health and Care Wales (Membership and Procedure) Regulations 2020 (S.I. 2020/1469 (W.315))** (“the Membership and Procedure Regulations”) which make provision concerning the membership and procedures of DHCW.
- vii) In carrying out its duties it will co-operate with others.
- viii) Section 72 of the NHS Act 2006 places a duty on NHS bodies, including an SHA to co-operate with each other in exercising their functions.
- ix) Section 82 of the NHS Act 2006 places a duty on NHS bodies, including an SHA, and local authorities to co-operate with one another in order to secure and advance the health and welfare of the people of England and Wales. The Welsh Language (Wales) Measure 2011 makes provision with regards to the development of standards relating to the Welsh language. The Welsh Language Standards (No. 7) Regulations 2018 for the health sector do not currently apply to DHCW. They will apply at a future date but in the interim DHCW will develop a Welsh Language policy/scheme to deliver commitments relating to Welsh language.
- x) As a SHA, DHCW is also bound by any other statutes and legal provisions which govern the way that NHS bodies do business. The powers of NHS bodies established under statute shall be exercised by NHS bodies meeting in public session, except as otherwise provided by these SOs.

NHS framework

- xi) In addition to the statutory requirements set out above, NHS bodies including SHAs must carry out all business in a manner that enables them to contribute fully to the achievement of the Welsh Government's vision for the NHS in Wales and its standards for public service delivery. The governance standards set for the NHS in Wales are based upon the Welsh Government's Citizen Centred Governance principles. These principles provide the framework for good governance and embody the values and standards of behaviour that is expected at all levels of the service, locally and nationally.
- xii) Adoption of the principles will better equip NHS bodies to take a balanced, holistic view of their organisations and their capacity to deliver high quality, safe health and care services for all its citizens within the NHS framework set nationally.
- xiii) The overarching NHS governance and accountability framework incorporates these SOs; the Schedules of Reservation and Delegation of Powers; SFIs together with a range of other frameworks designed to cover specific aspects. These include the NHS Values and Standards of Behaviour Framework; the *'Doing Well, Doing Better: Standards for Health Services in Wales'* (formally the Healthcare Standards) Framework, the NHS Risk and Assurance Framework, and the NHS planning and performance management systems.
- xiv) The Welsh Ministers, reflecting their constitutional obligations and legal duties under the **Well-being of Future Generations (Wales) Act 2015**, have stated that sustainable development should be the central organising principle for the public sector and a core objective for the restructured NHS in all it does.
- xv) DHCW is not considered a public body under the Act but is committed to achieving the Well-being Goals and the sustainable development principle
- xvi) Full, up to date details of the other requirements that fall within the NHS framework – as well as further information on the Welsh Government's Citizen Centred Governance principles - are provided on the NHS Wales Governance e-manual which can be accessed at <https://nwssp.nhs.wales/all-wales-programmes/governance-e-manual/>. Directions or guidance on specific aspects of business are also issued electronically, usually under cover of a Welsh Health Circular.
- xvii) DHCW will from time to time agree and approve policy statements which apply to the Board members and/all or specific groups of staff employed by DHCW. The decisions to approve these policies will be recorded in the appropriate Board minute and, where appropriate will be considered to be an integral part of DHCW's SOs and SFIs. Details of the key policy statements will be included in Schedule 2.
- xviii) DHCW shall ensure that an official is designated to undertake the role of the Board Secretary (the role of which is set out in paragraph xxv below).

Applying Standing Orders

- xix) The SOs of DHCW (together with SFIs and the Values and Standards of Behaviour Framework), will, as far as they are applicable, also apply to meetings of any formal Committees established by DHCW including any Advisory Groups, sub-Committees, joint-Committees and joint sub-Committees. These SOs may be amended or adapted for the Committees as appropriate, with the approval of the Board. Further detail on the Committees may be found in Schedule 3 of these SOs.
- xx) Full details of any non-compliance with these SOs, including an explanation of the reasons and circumstances must be reported in the first instance to the Board Secretary, who will ask the Audit Committee to formally consider the matter and make proposals to the Board on any action to be taken. All Board members and DHCW officers have a duty to report any non-compliance to the Board Secretary as soon as they are aware of any circumstance that has not previously been reported.
- xxi) **Ultimately, failure to comply with SOs is a disciplinary matter that could result in an individual's dismissal from employment or removal from the Board.**

Variation and amendment of Standing Orders

- xxii) Although these SOs are subject to regular, annual review by DHCW, there may, exceptionally, be an occasion where it is necessary to vary or amend the SOs during the year. In these circumstances, the Board Secretary shall advise the Board of the implications of any decision to vary or amend SOs, and such a decision may only be made by the Board if:
 - The variation or amendment is in accordance with regulation 18 of the Membership and Procedure Regulations and does not contravene a statutory provision or direction made by the Welsh Ministers;
 - The proposed variation or amendment has been considered and approved by the Audit Committee and is the subject of a formal report to the Board; and
 - A formal notice of motion under Standing Order 7.5.14 has been given.

Interpretation

- xxiii) During any Board meeting where there is doubt as to the applicability or interpretation of the SOs, the Chair of DHCW shall have the final say, provided that his or her decision does not conflict with rights, liabilities or duties as prescribed by law. In doing so, the Chair shall take appropriate advice from the Board Secretary and, where appropriate the Chief Executive or the Director responsible for finance (in the case of SFIs).
- xxiv) The terms and provisions contained within these SOs aim to reflect those covered within all applicable legislation. The legislation takes precedence over these SOs when interpreting any term or provision covered by legislation.

The role of the Board Secretary

- xxv) The role of the Board Secretary is crucial to the ongoing development and maintenance of a strong governance framework within DHCW, and is a key source of advice and support to the DHCW Chair and other Board members. Independent of the Board, the Board Secretary acts as the guardian of good governance within DHCW. The Board Secretary is responsible for:
- Providing advice to the Board as a whole and to individual Board members on all aspects of governance;
 - Facilitating the effective conduct of DHCW business through meetings of the Board, its Advisory Groups and Committees;
 - Ensuring that Board members have the right information to enable them to make informed decisions and fulfil their responsibilities in accordance with the provisions of these SOs;
 - Ensuring that in all its dealings, the Board acts fairly, with integrity, and without prejudice or discrimination;
 - Contributing to the development of an organisational culture that embodies public services values and standards of behaviour; and
 - Monitoring DHCW's compliance with the law, SOs and the governance and accountability framework set by the Welsh Ministers.
- xxvi) As advisor to the Board, the *Board Secretary's* role does not affect the specific responsibilities of Board members for governing the organisation. The Board Secretary is directly accountable for the conduct of their role to the Chair in respect of matters relating to responsibilities of the Board, its Committees and Advisory Groups, and reports on a day-to-day basis to the Chief Executive with regard to the wider governance of the organisation and their personal responsibilities.
- xxvii) Further details on the role of the Board Secretary within DHCW, including details on how to contact them, are available at on the DHCW website: <https://dhcw.nhs.wales>. Direct contact can be made by emailing: Chris.Darling@wales.nhs.uk

Section B – Standing Orders

1. DIGITAL HEALTH AND CARE WALES

1.0.1 DHCW's principal role is to exercise such functions as the Welsh Ministers may direct in connection with:

- the provision, design, management, development and delivery of digital platforms, systems and services;
- the collection, analysis, use and dissemination of health service data;
- the provision of advice and guidance to the Welsh Ministers about improving digital platforms, systems and services;
- supporting bodies and persons identified in directions given by the Welsh Ministers to DHCW in relation to matters relevant to digital platforms, systems and services; and
- any other matters so as to secure the provision or promotion of services under the **NHS (Wales) Act 2006**.

1.0.2 DHCW was established by **the Digital Health and Care Wales (Establishment and Membership) Order 2020 (SI No. 2020/1451 (W. 313))**. DHCW must ensure that all its activities are in exercise of those functions or other statutory functions that are conferred on it through directions issued by the Welsh Ministers.

1.0.3 To fulfil this role, DHCW will work with all its partners and stakeholders in the best interests of the population of Wales.

1.1 Membership of Digital Health and Care Wales Board

1.1.1 The membership of the DHCW Board shall be no more than 15 members comprising the Chair, Vice-Chair and non-officer members (appointed by the Minister for Health and Social Services), Associate Members, the Chief Executive and officer members, all appointed in accordance with the Membership and Procedure Regulations.

1.1.2 For the purposes of these SOs, the members of the DHCW Board shall collectively be known as “the Board” or “Board members”; the officer, non-officer members (which will include the Chair and Vice-Chair) shall be referred to as Executive Directors and Independent Members respectively; and the Chief Officer, Finance Officer and Clinical Officer shall respectively be known as the Chief Executive, the Director of Finance and the Medical Director. Officer and non-officer members shall have full voting rights Associate Members who do not have voting rights.

Officer Members [to be known as Executive Directors]

1.1.3 A total of 5 (including the Chief Executive, Director of Finance, and Medical Director, appointed in accordance with the Membership and Procedure Regulations. Executive Directors may have other responsibilities as

determined by the Board and set out in the scheme of delegation to officers.

Non Officer Members [to be known as Independent Members]

- 1.1.4 A total of 7 (including the Chair and Vice-Chair), appointed by the Minister for Health and Social Services in accordance with the Membership and Procedure Regulations.
- 1.1.5 An addition to the eligibility, disqualification, suspension and removal provisions contained within Part 4 of the Membership and Procedure Regulations, an individual shall not normally serve concurrently as a non-officer member on the Board of more than one NHS body in Wales.

Associate Members

- 1.1.6 A total of up to 3 Associate Members may be appointed to the Board. They will attend Board meetings on an ex-officio basis, but will not have any voting rights.
- 1.1.7 The Welsh Ministers, or DHCW acting with the consent of the Welsh Ministers, may appoint up to 2 Associate Members. They may include the Chief Digital Officer for NHS Wales.
- 1.1.8 The non-officer members must appoint a Trade Union Associate Member where one or more trade unions are recognised by DHCW. The arrangements for appointment of the Trade Union Associate Member must be in accordance with Regulation 4 of the Membership and Procedure Regulations.

Use of the term 'Independent Members'

- 1.1.9 For the purposes of these SOs, use of the term 'Independent Members' refers to the following voting members of the Board:

- Chair
- Vice Chair (if appointed)
- Non Officer Members

unless otherwise stated.

1.2 Joint Post Holders

- 1.2.1 Where a Board position is shared between more than one person because of their being appointed jointly to a post:
- i) Either or both persons may attend and take part in Board meetings;
 - ii) If both are present at a meeting they shall cast one vote if they agree;
 - iii) In the case of disagreement no vote shall be cast; and
 - iv) The presence of both or one person will count as one person in relation to the quorum.

1.3 Tenure of Board members

- 1.3.1 Independent Members shall be appointed for a period specified by the Welsh Ministers, but for no longer than 4 years in any one term. These members can be reappointed but may not serve a total period of more than 8 years. Time served need not be consecutive and will still be counted towards the total period even where there is a break in the term.
- 1.3.2 Any Associate Member appointed to the Board by Welsh Ministers under 1.1.6 will be appointed in accordance with the terms and conditions of appointment. They may be re-appointed as an Associate Member subject to any provisions to the contrary in their terms of appointments.
- 1.3.3 Any Associate Member appointed by the Board with the consent of Welsh Ministers may be appointed in accordance with terms and conditions approved by the Welsh Ministers. This would normally be for a period of up to one year. They may be re-appointed but they would normally not hold office as an Associate Member appointed by the Board with the consent of Welsh Ministers for more than four years. This is to recognise the need to keep this role under review to ensure it remains necessary or expedient for the performance of DHCW's functions. Time served includes time as an Independent Member (if relevant) which need not be consecutive and will still be counted towards the total period even where there is a break in the term. They may therefore, in accordance with the provisions contained within these Standing Orders, hold office for a maximum of 8 years when all roles are combined.
- 1.3.4 The Trade Union Associate Member if appointed, may be appointed for a period of office not exceeding 4 years. Subject to the arrangements agreed by the non-officer members for seeking a nomination, they may be eligible for reappointment.
- 1.3.5 Executive Directors' tenure of office as Board members will be determined by their contract of appointment.
- 1.3.6 All Board members' tenure of appointment will cease in the event that they no longer meet any of the eligibility requirements, so far as they are applicable, as specified in Part 4 of the Membership and Procedure Regulations. Any member must inform the Chair as soon as is reasonably practicable to do so in respect of any issue which may impact on their eligibility to hold office. The Chair will advise the Minister in writing of any such cases immediately.
- 1.3.7 DHCW will require Board members to confirm in writing their continued eligibility on an annual basis.

1.4 The Role of the DHCW Board and responsibilities of individual members

Role

- 1.4.1 The principal role of DHCW is set out in SO 1.0.1. The Board's main role is to

add value to the organisation through the exercise of strong leadership and control, including:

- Setting the organisation's strategic direction;
- Establishing and upholding the organisation's governance and accountability framework, including its values and standards of behaviour; and
- Ensuring delivery of the organisation's aims and objectives through effective challenge and scrutiny of DHCW's performance across all areas of activity.

Responsibilities

- 1.4.2 The Board will function as a corporate decision-making body, Executive Directors and Independent Members being full and equal members and sharing corporate responsibility for all the decisions of the Board.
- 1.4.3 Independent Members appointed to the Board must act in a balanced manner, ensuring that any opinion expressed is objective and based upon the best interests of the health and care service in Wales.
- 1.4.4 DHCW shall issue an indemnity to any Chair and Independent Member in the following terms: "A Board [or Committee] member, who has acted honestly and in good faith, will not have to meet out of their personal resources any personal liability which is incurred in the execution of their Board function. Such cover excludes the reckless or those who have acted in bad faith".
- 1.4.5 Associate Members, whilst not sharing corporate responsibility for the decisions of the Board, are nevertheless required to act in a corporate manner at all times, as are their fellow Board members who have voting rights.
- 1.4.6 All Board members must comply with their terms of appointment. They must equip themselves to fulfil the breadth of their responsibilities by participating in appropriate personal and organisational development programmes, engaging fully in Board activities and promoting DHCW within the communities it serves.
- 1.4.7 **The Chair** – The Chair is responsible for the effective operation of the Board, chairing Board meetings when present and ensuring that all Board business is conducted in accordance with these SOs. The Chair may have certain specific powers delegated by the Board and set out in the Scheme of Delegation.
- 1.4.8 The Chair shall work in close harmony with the Chief Executive and, supported by the Board Secretary, shall ensure that key and appropriate issues are discussed by the Board in a timely manner with all the necessary information and advice being made available to the Board to inform the debate and ultimate resolutions.
- 1.4.9 **The Vice-Chair** – The Vice-Chair shall deputise for the Chair in their absence

if they are unable to perform their duties, or any reason, and will do so until either the existing chair resumes their duties or a new chair is appointed.

1.4.10 In addition to their corporate role across the breadth of the Board's responsibilities, the Vice-Chair has a specific brief to provide strong, effective and visible leadership, across digital systems and services within primary, community, mental health and learning disability services. This will be discharged internally through the Board and its Committees and externally through their connections with a wide range of stakeholders and partners within the wider community.

1.4.11 **Chief Executive** – The Chief Executive is responsible for the overall performance of the executive functions of DHCW. They are the appointed Accountable Officer for DHCW and shall be responsible for meeting all the responsibilities of that role, as set out in their Accountable Officer Memorandum.

1.4.12 **Lead roles for Board members** – The Chair will ensure that individual Board members are designated as lead roles or “champions” as required by the Welsh Ministers or as set out in any statutory or other guidance. Any such role must be clearly defined and must operate in accordance with the requirements set by DHCW, the Welsh Ministers or others. In particular, no operational responsibilities will be placed upon any Independent Member fulfilling such a role. The identification of a Board member in this way shall not make them more vulnerable to individual criticism, nor does it remove the corporate responsibility of the other Board members for that particular aspect of Board business.

2. RESERVATION AND DELEGATION OF DHCW FUNCTIONS

2.0.1 Subject to any directions that may be given by the Welsh Ministers, the Board shall make arrangements for certain functions to be carried out on its behalf so that the day to day business of DHCW may be carried out effectively and in a manner that secures the achievement of its aims and objectives. In doing so, the Board must set out clearly the terms and conditions upon which any delegation is being made.

2.0.2 The Board's determination of those matters that it will retain, and those that will be delegated to others shall be set out in a:

- i) Schedule of matters reserved to the Board;
- ii) Scheme of delegation to committees and others; and
- iii) Scheme of delegation to officers.

all of which must be formally adopted by the Board in full session and form part of these SOs.

2.0.3 DHCW retains full responsibility for any functions delegated to others to carry out on its behalf. Where DHCW has a joint duty, it remains fully responsible for its part, and shall agree through the determination of a written Partnership

Agreement the governance and assurance arrangements for the partnership, setting out respective responsibilities, ways of working, accountabilities and sources of assurance of the partner organisations.

2.1 Chair's action on urgent matters

- 2.1.1 There may, occasionally, be circumstances where decisions which would normally be made by the Board need to be taken between scheduled meetings, and it is not practicable to call a meeting of the Board. In these circumstances, the Chair and the Chief Executive, supported by the Board Secretary as appropriate, may deal with the matter on behalf of the Board - after first consulting with at least two other Independent Members. The Board Secretary must ensure that any such action is formally recorded and reported to the next meeting of the Board for consideration and ratification.
- 2.1.2 Chair's action may not be taken where either the Chair or the Chief Executive has a personal or business interest in an urgent matter requiring decision. In this circumstance, the Vice-Chair or the Executive Director acting on behalf of the Chief Executive will take a decision on the urgent matter, as appropriate.

2.2 Delegation of Board functions

- 2.2.1 The Board shall agree the delegation of any of their functions except for those set out within the 'Schedule of Matters reserved to the Board' to Committees and others, setting any conditions and restrictions it considers necessary and following any directions or regulations given by the Welsh Ministers. These functions may be carried out:
 - i) By a Committee, sub-Committee or officer of DHCW; or
 - ii) Jointly with one or more Special Health Authorities through a joint-Committee or joint sub-Committee
- 2.2.2 The Board shall agree and formally approve the delegation of specific executive powers to be exercised by Committees, sub-Committees joint-Committees and joint sub-Committees which it has formally constituted.
- 2.2.3 Any arrangements put in place by the Board for certain functions to be carried out on its behalf does not affect the Board's responsibility for, or its ability to, exercise a delegated function.

2.3 Delegation to officers

- 2.3.1 The Board may delegate certain functions to the Chief Executive. For these aspects, the Chief Executive, when compiling the Scheme of Delegation to Officers, shall set out proposals for those functions they will perform personally and shall nominate other officers to undertake the remaining functions. The Chief Executive will still be accountable to the Board for all functions delegated to them irrespective of any further delegation to other officers.
- 2.3.2 This must be considered and approved by the Board (subject to any

amendment agreed during the discussion). The Chief Executive may periodically propose amendment to the Scheme of Delegation to Officers and any such amendments must also be considered and approved by the Board.

- 2.3.3 Individual Executive Directors are in turn responsible for delegation within their own directorates/departments in accordance with the framework established by the Chief Executive and agreed by the Board.

3. COMMITTEES

3.1 DHCW Committees

- 3.1.1 The Board may, and where directed by the Welsh Ministers must, appoint Committees of DHCW either to undertake specific functions on the Board's behalf or to provide advice and assurance to the Board in the exercise of its functions. The Board's commitment to openness and transparency in the conduct of all its business extends equally to the work carried out on its behalf by Committees. The Board shall, wherever possible, require its Committees to hold meetings in public unless there are specific, valid reasons for not doing so.

Use of the term 'Committee'

- 3.1.2 For the purposes of these SOs, use of the term 'Committee' incorporates the following:

- Board Committee
- Joint-Committee
- sub-Committee
- joint sub-Committee

3.2 Joint-Committees

- 3.2.1 The Board may, and where directed by the Welsh Ministers must, together with one or more Special Health Authority¹ appoint joint-Committees or joint sub-Committees. These may consist wholly or partly of DHCW members or Board members of other Special Health Authorities or of persons who are not DHCW Board members or Board members of Special Health Authorities. Any such appointments must be made in accordance with the Board's defined requirements on membership (including definition of member roles, powers and terms and conditions of appointment) and any directions given by the Welsh Ministers.
- 3.2.2 The Board's commitment to openness and transparency in the conduct of all its business extends equally to the work carried out by others on its behalf.

¹ In accordance with Part 2, Chapter 3, Section 25 of the NHS (Wales) Act 2006 any Special Health Authority which DHCW wishes to form a joint-Committee with must have had provision made within their Regulations

The Board shall wherever possible determine, in agreement with its partners, that its joint-Committees hold meetings in public unless there are specific, valid reasons for not doing so.

Joint Committee Standing Orders, terms of reference and operating arrangements

3.2.3 The Board shall formally approve SOs or terms of reference and operating arrangements for each joint-Committee established. These must establish its governance and ways of working, setting out, as a minimum:

- The scope of its work (including its purpose and any delegated powers and authority);
- Membership (including member appointment and removal; role, responsibilities and accountability; and terms and conditions of office) and quorum;
- Meeting arrangements;
- Communications;
- Relationships and accountabilities with others (including the SHA Board, its Committees and Advisory Groups);
- Any budget, financial and accounting responsibility;
- Secretariat and other support;
- Training, development and performance; and
- Reporting and assurance arrangements.

3.2.4 In doing so, the Board shall specify which aspects of these SOs are not applicable to the operation of the joint-Committee, keeping any such aspects to the minimum necessary.

3.3 Sub-Committees

3.3.1 A Committee appointed by the Board may establish a sub-Committee to assist it in the conduct of its business provided that the Board approves such action. Where the Board has authorised a Committee to establish sub-Committees they cannot delegate any executive powers to the sub-Committee unless authorised to do so by the Board.

3.4 Committees established by DHCW

3.4.1 The Board shall establish a Committee structure that it determines best meets its own needs, taking account of any regulatory or Welsh Government requirements. As a minimum, it must establish Committees which covers the following aspect of Board business:

- Audit;
- Remuneration and Terms of Service; and
- Oversight and scrutiny of quality, safety, information governance, data quality, security and risk.

3.4.2 In designing its Committee structure and operating arrangements, the Board shall take full account of the need to:

- Embed corporate standards, priorities and requirements, e.g., equality and human rights across all areas of activity; and
- Maximise cohesion and integration across all aspects of governance and assurance.

3.4.3 Each Committee established by or on behalf of the Board must have its own SOs or detailed terms of reference and operating arrangements, which must be formally approved by the Board. These must establish its governance and ways of working, setting out, as a minimum:

- The scope of its work (including its purpose and any delegated powers and authority);
- Membership and quorum;
- Meeting arrangements;
- Relationships and accountabilities with others (including the Board its Committees and Advisory Groups)
- Any budget and financial responsibility, where appropriate;
- Secretariat and other support;
- Training, development and performance; and
- Reporting and assurance arrangements.

3.4.4 In doing so, the Board shall specify which aspects of these SOs are not applicable to the operation of the Committee, keeping any such aspects to the minimum necessary. Detailed terms of reference and operating arrangements for the Committees established by the Board are set out in Schedule 3.

3.4.5 The membership of any such Committees - including the designation of Chair; definition of member roles and powers and terms and conditions of appointment (including remuneration and reimbursement) - will usually be determined by the Board, based on the recommendation of DHCW Chair, and subject to any specific requirements, directions or regulations made by the Welsh Ministers. Depending on the Committee's defined role and remit, membership may be drawn from the DHCW Board, its staff (subject to the conditions set in Standing Order 3.4.6) or others not employed by DHCW.

3.4.6 Executive Directors or other DHCW officers shall not normally be appointed as Committee Chairs, nor should they be appointed to serve as members on any Committee set up to review the exercise of functions delegated to officers. Designated DHCW officers shall, however, be in attendance at such Committees, as appropriate.

3.5 Other Committees

3.5.1 The Board may also establish other Committees to help DHCW conduct its business.

3.6 Confidentiality

3.6.1 Committee members and attendees must not disclose any matter dealt with

by or brought before a Committee in confidence without the permission of the Committee's Chair.

3.7 Reporting activity to the Board

- 3.7.1 The Board must ensure that the Chairs of all Committees operating on its behalf report formally, regularly and on a timely basis to the Board on their activities. Committee Chairs' shall bring to the Boards specific attention any significant matters under consideration and report on the totality of its activities through the production of minutes or other written reports.

4. NHS WALES SHARED SERVICES PARTNERSHIP

- 4.0.1 From 1 June 2012 the function of managing and providing Shared Services to the health service in Wales was given to Velindre NHS Trust. The Trust's Establishment Order has been amended to reflect the fact that the Shared Services function has been conferred on it.

- 4.0.2 The **Velindre National Health Service Trust Shared Services Committee (Wales) Regulations 2012** (S.I. 2012/1261 (W.156)) ("the Shared Services Regulations") require the Trust to establish a Shared Services Committee (known for operational purposes as the Shared Services Partnership Committee) which will be responsible for exercising the Trust's Shared Services functions. The Shared Services Regulations (as amended) prescribe the membership of the Shared Services Committee in order to ensure that all Local Health Boards, Trusts and SHAs in Wales have a member on the Shared Services Committee and that the views of all the NHS organisations in Wales are taken into account when making decisions in respect of Shared Services activities.

- 4.0.3 The Director of Shared Services will be designated as Accountable Officer for Shared Services.

- 4.0.4 These arrangements necessitate putting in place a Memorandum of Co-operation and a Hosting Agreement between all LHBs, Trusts and SHAs setting out the obligations of NHS bodies to participate in the Shared Services Committee and to take collective responsibility for setting the policy and delivery of the Shared Services to the health service in Wales. Responsibility for the exercise of the Shared Services functions will not rest with the Board of Velindre NHS Trust but will be a shared responsibility of all NHS bodies in Wales.

- 4.0.5 The Shared Services Committee is to be known as the Shared Services Partnership Committee for operational purposes.

5. WORKING IN PARTNERSHIP

- 5.0.1 DHCW shall work constructively in partnership with others to plan and secure the provision and delivery of digital health and care services as described

within paragraph 1.0.1, in accordance with its statutory duties and any specific requirements or directions made by the Welsh Ministers.

- 5.0.2 The Chair shall ensure that the Board has identified all its key partners and other stakeholders and established clear mechanisms for engaging with and involving them in the work of DHCW.
- 5.0.3 The Board shall keep under review its partnership arrangements to ensure continued clarity around purpose, desired outcomes and partner responsibilities. It must ensure timely action to change, adapt or end partnerships where they no longer serve a useful purpose, in accordance with its statutory duties; any specific requirements or directions made by the Welsh Ministers; and the agreed terms and conditions for the partnership.

6. ADVISORY GROUP(S)

- 6.0.1 DHCW may and where directed by Welsh Ministers, must appoint Advisory Group(s) to the SHA to provide advice to the Board in the exercise of its functions.
- 6.0.2 Details of the SHA's Advisory Group(s), their membership and terms of reference are set out in Schedule 4.
- 6.0.3 The Board's commitment to openness and transparency in the conduct of all its business extends equally to the work carried out by others to advise it in the conduct of its business. The Board shall, wherever possible require its Advisory Group(s) to hold meetings in public unless there are specific, valid reasons for not doing so.

6.1 Advisory Group(s) established by DHCW

- 6.1.1 DHCW shall establish the following Advisory Group(s):
 - Local Partnership Forum

6.2 Terms of reference and operating arrangements

- 6.2.1 The Board must formally approve terms of reference and operating arrangements in respect of any Advisory Group it has established. These must establish its governance and ways of working, setting out, as a minimum:
 - The scope of its work (including its purpose and any delegated powers and authority);
 - Membership (including member appointment and removal, role, responsibilities and accountabilities, and terms and conditions of office) and quorum;
 - Meeting arrangements;
 - Communications;

- Relationships with others (including the Board, its Committees and Advisory Groups) as well as other relevant local and national groups;
- Any budget and financial responsibility (where appropriate);
- Secretariat and other support;
- Training, development and performance; and
- Reporting and assurance arrangements.

6.2.3 In doing so, the Board shall specify which of these SOs are not applicable to the operation of the Advisory Group, keeping any such aspects to the minimum necessary. The detailed terms of reference and operating arrangements for the SHA's Advisory Groups are set out in Schedule 4.

6.2.4 The Board may determine that any Advisory Group it has set up should be supported by sub-groups to assist it in the conduct of its work, or the Advisory Group may itself determine such arrangements, provided that the Board approves such action.

6.3 Support to Advisory Group(s)

6.3.1 The Board Secretary, on behalf of the Chair, will ensure that Advisory Group(s) are properly equipped to carry out their role by:

- Co-ordinating and facilitating appropriate induction and organisational development activity;
- Ensuring the provision of governance advice and support to the Advisory Group Chair on the conduct of its business and its relationship with the DHCW Board and others;
- Ensuring the provision of secretariat support for Advisory Group meetings (for specific arrangements relating to Local Partnership Forum see 6.7 and Schedule 4);
- Ensuring that the Advisory Group receives the information it needs on a timely basis;
- Ensuring strong links to communities/groups/professionals as appropriate; and
- Facilitating effective reporting to the Board

6.4 Confidentiality

6.4.1 Advisory Group members and attendees must not disclose any matter dealt with by or brought before a Group in confidence without the permission of the Advisory Group Chair.

6.5 Advice and feedback

6.5.1 DHCW may specifically request advice and feedback from the Advisory Group(s) on any aspect of its business and they may also offer advice and feedback even if not specifically requested by the organisation. The Group(s) may provide advice to the Board:

- In written advice;
- In any other form specified by the Board

6.6 Reporting activity

- 6.6.1 The Board shall ensure that the Chairs of all Advisory Groups report formally, regularly and on a timely basis to the Board on their activities. Advisory Group Chairs shall bring to the Board's specific attention any significant matters under consideration and report on the totality of its activities through the production of minutes or other written reports.
- 6.6.2 Each Advisory Group shall also submit an annual report to the Board through the Chair within 6 weeks of the end of the reporting year setting out its activities during the year and detailing the results of a review of its performance and that of any sub-groups it has established.
- 6.6.3 Each Advisory Group shall report regularly on its activities to those whose interests they represent.

6.7 The Local Partnership Forum (LPF)

Role

- 6.7.1 The LPF's role is to provide a formal mechanism where DHCW, as employer, and trade unions/professional bodies representing DHCW employees (hereafter referred to as staff organisations) work together to improve digital health and care services for the citizens served by DHCW - achieved through a regular and timely process of consultation, negotiation and communication. In doing so, the LPF must effectively represent the views and interests of the DHCW workforce.
- 6.7.2 It is the forum where the organisation and staff organisations will engage with each other to inform, debate and seek to agree local priorities on workforce and health service issues; and inform thinking around national priorities on digital health and care matters.

6.8 Relationship with the Board and others

- 6.8.1 The LPF's main link with the Board is through the Executive members of the LPF.
- 6.8.2 The Board may determine that designated Board members or DHCW staff shall be in attendance at LPF meetings. The LPF's Chair may also request the attendance of Board members or DHCW staff, subject to the agreement of the DHCW Chair.
- 6.8.3 The Board shall determine the arrangements for any joint meetings between the Board and the LPF's staff representative members.
- 6.8.4 The Board's Chair shall put in place arrangements to meet with the LPF's Joint Chairs on a regular basis to discuss the LPF's activities and operation.
- 6.8.5 The LPF shall ensure effective links and relationships with other groups/fora at a local and, where appropriate, national level.

Refer to Schedule 4 for detailed Terms of Reference and Operating Arrangements.

7. MEETINGS

7.1 Putting Citizens first

- 7.1.1 DHCW's business will be carried out openly and transparently in a manner that encourages the active engagement of its citizens, community partners and other stakeholders. DHCW, through the planning and conduct of meetings held in public, shall facilitate this in a number of ways, including:
- Active communication of forthcoming business and activities;
 - The selection of accessible, suitable venues for meetings when these are not held via electronic means;

- The availability of papers in English and Welsh languages and in accessible formats, such as Braille, large print, easy read (where requested and required) and in electronic formats; Requesting that attendees notify DHCW of any access needs sufficiently in advance of a proposed meeting, and responding appropriately, e.g., arranging British Sign Language (BSL) interpretation at meetings; and
- Where appropriate, ensuring suitable translation arrangements are in place to enable the conduct of meetings in either English or Welsh.

In accordance with legislative requirements, e.g., Disability Discrimination Act, as well as its Communication Strategy and Welsh language requirements.

- 7.1.2 The Chair will ensure that, in determining the matters to be considered by the Board, full account is taken of the views of partners and stakeholder and interests of the communities served by DHCW.

7.2 Annual Plan of Board Business

- 7.2.1 The Board Secretary, on behalf of the Chair, shall produce an Annual Plan of Board business. This plan will include proposals on meeting dates, venues and coverage of business activity during the year, taking account that ordinary meetings of the Board will be held at regular intervals and as a minimum six times a year. The Plan shall also set out any standing items that will appear on every Board agenda.
- 7.2.2 The plan shall set out the arrangements in place to enable DHCW to meet its obligations whilst also allowing Board members to contribute in either English or Welsh languages, where appropriate.
- 7.2.3 The plan shall also incorporate formal Board meetings, regular Board Development sessions and, where appropriate, the planned activities of the Board's Committees and Advisory Groups.
- 7.2.4 During the first year of establishment the Board shall agree the plan of business for the forthcoming year as close to 1 April 2021 as possible. This first plan will be kept under review and will be amended as necessary. For subsequent years the Board shall agree the plan for the forthcoming year by the end of March. The annual plan of board business will be published on the organisations website.

Annual General Meeting (AGM)

- 7.2.5 DHCW must hold an AGM in public no later than the 31 July each year. The first AGM will be scheduled to take place on or before 31 July 2022. At least 10 calendar days prior to the meeting a public notice of the intention to hold the meeting, the time and place of the meeting, and the agenda shall be displayed bilingually (in English and Welsh) on the SHA's website.

The notice shall state that:

- Electronic or paper copies of the Annual Report and Accounts of the

- SHA are available, on request, prior to the meeting; and
- State how copies can be obtained, in what language and in what format, e.g. as Braille, large print, easy read etc.

7.2.6 The AGM must include presentation of the Annual Report and audited accounts, together with (where applicable), an audited abridged version of the annual accounts and, may also include presentation of other reports of interest to citizens and others.

7.2.7 A record of the meeting shall be submitted to the next ordinary meeting of the Board for agreement.

7.3 Calling Meetings

7.3.1 In addition to the planned meetings agreed by the Board, the Chair may call a meeting of the Board at any time. Individual Board members may also request that the Chair call a meeting provided that at least one third of the whole number of Board members, support such a request.

7.3.2 If the Chair does not call a meeting within seven days after receiving such a request from Board members, then those Board members may themselves call a meeting.

7.4 Preparing for Meetings

Setting the agenda

7.4.1 The Chair, in consultation with the Chief Executive and Board Secretary, will set the Agenda. In doing so, they will take account of the planned activity set in the annual cycle of Board business; any standing items agreed by the Board; any applicable items received from the Board's Committees; and the priorities facing DHCW. The Chair must ensure that all relevant matters are brought before the Board on a timely basis.

7.4.2 Any Board member may request that a matter is placed on the Agenda by writing to the Chair, copied to the Board Secretary, at least 12 calendar days before the meeting. The request must set out whether the item of business is proposed to be transacted in public and shall include appropriate supporting information. The Chair may, at their discretion, include items on the agenda that have been requested after the 12 day notice period if this would be beneficial to the conduct of board business.

Notifying and equipping Board members

7.4.3 Board members shall be sent an Agenda and a complete set of supporting papers at least 7 calendar days before a formal Board meeting. This information may be provided to Board members electronically or in paper form, in an accessible format, to the address provided, and in accordance with their stated preference. Supporting papers may, exceptionally, be provided, after this time provided that the Chair is satisfied that the Board's ability to consider the issues contained within the paper would not be impaired.

- 7.4.4 No papers will be included for consideration and decision by the Board unless the Chair is satisfied (subject to advice from the Board Secretary, as appropriate) that the information contained within it is sufficient to enable the Board to take a reasonable decision. It will include evidence that appropriate impact assessments have been undertaken and taken into consideration. Impact assessments shall be undertaken on all new or revised policies, strategies, guidance and or practice to be considered by the Board, and the outcome of the assessment shall accompany the report to the Board to enable the Board to make an informed decision.
- 7.4.5 In the event that at least half of the Board members do not receive the Agenda and papers for the meeting as set out above, the Chair must consider whether or not the Board would still be capable of fulfilling its role and meeting its responsibilities through the conduct of the meeting. Where the Chair determines that the meeting should go ahead, their decision, and the reason for it, shall be recorded in the minutes.
- 7.4.6 In the case of a meeting called by Board members, notice of that meeting must be signed by those members and the business conducted will be limited to that set out in the notice.

Notifying the public and others

- 7.4.7 Except for meetings called in accordance with Standing Order 7.3, at least 7 days before each meeting of the Board a public notice of the time and place of the meeting, and the public part of the agenda, shall be displayed bilingually (in English and Welsh):
- On the DHCW website, together with the papers supporting the public part of the Agenda; as well as
 - Through other methods of communication as set out in DHCW's communication strategy.
- 7.4.8 When providing notification of the forthcoming meeting, DHCW shall set out when and how the Agenda and the papers supporting the public part of the Agenda may be accessed, in what language and in what format, e.g., as Braille, large print, easy read, etc.

7.5 Conducting Board Meetings

Admission of the public, the press and other observers

- 7.5.1 DHCW shall encourage attendance at its formal Board meetings by the public and members of the press as well as officers or representatives from organisations who have an interest in DHCW business. The venue for such meetings (when meetings are not held via electronic means) shall be appropriate to facilitate easy access for attendees and translation services; and appropriate facilities wherever practicable to maximise accessibility.
- 7.5.2 The Board and its Committees shall conduct as much of its formal business in public as possible. There may be circumstances where it would not be in the

public interest to discuss a matter in public, e.g., business that relates to a confidential matter. In such cases the Chair (advised by the Board Secretary where appropriate) shall schedule these issues accordingly and require that any observers withdraw from the meeting. In doing so, the Board shall resolve:

That representatives of the press and other members of the public be excluded from the remainder of this meeting having regard to the confidential nature of the business to be transacted, publicity on which would be prejudicial to the public interest in accordance with Section 1(2) Public Bodies (Admission to Meetings) Act 1960 (c.67).

- 7.5.3 In the circumstances, when the Board is not meeting in public session it shall operate in private session, formally reporting any decisions taken to the next meeting of the Board in public session. Wherever possible, that reporting shall take place at the end of a private session, by reconvening a Board meeting held in public session.
- 7.5.4 The Board Secretary, on behalf of the Chair, shall keep under review the nature and volume of business conducted in private session to ensure such arrangements are adopted only when absolutely necessary.
- 7.5.5 In encouraging entry to formal Board Meetings from members of the public and others, the Board shall make clear that attendees are welcomed as observers. The Chair shall take all necessary steps to ensure that the Board's business is conducted without interruption and disruption. In exceptional circumstances, this may include a requirement that observers leave the meeting.

Addressing the Board, its Committees and Advisory Groups

- 7.5.6 The Board will decide what arrangements and terms and conditions it feels are appropriate in extending an invitation to observers to attend and address any meetings of the Board, its Committees and Advisory Groups, and may change, alter or vary these terms and conditions as it considers appropriate. In doing so, the Board will take account of its responsibility to actively encourage the engagement and, where appropriate, involvement of citizens and stakeholders in its work and to demonstrate openness and transparency in the conduct of business.

Chairing Board Meetings

- 7.5.7 The Chair of DHCW will preside at any meeting of the Board unless they are and unable to perform their duties (including any temporary absence or disqualification from participation on the grounds of a conflict of interest). In these circumstances the Vice Chair shall preside. If both the Chair and Vice-Chair are absent or disqualified, the Independent Members present shall elect one of the Independent Members to preside.
- 7.5.8 The Chair must ensure that the meeting is handled in a manner that enables the Board to reach effective decisions on the matters before it. This includes ensuring that Board members' contributions are timely and relevant and move

business along at an appropriate pace. In doing so, the Board must have access to appropriate advice on the conduct of the meeting through the attendance of the nominated Board Secretary. The Chair has the final say on any matter relating to the conduct of Board business.

