

Public Audit & Assurance Committee Meeting

Tue 02 September 2025, 09:00 - 11:00

Microsoft Teams

Agenda

09:00 - 09:10
10 min

1. Preliminaries

1.1. Welcome & Introductions

Rhian Thomas

1.2. Apologies for Absence

Rhian Thomas

1.3. Declarations of Interest

Rhian Thomas

1.4. Minutes of the Committee meeting held: 20.05.2025 and Special meeting held 25.06.2025

Rhian Thomas

- 📄 1.4a - Draft Public Audit Committee Minutes 20.05.2025.pdf (12 pages)
- 📄 1.4b - Special Public Audit Minutes 25.06.2025.pdf (5 pages)

1.5. Actions following meeting held: 20.05.2025

Rhian Thomas

- 📄 1.5 Action Log - Public Audit & Assurance (9).pdf (1 pages)

1.6. Any Other Urgent Business

Rhian Thomas

09:10 - 10:40
90 min

2. Items for Review & Assurance

2.1. Internal Audit Progress Report including: (30 MINUTES)

Ian Virgil

- M365 Benefits Realisation (Reasonable Assurance)
- Therapies and Health Sciences – Agency, Additional Hours and Overtime (Reasonable Assurance)
- Waiting List Management (Reasonable Assurance)
- Surgery CB Governance Arrangements (Reasonable Assurance)
- Follow-up: Alcohol Standards (**Limited Assurance**)
- Contract Management (Advisory)
- Medicine CB Acute Medicine Model (Reasonable Assurance)
- Integrated Annual Plan (Reasonable Assurance)
- Cyber Security (**Limited Assurance**)

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All of the reports can be located in the supporting documents folder.

- 2.1.a - CV AC A&A Progress Report September 25 cover (2).pdf (3 pages)
- 2.1.b - CV AC A&A Progress Report September 25.pdf (30 pages)

2.2. Audit Wales Update (20 MINUTES)

Wales Audit

- 2.2 - 4679A2025 CVUHB Audit Committee Update (September 2025).pdf (12 pages)

2.3. Procurement Compliance Report (10 MINUTES)

Catherine Phillips

- 2.3a - Procurement Audit Committee Board Report - August 2025 v2.pdf (9 pages)
- 2.3b - STA's reported August 25 (1).pdf (1 pages)
- 2.3c - Supplementary information for the Director of Finance - August 2025 (1).pdf (3 pages)

2.4. Post Payment Verification End of Year report 2024/25 (10 MINUTES)

Catherine Phillips

- 2.4a - PPV Board Committee Covering Report 2025-26.pdf (3 pages)
- 2.4b - C&VuHB End of Year PPV Report 2024-2025.pdf (2 pages)

2.5. Structured Assessment Update (10 MINUTES)

Matt Phillips

- 2.5 Structured Assessment Response Cover Report.pdf (2 pages)
- 2.5a Audit Wales Structured Assessment 2024.pdf (42 pages)
- 2.5b - Appendix 2 - Structured Assessment 2024 actions progress updated.pdf (3 pages)

2.6. Tackling the Planned Care Challenges (10 MINUTES)

Catherine Wood

- 2.6 - C&VUHB Tackling the Planned Care Challenges (1).pdf (54 pages)

10:40 - 10:40 3. Items for Approval/Ratification

0 min

No items for approval

10:40 - 10:40 4. Items for Noting & Information

0 min

4.1. Counter Fraud Progress Update

Henry Bales

- 4.1a - COUNTER FRAUD PROGRESS _ PUBLIC _ COVER SHEET P2.pdf (2 pages)
- 4.1b - COUNTER FRAUD PROGRESS REPORT - CAVUHB PUBLIC P2.pdf (9 pages)

10:40 - 10:40 5. Agenda for Private Audit and Assurance Committee

0 min

- Counter Fraud Progress Update (Confidential – ongoing investigations)
- Health Board Salaries Overpayment Update

10:40 - 10:40 6. Any Other Business

0 min

10:40 - 10:40 7. Review & Final Closure

0 min

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7.1. Items to defer to the Board / Committees & Review of Future Actions

Rhian Thomas

7.2. Date and Time of the next Committee meeting:

Tuesday 18 November 2025 via MS Teams

7.3. 5-minute break prior to Private Session

10:40 - 10:40 8. Declaration

0 min

To consider a resolution 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 [Section 1(2) Public Bodies (Admission to Meetings) Act 1960].

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**Minutes of the Public Audit & Assurance Committee Meeting
Held On 20 May 2025 at 9:00am
Via MS Teams**

View the full meeting here: https://youtu.be/jcSAYo_B69M

Please note that each item has been linked below so that it will start playing from that point. If you are unable to view sections, please copy and paste the link into your preferred internet browser.

Chair:		
Rhian Thomas	RT	Independent Member for Capital and Estates and Committee Chair (CC)
Present:		
David Edwards	DE	Independent Member for ICT
Ceri Phillips	CP	Vice Chair of the Health Board
Mike Jones	MJ	Independent Member – Trade Union
In Attendance:		
Henry Bales	HB	Lead Local Counter Fraud Specialist
Rachel Chilcott	RC	Corporate Governance Officer
Rachel Freitag	RF	Audit Manager – Audit Wales
Rachel Gidman	RG	Executive Director of People and Culture
Hannah Jones	HJ	Senior Auditor - Audit Wales
Lucy Jugessur	LJ	Deputy Head of Internal Audit
Helen Lawrence	HL	Assistant Director of Finance
Martyn Lewis	ML	Auditor – Internal Audit
Robert Mahoney	RM	Deputy Director of Finance
Urvisha Perez	UP	Audit Lead - Audit Wales
Matt Phillips	MP	Director of Corporate Governance
Abrie Theron	AT	Clinical Board Director Surgery
David Thomas	DT	Director of Digital & Health Intelligence
Frankie Thomas	FT	Head of Corporate Governance
Ian Virgil	IV	Head of Internal Audit
Observers:		
Bevan Howells	BH	Graduate Management Trainee
Secretariat:		
Nathan Saunders	NS	Senior Corporate Governance Officer
Apologies:		
Catherine Phillips	CP	Executive Director of Finance
John Union	JU	Independent Member for Finance
Rachna Upadhyia	RU	Independent Member

Item No	Agenda Item	Action
A&A 25/05/001	Welcome & Introduction (click to view) The Committee Chair (CC) welcomed everyone to the meeting.	
A&A 25/05/002	Apologies for Absence (click to view) Apologies for absence were received. The Committee resolved that: a) Apologies were noted.	
A&A	Declarations of Interest	

25/05/003	<p>The Committee resolved that:</p> <p>a) No Declarations of Interest were noted.</p>	
<p>A&A 25/05/004</p>	<p>Minutes of the Committee meeting held 04.02.2025 (click to view)</p> <p>The Minutes of the Meeting Held on the 04.02.2025 were received.</p> <p>The Committee resolved that:</p> <p>a) The draft minutes of the meetings held on 04.02.2025 were deemed to be a true and accurate record of the meeting.</p>	
<p>A&A 25/05/005</p>	<p>Actions following meeting held: 04.02.2024 (click to view)</p> <p>The Actions were received.</p> <p>The Committee resolved that:</p> <p>a) The Actions were discussed and noted.</p>	
<p>A&A 25/05/006</p>	<p>Internal Audit Progress Report: (click to view)</p> <p>The Internal Audit Progress Report was received.</p> <p>The Head of Internal Audit (HIA) provided an update on the audit progress report, highlighting that ten reports were finalised in time for the committee meeting, with two receiving limited assurance. He also mentioned the overall progress with the delivery of the plan, including completed, draft, and ongoing audits.</p> <p>It was noted that seven reports had been planned to be reported to the Committee but had not met that deadline due to various issues such as engagement, and resourcing.</p> <p>The HIA added that the audit on alcohol standards received limited assurance and required more time for discussion with management to ensure that they were satisfied with the audit's outcome.</p> <p>It was noted that section 4 of the internal audit report provided an update on the progress to date with the delivery of the internal audit plan. It highlighted that there were 28 audits in total within the plan for 2024-2025, including a couple of further adjustments.</p> <p>The HIA noted that out of the 28 audits, 21 had been delivered as final so far through the year, and one further audit was in draft. The remaining six audits were a work in progress and were anticipated to be completed in time to feed into the final HIA overall opinion, which would be presented at the June special meeting.</p> <p>Surgery Clinical Board Consultant Job Planning Follow-up (Limited Assurance) – Click to view</p> <p>The Deputy Head of Internal Audit (DHIA) advised the Committee that the Surgery Clinical Board Consultant Job Planning Follow-up audit showed limited progress since the previous review.</p> <p>It was noted that of the nine recommendations made, only one medium and two low priority recommendations had been closed with three high priority recommendations remaining at high, and one being reassessed as medium.</p>	

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It was noted that the audit identified issues such as expired job plans, lack of personal outcomes on job plans, and annual reviews not being undertaken.

The Clinical Board Director Surgery (CBDS) provided additional context, noting that expired job plans did not mean that Consultants were inactive and that they continued their usual activities.

He mentioned that Orthopaedics had taken steps to address job planning by dedicating two days for reviews and highlighted challenges in using outcome data and the need for support to improve efficiency without compromising patient safety.

The Executive Director of People & Culture (EDPH) emphasised the importance of achieving above 90% job planning compliance by October 2025 and offered support from her team to help with the process.

[Core Financials \(Substantial Assurance\) click to view](#)

The DHIA advised the Committee that the audit covered General Ledger and Accounts Receivable. The audit concluded with substantial assurance, identifying only minor issues. For General Ledger, the reasonable finding related to monthly reconciliations and the timeliness of authorising outstanding transactions.

It was noted that for Accounts Receivable, the reasonable finding was related to the follow-up of debts that had been outstanding for a considerable amount of time.

[Follow-up: Temporary Staffing Costs \(Substantial Assurance\) click to view](#)

The DHIA advised the Committee that the follow-up audit on Temporary Staffing Costs showed excellent progress and of the seven recommendations made in the previous limited assurance audit, six had been closed, and one had been superseded by a recommendation from the Health Roster review.

The EDPC noted that their team had appreciated the audit process, which helped make the department more effective and highlighted that the next focus would be on the behavioural side, such as how shifts were allocated.

[Risk Management & Board Assurance Framework \(Reasonable Assurance\) click to view](#)

The DHIA advised the Committee that the audit on Risk Management and the Board Assurance Framework provided reasonable assurance. Two high-priority findings and three medium-priority findings were identified:

- The corporate risk register's current form made it difficult to obtain assurance on risk management.
- The risk module was being piloted in the Medicine Clinical Board but needed to be implemented across all clinical boards.
- Strategic risks and the Board Assurance Framework were not included in subcommittee agendas, except for the People and Culture Committee.
- The corporate risk register lacked consideration of risk appetite, although it had a target score indicating the desired level of risk.

The Director of Corporate Governance (DCG) added that the key to addressing those issues was the implementation of the AMAT system for risk management.

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He noted that the AMAT system would help consolidate risk registers and improve policy updates and added that the Board Assurance Framework (BAF) would now be included in all Committee agendas, starting with the Quality Committee.

[Business Continuity Planning \(Reasonable Assurance\) click to view](#)

The DHIA reported that the audit on Business Continuity Planning provided reasonable assurance and that key findings included:

- Inconsistency in the progress of producing plans within clinical boards, with some areas not uploading their plans to the business continuity repository.
- Confusion among plan producers regarding the recording of issue review dates and categorisation of critical services.
- The need for the Emergency Preparedness, Resilience, and Response (EPRR) department to produce a new risk register in line with its new placement within the Chief Operating Officer's team.
- The guidance should be updated to include lessons learned from previous events during the business continuity planning process.

She added that overall, while business continuity planning was managed effectively within the department, there were areas for improvement in consistency and clarity.

[Record Management \(Reasonable Assurance\) click to view](#)

The HIA advised the Committee that the audit on Records Management provided reasonable assurance. Key findings included:

- The Health Board had generally effective management processes, with a comprehensive records management procedure and the use of electronic patient record systems like PARIS to reduce reliance on paper records.
- Structured mechanisms for transporting records were introduced across the Health Board.

He noted that there were significant issues leading to limited assurance for specific objectives:

- Lack of full guidance within departments managing their own records.
- Inadequate protection from water damage or fire suppression in some storage areas.
- Records being transported in unsealed containers in some cases.
- Ineffective disposal of records, leading to retention past agreed timescales.
- No formal plan for a full move away from physical records to an electronic health record.

The HIA advised the Committee that while the overall management was positive, there were critical areas needing improvement

[Local Data Repository \(Limited Assurance\) click to view](#)

The Auditor – Internal Audit (AIA) advised the Committee that the audit on the Local Data Repository (LDR) provided limited assurance. Key findings included:

- The LDR lacked an integrated plan detailing actions, resources, and budget monitoring processes.

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- There was no defined budget monitoring process in place.
- The governance structure for the LDR was not clearly defined, although there were reports to the Technical Design Authority and the national programme.
- The design architecture was resilient and met interoperability requirements.
- Physical hardware was located at one site, lacking geographical resilience.
- No information governance framework or data protection impact assessment (DPIA) was in place to track data flow.

The Director of Digital & Health Intelligence (DDHI) agreed with the findings and outlined a plan to address those issues, aiming to complete the necessary actions by the end of September 2025.

The HIA advised the Committee that a follow up audit would take place in 12 months' time.

[Endoscopy Unit Investment \(Advisory\) click to view](#)

The HIA advised the Committee that the audit was a piece of work that they had requested to add to the plan.

Key points included:

- The investment in expanding endoscopy services delivered additional capacity, but insourcing contracts were still used despite the project's aim to eliminate them.
- There was a lack of Board approval for the project's revenue expenditure proposal.
- The original revenue plan was not followed, and alternative plans were not fully communicated to the Board.
- Required treatment volumes were unlikely to be achieved at the time of the review.
- Effective monitoring of progress against the original project proposals was not undertaken.

The HIA noted that management had provided actions to address the issues, focusing on improving governance, communication, and project management for ongoing and future projects.

[Data Quality \(Advisory\) click to view](#)

The HIA reported on the advisory audit of Data Quality. Key points included:

- The Health Board had made developments in data quality, such as establishing information asset owners and developing an in-house digital solution for information asset register updates.
- There was a need for a formal data quality framework and governance structure.
- Policies and procedures needed updating, and a data quality team or clearly defined individuals should be responsible for overseeing data quality.
- Targeted training programs on data quality were necessary.
- Enhanced collaboration across departments was needed to ensure consistent data quality management and proactive resolution of issues.

It was noted that management had agreed to the actions to improve data quality management within the Health Board.

	<p>The Committee resolved that:</p> <ul style="list-style-type: none"> a) The Internal Audit Progress Report, including the findings and conclusions from the finalised individual audit reports were considered. b) The proposed adjustments to the 2024/25 plan were approved. 	
<p>A&A 25/05/007</p>	<p><u>2025/26 Internal Audit Plan</u></p> <p>The 2025/26 Internal Audit Plan was received.</p> <p>The HIA provided the Committee with an overview of the 2025/26 Internal Audit Plan:</p> <ul style="list-style-type: none"> • The plan was developed in accordance with public sector internal audit standards and involved reviewing the Health Board's objectives and key risks. • Engagement with executives and senior leadership helped refine the initial list of audits. • The plan included detailed audits to be undertaken, their scope, lead executives, and proposed timings. • The plan ensured necessary resources would be available for delivery and included audits of capital schemes like the tertiary tower and Parkview Health and well-being scheme. • Adjustments to the plan would be reported back to the Audit & Assurance committee as needed. <p>The committee approved the plan, the internal audit mandate and charter, and noted the associated resource requirements and key performance indicators.</p> <p>The Committee resolved that:</p> <ul style="list-style-type: none"> a) The Internal Audit Plan for 2025/26 was approved b) The Internal Audit Mandate and Charter was approved c) The associated Internal Audit resource requirements and Key Performance Indicators were noted. 	
<p>A&A 25/05/008</p>	<p><u>Audit Wales Update</u></p> <p>The Audit Wales Update was received.</p> <p>The Audit Manager – Audit Wales (AMAW) and Audit Lead - Audit Wales (ALAW) provided the Committee with an update.</p> <ul style="list-style-type: none"> • Accounts Audit – it was noted that the audit of the accounts was progressing well with no significant issues. The annual audit of accounts report would be presented on June 25th, with certification expected by June 27th, 2025. It was noted that the audit of the Health Charity would take place in autumn/winter of 2025. • Performance Audit Work: it was noted that the report on managing urgent and emergency care was complete. <ul style="list-style-type: none"> - The planned care review report was out for clearance and would be presented in September 2025 - The project brief for the review of investment in digital systems had been issued. 	

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	<ul style="list-style-type: none"> - The overview of eye care services was in the latter stages of fieldwork. - Fieldwork for this year's structured assessment will start over the summer. <ul style="list-style-type: none"> • Audit Wales Annual Plan: The 2025/26 annual plan was available to the Committee and provided further details on the work undertaken by Audit Wales. <p>The Committee resolved that:</p> <p>a) The Audit Wales Audit Updates were noted.</p>	
<p>A&A 25/05/009</p>	<p><u>Audit Wales Report: Managing Urgent & Emergency Care</u></p> <p>The Audit Wales Report: Managing Urgent & Emergency Care was received.</p> <p>The Senior Auditor - Audit Wales (SAAW) advised the Committee that she would take the report as read but highlight a few key areas which included:</p> <ul style="list-style-type: none"> • Overall Findings: The Health Board has robust plans and strong corporate oversight for managing urgent and emergency care demand. However, services were still under significant pressure, and further action was needed to ensure capacity is used effectively and to improve public awareness of available services. • Planning Arrangements: The Health Board has detailed plans informed by data and ministerial priorities, but it was unclear how service models would be funded in the medium to long term. • Accessing Services: <ul style="list-style-type: none"> - The Health Board has a well-structured public communications plan but could further strengthen public awareness and signposting. - Positive actions included offering emergency dental provision and expanding community pharmacy capacity, though no pharmacies offered additional hours beyond the normal remit. - 111 and ambulance staff had good awareness of referral pathways. - Same day emergency units and urgent primary care centres were working well, but further work was needed to reduce ambulance handover delays and ensure greater use of minor injury unit capacity. • Scrutiny and Monitoring: <ul style="list-style-type: none"> - Effective oversight and scrutiny of plans and performance existed at corporate and operational levels - There was scope to evaluate projects and investments more consistently. - The Health Board captured patient feedback, but response rates were low, and it was unclear how findings were used to inform plans. - Opportunities existed for greater staff engagement and feedback on the impact of changes. <p>It was noted that eight recommendations were made, and that the management response was included in the report.</p> <p>The CC asked if they were satisfied with the management response.</p> <p>The SAAW responded that they were and provided thanks to the staff who had engaged.</p>	

	<p>The Committee resolved that:</p> <p>a) The Audit Wales Report: Managing Urgent & Emergency Care was noted.</p>	
<p>A&A 25/05/010</p>	<p><u>Annual Audit Plan 2025</u></p> <p>The Annual Audit Plan 2025 was received.</p> <p>The ALAW advised the Committee that the timing of the plan was a bit off as they were unable to present it at the February committee meeting, however, the accounts audit was already underway.</p> <p>Key areas were highlighted which included:</p> <ul style="list-style-type: none"> • Materiality: The materiality figures had been updated based on the draft accounts, with materiality set at £21.7 million, performance materiality at £16.3 million, and trivial at £1.1 million. Lower thresholds were set for related parties and the remuneration report due to their sensitive nature. • Significant Risks: <ul style="list-style-type: none"> - Management override was a non-rebuttable risk, and work around journals and manual accounting entries was detailed in the plan. - Failure of the first financial duty was another significant risk, leading to a qualified regularity opinion due to the three-year break-even target not being met. • Other Areas of Focus: <ul style="list-style-type: none"> - Remuneration disclosures and related parties due to lower materiality thresholds and past errors. - Valuation of property assets, ensuring valuations were materially in line with carrying value. - Capital expenditure, ensuring correct classification and timing. - Transfer of Ledger data to the cloud, ensuring data reconciliation. • Performance Audit Work: <ul style="list-style-type: none"> - Routine structured assessments. - Review of arrangements to manage estates. - Local review of cancer services. - Progress review of the 2019 clinical coding follow-up review. • Fees: it was noted that the fees had been reduced due to efficiencies found in the revised audit approach. <p>The Committee resolved that:</p> <p>a) The Annual Audit Plan 2025 was noted.</p>	
<p>A&A 25/05/011</p>	<p><u>Internal Policy Management Report</u></p> <p>The Internal Policy Management Report was received.</p> <p>The DCG provided the Committee with an update on the Internal Policy Management Report:</p>	

	<ul style="list-style-type: none"> • Progress: The report highlighted ongoing efforts to improve policy management by transitioning to better software systems and establishing single points of truth. The use of the AMAT system had been instrumental in tracking policies and reducing the number of policies by over 20%. • Challenges: There were still overdue policies for review, but some of those were being held back for valid reasons, such as waiting for the AMAT system to be fully functional before updating the risk policy. • Future Plans: The next steps involved creating a dashboard to break down data by clinical boards and corporate directorates, similar to the approach used for tracking mandatory training and other compliance metrics. This would help drive accountability and improve policy management across the organisation. • Overall Goal: The aim was to streamline the process, reduce the administrative burden, and ensure that policies were up-to-date and effectively managed. <p>The Committee resolved that:</p> <p>a) The contents of the report were noted.</p>	
<p>A&A 25/05/012</p>	<p><u>Triannual Audit Tracker Update</u></p> <p>The Triannual Audit Tracker Update was received.</p> <p>The Head of Corporate Governance (HCG) advised the Committee that the report provided an update on the status of the three trackers that were monitored corporately.</p> <ul style="list-style-type: none"> • Internal Audit Tracker: it was noted that significant progress had been made, with an 88% reduction in the oldest actions from 2023, reducing from 32 to 4 <p>The focus had been on engaging with stakeholders to understand the current position of actions and addressing those that were no longer relevant due to changes in circumstances.</p> <p>It was noted that actions that could not be completed or needed extensions were brought to the Committee for awareness, with clear explanations provided in Appendix 3 of the report.</p> <ul style="list-style-type: none"> • Audit Wales and Regulatory Trackers: The Committee was advised the report provided a brief update and the HCG noted that a more substantial update was planned for the November Audit & Assurance Committee meeting. <p>The HIA acknowledged the progress made on the internal audit actions, particularly highlighting the benefits of having all actions visible in the AMAT system. He mentioned that both he and the DHIA could now interrogate the data in real-time, which was very helpful.</p> <p>The Committee resolved that:</p>	

	<p>a) Assurance from the progress which had been made in completing management actions that continued to be monitored and updated made by Internal Audit was noted.</p> <p>b) The progress which had been made on transferring to the AMAT system was noted.</p>	
<p>A&A 25/05/013</p>	<p><u>Annual Declarations of Interest Report</u></p> <p>The Annual Declarations of Interest Report was received.</p> <p>The DCG the advised the Committee that declarations were now tracked using the ESR (Electronic Staff Record) system, which was expected to be adopted across Wales.</p> <p>He added that the system had allowed for improvements, such as shifting from a paper-based process to an electronic one for board members' end-of-year reporting.</p> <p>It was noted that the focus had been on targeting band sevens and above, resulting in better return rates at that level compared to the whole organisation.</p> <p>The DCG advised the Committee that the next step involved deriving information on a Clinical Board and Directorate basis to create a dashboard that could drive improvements in the percentages identified.</p> <p>The Committee resolved that:</p> <p>a) The contents of the report were noted.</p>	
<p>A&A 25/05/014</p>	<p><u>Procurement Compliance Report</u> click to view</p> <p>The Procurement Compliance Report was received.</p> <p>The Deputy Director of Finance (DDF) advised the report was received for information and that there continued to be a number of non-compliant procurement actions, primarily due to colleagues not engaging with procurement processes.</p> <p>He added that the figures were not as high as they were three or four years ago, but there had been a slight upward tick compared to the previous year.</p> <p>It was noted that the main issue was the lack of procurement involvement, which led to bureaucratic follow-up and administrative cleanup.</p> <p>The Committee was advised that efforts would be made to enhance education across the organisation to ensure colleagues understood the importance of engaging with procurement.</p> <p>The Independent Member – ICT asked if there were any ways to strengthen the process itself to reduce the number of procurements and the size of procurements that were not having procurement involvement.</p> <p>The DDF responded that the Team would look at strengthening the process in conjunction with the Head of Procurement when they reviewed the education program to ensure that it was less easy for people to avoid due process.</p> <p>The Committee resolved that:</p> <p>a) The contents of the report were noted</p> <p>b) the contents of the report were agreed.</p>	

<p>A&A 25/05/015</p>	<p><u>Report of the Losses and Special Payments Panel – click to view</u></p> <p>The Report of the Losses and Special Payments Panel was received.</p> <p>The Assistant Director of Finance (ADF) provided the Committee with a summary of the losses and special payments reviewed by the panel held on the 13th of May 2025, covering the period from the 1st of October 2024 to the 31st of March 2025.</p> <p>It was noted that the panel met twice yearly and was tasked with considering the circumstances around all such cases and making appropriate recommendations to the Audit & Assurance Committee.</p> <p>The Committee was advised that the panel considered various types of losses, including bad debt, stock losses, and personal injury.</p> <p>The ADF highlighted that the stock write-offs included an exceptional case where a cooler system broke, which had resulted in a significant loss.</p> <p>The Committee resolved that:</p> <ul style="list-style-type: none"> a) The write offs outlined in the period outlined in the Opinion and Key Issues Section of this report as recommended by the Losses and Special Payments Panel held on 13th May 2025 were approved. 	
<p>A&A 25/05/016</p>	<p><u>Counter Fraud 2024/25 Annual Report</u></p> <p>The Counter Fraud 2024/25 Annual Report was received.</p> <p>The Lead Local Counter Fraud Specialist (LLCFS) provided an overview of the Counter Fraud 2024/25 Annual Report, which was split into two sections.</p> <p>He noted that the first section outlined how the team met the government functional standard 13 in counter fraud throughout the year, with all ratings being green.</p> <p>The second section summarised the work done during the year, including investigations and referrals.</p> <p>The LLCFS advised the Committee that that despite some staff changes, the team remained effective in conducting investigations and he also highlighted that the number of referrals and investigations had slightly decreased, but the team addressed significant issues such as optical claims.</p> <p>The Committee resolved that:</p> <ul style="list-style-type: none"> a) The report as an accurate assessment of the work undertaken during the year and a measure of compliance with the standards set out by the NHS CFA was approved. 	
<p>A&A 25/05/017</p>	<p><u>Counter Fraud Progress Update</u></p> <p>The Counter Fraud Progress Update was received.</p> <p>The Committee resolved that:</p> <ul style="list-style-type: none"> a) The Counter Fraud Progress Update was noted. 	
<p>A&A 25/05/018</p>	<p><u>Counter Fraud Plan 2025/26</u></p> <p>The Counter Fraud Plan 2025/26 was received.</p>	

	<p>The Committee resolved that:</p> <p>a) The plan was reviewed, discussed and approved</p>	
<p>A&A 25/05/019</p>	<p>Agenda for Private Audit and Assurance Committee</p> <p><i>i. Counter Fraud Progress Update (Confidential – ongoing investigations</i> <i>ii. Health Board Salaries Overpayment Update</i> <i>iii. Draft UHB Annual Report 24/25</i> <i>iv. Draft Annual Accounts 24/25</i> <i>v. Draft Head of Internal Audit Opinion</i> <i>vi. Annual Accounts Update Audit Wales</i></p>	
<p>A&A 25/05/020</p>	<p>Any Other Business</p> <p>No Other Business was discussed.</p>	
<p>A&A 25/05/021</p>	<p>Items to be deferred to Board / Committee</p> <p>Internal Audit reports that were specific to Committees of the Board would be added to the agenda for the relevant Committee for noting and information.</p>	
	<p>Date and time of next committee meeting</p> <p>25 June 2025 via MS Teams.</p>	

Saunders, Nathan
28/08/2025 12:28:41

**Minutes of the Special Audit and Assurance Committee Public Meeting
Held on Wednesday 25.06.2025
Via MS Teams**

To view the meeting, please click here: https://youtu.be/oXb9vJL_aJk

(please note, you may need to copy & paste the link into your browser)

Chair:		
Rhian Thomas	RT	Independent Member – Capital and Estates
Present:		
David Edwards	DE	Independent Member - ICT and Committee Vice Chair
Mike Jones	MJ	Independent Member - Trade Union
Ceri Phillips	CP	UHB Vice Chair
John Union	JU	Independent Member for Finance
In Attendance:		
Rachel Freitag	RF	Audit Manager Audit Wales
Rachel Gidman	RG	Executive Director of People & Culture
Helen Lawrence	HL	Assistant Director of Finance
Robert Mahoney	RM	Operational Deputy Director of Finance
Catherine Phillips	CP	Executive Director of Finance
Matt Phillips	MP	Director of Corporate Governance
Francesca Thomas	FT	Head of Corporate Governance
Rachna Upadhya	RU	Independent Member
Ian Virgil	IV	Head of Internal Audit
Secretariat		
Nathan Saunders	NS	Senior Corporate Governance Officer
Apologies:		
Lucy Juggessur	LJ	Internal Audit Manager

Item No	Agenda Item	Action
AACS 25/05/001	<u>Welcome & Introduction</u> The Committee Chair (CC) welcomed everyone to the meeting.	
AACS 24/07/002	<u>Apologies for Absence</u> Apologies for absence were noted. The Committee resolved that: a) Apologies were noted.	
AACS 24/07/003	Declarations of Interest The Committee resolved that:	

	a) No Declarations of Interest were noted.	
AACS 24/07/004	Any other urgent business There was no other urgent business noted.	
AACS 24/07/005	<p><u>The Head of Internal Audit Opinion & Annual Report for 2024-25 (click to view)</u></p> <p>The Head of Internal Audit (HIA) presented the final version of the HIA opinion, confirming that the Health Board could take reasonable assurance over arrangements in place for managing governance, risk management, and internal control.</p> <p>He highlighted that five of the six audits in progress during the draft opinion had been completed, with the final one to be included in next year's opinion.</p> <p>It was noted that the the outcomes of the 29 audits completed to at least the draft stage were: 3 substantial assurance, 16 reasonable assurance, 5 limited assurance, and 5 advisory. This supported the overall reasonable assurance rating for the Health Board.</p> <p>The HIA advised the Committee that the the overall opinion and summary of outcomes, with a focus on the limited assurances, had been included in the Health Board's annual report as part of the annual governance statement.</p> <p>The CC highlighted the content around follow-up audits, noting that several of them again had come out as limited assurance.</p> <p>The Executive Director of Finance (EDF) suggested having an early interaction with the responsible Executives to understand why they were still limited and to resolve the issues.</p> <p>It was noted that the Director of Corporate Governance (DCG) and the HIA met monthly to maintain consistency and traction, and they also discussed issues with individual Executives when relevant to ensure that the issues were captured and addressed.</p> <p>The CC noted that the speed of management responses to Internal Audit remained a concern and suggested that the Committee should look closer at the issue later in the year after the summer period.</p>	