Quorum

- 7.5.9 At least six Board members, at least two of whom are Executive Directors and four are Independent Members, must be present to allow any formal business to take place at a Board meeting.
- 7.5.10 If the Chief Executive or an Executive Director is unable to attend a Board meeting, then a nominated deputy may attend in their absence and may participate in the meeting, provided that the Chair has agreed the nomination before the meeting. However, Board members' voting rights cannot be delegated so the nominated deputy may not vote or be counted towards the quorum. If a deputy is already a Board member in their own right, e.g., a person deputising for the Chief Executive will usually be an Executive Director, they will be able to exercise their own vote in the usual way but they will not have any additional voting rights.
- 7.5.11 The quorum must be maintained during a meeting to allow formal business to be conducted, i.e., any decisions to be made. Any Board member disqualified through conflict of interest from participating in the discussion on any matter and/or from voting on any resolution will no longer count towards the quorum. If this results in the quorum not being met that particular matter or resolution cannot be considered further at that meeting, and must be noted in the minutes.

Dealing with motions

- 7.5.12 In the normal course of Board business items included on the agenda are subject to discussion and decisions based on consensus. Considering a motion is therefore not a routine matter and may be regarded as exceptional, e.g. where an aspect of delivery is a cause for particular concern, a Board member may put forward a motion proposing that a formal review of that service area is undertaken by a Committee of the Board. The Board Secretary will advise the Chair on the formal process for dealing with motions. No motion or amendment to a motion will be considered by the Board unless moved by a Board member and seconded by another Board member (including the Chair).
- 7.5.13 **Proposing a formal notice of motion** – Any Board member wishing to propose a motion must notify the Chair in writing of the proposed motion at least 12 days before a planned meeting. Exceptionally, an emergency motion may be proposed up to one hour before the fixed start of the meeting, provided that the reasons for the urgency are clearly set out. Where sufficient notice has been provided, and the Chair has determined that the proposed motion is relevant to the Board's business, the matter shall be included on the Agenda, or, where an emergency motion has been proposed, the Chair shall declare the motion at the start of the meeting as an additional item to be included on the agenda.

7.5.14 The Chair also has the discretion to accept a motion proposed during a meeting provided that the matter is considered of sufficient importance and its inclusion would not adversely affect the conduct of Board business.

7.5.15 **Amendments** - Any Board member may propose an amendment to the motion at any time before or during a meeting and this proposal must be considered by the Board alongside the motion.

7.5.16 If there are a number of proposed amendments to the motion, each amendment will be considered in turn, and if passed, the amended motion becomes the basis on which the further amendments are considered, i.e., the substantive motion.

7.5.17 **Motions under discussion** – When a motion is under discussion, any Board member may propose that:

- The motion be amended;
- The meeting should be adjourned;
- The discussion should be adjourned and the meeting proceed to the next item of business;
- A Board member may not be heard further;
- The Board decides upon the motion before them;
- An ad hoc Committee should be appointed to deal with a specific item of business; or
- The public, including the press, should be excluded.

7.5.18 **Rights of reply to motions** – The mover of a motion (including an amendment) shall have a right of reply at the close of any debate on the motion or the amendment immediately prior to a vote on the proposal.

7.5.19 **Withdrawal of motion or amendments** – A motion or an amendment to a motion, once moved and seconded, may be withdrawn by the proposer with the agreement of the seconder and the Chair.

7.5.20 **Motion to rescind a resolution** – The Board may not consider a motion to amend or rescind any resolution (or the general substance of any resolution) which has been passed within the preceding six months unless the motion is supported by the (simple) majority of Board members.

7.5.21 A motion that has been decided upon by the Board cannot be proposed again within six months except by the Chair, unless the motion relates to the receipt of a report or the recommendations of a Committee/Chief Executive to which a matter has been referred.

Voting

7.5.22 The Chair will determine whether Board members' decisions should be expressed orally, through a show of hands, by secret ballot or by recorded vote. The Chair must require a secret ballot or recorded vote if the majority of voting Board members request it. Where voting on any question is

conducted, a record of the vote shall be maintained. In the case of a secret ballot the decision shall record the number voting for, against or abstaining. Where a recorded vote has been used the Minutes shall record the name of the individual and the way in which they voted. Associate Members may not vote in any meetings or proceedings of the Board.

7.5.23 In determining every question at a meeting the Board members must take account, where relevant, of the views expressed and representations made by individuals and organisations who represent the interests of stakeholders.

7.5.24 The Board will make decisions based on a simple majority view held by the Board members present. In the event of a split decision, i.e., no majority view being expressed, the Chair shall have a second and casting vote.

7.5.25 In no circumstances may an absent Board member or nominated deputy vote by proxy. Absence is defined as being absent at the time of the vote.

7.6 Record of Proceedings

7.6.1 A record of the proceedings of formal Board meetings (and any other meetings of the board where the Board members determine) shall be drawn up as 'minutes'. These minutes shall include a record of Board member attendance (including the Chair) together with apologies for absence, and shall be submitted for agreement at the next meeting of the Board, where any discussion shall be limited to matters of accuracy. Any agreed amendment to the minutes must be formally recorded.

7.6.2 Agreed minutes shall be circulated in accordance with Board members' wishes, and, where providing a record of a formal Board meeting shall be made available to the public both on DHCW's website and in hard copy or other accessible format on request, in accordance with any legislative requirements, e.g., Data Protection Act 2018, General Data Protection Regulations, DHCW's Communication Strategy and Welsh language requirements.

7.7 Confidentiality

7.7.1 All Board members (including Associate Members), together with members of any Committee or Advisory Group established by or on behalf of the Board and DHCW officials must respect the confidentiality of all matters considered by the Board in private session or set out in documents which are not publicly available. Disclosure of any such matters may only be made with the express permission of the Chair of the Board or relevant Committee, as appropriate, and in accordance with any other requirements set out elsewhere, e.g., in contracts of employment, within the Values and Standards of Behaviour framework or legislation such as the Freedom of Information Act 2000, etc.

8. VALUES AND STANDARDS OF BEHAVIOUR

8.0.1 The Board must adopt a set of values and standards of behaviour for DHCW

that meets the requirements of the NHS Wales Values and Standards of Behaviour framework. These values and standards of behaviour will apply to all those conducting business by or on behalf of DHCW, including Board members, DHCW officers and others, as appropriate. The framework adopted by the Board will form part of these SOs.

8.1 Declaring and recording Board members' interests

8.1.1 Declaration of interests – It is a requirement that all Board members must declare any personal or business interests they may have which may affect, or be perceived to affect the conduct of their role as a Board member. This includes any interests that may influence or be perceived to influence their judgement in the course of conducting the Board's business. Board members must be familiar with the Values and Standards of Behaviour Framework and their statutory duties under the Membership and Procedure Regulations. Board members must notify the Chair and Board Secretary of any such interests at the time of their appointment, and any further interests as they arise throughout their tenure as Board members.

8.1.2 Board members must also declare any interests held by family members or persons or bodies with which they are connected. The Board Secretary will provide advice to the Chair and the Board on what should be considered as an 'interest', taking account of the regulatory requirements and any further guidance, e.g., the Values and Standards of Behaviour framework. If individual Board members are in any doubt about what may be considered as an interest, they should seek advice from the Board Secretary. However, the onus regarding declaration will reside with the individual Board member.

8.1.3 Register of interests – The Chief Executive, through the Board Secretary will ensure that a Register of Interests is established and maintained as a formal record of interests declared by all Board members. The register will include details of all Directorships and other relevant and material interests which have been declared by Board members.

8.1.4 The register will be held by the Board Secretary, and will be updated during the year, as appropriate, to record any new interests, or changes to the interests declared by Board members. The Board Secretary will also arrange an annual review of the Register, through which Board members will be required to confirm the accuracy and completeness of the register relating to their own interests.

8.1.5 In line with the Board's commitment to openness and transparency, the Board Secretary must take reasonable steps to ensure that the citizens served by DHCW are made aware of, and have access to view DHCW's Register of Interests. This may include publication on the DHCW website.

8.1.6 Publication of declared interests in Annual Report – Board members' declared directorships of companies or positions in other organisations likely or possibly seeking to do business with the NHS shall be published in DHCW's Annual Report.

8.2 Dealing with Members' interests during Board meetings

- 8.2.1 The Chair, advised by the Board Secretary, must ensure that the Board's decisions on all matters brought before it are taken in an open, balanced, objective and unbiased manner. In turn, individual Board members must demonstrate, through their actions, that their contribution to the Board's decision making is based upon the best interests of DHCW and the NHS in Wales.
- 8.2.2 Where individual Board members identify an interest in relation to any aspect of Board business set out in the Board's meeting agenda, that member must declare an interest at the start of the Board meeting. Board members should seek advice from the Chair, through the Board Secretary before the start of the Board meeting if they are in any doubt as to whether they should declare an interest at the meeting. All declarations of interest made at a meeting must be recorded in the Board minutes.
- 8.2.3 It is the responsibility of the Chair, on behalf of the Board, to determine the action to be taken in response to a declaration of interest, taking account of any regulatory requirements or directions made by the Welsh Ministers. The range of possible actions may include determination that:
- i) The declaration is formally noted and recorded, but that the Board member should participate fully in the Board's discussion and decision, including voting. This may be appropriate, for example where the Board is considering matters of strategy relating to a particular aspect of health and care and an Independent Member is a health and care professional whose profession may be affected by that strategy determined by the Board;
 - ii) The declaration is formally noted and recorded, and the Board member participates fully in the Board's discussion, but takes no part in the Board's decision;
 - iii) The declaration is formally noted and recorded, and the Board member takes no part in the Board discussion or decision;
 - iv) The declaration is formally noted and recorded, and the Board member is excluded for that part of the meeting when the matter is being discussed. A Board member must be excluded, where that member has a direct or indirect financial interest in a matter being considered by the Board.
- 8.2.4 In extreme cases, it may be necessary for the member to reflect on whether their position as a Board member is compatible with an identified conflict of interest.
- 8.2.5 Where the Chair is the individual declaring an interest, any decision on the action to be taken shall be made by the Vice Chair, on behalf of the Board.
- 8.2.6 In all cases the decision of the Chair (or the Vice Chair in the case of an interest declared by the Chair) is binding on all Board members. The Chair should take advice from the Board Secretary when determining the action to

take in response to declared interests; taking care to ensure their exercise of judgement is consistently applied.

8.2.7 *Members with pecuniary (financial) interests* – Where a Board member, or any person they are connected with² has any direct or indirect pecuniary interest in any matter being considered by the Board, including a contract or proposed contract, that member must at the meeting and as soon as practicable after its commencement, disclose the interest and must not take part in the consideration or discussion of that matter or vote on any question related to it. The Board may determine that the Board member concerned shall be excluded from that part of the meeting.

8.2.8 The Values and Behaviour Framework defines ‘direct’ and ‘indirect’ pecuniary interests and these definitions always apply when determining whether a member has an interest. These SOs must be interpreted in accordance with these definitions.

8.2.9 *Members with Professional Interests* - During the conduct of a Board meeting, an individual Board member may establish a clear conflict of interest between their role as a DHCW Board member and that of their professional role outside of the Board. In any such circumstance, the Board shall take action that is proportionate to the nature of the conflict, taking account of the advice provided by the Board Secretary.

8.3 Dealing with officers’ interests

8.3.1 The Board must ensure that the Board Secretary, on behalf of the Chief Executive, establishes and maintains a system for the declaration, recording and handling of DHCW officers’ interests in accordance with the Values and Standards of Behaviour Framework.

8.4 Reviewing how Interests are handled

8.4.1 The Audit Committee will review and report to the Board upon the adequacy of the arrangements for declaring, registering and handling interests at least annually.

8.5 Dealing with offers of gifts³ and hospitality

8.5.1 The Values and Standards of Behaviour Framework adopted by the Board prohibits Board members and DHCW officers from receiving gifts, hospitality or benefits in kind from a third party which may reasonably give rise to suspicion of conflict between their official duty and their private interest, or may reasonably be seen to compromise their personal integrity in any way.

² In the case of persons who are married to each other or in a civil partnership with each other or who are living together as if married or civil partners, the interest of one person shall, if known to the other, be deemed for the purpose of this Standing Order to be also an interest of the other.

³ The term gift refers also to any reward or benefit.

8.5.2 Gifts, benefits or hospitality must never be solicited. Any Board member or DHCW officer who is offered a gift, benefit or hospitality which may or may be seen to compromise their position must refuse to accept it. This may in certain circumstances also include a gift, benefit or hospitality offered to a family member of a Board member or DHCW officer. Failure to observe this requirement may result in disciplinary and/or legal action.

8.5.3 In determining whether any offer of a gift or hospitality should be accepted, an individual must make an active assessment of the circumstances within which the offer is being made, seeking advice from the Board Secretary as appropriate. In assessing whether an offer should be accepted, individuals must take into account:

- **Relationship:** Contacts which are made for the purpose of information gathering are generally less likely to cause problems than those which could result in a contractual relationship, in which case accepting a gift or hospitality could cause embarrassment or be seen as giving rise to an obligation;
- **Legitimate Interest:** Regard should be paid to the reason for the contact on both sides and whether it is a contact that is likely to benefit DHCW;
- **Value:** Gifts and benefits of a trivial or inexpensive seasonal nature e.g., diaries/calendars, are more likely to be acceptable and can be distinguished from more substantial offers. Similarly, hospitality in the form of a working lunch would not be treated in the same way as more expensive social functions, travel or accommodation (although in some circumstances these may also be accepted);
- **Frequency:** Acceptance of frequent or regular invitations particularly from the same source would breach the required standards of conduct. Isolated acceptance of, for example, meals, tickets to public, and sport, cultural or social events would only be acceptable if attendance is justifiable in that it benefits DHCW ; and
- **Reputation:** If the body concerned is known to be under investigation by or has been publicly criticised by a public body, regulators or inspectors, acceptance of a gift or hospitality might be seen as supporting the body or affecting in some way the investigation or negotiations and it should always be declined.

8.5.4 A distinction may be drawn between items offered as hospitality and items offered in substitution for fees for broadcasts, speeches, lectures or other work done. There may be circumstances where the latter may be accepted if they can be used for official purposes.

8.6 Sponsorship

- 8.6.1 In addition to gifts and hospitality individuals and the organisation may also receive sponsorship. Sponsorship is an offer of funding to an individual, department or the organisation as whole from an external source whether in cash, goods, services or benefits. It could include an offer to sponsor a research or operational post, training, attendance at a conference, costs associated with meetings, conferences or working visit. The sponsorship may cover some or all of the costs.
- 8.6.2 All sponsorship must be approved prior to acceptance in accordance with the Values and Behaviour Framework and relevant procedures. A record of all sponsorship accepted or declined will also be maintained.

8.7 Register of Gifts and Hospitality

- 8.7.1 The Board Secretary, on behalf of the Chair, will maintain a register of Gifts, Hospitality and Sponsorship to record offers of gifts, hospitality and sponsorship made to Board members. Executive Directors will adopt a similar mechanism in relation to DHCW officers working within their Directorates.
- 8.7.2 Every Board member and DHCW officer has a personal responsibility to volunteer information in relation to offers of gifts, hospitality and sponsorship, including those offers that have been refused. The Board Secretary, on behalf of the Chair and Chief Executive, will ensure the incidence and patterns of offers and receipt of gifts, hospitality and sponsorship are kept under active review, taking appropriate action where necessary.
- 8.7.3 When determining what should be included in the Register, individuals shall apply the following principles, subject to the considerations in Standing Order 8.5.3:
- **Gifts:** Generally, only gifts of material value should be recorded. Those with a nominal value, e.g., seasonal items such as diaries/calendars would not usually need to be recorded.
 - **Hospitality:** Only significant hospitality offered or received should be recorded. Occasional offers of 'modest and proportionate'⁴ hospitality need not be included in the Register.
- 8.7.4 Board members and DHCW officers may accept the occasional offer of modest and proportionate hospitality but in doing so must consider whether the following conditions are met:

⁴ Examples of 'modest and proportionate' hospitality that need not be included in a Hospitality register include a working sandwich lunch or a buffet lunch incidental to a conference or seminar attended by a variety of participants.

- Acceptance would further the aims of DHCW;
- The level of hospitality is reasonable in the circumstances;
- It has been openly offered; and,
- It could not be construed as any form of inducement and will not put the individual under any obligation to those offering it.

8.7.5 The Board Secretary will arrange for a full report of all offers of Gifts, Hospitality and Sponsorship recorded by DHCW to be submitted to the Audit Committee (or equivalent) at least annually. The Audit Committee will then review and report to the Board upon the adequacy of the DHCW's arrangements for dealing with offers of gifts, hospitality and sponsorship.

9. SIGNING AND SEALING DOCUMENTS

9.0.1 The common seal of the DHCW is primarily used to seal legal documents such as transfers of land, lease agreements and other important/key contracts. The seal may only be fixed to a document if the Board or Committee of the Board has determined it shall be sealed, or if a transaction to which the document relates has been approved by the Board or Committee of the Board.

9.0.2 Where it is decided that a document shall be sealed it shall be fixed in the presence of the Chair or Vice Chair (or other authorised independent Member) and the Chief Executive or Deputy Chief Executive (or another authorised individual) both of whom must witness the seal.

9.1 Register of Sealing

9.1.1 The Board Secretary shall keep a register that records the sealing of every document. Each entry must be signed by the persons who approved and authorised the document and who witnessed the seal. A report of all sealings shall be presented to the Board at least bi-annually.

9.2 Signature of Documents

9.2.1 Where a signature is required for any document connected with legal proceedings involving DHCW, it shall be signed by the Chief Executive, except where the Board has authorised another person or has been otherwise directed to allow or require another person to provide a signature.

9.2.2 The Chief Executive or nominated officers may be authorised by the Board to sign on behalf of DHCW any agreement or other document (not required to be executed as a deed) where the subject matter has been approved either by the Board or a Committee to which the Board has delegated appropriate authority.

9.3 Custody of Seal

9.3.1 The Common Seal of DHCW shall be kept securely by the Board Secretary.

10. GAINING ASSURANCE ON THE CONDUCT OF DHCW BUSINESS

10.0.1 The Board shall set out explicitly, within a Risk and Assurance Framework, how it will be assured on the conduct of DHCW business, its governance and the effective management of the organisation's risks in pursuance of its aims and objectives. It shall set out clearly the various sources of assurance, and where and when that assurance will be provided, in accordance with any requirements determined by the Welsh Ministers.

10.0.2 The Board shall ensure that its assurance arrangements are operating effectively, advised by its Audit Committee (or equivalent).

10.0.3 Assurances in respect of the services provided by the NHS Wales Shared Services Partnership shall primarily be achieved by the reports of the Director of Shared Services to the Shared Services Partnership Committee, and reported back by the Chief Executive (or their nominated representative). Where appropriate, and by exception, the Board may seek assurances direct from the Director of Shared Services. The Director of Shared Services and the Shared Services Partnership Committee shall be under an obligation to comply with any internal or external audit functions being undertaken by or on behalf of DHCW.

10.0.4 Arrangements for seeking and providing assurance in respect of any other services provided on behalf of or in association with DHCW shall be clearly identified and reflected within the practice of the organisation and within the relevant agreements.

10.1 The role of Internal Audit in providing independent internal assurance

10.1.1 The Board shall ensure the effective provision of an independent internal audit function as a key source of its internal assurance arrangements, in accordance with NHS Wales Internal Auditing Standards and any other requirements determined by the Welsh Ministers.

10.1.2 The Board shall set out the relationship between the Head of Internal Audit (HIA), the Audit Committee (or equivalent) and the Board. It shall:

- Approve the Internal Audit Charter (incorporating the definition of internal audit) and adopt the Internal Auditing Standards (incorporating the code of ethics);
- Ensure the HIA communicates and interacts directly with the Board, facilitating direct and unrestricted access;
- Require Internal Audit to confirm its independence annually; and
- Ensure that the Head of Internal Audit reports periodically to the Board on its activities, including its purpose, authority, responsibility and performance. Such reporting will include governance issues and significant risk exposures.

10.2 Reviewing the performance of the Board, its Committees and Advisory

Groups

10.2.1 The Board shall introduce a process of regular and rigorous self-assessment and evaluation of its own operations and performance and that of its Committees and Advisory Group. Where appropriate, the Board may determine that such evaluation may be independently facilitated.

10.2.2 Each Committee and, where appropriate, Advisory Group must also submit an annual report to the Board through the Chair within 6 weeks of the end of the reporting year setting out its activities during the year and including the review of its performance and that of any sub-Committees it has established.

10.2.3 The Board shall use the information from this evaluation activity to inform:

- The ongoing development of its governance arrangements, including its structures and processes;
- Its Board Development Programme, as part of an overall Organisation Development framework; and
- The Board's report of its alignment with the Welsh Government's Citizen Centred Governance Principles.

10.3 External Assurance

10.3.1 The Board shall ensure it develops effective working arrangements and relationships with those bodies that have a role in providing independent, external assurance to the public and others on DHCW's operations, e.g., the Auditor General for Wales.

10.3.2 The Board may be assured, from the work carried out by external audit and others, on the adequacy of its own assurance framework, but that external assurance activity shall not form part of, or replace its own internal assurance arrangements, except in relation to any additional work that the Board itself may commission specifically for that purpose.

10.3.3 The Board shall keep under review and ensure that, where appropriate, DHCW implements any recommendations relevant to its business made by the Welsh Government's Audit Committee, Senedd Cymru/Welsh Parliament's Public Accounts Committee and other appropriate bodies.

10.3.4 DHCW shall provide the Auditor General for Wales with any assistance, information and explanation which the Auditor General thinks necessary for the discharge of their statutory powers and responsibilities.

11. DEMONSTRATING ACCOUNTABILITY

11.0.1 Taking account of the arrangements set out within these SOs, the Board shall demonstrate to the communities it serves and to the Welsh Ministers a clear framework of accountability within which it:

- Conducts its business internally;

- Works collaboratively with NHS colleagues, regulators, partners, service providers and others; and
- Responds to the views and representations made by those who represent the interests of the communities it serves and other stakeholders, including its officers and health and care professionals.

11.0.2 The Board shall, in publishing its strategic and operational level plans, set out how those plans have been developed taking account of the views of others, and how they will be delivered by working with the community and other partners.

11.0.3 The Board shall also facilitate effective scrutiny of the DHCW's operations through the publication of regular reports on activity and performance, including publication of an Annual Report for each financial year on how it has discharged its functions during that year.

11.0.4 The Board shall ensure that within DHCW, individuals at all levels are supported in their roles, and held to account for their personal performance through effective performance management arrangements.

12. REVIEW OF STANDING ORDERS

12.0.1 The Board Secretary shall arrange for appropriate impact assessments to be carried out on a draft of these SOs prior to their formal adoption by the Board, the results of which shall be presented to the Board for consideration and action, as appropriate. The fact that an assessment has been carried out shall be noted in the SOs.

12.0.2 These SOs shall be reviewed annually by the Audit Committee [or equivalent], which shall report any proposed amendments to the Board for consideration. The requirement for review extends to all documents having the effect as if incorporated in SOs, including appropriate impact assessments.

Schedule 1

SCHEME OF RESERVATION AND DELEGATION OF POWERS

This Scheme of Reservation and Delegation of Powers forms part of, and shall have effect as if incorporated in the Standing Orders

Introduction

As set out in Standing Order 2, the Board - subject to any directions that may be given by Welsh Ministers - should make appropriate arrangements for certain functions to be carried out on its behalf so that the day to day business of DHCW may be carried out effectively, and in a manner that secures the achievement of the organisations aims and objectives. The Board may delegate functions to:

- i) a committee, e.g. Remuneration and Terms of Service Committee;
- ii) a sub-committee, any such delegation would, subject to the Boards authority, usually be via a main committee of the Board;
- iii) a joint-Committee or joint sub-Committee, e.g. with other Special Health Authorities to take forward a matters as agreed by both organisations;
- iv) Officers of DHCW (who may, subject to the Board's authority, delegate further to other officers and, where appropriate, other third parties, e.g. shared/support services, through a formal scheme of delegation)

and in doing so, must set out clearly the terms and conditions upon which any delegation is being made. These terms and conditions must include a requirement that the Board is notified of any matters that may affect the operation and/or reputation of DHCW.

The Board's determination of those matters that it will retain, and those that will be delegated to others are set out in the following:

- Schedule of matters reserved to the Board;
- Scheme of delegation to Committees and others; and
- Scheme of delegation to Officers.

all of which form part of DHCW's Standing Orders.

DHCW Standing Orders, Reservation and Delegation of Powers

Status: Version 1 – 22 March 2021

Page 1 of 26

DECIDING WHAT TO RETAIN AND WHAT TO DELEGATE: GUIDING PRINCIPLES

The Board will take full account of the following principles when determining those matters that it reserves, and those which it will delegate to others to carry out on its behalf:

- *Everything is retained by the Board unless it is specifically delegated in accordance with the requirements set out in Standing Orders or Standing Financial Instructions*
- *The Board must retain that which it is required to retain (whether by statute or as determined by Welsh Government) as well as that which it considers is essential to enable it to fulfil its role in setting the organisation's direction, equipping the organisation to deliver and ensuring achievement of its aims and objectives through effective performance management*
- *Any decision made by the Board to delegate functions must be based upon an assessment of the capacity and capability of those to whom it is delegating responsibility*
- *The Board must ensure that those to whom it has delegated powers (whether a committee, partnership or individuals) remain equipped to deliver on those responsibilities through an ongoing programme of personal, professional and organisational development*
- *The Board must take appropriate action to assure itself that all matters delegated are effectively carried out*
- *The framework of delegation will be kept under active review and, where appropriate, will be revised to take account of organisational developments, review findings or other changes*
- *Except where explicitly set out, the Board retains the right to decide upon any matter for which it has statutory responsibility, even if that matter has been delegated to others*
- *The Board may delegate authority to act, but retains overall responsibility and accountability*
- *When delegating powers, the Board will determine whether (and the extent to which) those to whom it is delegating will, in turn, have powers to further delegate those functions to others.*

HANDLING ARRANGEMENTS FOR THE RESERVATION AND DELEGATION OF POWERS: WHO DOES WHAT?

The Board

The Board will formally agree, review and, where appropriate revise schedules of reservation and delegation of powers in accordance with the guiding principles set out earlier.

The Chief Executive

The Chief Executive will propose a Scheme of Delegation to Officers, setting out the functions they will perform personally and which functions will be delegated to other officers. The Board must formally agree this scheme.

In preparing the scheme of delegation to officers, the Chief Executive will take account of:

- the guiding principles set out earlier (including any specific statutory responsibilities designated to individual roles);
- their personal responsibility and accountability to the Chief Executive, NHS Wales in relation to their role as designated Accountable Officer; and
- associated arrangements for the delegation of financial authority to equip officers to deliver on their delegated responsibilities (and set out in Standing Financial Instructions).

The Chief Executive may re-assume any of the powers they have delegated to others at any time.

The Board Secretary

The Board Secretary will support the Board in its handling of reservations and delegations by ensuring that:

- a proposed schedule of matters reserved for decision by the Board is presented to the Board for its formal agreement;
- effective arrangements are in place for the delegation of DHCW functions within the organisation and to others, as appropriate; and
- arrangements for reservation and delegation are kept under review and presented to the Board for revision, as appropriate.

The Audit Committee

The Audit Committee will provide assurance to the Board of the effectiveness of its arrangements for handling reservations and delegations.

Individuals to who powers have been delegated

Individuals will be personally responsible for:

- equipping themselves to deliver on any matter delegated to them, through the conduct of appropriate training and development activity; and
- exercising any powers delegated to them in a manner that accords with DHCW's values and standards of behavior.

Where an individual does not feel that they are equipped to deliver on a matter delegated to them, they must notify the Chief Executive of their concern as soon as possible in so that an appropriate and timely decision may be made on the matter.

In the absence of an officer to whom powers have been delegated, those powers will normally be exercised by the individual to whom that officer reports, unless the Board has set out alternative arrangements.

If the Chief Executive is absent their nominated Deputy may exercise those powers delegated to the Chief Executive on their behalf. However, the guiding principles governing delegations will still apply, and so the Board may determine that it will reassume certain powers delegated to the Chief Executive or reallocate powers, e.g., to a Committee or another officer.

SCOPE OF THESE ARRANGEMENTS FOR THE RESERVATION AND DELEGATION OF POWERS

The Scheme of Delegation to officers referred to here shows only the "top level" of delegation within DHCW. The Scheme is to be used in conjunction with the system of control and other established procedures within DHCW.

SCHEDULE OF MATTERS RESERVED TO THE BOARD¹

THE BOARD		AREA	DECISIONS RESERVED TO THE BOARD
1	FULL	GENERAL	The Board may determine any matter for which it has statutory or delegated authority, in accordance with Standing Orders
2	FULL	GENERAL	The Board must determine any matter that will be reserved to the whole Board.
3	FULL	GENERAL	Approve DHCW's Governance Framework
4	FULL	OPERATING ARRANGEMENTS	Approve, vary and amend: <ul style="list-style-type: none"> ▪ Standing Orders (SOs); ▪ Standing Financial Instructions (SFIs);

1 Any decision to reserve a matter, and the manner in which that retained responsibility is carried out will be in accordance with any regulatory and/or Welsh Government requirements

			<ul style="list-style-type: none"> ▪ Schedule of matters reserved to the Board; ▪ Scheme of delegation to Committees and others; and ▪ Scheme of delegation to Officers. <p>In accordance with any directions set by Welsh Ministers.</p>
5	FULL	OPERATING ARRANGEMENTS	Ratify any urgent decisions taken by the Chair and the Chief Executive in accordance with Standing Order requirements
6	NO –Audit Committee	OPERATING ARRANGEMENTS	Formal consideration of report of the Board Secretary on any non-compliance with Standing Orders, making proposals to the Board on any actions to be taken
7	FULL	OPERATING ARRANGEMENTS	Receive report and proposals regarding any non-compliance with Standing Orders, and where required ratify in public session any instances of failure to comply with Standing Orders and Standing Financial Instructions
8	FULL	OPERATING ARRANGEMENTS	Authorise use of the DHCW's official seal
9	FULL	OPERATING ARRANGEMENTS	Approve DHCW's Values and Standards of Behavior Framework
10	FULL	ORGANISATION STRUCTURE & STAFFING	Require, receive and determine action in response to the declaration of Board members' interests, in accordance with advice received, e.g. from Audit Committee or Board Secretary
11	FULL	STRATEGY & PLANNING	Determine DHCWs strategic aims, objectives and priorities

12	FULL	STRATEGY & PLANNING	<p>Approve the DHCWs key strategies and programmes related to:</p> <ul style="list-style-type: none"> ▪ Communication and engagement ▪ Workforce and Organisational Development ▪ Infrastructure, including IM &T, Estates and Capital; ▪ DHCW Organisational Strategy – Digital Strategy ▪ Partnership and Stakeholder Engagement ▪ Quality Standards/Management
13	FULL	STRATEGY & PLANNING	Approve DHCW's annual business plan and three-year plan setting out how DHCW will meet the requirements set out in the remit letter.
14	FULL	STRATEGY & PLANNING	Approve DHCW's budget and financial framework (including overall distribution of the financial allocation)
15	FULL	OPERATING ARRANGEMENTS	Approve DHCW's framework and strategy for performance management.
16	FULL	OPERATING ARRANGEMENTS	Approve DHCW's framework and strategy for risk and assurance
17	FULL	OPERATING ARRANGEMENTS	Ratify policies for dealing with raising concerns, complaints and incidents in accordance with Welsh Government and health and safety requirements
18	FULL	OPERATING ARRANGEMENTS	Agree the arrangements for ensuring the adoption of standards of governance and performance (including the quality and safety of health and care and public/patient experience) to be met by DHCW, including standards/requirements determined by Welsh Government, regulators, professional bodies/others e.g. National Institute of Health and Care Excellence (NICE)
19	FULL	OPERATING ARRANGEMENTS	Approve the introduction or discontinuance of any significant activity or operation. Any activity or operation shall be regarded as significant if the Board determines it so based upon its contribution/impact on the achievement of DHCW's aims, objectives and priorities

20	NO	ORGANISATION STRUCTURE & STAFFING	Non-officer members to appoint and approve the discipline, suspension and dismissal of the chief officer, with the exception of the first chief officer who is appointed by Welsh Ministers.
21	NO – Remuneration and Terms of Service Committee	ORGANISATION STRUCTURE & STAFFING	Non-officer members and chief officer to appoint officer members with the exception of the first finance officer and clinical officer who are appointed by the non-officer members
22	NO – Remuneration and Terms of Service Committee	ORGANISATION STRUCTURE & STAFFING	Non-officer members to approve the discipline, suspension and dismissal of the officer members.
23	NO – Remuneration and Terms of Service Committee	ORGANISATION STRUCTURE AND STAFFING	Consider appraisal of officer members of the Board (Chief Officer and Executive Directors)
24	NO – Remuneration and Terms of Service Committee	ORGANISATION STRUCTURE AND STAFFING	Approve the appointment, appraisal, discipline and dismissal of any other Board level appointments and other senior employees, in accordance with Ministerial Instructions e.g. the Board Secretary
25	NO – Remuneration and Terms of Service Committee	ORGANISATION STRUCTURE AND STAFFING	Consider and approve redundancy and Early Release Applications, noting that where the settlement is £50,000 or above subsequent agreement of Welsh Government is required.

26	FULL	ORGANISATION STRUCTURE & STAFFING	Approve, review, and revise DHCW's top level organisation structure and corporate policies
27	FULL	ORGANISATION STRUCTURE & STAFFING	Appoint, review, revise and dismiss Board committees, including any joint-committee directly accountable to the Board
28	FULL	ORGANISATION STRUCTURE & STAFFING	Appoint, equip, review and (where appropriate) dismiss the Chair and members of any committee, joint-committee or Group set up by the Board
29	FULL	ORGANISATION STRUCTURE & STAFFING	Appoint, equip, review and (where appropriate) dismiss individuals appointed to represent the Board on outside bodies and groups
30	FULL	ORGANISATION STRUCTURE & STAFFING	Approve the standing orders and terms of reference and reporting arrangements of all committees and groups established by the Board

31	FULL	OPERATING ARRANGEMENTS	Approve individual compensation payments in line with the provisions of Annex 4 to Chapter 6 of the Welsh Government Manual for Accounts
32	FULL	OPERATING ARRANGEMENTS	Approve individual cases for the write off of losses or making of special payments above the limits of delegation to the Chief Executive and officers
33	FULL	OPERATING ARRANGEMENTS	Approve proposals for action on litigation on behalf of DHCW
34	FULL	STRATEGY & PLANNING	Approve individual contracts (other than NHS contracts) above the limit delegated to the Chief Executive set out in the Standing Financial Instructions and Scheme of Delegation
35	FULL	PERFORMANCE & ASSURANCE	Approve DHCW's internal audit and assurance arrangements
36	FULL	PERFORMANCE & ASSURANCE	Receive reports from DHCW's Executive on progress and performance in the delivery of DHCW's strategic aims, objectives and priorities and approve action required, including improvement plans, as appropriate
37	FULL	PERFORMANCE & ASSURANCE	Receive assurance reports from the Board's committees, groups and other internal sources on DHCW's performance and approve action required, including improvement plans, as appropriate

38	FULL	PERFORMANCE & ASSURANCE	Receive reports on DHCW's performance produced by external auditors, regulators and inspectors that raise significant issues or concerns impacting on DHCW's ability to achieve its aims and objectives and approve action required, including improvement plans, taking account of the advice of Board Committees (as appropriate)
39	FULL	PERFORMANCE & ASSURANCE	Receive the annual opinion of DHCW's Chief Internal Auditor and approve action required, including improvement plans
40	FULL	PERFORMANCE & ASSURANCE	Receive the annual management report from the Auditor General for Wales and approve action required, including improvement plans
41	FULL	PERFORMANCE & ASSURANCE	Receive assurance regarding the organisations performance against appropriate Health and Care Standards for Wales approving required action, including improvement plans.
42	FULL	REPORTING	Approve DHCW's Reporting Arrangements, including reports on activity and performance to partners and stakeholders and nationally to the Welsh Government where required.
43	FULL	REPORTING	Receive, approve and ensure the publication of DHCW reports, including its Annual Report and annual financial accounts in accordance with directions and guidance issued.

ADDITIONAL AREAS OF RESPONSIBILITY DELEGATED TO CHAIR, VICE CHAIR AND INDEPENDENT MEMBERS			
	CHAIR		In accordance with statutory and Welsh Government requirements
	VICE CHAIR		In accordance with statutory and Welsh Government requirements
	CHAMPION/ NOMINATED LEAD		In accordance with statutory and Welsh Government requirements

DELEGATION OF POWERS TO COMMITTEES AND OTHERS³

Standing Order 2 provides that the Board may delegate powers to Committees and others. In doing so, the Board has formally determined:

- the composition, terms of reference and reporting requirements in respect of any such Committees; and
- the governance arrangements, terms and conditions and reporting requirements in respect of any delegation to others

in accordance with any regulatory requirements and any directions set by the Welsh Ministers.

Any delegated powers to Board Committees are set out in the Terms of reference of the relevant committee, which are appended to these SOs for the following Committees:

- Audit and Assurance Committee
- Remuneration and Terms of Service Committee; and
- Committee or committees to provide oversight and scrutiny of quality, safety, information governance, data quality, security and risk

The scope of the powers delegated, together with the requirements set by the Board in relation to the exercise of those powers are as set out in i) Committee Terms of Reference, and ii) formal arrangements for the delegation of powers to others. Collectively, these documents form the Board's Scheme of Delegation to Committees.

³ As defined in Standing Orders

SCHEME OF DELEGATION TO EXECUTIVE DIRECTORS, OTHER DIRECTORS AND OFFICERS

The DHCW Standing Orders and Standing Financial Instructions specify certain key responsibilities of the Chief Executive, the Director of Finance and other officers. The Chief Executive's Job Description, together with their Accountable Officer Memorandum sets out their specific responsibilities, and the individual job descriptions determined for Executive Director level posts also define in detail the specific responsibilities assigned to those post holders. These documents, together with the schedule of additional delegations below and the associated financial delegations set out in the Standing Financial Instructions form the basis of the SHA's Scheme of Delegation to Officers.

DELEGATED MATTER	RESPONSIBLE OFFICER(S)
Performance management arrangements	Chief Executive
Receipt and opening of quotations	Director of Finance
Land, Buildings and Assets	Director of Finance
Operation of detailed financial matters, including bank accounts,	Director of Finance
Work relating to counter fraud and corruption in accordance	Director of Finance
External Communications including Media enquires	Chief Executive
Ex gratia payments	Chief Executive
Health, Safety and Fire	Chief Executive
Welsh Language	Chief Executive

Equality and Human Rights	Chief Executive
Workforce	Chief Executive
Civil Contingencies/Emergency Planning	Chief Executive
Sealing and signing of documents	Chief Executive / Chair
Risk Management and Assurance	Board Secretary
Legal Advice	Board Secretary
Quality and Safety	Medical Director
Caldicott Guardian	Medical Director

This scheme only relates to matters delegated by the Board to the Chief Executive and their Executive Directors, together with certain other specific matters referred to in Standing Financial Instructions.

Each Executive Director is responsible for delegation within their department. They should produce a scheme of delegation for matters within their department, which should also set out how departmental budget and procedures for approval of expenditure are delegated.

Delegated Financial Limits

	DHCW	All Wales Digital Contracts & Agreements	Operational Revenue £	Operational Capital £
1	Board	Above £750,000	No Limit	No Limit
2	Chief Executive	Up to £750,000	£250,000	£250,000
3	Deputy Chief Executive (when acting in that capacity)	£750,000.00	£250,000	£250,000
4	Director of Finance & Corporate Services	£250,000	£250,000	£250,000
5	Executive Directors / Board Secretary – Within delegated budget area	£80,000	£80,000	£80,000

6	Deputy Director of Finance		£80,000	£80,000
7	Delegated Budget Managers (within own area) directly reporting to 5 above		£40,000	
8	Delegated Budget Managers (within own area) directly reporting to 7 above		£20,000	
9	Delegated Budget Managers (within own area) directly reporting to 8 above		£10,000	

*All contracts exceeding £1million in value require notification to Welsh Ministers prior to award

Schedule 2

KEY GUIDANCE, INSTRUCTIONS AND OTHER RELATED DOCUMENTS

This Schedule forms part of, and shall have effect as if incorporated in the DHCW Standing Orders

DHCW Framework

The DHCW governance and accountability framework comprises these SOs, incorporating schedules of Powers reserved for the Board and Delegation to others, together with the following documents:

- ***SFIs***
- ***Values and Standards of Behaviour Framework***
- ***Risk and Assurance Framework***
- ***Key policy documents agreed by the Board including:***
 - ***Policies, procedures and other written control documents policy and procedure;***
 - ***Equality and Human Rights Policy***
 - ***Welsh Language Scheme;***

These documents must be read in conjunction with the SOs and will have the same effect as if the details within them were incorporated within the SOs themselves.

NHS Wales framework

Full, up to date details of the guidance, instructions and other documents that together make up the framework of governance, accountability and assurance for the NHS in Wales are published on the NHS Wales Governance e-Manual which can be accessed at <https://nwssp.nhs.wales/all-wales-programmes/governance-e-manual/>. Directions or guidance on specific aspects of DHCW business are also issued in hard copy, usually under cover of a Welsh Health Circular.

Schedule 3

BOARD COMMITTEE ARRANGEMENTS

This Schedule forms part of, and shall have effect as if incorporated in the DHCW Standing Orders

The DHCW Board has agreed initially to set up three committees:

- Audit & Assurance Committee;
- Remuneration and Terms of Service Committee; and
- Committee or committees to provide oversight and scrutiny of quality, safety, information governance, data quality, security and risk

The Terms of Reference and Operating arrangement for each Committee is detailed below:

Audit & Assurance Committee

The **Audit & Assurance Committee** is responsible for reviewing the system of governance and assurance established within DHCW and the arrangements for internal control, including risk management, for the organisation and, in particular, advises on the Annual Governance Statement signed by the Chief Executive.

The Committee also keeps under review the risk approach of the organisation and utilises information gathered from the work of the Board, its own work, the work of other Committees and also other activity in the organisation in order to advise the Board regarding its conclusions in relation to the effectiveness of the system of governance and control

Remuneration and Terms of Service Committee

The **Remuneration and Terms of Service Committee** has the purpose of providing advice to the Board on remuneration and terms of service for the Chief Executive, Executive Directors and other senior staff within the framework set by the Welsh Government and provide *assurance* to the Board in relation to DHCW's arrangements for the remuneration and terms of service, including contractual arrangements, for all staff, in accordance with the requirements and standards determined for the NHS in Wales.

Committee or committees to provide oversight and scrutiny of quality, safety, information governance, data quality, security and risk

In addition to the Audit and Remuneration and Terms of Service Committee the organisation will also ensure it establishes a committee or committees responsible for providing *assurance* to the Board in relation to DHCW's arrangements with regard to quality, safety, information governance, data quality, security and risk.

Standard Terms of Reference and Operating Arrangements for all Committees of the Board

Date: 1 April 2021	Version: Draft 1.0
Review Date: Annually	
<p>1. Introduction:</p> <p>Section 3.1 of the DHCW standing orders provide that “The Board may and, where directed by the Welsh Government must, appoint Committees either to undertake specific functions on the Board’s behalf or to provide advice and assurance to the Board in the exercise of its functions. The Board’s commitment to openness and transparency in the conduct of all its business extends equally to the work carried out on its behalf by committees”.</p> <p>In line with Section 3.3 of the standing orders, the Board shall as a minimum nominate annually committees which cover the following aspects of Board business:</p> <ul style="list-style-type: none"> • Audit and Assurance; • Remuneration and Terms of Service; and • Committee or committees to provide oversight and scrutiny of quality, safety, information governance, data quality, security and risk <p>Each has its own committee.</p> <p>This document includes content common to all committees and should be read alongside the specific terms of reference and operating arrangements for each committee.</p> <p>The provisions of Section 5 of the Standing Orders have also been taken into account when developing the committee Terms of Reference. This relates to transparency of meetings, planning board/committee business, setting agenda’s etc.</p>	
<p>2. Authority:</p> <p>Each Committee is authorised by the Board to investigate or have</p>	

investigated any activity within its terms of reference. In doing so, the Committee shall have the right to inspect any books, records or documents of the Authority relevant to the Committee's remit, ensuring staff confidentiality, as appropriate. It may seek relevant information from any:

- employee (and all employees are directed to co-operate with any reasonable request made by the Committee); and
- any other Committee, joint-Committee, sub-committee, joint sub-Committee or group set up by the Board to assist it in the delivery of its functions.

Each Committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers it necessary, in accordance with the Board's procurement, budgetary and other requirements.

3. Sub-Committees and Groups

Each Committee may, subject to the approval of the Board, establish sub-committees or groups to carry out on its behalf specific aspects of Committee business.

4. Membership and Attendees:

4.1 Secretariat

As determined by the Board Secretary.

4.2 Member Appointments

- The membership of each Committee shall be determined by the Board, based on the recommendation of the Chair - taking account of the balance of skills and expertise necessary to deliver each Committee's remit and subject to any specific requirements or directions made by the Welsh Government. The Board shall ensure succession planning arrangements are in place.
- Members shall be appointed to hold office for a period of one year at a time, up to a maximum of their term of office. During this

time a member may resign or be removed by the Board. The Board should, as a matter of good practice, review the membership of each Committee every two years in order to ensure each Committee is continually refreshed whilst maintaining continuity.

- Committee members' terms and conditions of appointment, (including any remuneration and reimbursement) will be in accordance with their terms of appointment to DHCW. Where a member has been co-opted to fulfil a specific function and where they are not Non-Executive Directors or employees of DHCW this will be determined by the Board, based upon the recommendation of the Chair and on the basis of advice from the Remuneration and Terms of Service Committee.

4.3 Support to Committee Members

The Board Secretary, on behalf of each Committee Chair, shall:

- Arrange the provision of advice and support to committee members on any aspect relating to the conduct of their role; and
- Ensure the provision of a programme of organisational development for Committee members as part of the overall Organisational Development programme developed by the Chief Executive.

4.4 Withdrawal of individuals in attendance

Each Committee may ask any or all of those who normally attend but who are not members to withdraw to facilitate open and frank discussion of particular matters.

Members and attendees will also withdraw from the meeting, as appropriate, where there is a potential conflict of interest.

5. Relationships and accountabilities with the Board and its Committees/Groups:

Although the Board has delegated authority to the Committees for the exercise of certain functions, as set out within each Committee's terms of reference, it retains overall responsibility and accountability for ensuring a strategic approach to developing the digital health and care for now and for the future through the effective governance of the organisation.

Each Committee is directly accountable to the Board for its performance in exercising the functions set out in each Committee's terms of reference.

Each Committee, through its Chair and members, shall work closely with the Board's other Committees, including joint (sub) committees and groups to provide advice and assurance to the Board through the:

- joint planning and co-ordination of Board and Committee business; and
- sharing of information.

In doing so, contributing to the integration of good governance across the organisation, ensuring that all sources of assurance are incorporated into the Board's overall risk and assurance framework.

- Each Committee shall embed DHCW values, corporate standards, priorities and requirements through the conduct of its business.

6. Reporting and Assurance Arrangements:

Each Committee Chair shall:

- bring to the Board's specific attention any significant matters under consideration by their Committee
- ensure appropriate escalation arrangements are in place to alert the Chair, Chief Executive (and Accountable Officer) or Chairs of other relevant committees of any urgent or critical matters that may affect the operation and/or reputation of DHCW.

- report formally, regularly and on a timely basis to the Board on the Committee's activities. This includes verbal updates on activity, the submission of Committee minutes and written reports when appropriate, as well as the presentation of an annual report;

The Board may also require the Committee Chair to report upon the Committee's activities at public meetings, or to community partners and other stakeholders, where this is considered appropriate. This could be where the Committee's assurance role relates to a joint or shared responsibility.

The Board Secretary, on behalf of the Board, shall oversee a process of regular and rigorous self-assessment and evaluation of each Committee's performance and operation including that of any sub committees established and groups.

Terms of Reference and Operating Arrangements – Audit Committee

Date: 1 April 2021

Review Date: Annually

1. Introduction

In line with Section 3 of the Standing Orders, the Board shall nominate annually a committee which covers Audit. This remit of this Committee will be extended to include Assurance and Corporate Governance and will be known as the **Audit & Assurance Committee**.

The detailed terms of reference and operating arrangements set by the Board in respect of this Committee are detailed below.

These terms of reference and operating arrangements are to be read alongside the standard terms of reference and operating arrangements applicable to all committees.

2. Purpose

The purpose of the Audit Committee ("the Committee") is to:

- **Advise** and **assure** the Board and the Chief Executive (who is the Accountable Officer) on whether effective arrangements are in place - through the design and operation of DHCW's assurance framework - to support them in their decision taking and in discharging their accountabilities for securing the achievement of its objectives, in accordance with the standards of good governance determined for the NHS in Wales
- Where appropriate, the Committee will **advise** the Board and the Accountable Officer on where, and how, its systems and assurance framework may be strengthened and developed further
- **Approve** on behalf of the Board policies, procedures and other written control documents in accordance with the Scheme of Delegation

3. Delegated Powers

With regard to its role in providing advice to the Board, the Committee will comment specifically on the:

- adequacy of DHCW's strategic governance and assurance framework, systems and processes for the maintenance of an effective system of governance, internal control and risk management across the whole organisation's activities, designed to support the public disclosure statements that flow from the assurance processes, including the Annual Governance Statement, providing reasonable assurance on:
 - the organisations ability to achieve its objectives
 - compliance with relevant regulatory requirements and other directions and requirements set by the Welsh Government and others
 - reliability, integrity, safety and security of the information collected and used by the organisation
 - the efficiency, effectiveness and economic use of resources
 - the extent to which the organisation safeguards and protects all its assets, including its people.

In undertaking its work and responsibility the Committee will comment specifically on:

- Board's Standing Orders, and Standing Financial Instructions (including associated framework documents, as appropriate)
- accounting policies, the accounts, and the annual report of the organisation, including the process for review of the accounts prior to submission for audit, levels of error identified, the ISA 260 Report 'Communication with those charged with Governance' and managements' letter of representation to the external auditors
- Schedule of Losses and Special Payments
- planned activity and results of internal audit, external audit and the Local Counter Fraud Specialist (including strategies, annual work plans and annual reports)

- adequacy of executive and management's response to issues identified by audit, inspection and other assurance activity
- proposals for accessing Internal Audit services via Shared Service arrangements (where appropriate)
- anti fraud policies, whistle-blowing (raising concerns) processes and arrangements for special investigations
- issues upon which the Board or the Accountable Officer may seek advice

The Committee will support the Board with regard to its responsibilities for governance (including risk and control) by **reviewing** and **approving** as appropriate:

- all risk and control related disclosure statements, in particular the Annual Governance Statement together with any accompanying Head of Internal Audit statement, external audit opinion or other appropriate independent assurances, prior to endorsement by the Board
- the underlying assurance processes that indicate the degree of the achievement of corporate objectives, the effectiveness of the management of principal risks and the appropriateness of the above disclosure statements
- the policies for ensuring compliance with relevant regulatory, legal and code of conduct and accountability requirements; and
- the policies and procedures for all work related to fraud and corruption as set out in National Assembly for Wales Directions and as required by the Counter Fraud and Security Management Service

In carrying out this work the Committee will primarily utilise the work of Internal Audit, External Audit and other assurance functions, but will not be limited to these audit functions. It will also seek reports and assurances from directors and managers as appropriate, concentrating on the overarching systems of good governance, risk management and internal control, together with indicators of their effectiveness.

This will be evidenced through the Committee's use of effective governance and assurance arrangements to guide its work and that of the audit and assurance functions that report to it, and enable the Committee to review and form an opinion on the:

- comprehensiveness of assurances in meeting the Board and the Chief Executives assurance needs across the whole of DHCW activities;
- the reliability and integrity of these assurances

To achieve this, the Committee's programme of work will be designed to provide assurance that:

- there is an effective internal audit function that meets the standards set for the provision of internal audit in the NHS in Wales and provides appropriate independent assurance to the Board and the Accountable officer through the Committee
- there is an effective counter fraud service that meets the standards set for the provision of counter fraud in the NHS in Wales and provides appropriate assurance to the Board and the Chief Executive through the Committee
- there is an effective audit and quality improvement function that provides appropriate assurance to the Board and the Accountable Officer through the committee discharged with ensuring quality and safety of services.
- there are effective arrangements in place to secure active, ongoing assurance from management with regard to their responsibilities and accountabilities, whether directly to the Board and the Chief Executive or through the work of the Board's committees
- the work carried out by key sources of external assurance, in particular, but not limited to DHCW's external auditors, is appropriately planned and co-ordinated and that the results of external assurance activity complements and informs (but does not replace) internal assurance activity

- the work carried out by the whole range of external review bodies is brought to the attention of the Board, and that the organisation is aware of the need to comply with related standards and recommendations of these review bodies, and the risks of failing to comply
- systems for financial reporting to the Board, including those of budgetary control, are effective
- results of audit and assurance work specific to DHCW, and the implications of the findings of wider audit and assurance activity relevant to the DHCW's operations are appropriately considered and acted upon to secure the ongoing development and improvement of the organisations governance arrangements

The Committee will review and agree the programme of work on an annual basis, and will recommend it to the Board for approval.

4. Access

The Head of Internal Audit and the Auditor General and his representatives shall have unrestricted and confidential access to the Chair of the Audit Committee at any time, and vice versa.

The Committee will meet with Internal and External Auditors and the nominated Local Counter Fraud Specialist without the presence of officials on at least one occasion each year.

The Chair of the Audit Committee shall have reasonable access to Executive Directors and other relevant senior staff.

5. Membership, Attendees and Quorum

5.1 Members

A minimum of three members, comprising:

Chair Independent Member

Members Independent Member x 2

The Chair of the organisation shall not be a member of the Audit

Committee, but may be invited to attend by the Chair of the Committee as appropriate.

5.2 Attendees

In attendance:

Board Secretary
Director of Finance
Head of Internal Audit (or representative)
Local Counter Fraud Specialist
Representative of the Auditor General for Wales

In addition to this others from within or outside the organisation who the Committee considers should attend, will be invited taking account of the matters under consideration at each meeting.

The Chief Executive shall be invited to attend, at least annually, to discuss with the Committee the process for assurance that supports the Annual Governance Statement.

5.3 Quorum

At least **two** members must be present to ensure the quorum of the Committee, one of whom should be the Committee Chair (or Vice Chair where appointed).

6. Frequency of Meetings

Meetings shall be held no less than quarterly and otherwise as the Chair of the Committee deems necessary – consistent with DHCW's annual plan of Board Business. The External Auditor or Head of Internal Audit may request that the Chair convene a meeting if they consider this necessary.

7. Relationships and accountabilities with the board and its Committees/Groups:⁵

The Audit Committee must have an effective relationship with other committees or sub-committees of the Board so that it can understand the system of assurance for the Board as a whole. It is very important that the Audit Committee remains aware of its distinct role and does not seek to perform the role of other committees.

The Committee will consider the assurance provided through the work of the Board's other committees and sub groups to meet its responsibilities for advising the Board on the adequacy of DHCW's overall framework of assurance.

8. Reporting and Assurance Arrangements

The Committee shall provide a written, annual report to the Board and the Chief Executive on its work in support of the Annual Governance Statement, specifically commenting on the adequacy of the assurance framework, the extent to which risk management is comprehensively embedded throughout the organisation, the integration of governance arrangements and the appropriateness of self assessment activity against relevant standards. The report will also record the results of the committee's self assessment and evaluation.

⁵ Reference to the Board's Committees/Groups incorporates its sub committees, as well as other groups, such as Task and Finish Groups, where this is appropriate to the remit of this Audit Committee

Terms of Reference and Operating Arrangements – Remuneration and Terms of Service Committee

Date: 1 April 2021	Version: Draft 1.0
Review Date: Annually	
<p>1. Introduction</p> <p>In line with Section 3 of the Standing Orders and DHCW's Scheme of Delegation, the Board shall nominate annually a committee to be known as the Remuneration and Terms of Service Committee. The detailed terms of reference and operating arrangements set by the Board in respect of this committee are set out below.</p> <p>These terms of reference and operating arrangements are to be read alongside the standard terms of reference and operating arrangements applicable to all Committees.</p>	
<p>2. Purpose</p> <p>The purpose of the Remuneration and Terms of Service Committee ("the Committee") is to provide:</p> <ul style="list-style-type: none"> • advice to the Board on remuneration and terms of service and performance for the Chief Executive, Executive Directors and other senior staff within the framework set by the Welsh Government • assurance to the Board in relation to DHCW's arrangements for the remuneration and terms of service, including contractual arrangements, for all staff, in accordance with the requirements and standards determined for the NHS in Wales. <p>The Committee shall have no powers to exercise on behalf of the Board.</p>	

3. Delegated Powers

With regard to its role in providing advice and assurance to the Board, the Committee will comment specifically upon the:

- remuneration and terms of service for the Chief Executive, Executive Directors, members of the Executive Team and other Very Senior Managers (VSMs); ensuring that the policies on remuneration and terms of service as determined from time to time by the Welsh Government are applied consistently
- objectives for Executive Directors and members of the Executive Team and their performance assessment
- performance management system in place for those in the positions mentioned above and its application
- proposals regarding termination arrangements, including those under the Voluntary Early Release Scheme, ensuring the proper calculation and scrutiny of termination payments in accordance with the relevant Welsh Government guidance.

4. Membership, Attendees and Quorum

4.1 Members

Chair: DHCW Chair

Members: Independent Members

4.2 By Invitation As required but usually to include:
Chief Executive
Director of Finance
Board Secretary

The Committee Chair may invite the following to attend all or part of a meeting to assist it with its discussions on any particular matter:

- any other official;

- and/or any others from within or outside the organisation

4.3 Quorum

At least **three** members must be present to ensure the quorum of the Committee, one of whom must be the Chair (or Vice Chair where appointed).

5. Frequency of Meetings

The Chair of the Committee, in agreement with Committee Members, shall determine the timing and frequency of meetings, as deemed necessary. It is expected that the Committee shall meet at least once a year, consistent with the annual plan of Board Business.

Schedule 4

ADVISORY GROUPS

Terms of Reference and Operating Arrangements

This Schedule forms part of, and shall have effect as if incorporated in the
DHCW Standing Orders

[DHCW to insert details, including detailed terms of reference and operating arrangements for each Advisory Group – as a minimum to include the Local Partnership Forum]

Local Partnership Forum Advisory Group Terms of Reference and Operating Arrangements

1. Role and Purpose

The DHCW Local Partnership Forum (LPF) is the formal mechanism where NHS Wales's employers and trade unions/professional bodies (hereafter referred to as staff organisations) work together to improve health services for the people of Wales. It is the forum where key stakeholders will engage with each other to inform, debate and seek to agree local priorities on workforce and health service issues.

At the earliest opportunity, DHCW members will engage with staff organisations in the key discussions within the SHA at the Board, LPF and Directorate levels.

All LPF members are full and equal members of the forum and collectively share responsibility for the decisions made.

The LPF will provide the formal mechanism for consultation, negotiation and communication between the staff organisations and management. The TUC principles of partnership will apply. These principles are attached at Appendix 1.

The purpose of the LPF will be to:

- Establish a regular and formal dialogue between the Executive Directors and staff organisations on matters relating to workforce and health service issues.
- Enable employers and staff organisations to put forward issues affecting the workforce.
- Provide opportunities for staff organisations and managers to input into organisation service development plans at an early stage.
- Consider the implications on staff of service reviews and identify and seek to agree new ways of working.
- Consider the implications for staff of NHS reorganisations at a national or local level and to work in partnership to achieve mutually successful implementation.

- Appraise and discuss in partnership the financial performance of the organisation on a regular basis.
- Appraise and discuss in partnership the organisations services and activity and its implications.
- Provide opportunities to identify and seek to agree quality issues, including clinical governance, particularly where such issues have implications for staff.
- Communicate to the partners the key decisions taken by the Board and senior management.
- Consider national developments in NHS Wales Workforce and Organisational Strategy and the implications for the organisation including matters of service re-profiling.
- Negotiate on matters subject to local determination.
- Ensure staff organisation representatives are afforded reasonable paid time off to undertake trade union duties
- To develop in partnership appropriate facilities arrangements using A4C Facilities Agreement as a minimum standard.

In addition, the LPF can establish LPF sub groups to establish ongoing dialogue, communication and consultation on service and operational management issues specific to Directorates. Where these sub groups are developed they must report to the DHCW LPF.

2. General Principles

DHCW and LPF accepts that partnerships help the workforce and management work through challenges and to grow and strengthen their organisations. Relationships are built on trust and confidence and demonstrate a real commitment to work together.

The principles of true partnership working between staff organisations and Management are as follows:

- Staff organisations and management show joint commitment to the success of the organisation with a positive and constructive approach
- They recognise the legitimacy of other partners and their interests and treat all parties with trust and mutual respect

- They demonstrate commitment to employment security for workers and flexible ways of working
- They share success – rewards must be felt to be fair
- They practice open and transparent communication – sharing information widely with openness, honesty and transparency
- They must bring effective representation of the views and interests of the workforce
- They must demonstrate a commitment to work with and learn from each other

All LPF members must:

- be prepared to engage with and contribute fully to the LPF's activities and in a manner that upholds the standards of good governance set for the NHS in Wales;
- comply with their terms and conditions of appointment;
- equip themselves to fulfil the breadth of their responsibilities by participating in appropriate personal and organisational development programmes; and
- promote the work of the LPF within the professional discipline they represent.

A Code of Conduct is attached as Appendix 2.

3. Membership

All members of the LPF are full and equal members and share responsibility for the decisions of the LPF. The NHS organisation shall agree the overall size and composition of the LPF in consultation with those staff organisations DHCW recognises for collective bargaining. The Trade Union member of the Board will be expected to attend the LPF in an ex-officio capacity. As a minimum, the membership of the LPF shall comprise:

Management Representatives

Management will normally consist of the following members of management representatives.

Chief Executive
 Finance Director
 General Managers/Divisional Managers (as locally identified)
 Director of Workforce and OD (or equivalent)
 Workforce and OD staff (as locally identified)

Other Executive Directors and others may also be members or may be co-opted dependant upon the agenda.

Staff Representatives

The Board recognises those staff organisations listed in Appendix 3 for the representation of members who are employed by DHCW.

Staff representatives must be employed by DHCW and accredited by their respective staff organisations for the purposes of bargaining. If a representative ceases to be employed by DHCW or ceases to be a member of a nominating staff organisation then they will automatically cease to be a member of the LPF. Full time officers of the staff organisations may attend meetings subject to prior notification and agreement.

Members of the LPF who are unable to attend a meeting may send a deputy, providing such deputies are eligible for appointment to the LPF.

Quorum

Every effort will be made by all parties to maintain a stable membership. There should be 50% attendance of both parties for the meeting to be quorate.

If the meeting is not quorate no decisions can be made but information may be exchanged. Where joint chairs agree extraordinary meeting may be scheduled within 7 calendar days notice.

Consistent attendance and commitment to participate in discussions is essential. Where a member of the LPF does not attend on 3 consecutive occasions, the Joint Secretaries will write to the LPF member and bring the response to the next meeting for further consideration and possible removal.

4. Officers

The Staff Organisation Chair, Vice Chair and Secretary will be elected from the LPF annually. Best practice requires these three officers to come from different staff organisations.

Chairs

The Management and Staff Organisation Chairs will chair the LPF. This will be done on a rotational basis. In the absence of the Chair(s) the Vice Chair(s) will act as Chair. The Chairs shall work in partnership with each other and, as appropriate, with the Chairs of DHCW's other advisory groups (if applicable). Supported by the Board Secretary, Chairs shall ensure that key and appropriate issues are discussed by the LPF in a timely manner with all the necessary information and advice being made available to LPF members to inform the debate and ultimate resolutions

Joint Secretaries

Each side of the LPF should appoint/elect its own Joint Secretary. The Management and Staff Organisation Secretary will be responsible for the preparation of the agendas and minutes of the meetings held, and for obtaining the agreement of the Management and Staff Organisation Chairs.

The Director of Workforce and OD (or equivalent) will act as Management Secretary and will be responsible for the maintenance of the constitution of the LPF membership, the circulation of agenda and minutes and notification of meetings.

5. Sub Committees

When is considered appropriate, the LPF can decide to appoint a sub committee, to hold detailed discussion on a particular issue(s). Nominated representatives to sub committees will communicate and report regularly to the LPF.

6. Management of Meetings

Meetings will be held bi-monthly but this may be changed to reflect the need of either staff organisations or management.

The business of the meeting shall be restricted to matters pertaining to LPF issues and should include local operational issues. DHCW wide strategic issues and issues that have DHCW wide implications shall be referred to the Welsh Partnership Forum via the Board.

The minutes shall normally be distributed 10 days after the meeting and no later than 7 days prior to the next meeting. Items for the agenda and supporting papers should be notified to the Management Secretary as early as possible, and in the event at least two weeks in advance of the meeting.

The LPF has the capacity to co-opt others onto the LPF or its sub groups as deemed necessary by agreement.

Six Principles of Partnership Working

- a shared commitment to the success of the organisation
- a focus on the quality of working life
- recognition of the legitimate roles of the employer and the trade union
- a commitment by the employer to employment security
- openness on both sides and a willingness by the employer to share information and discuss the future plans for the organisation
- adding value – a shared understanding that the partnership is delivering measurable improvements for the employer, the union and employees

Code of Conduct

A code of conduct for meetings sets ground rules for all participants:

- Respect the meeting start time and arrive punctually
- Attend the meeting well-prepared, willing to contribute and with a positive attitude
- Listen actively. Allow others to explain or clarify when necessary
- Observe the requirement that only one person speaks at a time
- Avoid 'put downs' of views or points made by colleagues
- Respect a colleague's point of view
- Avoid using negative behaviours e.g. sarcasm, point-scoring, personalisation
- Try not to react negatively to criticism or take as a personal slight
- Put forward criticism in a positive way
- Be mindful that decisions have to be made and it is not possible to accommodate all individual views
- No 'side-meetings' to take place
- Respect the Chair
- Failure to adhere to the Code of Conduct may result in the suspension or removal of the LPF member.

List of Recognised Trade Unions/Professional Bodies referred to as 'staff organisations' within these Standing Orders

- British Medical Association (BMA)
- Royal College of Nursing (RCN)
- Royal College of Midwives (RCM)
- UNISON
- UNITE
- GMB
- British Dental Association
- Managers in Partnership (MIP)

Schedule 2.1

MODEL STANDING FINANCIAL INSTRUCTIONS FOR DIGITAL HEALTH AND CARE WALES

This Schedule forms part of, and shall have effect as if incorporated in the Digital Health and Care Wales Standing Orders (incorporated as Schedule 2.1 of SOs).

Model Standing Orders, Reservation and Delegation of Powers for DHCW
Schedule 2.1: Standing Financial Instructions

Status: Final
March 2021

Page 1 of 75

Foreword

These Model Standing Financial Instructions are issued by Welsh Ministers to Digital Health and Care Wales “DHCW” using powers of direction provided in section 23 (1) of the National Health Service (Wales) Act 2006. DHCW must agree Standing Financial Instructions (SFIs) for the regulation of their financial proceedings and business. Designed to achieve probity, accuracy, economy, efficiency, effectiveness and sustainability in the conduct of business, they translate statutory and Welsh Government financial requirements for the NHS in Wales into day to day operating practice. Together with the adoption of Standing Orders (SOs), a Scheme of decisions reserved to the Board and a scheme of delegations to officers and others, they provide the regulatory framework for the business conduct of DHCW.

These documents form the basis upon which DHCW's governance and accountability framework is developed and, together with the adoption of DHCW's Values and Standards of Behaviour framework, is designed to ensure the achievement of the standards of good governance set for the NHS in Wales.

All DHCW Board members and officers must be made aware of these Standing Financial Instructions and, where appropriate, should be familiar with their detailed content. The Director of Finance will be able to provide further advice and guidance on any aspect of the Standing Financial Instructions. The Board Secretary will be able to provide further advice and guidance on the wider governance arrangements within DHCW. Further information on governance in the NHS in Wales may be accessed at <https://nwssp.nhs.wales/all-wales-programmes/governance-e-manual/>

Model Standing Orders, Reservation and Delegation of Powers for DHCW
Schedule 2.1: Standing Financial Instructions

Status: Final Version 1
22 March 2021

Page 2 of 75

Contents

Foreword

1. INTRODUCTION

- 1.1 General
- 1.2 Overriding Standing Financial Instructions
- 1.3 Financial provisions and obligations of DHCW

2. RESPONSIBILITIES AND DELEGATION

- 2.1 The Board
- 2.2 The Chief Executive and Director of Finance
- 2.3 The Director of Finance
- 2.4 Board members and DHCW officers, and DHCW Committees and Advisory Groups
- 2.5 Contractors and their employees

3. AUDIT, FRAUD AND CORRUPTION, AND SECURITY MANAGEMENT

- 3.1 Audit Committee
- 3.2 Chief Executive
- 3.3 Internal Audit
- 3.4 External Audit
- 3.5 Fraud and Corruption
- 3.6 Security Management

4. ALLOCATIONS AND FINANCIAL DUTY

5. INTEGRATED PLANNING

6 FINANCIAL MANAGEMENT AND BUDGETARY CONTROL

- 6.1 Budget Setting
- 6.2 Budgetary Delegation
- 6.3 Financial Management, Reporting and Budgetary Control
- 6.4 Capital Financial Management, Reporting and Budgetary Control
- 6.5 Reporting to Welsh Government - Monitoring Returns

Model Standing Orders, Reservation and Delegation of Powers for DHCW
Schedule 2.1: Standing Financial Instructions

Status: Final Version 1
22 March 2021

Page 3 of 75

- 7. ANNUAL ACCOUNTS AND REPORTS**
- 8. BANKING ARRANGEMENTS**
 - 8.1 General
 - 8.2 Bank Accounts
 - 8.3 Banking Procedures
 - 8.4 Review
- 9. CASH, CHEQUES, PAYMENT CARDS AND OTHER NEGOTIABLE INSTRUMENTS**
 - 9.1 General
 - 9.2 Petty Cash
- 10. INCOME, FEES AND CHARGES**
 - 10.1 Income Generation
 - 10.2 Income Systems
 - 10.3 Fees and Charges
 - 10.4 Income Due and Debt Recovery
- 11. NON-PAY EXPENDITURE**
 - 11.1 Scheme of Delegation, Non Pay Expenditure Limits and Accountability
 - 11.2 The Director of Finance's responsibilities
 - 11.3 Duties of Budget Holders and Managers
 - 11.4 Departures from SFI's
 - 11.5 Accounts Payable
 - 11.6 Prepayments
- 12. PROCUREMENT AND CONTRACTING FOR GOODS AND SERVICES**
 - 12.1 Procurement Services
 - 12.2 Policies and Procedures
 - 12.3 Procurement Principles
 - 12.4 Procurement Regulations and Legislation Governing Public Procurement
 - 12.5 Procurement Procedures
 - 12.6 Procurement Consent/Notification
 - 12.7 Sustainable Procurement
 - 12.8 Small and Medium Sized Enterprises (SMEs), Third Sector

Model Standing Orders, Reservation and Delegation of Powers for DHCW
Schedule 2.1: Standing Financial Instructions

Status: Final Version 1
22 March 2021

Page 4 of 75

Organisations (TSOs) and Supported Factories and Businesses (SFBs)

- 12.9 Planning Procurements
- 12.10 Procurement Process
- 12.11 Procurement Thresholds
- 12.12 Designing Competitions
- 12.13 Single Quotation Application or Single Tender Application
- 12.14 Disposals
- 12.15 Evaluation, Approval and Award
- 12.16 Contract Management
- 12.17 Extending and Varying Contracts
- 12.18 Requisitioning
- 12.19 No Purchase Order, No Pay
- 12.20 Official orders

**13. AGREEMENTS AND CONTRACTS FOR ALL WALES
DIGITAL SOLUTIONS & SERVICES**

- 13.1 Digital Solution Agreements
- 13.2 Statutory provisions
- 13.3 Application of delegated limits

14. GRANT FUNDING,

- 14.1 Legal Advice
- 14.2 Policies and procedures
- 14.3 Corporate Principles underpinning Grants Management
- 14.4 Grant Procedures

15. PAY EXPENDITURE

- 15.1 Remuneration and Terms of Service Committee
- 15.2 Funded Establishment
- 15.3 Staff Appointments
- 15.4 Pay Rates and Terms and Conditions
- 15.5 Payroll
- 15.6 Contracts of Employment

**16. CAPITAL PLAN, CAPITAL INVESTMENT, FIXED ASSET
REGISTERS AND SECURITY OF ASSETS**

- 16.1 Capital Plan

Model Standing Orders, Reservation and Delegation of Powers for DHCW
Schedule 2.1: Standing Financial Instructions

Status: Final Version 1
22 March 2021

Page 5 of 75

- 16.2 Capital Investment Decisions
- 16.3 Capital Projects
- 16.4 Capital Procedures and Responsibilities
- 16.5 Capital Financing with the Private Sector
- 16.6 Asset Registers
- 16.7 Security of Assets

- 17. STORES AND RECEIPT OF GOODS**
 - 17.1 General position
 - 17.2 Control of Stores, Stocktaking, condemnations and disposal
 - 17.3 Goods supplied by an NHS supplies agency

- 18. DISPOSALS AND CONDEMNATIONS, LOSSES AND SPECIAL PAYMENTS**
 - 18.1 Disposals and Condemnations
 - 18.2 Losses and Special Payments

- 19. DIGITAL, DATA and TECHNOLOGY**
 - 19.1 Digital Data and Technology Strategy
 - 19.2 Responsibilities and duties of the responsible Director
 - 19.3 Responsibilities and duties of the Director of Finance
 - 19.4 Contracts for data and digital services with other health bodies or outside agencies
 - 19.5 Risk assurance

- 20. RETENTION OF RECORDS**
 - 20.1 Responsibilities of the Chief Executive

Digital Health and Care Wales

1. INTRODUCTION

1.1 General

- 1.1.1 These Model Standing Financial Instructions are issued by Welsh Ministers to Digital Health and Care Wales “DHCW” using powers of direction provided in section 23(1) of the National Health Service (Wales) Act 2006. DHCW must agree Standing Financial Instructions (SFIs) for the regulation of their financial proceedings and business. They shall have effect as if incorporated in the Standing Orders (SOs) (incorporated as Schedule 2.1 of SOs).
- 1.1.2 These SFIs detail the financial responsibilities, policies and procedures adopted by DHCW. They are designed to ensure that DHCW's financial transactions are carried out in accordance with the law and with Welsh Government policy in order to achieve probity, accuracy, economy, efficiency, effectiveness and sustainability. They should be used in conjunction with the Schedule of decisions reserved to the Board and the Scheme of delegation adopted by DHCW.
- 1.1.3 These SFIs identify the financial responsibilities which apply to everyone working for DHCW. They do not provide detailed procedural advice and should be read in conjunction with the detailed financial control procedure notes. All financial procedures must be approved by the Director of Finance and Audit and Assurance Committee.
- 1.1.4 Should any difficulties arise regarding the interpretation or application of any of the SFIs then the advice of the Board Secretary or Director of Finance must be sought before acting. The user of these SFIs should also be familiar with and comply with the provisions of DHCW's Standing Orders “SOs”.

1.2 Overriding Standing Financial Instructions

- 1.2.1 Full details of any non-compliance with these SFIs, including an explanation of the reasons and circumstances must be reported in the first instance to the Director of Finance and the Board Secretary, who will ask the Audit and Assurance Committee “Audit Committee” to formally consider the matter and make proposals to the Board on any action to be taken. All Board members and DHCW officers have a duty

Model Standing Orders, Reservation and Delegation of Powers for DHCW
Schedule 2.1: Standing Financial Instructions

Status: Final Version 1
22 March 2021

Page 7 of 75

to report any non-compliance to the Director of Finance and Board Secretary as soon as they are aware of any circumstances that has not previously been reported.

- 1.2.2 **Ultimately, the failure to comply with SFIs and SOs is a disciplinary matter that could result in an individual's dismissal from employment or removal from the Board.**

1.3 Financial provisions and obligations of DHCW

- 1.3.1 The financial provisions and obligations for Special Health Authorities, which relate to DHCW are set out under Sections 171, 172 and 173 of the NHS (Wales) Act 2006. The Board as a whole and the Chief Executive in particular, in their role as the Accountable Officer for the organisation, must ensure DHCW meets its statutory obligation to perform its functions within the available financial resources.

2. RESPONSIBILITIES AND DELEGATION

2.1 The Board

2.1.1 The Board exercises financial supervision and control by:

- a) Formulating and approving the Medium Term Financial Plan (MTFP) as part of the developing and approving medium term plan, reflecting longer-term planning and delivery objectives;
- b) Requiring the submission and approval of balanced annual budgets within approved allocations/resource limits
- c) Defining and approving essential features in respect of important financial policies, systems and financial controls (including the need to obtain value for money and sustainability); and
- d) Defining specific responsibilities placed on Board members and DHCW officers, and DHCW committees and Advisory Groups as indicated in the 'Scheme of delegation' document.

2.1.2 The Board has resolved that certain powers and decisions may only be exercised by the Board in formal session. These are set out in the 'Schedule of matters reserved to the Board' document. The Board, subject to any directions that may be made by Welsh Ministers, shall make appropriate arrangements for certain functions to be carried out on its behalf so that the day to day business of DHCW may be carried out effectively, and in a manner that secures the achievement of the organisations aims and objectives. This will be via powers and authority delegated to committees, sub-committees, joint committees or joint sub-committees that DHCW has established or to an officer of DHCW in accordance with the 'Scheme of delegation' document adopted by DHCW.

2.2 The Chief Executive and Director of Finance

2.2.1 The Chief Executive and Director of Finance will, as far as possible, delegate their detailed responsibilities, but they remain accountable for financial control.

2.2.2 Within the SFIs, it is acknowledged that the Chief Executive is ultimately accountable to the Board, and as Accountable Officer, to the Welsh Government, for ensuring that the Board meets its obligation to perform its functions within the available financial resources. The Chief

Model Standing Orders, Reservation and Delegation of Powers for DHCW
Schedule 2.1: Standing Financial Instructions

Status: Final Version 1
22 March 2021

Page 9 of 75

Executive has overall executive responsibility for DHCW's activities; is responsible to the Chair and the Board for ensuring that financial provisions, obligations and targets are met; and has overall responsibility for DHCW's system of internal control.

- 2.2.3 It is a duty of the Chief Executive to ensure that Board members and DHCW officers, and all new appointees are notified of, and put in a position to understand their responsibilities within these SFIs.

2.3 The Director of Finance

- 2.3.1 The Director of Finance is responsible for:

- a) Implementing DHCW's financial policies and for co-ordinating any corrective action necessary to further these policies;
- b) Maintaining an effective system of internal financial control including ensuring that detailed financial control procedures and systems incorporating the principles of separation of duties and internal checks are prepared, documented and maintained to supplement these instructions;
- c) Ensuring that sufficient records are maintained to show and explain DHCW's transactions, in order to disclose, with reasonable accuracy, the financial position of DHCW at any time; and
- d) Without prejudice to any other functions of DHCW, and Board members and DHCW officers, the duties of the Director of Finance include:
 - (i) the provision of financial advice to other Board members and DHCW officers, and DHCW Committees and Advisory Groups,
 - (ii) the design, implementation and supervision of systems of internal financial control, and
 - (iii) the preparation and maintenance of such accounts, certificates, estimates, records and reports as DHCW may require for the purpose of carrying out its statutory duties.