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	<p>The HIA agreed and mentioned that it had been raised with Executives on a couple of occasions and so he would welcome that review.</p> <p>The Committee resolved that:</p> <p>a) the Head of Internal Audit Opinion and Annual Report for 2024/25 was considered ant noted.</p>	
<p>AACS 24/07/006</p>	<p>Introduction to Annual Report and Accounts 2024-25 (click to view)</p> <p>The Assistant Director of Finance (ADF) provided the Committee with a summary of the final version of the annual report, which included the performance report, the accountability report, and the annual accounts for 2024-2025. She highlighted the following points:</p> <ul style="list-style-type: none"> • The draft accounts were submitted to Audit Wales on May 2nd 2025, and a detailed review was conducted over six to eight weeks. • Minor changes were made between the draft and final versions, mostly presentational or additional disclosure requirements, which did not affect the financial performance reported. • Audit Wales intended to give an unqualified true and fair opinion on the accounts, but a qualified regularity opinion due to breaches in financial duties. • The capital performance was within the capital resource limit, with a small surplus of £0.4m • Supporting documents included the letter of representation and the response to those charged with governance. <p>The Audit Manager for Audit Wales (AMAW) thanked the finance team for their support during the audit, noting their responsiveness and efficiency.</p> <p>She advised the Committee that Audit Wales had completed all testing and was ready to certify the accounts pending Board approval and receipt of the signed letter of representation.</p> <p>It was noted that Audit Wales intended to provide an unqualified true and fair opinion on the accounts but a qualified regularity opinion due to breaches in financial duties.</p> <p>The AMAW also highlighted an NHS circular regarding interim Director appointments, emphasising the need for Welsh Government (WG) approval for extensions beyond six months.</p>	

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	<p>It was noted that two new risks were identified during the audit: the transfer of ledger data to the cloud and the ability to meet the capital resource limit. Both were addressed without issues.</p> <p>The amendments to the accounts were minor and did not impact the bottom line, indicating high-quality draft accounts.</p> <p>The CC asked the AMAW to provide Committee members with a brief update on the next steps.</p> <p>The AMAW confirmed that next steps involved the accounts being certified by the Auditor General, then being submitted to Welsh Government and laid before the Senedd.</p> <p>The Committee resolved that:</p> <ul style="list-style-type: none"> a) The reported financial performance contained within the Annual Report and Accounts and that the UHB had not met its statutory financial duties in respect of revenue expenditure was noted. b) The changes made to the Draft Annual Report and Accounts were noted. c) The ISA 260 Report, the Head of Internal Audit Annual Report, the Letter of Representation, the response to the Audit enquiries to those charged with governance and management and the Annual Report and Accounts were reviewed. d) It agreed and endorsed the ISA 260 Report, the Head of Internal Audit Annual Report, the Letter of Representation and the response to the audit enquiries to those charged with governance and management to the Board e) Approval of the Annual Report and Accounts for 2024/25 be recommended to the Board. 	
<p>AACS 24/07/007</p>	<p><u>The CVUHB Annual Report 2024-2025 including the Annual Accountability Report, Performance report and the Financial Statements (click to view)</u></p> <p>The Head of Corporate Governance (HCG) advised the Committee that the final version of the annual report was submitted to Audit Wales, following the draft shared on May 20th 2025.</p>	

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	<p>She noted that engagement with Audit Wales had led to minor amendments, mostly typographical and related to page numbering.</p> <p>It was noted that the final amendments had been completed, and the final version would be republished after the Committee and Board approvals.</p> <p>The HCG expressed their satisfaction with the engagement from teams across the Health Board, which contributed to the comprehensive updates in the report.</p> <p>The Committee resolved that:</p> <ul style="list-style-type: none"> a) The Annual Report & Accounts for 2024-2025 - Appendix 1 for onward submission to the Board pending the two minor amendments identified was approved. 	
AACS 24/07/008	<p><u>Committee Annual Report 2024-25</u></p> <p>The Committee Annual Report 2024-25 was received.</p> <p>The Committee resolved that:</p> <ul style="list-style-type: none"> a) The contents of the report were noted. b) The report was endorsed to the Board for approval. 	
AACS 24/07/009	<p>Any Other Business</p> <p>No other business was discussed.</p>	
	<p>Date & time of next Meeting</p> <p>Tuesday 2 September 2025 – 9am via MS Teams</p>	

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Public Action Log
Following Audit & Assurance Committee Meeting
20 May 2025
(Updated for the meeting being held 02 September 2025)

REF	SUBJECT	AGREED ACTIONS	LEAD	DATE	STATUS/COMMENTS
Actions					
A&A 25/05/006	2025/26 internal audit plan	HIA to report back to the Audit Committee on any adjustments to the 2025/26 internal audit plan as part of regular progress reports	Ian Virgil	20.05.2025	COMPLETE Forms part of the standing Internal Audit Update Report
A&A 25/05/012	Audit Tracker Update	Head of Corporate Governance to attend a workshop with the AMAT system developers in July 2025 to enhance system functionality for audit tracking.	Frankie Thomas	20.05.2025	COMPLETE
A&A 25/05/014	Procurement Compliance	Head of Procurement to provide more context on procurement compliance breaches, including reasons for non-compliance	Claire Salisbury	18.11.2025	COMPLETE On Forward Plan for November Meeting
Actions Referred to Board or Committees					

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Report Title:	Internal Audit Progress Report		Agenda Item no.	2.1	
Meeting:	Audit & Assurance	Public	X	Meeting Date:	02/09/25
		Private			
Status:	Assurance	X	Approval	Information	
Lead Executive:	Director of Corporate Governance				
Report Author:	Head of Internal Audit				

Main Report

Background and current situation:

The NHS Wales Shared Services Partnership (NWSSP) Audit and Assurance Service provides an Internal Audit service to the Cardiff and Vale University Health Board.

The work undertaken by the Audit & Assurance Service is in accordance with its annual plan, which is prepared following a detailed planning process, including consultation with the Executive Directors, and is subject to Audit & Assurance Committee approval. The plan sets out the program of work for the year ahead as well as describing how we deliver that work in accordance with professional standards and the engagement process established with the Health Board.

The 2025/26 plan was formally approved by the Audit Committee at its May 25 meeting.

The progress report provides the Audit & Assurance Committee with information regarding the progress of Internal Audit work in accordance with the agreed plan; including details and outcomes of reports finalised since the previous meeting of the committee.

Appendix A of the progress report sets out the Internal Audit plan as agreed by the committee, including commentary as to progress with the delivery of assignments.

Executive Director Opinion and Key Issues to bring to the attention of the Committee:

The progress report highlights the conclusions and assurance ratings for audits finalised in the current period.

The following reports that informed the 24/25 Opinion have been finalised since the May 25 meeting:

- M365 Benefits Realisation (Reasonable Assurance)
- Therapies and Health Sciences – Agency, Additional Hours and Overtime (Reasonable Assurance)
- Waiting List Management (Reasonable Assurance)
- Surgery CB Governance Arrangements (Reasonable Assurance)
- Follow-up: Alcohol Standards (Limited Assurance)
- Contract Management (Advisory)

The following reports informing the 25/26 Opinion have also been finalised since the May 25 meeting:

- Medicine CB Acute Medicine Model (Reasonable Assurance)
- Integrated Annual Plan (Reasonable Assurance)
- Cyber Security (Limited Assurance)

The Executive summaries from the final reports are included within the progress report, with the full versions of the reports within the committee supporting papers.

The progress report also includes details of proposed adjustments to the 2025/26 plan.

Recommendation:

The Audit & Assurance Committee are requested to:

- **Consider** the Internal Audit Progress Report, including the findings and conclusions from the finalised individual audit reports.
- **Approve** the proposed adjustments to the 2025/26 plan.

Link to Strategic Objectives of Shaping our Future Wellbeing:

<https://shapingourfuturewellbeing.com/>

 <p>Putting People First</p> <p>1.</p> <p>Click the objective above to view more detail.</p>	 <p>Providing Outstanding Quality</p> <p>2.</p> <p>Click the objective above to view more detail.</p>
 <p>Delivering in the Right Places</p> <p>3.</p> <p>Click the objective above to view more detail.</p>	 <p>Acting for the Future</p> <p>4.</p> <p>Click the objective above to view more detail.</p>

Five Ways of Working (Sustainable Development Principles) considered

Prevention		Long term	X	Integration	X	Collaboration	X	Involvement	X
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Quality Impact Assessment Completed?

Yes – (please provide completed QIA document)		No – (Please provide reasoning, e.g. not required)	No	Not Required
---	--	--	----	--------------

Impact Assessment:

Risk: Yes/No (delete as appropriate)

The progress report provides the Committee with a level of assurance around the management of a series of risks covered within the specific audit assignments delivered as part of the Internal Audit Plan. The report also provides information regarding the areas requiring improvement and assigned assurance ratings.

Safety: Yes/No

The progress report includes the outcome from audits that provide assurance around controls and processes relating to patient safety.

Financial: Yes/No

The progress report includes the outcome from audits that provide assurance around controls and processes relating to Finance.

Workforce: Yes/No

The progress report includes the outcome from audits that provide assurance around controls and processes relating to Workforce.

Legal: Yes/No

Reputational: Yes/No

The progress report includes the outcome from audits that provide assurance around reputational issues.

Socio Economic: Yes/No - *Useful Guidance on the application of the Socio-Economic Duty can be found at the following link: [The Socio-economic Duty: guidance | GOV.WALES](#)*

Equality and Health: Yes/No

Decarbonisation: Yes/No

Welsh Language: Yes/No

Approval/Scrutiny Route *(please note anywhere else this paper has been before):*

Committee/Group/Exec	Date:

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Cardiff and Vale University Health Board

Internal Audit Progress Report

Audit & Assurance Committee September
2025

NWSSP Audit and Assurance Services



GIG
CYMRU
NHS
WALES

Partneriaeth
Cydwasaethau
Cydwasaethau Archwilio a Sicrwydd
Shared Services
Partnership
Audit and Assurance Services



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<i>5. Changes to the 2025/26 Internal Audit Plan</i>	5
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<i>7. Final Report Summaries</i>	6

Appendix A	Assignment Status Schedule
Appendix B	Report Response Times
Appendix C	Key Performance Indicators
Appendix D	Assurance on Recommendation Tracking
Appendix E	Assurance Ratings

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1. Introduction

This progress report provides the Audit & Assurance Committee with the current position regarding the work to be undertaken by the Audit & Assurance Service as part of the delivery of the approved 2025/26 Internal Audit plan.

The report includes details of the progress made to date against individual assignments along with details regarding the delivery of the plan and any required updates.

The plan for 2025/26 was agreed by the Audit & Assurance Committee in May 2025 and is delivered as part of the arrangements established for the NHS Wales Shared Service Partnership - Audit and Assurance Services.

2. Assignments with Delayed Delivery

The assignment noted in the table below had been planned to be reported to the September Audit Committee but did not meet that deadline.

Audit	Current Position	Draft Rating	Reason
Quality & Safety Governance	Work in progress		Delays in meeting with key Health Board and Clinical Board contacts.




3. Outcomes from Completed Audit Reviews

Six audit reports from the 2024/25 plan were not finalised in time for submission to the Audit Committee in May 25, although the outcomes were included within the Head of Internal Audit Opinion and Annual Report for 2024/25. All of the reports have now been finalised, as detailed in the table below.

A further three assignments have been finalised since the previous meeting of the committee and are also highlighted in the table below along with the allocated assurance ratings.

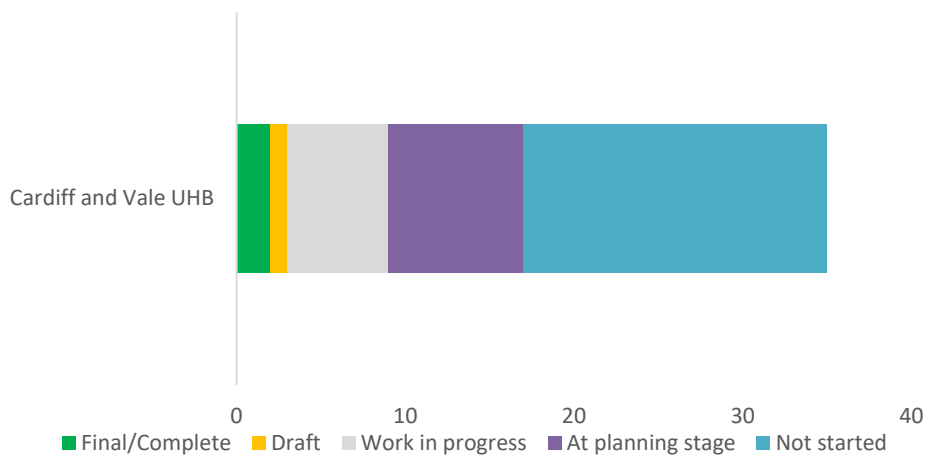
The Executive Summaries from the final reports are provided in Section seven. The full reports are included separately within the Committee supporting papers.

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FINALISED AUDIT REPORTS	ASSURANCE RATING	
2024/25 Opinion		
M365 Benefits Realisation Therapies and Health Sciences – Agency, Additional Hours and Overtime Waiting List Management Surgery CB Governance Arrangements	Reasonable	
Follow-up: Alcohol Standards		
Contract Management		
2025/26 Opinion		
Medicine CB Acute Medicine Model (From 24/25) Integrated Annual Plan	Reasonable	
Cyber Security		
	Limited	

4. Delivery of the 2025/26 Internal Audit Plan

There is a total of 35 reviews within the 2025/26 Internal Audit Plan, (including the changes highlighted below), and overall progress is summarised below.



The illustration above shows that two audits from the 2025/26 plan have been finalised so far this year and one other has reached the draft report stage.

In addition, there are six audits that are currently work in progress with a further eight at the planning stage.

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Full details of the current year's audit plan along with progress with delivery and commentary against individual assignments regarding their status is included at Appendix A.

Appendix A also includes details of the audit from the 2024/25 plan that was not sufficiently progressed to be included within the Head of Internal Audit Opinion for 2024/25. The audit has now been finalised and the outcome will feed into the 2025/26 Opinion.

Appendix B highlights the times for responding to Internal Audit reports.

Appendix C shows the current level of performance against the Audit & Assurance Key Performance Indicators (KPI).

5. Changes to the 25/26 Internal Audit Plan

The Chairman and Chief Executive requested an additional advisory audit of the Health Board's Quality and Safety Governance arrangements. The planned audit of governance arrangements within the CD&T Clinical Board has been proposed for removal from the 25/26 plan in order to accommodate the additional audit.

6. Assurance on Recommendation Tracking

The Health Board's Internal Audit Tracker within AMAT provides the Audit Committee with information on the current progress that has been made towards the implementation of outstanding actions from Internal Audit reports. The information within the Tracker is based on responses provided by Health Board management confirming the current progress.

Each year we undertake a process of reviewing a sample of the entries within the tracker, in order to validate the stated position and provide additional assurance to the Audit Committee.

Appendix B provides detail of the entries from the Tracker for which we attempted to validate implementation.

Our audit sample focused on the 2023/24 actions reported as being complete to the Audit Committee through 2024/25. From a total of 33 High and Medium priority recommendations reported as complete, we selected nine to form our sample. We then requested evidence from the relevant Health Board management lead to establish if the actions were complete.

Sufficient information was provided as part of our testing to confirm that all sampled actions apart from one had been correctly recorded as complete. The incomplete action has since been completed.

The exercise has highlighted that the Audit Committee can be reasonably assured that the progress information detailed within the Tracker for 2024/25 was accurate.

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7. Final Report Summaries

7.1 M365 Benefits Realisation

Purpose

To review the current roll-out and utilisation of Office 365 functions within the Health Board to determine if maximum benefit is being received from the investment. The review will specifically focus on Co-Pilot.

Overview

The NHS in Wales has entered into a contract to provide access to Office 365 to staff in order to access benefits including improvements in cyber security and enable digital transformation. Microsoft Office 365 (M365) is a cloud-based service that brings together a set of business tools in a suite of integrated applications. It includes apps like Excel, Outlook, Teams and Forms, along with BI and Automation tools.

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

- There is no deployment plan or structured plan to work with departments to enable them to understand the capabilities of M365, including Copilot and identify cases for use and so increase uptake. We also note a lack of awareness of the platform's capabilities and strategic value.
- The role, responsibilities and boundaries of the M365 team are not formally set out, the team is expected to manage any issue related to M365 and have been asked to undertake additional tasks such as troubleshooting applications, providing guidance on use and aiding in developments.
- M365 support for staff is available, with all requests going via the helpdesk. We note that the M365 team provided training to helpdesk staff to better enable them to understand how to assign tickets to the correct group, however in many cases calls for M365 are assigned to the M365 team even if another group is better placed for help.
- Guidance and governance over the use of M365 applications, including for the use of Co-Pilot or other AI tools is largely absent.
- There is no benefits plan or tracker developed solely for delivery of benefits within the Health Board. We also note that there are no defined success metrics for measuring successful roll out such as user adoption rates or productivity improvements.
- Responsibility for tracking and ensuring benefits is not specifically noted within the Terms of Reference of the M365 Steering Group.

Full details of matters arising are detailed within the Findings & Agreed Action Plan. The following opportunity for enhancement has been identified that does not impact the overall opinion and is highlighted for management information:

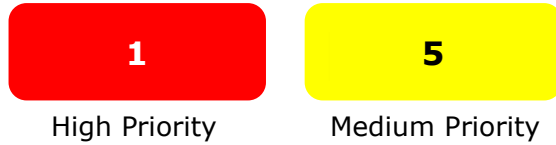
- Consideration should be given to using administrator mails and communications to raise awareness of the M365 Programme page and the value of the available tools.

Scope & Assurance Summary

Objectives The objectives and associated assurance ratings are not necessarily given equal weighting when formulating the overall audit opinion.

		Related Findings	Assurance
1	Office 365 has been rolled out to staff within the Health Board and there is appropriate resource in place to enable this and support users.	1, 2, 3	Limited
2	Processes are in place to raise awareness of Microsoft 365 and training is available to staff over its potential and use.	-	Substantial
3	Guidance and controls are in place to ensure that use of Office 365 is coordinated, protects information and enables digital transformation.	4	Reasonable
4	The anticipated benefits of Office 365 are defined and a process is in place for tracking benefits to ensure realisation.	5, 6	Limited

Management Actions



Themes



Risk Types

- Public Perception & Reputational Risk
- Legal & Regulatory Non-Compliance
- Choose an item.
- Choose an item.

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7.2 Therapies and Health Sciences – Agency, Additional Hours and Overtime

Purpose

The review of Therapies and Health Sciences agency, additional hours and overtime was completed in line with the 2024/25 Internal Audit Plan for the Cardiff and Vale University Health Board (the 'Health Board').

Overview

All NHS organisations rely on a level of agency, additional hours and overtime in order to maintain service continuity. The inherent nature of providing health services, with the variations in demand, capacity and workforce availability dictate that such expenditure is unavoidable. Claims for additional and overtime hours are processed automatically, via the rostering system, for those departments using Health Roster. In all other cases paper overtime claims are used.

There is a risk on the Board Assurance Framework (BAF) relating to People. One of the causes is "Attract Recruit Retain" and it highlights that there are "national shortages in some professions which have made it difficult to attract people with the right skills/ experience and in the numbers required."¹ Subsequently, there has been a need to use Agency staff within Therapies and Health Sciences.

We undertook our testing on Health Science staff in Audiology, Cardiac Physiology, Genomics, Phlebotomy, and Respiratory Physiology.

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

- There were discrepancies between the WTE on the budget report and the Staff in post list.
- Tracking vacant posts back to the TRAC system and reconciling them with the additional hours worked was difficult.
- There were instances of incomplete Agency Request forms, including the absence of the associated TRAC vacancy numbers recorded on the forms.
- There was insufficient documented evidence to support approval prior to the shift being worked.
- There were instances whereby agency shifts paid were above the approved rate card.
- There was insufficient documented evidence to confirm verification of hours worked prior to shifts being paid.

Full details of matters arising are detailed within the Findings & Agreed Action Plan. The following opportunity for enhancement has been identified that does not impact the overall opinion and is highlighted for management information:

- No local SOPs or process documents exist for requesting, approving and authorising of overtime or additional hours, except for Genomics.

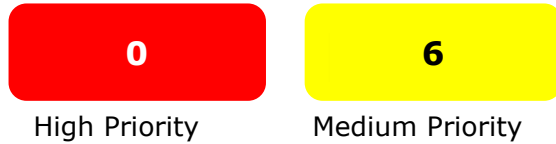
¹ cavuhb.nhs.wales/files/board-and-committees/board-2024-25/2024-09-26-board-papers-bundled-pdf pg 57-59

Scope & Assurance Summary

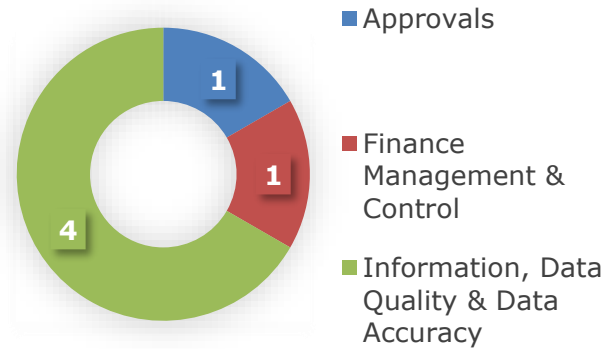
Objectives The objectives and associated assurance ratings are not necessarily given equal weighting when formulating the overall audit opinion.

	Related Findings	Assurance
1 All requests for agency, additional hours and overtime are supported by appropriate documented justification and authorisation prior to being worked;	1,2,3,4	Limited
2 Rates paid to individuals will be in accordance with the current rates;	5	Reasonable
3 All completed agency, additional hours and overtime shifts are verified and authorised prior to payment;	6	Reasonable
4 Appropriate and timely reports on agency, additional hours and overtime costs are produced and distributed to appropriate staff and groups within Therapies and Health Sciences.		Substantial

Management Actions



Themes



Risk Types

Financial Loss
Legal & Regulatory Non-Compliance

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7.3 Waiting List Management

Purpose

The review of Waiting List Management was completed in line with the 2024/25 Internal Audit Plan for the Cardiff and Vale University Health Board (the 'Health Board').

Overview

During 2020/21, planned care services had to be paused to allow the NHS to respond to the immediate demands and challenges of the COVID-19 pandemic. This, along with other factors such as a rise in referral rates and worsened population health because people have not accessed services in recent years, has inevitably resulted in longer waiting lists and increased waiting times for diagnostics and treatment.

The Welsh Government published, 'Our programme for transforming and modernising planned care and reducing waiting lists in Wales' (April 2022)². As a result, recovery targets were set which are required to be regularly monitored and reported on by the Health Board. All Health Boards must ensure that they have appropriate systems in place to capture the information necessary to meet and report on these requirements.

The Health Board has made measurable progress against its 2024/25 commitments, reducing 104-week waits to 1,632 patients by April 2025, below the target of 1,800. Diagnostic waits, while still high, have also improved, with 14,750 patients waiting over eight weeks compared to a target of 15,052. However, the 2025/26 ministerial priority of eliminating 104-week waits and achieving full compliance with the 8-week diagnostic standard presents a significant challenge.

We have concluded **reasonable** assurance on this area. We note that the Health Board still has very high waiting list numbers, however, our assurance rating reflects the fact that the processes in place for recording, managing and monitoring the waiting lists are generally effective.

The significant matters requiring management attention include:

- Staff receive training and have access to a number of guides on how to use the Patient Management System (database for waiting lists). However, we note that there is no formal process to assess or ensure understanding and correct application of the rules and validation of waiting lists.
- The current use of multiple patient prioritisation frameworks across service areas risk inconsistent scheduling, and standardisation is recommended to protect the "treat in turn" principle.
- Whilst there are arrangements in place to validate waiting lists, there is a lack of a structured system to report on trends/share lessons learnt from the outcomes of validation exercises.
- The Waiting Well Support Service has established a strong support model for long-wait patients, but its impact is currently restricted to a few specialties due to resource limitations, delaying broader rollout to other high-demand areas.

² [Our programme for transforming and modernising planned care in Wales and reducing the waiting lists \(gov.wales\)](https://gov.wales)

Full details of matters arising are detailed within the Findings & Agreed Action Plan. The following opportunity for enhancement has been identified that does not impact the overall opinion and is highlighted for management information:

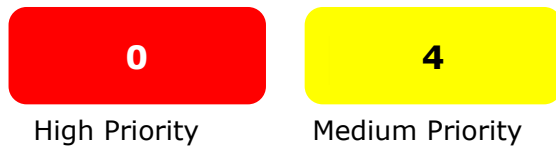
- Updated RTT (Referral to Treatment) guidance was issued by Welsh Government in April 2025 but the Health Boards intranet site still references the 2017 RTT rules.

Scope & Assurance Summary

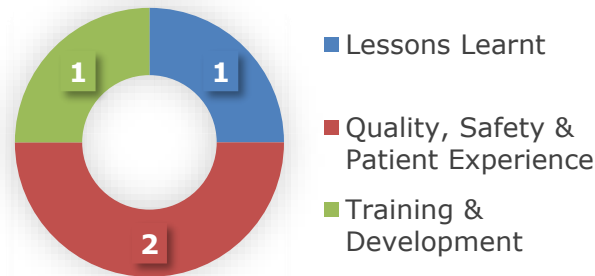
Objectives The objectives and associated assurance ratings are not necessarily given equal weighting when formulating the overall audit opinion.

		Related Findings	Assurance
1	Waiting lists are in place that are maintained and up-to-date, with adequate controls to detect where patients are on several pathways.	1	Reasonable
2	Effective arrangements are in place for prioritising patients based on their current health care needs (e.g. regular assessments and reprioritisation).	2	Reasonable
3	Effective action plans and monitoring arrangements are applied to reduce the waiting times for patients, with appropriate reporting to the Health Board and Welsh Government.	3	Reasonable
4	Adequate arrangements are in place to communicate with patients waiting for health care services, including the offer of additional support if required.	4	Reasonable

Management Actions



Themes



Risk Types

Quality or Safety Issues

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7.4 Surgery CB Governance Arrangements

Purpose

Our review of the Surgery Clinical Board Governance and Financial Management Arrangements was undertaken and completed in line with the 2024/25 Internal Audit Plan for Cardiff and Vale University Health Board (the 'Health Board').

Overview

Governance structures and their applications are fundamental to ensuring the success of the Health Board in delivering its statutory obligations.

Good corporate governance plays a vital role in underpinning the integrity and efficiency of the Health Board and the wider community in which it operates. Robust properly developed and embedded governance structures are fundamental to ensuring the achievement of the Health Board's strategic objectives and in delivering its statutory, regulatory and legal requirements.

Each Clinical Board is led by a director and is required to have effective governance arrangements in place for the services they are accountable for in order to provide assurance to the Board and its Committees on the quality and effectiveness of the services provided to its users, coupled with ensuring the aims and objectives set by the Board are delivered. Clinical Boards have delegated responsibility to manage their financial budgets, with support from designated Finance Business Partners.

The Surgery Clinical Board has 12 directorates covering Trauma and Orthopaedics, Spines, General Surgery, Vascular Surgery, Pain Management, Urology, Ear Nose and Throat (ENT), Ophthalmology, Audiology, Dental, Perioperative Care and Breast Surgery. These provide a significant number of emergency and elective services to Cardiff and Vale residents. In addition to direct service provision for the local community of Cardiff and Vale, the Surgery Clinical Board provides a number of services beyond the local population at both University Hospital of Wales and University Hospital Llandough.

The scope of the review considered the governance arrangements in place and reviewed the processes operating within the Clinical Board around financial management, budgetary control and delivery of savings. We covered the processes at the Clinical Board level and within 5 sampled Directorates; General Surgery; Urology; Trauma & Orthopaedics; Spines and Breast Surgery. Our findings are therefore restricted to the arrangements operating within these areas.

We have concluded reasonable assurance on this area. The significant matters requiring management attention include:

- The requirement to hold a minimum of 10 Clinical Board meetings per year is not currently being met.
- Not all Directorate meetings had a Terms of Reference and many of the meetings were not adequately documented.
- The value of savings plans developed were significantly lower than the savings targets set by the Health Board, and the shortfall has been carried forward throughout the financial year.

Full details of matters arising are detailed within the Findings & Agreed Action Plan. The following opportunities for enhancement have been identified that do not impact the overall opinion and are highlighted for management information:

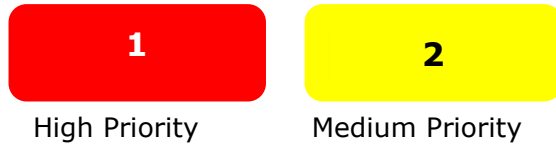
- Two directorates were not represented at any of the three Clinical Board meetings reviewed.

Scope & Assurance Summary

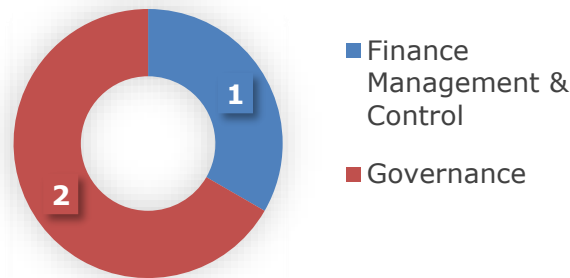
Objectives The objectives and associated assurance ratings are not necessarily given equal weighting when formulating the overall audit opinion.

		Related Findings	Assurance
1	An appropriate governance structure is in place within the Clinical Board including all required groups, aligned to the Health Board’s committee structures and directed by Terms of Reference (ToR)	-	Substantial
2	Adequate governance arrangements are in place with meetings being conducted in line with TOR and notes or minutes being maintained that provide a record of the key discussions and decisions made during the meetings	1, 2	Reasonable
3	The Clinical Boards work collaboratively with their Finance Business Partners to manage their financial budgets, and the financial position is presented and discussed at appropriate meetings and actions are taken to address identified issues	-	Substantial
4	Implementation of agreed savings plans are monitored, reported and acted upon at Clinical Board level, and risks to achievement of savings targets are identified	3	Limited

Management Actions



Themes



Risk Types

- Quality or Safety Issues
- Financial Loss

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7.5 Follow-up: Alcohol Standards

Purpose

The overall objective of this audit was to provide the Health Board with assurance regarding the implementation of the agreed management actions from the Alcohol Standards (CVU-2324-21) review that was reported as part of our 2023/24 work programme.

Overview of findings



Management have made some progress in addressing the recommendations, and the management actions detailed in the initial Final Internal Audit Report.

Of the seven recommendations made, three of them have been closed, all of which are high priority recommendations. A review of the Substance Misuse Liaison Team (SMLT) resources has been undertaken, and the referral process has now been formalised and there is a form available which has been communicated on the Health Board's SharePoint. In addition, resources on alcohol are now available via social media.

The remaining four recommendations, with three highs and a medium priority, have not been fully addressed. We can see some actions have been progressed, such as the SOP being produced for the screening pilot which has been undertaken within the Emergency Unit with the introduction of alcohol screening within the EU. In addition, training has been implemented for CAVDAS staff, but training has not been fully implemented within the Health Board and records maintained of who has received the training are not fully available.

Whilst progress has been made in some areas, given the number of actions that are still to be completed, we are only able to provide Limited Assurance for the follow-up audit.