- 2.3.2 The Director of Finance is responsible for ensuring an ongoing training and communication programme is in place to effect these SFIs.

2.4 Board members and DHCW officers, and DHCW Committees and Advisory Groups

2.4.1 All Board members and DHCW officers, and DHCW Committees and Advisory Groups, severally and collectively, are responsible for:

- a) The security of the property of DHCW;
- b) Avoiding loss;
- c) Exercising economy, efficiency and sustainability in the use of resources; and
- d) Conforming to the requirements of SOs, SFIs, Financial Control Procedures and the Scheme of delegation.

2.4.2 For all Board members and DHCW officers, and DHCW Committees and Advisory Groups who carry out a financial function, the form in which financial records are kept and the manner in which members of the Board, Committees, Advisory Groups and employees discharge their duties must be to the satisfaction of the Director of Finance.

2.5 Contractors and their employees

2.5.1 Any contractor or employee of a contractor who is empowered by DHCW to commit DHCW to expenditure or who is authorised to obtain income shall be covered by these instructions. It is the responsibility of the Chief Executive to ensure that such persons are made aware of this.

3. AUDIT, FRAUD AND CORRUPTION, AND SECURITY MANAGEMENT

3.1 Audit Committee

- 3.1.1 An independent Audit Committee is a central means by which a Board ensures effective internal control arrangements are in place. In addition, the Audit Committee provides a form of independent check upon the executive arm of the Board. In accordance with SOs the Board shall formally establish an Audit Committee with clearly defined terms of reference. Detailed terms of reference and operating arrangements for the Audit Committee are set out in Schedule 3 to the SOs. This committee will follow the guidance set out in the NHS Wales Audit Committee Handbook.

<http://www.wales.nhs.uk/sitesplus/documents/1064/NHS%20Wales%20Audit%20Committee%20Handbook%20%28June%202012%29.pdf>

3.2 Chief Executive

- 3.2.1 The Chief Executive is responsible for:

- a) Ensuring there are arrangements in place to review, evaluate and report on the effectiveness of internal control including the establishment of an effective Internal Audit function;
- b) Ensuring that the Internal Audit function meets the Public Sector Internal Audit Standards and provides sufficient independent and objective assurance to the Audit Committee and the Accountable Officer;

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/641252/PSAIS_1_April_2017.pdf

- c) Deciding at what stage to involve the police in cases of misappropriation and other irregularities not involving fraud or corruption;
- d) Ensuring that an annual Internal Audit report is prepared for the consideration of the Audit Committee and the Board. The report must cover:
 - a clear opinion on the effectiveness of internal control in accordance with the requirements of the Public Sector Internal

Model Standing Orders, Reservation and Delegation of Powers for DHCW
Schedule 2.1: Standing Financial Instructions

Status: Final Version 1
22 March 2021

Page 12 of 75

Audit Standards.

- major internal control weaknesses discovered,
- progress on the implementation of Internal Audit recommendations,
- progress against plan over the previous year, and
- a detailed plan for the coming year.

3.2.2 The designated internal and external audit representatives are entitled (subject to provisions in the Data Protection Act 2018 and General Data Protection Regulations 2016) without necessarily giving prior notice to require and receive:

- a) Access to all records, documents and correspondence relating to any financial or other relevant transactions, including documents of a confidential nature;
- b) Access at all reasonable times to any land or property owned or leased by the DHCW;
- c) Access at all reasonable times to Board members and DHCW officers;
- d) The production of any cash, stores or other property of the DHCW under a Board member or a DHCW official's control; and
- e) Explanations concerning any matter under investigation.

3.3 Internal Audit

3.3.1 The Accountable Officer Memorandum requires the Chief Executive to have an internal audit function that operates in accordance with the standards and framework set for the provision of Internal Audit in the NHS in Wales. This framework is defined within an Internal Audit Charter that incorporates a definition of internal audit, a code of ethics and Public Sector Internal Audit Standards. Standing Order 8.1 details the relationship between the Head of Internal Audit and the Board. The role of the Audit Committee in relation to Internal Audit is set out within its Terms of Reference, incorporated in Schedule 3 of the SOs, and the NHS Wales Audit Committee Handbook.

3.4 External Audit

Model Standing Orders, Reservation and Delegation of Powers for DHCW
Schedule 2.1: Standing Financial Instructions

Status: Final Version 1
22 March 2021

Page 13 of 75

- 3.4.1 Pursuant to the Public Audit (Wales) Act 2004 (C.23), the Auditor General for Wales (Auditor General) is the external auditor of DHCW. The Auditor General may nominate his representative to represent him and to undertake the required audit work. The cost of the audit is paid for by DHCW. DHCW's Audit Committee should assure itself that a cost-efficient external audit service is delivered. If there are any problems relating to the service provided, this should be raised with the Auditor General's representative and referred on to the Auditor General if the issue cannot be resolved.
- 3.4.2 The objectives of the external audit fall under three broad headings, to review and report on:
- a) Whether the expenditure to which the financial statements relate has been incurred lawfully and in accordance with the authority that governs it;
 - b) The audited body's financial statements, and on its Annual Governance Statement and remuneration report;
 - c) Whether the audited body has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.
- 3.4.3 The Auditor General's representatives will prepare a risk-based annual audit plan, designed to deliver the Auditor General's objectives, for consideration by the Audit Committee. The Audit Committee should formally consider and review the plan. The plan will set out details of the work to be carried out, providing sufficient detail for the Audit Committee and other recipients to understand the purpose and scope of the defined work and their level of priority. The Audit Committee should review the plan and the associated fees, although in so doing it needs to recognise the statutory duties of the Auditor General. The Audit Committee should consider material changes to the plan.
- 3.4.4 The Auditor General's representative should be invited to attend every Audit Committee meeting. The cycle of approving and monitoring the progress of external audit plans and reports, culminating in the opinion on the annual report and accounts, is central to the core work of the Audit Committee.
- 3.4.5 The Auditor General's representatives will liaise with Internal Audit when developing the external audit plan. The Auditor General's representative will ensure that planned external audit work takes into account the work of Internal Audit to avoid duplication wherever possible and considers where Internal Audit work can be relied upon

for opinion purposes.

- 3.4.6 The Auditor General and his representatives shall have a right of access to the Chair of the Audit Committee at any time.
- 3.4.7 The Auditor General has statutory rights of access to all documents and information, as set out in paragraph 3.2.2a of these SFIs that relate to the exercise of his audits, value for money examinations and improvement studies. The rights of access include access to documentation of a confidential nature or which contains personal information. The statutory access rights also require any person that the Auditor General thinks has information related to the discharge of his functions to give any assistance, information and explanation that he thinks necessary. They also require such persons to attend before the Auditor General and to provide any facility that he and his representatives may reasonably require, such as audit accommodation and access to IT facilities. The rights apply not just to DHCW and its officers and staff, but also to, among others, suppliers to DHCW.
- 3.4.8 The Auditor General's independence in the exercise of his audit functions is protected by statute (section 8 of the Public Audit (Wales) Act 2013), and audit independence is required by professional and ethical standards. Accordingly, DHCW (including its Audit Committee) must be careful not to seek to fetter the Auditor General's discretion in the exercise of his functions. While DHCW may offer comments on the plans and outputs of the Auditor General, it must not seek to direct the Auditor General.
- 3.4.9 The Auditor General will issue a number of reports over the year, some of which are specified in the Auditor General's Code of Audit and Inspection Practice and International Standards on Auditing. Other reports will depend on the contents of the audit plan.

The main mandatory reports are:

- Report to those charged with governance (incorporating the report required under ISA 260) that sets out the main issues arising from the audit of the financial statements and use of resources work
- Statutory report and opinion on the financial statements
- Annual audit report.

In addition to these reports, the Auditor General may prepare a report on a matter the Auditor General considers would be in the public interest to bring to the public's attention; or make a referral to the

Welsh Ministers if significant breaches occur.

- 3.4.10 The Auditor General also has powers to undertake Value for Money Examinations and Improvement Studies within DHCW and other public sector bodies. At DHCW he also undertakes a Structured Assessment to help him assess whether there are proper arrangements for securing economy, efficiency and effectiveness in the use of resources. The Auditor General will take account of audit work when planning and undertaking such examinations and studies. The Auditor General and his representatives have the same access rights in relation to these examinations and studies as they do in relation to annual audit work.

3.5 Fraud and Corruption

- 3.5.1 In line with their responsibilities, DHCW Chief Executive and Director of Finance shall monitor and ensure compliance with Directions issued by the Welsh Ministers on fraud and corruption.

- 3.5.2 DHCW shall nominate a suitable person to carry out the duties of the Local Counter Fraud Specialist (LCFS) as specified by Directions to NHS bodies on Counter Fraud Measures 2005.

<http://www.wales.nhs.uk/sitesplus/documents/1064/WHC%282005%2995%20%28Revised%29%20Directions%20to%20National%20Health%20Service%20bodies%20on%20Counter%20Fraud%20Measures%202005.pdf>

- 3.5.3 The LCFS shall report to the DHCW Director of Finance and the LCFS must work with NHS Counter Fraud Authority (NHSCFA) and the NHS Counter Fraud Service Wales (CFSW) Team in accordance with the Directions to NHS bodies on Counter Fraud Measures 2005.

- 3.5.4 The LCFS will provide a written report to the Director of Finance and Audit Committee, at least annually, on proactive and reactive counter fraud work within DHCW.

- 3.5.5 DHCW must participate in the annual National Fraud Initiative (NFI), which in Wales is led by Audit Wales and DHCW and must provide the necessary data for the mandatory element of the initiative by the due dates. The DHCW should participate in appropriate risk measurement or additional dataset matching exercise in order to support the detection of fraud across the whole public sector.

3.6 Security Management

- 3.6.1 In line with their responsibilities, DHCW Chief Executive will monitor

Model Standing Orders, Reservation and Delegation of Powers for DHCW
Schedule 2.1: Standing Financial Instructions

Status: Final Version 1
22 March 2021

Page 16 of 75

and ensure compliance with Directions issued by the Welsh Ministers on NHS security management.

- 3.6.2 The Chief Executive has overall responsibility for controlling and coordinating security.

4. ALLOCATIONS AND FINANCIAL DUTY

- 4.1 Revenue and Capital allocations are determined by the Welsh Ministers in accordance with its allotted health budget and distribution policy.
- 4.2 The Director of Finance of DHCW will:
- a) Prior to the start of each financial year submit to the Board for approval a report showing the total allocations received, assumed in-year allocations and other adjustments and their proposed distribution to delegated budgets, including any sums to be held in reserve;
 - b) Ensure that any ring-fenced or non-discretionary allocations are disbursed in accordance with Welsh Ministers' requirements;
 - c) Periodically review any assumed in-year allocations to ensure that these are reasonable and realistic; and
 - d) Regularly update the Board on significant changes to the initial allocation and the application of such funds.
- 4.3 DHCW is required by statutory provision not to breach its financial duty to secure that its expenditure does not exceed the aggregate of its resource allocations and income received. This duty applies separately to capital and revenue resource allocations. The Chief Executive has overall executive responsibility for DHCW's activities and is responsible to the Board for ensuring that it meets its financial duty as set out in section 172 of the National Health Service (Wales) Act 2006.

5. INTEGRATED PLANNING

- 5.1 DHCW will prepare appropriate plans as required by legislation and the Welsh Government.
- 5.2 An annual business plan will be submitted to the Welsh Government setting out how the organisation will meet the requirements of the Cabinet Secretary's Remit Letter. This plan must reflect planning and delivery objectives and should be continually reviewed based on latest Welsh Government policy and local priority requirements.
- 5.3 The Chief Executive will compile and submit to the Board, on an annual basis, the annual plan. The Board approved plan will be submitted to Welsh Government in line with the requirements it has set out.
- 5.4 The remit letter, and approved business plan will form the basis of the accountability arrangements between DHCW and Welsh Government.
- 5.5 The Board will:
- a) Approve the annual business plan prior to the beginning of the financial year of implementation and in accordance with the guidance issued annually by Welsh Government. Following Board approval the Plan will be submitted to Welsh Government.
 - b) Approve a balanced annual budget as part of the annual business plan, which meets all statutory financial duties, probity and value for money requirements; and
 - c) Prepare and agree with the Welsh Government a robust and sustainable recovery plan in accordance with Welsh Ministers' guidance where DHCW plan is not in place or in balance.
- 5.6 The first full annual business plan will be required from the start of 2021/22 financial year, in accordance with Standing Orders.

6. FINANCIAL MANAGEMENT AND BUDGETARY CONTROL

6.1 Budget Setting

6.1.1 Prior to the start of the financial year the Director of Finance will, on behalf of the Chief Executive, prepare and submit budgets for approval and delegation by the Board. Such budgets will:

- a) Include an annual budget for achieving compliance with DHCWs statutory financial balance to operate within its allocated resources
- b) Be in accordance with the aims and objectives set out in the Board approved annual business plan, medium term plan and Medium Term Financial Plan,
- c) Accord with Commissioning, Activity, Quality, Performance, Capital and Workforce plans contained within the Board approved plan;
- d) Take account of approved business cases and associated revenue costs and funding
- e) Be produced following discussion with appropriate Directors and budget holders;
- f) Be prepared within the limits of available funds;
- g) Take account of ring-fenced, specified and non-recurring allocations and funding;
- h) Include both financial budgets (£) and workforce establishment budgets (budgeted whole time equivalents)
- i) Be within the scope of activities and authority defined by the NHS (Wales) Act 2006, including pooled budget arrangements.
- j) Take account of the principles of Well-being of Future Generations (Wales) Act 2015 including the seven Well-being Goals and the five ways of working; and
- k) Identify potential risks and opportunities.

6.2 Budgetary Delegation

6.2.1 The Chief Executive may delegate, via the Director of Finance, the management of a budget to permit the performance of a defined range of activities, including pooled budget arrangements under Regulations made in accordance with Section 33 of the NHS (Wales) Act 2006 (C.42). This delegation must be in writing, in the form of a letter of accountability, and be accompanied by a clear definition of:

- a) The amount of the budget;
- b) The purpose(s) of each budget heading;
- c) Individual or committee responsibilities;
- d) Arrangements during periods of absence;
- e) Authority to exercise virement;
- f) Achievement of planned levels of service; and
- g) The provision of regular reports.

The budget holder must sign the accountability letter formally delegating the budget.

6.2.2 The Chief Executive, Director of Finance and delegated budget holders must not exceed the budgetary total or virement limits set by the Board.

6.2.3 Budgets must only be used for the purposes designated, and any budgeted funds not required for their designated purpose(s) revert to the immediate control of the Chief Executive, subject to any authorised use of virement.

6.2.4 Non-recurring budgets should not be used to finance recurring expenditure without the authority in writing of the Chief Executive, as advised by the Director of Finance.

6.2.5 All budget holders must provide information as required by the Director of Finance to enable budgets to be compiled and managed appropriately.

6.2.6 All budget holders will sign up to their allocated budgets at the commencement of the financial year

6.2.7 The Director of Finance has a responsibility to ensure that appropriate and timely financial information is provided to budget holders and that adequate training is delivered on an on-going basis to assist budget holders managing their budgets successfully.

6.3 Financial Management, Reporting and Budgetary Control

6.3.1 The Director of Finance shall monitor financial performance against budget and plans and report the current and forecast position on a monthly basis and at every Board meeting. Any significant variances should be reported to DHCW Board as soon as they come to light and the Board shall be advised on any action to be taken in respect of such variances.

6.3.2 The Director of Finance will devise and maintain systems of financial management performance reporting and budgetary control. These will include:

- a) Regular financial reports, for revenue and capital, to the Board in a form approved by the Board containing sufficient information for the Board to:
 - Understand the current and forecast financial position
 - Evaluate risks and opportunities
 - Use insight to make informed decisions
 - Be consistent with other Board reports, as a minimum the reports will cover:
 - Current and forecast year end position on statutory financial duties
 - Actual income and expenditure to date compared to budget and showing trends and run rates
 - Forecast year end positions
 - A statement of assets and liabilities, including analysis of cash flow and movements in working capital.
 - Explanations of material variances from plan
 - Capital expenditure and projected outturn against plan
 - Investigations and reporting of variances from financial, activity and workforce budgets.
 - Details of corrective actions being taken, as advised by the relevant budget holder and the Chief Executive's and/or Director of Finance's view of whether such actions are sufficient to correct the situation;
 - Statement of performance against savings targets
 - Key workforce and other cost drivers
 - Income and expenditure run rates, historic trends, extrapolation and explanations
 - Clear assessment of risks and opportunities
 - Provide a rounded and holistic view of financial and wider organisational performance.

- b) The issue of regular, timely, accurate and comprehensible advice and financial reports to each delegated budget holder, covering the areas for which they are responsible;
- c) An accountability and escalation framework to be established for the organisation to formally address material budget variances
- d) Investigation and reporting of variances from financial, activity and workforce budgets;
- e) Monitoring of management action to correct variances;
- f) Arrangements for the authorisation of budget transfers and virements.

6.3.3 Each Budget Holder will

- be held to account for managing services within the delegated budget
- investigate causes of expenditure and budget variances using information from activity, workforce and other relevant sources
- develop plans to address adverse budget variances.

6.3.4 Each Budget Holder is responsible for ensuring that:

- a) Any likely overspending or reduction of income that cannot be met by virement is not incurred without the prior consent of the Chief Executive and Director of Finance subject to the Board's scheme of delegation;
- b) The amount provided in the approved budget is not used in whole or in part for any purpose other than that specifically authorised, subject to the rules of virement;
- c) No permanent employees are appointed without the approval of the Chief Executive other than those provided for within the available resources and workforce establishment as approved by the Board.

6.3.5 The Chief Executive is responsible for identifying and implementing cost and efficiency improvements and income generation initiatives in accordance with the requirements of the Annual and Medium Term Financial Plans and SFI 10.1.

6.4 Capital Financial Management, Reporting and Budgetary Control

Model Standing Orders, Reservation and Delegation of Powers for DHCW
Schedule 2.1: Standing Financial Instructions

Status: Final Version 1
22 March 2021

Page 23 of 75

- 6.4.1 The general rules applying to revenue Financial Management, Reporting and Budgetary Control delegation and reporting shall also apply to capital plans, budgets and expenditure subject to any specific reporting requirements required by the Welsh Ministers.

6.5 Reporting to Welsh Government - Monitoring Returns

- 6.5.1 The Chief Executive is responsible for ensuring that the appropriate monitoring returns are submitted to the Welsh Ministers in accordance with published guidance and timescales.
- 6.5.2 All monitoring returns must be supported by a detailed commentary signed by the Director of Finance and Chief Executive. This commentary should also highlight and quantify any significant risks with an assessment of the impact and likelihood of these risks maturing.
- 6.5.3 All information made available to the Welsh Ministers should also be made available to the Board. There must be consistency between the, Annual Plan, Medium Term Financial Plan, budgets, expenditure, forecast position and risks as reported in the monitoring returns and monthly Board reports.

7. ANNUAL ACCOUNTS AND REPORTS

- 7.1 The Board must approve DHCW's annual accounts prior to submission to the Welsh Ministers and the Auditor General for Wales in accordance with the annual timetable.
- 7.2 The Chair and the Chief Executive (as Accountable Officer for DHCW) have responsibility for signing the accounts on behalf of DHCW. The Chief Executive has responsibility for signing the Annual Governance Statement and the Annual Quality Statement.
- 7.3 The Director of Finance, on behalf of DHCW is responsible for ensuring that financial reports and returns are prepared in accordance with the accounting policies, guidance and timetable determined by the Welsh Ministers, as per Welsh Government's Manual for Accounts, and consistent with Financial Reporting Manual (FReM) and International Financial Reporting Standards.
- 7.4 DHCW's audited annual accounts must be adopted by the Board at a public meeting and made available to the public.
- 7.5 DHCW must publish an Annual Report, and present it at its Annual General Meeting. The Board Secretary will ensure that the Annual Report is prepared in line with the Welsh Government's NHS Manual for Accounts. The Annual Report will include
- The Accountability Report containing:
 - Corporate Governance Report
 - Remuneration Report and Staff Report
 - Accountability and Audit Report
 - The Performance Report, which must include:
 - An overview
 - A performance Analysis

8. BANKING ARRANGEMENTS

8.1 General

8.1.1 The Director of Finance is responsible for managing DHCW's banking arrangements and for advising the Board on the provision of banking services and operation of accounts. This advice will take into account guidance/ Directions issued from time to time by the Welsh Ministers. DHCW is expected to use the Government Banking Service (GBS) for its banking services unless there is sound reasoning and value for money considerations to justify the use of commercial accounts.

8.1.2 The Board shall approve the banking arrangements.

8.2 Bank Accounts

8.2.1 The Director of Finance is responsible for:

- a) Establishing bank accounts and ensuring that the Government Banking Service is utilised for main DHCW business transactions;
- b) Establishing additional commercial accounts only exceptionally and where there is a clear rationale for not utilising the Government Banking Service;
- c) Establishing separate bank accounts for DHCW's non-exchequer funds;
- d) Ensuring payments made from bank accounts do not exceed the amount credited to the account except where arrangements have been made;
- e) Ensuring accounts are not overdrawn except in exceptional and planned situations.
- f) Reporting to the Board all arrangements made with DHCW's bankers for accounts to be overdrawn;
- g) Monitoring compliance with Welsh Ministers' guidance on the level of cleared funds.

8.2.2 With the exception of Project Bank Accounts, all bank accounts should be held in the name of DHCW. No officer other than the Director of Finance shall open any account in the name of DHCW or for the purposes of furthering DHCW activities.

8.2.3 Any Project Bank Account that is required may be held jointly in the name of DHCW and the relevant third party contractor.

8.3 Banking Procedures

8.3.1 The Director of Finance will prepare detailed instructions on the operation of bank accounts, that ensure there are sound controls over the day-to-day operation of bank accounts, which must include:

- a) The conditions under which each bank account is to be operated;
- b) Those authorised to sign payable orders or other orders drawn on DHCW's accounts.
- c) Effective divisions of duty for employees working within the banking and treasury management function to minimise the risk of fraud and error.
- d) Authorised signatories are identified with sufficient seniority, and in the case of e banking approvers, together with an appropriate payment approval hierarchy.
- e) Procedures are in place for prompt banking of money received.
- f) Ensure there are physical security arrangements in place for cheque stationery, e banking access devices and payment cards.
- g) Cheques and payable orders are treated as controlled stationery with management responsibility given to a duly designated employee.
- h) Frequent reconciliations are undertaken between cash books, bank statements and the general ledger so that all differences are fully understood and accounted appropriately.
- i) Commercial bank accounts should only be used exceptionally where there is a sound rationale and demonstrates value for money. Commercial accounts should be procured through a tendering exercise and the outcome reported to the Audit Committee on behalf of the Board.

8.3.2 The Director of Finance must advise DHCW's bankers in writing of the conditions under which each account will be operated.

Model Standing Orders, Reservation and Delegation of Powers for DHCW
Schedule 2.1: Standing Financial Instructions

Status: Final Version 1
22 March 2021

Page 27 of 75

- 8.3.3 The Director of Finance shall approve security procedures for any payable orders issued without a hand-written signature e.g. automatically printed. All Payable Orders shall be treated as controlled stationery, in the charge of a duly designated officer controlling their issue.

8.4 Review

- 8.4.1 The Director of Finance will review banking arrangements of DHCW at regular intervals to ensure they reflect best practice and represent best value for money. The results of the review should be reported to the Audit Committee.

9. CASH, CHEQUES, PAYMENT CARDS AND OTHER NEGOTIABLE INSTRUMENTS

9.1 General

9.1.1 The Director of Finance is responsible for:

- a) Approving the form of all receipt books, agreement forms, or other means of officially acknowledging or recording monies received or receivable;
- b) Ordering and securely controlling any such stationery; ensuring all cash related stationery treated as controlled stationery with management responsibility given to a duly designated employee;
- c) The provision of adequate facilities and systems for officers whose duties include collecting and holding cash, including the provision of safes or lockable cash boxes, the procedures for keys, and for coin operated machines; and
- d) Establishing systems and procedures for handling cash and negotiable securities on behalf of DHCW.
- e) Ensuring effective control systems are in place for the use of payment cards,
- f) Ensuring that there are adequate control systems in place to minimise the risk of cash/card misappropriation.

9.1.2 Official money shall not under any circumstances be used for the encashment of private cheques or IOUs (informal documents acknowledging debt).

9.1.3 All cheques, postal orders, cash etc., shall be banked intact. Disbursements shall not be made from cash received, except under arrangements approved by the Director of Finance.

9.1.4 The holders of safe/cash box combinations/keys shall not accept unofficial funds for depositing in their safe/cash box unless such deposits are in special sealed envelopes or locked containers. It shall be made clear to the depositors that DHCW is not to be held liable for any loss, and written indemnities must be obtained from the organisation or individuals absolving DHCW from responsibility for any

Model Standing Orders, Reservation and Delegation of Powers for DHCW
Schedule 2.1: Standing Financial Instructions

Status: Final Version 1
22 March 2021

Page 29 of 75

loss.

- 9.1.5 The opening of coin operated machines (including telephone, if applicable) and the counting and recording of takings shall be undertaken by two officers together, except as may be authorised in writing by the Director of Finance and the coin box keys shall be held by a nominated officer.
- 9.1.6 During the absence (for example, on holiday) of the holder of a safe/cash box combination/key, the officer who acts in their place shall be subject to the same controls as the normal holder of the combination/key. There shall be written discharge for the safe and/or cash box contents on the transfer of responsibilities and the discharge document must be retained for inspection.

9.2 **Petty Cash**

- 9.2.1 The Director of Finance will issue instructions restricting the use and value of petty cash purchases.
- 9.2.2 Petty cash use should be minimised and be subject to regular cash balance reviews in order to minimise cash levels held.
- 9.2.3 Petty cash should be operated under an imprest system and be subject to regular checks to ensure physical and book cash levels are consistent.

10. INCOME, FEES AND CHARGES

10.1 Income Generation and Participation in/Formation of Companies

10.1.1 DHCW shall only generate income for those goods and services that are approved by the Welsh Ministers. Any income generating activities must be complementary to the provision of NHS services and must be in accordance with the Welsh Ministers' policy and powers to raise money as set out in section 169 of the NHS (Wales) Act 2006 (c.42).

10.1.2 DHCW can only form or participate in a company for income generation, improving health, healthcare care and health services, purposes with the consent and/or direction of Welsh Ministers. DHCW should obtain advice from Welsh Government officials prior to undertaking substantive work on formation or participation in any company.

10.2 Income Systems

10.2.1 The Director of Finance is responsible for designing and maintaining procedures to ensure compliance with systems for the proper recording, invoicing, and collection and coding of all monies due.

10.2.2 The Director of Finance is also responsible for ensuring that systems are in place for the prompt banking of all monies received.

10.3 Fees and Charges

10.3.1 The Director of Finance is responsible for approving and regularly reviewing the level of all fees and charges other than those determined by the Welsh Ministers or by Statute. Independent professional advice on matters of valuation shall be taken as necessary.

10.3.2 All officers must inform the Director of Finance promptly of money due arising from transactions which they initiate/deal with, including all contracts, leases, tenancy agreements and other transactions.

10.4 Income Due and Debt Recovery

10.4.1 Delegated budget holders and managers are responsible for informing the Director of Finance of any income due that arises from any contracts, service levels agreements, leases, activities such as private patients or other transactions.

10.4.2 Delegated budget holders and managers must inform the Director of

Finance when overpayment of salary or expenses have been made, in order that recovery can be made.

10.4.3 The Director of Finance is responsible for recovering income due and for ensuring debt recovery procedures are in place to secure early payment and minimise bad debt risk on all outstanding debts.

10.4.4 Income not received should be dealt with in accordance with losses procedures.

10.4.5 Overpayments should be detected (or preferably prevented) and recovery initiated.

10.4.6 The Chief Executive and the Director of Finance are responsible for ensuring the Welsh Ministers' guidance on disputed debt arbitration is strictly adhered to.

11. NON PAY EXPENDITURE

11.1 Scheme of Delegation, Non Pay Expenditure Limits and Accountability

- 11.1.1. The Board must agree a Scheme of Delegation in line with that set out in its Standing Orders Scheme of Reservation and Delegation of Powers.
- 11.1.2. The Chief Executive will approve the level of non-pay expenditure and the operational scheme of delegation and authorisation to budget holders and managers within the parameters set out in the DHCW scheme of delegation.
- 11.1.3. The Chief Executive will set out in the operational scheme of delegation and authorisation:
- The list of managers who are authorised to place requisitions for the supply of goods, services and works and for the awarding of contracts; and
 - The maximum level of each requisition and the system for authorisation above that level.

11.2 The Director of Finance's responsibilities

- 11.2.1 The Director of Finance will:
- a) Advise the Board regarding the NHS Wales national procurement and payment systems thresholds above which quotations (competitive or otherwise) or formal tenders must be obtained; and, once approved, the thresholds should be incorporated in SOs and SFIs;
 - b) Prepare procedural instructions or guidance within the Scheme of Delegation on the obtaining of goods, works and services;
 - c) Ensure systems are in place for the authorisation of all accounts and claims;
 - d) Ensure Directors and officers strictly follow NHS Wales system and procedures of verification, recording and payment of all amounts payable.
 - e) Maintain a list of Executive Directors and officers (including specimens of their signatures) authorised to certify invoices.

Model Standing Orders, Reservation and Delegation of Powers for DHCW
Schedule 2.1: Standing Financial Instructions

Status: Final Version 1
22 March 2021

Page 33 of 75

- f) Be responsible for ensuring compliance with the Public Sector Payment policy ensuring that a minimum of 95 percent of creditors are paid within 30 days of receipt of goods or a valid invoice (whichever is later) unless other payment terms have been agreed.
- g) Ensure that where consultancy advice is being obtained, the procurement of such advice must be in accordance with guidance issued by the Welsh Ministers and SFIs;
- h) Be responsible for Petty Cash system, procedures, authorisation and record keeping, and ensure purchases from petty cash are restricted in value and by type of purchase in accordance with procedures.

11.3 Duties of Budget Holders and Managers

11.3.1 Budget holders and managers must ensure that they comply fully with guidance and limits specified by the Director of Finance and that:

- a) All contracts (except as otherwise provided for in the Scheme of Delegation), leases, tenancy agreements and other commitments which may result in a liability are notified to the Director of Finance in advance of both any commitment being made and NWSSP Procurement Services being engaged;
- b) Contracts above specified thresholds are advertised and awarded, through NWSSP Procurement Services, in accordance with HM Treasury rules on public procurement;
- c) Contracts above specified thresholds are approved by the Welsh Ministers prior to any commitment being made;
- d) goods have been duly received, examined and are in accordance with specification and order,
- e) work done or services rendered have been satisfactorily carried out in accordance with the order, and, where applicable, the materials used are of the requisite standard and the charges are correct,
- f) No requisition/order shall be issued for any item or items to any firm which has made an offer of gifts, reward or benefit to Board members or DHCW officers, other than:
 - (i) Isolated gifts of a trivial character or inexpensive seasonal

gifts, such as calendars,

- (ii) Conventional hospitality, such as lunches in the course of working visits;

This provision needs to be read in conjunction with Standing Order 6.5. and 6.6.

- g) No requisition/order is placed for any item or items for which there is no budget provision unless authorised by the Director of Finance on behalf of the Chief Executive;
- h) All goods, services, or works are ordered on official orders
- i) Requisitions are not split or otherwise placed in a manner devised so as to avoid the financial thresholds;
- j) Goods are not taken on trial or loan in circumstances that could commit the DHCW to a future uncompetitive purchase;

11.3.2 The Chief Executive and Director of Finance shall ensure that the arrangements for financial control and financial audit of building and engineering contracts and property transactions comply with the guidance issued by the Welsh Ministers. The technical audit of these contracts shall be the responsibility of the relevant Director as set out in the DHCW's scheme of delegation.

11.4 Departures from SFI's

11.4.1 Departing from the application of Chapters 10 and 11 of these SFI's is only possible in very exceptional circumstances. DHCW must consult with NWSSP Procurement Services, Director of Finance and Board Secretary prior to any such action undertaken. Any expenditure committed under these departures must receive prior approval in accordance with the DHCW Scheme of Delegation.

11.5 Accounts Payable

11.5.1 NWSSP Finance, shall on behalf of the DHCW, maintain and deliver detailed policies, procedures systems and processes for all aspects of accounts payable

11.6 Prepayments

11.6.1 Prepayment should be exceptional, and should only be considered if a good value for money case can be made for them (i.e. that "need" can

Model Standing Orders, Reservation and Delegation of Powers for DHCW
Schedule 2.1: Standing Financial Instructions

Status: Final Version 1
22 March 2021

Page 35 of 75

be demonstrated). Prepayments are only permitted where either:

- The financial advantages outweigh the disadvantages (i.e. cash flows must be discounted to Net Present Value (NPV) using the National Loans Fund (NLF) rate plus 2%);
- It is the industry norm e.g. courses and conferences;
- In line with requirements of Managing Welsh Public Money
- There is specific Welsh Ministers' approval to do so e.g. voluntary services compact.

11.6.2 In **exceptional** circumstances prepayments can be made subject to:

- a) The appropriate Executive Director providing, in the form of a written report, a case setting out all relevant circumstances of the purchase. The report must set out the effects on the DHCW if the supplier is at some time during the course of the prepayment agreement unable to meet their commitments;
- b) The Director of Finance will need to be satisfied with the proposed arrangements before contractual arrangements proceed (taking into account the Public Contracts Regulations where the contract is above a stipulated financial threshold); and
- c) The budget holder is responsible for ensuring that all items due under a prepayment contract are received and they must immediately inform the appropriate Director or Chief Executive if problems are encountered.

12. PROCUREMENT AND CONTRACTING FOR GOODS AND SERVICES

General Information

12.1 Procurement Services

12.1.1 While the Chief Executive is ultimately responsible for procurement some aspects of the service are delivered by NWSSP Procurement Services.

12.1.2 Procurement staff are employed by NWSSP and provide a procurement support function to all health organisations in NHS Wales. Although NWSSP is responsible for the provision of a Procure to Pay service and provision of appropriate professional procurement and commercial advice, ultimate responsibility for compliance with legislation and policy guidelines remains with DHCW. Where the term NWSSP Procurement Services, Procurement staff or department is used in this chapter it should be read as equally applying to those departments where the procurement function is undertaken locally and outside of NWSSP Procurement Department, for example digital, pharmacy and works who undertake procurement on a devolved basis.

12.2 Policies and Procedures

12.2.1 NWSSP Procurement Services shall, on behalf of DHCW, maintain detailed policies and procedures for all aspects of procurement including tendering and contracting processes. The policies and procedures shall comply with these SFIs and the Procurement Manual and Revised General Consent to enter Individual Contracts included at **Schedule 1 and 2** of these SFIs.

12.2.2 The Chief Executive is ultimately responsible for ensuring that DHCW's Executive Directors, Independent Members and officers within the organisation strictly follow procurement, tendering and contracting procedures.

12.2.3 NWSSP Director of Procurement Services is responsible for ensuring that procurement, tendering and contracting policies and procedures:

- Are kept up to date;
- Conform to statutory requirements and regulations;
- Adhere to guidance issued by the Welsh Ministers;
- Are consistent with the principles of sustainable development;

Model Standing Orders, Reservation and Delegation of Powers for DHCW
Schedule 2.1: Standing Financial Instructions

Status: Final Version 1
22 March 2021

Page 37 of 75

12.2.4 All procurement guidance issued by the Welsh Ministers should have the effect as if incorporated in these SFIs.

12.3 Procurement Principles

12.3.1 The term "procurement" embraces the complete process from planning, sourcing to taking delivery of all works, goods and services required by DHCW to perform its functions, and furthermore embrace all building, equipment, consumables and services including health services. Procurement further embraces contract and/or supplier management, including market engagement and industry monitoring.

12.3.2 There are a range of statutory instruments governing public sector procurement, the primary statutory instrument being 'The Public Contract Regulations (2015, No. 102)' as well as Welsh Government policy frameworks. One of the key objectives of governing legislation is to ensure public procurement markets are open and that there is free movement of supplies, services and works. The main legal and governing principles guiding public procurement and which are incorporated into these SFIs are:

- Transparency: public bodies should ensure that there is openness and clarity on procurement processes and how they are implemented;
- Non-discrimination: public bodies may not discriminate between suppliers or products on grounds of their origin;
- Fair treatment: suppliers should be treated fairly and without discrimination, including in particular equality of opportunity and access to information;
- Legality: public bodies must conform to European Community and other legal requirements;
- Integrity: there should be no corruption or collusion with suppliers or others;
- Effectiveness and efficiency: public bodies should meet the commercial, regulatory and socio-economic goals of government in a balanced manner appropriate to the procurement requirement;
- Efficiency: procurement processes should be carried out as cost effectively as possible and secure value for money.

12.4 Procurement Regulations and Legislation Governing Public Procurement

12.4.1 The primary statutory instrument governing public sector procurement is 'The Public Contract Regulations (2015, No. 102)', in addition public sector

procurement policy issued include the Welsh Government policy framework, Wales Procurement Policy Statement (WPPS). These Regulations incorporate EU Directives and other legislation governing public procurement and the Regulations implementing such legislation and setting out procedures for awarding all forms of regulated contracts shall have effect as if incorporated in DHCW's SFIs.

12.4.2 The Regulations (the Public Contracts Regulations (2015, No. 102) cover the whole field of procurement, including thresholds above which special and demanding procurement protocols and legal requirements apply... All Directors and their staff are responsible for seeing that those Regulations are understood and fully implemented. The protocols set out in the Regulations, and any Procurement Policy Notices, are the model upon which all formal procurement shall be based.

12.4.3 Procurement advice should be sought in the first instance from Procurement Services. The commissioning of further specialist advice shall be jointly agreed between DHCW and Procurement Services e.g. Engagement of NWSSP Legal and Risk Services or 3rd party Legal Service providers.

12.4.4 Other relevant legislation, regulations, codes and policies include:

- The Well-being of Future Generations (Wales) Act 2015
- Welsh Language (Wales) Measure 2011
- Modern Slavery Act 2015
- Bribery Act 2010
- Equalities Act 2010
- Welsh Government's Code of Practice for Ethical Employment in Supply Chains.
- The Producer Responsibility Obligations (Packaging Waste) Regulations 2007
- Welsh Government 'Towards zero waste: our waste strategy'

12.5 Procurement Procedures

12.5.1 To ensure that DHCW is fully compliant with Procurement Regulations, EU Directives, UK and Welsh Ministers' guidance, DHCW shall, through NWSSP Procurement Services, ensure that it shall have procedures that set out:

- a) Requirements and exceptions to formal competitive tendering requirements;
- b) Tendering processes including post tender discussions;
- c) Requirements and exceptions to obtaining quotations;
- d) Evaluation and scoring methodologies
- e) Approval of firms for providing goods and services.

Model Standing Orders, Reservation and Delegation of Powers for DHCW
Schedule 2.1: Standing Financial Instructions

Status: Final Version 1
22 March 2021

Page 39 of 75

12.5.2 All procedures shall reflect the Welsh Ministers' guidance and DHCW's delegation arrangements and approval processes.

12.6 Procurement Consent/Notification

12.6.1 As a Special Health Authority, DHCW may:

- Acquire and dispose of property (Section 22);
- Enter into contracts, para 53, Schedule 5 of the NHS (Wales) Act 2006, and
- Accept gifts of property (including property to be held on trust) para 8, Schedule 5 of the NHS (Wales) Act 2006.

12.6.2 Contracts exceeding the value of £1 million in each case, with the exception of those contracts specified in SFI 12.6.4, all acquisitions and disposals of land of any limit, and the acceptance of gifts of property, must be notified to the Welsh Ministers before being entered into.

12.6.3 The guidance process for DHCW to notify their intent to enter into contracts exceeding £1 million is at **Schedule 2**. This requirement also applies to contracts that are to be let through a mini-competition under a public sector contract framework, such as National Procurement Service, NHS Supply Chain or Crown Commercial Services. The use of suitable Welsh frameworks where access is permissible shall take precedence over frameworks led by Public Sector Bodies outside of Wales. Further detailed guidance is incorporated within the Procurement Procedures.

12.6.4 The requirement for notification does not apply to any contracts entered into pursuant to a specific statutory power, and therefore does not apply to:

- i) Contracts of employment between DHCW and their staff;
- ii) Transfers of land or contracts effected by Statutory Instrument following the creation of DHCW;
- iii) All NHS contracts, that is where one health service body contracts with another health service body.

12.6.5 The process of notification of contracts to the Welsh Ministers does not remove the requirement for DHCW to comply with SOs, SFIs or to obtain any other consents or approvals required by law for the transactions concerned.

12.6.6 Further detail in relation to fair and adequate competition is set out in the Procurement Manual (**Schedule 1**).

Model Standing Orders, Reservation and Delegation of Powers for DHCW
Schedule 2.1: Standing Financial Instructions

Status: Final Version 1
22 March 2021

Page 40 of 75

Planning

12.7 Sustainable Procurement

12.7.1 To further nurture the Welsh economy, in support of social, environmental and economic regeneration, DHCW must also be mindful to structure requirements ensuring Welsh companies have the opportunity to transparently and fairly compete to deliver services regionally or across Wales where possible. The principles of the Well Being and Future Generations Act (2015) should be adopted at the earliest stage of planning. Procurement solutions must be developed embracing the five ways of working described within the Act and capture how they will deliver against the seven goals set out in the Act.

12.7.2 The Well Being of Future Generations Act (2015) requires that bodies listed under the act must operate in a manner that embraces sustainability. The Act requires public bodies in Wales to think about the long-term impact of their decisions, to work better with people, communities and each other, and to prevent persistent problems such as poverty, health inequalities and climate change.

12.7.3 The 7 Wellbeing goals are

- a prosperous Wales
- a resilient Wales
- a healthier Wales
- a more equal Wales
- a Wales of cohesive communities
- a Wales of vibrant culture and thriving Welsh language
- a globally responsible Wales.

These goals have been put in place to improve the social, economic, environmental, and cultural well-being of Wales

12.7.4 Public sector organisations in Wales not listed in the act are expected to operate to those principles. DHCW is not specifically listed in the Act.

12.7.5 Public bodies need to make sure that when making their decisions they take into account the impact they could have on people living their lives in Wales in the future. The Act expects them to:

- work together better
- involve people reflecting the diversity of our communities
- look to the long term as well as focusing on now

- take action to try and stop problems getting worse - or even stop them happening in the first place.

12.7.6 DHCW is required to consider the Welsh Government Guidance on Ethical Procurement and the new Code of Practice on ethical employment in supply chains which commits public, private and third sector organisations to a set of actions that tackle illegal and unfair employment practices including blacklisting, modern slavery and living wage.

12.7.7 DHCW shall make use of the tools developed by Value Wales in implementing the principles of the WBFGA (2015). DHCW shall benchmark its performance. For all contracts over £25,000, DHCW shall take account of social, economic and environmental issues when making procurement decisions using the Sustainable Risk Assessment Template (SRA).

12.8 Small and Medium Sized Enterprises (SMEs), Third Sector Organisations (TSOs) and Supported Factories and Businesses (SFBs)

11.8.1 In accordance with Welsh Government commitments policy set out in the current Wales Procurement Policy Statement (WPPS) and subsequent versions of this statement DHCW shall ensure that it provides opportunities for these organisations to quote or tender for its business.

12.9 Planning Procurements

12.9.1 DHCW must ensure that all staff with delegated budgetary responsibility or who are part of the procurement process for goods, services and works are aware of the legislative and policy frameworks governing public procurement and the requirement of open competition.

12.9.2 Depending on the value of the procurement, a process of planning the procurement must be undertaken with the Procurement Services and appropriate representative from the service and other appropriate stakeholders. The purpose of a planning phase is to determine:

- the likely financial value of the procurement, including whole life cost

- the likely 'route to market' which will consider the legislative and policy framework set out above.
- The availability of funding to be able to award a contract following a successful procurement process.
- That the procurement follows current legislative and policy frameworks including Value Based Procurement.

12.9.3 The procurement specification should factor in the 4 principles of prudent procurement

- Equal partners through co-production
- Care for those with the greatest health need first
- Do only what is needed
- Reduce inappropriate variation

Value based outcome/experience/delivery principles must also be included where appropriate ensuring best value for money, sustainability of services and the future financial position. Value for money is defined as the optimum combination of whole-life cost and quality to meet the requirement.

12.9.4 Where free of charge services are made available to DHCW, NWSSP Procurement Services must be consulted to ensure that any competition requirements are not breached, particularly in the case of pilot activity to ensure that DHCW does not unintentionally commit itself to a single provider or longer term commitment. Regular reports on free of charge services provided to DHCW should be submitted by Board Secretary to Audit Committee.

12.9.5 DHCW is required to participate in all-Wales collaborative planning activity where the potential to do so is identified by the procurement professional involved in the planning process. Cross sector collaboration may also be required.

Joint or Collaborative Initiatives

12.9.6 Specialist advice should be obtained from Welsh Government and the opinions of NWSSP Procurement Services and NWSSP Legal and Risk prior to external opinion being sought where there is an undertaking to commence joint or collaborative initiatives which may be deemed as novel or contentious.

12.10 Procurement Process

12.10.1 Where there is a requirement for goods or services, the manager must source those goods or services from DHCW's approved

Model Standing Orders, Reservation and Delegation of Powers for DHCW
Schedule 2.1: Standing Financial Instructions

Status: Final Version 1
22 March 2021

Page 43 of 75

catalogue. Where a required item is not included within the catalogue, advice must be sought from the Procurement Services on opportunities to source those goods or services through public sector contract framework, such as National Procurement Service, NHS Supply Chain or Crown Commercial Services. The use of suitable Welsh frameworks where access is permissible shall take precedence over frameworks led by Public Sector Bodies outside of Wales.

12.10.2 In the absence of an existing suitable procurement framework to source the required item, a competition must be run in accordance with the table below. DHCW must ensure the value of their requirement considers cumulative spend across DHCW for like requirements and opportunity for collaboration with other Health Boards and Trusts:

12.10.3 Agreements awarded are required to deliver best value for money over the whole life of the agreement. Value for money is defined as the optimum combination of whole-life cost and quality to meet the requirement.

Competition Requirements

12.11 Procurement Thresholds

12.11.1 The following table summarises the minimum thresholds for quotes and competitive tendering arrangements. The total value of the contract, whole life cost, over its entire period is the qualifying sum that should be applied (except in specific circumstances relating to aggregation and contracts of an indeterminate duration) as set out below, and in Procurement Regulations and EU Directives and UK Regulations.

Goods/Services/Works Whole Life Cost Contract value (excl. VAT)	Minimum competition¹	Form of Contract
<£5,000	Evidence of value for money has been achieved	Purchase Order
>£5,000 - <£25,000	Evidence of 3 written quotations	Simple Form of Contract/Purchase Order
>£25,000 – Prevailing OJEU threshold	Advertised open call for competition. Minimum of 4 tenders received if available.	Formal contract and Purchase Order
>OJEU threshold	Advertised open call for competition. Minimum of 5	Formal contract and Purchase Order

Model Standing Orders, Reservation and Delegation of Powers for DHCW
Schedule 2.1: Standing Financial Instructions

Status: Final Version 1
22 March 2021

Page 44 of 75

	tenders received if available or appropriate to the procurement route.	
Contracts above £1 million	Welsh Government approval required ²	Formal contract and Purchase Order

¹ subject to the existence of suitable suppliers

² in accordance with the requirements set out in SFI 12.6.3.

12.11.2 Advice from the Procurement Services must be sought for all requirements in excess of £5,000.

12.11.3 The deliberate sub-dividing of contracts to fall below a specific threshold is strictly prohibited. Any attempt to avoid these limits may expose the Board to risk of legal challenge and could result in disciplinary action against an individual[s].

12.11.4 Deliberate re-engagement of a supplier, where the value of the individual engagement is less than £5,000, must not be undertaken where the total value of engagements taken as a whole would exceed £5,000 and require competition.

12.11.5 The approval of award of contracts must follow the Board's Scheme of Delegation.

12.12 Designing Competitions

12.12.1 The budget holder or manager responsible for the procurement is required to engage with the Procurement team to ensure:

- Required timescales are achievable
- Specifications are drafted which have the following qualities:
 - fit for inclusion in competition documents;
 - drafted in a manner encouraging innovation by the market;
 - capable of being responded to and do not narrow competition;
 - deliver in line with legislative and policy frameworks.
 - include robust performance measures to effectively measure and manage supplier performance
 - considers ability of market to deliver

12.12.2 Appropriate performance measures are included in agreements awarded, thus ensuring best value for money decisions taken that return maximum benefit for the organisation and ultimately the improvement of patient outcomes and wider health and social care communities.

12.12.3 Criteria for selecting suppliers and achieving an award recommendation must be:

- appropriately weighted in consideration of quality/price
- considers cost of change where relevant
- is transparent and proportionate
- delivers value for money outcomes
- fully explores complexity/risk
- considers whole life cost

12.13 Single Quotation Application or Single Tender Application

12.13.1 In exceptional circumstances, there may be a need to secure goods/services/works from a single supplier. This may concern securing requirements from a single supplier, due to a special character of the firm, or a proprietary item or service of a special character. Such circumstances may include:

- Follow-up work where a provider has already undertaken initial work in the same area (and where the initial work was awarded from open competition);
- A technical compatibility issue which needs to be met e.g. specific equipment required, or compliance with a warranty cover clause;
- a need to retain a particular contractor for genuine business continuity issues (not just preferences)

- When joining collaborative agreements where there is no formal agreement in place. Request for such a departure must be supported by written evidence from the Procurement Service confirming local agreements will be replaced by an all Wales competition/National strategy
- 12.13.2 Procurement Services must be consulted prior to any such application being submitted for approval. The Director of Finance must approve such applications up to £25,000, the Chief Executive or designated deputy, and Director of Finance, are required to approve applications exceeding £25,000. A register must be kept for monitoring purposes and all single tender actions must be reported to the Audit Committee.
- 12.13.3 In all applications, through Single Quotation Application or Single Tender Application (SQA or STA) forms, the applicant must demonstrate adequate consideration to the Chief Executive and Director of Finance, as advised by the Head of Commercial Services, that securing best value for money is a priority. The Head of Commercial Services will scrutinise and endorse each request to ensure:
- Robust justification is provided;
 - A value for money test has been undertaken;
 - No bias towards a particular supplier;
 - Future competitive processes are not adversely affected;
 - No distortion of the market is intended;
 - An acceptable level of assurance is available before presentation for approval in line with DHCW Scheme of Delegation
 - An “or equivalent” test has been considered proving the request is justified
- 12.13.4 Under no circumstances will Procurement Services endorse a retrospective SQA/STA, where the DHCW has already entered into an arrangement directly.
- 12.13.5 As SQA or STA are only used in exceptional circumstances DHCW, through the Chief Executive, must report each, including the specifics of the exceptional circumstances and the total financial commitment, in sufficient detail to its Audit Committee. The report will include any corrective action/advice provided by the Chief Executive, Director of Finance or NWSSP Director of Procurement Services to prevent recurrence by DHCW.
- 12.13.6 The Audit Committee may consider further steps to be appropriate

e.g.

- Instruct a representative of DHCW to attend Audit Committee;
- Escalate to the Board;
- Request an internal Audit Review;
- Request further training or
- Take internal disciplinary action.

12.13.7 No SQA/STA is required where the seeking of competition is not possible, nor would the application of the SQA/STA procedure add value to the process/aid the delivery of a value for money outcome. Procurement Manual details schedule of departures from SQA/STA where competition not possible.

12.13.8 For performance monitoring purposes, the NWSSP Procurement Service will retain a central register of all such activity including SQA/STA's not endorsed by Procurement or any exceptional matters.

12.14 Disposals

12.14.1 Disposal of surplus, obsolete equipment/consumables is also subject to the competition rules.

12.14.2 Obsolete or condemned articles and stores, which may be disposed of in accordance with applicable regulations and law at the prevailing time (e.g. WEEE) and the procedures of DHCW making use of any agreements covering the disposal of such items.

12.14.3 DHCW must obtain the best possible market price.

Approval & Award

12.15 Evaluation, Approval and Award

12.15.1 The evaluation of competitions via quotation or tender, must be undertaken by a minimum of 2 evaluators from within the operational service of DHCW. Evaluation Teams for competitions of greater complexity and value must be multi-disciplinary and reach a consensus recommendation for internal approval.

12.15.2 The internal approval of any recommendation to award a competition must follow the Board's Scheme of Delegation.

12.15.3 The communication of the external notification to the market to award the contract must be managed by the Procurement Service.

Model Standing Orders, Reservation and Delegation of Powers for DHCW
Schedule 2.1: Standing Financial Instructions

Status: Final Version 1
22 March 2021

Page 48 of 75

- 12.15.4 Information throughout the process must be handled and retained as 'commercial in confidence' and not shared outside of staff directly involved in the competition process
- 12.15.5 All associated communication throughout the competition process must also be managed by the Procurement Service

Implementation & Contract Management

12.16 Contract Management

12.16.1 Contract Management is the process which ensures that both parties to a contract fully meet their respective obligations as effectively and efficiently as possible, in order to deliver the business and operational objectives required from the contract and in particular, value for money. The relevant budget holder shall oversee and manage each contract on behalf of DHCW so as to ensure that these implicit obligations are met. This contract management will include:

- Retaining accurate records
- Monitoring contract performance measures
- Engaging suppliers to ensure performance delivery
- Implementing contractual sanctions in the event of poor performance in conjunction with advice from Procurement Services.
- Stage payments are permissible as part of a formally agreed implementation/delivery plan and must be supported by written evidence issued by the budget holder.

12.16.2 Contract management on All Wales contracts will be provided by NWSSP Procurement Services

11.19 Advice on best practice on Contract Management is available from NWSSP Procurement Services.

12.17 Extending and Varying Contracts

12.17.1 Extending, modifying or varying the scope of an existing contract is possible, if the provision to do so was included as an option in the original awarded contract, e.g. scope of requirement, further expenditure due to unforeseen circumstances e.g. change in regulatory requirements etc.

12.17.2 If there is no such provision, the Public Contract Regulations (2015) defines such limitations.

12.17.3 The Public Contract Regulations 2015 provide further constraints in this matter, under which modifications/variations/extensions are

Model Standing Orders, Reservation and Delegation of Powers for DHCW
Schedule 2.1: Standing Financial Instructions

Status: Final Version 1
22 March 2021

Page 49 of 75

capped at 50% of the original award value.

- 12.17.4 Further approval is not required to extend an agreement beyond the original term/scope where prior approval was granted as part of the procurement process.
- 12.17.5 If there was no provision to extend, further approvals are required from the DHCW budget holder and the local Head of Commercial Services. Budget holders must also be mindful of the threshold under which the original contract was awarded. Any increase in the contract value may require a more senior level of approval in line with the Scheme of Delegation.
- 12.17.6 This ensures an appropriate identification and assessment of potential risks to the DHCW compliance of approvals being granted within the Scheme of Delegation and assurance that value for money continues to be delivered from public funds.
- 12.17.7 The budget holder must seek advice from NWSSP Procurement Services in advance of committing further expenditure to ensure the contract is reflective of requirements. The budget holder must assess there is sufficient evidence to support the justification and the budget is available to support the additional requirements.

Transactional Processes

12.18 Requisitioning

- 12.18.1 The budget manager in choosing the item to be supplied (or the service to be performed) shall always obtain the best value for money for the DHCW. The budget holder will source those goods or services from the approved catalogue. Where a required item is not included within the catalogue, advice must be sought from the Procurement Services on opportunities to source those goods or services through public sector contract framework, such as National Procurement Service, NHS Supply Chain or Crown Commercial Services.
- 12.18.2 Where a required item is not on catalogue or on framework contract the budget manager shall request the NWSSP Procurement Services to undertake quotation / tendering exercises on their behalf in line with SFI 12.11 thresholds.
- 12.18.3 All orders for goods and services must be accompanied by an official order number, available from NWSSP Procurement Services. In no circumstances must a requisition number be used as an order number.

12.19 No Purchase Order, No Pay

12.19.1 DHCW will ensure compliance with 'No Purchase Order, No Pay' policy, The All Wales policy was introduced to ensure that Procure to Pay continues to provide world-class services on a 'Once for Wales' basis.

12.19.2 The policy ensures that a purchase order is raised at the beginning of a purchase in circumstances where a purchase order is required under the policy. This follows industry standard best practice as it provides a commitment as to what is likely to be spent. The supplier must obtain a purchase order number for their invoice in order for it to be processed for payment.

12.20 Official orders

12.20.1 Official Orders, issued following approved requisition and sourcing, must:

- a) Be consecutively numbered;
- b) State the DHCWs terms and conditions of trade.

12.20.2 Official Orders will be issued on behalf of DHCW by NWSSP Procurement Services

13 AGREEMENTS AND CONTRACTS FOR ALL WALES DIGITAL SOLUTIONS & SERVICES

13.1 Digital Solution Agreements

13.1.1 The Chief Executive is responsible for ensuring DHCW enters into suitable agreements for its provision of all Wales digital and information solutions.

13.1.2 All agreements should aim to implement the agreed priorities contained within the agreed plans. In discharging this responsibility, the Chief Executive should take into account:

- The standards of service quality expected;
- The standards required to be achieved by health professionals' regulatory bodies;
- The provision of reliable information on quality, volume and cost of service.

13.1.3 All agreements must be in accordance with the functions conferred on DHCW by the Welsh Ministers.

13.1.4 For all agreements entered into in the form of a contract, the process for notifying the Welsh Ministers of NHS contracts set out in section 12 and Schedule 2 of these SFIs must be followed.

13.1.5 For all agreements entered into they must be approved in accordance with delegations set out in Standing Orders:

- Schedule 1 Scheme of Reservation and Delegation of Powers – Schedule of Matters Reserved for Board.
- Schedule 1 Scheme of Reservation and Delegation of Powers – Scheme of Delegation to Executive Directors, Other Directors and Officers
- Schedule 1 Scheme of Reservation and Delegation of Powers – Delegated Financial Limits

13.2 Statutory provisions

13.2.1 The Digital Health and Care Wales (Establishment and Constitution) Order 2021 sets out the functions of DHCW.

13.2.2

13.2.2 Article 3 of the order requires DHCW to undertake such

Model Standing Orders, Reservation and Delegation of Powers for DHCW
Schedule 2.1: Standing Financial Instructions

Status: Final Version 1
22 March 2021

Page 52 of 75

functions in relation to:

- (a) the provision, design, management, development and delivery of digital platforms, systems and services;
- (b) the collection, analysis, use and dissemination of health service data;
- (c) the provision of advice and guidance to the Welsh Ministers about improving digital platforms, systems and services;
- (d) supporting bodies and persons identified in directions given by the Welsh Ministers to DHCW in relation to matters relevant to digital platforms, systems and services;
- (e) any other matter so as to secure the provision or promotion of services under the Act

13.3 Application of Delegated Financial Limits

13.3.1 All Wales Agreements & Contracts will be subject to the delegated limit thresholds as set out in Schedule 1 of the Standing Orders.

14 GRANT FUNDING

It is a matter for DHCW to determine whether individual activities should be procured, or be eligible to receive grant funding, seeking legal advice as necessary. (Grants are defined as all non-procured payments to external bodies or individuals for activities which are linked to delivering policy objectives and statutory obligations. Payments are made to fund or reimburse expenditure on agreed items or functions in accordance with legally binding conditions.)

14.1 Legal Advice

14.1.1 Before the award of funding is made, legal advice where necessary must be sought to ensure that:

- The award does not breach the DHCW regularity of expenditure duty. That is, the activities for which the grant is made are within the scope of activities that the DHCW has a legal remit to undertake.
- That the activities would not be deemed to be normally subject to procurement legislation and policy.
- That a legally binding agreement is made with all delivery organisations.

See attached toolkit for grants v procurement:



Grant v
Procurement.doc

14.2 Policies and procedures

14.2.1 DHCW shall maintain detailed policies and procedures for all aspects of grant funding. The policies and procedures shall comply with these SFIs, and where appropriate the Welsh Minister's Code of Practice to funding the third sector:

<https://gov.wales/sites/default/files/publications/2019-01/third-sector-scheme-2014.pdf>

14.2.2 The Chief Executive is ultimately responsible for ensuring that DHCW's grant procedures:

- Are kept up to date;
- Conform to statutory requirements;
- Adhere to guidance issued by the Welsh Ministers;

Model Standing Orders, Reservation and Delegation of Powers for DHCW
Schedule 2.1: Standing Financial Instructions

Status: Final Version 1
22 March 2021

Page 54 of 75

- Are consistent with the principles of sustainable development; and
- Are strictly followed by all Executive Directors, Independent Members and staff within the organisation.

14.2.3 That the award of grant funding must comply with the policy and principles set out in the Procurement section of these SFIs and ensure that the award meets the requirements of regularity, propriety and value for money.

14.2.4 All grant guidance issued by the Welsh Ministers should have the effect as if incorporated in these SFIs.

14.3 Corporate Principles underpinning Grants Management

14.3.1 While there is a need to make the financial arrangements for awarding funding as simple and streamlined as possible, DHCW should also ensure that taxpayers' money is spent appropriately and that it provides good value for money.

14.3.2 The overarching principles for managing public resources in Wales are set out in Managing Welsh Public Money. The document states that the award of funding should be made in accordance with the law and the requirements of propriety, regularity and value for money.

14.3.3 Regularity requires compliance with appropriate authorities, regulations and legislation. Propriety requires both public authorities and funded bodies to deliver appropriate standards of conduct, behaviour and corporate governance. In addition, the public expects official decisions to be made fairly and impartially with public money spent wisely and appropriately, delivering value for money and ensuring that best use is made of resources.

14.3.4 The **corporate principles** of grants management are:

- The development of grant management processes and procedures that are transparent, accountable, proportionate and consistent;
- Delivery of a high quality regulatory framework that responds to demands but does not place unnecessary administrative burdens on DHCW or funded bodies;
- A regulatory framework that will take into consideration the need for proportionality; balancing the need for governance with the burden of administration. Thus striking an appropriate balance between accountability and simplicity;
- An effective grant management process to ensure funded bodies spend the funding efficiently, transparently and for the purpose intended, with a view to maximising the impact and

outcome from budgets;

- Appropriate evidence-based approach to underpin the design and development of all new funding programmes to ensure efficient and effective use of public funds. Ensuring that the funding programme is the optimal solution and that funding is targeted where it is most needed and where it can have most impact;
- A consistent framework that will reinforce respect and effectiveness of the rules for both administrators and funded bodies.
- Grant funding must comply with the requirements of state aid regulation.

14.4 Grant Procedures

14.4.1 It is vital that money is put to use in a way that delivers the maximum benefit to the people of Wales. Grants funding programmes need to be managed as efficiently and cost effectively as possible to make sure that every penny is spent appropriately and in an accountable manner. When establishing grant funding programmes, DHCW should ensure principles of good practice available from a number of external sources are considered and reflected in grant programmes. Information on grants management is available on the Audit Wales website at:

<https://www.audit.wales/our-work/good-practice/grants-management-mini-guides>

14.4.2 DHCW must agree a clear purpose for each grant and how it will measure the delivery organisation's success in delivering those purposes. It should also agree appropriate targets with the delivery organisation.

14.4.3 For grant programmes that span a number of financial years, DHCW is responsible for evaluating the programmes to ensure they are fit for purpose, are achieving required outcomes and continue to provide value for money.

14.4.4 DHCW is responsible for ensuring that appropriate procedures exist in relation to all the grants and funding for which they are accountable. **They are also responsible for ensuring that any grant provided to an entity that engages in economic activity complies with the State aid rules.**

14.4.5 DHCW is required to undertake due diligence checks on all potential delivery organisations to determine the economic and financial viability of any organisation(s) to administer public funds, and the reliability of

Model Standing Orders, Reservation and Delegation of Powers for DHCW
Schedule 2.1: Standing Financial Instructions

Status: Final Version 1
22 March 2021

Page 56 of 75

the organisation(s). These checks are important in order to identify any risks or issues that could expose DHCW to potential financial loss, fraud or reputational damage. A proportionate level of due diligence should be carried out, both prior to the award of any grant funding and throughout the life of the award.

14.4.6 DHCW must enter into legally binding funding agreements with all delivery organisations. When developing funding agreements, DHCW should ensure principles of good practice available from a number of external sources are considered and reflected.

14.4.7 DHCW is responsible for ensuring that all third party delivery organisations comply with and adhere to the terms and conditions of the Funding Agreement.

15. PAY EXPENDITURE

15.1 Remuneration and Terms of Service Committee

15.1.1 In accordance with SOs the Board shall establish a Remuneration and Terms of Service Committee, with clearly defined terms of reference and operating arrangements that specify which posts fall within its area of responsibility. This Standing Financial Instruction should be read in conjunction with Standing Order 3.3.

15.1.2 The Committee shall report in writing to the Board the basis for its recommendations. The Board shall use the report as the basis for their decisions, but remain accountable for taking decisions on the remuneration and terms of service of Directors and other senior employees, in accordance with the framework set by the Welsh Ministers. Minutes of the Board's meetings should record such decisions.

15.1.3 The Board will after due consideration and amendment if appropriate approve proposals presented by the Chief Executive for the setting of remuneration and terms of service for those employees and officers not covered by the Committee.

15.1.4 DHCW will remunerate the Chair, Chief Executive, Executive Directors and Independent Members of the Board in accordance with instructions issued by the Welsh Ministers. Welsh Ministers approval will be required in the exceptional event that remuneration needs to be above the maximum of the salary band range, administratively this approval will be exercised by the Director General HSSG.

15.1.5 The Remuneration and Terms of Service Committee will consider cases of redundancy and Voluntary Early Release applications. The Remuneration and Terms of Service Committee will consider any novel employment and pay cases, such as compromise agreements and non-disclosure agreements, ensuring Welsh Government advice has been sought and considered.

15.2 Funded Establishment

15.2.1 The workforce plans incorporated within agreed plans will form the funded establishment, i.e., the budget for all approved posts. (The financial budgets (£) and workforce establishment budgets (budgeted whole time equivalents) as per SFI 6.1.1 h).

15.2.2 The funded establishment of any department may not be varied without

Model Standing Orders, Reservation and Delegation of Powers for DHCW
Schedule 2.1: Standing Financial Instructions

Status: Final Version 1
22 March 2021

Page 58 of 75

the approval of the Chief Executive as set out in the Scheme of Delegation contained within SO's.

15.3 Staff Appointments

15.3.1 Staff must only be engaged by authorised managers, in accordance with the Board's Scheme of Delegation. The engagement must be within the approved budget and funded establishment.

15.3.2 No Board member or DHCW official may engage, re-engage, or re-grade employees, either on a permanent or temporary nature, or hire agency staff, or agree to changes in any aspect of remuneration outside the limit of their approved budget and funded establishment unless authorised to do so by the Chief Executive.

15.4 Pay Rates and Terms and Conditions

15.4.1 The Board will approve procedures presented by the Chief Executive for the determination of commencing pay rates, condition of service, etc, for employees in accordance with pay, terms and conditions set out in contractual arrangements in Ministerial directions on Agenda for Change and Medical and Dental pay, and any staff with pre-existing terms and conditions of service, following a TUPE transfer into employment or ad hoc salaried staff.

15.4.2 The Remuneration Committee will determine pay rates and conditions of services for board members, and other senior employees, in accordance with ministerial instructions.

15.5 Payroll

15.5.1 The Executive Director with responsibility for workforce and organisational development, has responsibility for securing an efficient, well-controlled payroll service from NHS Wales Shared Services Partnership (NWSSP) that:

- pays the correct staff with the correct amount
- all payments are supported by properly authorised documentation

15.5.2 The Executive Director with responsibility for workforce and organisational development is responsible for:

- a) The control framework and detailed procedures are in place to:
 - To ensure all payments comply with HMRC, Pensions Agency and other regulation in relation to the deduction and payment of tax, national insurance, pension or other payments.

- reduce the risk of fraud and error within the payroll function
- b) Specifying timetables for submission of properly authorised time records and other notifications;
- c) The final determination of pay and allowances including verification that the rate of pay and relevant conditions of service are in accordance with current agreements;
- d) Agreeing the timing and method of payment with the payroll service;
- e) Authorising the release of payroll data where in accordance with the provisions of the Data Protection Legislation;
- f) Verification and documentation of data;
- g) The timetable for receipt and preparation of payroll data and the payment of employees and allowances;
- h) Maintenance of subsidiary records for superannuation, income tax, social security and other authorised deductions from pay;
- i) Security and confidentiality of payroll information;
- j) Checks to be applied to completed payroll before and after payment;
- k) A system to ensure the recovery from those leaving the employment of DHCW of sums of money and property due by them to DHCW.

15.5.3 The Chief Executive is responsible for:

- a) Ensuring that arrangements for a payroll service from NWSSP is supported by appropriate Service Level Agreements, terms and conditions, adequate internal controls and internal audit review procedures;
- b) Ensuring a sound system of internal control and audit review of any internally provided payroll service;
- c) Maintenance and/or the authorisation of regular and independent reconciliation of pay control accounts.

15.5.4 Appropriately nominated managers have delegated responsibility for:

- a) Submitting time records, and other notifications in accordance with agreed timetables;
- b) Completing time records and other notifications in accordance with the Service Level Agreements; and
- c) Submitting termination forms in the prescribed form immediately upon knowing the effective date of an employee's or officer's resignation, termination or retirement. Where an employee fails to report for duty or to fulfil obligations in circumstances that suggest they have left without notice, the Executive Director with responsibility for workforce and organisational development and/or Chief Executive must be informed immediately. In circumstances where fraud is suspected, this must be reported to the Director of Finance.

15.6 Contracts of Employment

15.6.1 The Executive Director with responsibility for workforce and organisational development must:

- a) Ensure that all employees are issued with a Contract of Employment in a form approved by the Board and which complies with employment legislation; and
- b) Deal with variations to, or termination of, contracts of employment.

16. CAPITAL PLAN, CAPITAL INVESTMENT, FIXED ASSET REGISTERS AND SECURITY OF ASSETS

16.1 Capital Plan

16.1.1 Capital plans, and annual capital programmes, must be approved by the Board before the commencement of a financial year and should be in line with the objectives set out in the approved Plan for the organisation. The capital plan and programmes must be delivered within Welsh Government capital finance resource limits.

16.1.2 The Executive Director with responsibility for workforce and organisational development will develop a capital plan, and detailed capital programme, for the organisation that sets out a detailed capital investment plan to support the objectives set out in the Plan. The capital programme must be affordable and within the capital allocations, as set out in the Welsh Government (WG) Capital Resource Limit for the year, and the DHCW must not exceed the allocation resource limit. There must be an approved revenue funding plan in place to support any revenue costs associated with the capital plan. Regular updates must be provided to the Board, and relevant Board Committees, during the financial year.

16.1.3 The Board must approve a Capital Plan, and an annual Capital Programme.

16.2 Capital Investment Decisions

16.2.1 Robust business case and capital investment appraisal must be undertaken prior to formal submission to Welsh Government, the level of detail within the appraisal commensurate with the value and risk of the investment. Capital investment decisions should be undertaken in line with Welsh Government requirements and guidance for the development of business cases as set out in

- NHS Wales Infrastructure Investment Guidance (Welsh Health Circular WHC (2018) 043)
<https://gov.wales/nhs-wales-infrastructure-investment-guidance>
- Better business cases: investment decision-making framework
<https://gov.wales/better-business-cases-investment-decision-making-framework>

16.2.2 The Director of Finance must provide a professional opinion on the financial elements of the business case. Capital investment decisions will be taken by the organisation in line with the financial thresholds

specified by Welsh Government and in the DHCWs Scheme of Delegation.

16.3 Capital Projects

16.3.1 The Chief Executive shall ensure that any capital investment above the Welsh Ministers' delegated limit is not undertaken without approval of the Welsh Ministers and that confirmation of capital resources has been received.

16.3.2 When capital investment decisions are taken and a Capital Programme approved the Project cannot be initiated until the authority to commit expenditure is formally delegated to a manager, in line with the organisation's Scheme of Delegation. The capital project must then be procured in line with normal procurement procedures or the Designed for Life or other approved procurement framework and in line with Welsh Government requirements and guidance. Management control and financial reporting systems must be established to ensure that the project is:

- delivered on time
- on budget
- within contractual obligations.

16.3.3 Project management controls and financial reporting systems must be established to ensure these objectives are met. Reporting requirements to Welsh Government will be set out in the approval letter provided post Ministerial approval.

16.3.4 Regular updates must be provided to the Board, and relevant Board Committees, during the financial year

16.4 Capital Procedures and Responsibilities

16.4.1 The Chief Executive:

- a) Shall ensure that there is an adequate appraisal and approval process in place for determining capital expenditure priorities and the effect of each proposal upon plans;
- b) Is responsible for the management of all stages of capital schemes and for ensuring that schemes are delivered on time and to cost; and
- c) Shall ensure that any capital investment above the Welsh Ministers' delegated limit (i.e. other than discretionary capital) is not undertaken without approval of the Welsh Ministers and that

confirmation of capital resources has been received;

- d) Shall ensure that the Capital Plan, and detailed annual capital programme is approved by the Board, as part of the Plan, prior to the commencement of the financial year;
- e) Shall ensure the availability of resources to finance all revenue consequences of the investment, including capital charges; and
- f) Shall ensure that any 3rd party use of NHS estate is properly controlled, reimbursed and reported. This will include ensuring that appropriate security, insurance and indemnity arrangements are in place and that there is a written agreement as to each party's responsibilities and liabilities.

16.4.2 For every capital expenditure proposal the Chief Executive shall ensure:

- a) That a business case is produced in line with Welsh Ministers' guidance and where appropriate the 5-case Model;
- b) That the Director of Finance has sought appropriate professional advice from DHCW and external agencies in the preparation of capital expenditure costs, and on that basis professionally certifies the capital costs and revenue consequences detailed in the business case.

16.4.3 For capital schemes where the contracts stipulate stage payments, the Chief Executive will issue procedures for their management in accordance with the Welsh Ministers' guidance.

16.4.4 The approval of a capital programme by DHCW Board shall not constitute approval for the initiation of expenditure on any scheme.

16.4.5 The Chief Executive shall issue to the manager responsible for any scheme:

- a) Specific authority to commit expenditure;
- b) Authority to proceed to tender;
- c) Approval to accept a successful tender.

16.4.6 The Chief Executive will issue a scheme of delegation for capital investment management in accordance with the Welsh Ministers' guidance and DHCW's SOs.

16.4.7 The Executive Director with responsibility for Planning and Director of Finance shall issue detailed procedures governing the project, financial and contractual management, including variations to contract, of capital investment projects and valuation for accounting purposes. These procedures shall fully take into account the requirements and delegated limits for capital schemes set out in Welsh Ministers' guidance and approval letters. The Director of Finance shall issue procedures for the regular reporting of expenditure and commitment against authorised expenditure – and where applicable, provide returns to the Welsh Government.

16.5 Capital Financing with the Private Sector

16.5.1 DHCW must not enter into any new capital financing arrangements with the private sector, including Private Financing Initiatives, Mutual Investment Model and 3rd Party Developments, without the consent of the Welsh Ministers.

16.6 Asset Registers

16.6.1 The Chief Executive is responsible for the maintenance of registers of assets, taking account of the advice of the Executive Director with responsibility for Planning and Director of Finance concerning the form of any register and the method of updating, and arranging for a physical check of assets against the asset register to be conducted periodically.

16.6.2 DHCW shall maintain an asset register recording fixed assets. The minimum data set to be held within these registers shall be in accordance with the Welsh Ministers' guidance and to satisfy the financial disclosure requirements for the Annual Accounts.

16.6.3 Additions to the fixed asset register must be clearly identified to the operational or departmental manager or delegated budget holder and be validated by reference to appropriate documentation to provide evidence of the financial value recorded, including:

- a) Properly authorised and approved agreements, architect's certificates, supplier's invoices and other documentary evidence in respect of purchases from third parties;
- b) Stores, requisitions and wages records for own materials and labour including appropriate overheads; and

- c) Lease agreements in respect of assets held under a finance lease and included on DHCW's balance sheet.

16.6.4 Where capital assets are sold, scrapped, lost or otherwise disposed of, their value must be removed from the accounting records and each disposal must be validated by reference to authorisation documents and invoices (where appropriate). Disposal receipts are to be treated in accordance with the Welsh Ministers' guidance.

16.6.5 The Director of Finance shall apply accounting policies for fixed assets in line with Welsh Government guidance and accounting standards and values recorded in the asset register, including depreciation and revaluations. The Director of Finance shall approve procedures for reconciling balances on fixed assets accounts in ledgers against balances on fixed asset registers.

16.6.6 The value, and depreciation, of each asset shall be considered annually in accordance with valuation guidance and methods specified by the Welsh Ministers. Assets should be considered for early revaluation where there is the likelihood of impairment as a result in a change of valuation or asset life.

16.7 Security of Assets

16.7.1 The overall control of fixed assets is the responsibility of the Chief Executive.

16.7.2 Asset control procedures (including fixed assets, cash, cheques and negotiable instruments, and also including donated assets) must be approved by the Director of Finance. This procedure shall make provision for:

- a) Recording managerial responsibility for each asset;
- b) Identification of additions and disposals;
- c) Identification of all repairs and maintenance expenses;
- d) Physical security of assets;
- e) Regular verification of the existence of, condition of, and title to, assets recorded;
- f) Identification and reporting of all costs associated with the retention of an asset; and

- g) Reporting, recording and safekeeping of cash, cheques, and negotiable instruments.

16.7.3 All discrepancies revealed by verification of physical assets to fixed asset register shall be notified to the Director of Planning and Director of Finance.

16.7.4 Whilst individual officers have a responsibility for the security of property of DHCW, it is the responsibility of Board members and senior DHCW officers in all disciplines to apply such appropriate routine security practices in relation to NHS property as may be determined by the Board. Any breach of agreed security practices must be reported in accordance with agreed procedures.

16.7.5 Any damage to DHCW's premises, vehicles and equipment, or any loss of equipment, stores or supplies must be reported by Board members and DHCW officers in accordance with the procedure for reporting losses.

16.7.6 Where practical, assets should be marked as DHCW property.

17 STORES AND RECEIPT OF GOODS

17.1 General position

17.1.1 Stores, defined in terms of controlled stores and departmental stores (for immediate use) should be:

- a) Kept to a minimum;
- b) Subjected to annual stock take;
- c) Valued at the lower of cost and net realisable value.

17.2 Control of Stores, Stocktaking, condemnations and disposal

17.2.1 Subject to the responsibility of the Director of Finance for the systems of financial control, overall responsibility for the control of stores shall be delegated to a senior officer by the Chief Executive. The day-to-day responsibility may be delegated by them to departmental officers/managers and stores managers/keepers, subject to such delegation being entered in a record available to the Director of Finance. The control of any fuel oil and coal of a designated estates manager.

17.2.2 The responsibility for security arrangements and the custody of keys for any stores and locations shall be clearly defined in writing by the designated manager. Wherever practicable, stocks should be marked as health service property.

17.2.3 The Director of Finance is responsible for developing financial control systems and procedures for the regulation and operation of the stores, to include the accounting arrangements for receipt, issues, and returns of goods to stores and losses.

17.2.4 Stocktaking arrangements shall be agreed with the Director of Finance and there shall be a physical check covering all items in store at least once a year.

17.2.5 Where a complete system of controlled stores is not justified, alternative stores arrangements shall require the approval of the Director of Finance.