Follow-up Report Classification

 <p>Limited</p>	<p>Follow up: No high priority recommendations implemented but progress on most of the medium and low priority recommendations.</p>	<p>Trend</p> 
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Progress Summary

Previous Matters Arising	Previous Priority Rating	Direction of Travel	Current Priority Rating
1 Guidance	High	↔	High
2 Screening tool	High	↑	Medium
3 Resources in the team	High	↑	Closed
4 Referral Process	High	↑	Closed
5 Training	High	↑	Medium
6 Documentation for patients	High	↔	Closed
7 Intervention Pathway	Medium	↔	Linked to Rec 5

7.6 Contract Management

Purpose

The review assessed whether appropriate contract management arrangements were in place within Cardiff and Vale University Health Board (the "Health Board"). This review was undertaken further to the advisory review of Contract and Procurement at Betsi Cadwaladr University Health Board (BCUHB), completed at the request of Welsh Government in 2023/24, which identified several areas of concern and non-compliance with the organisation's Standing Financial Instructions. Through inclusion within NHS Wales Organisations 2024/25 Internal Audit plans, this review has compared and contrasted the appropriateness of contract management arrangements across eight more organisations, with common issues and challenges noted.

An assurance rating has not been applied to this review, recognising the consistency of approach with the BCUHB review, and that actions raised will need to be taken forward in partnership with other NHS Wales organisations, including NHS Wales Shared Service Partnership (NWSSP) Procurement Services. These actions, alongside those specific to the Health Board, are aimed at improving and/or enhancing expected controls in contract management arrangements.

Overview

For the purposes of this audit, sample testing was based on the Electronic Contract Management module of the Bravo e-tendering system held by NWSSP in line with the other Health Boards. Contract selection was undertaken to ensure consistency with similar reviews undertaken at a number of NHS Wales organisations. All Wales Contracts were excluded from our sample; in addition to Capital and Estates contracts noting that separate Capital Systems reviews have been undertaken by our Specialist Services Unit (SSU) at a number of NHS organisations as part of the 2024/25 Internal Audit Plan – the coverage of which has also included contract management.

The following opportunities have been identified for management attention across all reviews completed:

- The need for consistent contract management procedures to support the requirements of the Standing Financial Instructions this could be through engagement with NWSSP Procurement Services to adopt their Contract Management Procedure;
- The introduction of a mechanism to determine the capacity and support needed to meet existing and future contract monitoring requirements, with appropriate training provision;
- The need to retain full and accurate records to support contract ownership, contract documentation, and monitoring of contract performance.
- The need to remove variations in the formality of contract management, performance reporting, and documentation, which indicates a level of inherent risk, and which could be addressed by increasing the robustness of the control environment; and
- The minimum internal reporting, accountability and escalation requirements should be considered and defined at the outset of contracts.

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The Health Board should ensure appropriate arrangements are in place to engage with wider NHS Wales Organisations and NWSSP Procurement Services in developing a coordinated agreed action plan via the Directors of Finance forum (or other appropriate forum), to address the common themes and issues identified within this and corresponding reports.

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

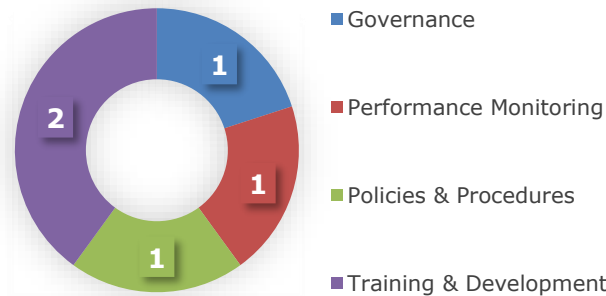
Scope & Actions Summary

Objectives	Related Actions
1 There is a clear framework of policies, procedures and processes for contract management, with roles and responsibilities clearly defined.	1
2 Contract registers are used as the basis for effective contract management and procurement planning.	
3 Contract managers have access to relevant training and development.	2, 3
4 Service levels/deliverables are specified in the contract, with standard terms and conditions applied, and are linked to service needs and monitored by the assigned contract manager/end user.	4
5 Contract performance and risk is reported and managed within the Health Board’s governance structure.	5

Management Actions



Themes



Risk Types

- Public Perception & Reputational Risk
- Quality or Safety Issues
- Legal & Regulatory Non-Compliance

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7.7 Medicine CB Acute Medicine Model

Purpose

The review of Medicine Clinical Board – Acute Medicine Model has been completed in line with the 2025/26 Internal Audit Plan for the Cardiff and Vale University Health Board (the 'Health Board').

The Acute Medicine Team were previously part of the wider medicine service and sat between the Emergency Unit and Inpatient Medical Teams. It was recognised that there needed to be a specific Acute Medicine Team within the Health Board. The process to develop the model commenced in 2020 with some Covid recovery funding in line with 'Right Bed First Time' which was about creating a ward for short stay patients with a length of stay (LOS) of 72 hours or less. In addition, the Acute Medicine Model was redesigned as part of the four priority workstreams of the Six Goals Programme under 'Inpatient Flow, Discharge and Front Door'.

It was then agreed to change the Directorate structure to create the Emergency and Acute Medicine Directorate. Time has been spent in building management and reporting structure around the Acute Medicine team which now includes a Service Manager being in place within the team.

Overview

We have concluded reasonable assurance on this area. The significant matters requiring management attention include:

- Implementation of retention processes in relation to medical staffing records.
- Monitoring of operational pressures on the Management team.
- Documentation was not provided and there was no evidence of the monitoring of action plans.

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

Scope & Assurance Summary

Objectives	The objectives and associated assurance ratings are not necessarily given equal weighting when formulating the overall audit opinion.	Related Findings	Assurance
1	The Acute Medicine team is appropriately structured and resourced to allow for the effective delivery of its objectives to ensure that patients and specifically frailty patients receive effective care and are seen on a timely basis.	1, 2	Limited
2	Appropriate governance arrangements have been established which provide effective oversight of the Acute Medicine Team, ensuring that they are subject to effective scrutiny and review.	-	Substantial
3	There are targets in place for the Acute Medicine Team which are being monitored regularly and action plans are developed where required to address areas of poor performance.	3	Reasonable
4	Systems are in place for monitoring the delivery and quality of the services provided by the Acute Medicine Team, and performance is reported to appropriate management and groups within the Health Board.	-	Substantial

Management Actions

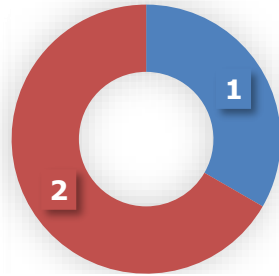


High Priority



Medium Priority

Themes



- Resourcing
- Performance Monitoring

Risk Types

Quality or Safety Issues

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7.8 Integrated Annual Plan

Purpose

The overall objective of the audit was to review the processes undertaken for the development of the 2025/26 Integrated Annual Plan.

The Health Board submitted an Accountable Officer letter to Welsh Government on the 14 February 2025 stating that, due to ongoing sustainability challenges, the Health Board would be submitting an Annual Plan within a three-year context. The final Annual Plan was taken to the Board on the 27 March 2025 for approval for it to be submitted to Welsh Government by the 31 March 2025. It was recognised that the Annual Plan included a forecast financial deficit of £58.2 million, against a Target Control Total of £9.1 million.

The Annual Plan was developed through engagement with Clinical Boards and Corporate teams, Board development sessions and Planning Sessions with the Senior Leadership Team.

There is a Strategic Risk on the Board Assurance Framework in relation to Sustainability which states 'if the organisation cannot produce a balanced three year plan or a balanced IMTP in any year it will breach its statutory financial duty and will be limited in the ability to deliver on the strategy and to the services to the population that the organisation serves'.

Overview

We have concluded **reasonable assurance** overall on this area due to the robust governance processes the Health Board had in place to ensure its 2025/26 Annual Plan was developed and delivered in accordance with required timescales. We are however only able to conclude Limited assurance for objective 1, which reflects the fact that the Health Board failed in its statutory duty to produce a financially balanced plan. The Health Board's current escalation status along with the challenges in delivering the forecast financial deficit for 2025/26 and moving to a balanced underlying financial position, are further evidence of the significant ongoing challenges.

The significant matters requiring management attention include:

- Resolving the forecast financial deficit and meeting Welsh Government's financial constraints.
- Plans not identified to fully deliver the financial savings requirement.
- Unreconciled data within the Minimum Data Set (MDS).

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

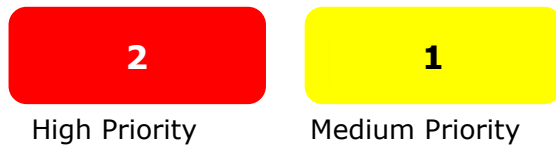
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Scope & Assurance Summary

Objectives The objectives and associated assurance ratings are not necessarily given equal weighting when formulating the overall audit opinion.

		Related Findings	Assurance
1	The Health Board’s Integrated Annual Plan planning process is aligned to: a. Welsh Government’s required timescales; b. Welsh Government’s Strategic Priorities, Delivery Expectations and Enabling Actions; and c. Financial constraints.	1, 2	Limited
2	The development of the Integrated Annual Plan includes clear and measurable targets and actions towards delivery of the ministerial priorities.	-	Substantial
3	There is a clear alignment from the Health Board’s Strategy, Shaping Our Future Wellbeing to the Annual Plan.	-	Substantial
4	Appropriate governance arrangements are in place which provide effective oversight, scrutiny and review of the planning process prior to submission of the Integrated Annual Plan to Welsh Government.	3	Reasonable
5	Lessons learnt during the development of the 2025/26 Integrated Annual Plan are identified and form part of continual improvement.	-	Substantial

Management Actions



Themes



Risk Types

Public Perception & Reputational Risk
Legal & Regulatory Non-Compliance

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7.9 Cyber Security

Purpose

Review how the Health Board is working to improve its cyber security position and the processes in place for monitoring compliance and providing assurance that the risks are appropriately stated in line with the risk appetite.

Overview

We have concluded limited assurance on this area. While cyber risks are formally recognised at the corporate level, key weaknesses in governance, communication, and risk management limit the organisation's ability to manage cyber security effectively. Despite having devolved IT responsibilities across the organisation, there are limited formal communication channels between the cyber team and the asset owners of an estimated 300 critical systems.

Progress in areas such as Security Incident and Event Monitoring (SIEM) implementation, vulnerability scanning and a new secure web gateway is helping to improve cyber security visibility across the organisation. This is particularly important given the scale of the organisation, which employs around 17,000 people and spends approximately £1.4 billion each year. However, the Cyber Security Team currently faces capacity challenges, with two vacancies limiting their ability to complete wider objectives. As a result, their focus remains on business-as-usual operations and maintaining the continuity of critical services.

The significant matters requiring management attention include:

- The cyber security risk register lacks important information and is not regularly updated with actions being taken.
- There is inconsistent cyber security risk awareness across the organisation.
- Although there is devolved responsibility for IM&T within Clinical Boards, there is limited feed in from Clinical Boards into the digital and cyber governance structures. We also note a lack of complete Information Asset Register resulting in a single point of failure in the cyber team.
- The Cyber Improvement does not cover the cyber needs of the whole organisation.

The following opportunities for enhancement have been identified that do not impact the overall opinion and are highlighted for management information:

- The Terms of Reference (ToR) for both the Cyber Security Sub-group and the Technical and Cyber Group should be reviewed and refreshed as they both currently say they report into the Cyber Security Sub-group.
- Whilst there is a key finding regarding the cyber risk register included, closed risks with a high residual risk score should be reviewed and reopened on the risk register if appropriate.

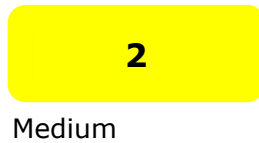
Full details of matters arising are detailed within the Findings & Agreed Action Plan.

Scope & Assurance Summary

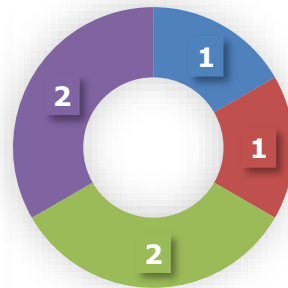
Objectives The objectives and associated assurance ratings are not necessarily given equal weighting when formulating the overall audit opinion.

		Related Findings	Assurance
1	The risks associated with cyber security are appropriately stated, recorded, understood and managed within the organisations risk appetite.	1, 2, 3	Limited
2	An appropriate governance process for cyber security across the organisation is in place which enables monitoring, reporting and effective management.	4, 5	Limited
3	Identified actions to improve cyber security are progressed appropriately.	6	Reasonable

Management Actions



Themes



- Communication & Engagement
- Cyber Security
- Governance
- Risk Management

Risk Types

- Quality or Safety Issues
- Legal & Regulatory Non-Compliance

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ASSIGNMENT STATUS SCHEDULE

Planned output.	Ref No	Exec Director Lead	Plnd Qtr	Adj Qtr	Current Status	Assurance Rating	Planned / Actual Committee
2024/25 Plan							
Medicine CB Acute Medicine Model	35	COO	1		Final Report	Reasonable	September
2023/24 Plan							
Integrated Annual Plan	13	Finance	1		Final Report	Reasonable	September
Cyber Security	04	Digital Health & Intelligence	1		Final Report	Reasonable	September
Deprivation of Liberties Safeguards (DoLS)	16	Nursing	1/2		Draft Report	Reasonable	November
Medical Staff Deployment	31	Medical	1		Planning - Final brief issued		November
Quality & Safety Governance	34	Chief Exec / Chairman	1		Work in Progress		November
Diabetes Strategic Board	23	Public Health	1/2		Planning		November
Financial Sustainability	10	Finance	2		Work in Progress		November
Children and Women CB – Governance Arrangements	25	Chief Operating Officer	2		Work in Progress		November
Digital Literacy	07	Digital Health & Intelligence	2/3		Planning - Final brief issued		November
Medical Equipment & Devices	09	Allied Health Professionals	2/3		Work in Progress		November
ALN Act	08	Allied Health Professionals	3		Work in Progress		November
Clinical Board Adherence to the Managing Attendance at Work Policy	18	Public Health	1/2		Planning		January

Planned output.	Ref No	Exec Director Lead	Plnd Qtr	Adj Qtr	Current Status	Assurance Rating	Planned / Actual Committee
Estates Assurance – Space Utilisation	14	Finance	2		Planning – Final brief issued		January
Implementation of Health Roster Follow-up	15	Chief Operating Officer	2/3		Planning – Final brief issued		January
GMS Unified Contract Assurance Framework	28	Finance	2/3		Planning		January
5 Steps to Safer Surgery	33	Medical	2/3		Planning		January
Staff Overpayments	11	Finance	3				January
Reducing Health Inequalities	22	Chief Operating Officer	3				January
Follow-ups not booked	30	Chief operating Officer	2	3			January
Performance Management	29	People & Culture	3/4				January
Occupational Health	20	Digital & Health Intelligence	3				May
Standards of Business Conduct (DOI / G&H)	02	Finance	3/4				May
AI – Use of Robotics and Automation	05	People & Culture	3/4				May
Leadership and Management Training / Development	19	Chief Operating Officer	3/4				May
Planned Care Programme	26	Chief Operating Officer	3/4				May
Medicines Management	32	Medical	3/4				May
Risk Management and Board Assurance Framework	01	Corporate Governance	4				May
Alcohol Standards Follow-up	03	Public Health	4				May

Planned output.	Ref No	Exec Director Lead	PInd Qtr	Adj Qtr	Current Status	Assurance Rating	Planned / Actual Committee
Local / Shadow IT Systems	06	Local / Shadow IT Systems	4				May
Decarbonisation Follow-up	12	Nursing	4				May
Nurse Staffing Levels	17	People & Culture	4				May
Interventions Not Normally Undertaken Follow-up	21	Public Health	4				May
Neurodevelopment Services for Adults and Children	27	Corporate Governance	4				May
Approved Integrated Audit & Assurance Plan Assignments:							
Wellbeing Hub Park View	SSU	Finance	2		Work in Progress		January
Pentyrch/Rhydlafer ICRF Health Centre	SSU	Strategic Planning	TBC				TBC

Reviews removed from the plan

CD&T CB – Governance Arrangements	24	COO	Replaced by advisory review of Quality & Safety Governance. To be agreed by September AC.				
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REPORT RESPONSE TIMES

Audit	Rating	Status	Draft issued date	Responses & exec sign off required	Responses & Exec sign off received	Final issued	R/A/G
Cyber Security	Limited	Final	04/08/25	26/08/25	14/08/25	15/08/25	G
Integrated Annual Plan	Reasonable	Final	25/07/25	15/08/25	15/08/25	18/08/25	G
Medicine Clinical Board – Acute Medicine Model	Reasonable	Final	07/08/25	29/08/25	20/08/25	20/08/25	G

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KEY PERFORMANCE INDICATORS

Indicator Reported to Audit Committee	Status	Actual	Target	Red	Amber	Green
Operational Audit Plan agreed for 2025/26	G	May 2025	By 30 June	Not agreed	Draft plan	Final plan
Audit reports to agreed Audit Committee	G	75% 3 from 4	80%	v>20%	10%<v<20%	v<10%
Report turnaround: time from fieldwork completion to draft reporting [10 working days]	G	100% 4 from 4	80%	v>20%	10%<v<20%	v<10%
Report turnaround: time taken for management response to draft report [15 working days]	G	100% 3 from 3	80%	v>20%	10%<v<20%	v<10%
Report turnaround: time from management response to issue of final report [10 working days]	G	100% 3 from 3	80%	v>20%	10%<v<20%	v<10%

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ASSURANCE ON RECOMMENDATION TRACKING

Audit Information			Validation Process	
Audit Title	Recommendation	Rating	Internal Audit validation result	Basis of validation
MH CB Governance Arrangements (CVU 2324-24) Final Report Issued: November 2023 Rating: Reasonable Assurance	1. Terms of reference not in place or out of date	High	Complete	Evidence provided by the Director of Operations, Mental Health Clinical Board confirmed completion.
	2. Compliance with terms of reference	Medium	Complete	
	3. Meeting records	Medium	Complete	
PARIS System (CVU 2324-12) Final Report Issued: October 2023 Rating: Reasonable Assurance	1. Civica Service Report	Medium	Complete	Evidence provided by the Application Support Manager confirmed completion.
	2. Closure / Lock Down of Accounts	Medium	Complete	
PCIC CB Governance Arrangements (CVU 2324-25) Final Report issued: June 2024 Rating: Reasonable Assurance	2. Frequency of meetings	Medium	Complete	Evidence provided by the Director of Nursing, PCIC confirmed completion.
	3.1. Attendance at meetings	Medium		
	3.2. Attendance at meetings	Medium		
IP&C (CVU 2324-30) Final Report issued: January 2024 Rating: Reasonable Assurance	5. IPC Group Reporting	Medium	Incomplete at time of review but has since been completed.	Evidence provided by the Executive Director of Nursing confirmed completion.

Assurance Ratings

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

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Office details:

Audit and Assurance Services
2nd Floor, Woodland House
Maes y Coed Road
Cardiff
CF14 4HH.

Contact details

Ian Virgill (Head of Internal Audit) - ian.virgil@wales.nhs.uk

Samir
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Nathan

Audit and Assurance Committee Update – Cardiff and Vale University Health Board

Date issued: September 2025

Document reference: 4679A2025

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This document has been prepared for the internal use of Cardiff and Vale University Health Board as part of work performed / to be performed in accordance with statutory functions.

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

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About this document

- 1 This document provides the Audit and Assurance Committee with an update on our current and planned accounts and performance audit work at Cardiff and Vale University Health Board. We presented our most recent Audit Plan to the committee in May 2025.
- 2 We also provide additional information on:
 - other relevant examinations and studies published by the Auditor General; and
 - relevant corporate documents published by Audit Wales (e.g. fee schemes, annual plans, annual reports), as well as details of any consultations underway.
- 3 Details of future and past Good Practice Exchange (GPX) events are available on our [website](#).

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Financial audit update

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

Exhibit 1 – Accounts audit work

Area of work	Executive Lead	Focus of the work	Current status	Planned date for consideration
Audit of the 2024-25 Annual Report and Accounts	Executive Director of Finance	To provide an audit opinion on the 2024-25 Annual Report and Accounts.	Audit work completed.	The Accounts were certified by the Auditor General on 27 June 2025.
Audit of the 2024-25 Charitable Funds Accounts	Executive Director of Finance	To provide an audit opinion on the Health Board's Charitable Funds Accounts.	Early planning work started.	Work to be completed in November ahead of the 30 January 2026

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Area of work	Executive Lead	Focus of the work	Current status	Planned date for consideration
				Charity Commission deadline.

Performance audit update

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

Exhibit 2 – Performance audit work

Area of work	Executive Lead	Focus of the work	Current status	Planned date for consideration
Planned Care Review	Chief Operating Officer	<p>This work followed on from the national report on <u>Tackling the Planned Care Backlog</u>, and considered:</p> <ul style="list-style-type: none"> • The extent that health boards have achieved Welsh Government targets for recovering planned care services; • The efficacy of local plans and activity to recover waiting lists; and 	Complete – Final report in today’s papers.	September 2025

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Area of work	Executive Lead	Focus of the work	Current status	Planned date for consideration
		<ul style="list-style-type: none"> Use of the additional Welsh Government financial allocations to improve waiting lists. 		
Structured Assessment 2025 – core	Director of Corporate Governance	<p>Our structured assessment work is designed to examine the existence of proper arrangements for the efficient, effective, and economical use of resources. Our 2025 Structured Assessment will review:</p> <ul style="list-style-type: none"> Board and committee cohesion and effectiveness; Corporate systems of assurance; Corporate planning arrangements; and Corporate financial planning and management arrangements. 	Fieldwork underway	January 2026
Structured Assessment 2024 Deeper Dive - Review of Digital Transformation	Director of Digital and Health Intelligence	This review will examine digital arrangements, with a particular focus on how NHS bodies are investing in digital technologies, solutions, and capabilities to support the workforce, transform patient	Fieldwork underway	To be confirmed

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Area of work	Executive Lead	Focus of the work	Current status	Planned date for consideration
		care, meet demand, and improve productivity and efficiency.		
Review of eye care services (2024 local work)	Chief Operating Officer	<p>Following on from our report on orthopaedic services last year, we will review the Health Board's speciality with the highest level of waits - eye care services.</p> <p>We will assess the Health Board's services to ensure they are delivered efficiently, effectively, and economically, and there are clear plans to meet current and future population needs. Scoping work will be completed in due course, but we expect to include both community and acute eye care services within the scope of this work.</p>	Report drafting	To be confirmed
Structured Assessment 2025 Deeper Dive - Review of the	To be confirmed	This review will examine the effectiveness of corporate arrangements to manage the Health Board's estate with a particular focus on how NHS bodies are prioritising resources to meet strategic priorities whilst	Planning	To be confirmed

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Area of work	Executive Lead	Focus of the work	Current status	Planned date for consideration
arrangements to manage estates		also ensuring the current estate remains fit for purpose.		
Review of cancer services	To be confirmed	<p>This work will follow on from the <u>Review of National Leadership Arrangements for Cancer Services</u>. Whilst the exact focus of this work is to be determined, it is likely to consider:</p> <ul style="list-style-type: none"> • The progress NHS bodies are making towards achieving Welsh Government targets and quality standards for cancer services; • The efficacy of local plans and associated actions to recover cancer waiting lists; and • Use of the additional Welsh Government financial allocations to improve cancer services. 	Planning	To be confirmed
Progress review: 2019 Clinical Coding Follow-up	Chief Operating Officer	This work will focus on reviewing the Health Board's progress in addressing the recommendations made in our <u>2019 clinical</u>	Planning	To be confirmed

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Area of work	Executive Lead	Focus of the work	Current status	Planned date for consideration
Review (Local work 2025)		<u>coding follow-up review</u> , which was a follow-up of the work completed in <u>2014</u> .		

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Other relevant publications

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

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

Title	Publication Date
<u>Temporary Accommodation, long-term crisis?</u>	July 2025
<u>Cost Savings Arrangements – A checklist for NHS Board Members</u>	June 2025
<u>The Wales Infrastructure Investment Strategy</u>	May 2025
<u>No time to lose: Lessons from our work under the Well-being of Future Generations Act</u>	April 2025
<u>The Biodiversity and Resilience of Ecosystems Duty</u>	March 2025

Additional information

- 7 **Exhibit 4** provides information on corporate documents published by Audit Wales since the last committee update. The links to the reports on our website are provided.

Title	Publication Date
<u>Annual Report and Accounts 2024-25</u>	June 2025

- 8 There are no relevant Audit Wales consultations currently underway.



Audit Wales

1 Capital Quarter

Tyndall Street

Cardiff, CF10 4BZ

Tel: 029 2032 0500

Fax: 029 2032 0600

Textphone: 029 2032 0660

E-mail: info@audit.wales

Website: www.audit.wales

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

Report Title:	Procurement Compliance Report			Agenda Item No:	2.3
Meeting:	Audit & Assurance Committee	Public	X	Meeting Date:	02.09.2025
		Private			
Status	Assurance	X	Approval	Information/Noting	
Lead Executive Title:	Executive Director of Finance				
Report Author Title:	Assistant Director of Procurement Services and Executive Procurement Lead – C&V				
Main Report					
Background and Current Situation:					

The UHB's Standing Orders & Standing Financial Instructions require that the purchase of all goods and services be subject to competition in accordance with good procurement practice, making reference to minimum thresholds for quotes and competitive tendering arrangements.

There are some situations where this is not always practical and requests for Single Quotation Actions (SQA) or Single Tender Actions (STA) are made in accordance with the Procedure for the Approval of Single Tender Action. There are sound reasons why STA/SQA's are permitted within the Health Board, these are as follows but not limited to:-

- Sole Supplier of Goods or Services
- Proprietary items, i.e. Trademarked, patented
- Capability with existing equipment or service
- Regulatory, i.e. Human Tissue Act (HTA)
- Urgent Operational Requirement
- Unforeseen/unplanned circumstances
- Emergencies
- Exemptions

To support the management of STA/SQA requests, an online quotation system was implemented in April 2019, to test the market and promote competition, this should reduce the number of STA/SQA's.

There are also some situations where contracts are extended outside of the original contract scope to ensure patient safety and operational delivery of the Health Board's core services.

Unfortunately, there are times when individuals act outside Procurement Regulations and Standing Financials Instructions which need to be reported as a non-compliant process, which is a direct breach, and could compromise competition and value for money. There are some exemptions within these breaches in relation to unforeseen/unplanned circumstances, and emergencies.

Should Non-Compliant Activity occur a letter from the Director of Finance will be sent to the Clinical Director/Department Head and copied to the relevant Executive Director to seek assurance that measures will be put in place to ensure that a breach does not occur again. If repeated breaches continue this will be escalated to the CEO.

Executive Director Opinion & Key Issues to bring to the attention of the Committee

ASSESSMENT AND ASSURANCE

Non-Compliant Activity (30)

Description Title	Value at Risk Excl VAT	Length at Risk/ Breach	Clinical Board	Reason	Action/Status
Sendout test - invoice 450198018	£20,050.00	Retrospective	AWMGS	No Procurement Involvement	Advised end user to explain that if further spend is anticipated to engage with procurement to get relevant compliance in place.
Software solution for managing incoming and outgoing mail	£6,954.00	One-off Requirement	Capital Planning Estates and Facilities	No Procurement Involvement	No further action - one off requirement
96 Needle Head with Spiral Needles for all Porvair Evaporator	£5,040.70	One-off Requirement	Surgery Services and Dental	No Procurement Involvement	Procurement to provide refresher training to department on SFIs and when to engage with procurement
IPFR – Fresh Osteochondral Right Lateral Condyle 002684	£11,966.20	One-off Requirement	Surgery Services and Dental	No Procurement Involvement	One off requirement but have requested that Procurement notified earlier in the process to obtain compliance where possible
Vehicle Hire	£9,949.79	One-off Requirement	Specialist	No Procurement Involvement	Will be picked up as part of the wider Fleet review of all hired vehicles
Pipette Tips GP LTS	£5,373.46	One-off Requirement	AWMGS	No Procurement Involvement	Procurement to provide refresher training to AWMGS on SFIs and when to engage with procurement
Orion Med Tech Network charges	£5,040.00	One-off Requirement	Specialist	No Procurement Involvement	Procurement to provide refresher training to AWMGS on SFIs and when to engage with procurement
2025 Surveillance 1 Cardiff	£14,003.00	One-off Requirement	WEQAS	No Procurement Involvement	Procurement to provide refresher training to WEQAS on SFIs and when to engage with procurement
Firely Server (Vonk) license,	£9,839.60	1 June 2025 to 31 May 2026	DH&I / Execs	No Procurement Involvement	Procurement to provide refresher training to DH&I on SFIs and when to engage with procurement
Extension of IMROC Licence for Trainers plus adaptions to materials	£6,900.00	April 2025 to March 2026	Mental Health	No Procurement Involvement	Discussed with the service in December as this was reported to audit last year. Been discussions with the supplier back and forth as they are looking to renew their system however this was not decided in time and now retrospective. Advised need to have discussions and decide with supplier in December of this year ahead of the renewal.
Regional project management to support	£36,730.26	June 2025 to March 2026	DH&I / Execs	No Procurement Involvement	Procurement to provide refresher training to

the implementation of Open Eyes solution across multiple Health Boards in SE area.					DH&I on SFIs and when to engage with procurement
Payment of Tradebe Invoices	£8,045.50	Retrospective	Capital Planning Estates and Facilities	No Procurement Involvement	Procurement to provide refresher training to CEF on SFIs and when to engage with procurement
Installation & Commissioning	£5,284.00	Retrospective	Capital Planning Estates and Facilities	No Procurement Involvement	Procurement to provide refresher training to CEF on SFIs and when to engage with procurement
Payment of invoice GDM Health Annual Subscription	£14,968.00	20th January 2025 to 19th January 2026	Children and Women	No Procurement Involvement	Contacted end user for renewal in January to put compliance in place and explained the process.
Shep food & fun tutor books	£8,126.00	One-off Requirement	Clinical Diagnostics & Therapies	No Procurement Involvement	Review with end user to ascertain if compliant agreement to be put in place for future orders
DDP Training Delivered	£6,196.13	June 2025	Children and Women	No Procurement Involvement	Procurement to provide refresher training to C&W on SFIs and when to engage with procurement
Wound SAAS Monthly Annual Service	£13,720.00	1st April 2025 to 31st July 2025	PCIC	No Procurement Involvement	Contacted end user to see if this will be annual charge. Reporting around £70k to audit last year due to no compliance. Met with the directorate in November last year who informed there would be no on going charge and a one-off fee.
Van Rental for Physiotherapy	£9,681.38	One-off Requirement	Clinical Diagnostics & Therapies	No Procurement Involvement	There is currently no appropriate contract in place for this. There will be a contract in place for the future
Zenith stent ref ZIMB-28-98	£6,900.00	One-off Requirement	Clinical Diagnostics & Therapies	No Procurement Involvement	Procurement to provide refresher training to CD&T on SFIs and when to engage with procurement
P8000 Licence	£11,521.00	One-off Requirement	Clinical Diagnostics & Therapies	No Procurement Involvement	Procurement to provide refresher training to CD&T on SFIs and when to engage with procurement
CF23 GHG lease	£5,216.81	12 months	PCIC	No Procurement Involvement	Procurement to provide refresher training to PCIC on SFIs and when to engage with procurement
Solo Invoices	£7,161.42	31st March 2025 to 27th April 2026	Capital Planning Estates and Facilities	No Procurement Involvement	Retrospective
Hire of Coolbreeze Split air conditioner units	£12,765.00	One-off Requirement	Capital Planning	No Procurement Involvement	No Procurement involvement, with the

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			Estates and Facilities		Hire period having already begun. Procurement will look to get a contract in place moving forward.
Laboratory Chemicals	£6,375.00	One-off Requirement	Clinical Diagnostics & Therapies	No Procurement Involvement	Procurement to provide refresher training to CD&T on SFIs and when to engage with procurement
Clinimacs CD34 Reagent, CE (200-070-100)	£6,709.00	One-off Requirement	Clinical Diagnostics & Therapies	No Procurement Involvement	Procurement to provide refresher training to CD&T on SFIs and when to engage with procurement
Carnitine/Acylcarnitine Standard Mix Set B, 1 vial	£6,709.50	August 2025-September 2026	Clinical Diagnostics & Therapies	No Procurement Involvement	First time the order has come over £5K - discussion to take place on bringing supplier onto MQ and undergoing a procurement exercise for compliance going forward
Case Note folders for medical records	£34,317.00	Augst 25 to March 26	Clinical Diagnostics & Therapies	No Procurement Involvement	Awaiting specification to release Tender on Sell2Wales to test the appetite in the market for the files
Replacement Compressor and oil change	£9,244.45	August 25	Capital Planning Estates and Facilities	No Procurement Involvement	Will look to get a contract in place with the supplier
CRS Q3 24/25 VAT Review Invoices Finance Department	£5,441.56	Quarter 3 24-25	Executives	No Procurement Involvement	Procurement to provide refresher training to Execs on SFIs and when to engage with procurement
Welsh Translation Services	£90,000.00	April 2025 - March 2026	Executives	No Procurement Involvement	To be retendered in the autumn, on WP CR258

Contracts value breached/ extended at risk as a result of emergency/unforeseen circumstances (2)

Contract Title	Value at Risk Excl VAT	Contract Expiry	Length at risk/Breach	Clinical Board	Reason	Action /Status
Cardiff West Cluster Funded Social Prescribing Community Connectors	£52,500.00	18th February 2026	1st April 2025 to 18th February 2026	PCIC	Contract Value breach	This contract is ending in February and not utilising the option to extend.
Toyota Material Handling: Invoices 2021 - 2025	£9,949.79	2025	Ad hoc 2021-25 retrospective	Clinical Diagnostics & Therapies	Contract Value breach	Invoices that were not sent directly

Other Non-Compliant Activity (23)

This section details activities which were out of the Department/Health Board's control as a result of any of the following.