17.2.6 The designated officer/manager shall be responsible for a system approved by the Director of Finance for a review of slow moving and obsolete items and for condemnation, disposal, and replacement of all unserviceable articles. The designated officer/manager shall report to

the Director of Finance any evidence of significant overstocking and of any negligence or malpractice (see also overlap with SFI 18, Disposals and Condemnations, Losses and Special Payments). Procedures for the disposal of obsolete stock shall follow the procedures set out for disposal of all surplus and obsolete goods.

17.3 Goods supplied by an NHS supplies agency

17.3.1 For goods supplied via NWSSP – Procurement Services or any other NHS purchasing and supplies agency central warehouses, the Chief Executive shall identify those authorised to requisition and accept goods from the store. The authorised person shall check receipt against the delivery note before forwarding this to the Director of Finance or authorised officer who shall satisfy himself that the goods have been received before accepting the recharge.

18. DISPOSALS AND CONDEMNATIONS, LOSSES AND SPECIAL PAYMENTS

18.1 Disposals and Condemnations

18.1.1 The Director of Finance must prepare detailed procedures for the disposal of assets and goods, including condemnations, and ensure that these are notified to managers.

18.1.2 When it is decided to dispose of a DHCW asset and goods, the head of department or authorised deputy will determine and advise the Director of Finance of the estimated market value of the item, taking account of professional advice where appropriate.

18.1.3 All unserviceable assets and goods shall be:

- a) Condemned or otherwise disposed of by an officer, the Condemning Officer, authorised for that purpose by the Director of Finance;
- b) Recorded by the Condemning Officer in a form approved by the Director of Finance which will indicate whether the asset and goods are to be converted, destroyed or otherwise disposed of. All entries shall be confirmed by the countersignature of a second officer authorised for the purpose by the Director of Finance.

18.1.4 The Condemning Officer shall satisfy themselves as to whether or not there is evidence of negligence in use and shall report any such evidence to the Director of Finance who will take the appropriate action.

18.2 Losses and Special Payments

18.2.1 Losses and special payments are items that the Welsh Government would not have contemplated when it agreed funds for NHS Wales 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, and special notation in the accounts to draw them to the attention of the Welsh Government.

18.2.2 The Director of Finance is responsible for ensuring procedural instructions on the recording of and accounting for losses and special payments are in place; and that all losses or special payments cases are properly managed in accordance with the guidance set out in the

- 18.2.3 Any officer discovering or suspecting a loss of any kind must either immediately inform their head of department, who must immediately inform the Chief Executive and/or the Director of Finance or inform an officer charged with responsibility for responding to concerns involving loss. This officer will then appropriately inform the Director of Finance and/or the Chief Executive.
- 18.2.4 Where a criminal offence is suspected, the Director of Finance must immediately inform the police if theft or arson is involved. In cases of fraud and corruption or of anomalies which may indicate fraud or corruption, the Director of Finance must inform the Local Counter Fraud Specialist (LCFS) and the CFS Wales Team accordance with Directions issued by the Welsh Ministers on fraud and corruption.
- 18.2.5 The Director of Finance or the LCFS must notify the Audit & Assurance Committee, the Auditor General's representative and the fraud liaison officer within the Welsh Government's Health and Social Services Group Finance Directorate of all frauds.
- 18.2.6 For losses apparently caused by theft, arson, neglect of duty or gross carelessness, except if trivial, the Director of Finance must notify:
- a) The Audit & Assurance Committee on behalf of the Board, and
 - b) An Auditor General's representative.
- 18.2.7 The Director of Finance shall be authorised to take any necessary steps to safeguard DHCW's interests in bankruptcies and company liquidations.
- 18.2.8 The Director of Finance shall ensure all financial aspects of losses and special payments cases are properly registered and maintained on the centralised Losses and Special Payments Register and that 'case write-off' action is recorded on the system (i.e. case closure date, case status, etc.).
- 18.2.9 The Audit Committee shall approve the writing-off of losses or the making of special payments within delegated limits determined by the Welsh Ministers and as set out by Welsh Government in its Losses and Special Payments guidance as detailed in Schedule 3 of the SOs.
- 18.2.10 For any loss or special payments, the Director of Finance should consider whether any reimbursement claim could be made from the Welsh Risk Pool or from other commercial insurance arrangements.

- 18.2.11 No losses or special payments exceeding delegated limits shall be authorised or made without the prior approval of the Health and Social Services Group Director of Finance.
- 18.2.12 All novel, contentious and repercussive cases must be referred to the Welsh Government's Health and Social Services Group – Finance Directorate, irrespective of the delegated limit.
- 18.2.13 The Director of Finance shall ensure all losses and special payments are reported to the Audit & Assurance Committee at every meeting.
- 18.2.14 DHCW must obtain the Health and Social Services Group Director General's approval for special severance payments.

19. DIGITAL, DATA and TECHNOLOGY

19.1 Digital Data and Technology Strategy

19.1.1 The Board shall approve a Digital Data and Technology Strategy which sets out the development needs of DHCW for the medium term based on an appropriate assessment of risk. The agreed plans shall include costed implementation plans of the strategy. The Board shall also ensure that a Director has responsibility for Digital Data and Technology.

19.1.2 DHCW shall publish and maintain a Freedom of Information (FOI) Publication Scheme, or adopt a model Publication Scheme approved by the Information Commissioner. A Publication Scheme is a complete guide to the information routinely published by a public authority. It describes the classes or types of information about DHCW that are made publicly available.

19.2 Responsibilities and duties of the responsible Director

19.2.1 The responsible Director for Digital Data and Technology has responsibility for the accuracy, availability and security of DHCW digital systems and data and shall:

- a) Devise and implement any necessary procedures to ensure adequate (reasonable) protection and availability of DHCW's digital systems and data for which they are responsible from accidental or intentional disclosure to unauthorised persons, deletion or modification, theft or damage, having due regard for the Network and Information Systems Regulations 2018, UK General Data Protection Regulations and any relevant domestic law considerations via the Data Protection Act 2018;
- b) Ensure that, following risk assessment of threats, adequate (reasonable) controls exist over access to systems, data entry, processing, storage, transmission and output to ensure security, privacy, accuracy, completeness, and timeliness of the data, as well as the efficient and effective operation of the system;
- c) Ensure that an adequate management (audit) trail is maintained of access to digital systems and data and that such audit reviews as the Director may consider necessary to meet the organisational requirements under the NIS-Regulations 2018 are being carried out.

- d) Shall ensure that policies, procedures and training arrangements are in place to ensure compliance with information governance law and NIS-Regulations 2018.
- e) Shall ensure comprehensive incident reporting

19.3 Responsibilities and duties of the Director of Finance

19.3.1 The Director of Finance shall need to ensure that new financial data and systems and amendments to current financial data and systems are developed in a controlled manner and thoroughly tested prior to implementation and business as usual phases. Where this is undertaken by another organisation, assurances of adequacy must be obtained from them prior to implementation and business as usual phases.

19.4 Contracts for data and digital services with other health bodies or outside agencies

19.4.1 The responsible Director for Digital Data and Technology shall ensure that contracts for data and digital services for clinical, management and financial applications with another health organisation or any other agency shall clearly define the responsibility of all parties for

- the security, privacy, accuracy, completeness, and timeliness of data during processing, transmission and storage, and
- the availability of the service including the resilience required to maintain continuity of the service.

The contract should also ensure rights of access for audit purposes.

19.4.2 Where another health organisation or any other agency provides a data or digital service for clinical, management and financial applications, the responsible Director for Digital Data and Technology shall, to maintain the confidentiality, integrity and availability of the service provided, periodically seek assurances that adequate controls, based on risk assessment, are in operation.

19.5 Risk assurance

19.5.1 The responsible Director for Digital Data and Technology shall ensure that the risks to DHCW arising from the use of data, information and IT are effectively identified and considered and that appropriate action is taken to mitigate or control risk. This shall include the preparation and testing of appropriate resilience plans, including both a business continuity and disaster recovery plan.

20. RETENTION OF RECORDS

20.1 Responsibilities of the Chief Executive

20.1.1 The Chief Executive shall be responsible for maintaining archives for all records required to be retained in accordance with the Welsh Ministers' guidance, the General Data Protection Regulations and any relevant domestic law considerations via the Data Protection Act 2018 and the Freedom of Information Act 2000 (c.36).

20.1.2 The records held in archives shall be capable of retrieval by authorised persons.

21.1.3 Records held in accordance with regulation shall only be destroyed at the express instigation of the Chief Executive. Details shall be maintained of records so destroyed.

Grant Funding or Procurement?

Introduction

The purpose of this guidance is to give help in deciding when it is appropriate to progress the Welsh Government's business through competitive procurement procedures or grant funding support.

Procurement is the acquisition of goods and services from third party suppliers through tender arrangements under legally binding contractual terms, where all the conditions necessary to form a legally binding contract have been met.

Grant funding is made to bodies where the Welsh Government wishes to further its strategic policy objectives and external bodies are best placed to achieve the desired outcomes. All grants arrangements need specific statutory authority (e.g. Education Act 1996 educational service and research grants and grants under the Housing Grants, Construction and Regeneration Act 1996). The great majority are covered by cyclical grant funding where bids are invited from individuals or organisations.

This can, however, be a complex area, and in practice it may be difficult to decide whether procurement or grant funding is the most appropriate approach. If in doubt, advice should be sought from Value Wales or the Grants Centre of Excellence.

Where a situation is particularly complex and a decision to grant fund or procure cannot be reached, the Rapid Response Team has been established to support the decision process between grant and procurement.

The remainder of this guidance sets out key questions that need to be addressed in coming to a view.

Key Questions

Does the Welsh Government itself have the legal power to carry out the work needed to obtain the outcomes it wants i.e. the ability to employ staff to carry out the work directly?

If it does not have the statutory authority to undertake the work it is very unlikely that it would have the authority to acquire them under contractual arrangements. In these circumstances there is a presumption that the Welsh Government would pursue its objectives through grant funding other organisations or persons with a locus (e.g. local authorities or registered social landlords in respect of housing).

Are the goods, services or outcomes to be provided of direct benefit to the Welsh Government?

If the intention is to secure a direct service for the Welsh Government, either in terms of the supply of goods and services (e.g. office supplies; computer equipment or consultancy services) in direct furtherance of its functions or policy development; then there should be a presumption in favour of procurement. Research may well have a wider secondary interest or benefit, but the question of whether the research outcomes are primarily of direct benefit to the Welsh Government remains relevant.

Is there more than one source for the acquisition of goods; services and outcomes?

If so then again there should be a presumption in favour of competitive procurement as the most effective way of appraising the options available and achieving the best value for money. That said, procurement remains relevant in cases where there is only one option available (i.e. a sole supplier) when the Welsh Government wants full discretion in terms of the outcomes it requires and ownership of them.

What degree of control does the Welsh Government wish to exercise in achieving outcomes?

The more prescriptive the Welsh Government wishes to be in terms of specifying the service required or the outputs to be obtained, the greater the presumption there is for proceeding via procurement under a legally binding contract that clearly sets out our requirements and expectations. Procurement should ensure that intellectual copyright for the service outcomes remains with the Welsh Government (i.e. it will own them).

Is the Welsh Government proposing to provide all the funding relevant to the activity?

If so, then again the presumption is in favour of a procurement exercise. Grant funding usually covers only a part of the cost of a project or service, with funding also coming from other sources. This in turn means that other funders also have a stake in determining the direction and outcomes of the work.

Other Factors

Organisations in receipt of core funding

A number of organisations (such as an umbrella body in the voluntary sector) receive grant funding as a contribution towards their core costs such as staffing and accommodation. This does not mean that all activities such a body may be requested to undertake should be paid for through a grant. If the activity proposed is a direct service for which the Welsh Government is meeting all the cost then procurement procedures should apply. The same applies in the case of statutory bodies (e.g. the Welsh Joint Education Grants Centre of Excellence

Committee). Their statutory status does not in itself exempt them from tendering for a service they may be able to provide. If there are potential alternative providers, procurement procedures should apply.

A change in circumstances

In a number of cases the Welsh Government has pursued its strategic objectives through the grant funding of non-Welsh Government organisations in order to fill an initial “gap in the market”. These organisations have provided managerial, consultancy and advisory functions to both the Welsh Government and wider sectorial interests within Wales. In cases such as this, careful consideration should be given when the initial grant term expires as to whether market conditions have changed. Alternative providers may have entered the market from which the service could be procured in open competition.

Summary of Sign-post Considerations

Sign-posts to Procurement

- The Welsh Government has power to undertake work and achieve outcomes itself;
- Outcomes primarily represent a direct service to the Welsh Government (although maybe also of wider interest) and owned by the Welsh Government;
- Availability of alternative providers;
- Whole cost of the service outcomes to be met;
- Desirability for full discretion over specification of service and outcomes.

Sign-posts to Grant Funding

- The Welsh Government does not have legal powers to undertake work relating to the required outcomes;
- Work not a direct service: it primarily furthers the specific objectives of a third party (although conducive to Welsh Government’s wider strategic objective);
- Proposal initiated by third party and not Welsh Government, or submitted in response to a request for bids under statutory grant funding powers;
- Only a proportion of the funding being provided by the Welsh Government;

- Ownership of outcomes rests with third party not the Welsh Government (although they may be adjusted in recognition of funding contribution).

DIGITAL HEALTH AND CARE WALES

Adoption of Essential Policies

Agenda Item	2.2
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Name of Meeting	SHA Board
Date of Meeting	01 April 2021

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

Executive Sponsor	Chris Darling, Board Secretary
Prepared By	Chris Darling, Board Secretary
Presented By	Chris Darling, Board Secretary

Purpose of the Report	For Approval
Recommendation	<p>The purpose of the report is for the Board to consider the policies that are deemed to be essential for DHCW at its inception.</p> <p>The Board are asked to:</p>

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

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

- note and **approve** the adoption of the All Wales policies listed in Appendix 1.
- **approve** the DHCW specific policies adapted from previous policies used by NWIS when hosted by Velindre NHS Trust, as listed in Appendix 2.
- **approve** the new DHCW policy developed in preparation for becoming a Special Health Authority, listed in Appendix 3, and
- **note** and support the approach to develop policies that will be developed over the next six months, listed in Appendix 4.

Acronyms

DHCW	Digital Health and Care Wales	NWIS	NHS Wales Informatics Service
SHA	Special Health Authority		

1 SITUATION/BACKGROUND

- 1.1 The DHCW governance and accountability framework comprises the DHCW Standing Orders as well as the key policy documents approved by the Board and its committees once established. The purpose of the report is for the Board to consider the policies that are deemed to be essential for DHCW at its inception. The list of policies deemed essential has been informed by Welsh Government guidance as part of the Special Health Authority transition programme. The Board is also asked to note the list of policies that will be developed during the first six months of its establishment.
- 1.2 Previously NWIS adopted the policies of its hosted body, Velindre University NHS Trust. Work has taken place over the past three months as part of the transition work to either mirror these policies where they are appropriate for DHCW, or to develop policies specific for Digital Health and Care Wales.

2 SPECIFIC MATTERS FOR CONSIDERATION BY THIS MEETING (ASSESSMENT)

- 2.1 Board members are asked to note policies which apply across Wales to NHS bodies (All Wales Policies). All Wales Policies are developed in partnership with NHS organisations, staff organisations and Welsh Government. Employment related policies are approved by the Welsh Partnership Forum. NHS organisations are required to adopt All Wales policies when issued. The All Wales Policies are listed in Appendix 1, these policies are available via the link in Appendix 1. The NWIS Local Partnership Forum reviewed the list of All Wales Policies in Appendix 1 on 23 March and supported the adoption of these policies by DHCW from the 1 April 2021.
- 2.2 DHCW policies developed are based on Welsh Government and NHS precedent policies. Many of these policies have been adapted and adopted from the Velindre NHS Trust policies, which

NWIS worked to, these policies adapted and made DHCW specific are listed in Appendix 2 and available via the link in Appendix 2. The policies listed in Appendix 2 were reviewed by the NWIS Local Partnership Forum on the 23 March who supported the adoption of these policies by DHCW from the 1 April 2021.

- 2.3 In addition to the policies listed in Appendix 1 and 2, one additional policy has been developed for adoption by DHCW at its inception, this policy is the Handling Concerns and Complaints Policy, listed in Appendix 3 (and available via the link in Appendix 3). This policy was adapted from another NHS body in Wales. Velindre University NHS Trust, along with all Health Boards and NHS Trusts in Wales are subject to the Putting Things Right (guidance on dealing with concerns in NHS Wales) regulations. As a newly formed Special Health Authority Digital Health and Care Wales do not currently fall under the Putting Things Right Regulations. As a result, the Handling Concerns and Complaints Policy developed for DHCW has been adapted from another NHS body not falling under the Putting Things Right Regulations, and with input and advice from Welsh Government Policy Leads. Further legal advice is being sought as to whether DHCW can voluntarily adopt the Putting Things Right Regulations. The Handling Concerns and Complaints Policy (Appendix 3) was discussed with the NWIS Local Partnership Forum on the 23 March 2021 who supported the adoption of this policy by DHCW from the 1 April, whilst further work is carried out to understand if DHCW can voluntarily adopt the Putting Things Right Regulations.
- 2.4 All DHCW policies developed will be subject to a rolling review over a three-year period, and where deemed necessary shall be reviewed more frequently. All policies listed in Appendix 1 and 2 and 3 will be made available to staff through DHCW's Intranet and SharePoint site.
- 2.5 Board members are asked to note the policies that are not in place at its inception but that will be urgently developed by 1 October 2021. These are listed in Appendix 4. The NWIS Local Partnership Forum supported the approach to develop these policies within six months of DHCW's inception.

3 KEY RISKS/MATTERS FOR ESCALATION TO BOARD/COMMITTEE

- 3.1 The Essential Policies have been drafted with the aim of enabling DHCW to meet regulatory and governance requirements and to mitigate risk. All Wales Policies have Equality Impact Assessments and all policies adapted from Velindre NHS Trust have Equality Impact Assessments. For the new DHCW Policy developed (Appendix 3) an Equality Impact Assessment has been carried out with no negative impact identified.

4 RECOMMENDATION

The Board are asked to note and **approve** the adoption of the All Wales policies listed in Appendix 1.

The Board are asked to **approve** the DHCW specific policies adapted from previous policies

used by NWIS when hosted by Velindre NHS Trust, as listed in Appendix 2.

The Board are asked to **approve** the DHCW policy developed in preparation for becoming a Special Health Authority, listed in Appendix 3.

The Board are asked to **note** and support the approach to develop policies that will be developed over the next six months, listed in Appendix 4.

5 IMPACT ASSESSMENT

STRATEGIC OBJECTIVE	All Objectives apply
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CORPORATE RISK (ref if appropriate)	
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WELL-BEING OF FUTURE GENERATIONS ACT	Choose an item.
If more than one standard applies, please list below: All areas of the act apply	

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

HEALTH CARE STANDARD	Effective Care
If more than one standard applies, please list below: Staff and resources	

EQUALITY IMPACT ASSESSMENT STATEMENT	Date of submission: Numerous
Yes, applicable	Outcome: Neutral
Statement: None of the essential policies considered within this report have been identified as having a negative impact on equality based on the Equality Impact Assessments carried out.	

APPROVAL/SCRUTINY ROUTE:		
Person/Committee/Group who have received or considered this paper prior to this meeting		
COMMITTEE OR GROUP	DATE	OUTCOME
Local Partnership Forum	23 March 2021	All policies in Appendix 1,2,3 supported.

IMPACT ASSESSMENT	
	Yes, please see detail below

QUALITY AND SAFETY IMPLICATIONS/IMPACT	The DHCW Policies have been drafted to enable DHCW to comply with its regulatory and governance requirements. Compliance with these requirements is more likely to impact favourably on the safety and experience of patients and staff.
LEGAL IMPLICATIONS/IMPACT	Yes, please see detail below The Essential Policies are deemed to have a neutral impact on equality and diversity.
FINANCIAL IMPLICATION/IMPACT	No, there are no specific financial implication related to the activity outlined in this report The DHCW Policies are deemed to form a core part of the provision of DHCW's service and therefore core costs.
WORKFORCE IMPLICATION/IMPACT	Yes, please see detail below DHCW staff will be expected to adhere to the Policies approved by the DHCW Board.
SOCIO ECONOMIC IMPLICATION/IMPACT	No. there are no specific socio-economic implications related to the activity outlined in this report

Appendix 1 – All Wales Policies for Adoption

All Wales for adoption
All Wales Capability policy
All Wales Dignity at Work Process/Flowchart
All Wales Disciplinary Policy and Procedure
All Wales Dress Code
All Wales Employment break policy
All Wales Grievance Policy
All Wales Managing Attendance at Work Policy, including Sickness Absence Management
All Wales Menopause Policy
All Wales Organisational Change Policy (including redeployment)
All Wales Pay Progression policy
All Wales Recruitment and Retention protocol
All Wales Reserve Forces Training and Mobilisation Policy
All Wales Secondment policy
All Wales Special Leave policy
All Wales Voluntary Early Release Scheme
All Wales Upholding Professional Standards in Wales
All Wales Information Governance Policy
All Wales Information Security Policy
All Wales Internet Use policy
All Wales NHS Indemnity and Insurance policy
All Wales procedure for NHS staff to raise concerns
All Wales No Purchase Order No Pay Policy
All Wales Lease Care Policy and Procedure

All Wales Time off and facilities for Trade Union Representatives
All Wales Recovery and Overpayments Policy
All Wales Counter Fraud Policy
All Wales Social Media policy and guidelines
All Wales Corporate Brand Guidelines – NHS Wales
All Wales Email Use policy

[Please see link to policies](#)

Appendix 2 – Policies adopted from Velindre University NHS Trust with minimal changes

Adopted from Velindre University NHS Trust with minimal changes
Policies, Procedures and Other Written Control Documents Policy and Procedure
Standards of Behaviour Policy
Equality & Diversity Policy
Policy for accessing Legal Advice
Risk Management Policy
Management of violence and aggression Policy
Moving and Handling Policy
Maternity, Paternity, Adoption and Parental Leave Policy
Display Screen Equipment Policy and Procedure
Health, Safety & Welfare Policy
Fire Safety Policy
Bomb Threat and Suspicious Packages Procedure
Smoke Free Policy
Incident Reporting Policy and Procedure
Waste Management Policy and Procedures
Water Safety Policy
Control of Contractors Policy
Control of Substances Hazardous to Health Policy
Asbestos Policy
Environmental and Sustainability Policy
Appraisal and Development Review Policy
Flexible Working Policy & Procedure
Supporting Transgender Staff Policy
Carer's Policy
Mental Health, Well-being and Stress Management Policy
Travel and Subsistence Policy
Homeworking Policy
Study Leave Policy
Access to Information Policy
Information Asset Policy
Violence, Domestic Abuse and Sexual Violence Workplace Policy
Employing ex-offenders and people with a criminal record policy

[Please see link to policies](#)

Appendix 3 – Policies developed for DHCW’s inception to be adopted

Handling Concerns and Complaints

[Please see link to policies](#)

Appendix 4 – Policies and strategies to be developed by DHCW in first six months

Policies/Strategies to create	Approval Route
Intellectual Property Policy	Audit and Assurance Committee
Security and Counter Terrorism Policy	Audit and Assurance Committee
Anti-Virus Policy	Digital Governance and Safety Committee
Welsh Language Policy	Audit and Assurance Committee
Capital Management Procedure	Audit and Assurance Committee
Research and Development Strategy	Audit and Assurance Committee
Communications and Engagement Strategy	SHA Board
Dealing with Media Enquiries	SHA Board
AM and MP Correspondence - Procedure for responding to enquiries	SHA Board
Procedure for Media Filming, Recording and Photography	Management Board
Relocation expenses policy	Audit and Assurance Committee

DIGITAL HEALTH AND CARE WALES

Chair's Report

Agenda Item	3.1
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Name of Meeting	SHA Board
Date of Meeting	1 April 2021

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

Executive Sponsor	N/A
Prepared By	Chris Darling, Board Secretary
Presented By	Bob Hudson, Interim Chair

Purpose of the Report	For Noting
Recommendation	The Board is being asked to NOTE the content of this report.

Acronyms			
DHCW	Digital Health and Care Wales	SHA	Special Health Authority
NWIS	NHS Wales Informatics Service		

1 SITUATION/BACKGROUND

- 1.1 At each public Board meeting, the Chair presents a report on key issues to be brought to the attention of the Board. This written report provides an update on key areas in the lead up to the establishment of Digital Health and Care Wales (DHCW).

2 SPECIFIC MATTERS FOR CONSIDERATION BY THIS MEETING (ASSESSMENT)

Appointments to the DHCW Board

- 2.1 I was appointed to the role of interim Chair of DHCW in November 2020 to help ensure leadership in the lead up to the establishment of DHCW, this was a Ministerial appointment for a period up until the end of October 2021. The process for appointing a permanent Chair will commence follow the conclusion of the Senedd election period (polling day on 6th May 2021) via the public appointments process.
- 2.2 In addition to my appointment, more recently the Vice Chair and five Independent Members have been appointed to the DHCW Board, as follows:
- Ruth Glazzard – Vice Chair
 - David Selway – Independent Member
 - Grace Quantock – Independent Member
 - Marian Wyn Jones – Independent Member
 - Rowan Gardner – Independent Member
 - Sian Doyle – Independent Member
- 2.3 Helen Thomas was appointed as interim Chief Executive for DHCW by Ministerial appointment in January 2021, this is for the period to the 1st of September 2021, whilst a recruitment campaign for the permanent Chief Executive role takes place. Interviews for the permanent Chief Executive post are planned for May 2021 and will involve DHCW Board members in the appointment process.
- 2.4 The appointment of all DHCW Independent Members along with the interim Chief Executive and two Executive Directors (Medical Director and Executive Director of Finance) ensures we are quorate as a Board from 1 April 2021.

Conduct of DHCW Board and Committee Business during COVID--19

- 2.5 The establishment of Digital Health and Care Wales has taken place whilst we continue to adhere to COVID-19 guidance and restrictions. As a newly established Special Health Authority we are committed to openness and transparency and will conduct as much Board business as possible in a session that members of the public are normally welcome to attend and observe. However, in light of the current advice and guidance in relation to COVID-19 we have decided not to hold our Board or committee meetings in public, a decision we have taken in the best interests of protecting the public, our staff and board members. However, we will be live streaming our Board meetings and will make the details available in advance of the meeting. All Board and committee meeting papers will continue to be published on the DHCW website.

Confederation Business Management Meeting

- 2.6 I attended an NHS Confederation Business Management Meeting recently with colleagues from DHCW. It was confirmed at this meeting that the NHS Wales Confederation Chair Professor Vivienne Harpwood's position as Chair has been extended to 2022.

3 KEY RISKS/MATTERS FOR ESCALATION TO BOARD/COMMITTEE

- 3.1 The permanent DHCW Chair post will be progressed via the public appointments process after the 6th May 2021. The appointment of the permanent Chief Executive for Digital Health and Care Wales will be progressed with the involvement of the Board over the coming months.

4 RECOMMENDATION

The Board is asked to **NOTE** the content of the report.

5 IMPACT ASSESSMENT

STRATEGIC OBJECTIVE	All Objectives Apply
CORPORATE RISK (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:

HEALTH CARE STANDARD

Governance, leadership and accountability

If more than one standard applies, please list below:

EQUALITY IMPACT ASSESSMENT STATEMENT

Date of submission:

No, (detail included below as to reasoning)

Outcome:

Statement:

Not applicable.

APPROVAL/SCRUTINY ROUTE:

Person/Committee/Group who have received or considered this paper prior to this meeting

COMMITTEE OR GROUP	DATE	OUTCOME

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 implication related to the activity outlined in this report
WORKFORCE IMPLICATION/IMPACT	Yes, please see detail below
	The appointment of DHCW Board members to date ensures the Board can meet and be quorate from its inception.
SOCIO ECONOMIC IMPLICATION/IMPACT	No. there are no specific socio-economic implications related to the activity outlined in this report

DIGITAL HEALTH AND CARE WALES

Chief Executives Report

Agenda Item	3.2
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Name of Meeting	SHA Board
Date of Meeting	1 April 2021

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

Executive Sponsor	Helen Thomas, Interim Chief Executive
Prepared By	Chris Darling, Board Secretary
Presented By	Helen Thomas, Interim Chief Executive

Purpose of the Report	For Noting
Recommendation	The Board is being asked to NOTE the content of this report.

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

Acronyms			
DHCW	Digital Health and Care Wales	SHA	Special Health Authority
NWIS	NHS Wales Informatics Service		

1 SITUATION/BACKGROUND

- 1.1 The purpose of this report is to keep the Board up to date with key issues affecting the organisation and its transition from NWIS to Digital Health and Care Wales.

2 SPECIFIC MATTERS FOR CONSIDERATION BY THIS MEETING (ASSESSMENT)

Establishment of DHCW

- 2.1 The last DHCW Establishment Programme Board prior to the formal establishment of the new organisation is due to take place on 24th March 2021. At the February meeting, chaired by SRO Dr Andrew Goodall, no critical risks were identified that would have an impact on the launch of DHCW. Work to ensure that the new organisation is established effectively will continue post the official launch and the Programme Board will have further meetings over the next twelve months to review progress and address any outstanding issues. We are very grateful to Welsh Government for their ongoing support with this, and to all the members of the programme work streams for their contributions.

Launch of Digital Health and Care Wales

- 2.2 It is an extremely exciting time, with the official launch of DHCW taking place on the 1 April 2021 to include several key events and actions including:
- Announcement of DHCW Board members by Welsh Government in March 2021
 - Launch event staff briefing with DHCW interim Chair and DHCW interim Chief Executive
 - Welcome to DHCW staff from Dr Andrew Goodall, Chief Executive of NHS Wales
 - Welcome packs sent to NWIS/DHCW staff
 - New DHCW website launched - Digital Health and Care Wales (<https://dhcw.nhs.wales/>)
Iechyd a Gofal Digidol Cymru (<https://igdc.gig.cymru/>)
 - Welcome address to DHCW Board members from Dr Andrew Goodall, Chief Executive of NHS Wales
 - DHCW Board meeting.

Appointments to the DHCW Executive and Senior Leadership Team

2.3 In addition to the appointments to the DHCW Board set out in the Chair’s report, I am delighted that a number of Executive and Senior appointments have been made in the lead up to the establishment of Digital Health and Care Wales, including:

- Executive Medical Director – Rhidian Hurlle
- Executive Director of Finance – Claire Osmundsen-Little
- Board Secretary – Chris Darling

2.4 Appointment to the additional two Executive Director Board posts will be made following the appointment of the permanent Chief Executive. In the meantime, the existing NWIS/DHCW Directors will continue to provide leadership to DHCW and attend Board meetings in a non-voting capacity. A pictorial representation of this structure can be seen as Appendix 1.

Submission of the NWIS/DHCW Annual Plan 2021/22

2.5 Significant work has been undertaken over the past three months to develop and refine the NWIS/DHCW Annual Plan for 2021/22. This is an annual plan, rather than a three year Integrated Medium Term (IMTP) due to revised Welsh Government planning guidance in response the ongoing pressures associated with COVID-19. Work will commence to engage DHCW Board members in the content of the plan, to include a detailed review of the plan at the first DHCW Board Development session, with the plan scheduled to come to the DHCW Board meeting on the 27 May for formal approval.

3 KEY RISKS/MATTERS FOR ESCALATION TO BOARD/COMMITTEE

3.1 The appointment of the additional two DHCW Executive Director Board posts will be progressed, following the appointment of the permanent Chief Executive for DHCW.

4 RECOMMENDATION

The Board is asked to **NOTE** the content of the report.

5 IMPACT ASSESSMENT

STRATEGIC OBJECTIVE	All Objectives Apply
CORPORATE RISK (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:	

HEALTH CARE STANDARD	Governance, leadership and accountability
If more than one standard applies, please list below:	

EQUALITY IMPACT ASSESSMENT STATEMENT	Date of submission:
No, (detail included below as to reasoning)	Outcome:
Statement: Not Applicable	

APPROVAL/SCRUTINY ROUTE:		
Person/Committee/Group who have received or considered this paper prior to this meeting		
COMMITTEE OR GROUP	DATE	OUTCOME

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 implication related to the activity outlined in this report
WORKFORCE IMPLICATION/IMPACT	Yes, please see detail below The appointment of DHCW Board members to date ensures the Board can meet and be quorate from its inception.
SOCIO ECONOMIC IMPLICATION/IMPACT	No. there are no specific socio-economic implications related to the activity outlined in this report

Appendix 1 – DHCW Leadership Team



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DIGITAL HEALTH AND CARE WALES

Digital Health and Care Wales Board and Committee Structure

Agenda Item	4.1
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Name of Meeting	SHA Board
Date of Meeting	01 April 2021

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

Executive Sponsor	Chris Darling, Board Secretary
Prepared By	Chris Darling, Board Secretary
Presented By	Chris Darling, Board Secretary

Purpose of the Report	For Noting
Recommendation The Board is being asked to: NOTE the DHCW Board and Committee Structure.	

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

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

Acronyms			
DHCW	Digital Health and Care Wales	SHA	Special Health Authority

1 SITUATION/BACKGROUND

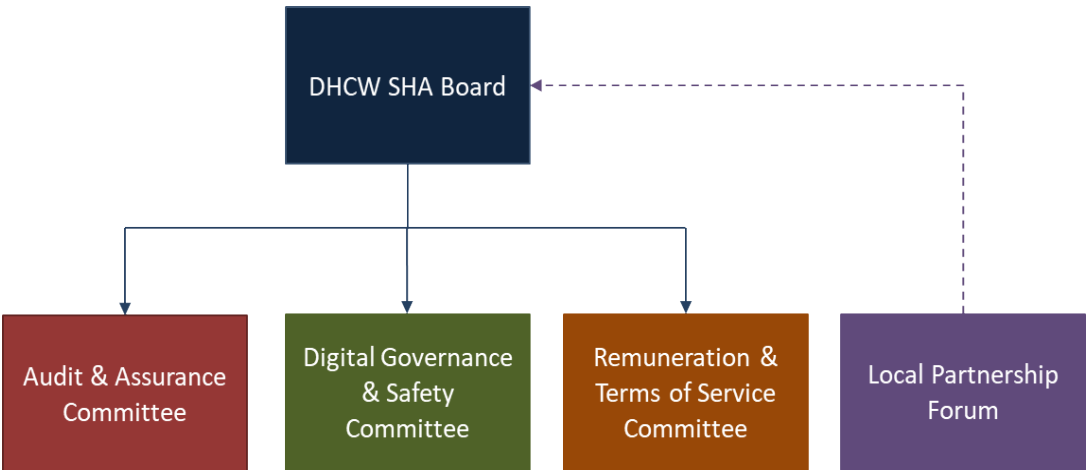
- 1.1 Digital Health and Care Wales has established a Board and Committee structure to reflect the requirements of the DHCW Standing Orders.

2 SPECIFIC MATTERS FOR CONSIDERATION BY THIS MEETING (ASSESSMENT)

- 2.1 The Board's main role is to add value to the organisation through the exercise of strong leadership and control, including:
- Setting the organisation's strategic direction;
 - Establishing and upholding the organisation's governance and accountability framework, including its values and standards of behaviour; and
 - Ensuring delivery of the organisation's aims and objectives through effective challenge and scrutiny of DHCW's performance across all areas of activity.
- 2.2 The membership of the DHCW Board shall be no more than 15 members including a total of 7 Independent Members (including the Chair and Vice Chair), and a total of 5 Executive Directors, with quoracy achieved through at least six Board members, at least two of whom are Executive Directors and four are Independent Members. A total of up to 3 Associate Members may be appointed to the Board. They will attend Board meetings on an ex-officio basis, but will not have any voting rights.
- 2.3 The Board may, and where directed by the Welsh Ministers must, appoint Committees of DHCW Board either to undertake specific functions on the Board's behalf or to provide advice and assurance to the Board in the exercise of its functions. DHCW has designed a Committee structure to cover the aspects required by the DHCW Standing Orders, which covers DHCW Board business as follows:
- Audit
 - Remuneration and Terms of Service; and
 - Oversight and scrutiny of quality, safety, information governance, data quality, security and risk.
- 2.4 In addition to these Committees DHCW may and where directed by Welsh Ministers, must appoint Advisory Group(s) to the Special Health Authority to provide advice to the Board in the exercise of its functions. Initially, DHCW will establish a Local Partnership Forum (LPF) as an

Advisory Group to the Board, The LPF’s role is to provide a formal mechanism where DHCW, as employer, and trade unions/professional bodies representing DHCW employees (hereafter referred to as staff organisations) work together to improve digital health and care services for the citizens served by DHCW - achieved through a regular and timely process of consultation, negotiation and communication. In doing so, the LPF must effectively represent the views and interests of the DHCW workforce.

2.5 The DHCW Special Health Authority Board and Committee governance structure can be seen below:



3 KEY RISKS/MATTERS FOR ESCALATION TO BOARD/COMMITTEE

3.1 Membership of the DHCW Board Committees (including Committee Chairs) will need to be progressed and agreed by the DHCW Chair over the coming weeks to allow the Committee structure to be established.

4 RECOMMENDATION

The Board is asked to **NOTE** the DHCW Board and Committee Structure, and the need to agree Committee membership as a priority.

5 IMPACT ASSESSMENT

STRATEGIC OBJECTIVE	All Objective apply

CORPORATE RISK (ref if appropriate)	
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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:	

HEALTH CARE STANDARD	Staying Healthy
If more than one standard applies, please list below: Effective Care Staff and Resources Governance, Leadership and Accountability	

EQUALITY IMPACT ASSESSMENT STATEMENT	Date of submission: Feb 2021
Yes, applicable	Outcome: Approved
Statement: An Equality Impact Assessment has been carried out on the DHCW Standing Orders which dictate the Board and Committee structure, which showed a positive impact	

APPROVAL/SCRUTINY ROUTE:		
Person/Committee/Group who have received or considered this paper prior to this meeting		
COMMITTEE OR GROUP	DATE	OUTCOME
Establishment of Digital Health and Care Wales Programme Board	Feb 2021	Board and Committee structure supported as set out in the Standing Orders.

IMPACT ASSESSMENT	
QUALITY AND SAFETY IMPLICATIONS/IMPACT	Yes, please see detail below
	The DHCW Committee Structure includes oversight of Digital Quality and Safety via the Digital Governance and Safety Committee and Audit and Assurance Committee.
LEGAL IMPLICATIONS/IMPACT	Yes, please see detail below
	The SOs are designed to translate the statutory requirements for DHCW set out in legislation into day to day operating practice, including the Board and Committee structure and make up.
FINANCIAL IMPLICATION/IMPACT	No, there are no specific financial implication 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

DIGITAL HEALTH AND CARE WALES

DHCW Board Cycle of Business

Agenda Item	4.2
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Name of Meeting	SHA Board
Date of Meeting	01 April 2021

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

Executive Sponsor	Chris Darling, Board Secretary
Prepared By	Chris Darling, Board Secretary
Presented By	Chris Darling, Board Secretary

Purpose of the Report	For Noting
Recommendation The Board is asked to NOTE the draft DHCW Annual Cycle of Board Business.	

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Acronyms			
DHCW	Digital Health and Care Wales		

1 SITUATION/BACKGROUND

- 1.1 The DHCW Board should, on annual basis, receive an Annual Cycle of Board Business which identifies the reports which will be regularly presented to the Board for consideration. The annual cycle is one of the key components in ensuring that the DHCW Board is effectively carrying out its role.

2 SPECIFIC MATTERS FOR CONSIDERATION BY THIS MEETING (ASSESSMENT)

- 2.1 The Cycle of Business is presented as a draft version (Appendix 1), which will come to the DHCW Board in May as a final version for approval. In future years it is intended that approval of the annual Cycle of Board Business will take place before the start of the new financial year.
- 2.2 The Cycle of Business covers the period 1 April 2021 to 31 May 2022. The Cycle of Business has been developed to help plan the management of Board matters and facilitate the management of agendas and Board and Committee business.