- Emergency activity
- Unforeseen/Unplanned circumstances
- Exemptions

Title	Value at Risk	Length at Risk/Breach	Clinical Board	Reason	Action /Status
Supply and Fit of Water Softener Kit	£8,246.80	One-off Requirement	Capital Planning Estates and Facilities	Urgent Works posing health and safety risks	One-off emergency, looking to put a contract in place to ensure future compliance.
Replacement Compressor and Reconfiguration of indoor units at Genomics	£11,969.71	One-off Requirement	Capital Planning Estates and Facilities	Unplanned emergency works	Unplanned emergency work so there is no time to put a contract in place.
Supply and Install 10 Media Panels inclusive of all associated pipework included in quotation.	£48,600.34	One-off Requirement	Capital Planning Estates and Facilities	Emergency estates work due to pipework failure	One-off emergency works
Paul Popham Fund for Accommodation for Transplant Games -	£10,000.00	One-off Requirement	Specialist	a payment to a charity Funded from Welsh Government	One off contract - it's for payment to a charity
Supply and Fit Replacement Automatic Blowdown Valve to waste heat boiler	£6,723.54	One-off Requirement	Capital Planning Estates and Facilities	Unplanned emergency works	Unplanned emergency work so there is no time to put a contract in place.
Greenhouse Gas Emissions Trading Scheme civil penalty notices for University Hospital of Wales 2022	£90,876.24	One-off Requirement	Capital Planning Estates and Facilities	Unforeseen/Unplanned circumstances	Penalty Charge for Greenhouse Gas emissions
BOILER HOUSE LOAD LEVER 18.5 DUAL HEAD PUMP REPAIR AS PER QUOTE 0736/00014469	£7,178.88	One-off Requirement	Capital Planning Estates and Facilities	Unforeseen/Unplanned circumstances	One-off Emergency Works
UHL MRI CAVOC Repair – Electrical Cabinet Replacement	£125,672.00	One-off Requirement	Clinical Diagnostics & Therapies	Unforeseen/Unplanned circumstances	Agreed by CMG members via email capital (CD07)
One Wales MM Platform	£9,600.00	One-off Requirement	PCIC	Unplanned, emergency requirement	One-off emergency, contract will be in place for the future
Westpoint Van Invoices	£10,985.78	July 25	Capital Planning Estates and Facilities	Unforeseen/Unplanned circumstances	One-off emergency, contract will be in place for the future
Supply and commission of 2 Inverters for boosted cold	£5,277.00	One-off Requirement	Capital Planning Estates and Facilities	Unplanned, emergency requirement	This is a one-off emergency, review to put a contract in

water in Theatre 2					place to ensure future compliance.
2025 Haem UKAS Accreditation	£18,638.50	12 months	Clinical Diagnostics & Therapies	Exemption	UKAS accreditation
Dinas Powys-Premises Expenses	£8,963.75	April 2024 to March 2025	PCIC	Exemption	No action required - Rent payment
Loudoun Square Rent 2025-26	£99,906.36	12 months	PCIC	Exemption	No action required - Rent payment
Disbursement Only Bill. Fire Safety Issues. Invoice No BM100219590	£47,200.00	One-off Requirement	Executives	Exemption	N/A - Tribunal Invoice
Service Charges 2025-26	£16,451.52	12 months	Capital Planning Estates and Facilities	Exemption	Exemption - Rent
WGOS 4 patients' appointments	£240,000.00	One-off Requirement	PCIC	Exemption	Previously paid through data load - no procurement involvement.
Static Seating Overspend	£62,197.00	One-off Requirement	Children & Women	Exemption	Partnership funding with Cardiff Council JES
Cardiff Council Invoice for Funding Contribution for Links Social Worker Posts	£63,844.00	October 2024 to March 2025	Mental Health	Exemption	Partnership funding with Cardiff Council
Cardiff Council Invoice for Social Worker Post (Drug Abuse Team)	£12,904.57	April 2024 to September 2024	Mental Health	Exemption	Partnership funding with Cardiff Council
Cardiff Council Invoice for MH Crisis Resolution Worker	£48,476.45	April 2024 to September 2024	Mental Health	Exemption	Partnership funding with Cardiff Council
Cardiff Council Invoice for Social Work for Combating Drug Abuse	£13,546.79	October 2024 to March 2024	Mental Health	Exemption	Partnership funding with Cardiff Council
Family Gateway Pilot Q1 Southwest Cluster	£9,912.51	May 2025 to July 2025	PCIC	Exemption	Partnership funding with Cardiff Council

It should be noted that Procurement has booked training sessions with areas of high non-compliance on Standing Financial Instructions (SFI's) and Procurement Legislation and Regulations to proactively reduce the number of breaches by Clinical Boards.

Report on Single Tender/Quotations Actions

Retrospective – (Nil Return)

The report outlines all SQA/STA (0) requests during the period from the 1st May 2025 to 31st July 2025.

Clinical Board	Supplier	Name of Project	Retrospective Value of Contract Excl VAT	STA Type

Should Retrospective STA/SQA's occur a letter from the Director of Finance will be sent to the Clinical Director/Department Head and copied to the relevant Executive Director to seek assurance that measures will be put in place to ensure that a breach does not occur again. If repeated breaches continue this will be escalated to the CEO.

Prospective (within the permitted guidelines)

The report outlines all SQA/STA (8) requests during the period from the 1st May 2025 to 31st July 2025. The volume processed was higher than normal activity, because of the following: -

1. Bevan Exemplar initiatives – WG approved
2. Year-end Monies/ Capital
3. National Programmes
4. Trials, Testing and Education Programmes
5. Bespoke software support and/or licences
6. Specialist Maintenance and Repairs
7. Partnership Arrangements
8. Compliance / Regulatory Requirements
9. Charitable Funds
10. Standardisation of goods or services
11. Unforeseen circumstances/Emergencies
12. Exemptions

Clinical Board	Proposed Supplier	Name of Project	Total Value of Contract excl VAT	Type
Capital Planning Estates and Facilities	Citadel	Emergency Security for CAVHIS and ATS in CRI	£58,500.00	Specialist Maintenance and Repairs
Clinical Diagnostics & Therapies	Gillett Ltd	IsoStock Radioactive Material Tracking Software	£ 51,508.00	Compliance / Regulatory Requirements
AWMGS	Informed Geonomics	Inherited Cancer Genetic Testing	£116,406.66	Compliance / Regulatory Requirements
Children & Women	Concordia Summit Inc	Membership to the Concordia Network	£15,366.00	Trials, Testing and Education Programmes
Clinical Diagnostics & Therapies	Pharmagraph Ltd	Facilities Monitoring System Health Check and Calibration	£40,548.00	Specialist Maintenance and Repairs
Clinical Diagnostics & Therapies	Edinburgh University	MSc Patient Safety and Human Factors	£19,119.00	Trials, Testing and Education Programmes
Clinical Diagnostics & Therapies	DQD Engineering Ltd	Maintenance of Water generation system	£28,753.68	Specialist Maintenance and Repairs
Clinical Diagnostics & Therapies	– City, University of London	Procurement of Professional Development Course: Science and Instrumentation of Computed Tomography	£25,000.00	Trials, Testing and Education Programmes

Non-Compliant Activity / Contract Breach Summary

The below summary details all Boards who have been reported for non-compliant breaches and exemptions in this period alongside their previous statistics for comparative purposes.

Clinical Board	2023/24 (FY)		2024/25 (FY)		2025/26(YTD)	
	Non-Compliant Breaches	Exemption	Non-Compliant Breaches	Exemption	Non-Compliant Breaches	Exemption
AWMGS	1	0	14	0	3	0
Children and Women	3	0	11	0	2	1
Capital Planning, Estates and Facilities	2	3	17	7	10	11
Clinical, Diagnostics and Therapies	11	4	27	4	18	3
Executives	21	9	35	20	7	1
Medicine	1	0	3	0	1	0
Mental Health	2	1	10	0	2	4
PCIC	2	0	11	0	4	5
Specialist	10	1	11	2	4	1
Surgery and Dental	10	0	8	1	2	0
TOTALS	63	18	147	34	53	26

STA/SQA's by Department

Clinical Board	2023/24 (FY)		2024/25 (FY)		2025/26(YTD)	
	No. of SQA's/STA's	SQA/STA's Breached	No. of SQA's/STA's	SQA/STA's Breached	No. of SQA's/STA's	SQA/STA's Breached
AWMGS	0	0	6	1	1	0
Children and Women	4	0	2	0	1	0
Capital Planning, Estates and Facilities	2	0	7	0	2	0
Clinical, Diagnostics and Therapies inc. Weqas	23	0	34	0	6	0
Executives	13	2	22	2	1	0
Medicine	0	0	3	0	0	0
Mental Health	1	0	3	0	0	0
PCIC	3	0	4	0	0	0
Specialist Services	3	0	5	2	0	0
Surgery Services and Dental	5	1	9	0	0	0
Grand Total	54	3	95	5	11	0

Appendices

- 1) 2.3b - STA's reported August 25 (1)
- 2) 2.3c - Supplementary information for the Director of Finance - August 2025 (1)

Recommendations:

The Committee is requested to:

- a) **NOTE** the contents of the Report
- b) **APPROVE / AGREE** the contents of the Report

Link to Strategic Objectives of Shaping our Future Wellbeing:

1.	 Putting People First	2.	 Providing Outstanding Quality
3.	 Delivering in the Right Places	4.	 Acting for the Future

Five Waves of Working (Sustainable Development Principles) considered:

Prevention	Long Term	Integration	Collaboration	Involvement
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Quality Impact Assessment Completed?

Yes (please include the complete QIA document)	No (please provide reasoning e.g. not required)	n/a
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Impact Assessment

Risk: n/a
Safety: n/a
Financial: n/a
Workforce: n/a
Legal: n/a
Reputational: n/a
Socio Economic: n/a
Equality & Health: n/a
Decarbonisation: n/a
Welsh Language: n/a

Approval/Scrutiny Route (please list all other Committees/Groups this report has been to)

Name of Committee/Group/Exec	Date:

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STA/SQA	SQA/STA Number	Contract Folder Number	Procurement Officer	Date Received	Clinical Board Requestor	Clinical Board	Proposed Supplier	Name of Project	Total Value of Contract excl VAT	Annual Value of Contract excl VAT	Retrospective?	Retrospective Value of Contract excl VAT	Start Date of Contract	End Date of Contract	Extension Option	Type	Category of STA/SQA for Audit Paper	Reason Detail for STA	Long Term Solution
STA	CAV-STA (2025/26) 9	CR1290	LP	07/05/2025	Damian Winstone/ Eleri Crudgington	Capital Planning, Estates and Facilities	Citadel	Emergency Security for CAVHS and ATS in CRI	£58,500.00	£70,200.00	No	N/A	01/06/2025	30/11/2025	N/A	Urgent Operational Requirement	Specialist Maintenance and Repairs	Cardiff and Vale Health Inclusion Service (CAVHS) & Alternative Treatment Scheme (ATS) essential security, tender for longer term contract is out, however due to the specialist nature of this contract, we require the current security to ensure service continuation	Open competitive tender posted with 5 lots for security to be awarded for 5 years (3+1+1)
STA	CAV-STA (2025/26) 21	CR1352	BE	19/05/2025	Holly Sneddon	CD&T	Gillett Ltd	IsoStock Radioactive Material Tracking Software	£ 51,508.00	£61,809.60	No	No	TBD	£47,208.00	N/A	Sole Supplier of Goods or Services	Compliance / Regulatory Requirements	Gillett are sole supplier of a radioactive material tracking software compliant with HB regulatory	CAVUHB has 3 sites, 2 in UHW - Med Phys & Radiology which are already in contract for 12 months (>ESK respectively) and new site UHL. Plan to commence 4 year contract for UHL, roll in UHW sites in Year 2, and align whole contract expiry to VEL contract for same software - 31/03/2029. Moving forward amalgamate all of CAV & VEL in one contract.
STA	CAV-STA (2025/26) 22	CR1356	GE	22/05/2025	Matt Corrin	AWMGs	Informed Geonomics	Inherited Cancer Genetic Testing	£116,406.66	£139,687.99	No	No	02/06/2025	01/06/2026	N/A	Capability with existing equipment or service	Compliance / Regulatory Requirements	Due to the current cost and extensive turn around time of cancer testing sent to incumbent supplier synlab an alternative UK provider is required to meet the urgent needs of the service.	This is a 12 month solution. Within this period AWMGs Laboratories should get back up to full operation post the move therefore no long term outsourcing solution is required.
SQA	CAV-SQA (2025/26) 25	CW.01	OM	12/05/2025	Rhian Thomas Turner	Children & Women	Concordia Summit Inc	Membership to the Concordia Network	£15,366.00	£18,439.20	No	N/A	12 Months	01/06/2025	N/A	Sole Supplier of Goods or Services	Trials, Testing and Education Programmes	Membership - Sole Supplier	Review at Month 10
STA	(2025/26) 28	MQ068	RW	03/06/2025	Ross Stevens	CD&T	Pharmagraph Ltd	Facilities Monitoring System Health Check and Calibration	£40,548.00	£13,516.00	No	N/A	01/07/2025	30/06/2028	N/A	Sole Supplier of Goods or Services	Specialist Maintenance and Repairs	The system was installed by the incumbent supplier and provide software service only available by the company.	Three-Year Agreement - no plans to change governance structure
SQA	(2025/26) 31		RW	13/06/2025	Elizabeth Hughes	CD&T	Edinburgh University	MSc Patient Safety and Human Factors	£19,119.00	£22,942.80	No	N/A	01/09/2025	31/08/2028	N/A	Sole Supplier of Goods or Services	Trials, Testing and Education Programmes	University fees	One off requirement
STA	(2025/26) 33	CR588	RW	10/06/2025	Alison Jones	CD&T	DD Engineering Ltd	Maintenance of Water generation system	£28,753.68	£34,504.42	No	N/A	21/07/2025	20/07/2026	N/A	Sole Supplier of Goods or Services	Specialist Maintenance and Repairs	Specialist water treated maintenance	Long term not required as contract is likely to move to TRAMS
STA	(2025/26) 34	CR1374	CW	08/07/2025	Emma Morgan	CD&T	- City, University of London	Procurement of Professional Development Course: Science and Instrumentation of Computed Tomography	£25,000.00	£30,000.00	no	N/A	01/09/2025	31/10/2026	N/A	Sole Supplier of Goods or Services	Trials, Testing and Education Programmes	Specialist postgraduate Training Course selected by HEIW with funding for x5 radiographers	One off requirement

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August 2025

Supplementary information for the Director of Finance - Report of Single Tender/Quotations Actions

Category reason for SQA/STA's

1. Bevan Exemplar initiatives – WG approved
2. Year-end Monies/ Capital
3. National Programmes
4. Trials, Testing and Education Programmes
5. Bespoke software support and/or licences
6. Specialist Maintenance and Repairs
7. Partnership Arrangements
8. Compliance / Regulatory Requirements
9. Charitable Funds
10. Standardisation of goods or services
11. Covid-19
12. Unforeseen/unplanned circumstances
13. Emergencies
14. Exemptions

Retrospective – (Nil Return)

The report outlines all retrospective SQA/STA (0) requests during the period the 1st May 2025 to 31st July 2025.

Clinical Board	Proposed Supplier	Name of Project	Total Value of Contract Excl VAT	Type	Reason Detail for STA	Category

Saunders/Nathan
28/08/2025 12:28:41

Prospective (within the permitted guidelines)

The report outlines all SQA/STA (8) requests during the period the 1st May 2025 to 31st July 2025.

The volume processed was as a consequence of the following: -

1. Bevan Exemplar initiatives – WG approved
2. Year-end Monies/ Capital
3. National Programmes
4. Trials, Testing and Education Programmes
5. Bespoke software support and/or licences
6. Specialist Maintenance and Repairs
7. Partnership Arrangements
8. Compliance / Regulatory Requirements
9. Charitable Funds
10. Standardisation of goods or services
11. Covid-19
12. Unforeseen/unplanned circumstances
13. Emergencies
14. Exemptions

Clinical Board	Proposed Supplier	Name of Project	Total Value of Contract Excl VAT	Type	Reason Detail for STA	Category
Capital Planning, Estates and Facilities	Citadel	Emergency Security for CAVHIS and ATS in CRI	£58,500.00	Specialist Maintenance and Repairs	Cardiff and Vale Health Inclusion Service (CAVHIS) & Alternative Treatment Scheme (ATS) essential security, tender for longer term contract is out, however due to the specialist nature of this contract, we require the current security to ensure service continuation	6
CD&T	Gillett Ltd	IsoStock Radioactive Material Tracking Software	£51,508.00	Compliance / Regulatory Requirements	Gillett are sole supplier of a radioactive material tracking software compliant with HB regulatory	8
AWMGS	Informed Geonomics	Inherited Cancer Genetic Testing	£116,406.66	Compliance / Regulatory Requirements	Due to the current cost and extensive turnaround time of cancer testing sent to incumbent supplier synlab an alternative UK provider is required to meet the urgent needs of the service.	8

Children & Women	Concordia Summit Inc	Membership to the Concordia Network	£15,366.00	Trials, Testing and Education Programmes	Membership - Sole Supplier	4
CD&T	Pharmagraph Ltd	Facilities Monitoring System Health Check and Calibration	£40,548.00	Specialist Maintenance and Repairs	The system was installed by the incumbent supplier and provides software service only available by the company.	6
CD&T	Edinburgh University	MSc Patient Safety and Human Factors	£19,119.00	Trials, Testing and Education Programmes	University fees	4
CD&T	DQD Engineering Ltd	Maintenance of Water generation system	£28,753.68	Specialist Maintenance and Repairs	Specialist water treated maintenance	6
CD&T	- City, University of London	Procurement of Professional Development Course: Science and Instrumentation of Computed Tomography	£25,000.00	Trials, Testing and Education Programmes	Specialist postgraduate Training Course selected by HEIW with funding for x5 radiographers	4

Saunders, Nathan
28/08/2025 12:28:41

Report Title:	Post Payment Verification End of Year report 2024/2025		Agenda Item No:	2.4	
Meeting:	Audit & Assurance Committee	Public	X	Meeting Date:	2/09/2025
		Private			
Status	Assurance	X	Approval	Information/Noting	
Lead Executive:	Catherine Phillips Executive Director of Finance				
Report Author Title:	NHS Wales Shared Services Partnership: Amanda Legge, All Wales, Post Payment Verification Manager				

Main Report

Background and Current Situation:

The Audit and Risk Assurance Committee is asked to take assurance from the contents of this report. It highlights Post Payment Verification (PPV) progress and how practices have been performing over the current cycle. It compares the overall performance of the Health Board (HB) against the national PPV visits. PPV of claims from General Medical Services (GMS), General Ophthalmic Services (GOS) and General Pharmaceutical Services (GPS) are undertaken as a part of an annual plan by NHS Wales Shared Services Partnership (NWSSP).

There are no options included in this report. The report is for assurance and will only detail specific risks if any, and provides the narrative for what PPV, Primary Care, Finance and Counter Fraud consider to be the best approach to support practices in improving.

At mid-year and end of financial year, the PPV Manager will prepare a report for Health Board audit committees to outline how practices have been performing and highlighting PPV progress.

The report is being produced for the Committee to review and seek assurance that the Post Payment Verification cycle is being managed appropriately.

The purpose of the PPV process is to provide assurance to Health Boards that the claims for payment made by primary care contractors are appropriate and that the delivery of the service is as defined by NHS service specification and relevant legislation.

The following key points should be noted:

General Medical Services (GMS): in 2024-2025 the PPV team had 54 visits planned for Cardiff & Vale University Health Board consisting of 17 routine and 37 revisits. By 31 March 2025, we had 19 routine visits with 19 revisits in progress. The incompleteness of routine/revisits was a national issue and is not specific to any individual Health Board. When undertaking revisits, a 100% check of the service(s) that were triggered are verified, which takes a significant amount of time to finalise. This year, we are experiencing unexpected absence in the team in a disproportionate number.

In the first three months of the new financial year, the team has been completing all outstanding visits that are overdue before we begin the new visit plan for 2025/2026.

We have also been requested by Welsh Government to undertake the additional verification of Covid and RSV vaccines and will begin these checks for the visits due in 2025/2026.

General Ophthalmic Services (GOS): The visit plans for GOS 2024-2025 progressed better than the last few years, based on the team having the ability to carry out remote access on more contractors who have transferred to electronic patient records. We do have to carry out elements of physical visits too, as not all contractors are electronic.

For the financial year of 2024-2025 the team completed 13 visits out of 21 visits planned for Cardiff & Vale University Health Board and have 8 to complete and carry over into the new financial year of 2025/2026, which has now been completed. Moving forward into 2025/2026, we have begun verifying claims for an additional 2 services, which are the WGOS 4 (Glaucoma and Medical Retina) and Independent Prescribing Optometry Service 5 urgent claims (IPOS5).

General Pharmacy Services (GPS): In 2024/2025, PPV introduced a new service check following a successful pilot, which was the Collaborative Working Scheme. The team now verifies this service, along with the Quality and Safety Scheme remotely. We completed 36 visits in progress out of 36 visits planned for Cardiff & Vale University Health Board.

Additional Services: The team progressed well with its quarterly dispensing data checks across Wales and introduced a robust service moving forward into the new financial year, which may result in future financial recoveries, although this currently does not affect Cardiff & Vale University Health Board. The results will be added to PPV reports once finalised. Clinical Waste Self Assessments for GMS are going well and as planned to ensure compliance with legislation. We are hoping to incorporate these into our GOS visits this new year financial to align to the WGOS reform and the managing of clinical waste. The PPV team also manages the Waste Management Audit programme on behalf of the Health Boards, offering advice and support to General Practitioners and Community Pharmacies in respect of Waste Management.

Quarterly meetings are scheduled with all Health Boards and Counter Fraud teams to regularly review the progress report and to discuss themes, recommendations, and any risks.

The team is also continuing to investigate other avenues for savings from the provision of Clinical Waste services.

There are bi-monthly National GMS, GOS Working Group and Clinical Waste meetings with Primary Care Managers and PPV, to discuss and agree any issues regarding the national application of the programme. These are beneficial to all parties who attend.

PPV training events continue to be delivered to Health Boards and contractors, and we facilitate one-on-one training requirements when required, particularly for new practice staff within the Primary Care setting.

Executive Director Opinion & Key Issues to bring to the attention of the Committee:





Appendices

1) 2.4b - C&VuHB End of Year PPV Report 2024-2025

Recommendations:

The Committee is requested to:

- a) It is recommended that the Audit & Risk Assurance Committee Members **note** the contents of this report. There are no options included in this report. The report is for Assurance

Link to Strategic Objectives of Shaping our Future Wellbeing:			
1.	 Putting People First	2.	 Providing Outstanding Quality
3.	 Delivering in the Right Places	4.	 Acting for the Future
Five Waves of Working (Sustainable Development Principles) considered:			
P r e v e n t i o n	Long Term	Integration	Collaboration
			Invo lve men t
Quality Impact Assessment Completed?			
Yes (please include the complete QIA document)		No (please provide reasoning e.g. not required)	n/a
Impact Assessment			
Risk: n/a			
Safety: n/a			
Financial: n/a			
Workforce: n/a			
Legal: n/a			
Reputational: n/a			
Socio Economic: n/a			
Equality & Health: n/a			
Decarbonisation: n/a			
Welsh Language: n/a			
Approval/Scrutiny Route (please list all other Committees/Groups this report has been to)			
Name of Committee/Group/Exec		Date:	

Saunders, Nathan
28/08/2025 12:28:41

Audit Report - 1st April to 31st March 2025 = Cardiff & Vale University Health Board

To Note

Above planned numbers were sent to HB for 2024/2025 Visit Plan. Numbers may change due to ad hoc visits or closures/mergers
 Health Board and Counter Fraud receive copies of each visit report to act upon PPV recommendations
 PPV work collaboratively with Health Board managers and Local Counter Fraud to assist with any concerns that may arise
 Training/support is provided to practices after visit and throughout the year, whenever requested

Summary of themes/findings/issues

Revisits are taking longer than expected due to 100% check of claims
 Revisits are normally expected to have higher claim error rates

C&VuHB 2023/2024 = 30 visits were completed with a total of recovery of £22,025.47

ALL WALES 2023/2024 = 205 visits were completed with a recovery of £216,810.03

GMS	Visit Type	HB Annual Visits Due	No. In progress	No. Recoveries	Value of recoveries	All Wales Visits Due	All Wales No. in progress	All Wales Value of Recoveries
	Routine	17	19	360	£11,410.14	152	107	£86,280.90
	Revisit	37	19	588	£21,893.04	241	88	£108,291.79
TOTAL		54	38	948	£33,303.18	393	195	£194,572.69

PRACTICE	Routine or Revisit	Claim errors	% recovery	Value of recovery
Practice 1	Revisit	6	0.22%	£60.18
Practice 2	Routine	8	2.94%	£285.81
Practice 2	Revisit	0	0.00%	£0.00
Practice 3	Routine	5	2.33%	£305.00
Practice 3	Revisit	13	9.56%	£701.20
Practice 4	Routine	25	9.16%	£1,735.31
Practice 4	Revisit	4	1.06%	£111.32
Practice 5	Revisit	18	12.41%	£499.04
Practice 6	Revisit	14	19.72%	£369.68
Practice 7	Routine	14	8.14%	£262.76
Practice 7	Revisit	103	51.24%	£3,762.74
Practice 8	Routine	20	11.17%	£352.90
Practice 8	Revisit	15	1.27%	£1,038.77
Practice 9	Routine	20	8.89%	£725.50
Practice 9	Revisit	24	9.27%	£1,060.12
Practice 10	Routine	12	3.51%	£486.38
Practice 10	Revisit	1	0.26%	£67.50
Practice 11	Routine	4	2.27%	£93.10
Practice 11	Revisit	0	0.00%	£0.00
Practice 12	Routine	50	19.31%	£2,124.42
Practice 12	Revisit	5	3.09%	£86.62
Practice 13	Revisit	13	11.50%	£954.98
Practice 14	Routine	11	11.22%	£111.79
Practice 14	Revisit	292	76.24%	£10,882.49
Practice 15	Revisit	80	21.45%	£2,298.40
Practice 16	Routine	21	5.92%	£714.40
Practice 16	Revisit	0	0.00%	£0.00
Practice 17	Routine	82	23.10%	£925.57

Practice 17	Revisit	0	0.00%	£0.00
Practice 18	Routine	6	1.85%	£313.60
Practice 19	Routine	26	7.39%	£1,228.43
Practice 20	Routine	47	34.81%	£1,085.73
Practice 21	Routine	9	2.44%	£659.44
Practice 22	Routine	In Progress		
Practice 23	Routine	In Progress		
Practice 23	Revisit			
Practice 24	Routine	In Progress		
Practice 24	Revisit			

GOS	Visit Type	Annual Visits Planned	No. In progress	No. Recoveries	Value of recoveries	All Wales visits due	All Wales No. in progress	All Wales Value of Recoveries
	Routine	20	13	71	£2,287.24	126	99	£16,247.97
	Revisit	1	0	0	0	5	1	£68.70
	TOTAL	21	13	71	£2,287.24	131	100	£16,316.67

Summary of themes/findings/issues

As contractors are transitioning to electronic records, remote access and physical visits are progressing well

PRACTICE	Routine or Revisit	Claim errors	% recovery	Value of recovery
Practice 1	Routine	6	5.83%	£187.66
Practice 2	Routine	0	0.00%	£0.00
Practice 3	Routine	3	2.91%	£129.42
Practice 4	Routine	5	4.85%	£159.86
Practice 5	Routine	2	1.94%	£95.46
Practice 6	Routine	7	6.80%	£307.78
Practice 7	Routine	0	0.00%	£0.00
Practice 8	Routine	12	11.65%	£483.16
Practice 9	Routine	10	9.71%	£101.20
Practice 10	Routine	2	1.94%	£64.00
Practice 11	Routine	4	3.88%	£75.30
Practice 12	Routine	10	9.71%	£309.10
Practice 13	Routine	10	9.71%	£374.30

Summary of themes/findings/issues

Nothing to report at this stage

GPS	Visit Type	Annual Visits Planned	No. In progress	No. Recoveries	Value of recoveries	All Wales visits due	All Wales No. in progress	No. Recoveries	All Wales Value of Recoveries
	Q&S Scheme / Collaborative Working Scheme	Routine	36	36	0	£0.00	238	179	0
TOTAL		36							

Nathan
18/08/2025 12:28:41

Report Title:	Structured Assessment Response			Agenda Item No:	2.5
Meeting:	Audit & Assurance Committee	Public	X	Meeting Date:	02.09.2025
		Private			
Status (please only tick one)	Assurance	X	Approval		Information/Noting
Lead Executive Title:	Director of Corporate Governance				
Report Author Title:	Senior Corporate Governance Officer				

Main Report
Background and Current Situation:

Audit Wales undertake a structured assessment on the Health Board on an annual basis. The structured assessment work is designed to help discharge the Auditor General's statutory requirement to be satisfied that the Health Board has made proper arrangements to secure economy, efficiency, and effectiveness in their use of resources under Section 61 of the Public Audit (Wales) Act 2004.

The report at Appendix 1, sets out the findings from the Auditor General's 2024 structured assessment work at Cardiff and Vale UHB.

The key focus of the work undertaken by Audit Wales was around the Health Board's corporate arrangements for ensuring that resources are used efficiently, effectively, and economically, with a specific focus on:

- Board transparency, cohesion, and effectiveness.
- Corporate systems of assurance.
- Corporate approach to planning, and
- Corporate approach to financial management.

The key findings from Audit Wales stated:

“Overall, we found that the Health Board’s corporate governance arrangements continue to operate effectively. The Health Board is taking positive steps to operationalise its long-term strategy, ensuring governance arrangements support its delivery. Whilst the Health Board has ambitions to achieve financial sustainability, the financial position remains challenging”.

Upon receipt of the draft Structured Assessment in November 2024, the Corporate Governance Team have undertaken a piece of work to pull out all relevant actions/recommendations from the report, add those to the Audit Management and Tracking (AMaT) system and progress the work with support from the relevant teams within the wider Health Board.

Audit Wales highlighted 7 formal recommendations for the Health Board and within those recommendations, the Corporate Governance Team identified 11 actions be undertaken which are outlined at Appendix 2 with updates/responses to each provided. You'll note that 10 out of 11 actions have been marked as completed highlighting the positive work undertaken by the Corporate Governance Team.

Executive Director Opinion & Key Issues to bring to the attention of the Committee:

I am satisfied that the requirements identified in the SA have either been met or will be met through the continuation of the work being undertaken within the CG team to continually improve processes around Board, Committees and Corporate Governance.

Appendices (please list all appendices that accompany this report. Do **not** embed)





Appendix 1: Structured Assessment 2024
 Appendix 2: Structured Assessment Updates/Responses

Recommendations:

The Committee is requested to:

a) **Note** and take **assurance** from the actions and recommendations outlined at Appendix 2 and the ongoing work to complete the actions and recommendations

Link to Strategic Objectives of Shaping our Future Wellbeing:

1.	 Putting People First		2.	 Providing Outstanding Quality		X
3.	 Delivering in the Right Places	X	4.	 Acting for the Future		X

Five Waves of Working (Sustainable Development Principles) considered:

Prevention	X	Long Term	X	Integration	X	Collaboration	X	Involvement	X
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Quality Impact Assessment Completed?

Yes (please include the complete QIA document)		No (please provide reasoning e.g. not required)	X	Not required	
--	--	---	---	--------------	--

Impact Assessment

Risk: Yes/No

Safety: No

Financial: Yes/No

Workforce: No

Legal: No

Reputational: Yes/No

Socio Economic: No

Equality & Health: No

Decarbonisation: No

Welsh Language: No

Approval/Scrutiny Route (please list all other Committees/Groups this report has been to)

Name of Committee/Group/Exec	Date:

Saunders, Nathan
 28/08/2025 12:28:41

Structured Assessment 2024 – Cardiff and Vale University Health Board

Audit year: 2024

Date issued: February 2025

Document reference: 4431A2024

Saunders, Nathan
28/08/2025 12:28:41

This document has been prepared as part of work performed in accordance with statutory functions.

In the event of receiving a request for information to which this document may be relevant, attention is drawn to the Code of Practice issued under section 45 of the Freedom of Information Act 2000. The section 45 code sets out the practice in the handling of requests that is expected of public authorities, including consultation with relevant third parties. In relation to this document, the Auditor General for Wales and Audit Wales are relevant third parties. Any enquiries regarding disclosure or re-use of this document should be sent to Audit Wales at infoofficer@audit.wales.

We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

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

Saunders, Nathan
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Summary report

About this report

- 1 This report sets out the findings from the Auditor General's 2024 structured assessment work at Cardiff and Vale University Health Board (the Health Board). Our structured assessment work is designed to help discharge the Auditor General's statutory requirement under section 61 of the Public Audit (Wales) Act 2004 to be satisfied that NHS bodies have made proper arrangements to secure economy, efficiency, and effectiveness in their use of resources.
- 2 Our 2024 Structured Assessment work took place at a time when NHS bodies were continuing to respond to a broader set of challenges associated with the cost-of-living crisis, the climate emergency, inflationary pressures on public finances, workforce shortages, and an ageing estate. In addition, NHS bodies are still dealing with the legacy of the COVID-19 pandemic. More than ever, therefore, NHS bodies and their Boards need to have sound corporate governance arrangements that can provide assurance to themselves, the public, and key stakeholders that the necessary action is being taken to deliver high-quality, safe and responsive services, and that public money is being spent wisely.
- 3 The key focus of the work has been on the Health Board's corporate arrangements for ensuring that resources are used efficiently, effectively, and economically, with a specific focus on;
 - corporate approach to planning;
 - board transparency, cohesion, and effectiveness;
 - corporate systems of assurance; and
 - corporate approach to financial management.We have not reviewed the Health Board's operational arrangements as part of this work.
- 4 Our work has been informed by our previous structured assessment work, which has been developed and refined over a number of years. It has also been informed by:
 - model Standing Orders, Reservation and Delegation of Powers
 - model Standing Financial Instructions
 - relevant Welsh Government health circulars and guidance
 - the Good Governance Guide for NHS Wales Boards (Second Edition)
 - other relevant good practice guidesWe undertook our work between May 2024 and September 2024. The methods we used to deliver our work are summarised in **Appendix 1**. Our work was conducted in accordance with the auditing standards set by the International Organisation of Supreme Audit Institutions.

Saunders Pradhan
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- 5 We also provide an update in this report on the Health Board's progress in addressing outstanding recommendations identified in previous structured assessment reports in **Appendix 2**.

Key findings

- 6 **Overall, we found that the Health Board's corporate governance arrangements continue to operate effectively. The Health Board is taking positive steps to operationalise its long-term strategy, ensuring governance arrangements support its delivery. Whilst the Health Board has ambitions to achieve financial sustainability, the financial position remains challenging.**
- We considered whether the Health Board has a sound corporate approach to producing strategies and corporate plans and overseeing their delivery. We found that arrangements for producing, overseeing, and scrutinising strategies and corporate plans continue to strengthen, and the Health Board is taking positive steps to operationalise and embed its refreshed strategic objectives.
 - We considered whether the Health Board's Board conducts its business appropriately, effectively, and transparently. We found that the Board and its committees continue to conduct their business transparently, operate effectively, and remain committed to continuous improvement. There are opportunities to improve some aspects of administrative governance and to enhance learning from patient safety walkabouts and Board effectiveness reviews.
 - We considered whether the Health Board has a sound corporate approach to managing risks, performance, and the quality and safety of services. We found that the Health Board continues to strengthen its corporate systems of assurance. There are opportunities to clarify oversight arrangements for strategic and corporate risks and to update the Performance Management Framework.
 - We considered whether the Health Board has a sound corporate approach to managing its financial resources. We found that whilst the Health Board maintains clear processes for financial planning, management and monitoring, the financial position remains challenging. The Health Board must address overspends and strengthen its approach to the identification and delivery of recurrent savings in order to achieve its financial sustainability ambitions.

Saunders, Nathan
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Recommendations

- 7 **Exhibit 1** details the recommendations arising from our work. The Health Board's response to our recommendations is summarised in **Appendix 3**.

Exhibit 1: 2024 recommendations

Recommendations

Annual Plan monitoring

- R1 To ensure ongoing scrutiny of the Annual Plan, as part of the Integrated Performance Report, the Health Board should reintroduce the quarterly high-level overview of achievements against Annual Plan milestones and highlight how delivery of the milestones is impacting performance in priority areas (see **paragraph 20**).

Administrative Governance

- R2 In order to strengthen its administrative governance arrangements, the Health Board should ensure that:
- R2.1 all relevant Board and committee meeting papers are publicly available and published on its website in a timely manner (see **paragraph 26**).
 - R2.2 standing Financial Instructions are reviewed annually and that changes are formally documented or equally that no amendments are required (see **paragraph 30**).
 - R2.3 up to date Board and committee workplans are available to the public (see **paragraph 36**).
 - R2.4 all Board and committee papers use the correct cover report template (see **paragraph 39**).
 - R2.5 the public is signposted to the current Board Assurance Framework (see **paragraph 55**).

Patient Safety Walkabouts

- R3 As part of its review of arrangements for Patient Safety Walkabouts, the Health Board should consider how to ensure learning and resulting actions from walkabouts is reported to the Board (see **paragraph 43**).

Saunders Nathan
28/08/2025 12:28:41

Recommendations

Board effectiveness and improvement

- R4 As part of its continuous approach to reviewing Board and committee effectiveness, the Health Board should capture and report improvement activities and consider whether they are achieving the intended benefit (see **paragraph 49**).
-

Risk management

- R5 The Health Board should ensure that arrangements for scrutinising strategic and corporate risks are clarified and consistent across all committees (see **paragraph 55**).
- R6 The Health Board should refresh the Risk Management Strategy to ensure it includes new arrangements for recording and escalating operational risks (see **paragraph 56**).
-

Finance and Performance Committee deep-dives

- R7 The operational performance deep dives received by the Finance and Performance Committee should be triangulated with financial performance information (see **paragraph 92**).

Saunders, Nathan
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Detailed report

Corporate approach to planning

- 8 We considered whether the Health Board has a sound corporate approach to producing strategies and corporate plans and overseeing their delivery.
- 9 We found that **arrangements for producing, overseeing, and scrutinising strategies and corporate plans continue to strengthen, and the Health Board is taking positive steps to operationalise and embed its refreshed strategic objectives.**

Corporate approach to producing strategies and plans

- 10 We considered whether the Health Board has a sound corporate approach to producing, overseeing, and scrutinising the development of strategies and corporate plans. We were specifically looking for evidence of:
 - a clear Board approved vision, appropriate objectives and a long-term strategy in place which are future-focussed, rooted in population health, and informed by a detailed and comprehensive analysis of needs, opportunities, challenges, and risks;
 - the long-term strategy underpinned by an appropriate Board approved long-term clinical strategy;
 - appropriate and effective corporate arrangements in place for developing and producing the Integrated Medium-Term Plan (IMTP), and other corporate plans; and
 - the Board appropriately scrutinising the IMTP and other corporate plans prior to their approval.
- 11 We found that **the Health Board's corporate planning arrangements continue to strengthen. Corporate plans are appropriately aligned to and support delivery of the organisation's long-term strategy.**
- 12 In July 2023, the Board approved the Health Board's refreshed long-term strategy, including its updated strategic objectives / wellbeing objectives. Since its approval, the Health Board has been focusing on operationalising its long-term strategy by developing processes and systems to support its delivery and aligning wider governance arrangements (see **paragraph 35**). Central to this is developing a strategic portfolio framework, which is a group of programmes aligned to six change portfolios¹ to support the achievement of the strategic objectives². This approach is designed to establish clear monitoring arrangements for the delivery of

¹ Our People and Culture; Our Population Health and Place Based Partnerships; Our Quality, Value and Sustainability; Our Clinical Services; Our Infrastructure and Our Future Generations

² Putting People First; Providing Outstanding Quality; Delivering in the Right Places; and Acting for the Future.

the long-term strategy, a clear line of sight between the programmes / portfolios and strategic objectives, and ensure a consistent approach to programme management. The Health Board has agreed appropriate governance arrangements to manage and monitor delivery of the strategic portfolios. Whilst it is too early to judge the effectiveness of these arrangements, we have seen evidence that the Board has been well engaged in the framework's development.

- 13 The 2024-25 Annual Plan (see **paragraph 15**) commits to launching the Health Board's 10-year Clinical Services Plan by Quarter 4. However, recent updates to the Board suggest the plan is more likely to be launched in Quarter 1 of 2025-26. This will be the first product from the Our Clinical Services strategic portfolio. The Board received an update at its April 2024 Board Developments Session, which included a commitment to continue to engage the Board at key stages of the plan's development. It also highlighted key risks to developing the plan on time; these relate to the organisation's limited capacity and capability in certain areas such as modelling and workforce planning. To mitigate these risks, the Health Board has extended the development timeline and revised the depth of the plan to make it a high-level, strategic plan. The Health Board reported that the plan would not be costed because it is designed to be high-level and also because there are several unpredictable variables, such as the availability of capital funding. However, our 2024 Review of Cost Savings arrangements in the Health Board recommends that once developed, plans underpinning the 10-year clinical services plan should clearly set out the costs and savings associated with transforming services.
- 14 The Health Board's strategic objectives are also its well-being objectives. Last year, we found that whilst the Health Board's new strategic objectives / well-being objectives are underpinned by clear priorities, they do not encompass all aspects of sustainable development, for example, priorities relating to biodiversity or climate adaptation. The Health Board reported that work to broaden the coverage of its well-being objectives is in progress (see **Appendix 2 R1a 2023**). Some of the environmental aspects, such as biodiversity, are being incorporated in the Decarbonisation Action Plan. But overall, the Health Board intends to ensure all aspects of sustainable development are incorporated in the strategic portfolios. The re-established Well-being of Future Generations Group will also ensure the strategic portfolios support all aspects of sustainable development. It is clear in the 2024-25 Annual Plan how the Health Board's strategic objectives / well-being objectives align to the national well-being goals and to the well-being objectives of partners (see **Appendix 2, R1b 2023**).
- 15 The Health Board was unable to produce a Welsh Government approved Integrated Medium-Term Plan (IMTP) for 2024-27 due to its planned financial deficit. Therefore, it developed an Annual Plan for 2024-25. In August 2023, the Board set guiding principles for the development of the 2024-25 Annual Plan, namely that it should be set in the context of a low investment environment and focus on driving value and quality. Within that context, clinical boards and corporate teams identified their priorities for delivery. The 2024-25 Annual Plan was approved by the Board and submitted to the Welsh Government in March

2024. Welsh Government have received the Annual Plan and set accountability conditions related to delivering and improving on the deficit plan, further de-risking the financial plan to ensure the savings plan is delivered in-year, maximising opportunities for efficiency and productivity and progressing regional solutions for endoscopy and other clinical challenges. The Health Board intends on using the strategic portfolios to guide development of its 2025-28 IMTP.

- 16 In June 2024, Internal Audit issued a reasonable assurance report on the Health Board's IMTP / Annual Plan development process. The review found the Health Board has good governance arrangements to oversee the development of the Annual Plan, with good engagement from the Board and relevant committees. All areas reviewed received substantial or reasonable assurance, except for governance arrangements specifically relating to the Minimum Data Set, due to inadequate oversight. Overall, the review made two high and one medium priority recommendations.

Corporate approach to overseeing the delivery of strategies and plans

- 17 We considered whether the Health Board has a sound corporate approach to overseeing and scrutinising the implementation and delivery of corporate plans. We were specifically looking for evidence of:
- corporate plans, including the IMTP, containing clear strategic priorities/objectives and SMART³ milestones, targets, and outcomes that aid monitoring and reporting; and
 - the Board appropriately monitoring the implementation and delivery of corporate plans, including the IMTP.
- 18 We found that **the Health Board continues to have good arrangements for maintaining Board oversight of key corporate strategies and plans. The 2024-25 Annual Plan contains a clear delivery plan, supported by new reporting arrangements, however, it is too early to comment on their effectiveness.**
- 19 Through its 2024-25 Annual Plan, the Health Board continues to focus on five key delivery priorities for the year⁴. For each delivery priority, the 2024-25 Annual Plan clearly sets out an aim, key areas of focus, the actions the Health Board intends to deliver, and the measures of success for each quarter. The 2024-25 Annual Plan continues to link to other corporate plans, such as estate, digital, decarbonisation, and people and culture, with appropriate, high-level actions included in the respective sections. Internal Audit's review of the IMTP / Annual Plan development

³ Specific, measurable, achievable, relevant, and time-bound.

⁴ Urgent and Emergency Care; Planned Care, Cancer, and Diagnosis; Specialist Services; Mental Health; and Children and Women.

process found that the plan included clear measurable targets and actions towards delivering the priorities set by the Cabinet Secretary for Health and Social Care⁵.

- 20 In May 2024, the Board received the Quarter 4 2023-24 Integrated Annual Plan delivery report. The report highlighted that of the 169 specific milestones in the 2023-24 Annual Plan, 78 were not achieved and have been rolled over into the 2024-25 Annual Plan. For 2024-25, the Health Board has stopped using the quarterly Integrated Annual Plan report. Instead, as reported to the Board in July 2024, going forward, the existing Integrated Performance Report (IPR) will be used to report the Annual Plan's delivery. As the IPR is a monthly report, this ensures more regular scrutiny of Annual Plan delivery. Whilst it is too early to comment on the effectiveness of the new arrangements, on reviewing the IPR received by the Board in September 2024, we found that having one performance report linking Annual Plan priority delivery alongside key performance measures reduces duplication (see **Appendix 2 R6 2023**). However, an obvious omission is the high-level quarterly overview of achievements against Annual Plan milestones, which the Health Board should consider reintroducing as part of the existing report. There is also opportunity to highlight how delivery of the milestones is impacting performance in priority areas. (**Recommendation 1**) We discuss the Integrated Performance Report further in **paragraph 59**.

Board transparency, effectiveness, and cohesion

- 21 We considered whether the Health Board's Board conducts its business appropriately, effectively, and transparently.
- 22 We found that **the Board and its committees continue to conduct their business transparently, operate effectively, and remain committed to continuous improvement. There are opportunities to improve some aspects of administrative governance and enhance learning from patient safety walkabouts and Board effectiveness reviews.**

Public transparency of Board business

- 23 We considered whether the Board promotes and demonstrates a commitment to public transparency of board and committee business. We were specifically looking for evidence of:
- Board and committee meetings that are accessible to the public;
 - Board and committee papers being made publicly available in advance of meetings; and

⁵ The Cabinet Secretary for Health and Social Care has set six priority areas; these relate to improving delayed transfers of care, access to primary care services, urgent and emergency care, planned care, cancer, and mental health services.

- Board and committee business and decision-making being conducted transparently.

24 We found that **whilst the Board remains committed to conducting its business transparently, opportunities remain to improve some aspects of administrative governance to further increase public access to Board business.**

25 Since January 2024, the Health Board has enhanced public transparency of Board business by routinely live streaming public Board meetings and making the recordings available on its website shortly after (see **Appendix 2 R2 2023**). The Health Board also promotes public Board meetings on social media, which includes a link to the livestreamed meeting (see **Appendix 2 R3a 2022**). Committee meetings continue to be livestreamed and recorded; links for which are clearly signposted on the Health Board's website. Occasionally there are technical issues with recordings, and in these instances, a note is added on the website. The Health Board is taking steps to move to a more stable platform to support the recordings of meetings.

26 Board and committee papers remain accessible to the public and generally continue to be published on the Health Board's website seven days in advance of meetings. Occasionally, papers have not been published on the website in a timely manner or have been missing⁶. Whilst we appreciate the Health Board is quick to publish recordings, to maintain public transparency, the Health Board should ensure all public Board and committee meeting papers remain accessible to the public (**Recommendation 2.1**) In addition, whilst up to date Local Partnership Forum papers are available, the Stakeholder Reference Group papers have not been made publicly available since May 2023 (see **Appendix 2 2022 R3b**).

27 The Health Board continues to reserve private Board and committee meetings for sensitive matters. If a private meeting is scheduled, private agenda items continue to be published publicly. In most cases, a reason for why the item was discussed in private is provided, for example due to commercial sensitivity or ongoing legal cases. In our 2022 Structured Assessment report, we recommended that the Health Board should make abridged minutes of private Board and committee meetings available publicly. Whilst the Health Board has not adopted this approach, it has processes in place to ensure appropriate decisions are made in public where initial discussions are held in private sessions. (see **Appendix 2 2022 R3c**).

⁶ Papers for the July 2024 Special Board and Audit and Assurance Committee meetings have not been published, but papers can be requested from the Corporate Governance Team. As at 03/10/2024 the following committee papers are not available on the Health Board's website: no supporting documents for the Audit and Assurance Committee held on 20/05/2024, and no papers for the Digital and Health Intelligence Committee held on 28/05/2024, the Finance and Performance Committee held on 17/04/2024 and 19/06/2024, and the People and Culture Committee held on 10/09/2024.

Arrangements to support the conduct of Board business

- 28 We considered whether there are proper and transparent arrangements in place to support the effective conduct of Board and committee business. We were specifically looking for evidence of:
- a formal, up-to-date, and publicly available Reservation and Delegation of Powers and Scheme of Delegation in place, which clearly sets out accountabilities;
 - formal, up-to-date, and publicly available Standing Orders (SOs) and Standing Financial Instructions (SFIs) in place, along with evidence of compliance; and
 - formal, up-to-date, and publicly available policies and procedures in place to promote and ensure probity and propriety.
- 29 We found that **arrangements continue to support the effective conduct of Board business, and the Health Board has taken positive steps to improve its policy management process to tackle the backlog of outdated policies.**
- 30 The Health Board continues to review its Standing Orders, and Scheme of Reservation and Delegation at least annually to ensure it reflects current arrangements, and we continue to see evidence of compliance. The Board approved amendments to its Standing Orders in January, May and November 2024 to reflect, respectively, changes to its financial delegations, the establishment of the Joint Commissioning Committee⁷ and updated committee arrangements (see **paragraph 35**). The Standing Financial Instructions (SFIs) were reviewed in July 2023. Whilst there have not been any amendments to the SFIs it would be good practice to review annually and formally document whether changes are required or not. (**Recommendation 2.2**) The most recent versions of the Standing Orders (see **Appendix 2 R3 2023**) and SFIs are available on the Health Board's website. During quarter 3 2024-25, Internal Audit plans to undertake an advisory review of the Health Board's Scheme of Reservation and Delegation.
- 31 We continue to observe declarations of interest requested routinely in all Board and committee meetings. Since our previous structured assessment, the Health Board has updated its oversight process for declarations of interests, gifts, and hospitality⁸. The Audit and Assurance Committee will now receive the Declaration of Interest, Gifts and Hospitality Tracking Report annually, instead of at most meetings, with in-year exception reports if needed. An up-to-date register of

⁷ In April 2024, the NHS Wales Joint Commissioning Committee replaced the Emergency Ambulance Services Committee (EASC), the Welsh Health Specialised Services Committee (WHSSC) and the National Collaborative Commissioning Unit (NCCU).

⁸ The Health Board uses the Electronic Staff Record to record declarations of interests, gifts, and hospitality.

interest for all staff continues to be published on the Health Board's website. Unlike staff, Board members are required to declare their interests annually. Last year, we highlighted that the separate register for Board member interests on the Health Board's website was out of date. This has now been resolved as Board member interests are included in a single register alongside staff interests. We are assured that the Health Board is following procedures for Board members to declare interests annually as this is reviewed to support our annual audit of accounts.

- 32 In May 2023, Internal Audit issued a limited assurance report on the management of policy documents, which highlighted the Health Board's substantial backlog of outdated policies. Since then, the Health Board has made substantial progress in addressing the findings and Internal Audit's follow-up review in May 2024 gave a reasonable assurance rating. The Health Board now uses the Audit Management and Tracking (AMaT) system to host and manage its policies. This is a positive development, as it streamlines and automates policy management. By July 2024, all 401 policies had been transferred to AMaT, of which 65% were overdue for review. The Health Board continues to identify policy owners to ensure out of date policies are reviewed as clear policy ownership should reduce the risk of policies becoming out of date and leading to a breach of regulatory and statutory requirements. The Health Board is also conducting an exercise to ensure all policies on its website are the most recent version.

Effectiveness of Board and committee meetings

- 33 We considered whether Board and committee meetings are conducted appropriately and effectively. We were specifically looking for evidence of:
- an appropriate, integrated, and well-functioning committee structure in place, which is aligned to key strategic priorities and risks, reflects relevant guidance, and helps discharge statutory requirements;
 - Board and committee agendas and work programmes covering all aspects of their respective Terms of Reference as well being shaped on an ongoing basis by the Board Assurance Framework;
 - well-chaired Board and committee meetings that follow agreed processes, with members observing meeting etiquette and providing a good balance of scrutiny, support, and challenge;
 - committees receiving and acting on required assurances and providing timely and appropriate assurances to the Board; and
 - clear and timely Board and committee papers that contain the necessary / appropriate level of information needed for effective decision making, scrutiny, and assurance.

- 34 We found that **the Health Board is taking positive steps to ensure clear alignment between its committee structure and strategic objectives, change portfolios, and risks. Board and committee meetings continue to operate**

effectively, supported by good quality, timely papers that focus on key matters.

- 35 The Health Board has reviewed its committee arrangements (see **Appendix 2 R4 2023**) as part of work to strengthen the line of sight and alignment between the committees and the strategic objectives, strategic change portfolios, and strategic risks (see **paragraph 54**). The committee structure remains largely unchanged, except for establishing a Digital and Infrastructure Committee⁹, and the names of the Quality, Safety and Experience and Mental Health Legislation and Mental Capacity committee have been shortened to the Quality and Mental Health Legislation committees respectively. Amendments to the committee arrangements, associated updates to the Standing Orders and new Terms of Reference were approved by the Board in November 2024 (see **Appendix 2 R1c 2022**). The Health Board reported that the amendments will clarify oversight responsibilities for each strategic objective, and for some areas, such as matters relating to the estate and public health which do not obviously fall within the remit of any of the current committees. Board members we spoke to reported that they have been fully consulted, both through Board Development Sessions and individually.
- 36 The Health Board has an up-to-date Board and Committee Forward Workplan, but its website is showing Board and committee workplans for the previous year. **(Recommendation 2.3)** Positively, the Forward Workplan is now a live and dynamic document, which is updated straight after Board and committee meetings. It is accessible by all staff and also includes the workplan for Board Development Sessions. The amendments to committee arrangements provide a good opportunity to review the Forward Workplan to ensure committees fulfil their new remits in a way that does not overburden them.
- 37 We have continued to observe well-chaired committee meetings, which follow agreed processes, run to time, and are well supported by the Corporate Governance Team. We noted new processes in place to help the efficient running of meetings, for example the Teams Chat is used to support time keeping for each item, and committee chairs are now provided with annotated agendas to guide them through the meeting. Independent and Executive Board Members provide good challenge, delivered in a constructive, supportive way. There continues to be a healthy relationship between Executive and Independent Board Members, which is encouraging given recent changes within the Executive Team (see **paragraph 47**).
- 38 The Health Board's arrangements continue to support good flows of information, and where appropriate, cross referral of matters between committees and escalation to the Board. Independent Members continue to meet prior to each Board meeting (Governance Co-ordinating Group) and hold a further monthly meeting. These meetings ensure all Independent Members are kept up to date on key matters, can ask questions and raise any issues.

⁹ This replaces the Digital and Health Intelligence Committee.

39 The Health Board continues to produce good quality meeting papers, which focus on key matters. Whilst the cover report template has been updated to reflect the refreshed strategic objectives, it is not being used consistently. **(Recommendation 2.4)** The Health Board continues to use a publicly available 'supporting documents' folder to support the streamlining of Board papers. This process has been extended to committee meetings to reduce the volume of papers. The Health Board has also started to use a hybrid approach to producing minutes, where discussion points and decisions are briefly noted, with an accompanying link to the recorded discussion.

Board commitment to hearing from patients/service users and staff

40 We considered whether the Board promotes and demonstrates a commitment to hearing from patients/service users and staff. We were specifically looking for evidence of:

- the Board using a range of suitable approaches to hear from a diversity of patients/service users, the public and staff.

41 We found that **while the Health Board remains committed to hearing from service users and staff and is improving its processes to do so, there is scope to enhance how learning is shared following patient safety walkabouts.**

42 The Board continues to open each meeting with a patient story, which focuses on a range of services and service users. The Health Board ensures a balance of positive and negative stories. Relevant committees also continue to hear stories as appropriate to their remit. The Quality, Safety, and Experience Committee now also hears a patient story at most meetings (see **Appendix 2 R5 2023**) which is told as part of the Clinical Board Assurance Report. This ensures good coverage as each clinical board is scrutinised on a rotational basis. However, there is potential to extend patient and / or staff stories to more committees to give Board members further opportunity to hear from a range of stakeholders and understand the impact of its decisions on service delivery.

43 Board members continue to conduct Patient Safety Walkabouts, which were temporarily paused for Independent Members to prevent overburdening them while there were vacancies amongst the Independent Member cadre (see **paragraph 48**). Board members continue to value the opportunity to visit services. Walkabout notes are recorded on the Tendable App¹⁰, reviewed through Clinical Board Executive Reviews, and made available for Board members to access through the Admin Control¹¹ system. The Health Board is planning on reviewing its Patient

¹⁰ Tendable is an application used to record, report, and manage health care quality inspections in real time.

¹¹ Admin Control is a system used to manage meeting papers.

Safety Walkabouts to clarify the purpose both for those conducting the walkabout and for operational staff. As part of this review, the Health Board should consider how learning and resulting actions from walkabouts are reported more formally to the Board. **(Recommendation 3)**

- 44 The Health Board is also investing in its speaking up safely process by investing in a third-party system called 'Working in Confidence'. It is hoped the new system will give staff the confidence to raise concerns, as it is not managed by the Health Board and is anonymous. This is a positive development, especially given some of the negative trends seen in the recent NHS staff survey results for the Health Board¹², which indicate an increase in reporting of incidences of bullying and harassment.

Board cohesiveness and commitment to continuous improvement

- 45 We considered whether the Board is stable and cohesive and demonstrates a commitment to continuous improvement. We were specifically looking for evidence of:
- a stable and cohesive Board with a cadre of senior leaders who have the appropriate capacity, skills, and experience;
 - the Board and its committees regularly reviewing their effectiveness and using the findings to inform and support continuous improvement; and
 - a relevant programme of Board development, support, and training in place.
- 46 We found that **the changes to Board membership and the impact of Independent Member vacancies are well managed. While the Board maintains a good focus on continuous learning and development, opportunities exist to better understand the impact of activities aimed at improving Board effectiveness.**
- 47 The Executive Team has seen several changes over the past year. In the latter part of 2023, the Health Board had already welcomed a new Executive Director of Public Health and Director of Corporate Governance. The Executive Medical Director and Executive Director for Therapies retired in March and April 2024, respectively. The Executive Director of Strategic Planning was seconded to the NHS Wales Joint Commissioning Committee in March 2024, and has since secured a new role elsewhere. The Health Board has managed these changes well, and most posts have been filled on a substantive basis, except for the Executive Director of Strategic Planning which is being covered on an interim basis. Given the recent changes, the Health Board is taking the opportunity to consider some amendments to executive portfolios.

¹² The Health Board had a 21.4% participation rate for the 2023 NHS Staff Survey.