3 KEY RISKS/MATTERS FOR ESCALATION TO BOARD/COMMITTEE

- 3.1 Please refer to Appendix 1 – DHCW Board Cycle of Business for further detail.
- 3.2 Also attached at Appendix 2 is a summary of the dates of key meetings during 2021.

4 RECOMMENDATION

The DHCW Board is asked to **NOTE** the Board Cycle of Business and **NOTE** the summary of key meetings dates for 2021.

5 IMPACT ASSESSMENT

STRATEGIC OBJECTIVE	All Objectives apply
CORPORATE RISK (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:	

HEALTH CARE STANDARD	Staff & Resources
If more than one standard applies, please list below:	

EQUALITY IMPACT ASSESSMENT STATEMENT	Date of submission:
No, (detail included below as to reasoning)	Outcome:
Statement: Not applicable.	

APPROVAL/SCRUTINY ROUTE:		
Person/Committee/Group who have received or considered this paper prior to this meeting		
COMMITTEE OR GROUP	DATE	OUTCOME
NWIS Directors Meeting	18 March 2021	Supported

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 implication 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	Yes, please detail below

IMPLICATION/IMPACT	Regular strategic items to be considered by the Board are set out in the Annual Cycle of Business, many of which will require consideration of Socio-economic impact.
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Digital Health and Care Wales

Special Health Authority

Cycle of Business (1st April 2021 – 31st May 2022)

The Special Health Authority (SHA) should, on annual basis, receive a cycle of business which identifies the reports which will be regularly presented for consideration. The annual cycle is one of the key components in ensuring that the Health Authority is effectively carrying out its role.

The Cycle of Business covers the period 1st April 2021 to 31st May 2022, recognising Digital Health and Care Wales SHA established as a statutory body on the 1st April 2021.

The Cycle of Business has been developed to help plan the management of Board matters and facilitate the management of agendas and committee business.

The principal role of the Health Authority is set out in the Standing Orders 1.0.1. The Board's main role is to add value to the organisation through the exercise of strong leadership and control, including:

- Setting the organisation's strategic direction
- Establishing and upholding the organisation's governance and accountability framework, including its values and standards of behaviour
- Ensuring delivery of the organisation's aims and objectives through effective challenge and scrutiny of the Health Authority performance across all areas of activity.

Board Cycle of Business (1st April 2021 – 31st May 2022)

Item of Business	Executive Lead	Reporting period	April 2021	May 2021	June 2021	July 2021	Aug 2021	Sep 2021	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	Mar 2022	April 2022	May 2022
Preliminary Matters																
Shared Listening & Learning	Executive Directors	All Regular Meetings		✓		✓		✓		✓		✓		✓		✓
Minutes of the previous Board Meeting	Board Secretary	All Regular Meetings		✓		✓		✓		✓		✓		✓		✓
Action Log	Board Secretary	All Regular Meetings		✓		✓		✓		✓		✓		✓		✓
Chairs Report (Including affixing of the Common Seal and Chairs Urgent Action Requests)	Board Secretary	All Regular Meetings	✓	✓		✓		✓		✓		✓		✓		✓
Chief Executive Report	Chief Executive	All Regular Meetings	✓	✓		✓		✓		✓		✓		✓		✓
Governance, Risk, Performance & Assurance																
Adoption of corporate policies	Board Secretary	At its inception	✓													
Audit Wales Structured Assessment & Audit Letter (date tbc)	Board Secretary	Annually										✓				
Organisational Risk Register	Board Secretary	All Regular Meetings		✓		✓		✓		✓		✓		✓		✓
Risk Management Strategy	Board Secretary	Annually		✓												✓
SIRO Annual Report	Director of ICT	Annually								✓						
Integrated Performance Report / Performance Dashboard	Chief Operating Officer	All Regular Meetings		✓		✓		✓		✓		✓		✓		
Accountability Report	Board Secretary	Annually														✓
Annual Report	Board Secretary	Annually														✓
Annual Quality Statement	Director of Finance	Annually														✓
Health and Care Standards Annual Report	Director of Finance	Annually														✓
Audit & Assurance Committee Highlight Report	Board Secretary	All Regular Meetings following a Committee		✓		✓				✓		✓		✓		✓
Audit & Assurance Committee Annual Report	Board Secretary	Annually														✓
Digital Safety & Governance Committee Highlight Report	Board Secretary	All Regular Meetings following a Committee		✓				✓		✓				✓		
Digital Safety & Governance Committee Annual Report	Board Secretary	All Regular Meetings following a Committee														✓

Item of Business	Executive Lead	Reporting period	April 2021	May 2021	June 2021	July 2021	Aug 2021	Sep 2021	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	Mar 2022	April 2022	May 2022
Remuneration and Terms of Service Committee Highlight Report	Board Secretary	As required at all Regular Meetings following a Committee		✓		✓		✓		✓		✓		✓		
Remuneration and Terms of Service Committee Annual Report	Board Secretary	Annually														✓
Local Partnership Forum Highlight Report	TBC	As required at all Regular Meetings following a meeting of the Forum		✓		✓		✓		✓		✓		✓		✓
Local Partnership Forum Annual Report	TBC	Annually														✓
Workforce & Organisational Development																
Welsh Language Scheme (Standards) Annual Report	Director of ICT	Annually														✓
Equality & Monitoring / Strategic Equality Plan	Chief Operating Officer	Annually														✓
Planning																
Annual Plan 2021/22 – Approval	Chief Operating Officer	Annually		✓										✓		
Annual Plan – Quarterly Updates	Chief Operating Officer	Quarterly				✓				✓		✓				✓
Emergency Planning Annual Report	Chief Operating Officer	Annually										✓				
Data Centre Transition Project Update	Director of ICT	All Regular Meetings		✓		✓		✓		✓		✓				
COVID-19 Response Update	Chief Operating Officer	All Regular Meetings		✓		✓		✓		✓		✓		✓		✓
Brexit Update	Chief Operating Officer	As required		✓												
Finance																
Monthly Finance Reports	Executive Director of Finance	All Regular Meetings		✓		✓		✓		✓		✓		✓		
Monitoring Returns to Welsh Government	Executive Director of Finance	All Regular Meetings		✓		✓		✓		✓		✓		✓		
Annual Statutory Accounts	Executive Director of Finance	Annually														✓
Board Effectiveness																
Approval of the Standing Orders	Board Secretary	One off	✓													
Annual Review of the Standing Orders	Board Secretary	Annually		✓										✓		
Board Cycle of Business	Board Secretary	Annually		✓										✓		
Board Effectiveness Self-Assessment	Board Secretary	Annually												✓		

DHCW BOARD MEETING SCHEDULE

DHCW 2021 Calendar of Board Meetings										
Meeting	March 21	April 21	May 21	June 21	July 21	Aug 21	Sept 21	Oct 21	Nov 21	Dec 21
Special Health Authority Board		01.04.21	27.05.21		29.07.21		30.09.21		25.11.21	
Board Development Sessions		29.04.21		24.06.21		26.08.21		28.10.21		30.12.21

DIGITAL HEALTH AND CARE WALES

Finance Allocation 2021-22

Agenda Item	4.3
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Name of Meeting	SHA Board
Date of Meeting	01 April 2021

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

Executive Sponsor	Claire Osmundsen-Little, Executive Finance Director
Prepared By	Mark Cox, Deputy Director of Finance
Presented By	Claire Osmundsen-Little, Executive Finance Director

Purpose of the Report	For Approval
Recommendation	
<p>The Board is being asked to:</p> <p>NOTE the Annual Budget Allocations for 2021-22 and APPROVE the methodology in the budget delegations</p>	

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Acronyms			
DPIF	Digital Priority Investment Fund	DHCW	Digital Health and Care Wales
IM&T	Information Management and Technology		

1 SITUATION/BACKGROUND

- 3.1 DHCW has a statutory duty to balance its revenue and capital income and expenditure (breakeven) at year end and this paper is intended to assist the Board and Executives in understanding the core revenue & capital allocation for 2021-22 and the delegation within the organisation to deliver its strategic priorities.

2 SPECIFIC MATTERS FOR CONSIDERATION BY THIS MEETING (ASSESSMENT)

- 2.1 The report set out as Appendix 1 provides the DHCW Board with a summary of the Finance Resource Plan for 2021-22 and the resulting delegated budgets established for the financial year and supply sufficient assurance and information to enable board approval of allocations.
- 2.2 It details the DHCW funding streams with confirmed Welsh Government funding but also the Covid-19 and Digital Priority Investment Funds (DPIF) for the current year that are yet to be formally approved.
- 2.3 The paper sets out the approach adopted to budget setting for the 2021-22 financial year.
- 2.4 The paper then details how the funding has been delegated to Directorates within DHCW to establish baseline budgets. It presents the delegated assumptions including current resources allocations, recognised establishment costs associate with the new governance arrangements and legacy issues.
- 2.5 Through a savings and efficiency plan it aims to ensure financial sustainability and availability of funds for investment purposes. It then identifies areas of potential risk.

3 RISKS/MATTERS FOR ESCALATION TO BOARD/COMMITTEE

- 3.2 The paper discusses the assumptions on which the allocations have been made but highlights areas funding allocations have not yet been formally confirmed or agreed. Areas of financial planning risks have been identified but not for escalation at this point.

4 RECOMMENDATION

1. The Board is asked to **note** the current funding allocations within which DHCW will have to operate and deliver a balance plan
2. The Board is asked to **agree** the methodology utilised in establishing the 2021-22 delegated budgets.
3. The Board is asked to **approve** the savings allocation and future actions.
4. The Board is asked to **approve** the initial 2021-22 delegated budgets.

5. The Board is asked to **Note** and consider the key risks outlined.

STRATEGIC OBJECTIVE	All Objectives Apply
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CORPORATE RISK (ref if appropriate)	
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WELL-BEING OF FUTURE GENERATIONS ACT	A healthier Wales
If more than one standard applies, please list below:	

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

HEALTH CARE STANDARD	N/A
If more than one standard applies, please list below:	

EQUALITY IMPACT ASSESSMENT STATEMENT	Date of submission:
No, (detail included below as to reasoning)	Outcome:
Statement: The paper outlines the budget allocations for 2021-22 use of the funding will potentially require an equality impact assessment	

APPROVAL/SCRUTINY ROUTE:		
Person/Committee/Group who have received or considered this paper prior to this meeting		
COMMITTEE OR GROUP	DATE	OUTCOME
Executive NWIS Board	25/03/2021	For Approval

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
	This will ensure compliance with the Standing Orders and the Standard Financial Instructions
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

1. APPENDIX 1

DIGITAL HEALTH AND CARE WALES RESOURCE ALLOCATION PLAN 2021-22

CONTENTS

1	SITUATION/BACKGROUND	2
2	SPECIFIC MATTERS FOR CONSIDERATION BY THIS MEETING (ASSESSMENT)	2
2.1	Summary Finance Resource Plan	2
2.2	Funding Streams	2
2.3	Approach to budget setting	2
2.4	Directorate Delegation of funding	2
2.5	Savings and efficiencies	2
3	RISKS/MATTERS FOR ESCALATION TO BOARD/COMMITTEE	2
3.1	Assumptions	2
3.2	Financial planning risks	2
4	RECOMMENDATION	3
1	INTRODUCTION	6
2	PURPOSE	6
3	FUNDING STREAMS	7
3.1	Welsh Government Allocations	7
3.2	Recurrent Health Board and Trust Allocations	7
4	THE 2021-22 FINANCIAL PLAN FOR DHCW	8
5	ESTABLISHING BASELINE BUDGETS FOR 2021-22	9
5.1	Pay Budgets	9
5.2	Non-Pay Budgets	9
5.3	Grant Funded/Programme Budgets	9
5.4	Ring Fenced Allocations	9
6	SAVINGS AND EFFICIENCIES	10
6.1	Savings & Cost Improvements	10
7	SUMMARY OF DELEGATED 2021-22 REVENUE AND CAPITAL EXPENDITURE BUDGETS	
	11	
8	RISKS TO THE PLAN	12
9	CONCLUSION	13
10	RECOMMENDATIONS	13
	APPENDIX A – CORE FUNDING CONFIRMATION	13

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1 INTRODUCTION

DHCW has a statutory duty to balance its revenue and capital income and expenditure (breakeven) at year end and this report is intended to assist the Board and Executives in understanding the core revenue & capital allocation for 2021-22 and the delegation within the organisation to deliver its strategic priorities.

2 PURPOSE

The purpose of the report is to provide the DHCW Board with a summary of the Finance Resource Plan for 2021-22 and the resulting delegated expenditure budgets established for the financial year and supply sufficient assurance and information to enable board approval of allocations.

It details the DHCW funding streams with confirmed Welsh Government funding but also the Covid-19 and Digital Priority Investment Funds (DPIF) for the current year that are yet to be formally approved.

The paper sets out the approach adopted to budget setting for the 2021-22 financial year.

The paper then details how the funding has been delegated to Directorates within DHCW to establish baseline budgets. It presents the delegated assumptions including current resources allocations, recognised establishment costs associate with the new governance arrangements and legacy issues.

Through a savings and efficiency plan it aims to ensure financial sustainability and availability of funds for investment purposes. It then identifies areas of potential risk.

3 FUNDING STREAMS

The Finance Plan sets out the budget for 2021-22 as £127.5m Revenue and £15.7m capital.

DHCW obtains its revenue funding via a number of income streams identified below:

Table 1 Summary Funding 2021-22

	£m
<i>Welsh Government Core Recurrent Allocation</i>	42.3
Welsh Government GP Information Management & Technology Recurrent Budget Allocation	14.8
Welsh Government Specific SLA's	0.3
Welsh Government Recurrent Depreciation Funding	8.8
Recurrent Health Board & Trust SLA's	28.5
Baseline	94.7
Welsh Government Non-Recurrent (DPIF & COVID-19)	32.8
Total	127.5

3.1 Welsh Government Allocations

Core funding is the baseline functioning allocation for DHCW to support the main deliverables of the organisations including the new SHA Board requirements as detailed in Appendix A. There is a separate ringfence allocation for General Practice (GP). Separately DHCW will receive the confirmation of the depreciation funding allocation. The Specific SLA are smaller specialist pieces of work funded by Welsh Government including items such as substance misuse and other commissioned items.

3.2 Recurrent Health Board and Trust Allocations

Income for service level agreements with Health Boards and Trust for services DHCW provide.

3.3 Non – recurrent funding

Relates to income allocations that are agreed on a programme or project basis for Covid 19 response and support for digital priorities identified within the Digital Priorities Investment Fund (DPIF). These may be single or multi-year arrangements.

In addition to the above DHCW has been allocated a discretionary capital budget of £2.969m that will be used to support the infrastructure essential replacement plan together with programme and project capital allocations which are detailed later.

4 THE 2021-22 FINANCIAL PLAN FOR DHCW

The planning priorities have been translated into financial plans which are delegated to directors. Where control of resources is delegated to budget holders and managers budget holders are required to agree and sign off the funding baselines set for their area of delegation.

The resulting Financial Plan for 2021-22, based upon the core allocation and draft DPIF funding notification received from Welsh Government is presented in summary in the table 2: -

Table 2 Summary Financial Plan 2021-22

	Baseline £m	Digital Priorities £m	COVID 19 £m	Total Revenue £m	Capital Investment £m
Income	94.7	18.4	14.4	127.5	15.7
Pay	37.4	2.7	3.3	43.4	15.7
Non Pay	57.3	15.7	11.1	84.1	
Total	0	0	0	0	0

The DHCW Board is to agree a balanced financial plan as part of the annual plan for the 2021-22. Similar to 2020-21 financial year, a development reserve of £0.5m is held within the Executive Office budget, whilst a savings target of £0.9m is also incorporated in order to mitigate anticipated future pressures.

At time of writing this report both DPIF and Vaccines COVID-19 funding is awaiting formal approval.

Note Digital Priority and COVID-19 allocations will be change controlled into delegated limits of the appropriate lead once formally agreed.

5 ESTABLISHING BASELINE BUDGETS FOR 2021-22

The following section sets out the approach at a high level for calculated and assigning budgets to be allocated. Budgets have been set at 2021 plus inflation (2%) with adjustments to reflect billable services to be implemented (should implementations be delayed the budgetary pressures will need to be managed by the host directorate) or terminated. Net budgets are to be allocated i.e. a cost improvement (savings target) has been applied to discretionary budgets.

5.1 Pay Budgets

Salary budgets have been calculated based on actual salary detail and pay scales downloaded from ESR for existing staff, reflecting known incremental changes in 2021-22. The impact of an NHS pay award for 2021-22 (not agreed but provided for) amounting to 2% has also been incorporated within the budgets. The funded vacancies within the structure, have been costed and included in each delegated budget at mid-point of scale.

5.2 Non-Pay Budgets

The starting point for the assessment of the budget requirement for Non-Pay costs was derived from a download of the ledger as at month 10, with a subsequent full review of the recurrent and non-recurrent spend with budget holders, this included reestablishment of slippage returned on a non-recurrent basis. Meetings were held with every budget holder to review the draft budget derived in detail and a request made for feedback of any omissions or additional budgetary requirements.

5.3 Grant Funded/Programme Budgets

Programme budgets (such as Digital Priority Investment Fund) have also been discussed with directorate teams and are to be formally agreed with Welsh Government leads.

5.4 Ring Fenced Allocations

The allocation incorporates specific budgets for GP IM&T, Microsoft and NHS Wales e-resources which have been delegated for the purposes of specific ring fenced spend relating to activity supported by the appropriate commissioner/programme board. Other specific allocations for running costs including audit fees and legal and risk have also been allocated to appropriate cost centres and subjective codes.

6 SAVINGS AND EFFICIENCIES

6.1 Savings & Cost Improvements

Whilst DHCW has submitted a balanced Financial Plan for 2021-22, there is a requirement to address recurrent historical pay pressures and ensure the organisation is acting efficiently and supporting value.

As part of the plan it is proposed that a minimum cost improvement (CIP) target of 2% is allocated to directorates to deliver as they deem appropriate (this will be monitored and reported within the established framework).

An additional structured exercise to identifying managing and controlling the delivery of savings plans is underway.

7 SUMMARY OF DELEGATED 2021-22 REVENUE AND CAPITAL EXPENDITURE BUDGETS

Subject to the recruitment of two additional Executive Director posts in 2021-22 costs centre budgets falling under their portfolios will be delegated to the following leads

Director Leads - Chief Executive, Executive Director of Finance, Chief Operating Officer, Clinical Director, Director of Applications Development & Support, Director of Information, Communications & Technology.

Other Senior Leads - Assistant Director of Information Services, Board Secretary

Table 3 – Budget Allocations

	Revenue Allocation £000's	Savings Target £000's	Net Budget Allocation £000's	Capital Allocation £000's
Recurrent Baseline				
Application Development & Support	14,845	-148	14,697	0
Clinical Directorate	6,047	-32	6,015	0
Engagement & Transformation Services	7,777	-123	7,654	0
Executive Team	1,343	0	1,343	0
Board & Governance	843	0	843	0
Finance & Business Assurance	20,804	-191	20,613	50
Information & Communications Technology	19,050	-380	18,670	2,474
Primary Care IM&T	14,802	0	14,802	0
Information Services	3,130	-59	3,071	0
Reserves	500	0	500	445
Capital Charges	8,773	0	8,773	0
Total	97,914	-933	96,981	2,969
Adjustment For Primary Care IM&T Internal recharge	-3,329	0	-3,329	0
Net Recurrent Budget Allocation	94,585	-933	93,652	2,969
Non-Recurrent				
Digital Funding Priorities	18,413	0	18,413	11,336
Covid-19	14,402	0	14,402	1,370
Non-Recurrent Budget Allocation	32,815	0	32,815	12,706
Total Budget Allocation	127,400	-933	126,467	15,675

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A discretionary capital allocation of £2.969m has been allocated as follows after being taken through the Capital & Non-Pay Group and presented to Executive Directors for approval.

Table 4: Discretionary Capital Allocation

	Allocation £000's
Finance & Business Assurance	50
Information & communications Technology	2,474
Reserves ¹	445
Total	2,969

8 RISKS TO THE PLAN

In presenting the proposed delegated budgets a number of key assumptions have been made: -

- The plan assumes that any in year cost pressures (such as staff cost pressures for which no budget has been allocated) will be managed in a cost neutral way.
- Whilst recruitment to vacancies within the establishment will be progressed at pace, there is the potential for slippage in expenditure against the budgets set – this has not been reflected within budgets.
- That sufficient capacity exists within the organisation to deliver the plan activities and additional resources are not required.
- The ongoing effects of Covid-19 on plans and developments may require the resource plan to be refreshed during the year.
- The savings plan can be met in full or offset via vacancy slippage.
- Current capital plan is predicated upon discretionary capital only being made available to fund underpinning infrastructure – present requirement outstrips available funding and so plans will need to be closely monitored and managed with any risk to service resilience/deliverables immediately escalated.
- There are no material changes in SLA Income.

The above identified current risk will be managed and mitigated via the internal risk management process.

¹ A reserve of 15% is proposed to manage 20/21 plan slippage and emerging 21/22 issues

9 CONCLUSION

DHCW has been allocated funding from both Welsh Governments and other sources which has been allocated to Directorates to deliver the strategy and operational priorities for 2021-22 and deliver value for money through efficiencies and savings.

Delivering a balanced financial out-turn at year end will require discipline to contain costs within available resources but also successful recruitment to ensure that the organisation has the capacity to deliver the objectives agreed (within financial constraints).

Delivering a balanced position at year end will require effective and disciplined budgetary control and generation of efficiencies & savings. DHCW will also wish to manage any risks and maximise opportunities that emerge in year.

The impact of COVID-19 on resources and budgets may require further business cases to be submitted in-year to Welsh Government if the financial costs are too great to be contained within the notified allocation.

10 RECOMMENDATIONS

The DHCW Board is asked to

1. The DHCW Board is asked to note the current funding allocations within which DHCW will have to operate and deliver a balance plan
2. The DHCW Board is asked to agree the methodology utilised in establishing the 2021-22 delegated budgets.
3. The DHCW Board is asked to approve the savings allocation and future actions.
4. The DHCW Board is asked to approve the initial 2021-22 delegated budgets.
5. Note and consider the key risks outlined.

APPENDIX A – CORE FUNDING CONFIRMATION

Funding Letter



Llywodraeth Cymru
Welsh Government

Helen Thomas
Interim Chief Executive
Digital Health and Care Wales
Tŷ Glan-yr-Afon,
21 Cowbridge Road East,
Cardiff.
CF11 9AD

Our Ref: VG/0757/21

Mar 2021

Annwyl / Dear Helen,

DIGITAL HEALTH AND CARE WALES (DHCW) - CORE FUNDING ALLOCATION FOR 2021-22

I can confirm the 2021-22 core revenue funding allocation for DHCW is **£42.3 million**. A detailed breakdown of the allocation has been discussed and shared with your Director of Finance in advance of this formal notification (a summarised version of which is below).

In addition to the revenue funding allocation, the Minister for Health and Social Services has agreed a 2021-22 discretionary capital funding allocation of **£2.969 million**.

You must plan for, and deliver against, your statutory financial duty to break-even. You are responsible for managing the financial position for DHCW throughout the year, supported by your team and your Board, evidenced by monthly financial monitoring returns to Welsh Government in line with normal procedures.

As highlighted within the table at the end of this letter the increase in funding has been provided to cover agreed Pay and Inflationary increases for 21-22, the Board and corporate governance operations. As part of the funding under the increase to 21-22 baseline this is to cover any underlying pressures and directed to deliver the following priorities:

- **Deliver Cloud Services** with DHCW taking a 'cloud-first' approach to their design and development of future services and systems, as well as undertaking work to determine which of the current digital services would be appropriate for migration into the cloud.
- **Host an Independent Cyber Security unit** hosted by DHCW that will hold the delegated authority from Welsh Ministers to provide ongoing cyber security assurance activities on behalf of Welsh Government. This unit will have an independent function within DHCW, with separate reporting and governance arrangements. Cyber security is a reserved matter for the UK Government under the Network and Information Systems (NIS) Regulations, Welsh Ministers are the Competent Authority for essential health services in Wales.
- **Deliver Standardisation of Digital Systems and Open Platforms** through a new open platform approach based on standards for the collection and use of data within



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digital health will take direction from a new Chief Digital Officer. DHCW will be the system owner for this platform responsible for technical development and delivery.

- **Enhanced Patient Health Information.** Data relating to individuals in delivering their direct care is collected by all health bodies; and this data is also used to help model the way services are delivered and to help anticipate future trends in demand. Use of data will form part of DHCW responsibilities as currently NWIS does not have the legal basis or framework to process information for these purposes for Welsh NHS patients.
- **Culture Change and Partnership Working.** DHCW will develop a system leadership role, working with others to move to an open platform and open data approach, and to strengthen the capacity and capability of the digital profession across NHS Wales. DHCW will also develop its work with third parties and commercial partners.

In addition to your core funding allocation, you may receive additional non-core funding from the Welsh Government. For example, DHCW is responsible for delivery of key Covid-19 digital services which are funded through separate / additional funding allocations.

You will receive notification of any further funding streams via policy leads as and when the relevant Minister agrees them. Additional funding allocations should be described in or alongside your monthly financial monitoring returns to Welsh Government as part of your regular financial management.

Yn Gywir / Yours Sincerely



Ifan Evans

Cyfarwyddwr –Technoleg a Thrawsnewid
Director – Technology, Digital & Transformation

Llywodraeth Cymru - Grwp Iechyd a Gofal Cymdeithasol
Welsh Government - Health & Social Services Group

Title	Funding (£'m)
2020-21 Revenue Core Funding	£31.468
DHCW Board and Corporate Governance Operations	£2.000
Increase to 2021-22 Baseline	£8.000
2% Uplift	£0.832
2021-22 Revenue Core Funding	£42.300

DIGITAL HEALTH AND CARE WALES

DHCW Future Meeting Arrangements

Agenda Item	4.4
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Name of Meeting	SHA Board
Date of Meeting	1 April 2021

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

Executive Sponsor	Chris Darling, Board Secretary
Prepared By	Chris Darling, Board Secretary
Presented By	Chris Darling, Board Secretary

Purpose of the Report	For Noting
Recommendation	The Board is being asked to NOTE the content of this report.

Acronyms			
DHCW	Digital Health and Care Wales		

1 SITUATION/BACKGROUND

- 1.1 The Digital Health and Care Wales Special Health Authority shall establish as a statutory body on the 1 April 2021. In line with the DHCW Standing Orders the DHCW Board and its Committees shall conduct as much of its formal business in public as possible.
- 1.2 In light of the current advice and guidance in relation to COVID-19 DHCW Board and Committee meetings will not be held in public, a decision we have taken in the best interests of protecting the public, our staff and board members. However, we will be live streaming our Board meetings and will make the details available in advance of the meeting. All Board and Committee meeting papers will be published on the DHCW website in advance of the meetings.

2 SPECIFIC MATTERS FOR CONSIDERATION BY THIS MEETING (ASSESSMENT)

- 2.1 The DHCW Board has a responsibility to actively encourage the engagement and, where appropriate, involvement of citizens and stakeholders in its work and to demonstrate openness and transparency in the conduct of business. As such, the first DHCW Board meeting is being live streamed via Microsoft Teams to allow citizens to observe the inaugural meeting.
- 2.2 In response to the restrictions and guidance in relation to the COVID-19 pandemic NHS bodies in Wales have adopted alternative methods of enabling Boards and Committees to maintain openness and transparency. The Audit Wales Report Doing it Differently, Doing it Right – Governance in the NHS during the COVID-10 crisis – key themes, lessons and opportunities (January 2021) identifies virtual meetings as a way of maintaining and in some respects enhancing openness and transparency.
- 2.3 DHCW will work quickly to explore how the DHCW Board and Committee business is as accessible as it can be, within the constraints of the COVID-19 guidance and restrictions, learning from the work undertaken by other NHS bodies to date during the pandemic. Specific considerations will include:
 - The platform to enable live streaming of DHCW Board meetings, to maximise accessibility.
 - Consider how we best provide translation arrangements, for Board meetings held virtually to be translated in either Welsh or English.
 - Understand how DHCW can best respond to any access needs sufficiently in advance of a virtual meeting, and respond appropriately, e.g., arranging British Sign Language (BSL) interpretation at virtual Board meetings.

3 KEY RISKS/MATTERS FOR ESCALATION TO BOARD/COMMITTEE

- 3.1 DHCW Board members should note that due to current advice and guidance in relation to COVID-19 DHCW Board and Committee meetings will not be held in public, with observers invited to attend meetings. DHCW Board meetings will be live streamed to ensure the public can continue to observe meetings. Further work will be undertaken to ensure DHCW Board meetings are as accessible as they can be going forward, taking into account COVID-19 restrictions. Board and Committee meeting papers and minutes will be available to the public on the DHCW website.

4 RECOMMENDATION

Board members are asked to **NOTE** that Board and Committee meetings will not be held in public during COVID-19 restrictions.

Board members are asked to **NOTE** that work to explore how virtual Board meetings are as accessible as possible will continue.

5 IMPACT ASSESSMENT

STRATEGIC OBJECTIVE	All Objectives Apply		
CORPORATE RISK (ref if appropriate)			
WELL-BEING OF FUTURE GENERATIONS ACT	A Wales of vibrant culture and thriving Welsh language		
DHCW QUALITY STANDARDS	N/A		
If more than one standard applies, please list below:			
HEALTH CARE STANDARD	Governance, leadership and accountability		
If more than one standard applies, please list below:			
EQUALITY IMPACT ASSESSMENT STATEMENT	Date of submission:		
No, (detail included below as to reasoning)		Outcome:	
Statement: Not Applicable			

APPROVAL/SCRUTINY ROUTE:

Person/Committee/Group who have received or considered this paper prior to this meeting

COMMITTEE OR GROUP	DATE	OUTCOME

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
	DHCW have a statutory duty to conduct as much of its formal business in public as possible. This paper explores alternative ways to do this taking into account COVID-19 restrictions.
FINANCIAL IMPLICATION/IMPACT	No, there are no specific financial implication 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
	<p>Those citizens in Wales without access to the Internet may not be able to access DHCW virtual meetings or Board and Committee Papers.</p> <p>Further consideration is being given to maximise access to DHCW Board and Committee business during the COVID-19 restrictions.</p>

DIGITAL HEALTH AND CARE WALES

Emergency Response Command Structure

Agenda Item	5.1
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Name of Meeting	SHA Board
Date of Meeting	01 April 2021

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

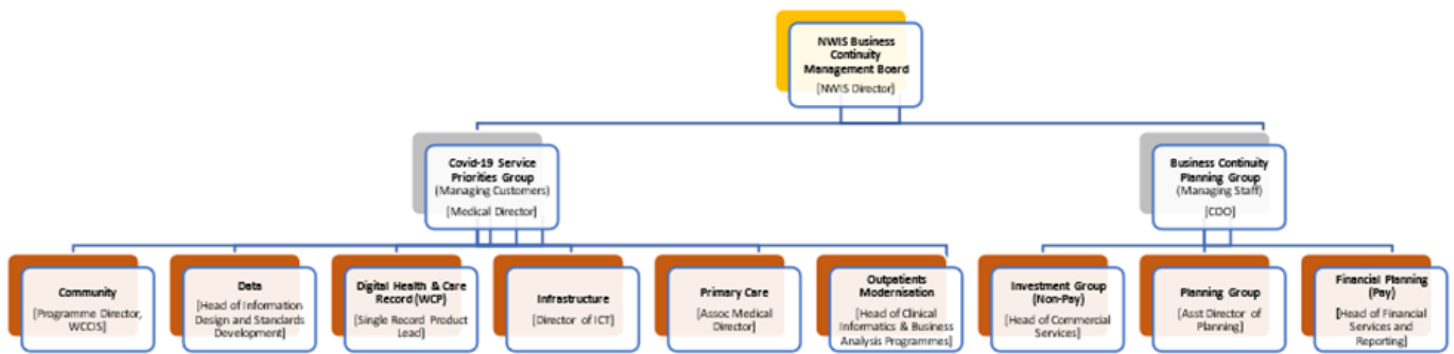
Executive Sponsor	Helen Thomas, Interim Chief Executive
Prepared By	Michelle Sell, Chief Operating Officer
Presented By	Michelle Sell, Chief Operating Officer

Purpose of the Report	For Noting
Recommendation The Board is being asked to NOTE the measures established in support of the Covid-19 Pandemic to maintain continuity of service provision and support NHS Wales in its wider response.	

Acronyms			
DHCW	Digital Health and Care Wales	HSSG	Health and Social Services Group in Welsh Government
NWIS	NHS Wales Informatics Service		

1 SITUATION/BACKGROUND

- 1.1 In response to the rapidly emerging health requirements of the Covid-19 pandemic, in early March 2020, NHS Wales Informatics Service (NWIS) invoked our organisation-wide Business Continuity measures and stepped into our Business Continuity command approach of Gold-Silver-Bronze strategic, tactical and operational management and planning.
- 1.2 This Report provides an overview of how we are continuing as Digital Health and Care Wales to deliver in Business Continuity mode, how our command structure has functioned to enable rapid and robust decision making informed by the risks that we faced as an organisation and as the key digital delivery partner for NHS Wales, how our work-plan has shifted in response to the digital needs of NHS Wales, and how we have successfully mobilised our entire workforce to maintain business remotely.
- 1.3 During this period we have continued to work closely with Welsh Government and NHS colleagues through the wider Planning & Response Structures, as set out in Appendix 1, with the Digital Cell co-chaired by Helen Thomas, Interim Chief Executive, weekly Chief Executive meetings and the Chief Operating Officer attending the weekly HSSG COVID-19 Planning & Response Group.
- 1.4 Our Business Continuity Command Structure forms part of our overall Business Continuity Plan; it describes a hierarchy of strategic (gold), tactical (silver) and operational (bronze) decision making, management and delivery structures across our organisation as well as with our wider colleagues, contacts and suppliers.
- 1.5 We invoked full Business Continuity on 30th March 2020 and the majority of our workforce has been working remotely, with a rota of a small number of operational staff on-site as required, since that date.



- 1.6 Our Business Continuity Command Structure has underpinned all of the decisions and activities that we have undertaken leading up to and throughout 2020-21 to date. It has enabled us to respond quickly to the emerging needs of NHS Wales to manage the delivery of care with rapid prioritisation of resources through our Silver (Managing Customers) Group and maintain our own services in business continuity mode through our Silver (Managing Staff) Group. Each group within the structure has maintained clear records throughout this period, recording any actions taken and/or decisions made by the group as well as those that have been escalated to a more senior decision-making group. Documents are held within Microsoft Teams to enable appropriate access and sharing within meetings as required.
- 1.7 The bronze level groups meet at least once a week and reports focus on planning and the delivery of products to support our NHS stakeholders (Managing Customers) and our own Organisation (Managing Staff). The two silver level groups who originally met twice and now once a week consider the updates from bronze as well as the emerging developments in the progression of the pandemic and any implications for NWIS and any other risks, issues or queries that need to be addressed. Update reports are then provided to the gold level command with any points of escalation that require the Gold Commander's authority to progress. Gold Command met initially twice and now once a week, led by the Interim Chief Executive.
- 1.8 Pro-active risk management is a shared responsibility across the two silver groups and the Operational Services Management Board with regular oversight and escalation to Gold. Covid-19 related risks are captured in the Datix system in accordance with the standard risk management procedures within the organisation.
- 1.9 In July 2020 with the reduction in Covid-19 cases across Wales and changes in Welsh Government guidance we stepped down our Silver Group (Managing Customers) and the majority of the Bronze groups and reduced the frequency of the Gold meetings to once per week. The decision to step back up this group was made in November 2020 as the demands on digital increased. The focus of the group shifted to reflect the current priorities with new

Bronze Groups covering Test, Trace and Protect (TTP) Services, Vaccine, Cancer Informatics, Data and the Blaenavon Data Centre (BDC) Transition Project.

- 1.10 Details of the services delivered during this period in support of the management of the pandemic within our own organisation and across NHS Wales are included at Appendix 1.

2 SPECIFIC MATTERS FOR CONSIDERATION BY THIS MEETING (ASSESSMENT)

- 2.1 In line with Welsh Government guidance the majority of our workforce continues to work remotely, with a rota of a small number of operational staff on-site as required in order to ensure we can respond quickly to any service delivery issues. The current plan, pending any unforeseen developments in the pandemic, is to continue working in this way until 30th June 2021
- 2.2 A key organisational lesson learnt during this period is that we can continue to deliver as an organisation whilst the majority of our staff are working from home. Staff surveys have indicated that the majority of our staff would appreciate the opportunity to continue to work in a more flexible fashion in the future. In our September 2020 Survey 78.5% of our staff indicated that their motivation levels were better or the same during this period of remote working (a 3% increase since June 2020). In developing our longer term plans we also need to consider key roles (and therefore staff) that have been deemed essential to continue to work from our offices, data centres and healthcare delivery sites.
- 2.3 A New Ways of Working Group has been established and we are working across the organisation to establish the approach going forwards based on three personas:
- Permanent office based
 - Flexible Worker – who may work remotely up to 4 days a week
 - Remote Worker – initially this will be made available for posts that are proving difficult to recruit.
- 2.4 Discussions are underway to consider the organisational needs and personal preferences and to then reconfigure our office estate to support a more flexible model. This is planned to be completed by 31st May 2021.

3 KEY RISKS/MATTERS FOR ESCALATION TO BOARD/COMMITTEE

- 3.1 Updates will be provided to the Board as the plans develop.

4 RECOMMENDATION

The Board is being asked to **note** the measures established in support of the Covid-19 Pandemic to maintain continuity of service provision and support NHS Wales in its wider response.

5 IMPACT ASSESSMENT

STRATEGIC OBJECTIVE	All Objective apply
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CORPORATE RISK (ref if appropriate)	
--	--

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

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

HEALTH CARE STANDARD	Governance, leadership and accountability
If more than one standard applies, please list below:	

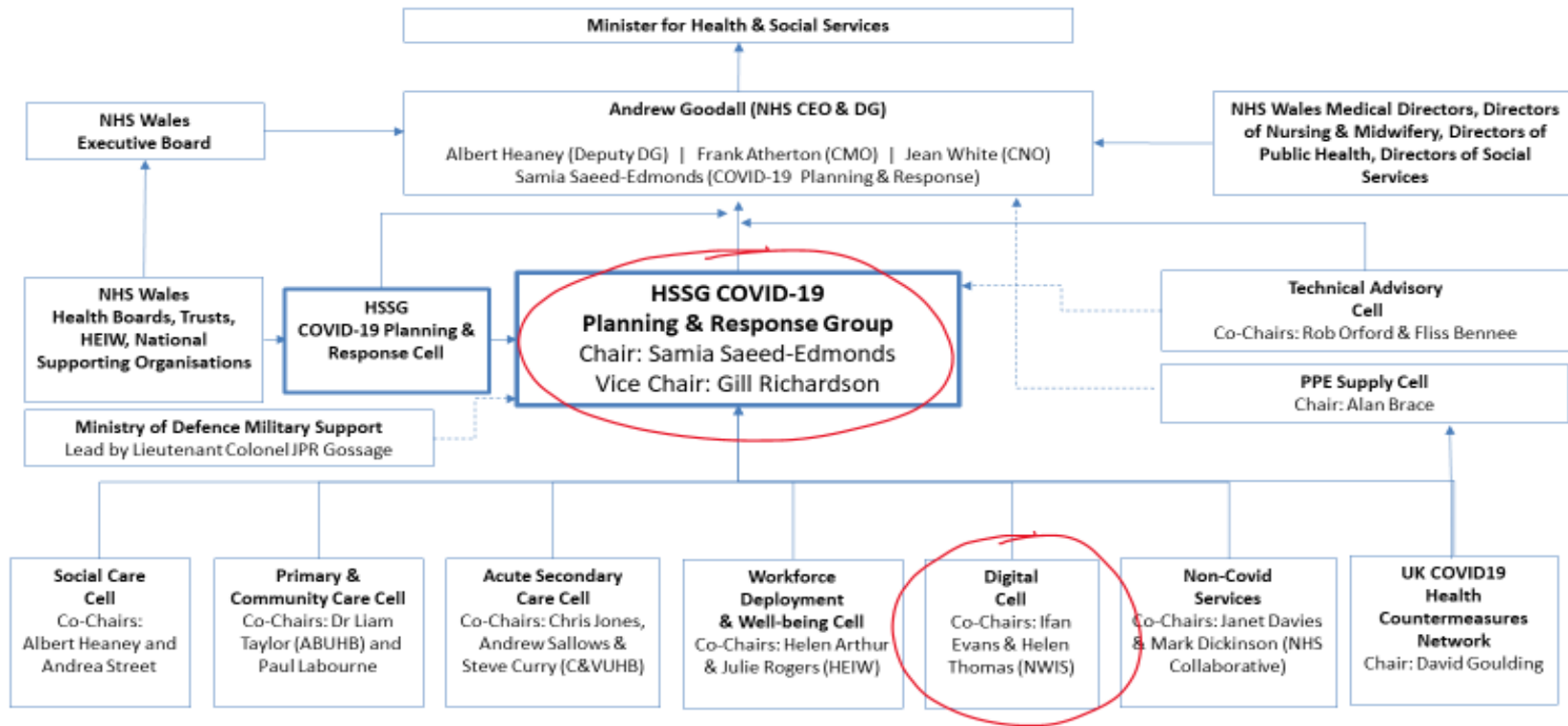
EQUALITY IMPACT ASSESSMENT STATEMENT	Date of submission: N/A
No, (detail included below as to reasoning)	Outcome: No Impact
Statement: The Covid-19 Command structure does not have any impact on the equity of our service.	