- 48 Over the year, the Health Board has needed to manage Independent Member vacancies, but this position is settling. Three new independent members joined the organisation in April 2024, October 2024 and January 2025 respectively. Positively, in the interim, Independent Members have continued to work well together to ensure meetings remained quorate. As reported in previous years, Independent Members continue to feel supported by the Chair. The Health Board has developed an induction pack for new independent members, which gives a good overview of key information, for example about the long-term strategy, the Board, Welsh Government and NHS Wales.
- 49 The Board maintains its focus on continuous learning and development and continues to hold bi-monthly Board Development Sessions. The Health Board has moved away from annual Board and committee effectiveness surveys, instead reviewing Board effectiveness as part of routine business at the end of each meeting. From our observations of public Board and committee meetings, members rarely comment on their effectiveness, although we understand there are opportunities to provide feedback informally after meetings. Twice a year, Board Development Sessions have an agenda item related to Board effectiveness. In June 2024, focus was given to personal and team resilience, with a follow-up session planned for December 2024. The Chair's report to the Board includes a brief overview of Board Development Sessions. But it should develop a way of capturing and reporting on how its improvement activities are making a difference to Board and committee working. **(Recommendation 4)**

Corporate systems of assurance

- 50 We considered whether the Health Board has a sound corporate approach to managing risks, performance, and the quality and safety of services.
- 51 We found that **the Health Board continues to strengthen its corporate systems of assurance. There are opportunities to clarify oversight arrangements for strategic and corporate risks and update the Performance Management Framework.**

Corporate approach to overseeing strategic and corporate risks

- 52 We considered whether the Health Board has a sound corporate approach to identifying, overseeing, and scrutinising strategic risks to the delivery of strategic priorities / objectives. We were specifically looking for evidence of:
- an up-to-date and publicly available Board Assurance Framework (BAF) in place, which brings together all of the relevant information on the risks to achieving the organisation's strategic priorities / objectives;
 - the Board actively owning, reviewing, updating, and using the BAF to oversee, scrutinise, and address strategic risks;

- an appropriate and up-to-date risk management framework in place, which is underpinned by clear policies, procedures, and roles and responsibilities; and
- the Board providing effective oversight and scrutiny of the effectiveness of the risk management system and corporate risks.

53 We found that **the Health Board continues to take positive steps to improve its strategic and corporate risk management arrangements. However, opportunities exist to clarify risk escalation and corporate risk scrutiny arrangements.**

54 Last year, the Health Board updated its Board Assurance Framework (BAF), aligning its existing strategic risks with its new strategic objectives and workstreams. In May 2024, Internal Audit issued a reasonable assurance report on Risk Management and the BAF. Positively, it found that strategic risks are aligned to the strategic objectives, were well-articulated, and clearly linked to key operational areas. The review is also complimentary about the BAF being a live document with clear links to the corporate and operational risk registers. In September 2024, the Board approved a new BAF as part of its work to better align governance arrangements to support the long-term strategy (see **Paragraph 12** and **Appendix 2 R1a 2022**). The BAF now comprises six strategic risk groups: quality, health equity, people, digital, infrastructure and sustainability, which are split into delivery or enabling risks¹³. Each of the risks has a risk appetite, defined as either 'open' or 'cautious'¹⁴. The new BAF is logical, maintains good alignment with the strategic objectives and it is easy to understand which committee is responsible for each risk area.

55 At each meeting, the Board continues to receive the BAF for assurance and the Corporate Risk Register (CRR) for information. The BAF is in the public domain as part of the bi-monthly Board papers, and the Health Board's website also includes a standalone link to the BAF, but this is not kept up to date. **(Recommendation 2.5)** Each strategic and corporate risk area has a lead committee, but oversight arrangements differ between committees and are not explicitly clear. **(Recommendation 5)**

56 Internal Audit's risk management and BAF review made three recommendations, relating to some operational risks being out of date, delays in escalating relevant operational risks to the CRR and the use of excel spreadsheets to manage risks. On the latter point, the review highlights that the Health Board has approximately 70 individual operational risk registers to manage, which is time consuming and

¹³ Quality and health equity have been classed as 'delivery risks', and people, digital, infrastructure and sustainability have been classed as 'enabling risks'.

¹⁴ An 'Open' risk appetite is defined as 'willing to consider all potential delivery options and choose while also providing an acceptable level of reward (VFM)' and a 'A Cautious' risk appetite is defined as 'reference for safe delivery options that have a low degree of inherent risk and may only have limited potential reward'.

creates the risk of making errors. In August 2024, the Health Board started work to create a risk management module on AMaT, which will be piloted on the CRR before being rolled out further. Creating a digital solution should lead to improved risk management processes. The Risk Management Strategy was last reviewed in March 2023; it will need to be refreshed once the AMaT risk module has been implemented. **(Recommendation 6)**

Corporate approach to overseeing organisational performance

- 57 We considered whether the Health Board has a sound corporate approach to identifying, overseeing, and scrutinising organisational performance. We were specifically looking for evidence of:
- an appropriate, comprehensive, and up-to-date performance management framework in place, underpinned by clear roles and responsibilities; and
 - the Board and committees providing effective oversight and scrutiny of organisational performance.
- 58 We found that **while the Board and its committees maintain good oversight of organisational performance, with steps taken to further improve the Integrated Performance Report, the Performance Management Framework requires updating.**
- 59 The Health Board does not have an up-to-date Performance Management Framework (PMF). Its PMF was last approved in 2020, which means it is not supporting the monitoring and delivery of the refreshed strategy. Nor does it support the updated committee scrutiny arrangements or any subsequent changes to operational performance management, for example clinical board escalation arrangements (see **paragraph 77**). Our recommendation from 2022, which the Health Board should expedite, remains open (see **Appendix 2 R1b 2022**).
- 60 In August 2024, Internal Audit issued a reasonable assurance report on performance reporting, specifically focused on the Integrated Performance Report (IPR). The Board receives the IPR each month through the Finance and Performance Committee, Board meetings and Board Development Sessions. At Board, Executive Directors continue to show collective leadership by providing updates for areas of work within their remits. Internal Audit made four medium priority recommendations related to data accuracy, timeliness of data, finalising guidance, and establishing a structured approach to reporting underperformance.
- 61 In April 2024, the Board Development Session and Finance and Performance Committee both received a paper detailing changes to the IPR for 2024-25. Some of the changes were based on the recommendation we made last year. Recognising that improving the IPR is an iterative process, we note that progress to address this recommendation is ongoing (see **Appendix 2 R6 2023**), specifically:

- Internal Audit's review found an inconsistent approach to reporting on underperformance.
- the report is clearer about whether metrics in one section of the IPR are on target or not, but not consistently across the report (for example in the people and culture, and finance sections).
- on the whole data charts are provided for each metric, and where there is a gap, a reason is provided.
- there is little benchmarking data provided within the IPR. A link to the National Performance Framework¹⁵ monitoring data is provided, but the link is not publicly accessible.

Corporate approach to overseeing the quality and safety of services

62 We considered whether the Health Board has a sound corporate approach to overseeing and scrutinising the quality and safety of services. We were specifically looking for evidence of:

- the Board providing effective oversight and scrutiny of the effectiveness of the quality governance framework
- clear organisational structures and lines of accountability in place for clinical/quality governance; and
- the Board and relevant committee providing effective oversight and scrutiny of the quality and safety of services.

63 We found that **there is appropriate oversight of the quality and safety of services, and the Health Board is committed to improvement, however establishing the Organisational Learning Committee has been delayed.**

64 'Providing Outstanding Quality' is one of the Health Board's four strategic priorities. There is a strategic programme, 'Shaping our Future Quality Excellence', in place to support its delivery. At each Board meeting, the Chief Executive's Report focuses on one of the four strategic priorities. In September 2024, the focus was on quality, specifically on the Health Board's plans to build an effective quality management system.

65 The Health Board continues to embed the duties set out in the Health and Social Care (Quality and Engagement) Act (2020). In compliance with the Duty of Quality, the 2023-24 Annual Quality Report, which outlines the Health Board's achievements and ambitions set against the Health and Care Standard's, was presented at the Annual General Meeting held in July 2024. The Quality, Safety, and Experience (QSE) Committee maintains oversight of quality and safety of

¹⁵ The link provides access to National Performance Framework monitoring data available from Digital Health and Care Wales (DHCW), which shows relevant performance data for health boards and trusts in Wales.

services and, where appropriate, assurance reports are themed around the six domains of quality¹⁶. The committee continues to receive Clinical Board Assurance Reports at each meeting, and a deep dive at every other meeting¹⁷. At alternate meetings, the committee continues to receive the Quality Indicators Report, which provides updates against key quality metrics¹⁸. The Quality Indicators Report continues to be data rich and supported by a cover report drawing attention to key issues and notable information. The Board and appropriate committees continue to receive assurances related to the Duty of Candour, for example the IPR includes a section on the Duty. The QSE Committee also routinely receives updates through the quality indicators report, Clinical Board Assurance reports and minutes of clinical board QSE committees.

- 66 The QSE Committee also maintains oversight of the Health Board's 2021-26 Quality, Safety, and Patient Experience Framework. In February 2024, the committee received an effectiveness review which provided an update on the framework's implementation. The Health Board reported that of the three sub-groups approved as part of the framework, two are well established, these being the Clinical Effectiveness Committee and Clinical Safety Group. But there have been delays in establishing the Organisational Learning Committee. The Health Board reported that arrangements for organisational learning will be developed through the Shaping Our Future Quality Excellence programme and become part of the Health Board's quality management system.

Corporate approach to tracking recommendations

- 67 We considered whether the Health Board has a sound corporate approach to overseeing and scrutinising systems for tracking progress to address audit and review recommendations and findings. We were specifically looking for evidence of:
- appropriate and effective systems in place for tracking responses to audit and other review recommendations and findings in a timely manner.
- 68 We found that **the Health Board is taking positive steps to further strengthen audit and review recommendation tracking arrangements.**
- 69 Last year, we reported that whilst the Health Board has strong arrangements for tracking audit and review recommendations, there were opportunities for

¹⁶ Safe, Timely, Effective, Efficient, Equitable and Person-Centred care.

¹⁷ Deep dives this year have covered topics such as never events, nationally reportable incidents and medication safety.

¹⁸ The Quality Indicator Reports includes data on nationally reportable incidents and never events, infection prevention and control, medication incidents, patient safety solution, progress against Health Inspectorate Wales recommendations, clinical effectiveness, mortality, Covid-19 investigations, data from the Tendable quality improvement auditing app and patient experience data. including App.

enhancement. Specifically, to formally refer recommendations and/or audit and review reports to relevant committees. We have seen evidence that limited assurance reports are referred for deeper scrutiny to appropriate committees (see **Appendix 2 R7a 2023**). We also recommended developing a report for the Audit and Assurance Committee pulling together common themes, issues and learning from audit and review recommendations. This work is in progress (see **Appendix 2 R7b 2023**).

- 70 The Health Board is now using AMaT to manage its recommendations tracking process, with most trackers now uploaded to the system. As with other digital systems introduced by the Health Board, this should streamline and automate audit tracking, and the system could potentially provide a platform to pick out trends/themes in audit/review recommendations. As part of the process, the Health Board is also working to either update or close down, as appropriate, Internal Audit recommendations made prior to 2022. This validation process should ensure that recommendations remain relevant and provide an opportunity to refocus where progress has been slow.
- 71 Frequency of reporting to Audit and Assurance Committee has also been updated. The committee now receives the full recommendation trackers; internal, external and regulatory compliance, at every other meeting, with a highlight report at the meetings in between. In November 2024, the committee will receive all three tracking reports using the new AMaT system. In July 2024, there were 21 open Audit Wales recommendations, 8 partially complete, and 13 with no action taken.

Corporate approach to managing financial resources

- 72 We considered whether the Health Board has a sound corporate approach to managing its financial resources.
- 73 We found that **whilst the Health Board maintains clear processes for financial planning, management and monitoring, the financial position remains challenging. The Health Board must address overspends and strengthen its approach to the identification and delivery of recurrent savings in order to achieve its financial sustainability ambitions.**

Financial objectives

- 74 We considered whether the Health Board has a sound corporate approach to meeting its key financial objectives. We were specifically looking for evidence of:
- the organisation meeting its financial objectives and duties for 2023-24, and the rolling three-year period of 2021-22 to 2023-24; and
 - the organisation being on course to meet its objectives and duties in 2024-

Saunders Nathan
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- 75 We found that **the Health Board did not achieve its financial duties in 2023-24 and is unlikely to meet its duties for 2024-25. Furthermore, it urgently needs to address overspends and identify sufficient suitable savings schemes to meet its ambition to achieve financial sustainability by the end of 2025-26.**
- 76 The Health Board did not meet its financial duties in 2023-24. Like the previous year, it did not operate within its resource limit for the year or within its cumulative resource limit for the three-year rolling period 2021-22 to 2023-24. However, as agreed with Welsh Government, the Health Board met its revised planned deficit¹⁹ of £16.4 million. The Health Board continues to meet its financial duties against its capital resource limit.
- 77 In recent years, the Health Board has been unable to submit a balanced financial plan to support its IMTP. The Financial Plan for 2024-25 sets out a forecast deficit of £15.9 million. The Health Board, therefore, is working to an Annual Plan instead and is unlikely to meet its financial duties for 2024-25. It has ambitions to stabilise the financial position and achieve financial sustainability by the end of 2025-26. To achieve this, the Health Board has set itself an ambitious savings target of £47.2 million in 2024-25. At Month 7 2024-25, the Health Board reported a £22.2 million overspend, £12.9 million above the planned deficit for the month. Given the Health Board's ambitious financial plan, it needs to urgently address operational overspend (£5.2 million) and unidentified savings (£7.6 million) to achieve its 2024-25 planned deficit (see **paragraph 81**). To help achieve the savings plan, our 2024 Review of Cost Savings Arrangements highlights the need to strengthen accountability arrangements, set realistic and achievable targets for individual savings schemes, and enhance staff skills and capacity on delivering savings plans. The Health Board has introduced an internal escalation process²⁰ to manage and support underperforming clinical boards.

Corporate approach to financial planning

- 78 We considered whether the Health Board has a sound corporate approach to overseeing and scrutinising financial planning. We were specifically looking for evidence of:
- clear and robust corporate financial planning arrangements in place;
 - the Board appropriately scrutinising financial plans prior to their approval;
 - sustainable, realistic, and accurately costed savings and cost improvement plans in place which are designed to support financial sustainability and service transformation; and

¹⁹ In October 2023, the Health Board's revised its planned deficit from £88.4 million to £16.4 million. This was based on receiving £63.1 million funding from Welsh Government and the Health Board achieving an additional £8.8 million in savings, in addition to its £32 million savings programme.

²⁰ There is one escalation level, 'enhanced monitoring'.

- the Board appropriately scrutinising savings and cost improvement plans prior to their approval.
- 79 We found that **whilst the Health Board has a good approach to financial planning, it needs to strengthen its approach for identifying and delivering recurrent savings.**
- 80 The Health Board continues to have a robust and integrated approach to developing its financial plan, with appropriate Board and operational level engagement. Like last year, from December 2023, the Finance and Performance Committee discussed the Financial Plan's development at its private meeting, with the final version reviewed at its public meeting in March 2024. The Board has also been engaged in the plan's development through Board Development Sessions. The Board approved the final plan in March 2024, alongside the approval of the 2024-25 Annual Plan.
- 81 In 2023-24, the Health Board delivered £40.6 million savings, against an overall target of £40.8 million. This total reflects the Health Board's original £32 million savings target for 2023-24, plus an additional £8.8 million savings required to meet the Health Board's £16.4 million revised planned deficit. The Health Board did not update its savings target to include the additional requirement. Our 2024 Review of Cost Savings Arrangements found that whilst the Health Board met its agreed deficit target for 2023-24, it needs to strengthen its approach to identifying and delivering recurrent savings and ensure its service transformation plans align with wider plans to return the organisation to financial sustainability. As at Month 7 2024-25, the Health Board had a £7.6 million savings plan shortfall compared to the forecast position. Performance against savings targets continue to be scrutinised at the monthly Finance and Performance Committee.
- 82 The Health Board has drafted a long-term financial model, which the Board discussed at its Board Development Session in June 2024. Once approved, the model will be used to inform next year's financial and investment plans (see **Appendix 2 R1d 2022**).

Corporate approach to financial management

- 83 We considered whether the Health Board has a sound corporate approach to overseeing and scrutinising financial management. We were specifically looking for evidence of:
- effective controls in place that ensure compliance with Standing Financial Instructions and Schemes of Reservation and Delegation;
 - the Board maintaining appropriate oversight of arrangements and performance relating to single tender actions, special payments, losses, and counter-fraud;
 - effective financial management arrangements in place which enable the Board to understand cost drivers and how they impact on the delivery of strategic objectives; and

- the organisation's financial statements for 2023-24 were submitted on time, contained no material misstatements, and received a clean audit opinion.

- 84 We found that **the Health Board continues to strengthen its approach to overseeing and scrutinising financial management and controls.**
- 85 As reported in previous years, the Audit and Assurance Committee routinely receives assurance reports on financial controls, related to counter fraud, procurement compliance, including single tender actions, losses and special payments, and over payments of Health Board salaries.
- 86 The Health Board continues to improve its procurement processes²¹. For example, on identifying the high volume of decisions taken via Chair's Actions²² last year, it has strengthened its procurement decision making processes and decisions taken via Chair's Actions have recently started to reduce²³. The Health Board is also strengthening financial controls by extending the use of the Docusign e-approval system. Initially introduced for procurement, Docusign is now also used to approve Chair's Actions and legal and estate related decisions. This system, which the Health Board intends to roll out further, provides an evidence trail of decisions. In April 2024, Internal Audit completed a review of core financial systems, specifically focusing on asset register management. This received substantial assurance.
- 87 Our 2024 Review of Cost Savings Arrangements found that the Health Board has a good understanding of its cost drivers, which are clearly set out in the 2024-25 Annual Plan. Based on feedback from clinical boards, management of cost pressures has improved. This year, the process provides more clarity about which cost pressures clinical boards are expected to manage within their budgets, and which will be supported corporately. There is potential to further improve this approach, as recommended in our 2024 Review of Cost Savings Arrangements, by issuing clinical boards with accountability letters.
- 88 The Health Board submitted its draft 2023-24 Financial Statements within the required timescales, and they were received by the Audit and Assurance Committee and the Board in July 2024. We issued an unqualified true and fair audit opinion, except for a qualified regularity opinion because the Health Board did not meet its revenue resource allocation over the three-year period.

Board oversight of financial performance

²¹ In 2021, the Health Board identified procurement breaches on some capital expenditure projects. Since then, it has been working through a procurement improvement plan.

²² Last year, the Health Board reviewed Board approvals for 2021-22 and up to December 2022. In April 2023, the Audit and Assurance Committee received a report highlighting that in 2021-22 of 72 approvals 70 were via Chair's Actions, and that by December 2022 (2022-23) of the 36 approvals sought so far, 34 were via Chair's Actions.

²³ The following Chair's Actions have been reported at Board meetings so far during 2024-25: May 2024 – none, July 2024 – two and September 2024 – two.

- 89 We considered whether the Board appropriately oversees and scrutinises financial performance. We were specifically looking for evidence of:
- the Board receiving accurate, transparent, and timely reports on financial performance, as well as the key financial challenges, risks, and mitigating actions; and
 - the Board appropriately scrutinising the ongoing assessments of the organisation's financial position.
- 90 We found that **whilst the Health Board continues to maintain robust arrangements for overseeing and scrutinising financial performance, there is scope to strengthen deep dives received by the Finance and Performance Committee and reporting on financial savings.**
- 91 The Finance and Performance Committee continues to receive the finance report at each of its monthly meetings. The report is written clearly and continues to provide a clear and open narrative on the Health Board's financial performance, risks, and challenges. The finance report also provides a progress update against achieving financial sustainability by the end of 2025-26, which shows the Health Board's commitment to this ambition. The Board continues to receive assurance from several reports such as the Finance and Performance Committee Chair's Report, the committee's minutes, and the finance section of the Integrated Performance Report, which the Executive Director of Finance presents. Our 2024 Review of Cost Savings Arrangements makes recommendations to strengthen reporting on financial savings.
- 92 The Finance and Performance Committee continues to receive deep-dives, although it is unclear how often these are expected. The committee received its last deep-dive in March 2024. This year's deep dives have focused on operational performance such as diagnostics and mental health. Given the committee's remit, there is scope to strengthen operational performance deep dives by triangulating with financial performance information, for example performance against budgets and actions to achieve savings targets. **(Recommendation 7)**

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Appendix 1

Audit methods

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

Element of audit approach	Description
Observations	We observed Board meetings as well as meetings of the following committees: <ul style="list-style-type: none"><li data-bbox="636 788 1066 810">• Audit and Assurance Committee<li data-bbox="636 826 1122 849">• Digital Health Intelligence Committee<li data-bbox="636 865 1126 887">• Finance and Performance Committee<li data-bbox="636 903 1413 925">• Mental Health Legislation and Mental Capacity Act Committee<li data-bbox="636 941 1245 963">• Quality, Safety and Experience Committee; and<li data-bbox="636 979 1048 1002">• People and Culture Committee

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Element of audit approach	Description
Documents	<p>We reviewed a range of documents, including:</p> <ul style="list-style-type: none"> • Board and Committee Terms of Reference, work programmes, agendas, papers, and minutes; • key governance documents, including Schemes of Delegation, Standing Orders, Standing Financial Instructions, Registers of Interest, and Registers of Gifts and Hospitality; • key organisational strategies and plans, including the IMTP; • key risk management documents, including the Board Assurance Framework and Corporate Risk Register; • key reports relating to organisational performance and finances; • Annual Report, including the Annual Governance Statement; • relevant policies and procedures; and • reports prepared by the Internal Audit Service, Health Inspectorate Wales, Local Counter-Fraud Service, and other relevant external bodies.
Interviews	<p>We interviewed the following Senior Officers and Independent Members:</p> <ul style="list-style-type: none"> • Chair of Board • Chief Executive Officer • Executive Director of Finance • Executive Director of Strategy and Planning (Interim) • Director of Corporate Governance • Vice Chair • Chair of Audit and Assurance Committee • Chair of Finance and Performance Committee • Independent Member (Local Government)

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Appendix 2

Progress made on previous-year recommendations

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

Recommendation	Description of progress
<p>2023 Structured Assessment</p> <p>R1 Whilst the Health Board’s new well-being objectives are underpinned by clear priorities, they do not encompass all aspects of sustainable development. Furthermore, the Health Board has not aligned its objectives to the national well-being goals or to the well-being objectives of partner organisations. The Health Board, therefore, should:</p> <p>a) consider incorporating additional priorities that encompass all aspects of sustainable</p>	<p>See paragraph 14:</p> <ul style="list-style-type: none">• R1a – In progress• R1b – Complete

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Recommendation	Description of progress
<p>development, particularly those that relate to the environment; and</p> <p>b) set out how each individual well-being objective aligns to the national well-being objectives and the well-being objectives of its partners.</p>	
<p>2023 Structured Assessment</p> <p>R2 The Health Board should improve public access to Board meetings by:</p> <ul style="list-style-type: none"> • livestreaming and recording public Board meetings; and • making the recordings available on the Health Board's website shortly after each meeting. 	<p>Complete – see paragraph 25</p>
<p>2023 Structured Assessment</p> <p>R3 The Health Board should review its website, ensuring the latest versions of governance documents and papers are available.</p>	<p>Superseded – see Recommendation 2 2024 (administrative governance)</p>

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Recommendation	Description of progress
<p>2023 Structured Assessment</p> <p>R4 The Health Board should review the effectiveness of its new committee structure. The review should pay particular attention to whether:</p> <ul style="list-style-type: none"> • the committee structure supports sufficient oversight of the refreshed strategic objectives; • committee terms of reference and workplans adequately cover all aspects of Board business; • there is merit in instigating a regular meeting for committee chairs; • there is an appropriate training and development for new committee chairs and new committee members; and • officers and Members have the capacity and resources to support more frequent committee meetings. 	<p>In progress – see paragraph 35.</p>
<p>2023 Structured Assessment</p> <p>R5 The Quality, Safety and Experience Committee should start every other meeting with a patient story to usefully set the tone for the remaining meeting</p>	<p>Complete – see paragraph 42.</p>

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Recommendation	Description of progress
<p>and to ensure that members hear about patient experiences and related learning.</p>	
<p>2023 Structured Assessment</p> <p>R6 The Health Board has improved its Integrated Performance Report (IPR). Whilst we recognise it is a new and evolving report, we have found potential to enhance it by:</p> <ol style="list-style-type: none"> a) strengthening its links with the Annual Plan Delivery Report to ensure the relationship between some of the delivery milestones and key performance indicators is clearer; having a more consistent focus on actions being taken to tackle underperformance in both the IPR and its cover report; b) being clearer about whether the metrics in section two of the IPR are on target or not; c) being consistent in providing reasons why data charts are unavailable in section two of the IPR, instead of leaving the section blank; and 	<p>In progress</p> <ul style="list-style-type: none"> • R6a – In Progress – see paragraph 20. • R6b – Complete – see paragraph 61. • R6c – In Progress – see paragraph 61. • R6c – In Progress – see paragraph 61.

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Recommendation	Description of progress
<p>d) providing benchmarking data (where available) to show how the Health Board compares to other health bodies.</p>	
<p>2023 Structured Assessment</p> <p>R7 The Health Board should:</p> <p>a) formally refer recommendations and/or audit and review reports to relevant committees for deeper scrutiny, with the committees reporting back to the Audit and Assurance Committee for assurance, and</p> <p>b) develop a report for the Audit and Assurance Committee pulling together common themes, issues and learning from the internal, external and regulatory compliance reports.</p>	<p>See paragraph 69.</p> <ul style="list-style-type: none"> • R7a – Complete • R7b – In Progress
<p>2022 Structured Assessment</p> <p>R1 The Health Board plans to refresh its ten-year strategy by 2023. It should seek to use this opportunity to review and reshape its wider processes, structures, resources, and</p>	<p>In progress</p> <ul style="list-style-type: none"> • R1a – Complete - see paragraph 54. • R1b – No Progress - see paragraph 59. • R1c – In Progress - see paragraph 35.

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Recommendation	Description of progress
<p>arrangements, to ensure they are fully aligned to the organisation’s refreshed strategic objectives and associated risks, with a particular focus on its:</p> <ul style="list-style-type: none"> a) Board Assurance Framework b) Performance Management Framework c) Committee structures, terms of reference, and workplans d) Long-term financial plan 	<ul style="list-style-type: none"> • R1d – In Progress - see paragraph 82.
<p>2022 Structured Assessment</p> <p>R2 The Integrated Performance Report provides a good overview of the Health Board’s performance. However, details of the actions being taken to sustain or improve performance that falls below target appear in some sections of the report but not others. The Health Board, therefore, should ensure this information is provided consistently throughout the report to strengthen the assurances provided to the Board that appropriate action is being taken to sustain or improve performance.</p>	<p>Superseded by Recommendation 6 2023.</p>

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Recommendation	Description of progress
<p>2022 Structured Assessment</p> <p>R3 The Health Board, therefore, should:</p> <ul style="list-style-type: none"> a) post more frequent reminders about Board and committee meetings on social media and provide links to papers; b) ensure the papers for all Advisory Group meetings are published on the Health Board’s website in a timely manner; and c) make abridged minutes of private Board and committee meetings available publicly as soon as possible after each meeting; 	<p>In progress</p> <ul style="list-style-type: none"> • R3a – Complete – see paragraph 25. • R3b – Superseded – see Recommendation 2 2024 (administrative governance) • R3c – Complete – see paragraph 27.

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Appendix 3

Management response to audit recommendations

Exhibit 4: Cardiff and Vale University Health Board response to our audit recommendations

Ref	Recommendation	Management response <small>Please set out here relevant commentary on the planned actions in response to the recommendations</small>	Completion date <small>Please set out by when the planned actions will be complete</small>	Responsible officer (title)
R1	Annual Plan monitoring To ensure ongoing scrutiny of the Annual Plan, as part of the Integrated Performance Report, the Health Board should reintroduce the quarterly high-level overview of achievements against Annual Plan milestones and highlight how delivery of the milestones is impacting performance in priority areas.	This will be reviewed in line with the lessons taken from the rapid planning event held in Dec 24.	July 2025	Interim pending review of Exec roles is Director of Finance and COO

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Ref	Recommendation	Management response Please set out here relevant commentary on the planned actions in response to the recommendations	Completion date Please set out by when the planned actions will be complete	Responsible officer (title)
	<ul style="list-style-type: none"> R2.5. the public is signposted to the current Board Assurance Framework. 	<ul style="list-style-type: none"> 2.5 The latest set of Board papers will be the correct point of reference. 	July 2025	Senior Governance Officer
R3	<p>Patient Safety Walkabouts</p> <p>As part of its review of arrangements for Patient Safety Walkabouts, the Health Board should consider how to ensure learning and resulting actions from walkabouts is reported to the Board.</p>	These will be reviewed in a Board Development Session.	July 2025	Executive Director of Nursing
R4	<p>Board effectiveness and improvement</p> <p>As part of its continuous approach to reviewing Board and committee effectiveness, the Health Board should capture and report improvement</p>	A periodic report will be taken to Board and put in the public papers.	July 2025	Director of Corporate Governance

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Ref	Recommendation	Management response Please set out here relevant commentary on the planned actions in response to the recommendations	Completion date Please set out by when the planned actions will be complete	Responsible officer (title)
	activities and consider whether they are achieving the intended benefit.			
R5	Risk management The Health Board should ensure that arrangements for scrutinising strategic and corporate risks are clarified and consistent across all committees.	Strategic risks, via the BAF, will be addressed at Committees as part of the reinvigoration of the structure. Corporate risks will feature if required, but following the transfer to AMAT will be dealt with at Clinical Board and SLB level.	December 2025	Head of Corporate Governance
R6	Risk management The Health Board should refresh the Risk Management Strategy to ensure it includes new arrangements for recording and escalating operational risks.	This will follow the completed transfer of all registers to a single one on AMAT	December 2025	Head of Corporate Governance

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Ref	Recommendation	Management response Please set out here relevant commentary on the planned actions in response to the recommendations	Completion date Please set out by when the planned actions will be complete	Responsible officer (title)
R7	<p>Finance and Performance Committee deep-dives</p> <p>The operational performance deep dives received by the Finance and Performance Committee should be triangulated with financial performance information.</p>	<p>Triangulation of deep dives with financial performance will take place in the meetings between the Chair and DoF which in turn will update the forward plan.</p>	July 2025	Director of Finance

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Audit Wales

1 Capital Quarter

Cardiff CF10 4BZ

Tel: 029 2032 0500

Fax: 029 2032 0600

Textphone: 029 2032 0660

E-mail: info@audit.wales

Website: www.audit.wales

We welcome correspondence and telephone calls in Welsh and English.

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

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Inspection Title	Recommendation	Action	Person Responsible	Current Due Date	Action Rating	Progress Status	Comments/Updates
Structured Assessment 2024	Annual Plan Monitoring - To ensure ongoing scrutiny of the Annual Plan, as part of the Integrated Performance Report, the Health Board should reintroduce the quarterly high-level overview of achievements against Annual Plan milestones and highlight how delivery of the milestones is impacting performance in priority areas.	This will be reviewed in line with the lessons taken from the rapid planning event held in Dec 24.	Miss Francesca Thomas	31/07/2025	Amber	Fully complete (Awaiting approval)	Aug 25- June Board Development focused on the annual plan re-design. documents uploaded to AMAT to reflect this.
Structured Assessment 2024	Administrative Governance - In order to strengthen its administrative governance arrangements, the Health Board should ensure that: <ul style="list-style-type: none"> • R2.1. all relevant Board and committee meeting papers are publicly available and published on its website in a timely manner. • R.2.2. Standing Financial Instructions are reviewed annually and that changes are formally documented or equally that no amendments are required. • R2.3. up to date Board and committee workplans are available to the public. • R2.4. all Board and committee papers use the correct cover report template. 	2.1 - The website is currently being reviewed to incorporate the changes to the Committee structure and will incorporate this recommendation.	Mr Nathan Saunders	31/07/2025	Amber	Fully complete (Approved)	R2.1. All papers for Board/Committee are published prior to each meeting onto the CVUHB website. R2.2. SFI's were reviewed and discussed by the Board in March 2025 and the CVUHB website has been updated with those most recent SFIs. R2.3. Board and Committee Forward Plan is made available every month on the CVUHB website. Whitelist organisations also have access to the Forward Plan directly to see any realtime changes R2.4. All Board/Committee papers use the most recent covering report and processes in place prior to publish to ensure accuracy.
Structured Assessment 2024	Administrative Governance - In order to strengthen its administrative governance arrangements, the Health Board should ensure that: <ul style="list-style-type: none"> • R2.1. all relevant Board and committee meeting papers are publicly available and published on its website in a timely manner. • R.2.2. Standing Financial Instructions are reviewed annually and that changes are formally documented or equally that no amendments are required. • R2.3. up to date Board and committee workplans are available to the public. • R2.4. all Board and committee papers use the correct cover report template. 	2.2 - SFIs and the Standing Orders documents will be reviewed as required and the update to SFIs will be made.	Matt Phillips	31/07/2025	Amber	Fully complete (Approved)	June 2025 update - SFI's and SO have been to public Board in January 2025 and were approved. These are updated and presented to Board as and when required.

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Structured Assessment 2024	Administrative Governance - In order to strengthen its administrative governance arrangements, the Health Board should ensure that: <ul style="list-style-type: none"> • R2.1. all relevant Board and committee meeting papers are publicly available and published on its website in a timely manner. • R.2.2. Standing Financial Instructions are reviewed annually and that changes are formally documented or equally that no amendments are required. • R2.3. up to date Board and committee workplans are available to the public. • R2.4. all Board and committee papers use the correct cover report template. 	2.3 - A static copy of the dynamic forward plan will be periodically shared via the website.	Mr Nathan Saunders	31/07/2025	Amber	Fully complete (Approved)	2025.06.16 - Forward Plan to be uploaded to the CVUHB website monthly. Forward Plan outlines all of the items being received by the Board and Committees in the same way that a workplan does.
Structured Assessment 2024	Administrative Governance - In order to strengthen its administrative governance arrangements, the Health Board should ensure that: <ul style="list-style-type: none"> • R2.1. all relevant Board and committee meeting papers are publicly available and published on its website in a timely manner. • R.2.2. Standing Financial Instructions are reviewed annually and that changes are formally documented or equally that no amendments are required. • R2.3. up to date Board and committee workplans are available to the public. • R2.4. all Board and committee papers use the correct cover report template. 	2.4 - The templates have been updated and released and so the work to QA reports being done on old templates is in train.	Mr Nathan Saunders	31/07/2025	Amber	Fully complete (Approved)	Latest template is available on the CAV SharePoint and has been circulated to all Clinical Board Leads to ensure all papers are uniform across Board & Committees. On the rare times a report is received on the incorrect template, the Corporate Governance Team have processes in place to ensure the report is corrected to the right template.
Structured Assessment 2024	Administrative Governance - In order to strengthen its administrative governance arrangements, the Health Board should ensure that: <ul style="list-style-type: none"> • R2.1. all relevant Board and committee meeting papers are publicly available and published on its website in a timely manner. • R.2.2. Standing Financial Instructions are reviewed annually and that changes are formally documented or equally that no amendments are required. • R2.3. up to date Board and committee workplans are available to the public. • R2.4. all Board and committee papers use the correct cover report template. 	2.5 - The latest set of Board papers will be the correct point of reference.	Mr Nathan Saunders	31/07/2025	Amber	Fully complete (Approved)	Board Papers for May's Board meeting reflect the correct templates for all reports

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Structured Assessment 2024	Patient Safety Walkabouts - As part of its review of arrangements for Patient Safety Walkabouts, the Health Board should consider how to ensure learning and resulting actions from walkabouts is reported to the Board.	These will be reviewed in a Board Development Session	Miss Francesca Thomas	31/07/2025	Amber	Fully complete (Approved)	<p>May 2025 update - this has been discussed at Management Executive in April 2025 and remains ongoing</p> <p>June 2025 - update coming to Board development in June 2025 which should result in a decision being made.</p> <p>Aug 2025 - new model of patient safety walkarounds called "Leaders who listen" were launched on the 1 August 2025 following discussion in June Board development. Slide deck attached to AMAT record to explain this. Focus on ensuring learning and actions from walkarounds to be reported to Board in this new model.</p>
Structured Assessment 2024	Board Effectiveness and Improvement - As part of its continuous approach to reviewing Board and committee effectiveness, the Health Board should capture and report improvement activities and consider whether they are achieving the intended benefit.	A periodic report will be taken to Board and put in the public papers.	Matt Phillips	31/07/2025	Amber	Fully complete (Approved)	June 2025 update - report taken to Board in January 2025 on self assessment position.
Structured Assessment 2024	Risk Management - The Health Board should ensure that arrangements for scrutinising strategic and corporate risks are clarified and consistent across all committees.	Strategic risks, via the BAF, will be addressed at Committees as part of the reinvigoration of the structure. Corporate risks will feature if required, but following the transfer to AMAT will be dealt with at Clinical Board and SLB level.	Miss Francesca Thomas	31/12/2025	Amber	Fully complete (Awaiting approval)	<p>June 2025 - Quality committee has received this and built it into their meetings.</p> <p>Aug 2025 - BAF has now been discussed at all Committees & on the forward plan</p>
Structured Assessment 2024	Risk Management - The Health Board should refresh the Risk Management Strategy to ensure it includes new arrangements for recording and escalating operational risks.	This will follow the completed transfer of all registers to a single one on AMAT.	Miss Francesca Thomas	31/12/2025	Amber	In progress	<p>May 2025 - digital risk management project is underway and a focus on the pace of this work will be scrutinised in Clinical Board reviews from July 2025. The Risk Management Policy/Strategy will be refreshed accordingly once this process has been completed.</p> <p>Aug 2025 - Digital Risk Management Task & Finish group launched in July 2025. Implementation plan now being worked up with Clinical Boards & Corporate Teams to migrate all organisational risks into AMAT, starting with the Corporate Risk Register (CRR) (risks scored 20+). T&F will now meet monthly with the aim of all CRR migrated by end of October 2025 in readiness for a moderation at SLT in November 2025.</p>
Structured Assessment 2024	Finance and Performance Committee deep-dives - The operational performance deep dives received by the Finance and Performance Committee should be triangulated with financial performance information.	Triangulation of deep dives with financial performance will take place in the meetings between the Chair and DoF which in turn will update the forward plan.	Mrs Nikki Regan	31/07/2025	Amber	Fully complete (Approved)	The Chair of the F&P Committee & the Director of Finance meet following each Finance & Performance Committee meeting to discuss the forward plan and agree the following meeting agenda.

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Tackling the Planned Care Challenges – Cardiff and Vale University Health Board

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Summary report

About this report

- 1 This report sets out the findings of work on planned care recovery that we have undertaken at Cardiff and Vale University Health Board (the Health Board) to examine the progress it is making in tackling its planned care challenges and reducing its waiting list backlog. The work has been undertaken to help discharge the Auditor General's statutory duty under section 61 of the Public Audit (Wales) Act 2004 to be satisfied that the Health Board has proper arrangements in place to secure the efficient, effective, and economic use of its resources. Our work was delivered in accordance with INTOSAI¹ audit standards. This report excludes any examination of waits relating to cancer diagnosis and treatment, which are the subject of a separate examination by the Auditor General.
- 2 Tackling the planned care waiting list backlog is one of the biggest challenges facing the NHS in Wales. NHS waiting time targets in Wales have not been met for many years and the COVID-19 pandemic made an already challenging situation considerably worse as planned care services were initially postponed and then slowly re-started to allow the NHS to focus its attention on dealing with those seriously ill with the virus. Since the onset of the pandemic, the overall size of the NHS waiting list has grown significantly and at the end of February 2025 there were 614,150 individual patients waiting for treatment.
- 3 In April 2022, the Welsh Government published its Programme for Transforming and Modernising Planned Care and Reducing Waiting Lists in Wales. The programme includes £170 million recurring funding to support planned care recovery, together with an additional £15 million funding per year over four years to support planned care transformation. Welsh Government subsequently allocated a further £50 million between September 2024 and October 2024 to reduce the longest waiting times². The programme includes specific targets and Ministerial priorities:
 - that no one should wait longer than a year for their first outpatient appointment by the end of 2022 (**target date revised to December 2023**³);
 - to eliminate the number of people waiting longer than two years in most specialties by March 2023 (**target date revised to March 2024**);
 - people should receive diagnostic testing and reporting within eight weeks and therapy interventions within 14 weeks by Spring 2024; and

¹ INTOSAI is the International Organization of Supreme Audit Institutions

² Health Secretary response to latest NHS Wales performance data. The £50 million additional allocation comprised £28 million in September and £22 million in October 2024.

³ Health Boards did not achieve the original targets for first outpatient appointment and number of people waiting longer than two years for treatment. As a result, the Welsh Government agreed to set interim targets (**in bold**, above).

- to eliminate the number of people waiting longer than one year in most specialties by Spring 2025.
- 4 In May 2022, the Auditor General for Wales published a commentary on [Tackling the Planned Care Backlog in Wales](#) which estimated that it could take up to seven years for the overall waiting list in Wales to return to pre-pandemic level. The commentary highlighted key areas for action, including:
- having strong and aligned local leadership to deliver the national vision for recovering planned care services;
 - having a renewed focus on system efficiencies and new technologies;
 - building and protecting planned care capacity; and
 - communicating effectively with patients who are waiting for treatment and having systems in place to manage the clinical risks to those patients while they are waiting.
- 5 Our work has considered the progress Health Board is making in tackling its planned care challenges and reducing its waiting list backlog, with a specific focus on:
- action that the Health Board has taken to tackle the planned care backlog;
 - waiting list performance; and
 - understanding and overcoming the barriers to improvement.
- 6 We undertook our work between September 2024 and March 2025. The methods we used are summarised in **Appendices 1 and 2**. **Appendix 3** provides some additional data analysis on planned care services and **Appendix 4** contains the Health Board's response to any recommendations arising from our work.
- 7 The Health Board was recently escalated to 'Level 4' for finance, strategy and planning under the [NHS Wales escalation and oversight framework](#). Its financial position has a direct bearing on the affordability, sustainability and recovery of planned care services.

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Key facts

- £69.3m** the amount of additional funding the Health Board has received from Welsh Government between 2022-23 and 2024-25 to support planned care improvement.
- 139,786** the overall size of the waiting list at February 2025⁴.
- 77%** the percentage growth in the overall waiting list between April 2019 and February 2025.
- 13,099** the number of patient pathways waiting more than 1 year for their first outpatient appointment at February 2025 against a national target of zero waiting. The number of 1 year waits for an outpatient appointment has reduced by 9%, since April 2022⁴.
- 2,028** the number of patient pathways waiting more than 2 years for treatment at February 2025 against a national target of zero waiting⁴. The number of 2-year waits has reduced by 76% since April 2022.
- 44%** the percentage diagnostic test waits that are within 8 weeks at February 2025 against a national target of 100%. Diagnostic waits that are 'over 8 weeks' has increased from 4,850 in April 2022 to 14,086 in February 2025.
- 97%** the percentage of therapy waits that are within 14 weeks at February 2025 against a national target of 100%. The Health Board has achieved an 88% reduction of 'over 14 week' therapy waits since April 2022.
- 28,933** the number waiting more than one year for treatment at February 2025 against a national target of zero for most specialties by Spring 2025⁴. This has increased by 7% since April 2022.

⁴ Referral to treatment waiting list performance is reported by Health Board area of residence.

Key messages

Overall conclusion

- 8 Overall, we found that **despite work to drive operational service improvements, the Health Board's approach until recently did not achieve the desired positive impact on planned care performance. Consequently, the waiting list substantially grew during 2024. There is a risk that recent improvements are unsustainable and reliant on additional short-term funding. The Health Board, therefore, urgently needs a financially and clinically sustainable plan to meet growing service needs and secure improvements in planned care performance.**

Key findings

Action that the Health Board is taking to tackle the planned care challenge

- The Health Board's planned care developments are focussed on short-term improvements. While it is strengthening its planned care programme leadership, it is yet to set out the actions it will take to secure more sustainable improvements to planned care services.
- The Health Board has utilised the additional Welsh Government planned care funding for both planned care and some unscheduled care improvements. It is also facing a trade-off between planned care waiting list recovery and financial recovery, but it is struggling to develop approaches to achieve both.
- The Health Board has started to implement the Getting It Right First Time (GIRFT⁵) recommendations and is strengthening the oversight of these improvements. However, there remain opportunities to improve efficiencies, particularly in relation to improving outpatient 'did not attends' and short notice surgical cancellations, surgical productivity, and theatre utilisation.
- The Health Board has had some success in protecting planned care capacity from wider unscheduled care pressures. It has increased short-term planned care capacity through insourcing, outsourcing, waiting list initiatives and, to a limited extent, regional working.

⁵ Getting It Right First Time (GIRFT) is a programme that aims to improve the quality and efficiency of hospital care.

- The Health Board is implementing Welsh Government’s Promote, Prevent and Prepare Policy⁶, but progress is slow, and the service does not yet cover all specialties. The Health Board’s arrangements for monitoring and reporting incidence of harm are good in ophthalmology services and it should build on this approach across all higher risk specialties.

Waiting list performance – is the action taken resulting in improvement?

- The continued growing backlog of people waiting to be treated presents an increasing problem for the Health Board. As of February 2025, there were around 140,000 open treatment pathways as compared to 80,000 immediately prior to the pandemic.
- The Health Board is not meeting most of the relevant Welsh Government targets that are due to date, and it is far from achieving the target to eliminate the number of people waiting longer than one year in most specialties by Spring 2025:
 - the Health Board initially made good improvement on its 52-week new outpatient waits. Performance then deteriorated between March 2023 and December 2024. Since December, recent improvements have reduced the level of over 52-week outpatients waits, marginally, to around 13,000.
 - the Health Board did not meet the revised Welsh Government target to eliminate waits over 2 years by March 2024. It made good progress to March 2023 but then performance plateaued until December 2024. Since December, the Health Board has made improvements and reduced the number of 2-year waits to around 2,000 patients.
 - the Health Board largely met the target for therapy waits and is performing well in this area. However, while noting recent improvements, its performance for diagnostic tests within 8 weeks remains the worst in Wales. There are currently over 14,000 patients waiting over 8 weeks for diagnostics.
 - the number of people waiting longer than one year for treatment peaked in October 2024. There are currently nearly 29,000 patients waiting over a year for treatment, a reduction of around 3,300 since October.

Barriers to further improvement

- 9 Based on its current service model, the Health Board does not have sufficient core finance or workforce capacity to materially reduce waits to sustainable levels.

⁶ Promote, Prevent and Prepare for planned care. Phase 1 was required to be delivered by March 2024. This included the establishment of a single point of contact for people to access information and support following referral to specialist secondary care.

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While the Health Board understands its challenges, its necessary short-term focus is undermining its ability and capacity to plan for the future.

- 10 The Health Board recognises its barriers to planned care improvement and is introducing programme structures and groups to address these. However, the volume of planned care referrals is growing and there are wider competing pressures in other areas, including unscheduled care.

Recommendations

- 11 We have set out recommendations arising from this audit in **Exhibit 1**. The Health Board's response to our recommendations is summarised in **Appendix 4**.

Exhibit 1: recommendations

Recommendations

Planning

- R1 The Health Board should:
- 1.1 develop an up-to-date planned care improvement plan and road map that articulates the design and delivery of sustainable specialty services in the medium to longer term. (**Exhibit 2**)
 - 1.2 set out its projected costings against forecast demand over a 3-to-5-year term with realistic and challenging milestones based on reasonable planning assumptions. (**Exhibit 2**)

Demand and capacity modelling

- R2 The Health Board should ensure that its demand and capacity modelling approach is consistently applied across its specialties to inform short-term service capacity planning and longer-term service design. This should also consider changes in population demand for planned care services. (**Exhibit 2**)

Programme support for service transformation

- R3 The Health Board should build the required programme capacity and capability to support planned care specialties transformation. (**Exhibit 3**)

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Recommendations

Risk management

- R4 The Health Board should develop a planned care risk register that fully assesses and mitigates the key risks that inhibit short term improvement and longer-term service transformation. **(Exhibit 3)**

Monitoring the progress of planned care programme delivery

- R5 The Health Board should introduce quarterly committee reports to provide updates and assurance on the progress of planned care programme delivery milestones. This report should also describe where progress is off track, and key risks that inhibit short-term improvement and longer-term service transformation (as described in Recommendation 4). **(Exhibit 3)**

Monitoring impact of additional funding

- R6 The Health Board should strengthen its reporting to Board on the direct impact of the additional Welsh Government planned care funding. **(Paragraph 25)**

Efficiency and productivity

- R7 The Health Board should:
- 7.1 Ensure timely completion of all recommendations arising from Getting It Right First Time (GIRFT) reviews and accelerate progress in ophthalmology and general surgery services. **(Exhibit 6)**
 - 7.2 Develop and implement a plan to address high outpatient 'Did not attends'. **(Exhibit 6)**
 - 7.3 Develop and implement a plan to address the full range of causes of short notice surgical cancellations. **(Exhibit 6)**
 - 7.4 Develop and implement a plan to improve theatre utilisation rates across all core specialties, with realistic improvement trajectories, with the aim of achieving the GIRFT recommended level of 85% across most specialties. **(Exhibit 6)**
 - 7.5 Increase Day Surgery rates to the GIRFT level of 85%. **(Exhibit 6)**
 - 7.6 Ensure that the approach to consultant job planning focusses on maximising productivity and uses team-based approaches to help plan the future shape of services to meet the Welsh Government requirement that 90% of consultants have job plans. **(Exhibit 6)**

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Recommendations

Promote, Prevent and Prepare for Planned Care Policy

- R8 The Health Board should complete its implementation of the single point of contact for people to access information and support following referral to specialist secondary care. **(Exhibit 7)**
-

Managing clinical risks associated with long waits

- R9 The Health Board needs to strengthen its monitoring and reporting processes associated with managing clinical risks and with long waits by:
- 9.1 Developing and implementing a more consistent approach for assessing the risk of harm to patients caused by long waits across specialties. **(Exhibit 7)**; and
 - 9.2 Developing a routine report to be presented at the Quality Committee that reports risks and actual incidences of harm resulting from delays in access to treatment across all clinical specialty areas of concern. **(Exhibit 7)**

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Detailed report

Action that the Health Board is taking to tackle the planned care challenge

- 12 We considered whether the Health Board is effectively planning and delivering planned care improvement, is appropriately utilising and monitoring the impact of Welsh Government funding and is supporting patients who are at most risk of harm as a result of a delay.
- 13 We found that **while the Health Board is focussing its efforts and additional funding to improve planned care performance and efficiencies in some areas, it lacks a robust short-term action plan. It has a reasonable emerging programme structure to drive improvement, but there is a concerning lack of longer-term service planning to create affordable and sustainable planned care service models. The Health Board is improving how it supports people that are waiting but it needs to strengthen reporting on patient harm associated with long planned care waits.**

Planned care improvement plans and the programme to deliver them

- 14 It is important that the Health Board has a clear plan for tackling the waiting list backlog and delivering sustainable planned care improvement. We considered whether the Health Board has:
- clear, realistic and costed improvement plans for planned care that align with the national recovery plan ambitions and Ministerial priorities; and
 - appropriate programme management arrangements to support planned care improvement, supported by clear accountabilities and clinical leadership and reporting to committees and the Board.

Planned care improvement plans

- 15 We found that **there are some promising initiatives to improve planned care in the short-term. However, the Health Board lacks a robust plan to achieve Welsh Government's targets and there is no long-term plan to address growing demand and create financially sustainable planned care services.**
- 16 The findings that underpin this conclusion are summarised in **Exhibit 2**.

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Exhibit 2: the Health Board's approach to planned care improvement planning

Audit question	Yes / No / Partially	Comments
<p>Has the Health Board developed a clear plan to support planned care recovery?</p>	<p>Partially</p>	<p>The Health Board currently does not have an overarching strategic longer-term plan for planned care that sets out how it will meet growing demand and create financially sustainable service models. However, it has started to develop a longer-term clinical services plan of which planned care will feature as a core element.</p> <p>(Recommendation 1.1) The Health Board has identified its short-term improvement actions for planned care in its Annual Plan 2024-25, although it does not provide clarity on how these will be delivered or the resources required to deliver them. These new initiatives include outpatients, operating theatres, diagnostics, robotics, and endoscopy improvements.</p>
<p>Is the approach for delivering planned care improvement costed and affordable?</p>	<p>No</p>	<p>The Health Board's key strategies and plans, such as its Living Well, Caring Well, Working Together Strategy and Annual Plan 2024-25, do not sufficiently set out the financial and wider resource requirements to recover planned care services. It is using the additional Welsh Government planned care funding to create additional capacity, but this is expensive because it is driving short-term contracting of additional services and initiatives. There is also a tension between the Health Board's need to improve its current and future financial position and its level of investment in planned care. (Recommendation 1.2)</p>
<p>Are the Health Board's planned care priorities appropriately aligned to the national planned care recovery plan and Ministerial priorities?</p>	<p>Yes</p>	<p>The Health Board's Annual Plan 2024-25 is sufficiently aligned to the ministerial priorities and the national <u>'transforming and modernising planned care and reducing NHS waiting lists'</u> recovery plan.</p>
<p>Has the Health Board set out realistic yet challenging targets</p>	<p>Partially</p>	<p>The Health Board has set sufficiently ambitious planned care waiting list targets. However, it has not clearly set out time-based milestones for the delivery of proposed service transformation. The milestones also lack a focus on impact,</p>

Audit question	Yes / No / Partially	Comments
and milestones for planned care?		which will make it difficult for the Health Board to determine the extent to which its actions have made a real difference.
Are the Health Board's planned care priorities informed by analysis and modelling of capacity and demand?	Partially	The Health Board undertakes capacity and demand analysis to inform the assumptions that underpin the development of its Annual Plan 2024-25. While these arrangements are improving in some areas, such as spinal services, urology, ophthalmology, and endoscopy, there is a need to ensure its short- and long-term demand and capacity modelling covers the breadth of planned care services. (Recommendation 2)
Has the Health Board set out how it will transform its clinical service models to make them more sustainable in the future?	Partially	Despite not having a clinical services plan yet, there are some limited examples where the Health Board has identified the transformational changes that it needs to make to make its services more sustainable in the future. This includes the development of a surgical hub in University Hospital Llandough, participation in the regional eye care approach, development of endoscopy services, and introduction of a diagnostics hub. However, the Health Board has not yet developed clear sustainable specialty level transformation plans for planned care. The range of clinical services plans do not currently meet this need.
Are plans for planned care improvement aligned to other key corporate plans such as the IMTP, and plans for workforce, digital and estates?	No	There is insufficient detail in the Annual Plan 2024-25 on planned care service transformation requirements and the necessary changes and investments required in workforce, digital and estates to support service change.
Do the Health Board's planned care priorities align with those in other health boards and identify regional solutions to planned care recovery?	Partially	Regional partnerships between Aneurin Bevan, Cardiff and Vale, and Cwm Taf Morgannwg University Health Boards are making some progress. Aneurin Bevan University Health Board is responsible for hosting the regional ophthalmology (cataracts) programme. Cardiff and Vale and Cwm Taf Morgannwg University Health Boards are starting to introduce regional orthopaedic arthroplasty and diagnostic services in the Llantrisant Health Park. While there are plans for regional services, interviewees

Audit question	Yes / No / Partially	Comments
		<p>suggested that the approach for pooling waiting lists and the perceived lack of equity of additional resourcing for regional services may be potential barriers to effective commitment to new developments.</p> <p>The Health Board is also jointly working with Swansea Bay University Health Board on tertiary specialised service developments.</p>

Source: Audit Wales fieldwork

Planned care programme delivery and oversight

- 17 We found that **at present, there is a strong bias towards short term, but unsustainable, actions to reduce long waits. Whilst there is a developing programme structure to deliver planned care improvement, the Health Board needs to build and strengthen clinical leadership to drive the changes needed to create sustainable services for the longer-term.**
- 18 The findings that have led us to this conclusion are summarised in **Exhibit 3.**

Exhibit 3: the Health Board’s approach to the programme management of planned care improvement

Audit question	Yes / No / Partially	Comments
<p>Does the Health Board have a clear and appropriately resourced improvement programme to support planned care recovery?</p>	Partially	<p>The Health Board is in the early stages of implementing a revised Planned Care Programme Board and supporting delivery groups to drive improvement. This includes pathway efficiency focussed groups (outpatients, theatres and diagnostics) and specialty groups. Its Clinical Boards are responsible for operational service delivery improvements. Its improvement approach has been focussed on short-term operational delivery. However, it also needs to develop a transformation programme that has the capacity and capability to design and implement planned care service models that are sustainable in the longer term. The Health Board could achieve this</p>

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Audit question	Yes / No / Partially	Comments
		through the development of its Clinical Services Programme. (Recommendation 3)
Is planned care recovery supported by clearly defined operational accountabilities and effective clinical leadership?	Partially	There are clearly set out leadership roles, responsibilities and accountabilities for delivering planned care improvement. Clinical leadership for core planned care developments, such as inpatients, outpatients, and robotic surgery is clear and strengthening. However, we understand that clinical leadership at a specialty level is more variable. This appears, in some instances, to be affecting the Health Board's ability to gain clinical consensus on the important service transformation work and improvements that are needed.
Has the Health Board undertaken a risk assessment to understand the issues that could prevent delivery of planned care improvement aims?	Partially	The Health Board has not undertaken an overarching risk assessment on planned care programme and improvement delivery. (Recommendation 4) However, it has identified some programme risks relating to the regional programme delivery which help, to an extent, to understand some of the challenges that it faces when delivering improvements. The Health Board does utilise Clinical Board risk management arrangements to help manage operational delivery risks.
Is performance on planned care recovery routinely reported to the appropriate committee/s and to the board?	Partially	Planned care performance is routinely reported to the Board and Finance and Performance Committee. However, there needs to be a clearer focus on reporting progress against improvement plan milestones so that there is assurance on the pace and impact of planned care changes. Recommendation 5

Source: Audit Wales fieldwork

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Utilisation of additional Welsh Government funding

- 19 We have looked at the Health Board's use of the additional planned care allocation that it has received from the Welsh Government. This section considers:
- the overall amount of additional planned care funding the Health Board has received from Welsh Government over the last three years;
 - how the Health Board spent the money; and
 - the Health Board's arrangements for overseeing how it has spent additional funding.

Use of additional funding

- 20 We found that **since 2022-23, the Health Board has received a total of £69.3 million in additional Welsh Government funding. While most of this additional funding has been allocated to planned care, a sizeable amount each year (around £2.4 million in 2023-24) is being spent to ease unscheduled care pressures. Similar to other health boards in Wales, it is focussing the funding on short term improvements with limited investments in service transformation to help make planned care services financially sustainable in the long term.**
- 21 To support planned care recovery over and above existing funding, the Health Board received a total additional Welsh Government allocation of £69.3 between 2022-23 and 2024-25 (**Exhibit 4**).

Exhibit 4: the Welsh Government's allocation to the Health Board to support planned care improvement

Financial year	Annual allocation (£m)
2022-23	22.6
2023-24	23.4
2024-25	23.3
Total allocated	69.3

Source: Health Board financial self-assessment returns

- 22 The Health Board can account for the additional planned care funding that it has received. We reviewed the use of the additional funding in 2023-24 in greater detail (see **Exhibit 5**). Most of this is being committed to short term measures to cut waiting lists. Like other health boards in Wales, there is limited use of the funding to support transformation to make services more financially sustainable in the longer term. In addition, around £2.4 million of the funding is being used to support wider unscheduled care improvements. During 2023-24, the Health Board used around £11 million of its £23.4 million allocation to increasing planned care activity, £6.8 million

on regional working, and a further £0.48 million on service transformation. It spent most of its additional funding on diagnostics and treatments across a range of specialties including radiology, endoscopy, cardiac diagnostics, pathology, and securing additional outpatient and treatment capacity. Where funding is supporting short-term service capacity increases, it is in the form of insourcing, outsourcing, and waiting list initiatives. While these help to reduce current levels of waits, they are not financially efficient. In addition, where Welsh Government is providing additional funding at very short notice, the Health Board is at greater risk because it is difficult to properly test the market during procurement to ensure best value and quality.

- 23 The Health Board is under significant financial pressure. It is forecasting at £27.7 million deficit for the year ending March 2025, and we expect that its financial pressures will continue into the 2025-26 financial year. Overall, the Health Board’s financial pressures may result in it making short-term financial recovery decisions that affect its ability to fully deliver on its planned care recovery ambitions.

Exhibit 5: Audit Wales analysis of the use of the 2023-24 Welsh Government additional financial allocation, Cardiff and Vale University Health Board

	Performance improvement funding (£m)	Transformation funding (£m)	Regional working and transformation (£m)
General outpatients	0.764		
Diagnostics (Radiology, Endoscopy, Cardiac diagnostics, Pathology and Medical Physics)	4.401	0.180	2.618
Therapies (7-day therapies and staffing)	0.457		
Planned care additional capacity (inc. theatres, anaesthetics, waiting list initiatives, insourcing and outsourcing)	5.592	0.296	4.165
Cancer services, central team funding	0.231		
Mental Health and Child and Adolescent Mental Health Service capacity	0.747		
Primary care (weight loss and dental)	0.136		0.030
Unscheduled care (flow and front door)	2.481		
Other costs (Clinical lead for planned care, pathway development, 3Ps support)	0.758	0.585	
Total allocated	15.567	1.061	6.813

Source: Health Board self-assessment returns

Monitoring impact of additional funding

- 24 We have considered the extent to which the Health Board oversees the use of the Welsh Government planned care financial allocations. We found that **it has tracked and analysed the additional Welsh Government planned care financial allocation to determine if it has had the expected impact on reducing the levels of waits. However, there isn't any reporting and scrutiny of this information at board and committee level.**
- 25 The Health Board's officers have a clear understanding of where it is intending to spend its additional planned care allocation and discuss the progress on specific funded initiatives at routine performance meetings. The Health Board has effective arrangements to track the use of the spend and the extent that it has had the desired short-term impact. The Health Board's Board Assurance Framework also makes it clear that there is a significant risk caused by a general "lack of funding available for deliver planned care performance standards". The Board and its Finance and Performance Committee are aware of additional planned care spend, but there is no routine reporting on the specific impact that it is having overall. **(Recommendation 6)**

Operational management of planned care

- 26 Alongside the well-planned use of additional funding, health boards' ability to secure meaningful and sustainable planned care improvements will be dependent on them optimising their routine operational arrangements for planned care. In this section we consider the actions the Health Board is taking:
- to maximise its use of existing resources; and
 - to protect and increase its planned care capacity.

Maximising the use of existing resources

- 27 We have examined some opportunities that exist for the Health Board to improve efficiency and productivity, and the actions it is taking to maximise the use of its existing resources. We found that **while the Health Board is taking action to improve efficiency and productivity, it has much more to do, particularly in ophthalmology and general surgery.**
- 28 **Exhibit 6** identifies efficiency and productivity opportunities that could help maximise the use of existing resources within the Health Board to support planned care improvements.