APPROVAL/SCRUTINY ROUTE:		
Person/Committee/Group who have received or considered this paper prior to this meeting		
COMMITTEE OR GROUP	DATE	OUTCOME
Emergency Planning & Response: Gold Group	11 March 2021	Approved

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
	Working from home has led to rethinking in terms of estates and on site working, this has resulted in savings due to non-renewal of leases.
WORKFORCE IMPLICATION/IMPACT	Yes, please see detail below
	The mobilization of the workforce to move to remote working in it's entirety has enabled internal working groups to facilitate moving to a wider variety of flexible working solutions being explored for the future.
SOCIO ECONOMIC IMPLICATION/IMPACT	No. there are no specific socio-economic implications related to the activity outlined in this report

Appendix A

H&SSG COVID-19 Planning & Response Structure Chart



Appendix B

NHS Wales Informatics Service: Response to Covid-19 2020-2021



DigitalandCOVID19
NWIS-cym.pdf



DigitalandCOVID19
NWIS-eng.pdf



GIG
CYMRU
NHS
WALES

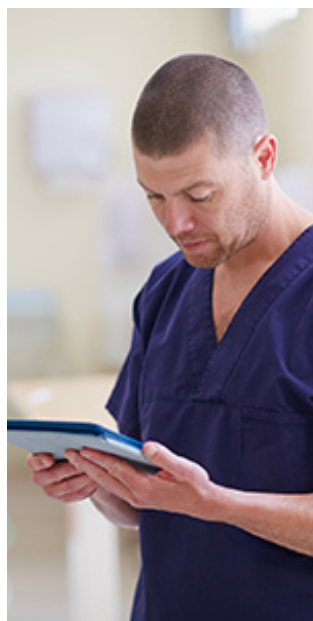
Gwasanaeth
Gwybodeg
Informatics
Service

Digital and COVID-19

TECHNOLOGY IS AT THE HEART OF WALES' RESPONSE TO THE COVID-19 PANDEMIC. It has the potential to **save lives**, **enable remote working** and **provide the information needed to deliver the best possible care**.

At the outset we acted swiftly, and in a short space of time provided the technology and information needed to help manage the impact of COVID-19.

With an all-Wales technical platform already in place we had the integration and interoperability needed to introduce new capabilities and data flows.



PRIMARY CARE



We gave GPs **remote access to the clinical desktop** so they can work anywhere, from home or the surgery, and enabled an email at home service – allowing practice staff access to their NHS email from any location.

We also put the **Welsh Clinical Portal** on the desktop so family doctors can view patients' hospital information such as discharge summaries and clinical letters. This is aiding diagnosis and dramatically reducing the time spent chasing patient information.

Patients are now able to use **video conferencing** for remote non-contact consultations with their GP, community nurses and mental health teams. Support, implementation and training to accelerate uptake is provided by our Primary Care Services Team.

And GP practices were allocated an extra two text messages per patient to help keep in contact with patients during a time of rapid change to services.

New systems are not only providing social distancing benefits but are contributing to the longer-term transformation of care.

Mark Allen, Practice Pharmacist at North Cardiff Medical Centre told us:

"You have changed the way we will work in the future and given us the ability to work from anywhere."

Other Comments from GPs include

- *"Excellent call quality made a skin infection diagnosis possible"*
- *"Did find this very useful and have used it with a case of possible COVID which enabled assessment and help to my patient for both of our benefit"*

Patients have also been pleased with the new digital service.

- *"This is a very useful facility and could be used more widely in the future"*
- *"Excellent service. This has now saved us a trip to the surgery and therefore ensuring the doctors are available for other patients. Thank you!"*

TEST, TRACE, PROTECT



When Community Testing Units (CTUs) were first set up tests were requested using paper-forms. In response, we fast-tracked development of a COVID-19 **digital test request and results** reporting service, made available through the Welsh Clinic Portal.

Using expertise from across the Informatics Service an e-test request service was developed within two weeks and went live at the start of April. More than 95% of tests are now digital.

The test result is stored in the patient's digital record. Negative results are forwarded to the patient by SMS message, while patients with positive tests receive a phone call.

As part of Wales' Test, Trace and Protect service, we worked with industry partners to

develop the **all-Wales digital contact tracing system** within three weeks.

The contract tracing system allows people who have had a positive test for COVID-19 to provide details of close contacts electronically.

Contacts will then be asked to self-isolate for 14 days as a precaution to prevent the virus spreading further.

During this period daily monitoring is managed through the contact tracing system. Depending on individual choice, contacts can be monitored via text message, email or automated phone calls, with responses fed directly back into the system. Contacts can also choose to receive a personal call from an advisor.



TEST



TRACE



PROTECT

All information is fed back directly into the contact tracing system with alerts flagged for people who are not feeling well.

SECONDARY CARE



With around 1200 outpatients' clinics taking place in Wales on an average day, we **accelerated developments** to support remote clinical consultations, adding features to the Welsh Clinical Portal (WCP) to support virtual clinics.

A new **digital outpatient form** allows the clinician to record the virtual appointment outcome online. It means the consultant is able to use the WCP, wherever they are, to access their clinic list, review the patient record, record the details of the consultation and capture the decision, supporting the

Rebecca has a chronic condition and the appointment with her gastroenterology specialist at University Hospital Wales was critical to her ongoing care and well-being. As the consultant was self-isolating at home, Rebecca was offered a remote consultation.

She said: *"My consultant was able to use the Welsh Clinical Portal from home to access my details and test results. The appointment was just as useful as a face to face appointment and far less stressful. It made such a difference!"*

"The work you are doing to make digital services available for health and care is fantastic."

We accelerated implementation of the Fuji Mobility **image viewing** software, which means secondary care clinicians in Wales can now view images across health board boundaries.

If a patient dies due to the COVID-19 virus clinicians can report the death through the WCP. While it does not replace a death certificate it saves time as clinicians no longer need to phone Public Health Wales. This securely collected Mortality Surveillance data is vital to help the NHS in Wales manage during this pandemic.

We launched the **WCP mobile app** for hospital doctors to use on iOS and Android devices. It offers patient information on the go and at the bedside, including notifications, view and sign off test results, add and edit notes and tasks for patients.

Porthol Clinigol Cymru Welsh Clinical Portal

The Welsh Clinical Portal is the home of the digital patient record. It shares, delivers and displays patient information from a number of sources with a single log-on, so information is where and when its needed.



the **SINGLE DIGITAL HEALTH RECORD** for Wales

INFORMATION AND DATA



To understand and predict demand on health and care services during the COVID-19 pandemic timely data is critical.

We are supporting the establishment of the National Data Resource (NDR), a flagship Welsh Government Programme to use health and care data for better care, by enabling a data driven NHS Wales.

Working collaboratively with all seven health boards, we fast-tracked development of a new **Data Hub**, so decision makers have a real-time view of the NHS Wales' response to the pandemic.

The data hub brings together information from disparate sources, providing a single source of evidence about a rapidly changing situation. It can be used to

- identify hot-spots and trends in access to healthcare
- manage capacity based on demand and availability

Data is collected from across NHS Wales, hospitals, GP surgeries, emergency care, the Welsh Ambulance Service, 111 and NHS Direct Wales call centres and is combined with COVID-19 test results.

Collected data is held securely within the NHS Wales data warehouse, and is cleansed,

anonymised and integrated to provide the metrics and scientific evidence required to aid understanding at both local, national and UK levels.

Reports available illustrate the status of the NHS Wales response to COVID-19. The data hub does not provide access to any patient-level data.

- Capacity at hospitals in each health board, including admissions and discharges, invasive ventilator beds, other COVID-19 related beds, mortuary spaces and hospitals deaths.
- Positive COVID-19 lab tests by local authority
- Daily attendances at hospital Emergency Departments
- Statistics from the ambulance service and NHS 111 call centres
- GP appointments data

We also produced the **Shielded Patient's List** to allow public sector bodies to support people identified as needing to shield during the pandemic.

As part of the technology solutions needed to support the NHS during the pandemic, we refocussed our [website](#) around digital support updates for healthcare professionals.

INFRASTRUCTURE AND CORE SERVICES



To provide colleagues with the latest collaboration tools we made Office 365 available across NHS Wales and rolled out **Teams** to more than 16,000 users including GPs. This has also kept information flowing, supporting collaboration and liaison among colleagues and health professionals.

To provide the capacity for high resolution remote and mobile services we doubled the capability of the NHS Wales **network** bandwidth from 5gb to 10gb.

The enhanced bandwidth comes on the heels of rapid improvements in network capability by our Core Services team and cooperation between Welsh Government, Welsh health boards, service suppliers like BT, and many other organisations.



WE ARE THE NATIONAL ORGANISATION BUILDING
AND DESIGNING DIGITAL SERVICES FOR NHS WALES.



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NHS
WALES

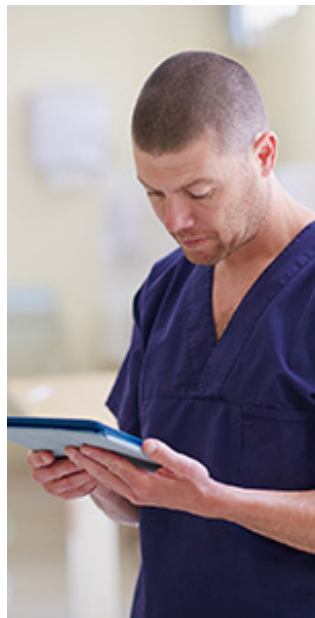
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Service

Digidol a COVID-19

MAE TECHNOLEG WRTH WRAIDD YMATEB CYMRU I BANDEMIG COVID-19. Mae ganddi'r potensial i achub bywydau, galluogi gweithio o bell a darparu'r wybodaeth sydd ei hangen i ddarparu'r gofal gorau posibl.

Ar y cychwyn, fe wnaethom weithredu'n gyflym, ac mewn cyfnod byr gwnaethom ddarparu'r dechnoleg a'r wybodaeth a oedd eu hangen i helpu i reoli effaith COVID-19.

Gan fod platfform technegol Cymru Gyfan eisoes ar waith, roedd gennym yr integreiddio a'r gallu i rymgweithredu sydd ei angen i gyflwyno galluoedd a llif data newydd.



GOFAL SYLFAENOL



Rhoesom fynediad o bell i feddygon teulu i'r bwrdd gwaith clinigol er mwyn eu galluogi i weithio yn unrhyw le, o'r cartref neu'r feddygfa, a galluogi gwasanaeth e-bost gartref - gan ganiatáu i staff y practis gael mynediad i'w negeseuon e-bost GIG o unrhyw leoliad.

Rydym hefyd yn rhoi **Porthol Clinigol Cymru** ar y bwrdd gwaith er mwyn i feddygon teulu allu gweld gwybodaeth ysbyty cleifion megis crynodebau rhyddhau a llythyrau clinigol. Mae hyn yn cynorthwyo diagnosis ac yn lleihau'n sylweddol yr amser a dreulir yn cyrchu gwybodaeth cleifion.

Erbyn hyn, gall cleifion ddefnyddio **fideo-gynadledda** ar gyfer ymgynghoriadau digyswllt o bell gyda'u meddygon teulu, nyrsys cymunedol a thimau iechyd meddwl. Mae ein tîm Gwasanaethau Gofal Sylfaenol yn darparu cefnogaeth, gweithredu a hyfforddiant i gyflymu'r nifer sy'n ei dderbyn.

A dyrannwyd dwy neges destun ychwanegol i bob practis meddyg teulu i helpu i gadw mewn cysylltiad â chleifion yn ystod cyfnod o newid cyflym i wasanaethau.

Nid yn unig y mae systemau newydd yn darparu buddion o ran cadw pellter cymdeithasol, ond maent yn cyfrannu at

drawsnewid gofal yn y tymor hwy.

Dywedodd Mark Allen, Fferyllydd Practis yng Nghanolfan Feddygol Gogledd Caerdydd wrthym:

"Rydych chi wedi newid y ffordd y byddwn ni'n gweithio yn y dyfodol ac wedi rhoi'r gallu i ni weithio o unrhyw le."

Mae sylwadau eraill gan feddygon teulu yn cynnwys

- *"Roedd ansawdd galwadau rhagorol wedi gwneud diagnosis haint croen yn bosibl"*
- *"Roedd hyn yn ddefnyddiol iawn i mi ac rwyf wedi ei ddefnyddio gydag achos o COVID-19 posib a alluogodd asesiad a help i'm claf a oedd o fudd i'r ddau ohonom."*

Mae cleifion hefyd wedi bod yn falch o'r gwasanaeth digidol newydd.

- *Mae hwn yn gyfleuster defnyddiol iawn a gellid ei ddefnyddio'n ehangach yn y dyfodol."*
- *"Gwasanaeth rhagorol. Bellach, mae hyn wedi arbed taith i'r feddygfa inni ac felly mae'n sicrhau bod y meddygon ar gael i gleifion eraill. Diolch!"*

PROFI, OLRHAIN, DIOGELU



Pan sefydlwyd Unedau Profi Cymunedol (CTUs) gyntaf, gwnaed ceisiadau am brofion gan ddefnyddio ffurflenni papur. Mewn ymateb, gwnaethom gyflymu datblygiad cais am brawf COVID-19 a **gwasanaeth adrodd canlyniadau digidol**, a oedd ar gael trwy Borthol Clinig Cymru.

Gan ddefnyddio arbenigedd o bob rhan o'r Gwasanaeth Gwybodeg, datblygwyd gwasanaeth ceisiadau e-brofi o fewn pythefnos ac aeth yn fyw ddechrau mis Ebrill. Mae dros 95% o'r profion bellach yn ddigidol.

Mae canlyniad y prawf yn cael ei storio yng nghofnod digidol y claf. Mae canlyniadau negatif yn cael eu hanfon at y claf trwy neges SMS, tra bod cleifion â phroffion positif yn derbyn galwad ffôn.

Fel rhan o wasanaeth Profi Olrhain Diogelu Cymru, buom yn gweithio gyda phartneriaid

diwydiant i ddatblygu **system olrhain cysylltiadau digidol ar gyfer Cymru Gyfan** o fewn tair wythnos.

Mae'r system olrhain cysylltiadau yn caniatáu i bobl sydd wedi cael prawf positif ar gyfer COVID-19 roi manylion cysylltiadau agos yn electronig.

Yna gofynnir i gysylltiadau hunanynysu am 14 diwrnod fel rhagofal i atal y feirws rhag lledaenu ymhellach.

Yn ystod y cyfnod hwn, rheolir monitro dyddiol trwy'r system olrhain cysylltiadau. Yn dibynnu ar ddewis yr unigolyn, gellir monitro cysylltiadau trwy neges destun, e-bost neu alwadau ffôn awtomataidd, a bydd ymatebion yn cael eu bwydo'n ôl yn uniongyrchol i'r system. Gall cysylltiadau hefyd ddewis derbyn galwad bersonol gan gynghorydd.

Mae'r holl wybodaeth yn cael ei bwydo'n ôl yn uniongyrchol i'r system olrhain cysylltiadau ac mae rhybuddion yn cael eu nodi ar gyfer pobl nad ydyn nhw'n teimlo'n hwylus.



GOFAL EILAIDD



Gyda thua 1,200 o glinigau cleifion allanol yn cael eu cynnal yng Nghymru ar ddiwrnod arferol, gwnaethom **gyflymu datblygiadau** i gefnogi ymgynghoriadau clinigol o bell, gan ychwanegu nodweddion at Borthol Clinigol Cymru i gefnogi clinigau rhithwir.

Mae **ffurflen ddigidol newydd** i gleifion allanol yn caniatáu i'r clinigwr gofnodi canlyniad apwyntiad rhithwir ar-lein. Mae'n golygu bod yr ymgynghorydd yn gallu defnyddio Porthol Clinigol Cymru, ble bynnag y mae, i gael mynediad i'w restr clinigau, adolygu cofnod y claf, cofnodi manylion yr ymgynghoriad a'r penderfyniad.

Mae gan Rebecca gyflwr cronig ac roedd yr apwyntiad gyda'i harbenigwr gastroenteroleg yn Ysbyty Athrofaol Cymru yn hanfodol i'w gofal parhaus a'i llesiant. Gan fod yr ymgynghorydd yn hunanynysu gartref, cafodd Rebecca gynnig ymgynghoriad o bell.

Meddai: *"Llwyddodd fy ymgynghorydd i ddefnyddio Porthol Clinigol Cymru o'i gartref er mwyn gweld fy manylion a chanlyniadau profion. Roedd yr apwyntiad yr un mor ddefnyddiol ag apwyntiad wyneb yn wyneb ac roedd yn llai o straen*

o lawer. Gwnaeth gymaint o wahaniaeth!

"Mae'r gwaith rydych chi'n ei wneud i sicrhau bod gwasanaethau digidol ar gael ar gyfer iechyd a gofal yn arbennig."

Gwnaethom gyflymu'r broses o gyflwyno meddalwedd **gwyllo delweddau** Fuji Mobility, sy'n golygu bod clinigwyr gofal eilaidd yng Nghymru bellach yn gallu gweld delweddau ar draws ffiniau byrddau iechyd.

Os bydd claf yn marw oherwydd feirws COVID-19, gall clinigwyr gofnodi'r farwolaeth trwy Borthol Clinigol Cymru. Er nad yw'n disodli tystysgrif marwolaeth, mae'n arbed amser gan nad oes angen i glinigwyr ffonio Iechyd Cyhoeddus Cymru mwyach. Mae'r data Gwylidwriaeth ar Farwolaethau hyn a gesglir yn ddiogel yn hanfodol i helpu GIG Cymru i ymdopi yn ystod y pandemig hwn.

Lansiwyd yr **ap symudol Porthol Clinigol Cymru** i feddygon ysbyty ei ddefnyddio ar ddyfeisiau iOS ac Android. Mae'n cynnig gwybodaeth cleifion y tu allan i'r ysbyty ac wrth ymyl y gwely, gan gynnwys hysbysiadau, gweld a chymeradwyo canlyniadau profion, ychwanegu a golygu nodiadau a thasgau i gleifion.

Porthol Clinigol Cymru Welsh Clinical Portal

Porthol Clinigol Cymru yw cartref y cofnod cleifion digidol. Mae'n rhannu, cyflwyno ac arddangos gwybodaeth i gleifion o nifer o ffynonellau trwy fewngofnodi unwaith, fel bod gwybodaeth ar gael ble a phryd bynnag mae ei hangen.



COFNOD IECHYD DIGIDOL CYMRU MEWN UN LLE

GWYBODAETH A DATA



Er mwyn deall a rhagweld y galw ar wasanaethau iechyd a gofal yn ystod pandemig COVID-19, mae'n hollbwysig meddu ar ddata yn gyflym.

Rydym yn cefnogi sefydlu'r Adnodd Data Cenedlaethol (NDR), rhaglen flaenllaw Llywodraeth Cymru i ddefnyddio data iechyd a gofal ar gyfer gofal gwell, trwy alluogi GIG Cymru a ysgogir gan ddata.

Gan weithio ar y cyd â phob un o'r saith bwrdd iechyd, gwnaethom gyflymu datblygiad **Hwb Data** newydd, fel bod y rhai sy'n gwneud penderfyniadau yn gallu gweld ymateb amser real GIG Cymru i'r pandemig.

Mae'r hwb data yn dwyn ynghyd wybodaeth o ffynonellau gwahanol, gan ddarparu ffynhonnell dystiolaeth mewn un lle am sefyllfa sy'n newid yn gyflym. Gellir ei ddefnyddio i

- nodi ardaloedd â phroblemau a thueddiadau o ran mynediad at ofal iechyd
- rheoli capasiti yn seiliedig ar alw ac argaeledd

Mae'r data a gesglir, a gedwir yn ddiogel yn warws data GIG Cymru, yn cael eu glanhau, eu gwneud yn ddienw a'u hintegreiddio i ddarparu'r metrigau a'r dystiolaeth wyddonol sy'n ofynnol i gynorthwyo

dealltwriaeth ar lefel leol, genedlaethol ac ar lefel y DU.

Mae'r adroddiadau sydd ar gael yn dangos statws ymateb GIG Cymru i COVID-19. Nid yw'r hwb data yn darparu mynediad at unrhyw ddata ar lefel cleifion.

- Mae'r data a gesglir, a gedwir yn ddiogel yn warws data GIG Cymru, yn cael eu glanhau, eu gwneud yn ddienw a'u hintegreiddio i ddarparu'r metrigau a'r dystiolaeth wyddonol sy'n ofynnol i gynorthwyo dealltwriaeth ar lefel leol, genedlaethol ac ar lefel y DU.
- Mae'r adroddiadau sydd ar gael yn dangos statws ymateb GIG Cymru i COVID-19. Nid yw'r hwb data yn darparu mynediad at unrhyw ddata ar lefel cleifion.

Fe wnaethom hefyd gynhyrchu **Rhestr Cleifion sy'n Gwarchod** i ganiatáu i gyrff y sector cyhoeddus gefnogi pobl y nodwyd bod angen iddynt warchod yn ystod y pandemig.

Fel rhan o'r atebion technoleg oedd eu hangen i gefnogi'r GIG yn ystod y pandemig, gwnaeth ein [gwefan](#) ganolbwyntio ar ddiweddariadau cymorth digidol ar gyfer gweithwyr gofal iechyd proffesiynol.

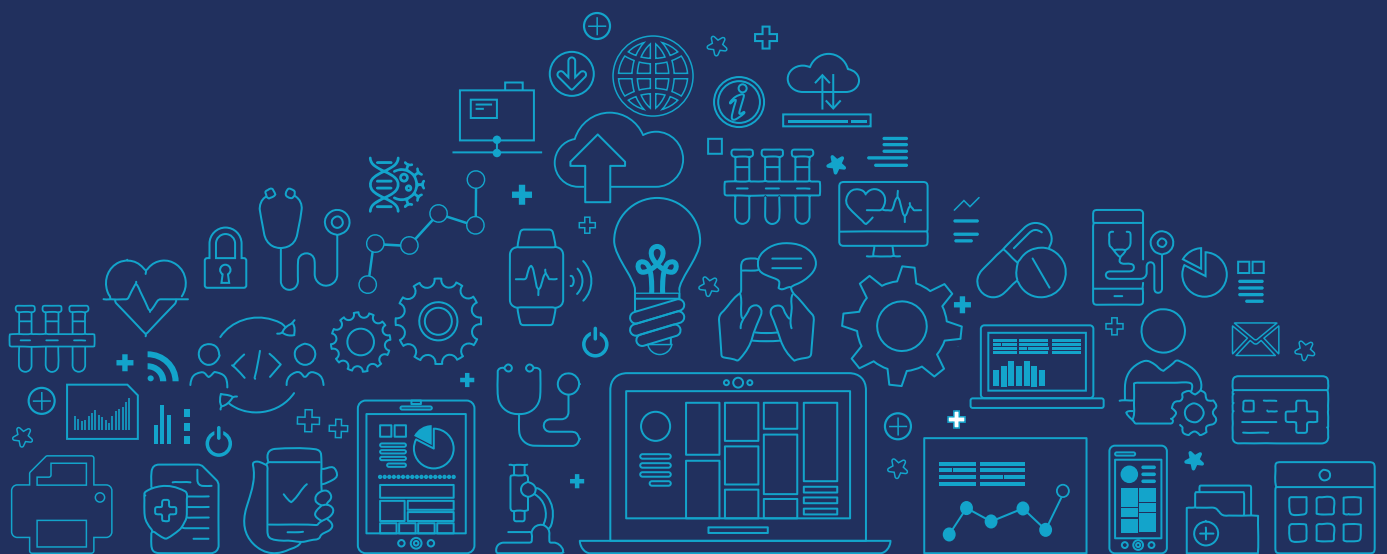
SEILWAITH A GWASANAETHAU CRAIDD



Er mwyn darparu'r offer cydweithio diweddaraf i gydweithwyr, gwnaethom sicrhau bod Office 365 ar gael ledled GIG Cymru a chyflwyno **Teams** i dros 16,000 o ddefnyddwyr gan gynnwys meddygon teulu. Mae hyn hefyd wedi cadw gwybodaeth i lifo, gan gefnogi cydweithredu a chysylltu ymhlith cydweithwyr a gweithwyr iechyd proffesiynol.

Er mwyn darparu'r capasiti ar gyfer gwasanaethau o bell a symudol eglur iawn, gwnaethom ddyblu gallu lled band **rhwydwaith** GIG Cymru o 5gb i 10gb.

Daw'r lled band gwell yn dilyn gwelliannau cyflym yng nghapasiti rhwydwaith gan ein tîm Gwasanaethau Craidd a chydweithrediad rhwng Llywodraeth Cymru, byrddau iechyd Cymru, cyflenwyr gwasanaeth fel BT, a llawer o sefydliadau eraill.



NI YW'R SEFYDLIAD CENEDLAETHOL SY'N ADEILADU
AC YN DYLUNIO GWASANAETHAU DIGIDOL AR GYFER
GIG CYMRU.

DIGITAL HEALTH AND CARE WALES

NHS Wales Informatics Service Legacy and Opportunities for Digital Health and Care Wales

Agenda Item	5.2
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Name of Meeting	SHA Board
Date of Meeting	01 April 2021

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

Executive Sponsor	Helen Thomas, Interim Chief Executive
Prepared By	Chris Darling, Board Secretary
Presented By	Helen Thomas, Interim Chief Executive

Purpose of the Report	For Discussion/Review
Recommendation	The Board is being asked to NOTE and DISCUSS the content of the presentation included as Appendix 1.

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

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Acronyms			
DHCW	Digital Health and Care Wales	NWIS	NHS Wales Informatics Service

1 SITUATION/BACKGROUND

- 1.1 NWIS was created in April 2010 with the purpose of delivering information and technology for better care in NHS Wales.

2 SPECIFIC MATTERS FOR CONSIDERATION BY THIS MEETING (ASSESSMENT)

- 2.1 The transition from NWIS to DHCW was announced by the Minister for Health and Social Services in October 2019. The presentation included as Appendix 1 showcases some of the major NWIS achievements over the past eleven years and looks ahead to the opportunities presented to DHCW as a newly established Special Health Authority.
- 2.2 The transition to DHCW provides a fantastic opportunity to deliver the NWIS vision to create greater social and economic value by delivering to the people of Wales first-class digital health and care services which will enable more effective, efficient, safer decision-making by providing access to content-rich, person-focused health and care data and information.

3 KEY RISKS/MATTERS FOR ESCALATION TO BOARD/COMMITTEE

- 3.1 Transitioning from NWIS to DHCW aims to strengthen the governance and accountability, both in terms of relationships with other NHS organisations and through stronger leadership and oversight.

4 RECOMMENDATION

The Board is being asked to **NOTE** and **DISCUSS** the content of the presentation set out as Appendix 1.

5 IMPACT ASSESSMENT

STRATEGIC OBJECTIVE	All Objectives apply
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CORPORATE RISK (ref if appropriate)	
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WELL-BEING OF FUTURE GENERATIONS ACT	Choose an item.
If more than one standard applies, please list below: All areas of the act apply.	

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

HEALTH CARE STANDARD	Choose an item.
If more than one standard applies, please list below: All standards apply	

EQUALITY IMPACT ASSESSMENT STATEMENT	Date of submission:
No, (detail included below as to reasoning)	Outcome:
Statement: As the organisation is coming to a close, there is no specific impact, this will be adopted by Digital Health and Care Wales. The new governance structure has been assessed as part of the Standing Orders Equality Impact Assessment with no negative impact identified.	

APPROVAL/SCRUTINY ROUTE:		
Person/Committee/Group who have received or considered this paper prior to this meeting		
COMMITTEE OR GROUP	DATE	OUTCOME

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.

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FINANCIAL IMPLICATION/IMPACT	No, there are no specific financial implication 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

Delivering digital health and care for the people of Wales

1st April 2021

Helen Thomas

Interim Chief Executive Officer



GIG
CYMRU
NHS
WALES

lechyd a Gofal
Digidol Cymru
Digital Health
and Care Wales



DIGITAL FOUNDATIONS

A decade of national development

In 2010 NWIS was an organisation that provided **some** national services

By 2021 NWIS had developed into an organisation providing essential **national services** to **all users** across NHS Wales

National services that are **critical** for the delivery of **patient care**



NHS WALES INFORMATICS SERVICE | CREATED IN APRIL 2010 AS A HOSTED ORGANISATION WITHIN VELINDRE NHS TRUST INHERITED FUNCTIONS AND RESPONSIBILITIES FROM THE FIVE ORGANISATIONS WHICH JOINED TO BECOME NWIS:

INFORMING HEALTHCARE PROGRAMME

Deliver the roadmap for Welsh Government's Informing Healthcare Strategy - with 5 key themes:

- Support the delivery of integrated health and social care records.

- Support new ways of working through a technologically literate workforce.

- Using technology to support shared decision-making.

- Using technology to support service improvement.

- Improving data and knowledge management and transfer across Wales.

The programme operated on an all-Wales basis and had responsibility for:

Development of a strategic roadmap or blueprint for future services as well as commissioning new digital services (now recognised as the national architecture) and leading strategic procurement of digital services on behalf of NHS Wales.

All the key functions continued by NWIS following the merger in April 2010.

PRIMARY CARE INFORMATICS PROGRAMME

The Primary Care Informatics Programme had the following responsibilities:

- Support the IM&T requirements for all primary care services across Wales.

- Ensure the delivery of a corporate, consistent and equitable approach to ICT facilities and services to primary care services in Wales.

- Set corporate IM&T policy and strategic direction for all primary care services in Wales.

- Ensure primary care IM&T compliance with future integration requirements with national applications and services, including the Individual Health Record.

The continuation of these functions on an all-Wales basis by NWIS.

The majority of NWIS operations are managed by in-house teams, including finance, workforce & organisational development, commercial services, facilities & estates and planning & performance.

HEALTH SOLUTIONS WALES

Primary functions: To develop, manage and support software on behalf of NHS Wales.

Provide data collection and management across NHS Wales.

Provision of technical infrastructure for NHS Wales, this included network and servers, email technology and it security. **Following the creation of NWIS, these functions continued to be provided on an all-Wales basis.**

BUSINESS SERVICES CENTRE (IM&T DEPARTMENT)

NWIS inherited the following: Information Management and Technology (IM&T) Department

These functions included: The provision of information support, management and analysis on behalf of the (then) 22 local Health Boards.

Technical support and service desk functions on an all-Wales basis.

In 2010 these functions became part of the scope and remit of NWIS.

THE CORPORATE HEALTH INFORMATION PROGRAMME

Established to improve the quality of data collected across NHS Wales: This was driven through the setting of data standards consistently across NHS Wales systems and using the improved quality of data to drive service improvement.

This work forms part of the remit of the information services directorate in NWIS and work on improving data quality has continued under the NWIS portfolio of functions.

NWIS receives its direction from Welsh Government and submits an Integrated Medium Term Plan (IMTP) to Welsh Government that is separate to the Trust's.



DIGITAL ACHIEVEMENTS NWIS 2010 – 2021

There is a national IT
system behind every step
of a patient's care

NWIS DELIVERED

A single digital health record for every patient - connecting health information across Wales



Welsh Clinical Portal used
in every health board,
WAST clinical hubs, EMRTS,
OOH services and primary
care **2015 – 8,000 users**
2020 - 27,000 users



**Welsh Clinical Portal mobile
app for information on the go**
2-factor authentication
Downloadable from Apple
and Android stores



**Welsh Care Record Service
documents**
2017 – 8 million
2020 – 34 million
Results and Reports
2016 – 100 million
2020 - over 191million

NWIS DELIVERED

Vital clinical information **where and when its needed**



Welsh Patient Referral System

First 6 months of 2016

3,300 referrals

Final 6 months of 2020

20,500 referrals (per month)



E- Test Requesting

Pathology – live 2017

Covid-19 - live 2020

Radiology – live 2020

Histopathology - due 2021

Electronic results alerts and electronic
sign off acknowledgment for these
tests



Welsh Clinical Portal and COVID

Accelerated developments

Digital Outpatient Form

COVID deaths reporting

Mobility image viewing software

WCP Mobile app

NWIS DELIVERED

National systems



National **radiology, PACS, Child Health, Demographic and Patient Administration Systems** plus a **Laboratory Information Management System** processing **30 million tests a year**



National **information and statistical services** and introduced SNOMED CT – a modern clinical vocabulary for digital services



Support for **COVID-19** Test, Trace and Protect, the Welsh Immunisation System, video conferencing, remote working, COVID-19 data hub, WCP for GPs

NWIS DELIVERED

A national technical platform and infrastructure



Office 365 and Web

for better collaboration and improved connectivity between health professionals

A new Content Management System for NHS Wales websites



A national architecture – connecting hospitals, GPs, health centres, pharmacies, dentists and opticians



Data Centres & Cloud

The 'invisible' backbone of digital services
Hosting and managing NHS Wales patient data, back-up, disaster recovery, system performance

NWIS DELIVERED

New digital services to **GPs, patients, community pharmacy and dentists**



Welsh GP Summary Record
full summary record for **3.1 million**
people

Monthly access increased
860 during the first six months of 2015
42,000 **per month** in the final
six months of 2020



Choose Pharmacy digital platform
common ailments, emergency
medicines & contraception, medicines
review, sore throat test and treat, flu
jabs,

My Health Online for GP
appointments & repeat prescriptions
Dental e-referral system



New **digital services for GP practices**, remote access, e-referrals, text messaging, GP2GP data transfers, managed desktop service, virtual consultations, test requests and results

NWIS DELIVERED

National information governance and assurance



Information Governance

Control standard for the
Electronic Patient Record,
Data Protection Impact
Assessments,
National Intelligent
Integrated Audit Solution



Clinical systems assurance processes

Clinical risk management



Cyber security

Keeping patient
information safe and secure
and guarding against cyber
crime

NWIS DELIVERED

Professional development, education and e-learning



Wales Institute of Digital Information (WIDI) A strategic partnership with the University of Wales Trinity Saint David (UWTSD) and the University of South Wales (USW)

CCIO Network Cymru
Welsh Clinical Informatics Council (WCIC)
NHS Digital Health Leadership Programme

Business Change Team to support new ways of working
e-Design Team creating national user-friendly eLearning

AN AWARD WINNING ORGANISATION

NURSING TIMES 2020 AWARD

Top award in the category Technology and Data in Nursing for our work on the national transformation of nursing documentation

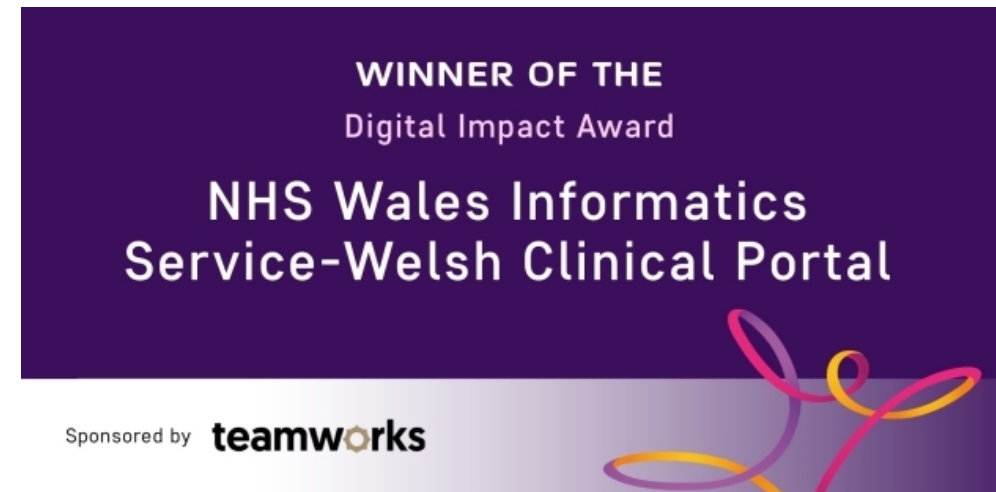
Supports evidenced based nursing to improve outcomes and care for the citizens Wales

WIN FOR WCP MOBILE APP

Awarded the top spot in the Digital Impact category at the MediWales awards.

Allows the medical workforce to access relevant patient information while on-the go from a mobile phone or tablet.

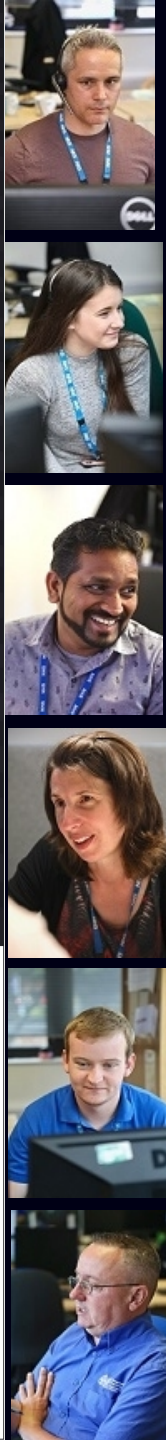
Helps to prevent extra footfall and transfer of paperwork in hospitals during the Covid-19 outbreak



UK IT INDUSTRY AWARDS

WINNER

Best place to work in IT 2020



DAWN OF A NEW **DIGITAL ERA** FOR **HEALTH AND CARE**

- A new national organisation, with new leadership
- Focus on transforming care delivery
- Modern and mobile services for medical staff and patients
- Best use of data for insights and to support individual health and well-being



WORKING TOGETHER AS A TRUSTED DELIVERY PARTNER

PROACTIVE ALIGNMENT OF ACHIEVABLE NATIONAL DIGITAL HEALTH AND CARE TRANSFORMATION FOR THE BENEFIT OF PATIENTS, STAFF AND NHS WALES ORGANISATIONS.

Joint strategic planning and review of national digital initiatives and implementations

Open and proactive dialogue on prioritisation of projects and their implementation time lines across all frameworks of delivery set by Welsh Government and NHS Wales

Agreement of key activities involving strategic use of digital health technologies to support system and service improvement

Understanding of local drivers for change and opportunities to work together

Understand dependencies on fundamental digital services, e.g. cyber security, client devices and infrastructure

Coordinated progress via national governance structures

Ensure that structures and processes are in place to **support a collaborative approach** to national system delivery and implementation





GIG
CYMRU
NHS
WALES

Iechyd a Gofal
Digidol Cymru
Digital Health
and Care Wales

Diolch
Thank you