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Exhibit 6: efficiency and productivity opportunities

Opportunity area	Audit findings
<p>Responding to Getting it Right First time (GIRFT) reports</p>	<p>There is mixed progress in responding to GIRFT reviews. The Health Board has received ophthalmology, general surgery, trauma and orthopaedics, gynaecology, ENT, dermatology and urology GIRFT reviews. It has made good progress in addressing recommendations within Orthopaedics and is seeking GIRFT surgical hub accreditation. However, limited progress in relation to ophthalmology and general Surgery is a significant concern, given the extent of long waits for these services. (Recommendation 7.1)</p>
<p>Arrangements for measuring and managing productivity of services</p>	<p>The Health Board is taking a number of actions aimed at increasing the productivity of services including:</p> <ul style="list-style-type: none"> • Reintroducing a theatres delivery group to focus on productivity and efficiency, driven by clinicians. Specialty teams are focussing on reaching 95% utilisation for all theatres. • A well-established outpatient transformation programme which is rolling out: <ul style="list-style-type: none"> – See on Symptom/Patient Initiated Follow up pathways; – Patient Participation Booking; and – Health Board-wide programme of validation. • Implementing new MRI software to increase appointments and release radiology workforce time so they can report on more complex imaging. • Reporting on planned care efficiency measures to the Finance and Performance Committee and the Board. This includes efficiency trend data on outpatients, endoscopy, theatres and length of stay.
<p>Reducing non-attendance at outpatient appointments</p>	<p>Exhibit 18 on page 40 shows that the Health Board's 'Did Not Attend' (DNA) rates within its outpatient clinics remain an ongoing challenge. In the 12-month period to February 2025, its DNA rate of 10.5% equated to a loss of approximately 60,450 outpatient appointments. If the Health Board could reduce its outpatient DNA rate to 8.4% (a reduction of 20%), it would provide around 12,100 additional outpatient appointments and avoid wasting the equivalent of approximately £1.81 million of NHS resources. (Recommendation 7.2)</p>

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Opportunity area	Audit findings
Making use of “virtual” outpatient appointments	Virtual outpatient appointments reduce the need for travel and can decrease the risk of healthcare-acquired infections. Between April 2024 and February 2025, 13.5% of all outpatient appointments in the Health Board were virtual (see Exhibit 19 on page 41). The Health Board could consider further steps to increase the adoption of virtual outpatient appointments where feasible.
Reducing the number of cancelled operations	During the most recent 12-month reporting period, from March 2024 to February 2025, over 2,500 individual surgical procedures were cancelled within 24 hours. This represented approximately 10% of all elective surgical admissions (see Exhibit 20 on page 42). The Health Board is focusing on its Pre-Operative Assessment Clinic to identify strategies for reducing surgical cancellations. However, patient-related causes are only part of the challenge; availability of clinical staff, equipment issues, and pressures from unscheduled care also contribute to the problem. (Recommendation 7.3)
Improving operating theatre utilisation	There are clear arrangements for monitoring and managing theatre utilisation. Specialty teams are focussed on increasing theatre utilisation, and we understand that the Health Board is bolstering these arrangements through the re-introduction of the Theatre Delivery Group. Overall, these arrangements appear to be having the desired impact by improving theatre utilisation to around 80% against a GIRFT target of 85%. However, some specialties, including ophthalmology, present a greater concern because session underutilisation is resulting in low productivity. (Recommendation 7.4)
Making more use of day case surgery	<p>The Health Board is not yet maximising the use of day case surgery. GIRFT recommends that on average, 85% of all elective surgery should be day case. As can be seen in Exhibit 22 on page 44, for the period April 2024 to February 2025, 62% of all elective surgery within the Health Board was day case. This is well below the all-Wales average of 74%. While its higher proportion of specialist tertiary services may constrain day case use, the Health Board would benefit by:</p> <ul style="list-style-type: none"> • setting an interim performance target for day-case surgery informed by peer performance in similar tertiary providers in NHS England; and • reviewing the surgical cases that can be converted to day-case lists. <p>(Recommendation 7.5)</p>

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Opportunity area	Audit findings
Effective consultant job-planning	<p>The Health Board's arrangements for job planning are not effective. A recent Internal Audit report on the Surgery Clinical Board identified significant weaknesses in the job planning process, with only 27% of the senior medical workforce having a fully signed off job plan and only 13% had an annual review.</p> <p>While the Surgery Clinical Board is an extreme example, overall job planning levels across the organisation are too low. NHS Planning Guidance for 2025-26 requires 90% of consultants to have an agreed job plan by 30 September 2025. The Health Board needs to use individual and team-based job planning to maximise productivity and to act as a tool to transform services where needed.</p> <p>(Recommendation 7.6)</p>
Pooled lists within a Health Board speciality to ensure it treats its patients in turn	<p>The Health Board has indicated that the pooling of waiting lists, particularly in relation to regional services, is not working well. This appears to be impacted by differing backlog challenges faced across the region and the levels of regional funding.</p> <p>Locally, the Health Board has indicated that its own services are not always implementing treat-in-turn either. We heard that some clinicians are working from the back of their individual list, and not from the back of the specialty's waiting list. For clinicians that have shorter waiting lists, this means they are seeing patients sooner than other clinicians with a longer individual waiting list.</p>

Source: Audit Wales fieldwork including analysis of NHS Wales data and Health Board self-assessment and data returns

Protecting and increasing planned care capacity

- 29 We examined the actions the Health Board is taking to protect planned care capacity by separating out elective and emergency activity. We also looked at the actions the Health Board is taking to increase its planned care capacity.
- 30 We found that the **Health Board has had some success protecting planned care capacity from wider unscheduled care pressures. It has also increased short-term planned care capacity, but this is not sufficient to reduce long waits, and financial pressures continue to restrain the pace of recovery.**
- 31 The Health Board is well positioned to protect elective capacity from broader service pressures. University Hospital Llandough offers acute surgical services, but it has no emergency department. This minimises disruption to elective services when there are other service pressures. The Health Board is also intending to further increase its surgical capacity at University Hospital Llandough. We note that the specialist nature of some complex surgical

procedures undertaken at the University Hospital of Wales is a constraining factor that would limit the ability to move some services to Llandough.

- 32 The Health Board is using additional Welsh Government funding to boost capacity through insourcing, outsourcing, and waiting list initiatives, as well as enhancing core resources. For 2024-25, investments include dermatology, outpatients, diagnostics, orthopaedics, ophthalmology, therapy, theatre staffing, and consumables. It is also developing regional orthopaedic arthroplasty services.
- 33 Waiting list data for October 2024 to December 2024 indicates that despite increased investment, capacity is not currently sufficient and waiting lists are not materially reducing. Funding pressures are a clear factor. The Health Board considered a range of possible approaches to secure financial recovery in February 2024, which included slowing down investment in planned care. While the Health Board did not agree this approach and conversely exceeded its budget on planned care by £3 million in 2024-25, it demonstrates the trade-off between financial recovery and planned care recovery which it is trying to balance.

Managing clinical risk and harm associated with long planned care waits

- 34 Long patient waits increases the risk of preventable and often irreversible harm. Patients' health may deteriorate while waiting, they may be waiting in pain and with anxiety and uncertainty not knowing when they will finally receive treatment. They may also not be able to work or support or care for others while they are waiting. We considered whether the Health Board has sound arrangements to:
- identify, manage, and report on clinical risk and harm associated with long waits; and
 - effectively communicating with patients who are on a waiting list and to manage potential inequalities in access to care.
- 35 We found that **while the Health Board is strengthening its approach for managing the risk of and actual harm resulting from long waits, there is much more to do.**
- 36 The findings which have led us to this conclusion are summarised in **Exhibit 7.**

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Exhibit 7: the Health Board’s approach to managing clinical risks and communicating with patients on waiting lists

Audit question	Yes / No / Partially	Comments
<p>Has the Health Board implemented the first phase of the Welsh Government’s Promote, Prevent and Prepare for Planned Care policy⁷?</p>	<p>Partially</p>	<p>The Health Board is implementing the first phase of Welsh Government’s Promote, Prevent and Prepare Policy (3Ps), although progress is varied by speciality. The national policy aims to ensure that support and information is easily accessible for those who are waiting for appointments and interventions in secondary care. The Health Board has set up prehabilitation (Prehab 2 Rehab) and is piloting a single point of contact service for hernia, hip, and gallbladder surgery patients.</p> <p>While there is a ‘keeping me well’ website, it is not clear from this or the main Health Board website how a patient can escalate a concern or the telephone number to use if they are deteriorating while waiting. (Recommendation 8)</p>
<p>Is the Health Board assessing the risk to patients waiting the longest?</p>	<p>Partially</p>	<p>The Health Board uses the Datix⁸ system to record clinical risk resulting from a delay in treatment. The ophthalmology service has clear assessment arrangements. This is helping to identify patients that have come to harm. There are also arrangements for endoscopy and gastroenterology surveillance that feeds Datix incident reporting if harm occurs. However, there is no consistent methodology throughout specialties to assess risk and inform reporting on the risk of harm or instances of recorded harm. (Recommendation 9.1)</p>

⁷ Promote, Prevent and Prepare for Planned Care Policy to ensure that support and information is easily accessible to those waiting for appointments and interventions.

⁸ Datix is a risk management and incident reporting tool for recording and managing incidents, near misses, and potential risks to improve patient safety and continuous improvement.

Audit question	Yes / No / Partially	Comments
<p>Is the Health Board routinely capturing and reporting evidence of harm resulting from waiting list delays and is reporting on it to the Quality and Safety Committee?</p>	<p>Partially</p>	<p>Where there are more significant issues, such as when ophthalmology patients are waiting a long time on the follow up list, these are reported appropriately to the Health Board's Quality Committee both in specific assurance papers and as part of routine National Reportable Incident reporting.</p> <p>For other specialties, the reporting of harms to committee is reliant both on the extent that patients are reviewed while waiting and clinical staff completing Datix forms. At present, there isn't assurance that the approach is consistently applied. (Recommendation 9.2)</p>
<p>Is the Health Board effectively balancing the tension between eliminating long waits and managing clinical risks in its approach to prioritising patients?</p>	<p>Partially</p>	<p>The Health Board has a Treat in Turn dashboard which it uses to inform the prioritisation process. Our fieldwork suggests clinicians are trying to balance the need to treat in turn with levels of clinical risk. The review arrangements in Ophthalmology and Endoscopy surveillance assist with this process. However, it is not clear how the Health Board balances the tension between tackling long waits and clinical risks for other specialties.</p>
<p>Does the Health Board monitor and record how many patients are leaving planned care waiting lists in favour of private treatment?</p>	<p>No</p>	<p>The Health Board has acknowledged that some patients will seek private treatment outside of the NHS due to the long waits they have experienced. It has not consistently monitored or reported these numbers; however, we understand that waiting list validation processes may capture this information in part.</p>

Source: Audit Wales fieldwork

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Waiting list performance – is the action taken resulting in improvement?

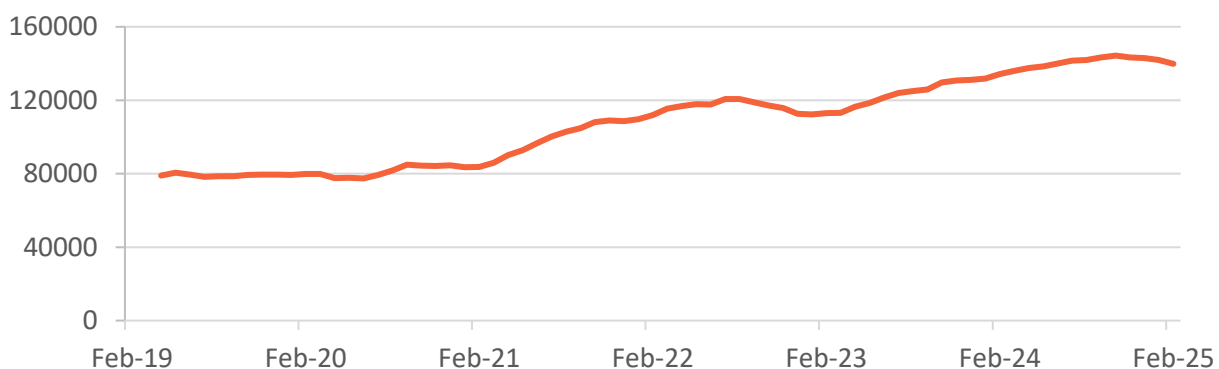
- 37 We analysed current 'Referral to Treatment'⁹ waiting list performance and trends to determine whether the Health Board is:
- reducing the overall levels of waits; and
 - meeting Ministerial priorities and Welsh Government national targets.
- 38 We found that **Health Board performance against national planned care recovery targets has worsened over the past year, with waits considerably higher than pre-pandemic levels.**

The scale of the waiting list

- 39 Across Wales, the scale and extent of waits substantially increased following the COVID-19 pandemic. We have looked at these changes in terms of the overall size of the waiting list. We have also considered both the volume of waits for diagnostics and therapy services and trends in referral rates. We found that that **Health Board's waiting list is around 80% larger than it was at the start of the pandemic, and this presents a considerable challenge both now and in future.**
- 40 **Exhibit 8** shows the overall trend of planned care waits for the Health Board since April 2019. This shows an increase in the size of the waiting list from 79,449 treatment pathways in November 2019 to 139,786 in February 2025.

Exhibit 8: Waiting list size by area of residence, Cardiff and Vale University Health Board

Total number of
RTT pathway waits

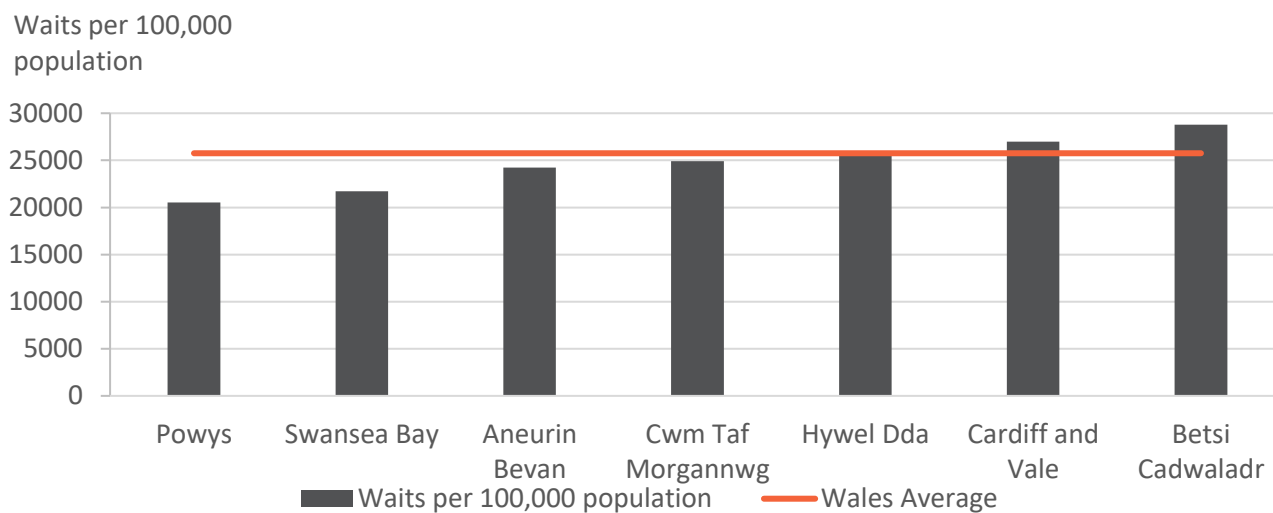


Source: Welsh Government, Stats Wales

⁹ Referral to Treatment is how the NHS records the timeliness of planned care. It starts when a Health Board receives a referral and finishes when it has treated the patient. During that patient pathway, the NHS records distinct stages, including new outpatient appointment, diagnostic, follow-up appointment or therapeutic intervention and treatment.

41 **Exhibit 9** provides a comparative picture of the volume of waits across Wales and shows that the Health Board has comparatively more waits per 100,000 population than most other health boards in Wales¹⁰.

Exhibit 9: Waits per 100,000 population, by health board of residence, February 2025



Source: Welsh Government, Stats Wales. Note: Powys data is for December 2024.

Performance against national targets/priorities

42 We looked at the progress that the Health Board is making against the Welsh Government's aims¹¹. These are:

- No one waiting longer than a year for their first outpatient appointment by the end of 2022 (**target date revised to December 2023**¹²).
- Eliminate the number of people waiting longer than two years in most specialties by March 2023 (**target date revised to March 2024**⁶).
- Increase the speed of diagnostic testing and reporting to eight weeks and 14 weeks for therapy interventions by Spring 2024.
- Eliminate the number of people waiting longer than one year in most specialties by Spring 2025.

¹⁰ Our figures are based on NHS Wales's 'open' referral to treatment measure. The measure counts the number of pathways which have started but not yet completed treatment, rather than people.

¹¹ We have not included the Welsh Government performance on Cancer services as this is outside the scope of this review.

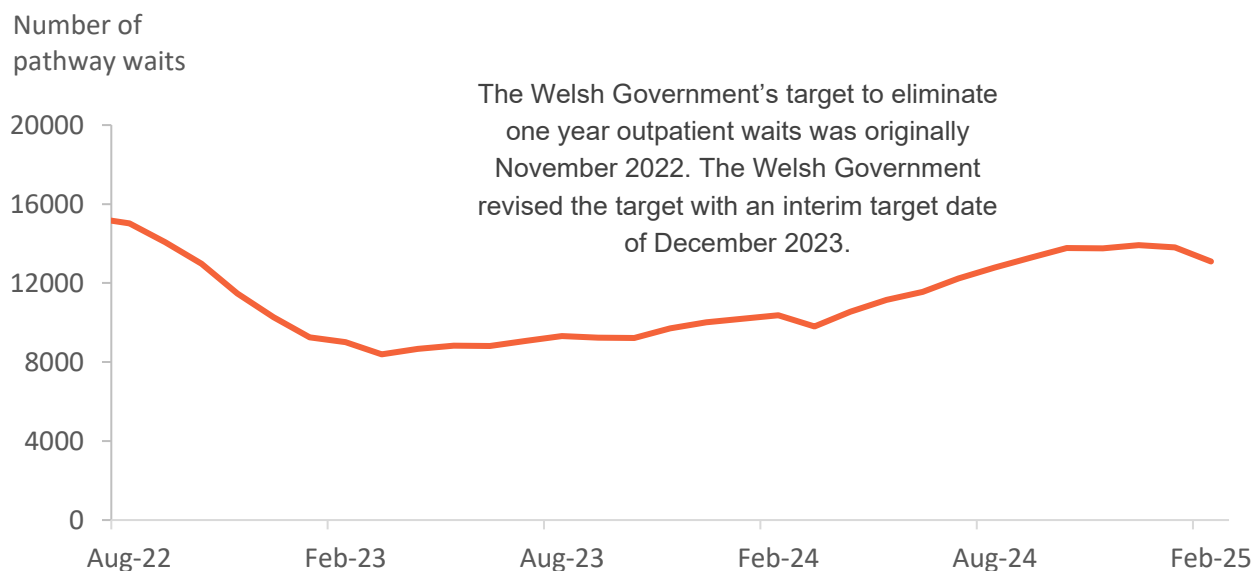
¹² Health boards did not meet the original targets for first outpatient appointment and number of people waiting longer than two years. As a result, the Welsh Government agreed to set interim targets (**in bold, above**).

43 We found that **while the Health Board made reasonably good progress initially, it did not meet the Welsh Government’s waiting list reduction targets. Following a long period where waits deteriorated, performance recently started to improve.**

No one waiting longer than a year for their first outpatient appointment

44 **Exhibit 10** shows the Health Board’s waiting list performance for first (new) outpatient appointments. The Health Board failed to meet the revised December 2023 Welsh Government target to ensure no one waited more than a year for their new outpatient appointments.

Exhibit 10: the number of first (new) outpatient appointments waits that are over a year since referral, by area of residence, Cardiff and Vale University Health Board



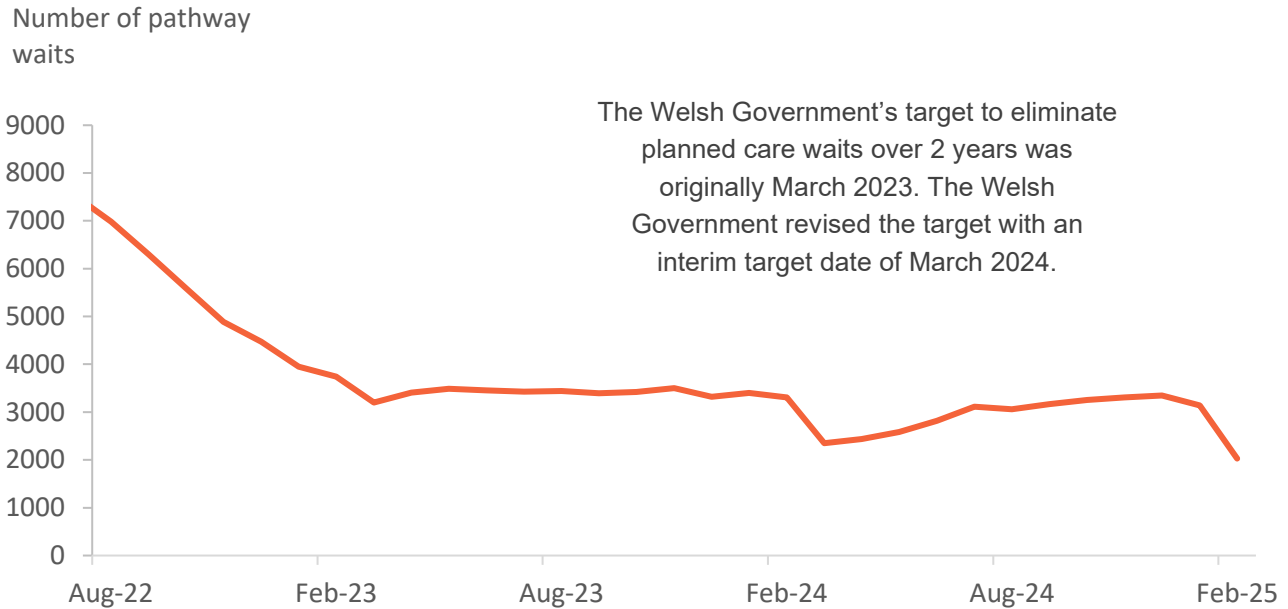
Source: Welsh Government, Stats Wales

Eliminate the number of pathways longer than two years in most specialties by March 2023

45 **Exhibit 11** shows that the Health Board did not meet the revised Welsh Government target to eliminate waits over 2 years by March 2024. The Health Board has improved since December 2024, although there remained around 2,000 waits over 2 years as of February 2025. Of those long waits, **Exhibit 12** shows that ophthalmology and urology services are clear specialties of concern. Long waits in other specialties may also present an elevated risk of harm resulting from treatments delays.

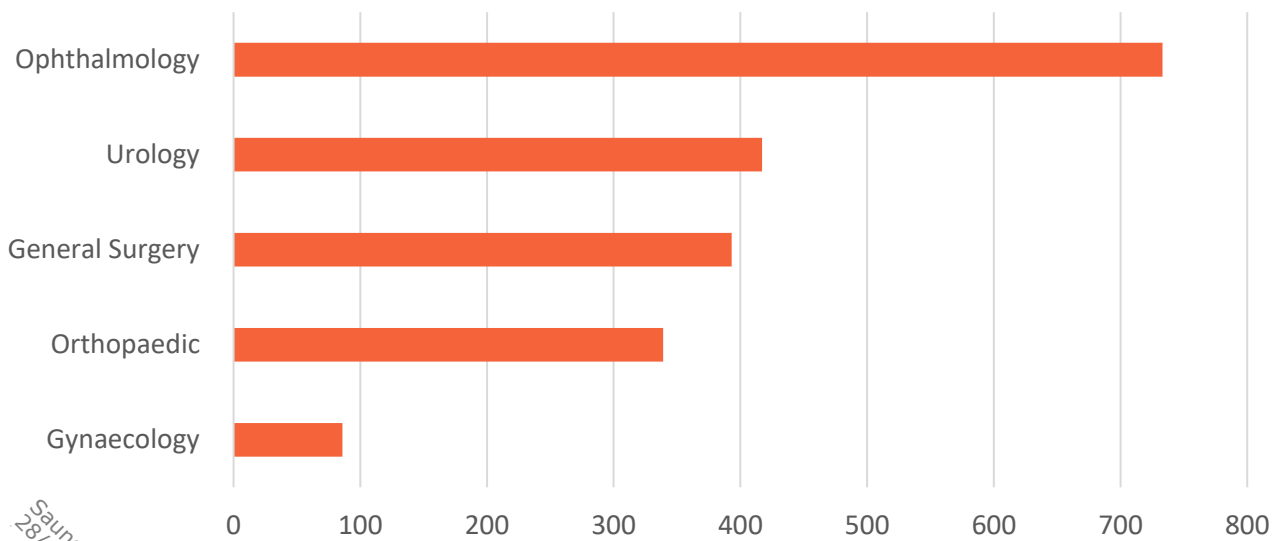
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Exhibit 11: the number of planned care waits over 2 years, Cardiff and Vale University Health Board



Source: Welsh Government, Stats Wales

Exhibit 12: the number of planned care waits over 2 years by specialty as of February 2025, Cardiff and Vale University Health Board

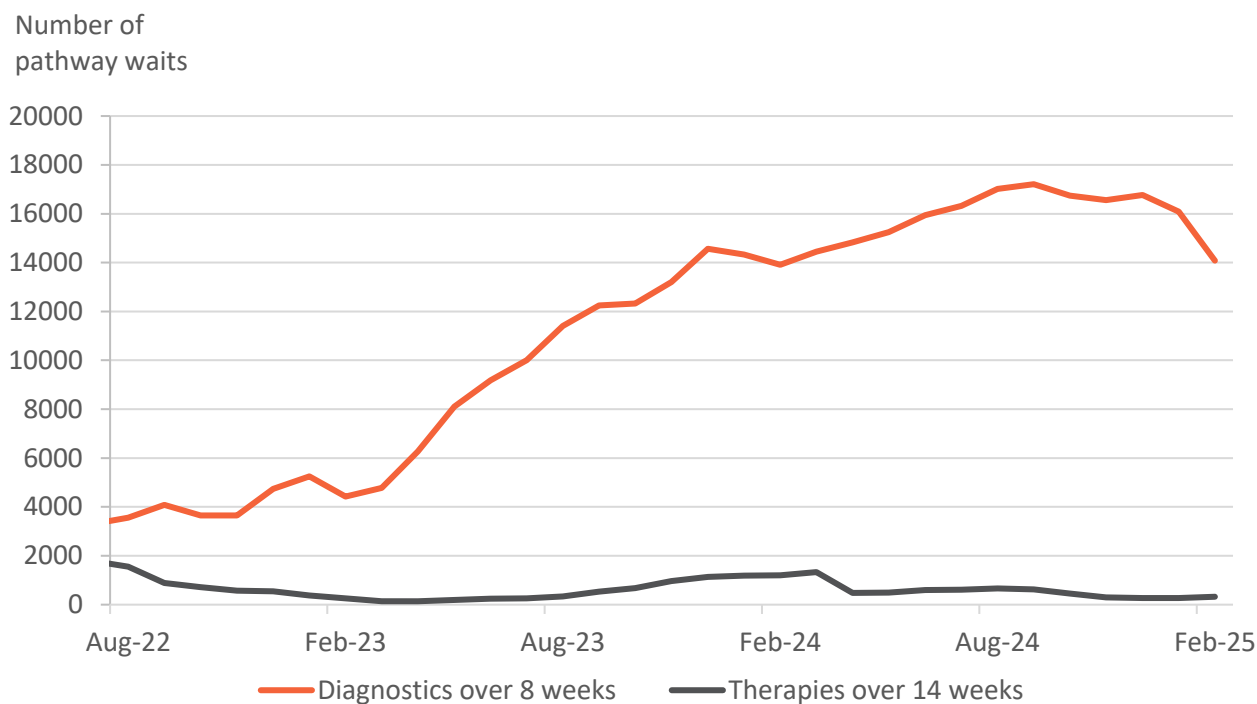


Source: Welsh Government, Stats Wales

Increase the speed of diagnostic testing and reporting to eight weeks and 14 weeks for therapy interventions by Spring 2024

46 The Welsh Government sought to increase the speed of diagnostic testing and reporting to 8 weeks and 14 weeks for therapy interventions by Spring 2024. While the Health Board is broadly meeting its targets for therapy waits, it is failing to meet its target for its diagnostic services and performance deteriorated significantly during 2023 and much of 2024 (**Exhibit 13**). The last five months performance shows promising signs of improvement. However there remains particular challenges in diagnostic endoscopy and radiology because of the volume and proportion of long waits in those areas.

Exhibit 13: the number of diagnostic and therapy pathway waits that breach Welsh Government targets (Diagnostic waits is an 8-week target, therapies waits is a 14-week target), Cardiff and Vale University Health Board



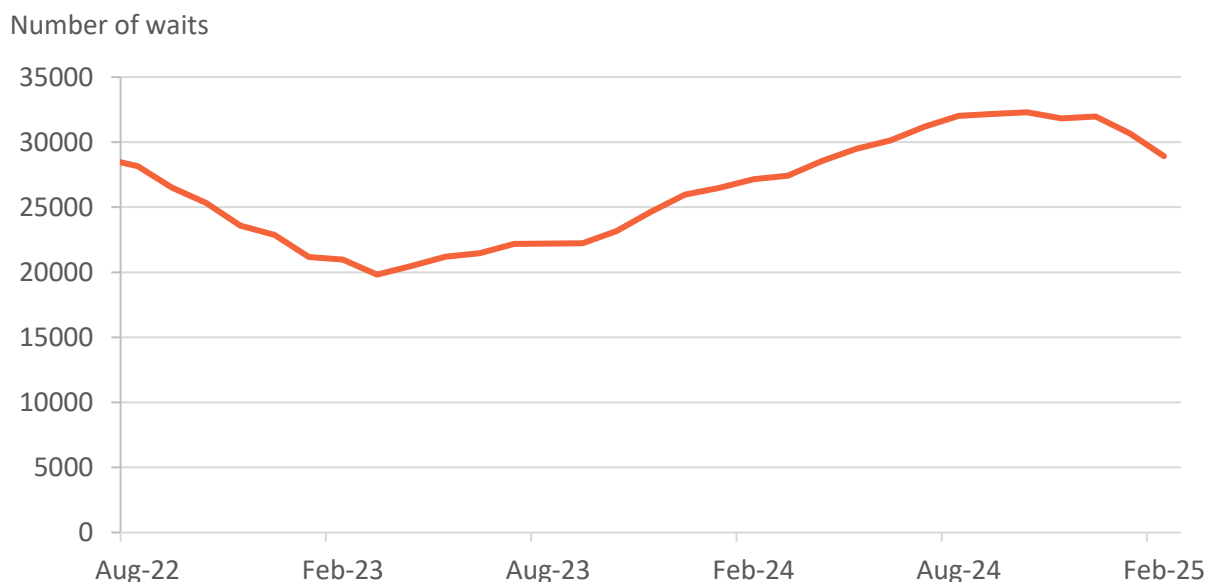
Source: Welsh Government, Stats Wales

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Eliminate the number of people waiting longer than one year in most specialties by Spring 2025

47 The Welsh Government's longer-term ambition was to eliminate waits over 1 year in most specialties by the spring of 2025. **Exhibit 14** shows some improvement at the end of 2022 and early 2023. However, performance has since deteriorated. There are currently 10 specialties where there are over 1,000 patients waiting a year or more. Ophthalmology has nearly 6,000 patients waiting over a year, but there are substantial pressures in general surgery, orthopaedics, gastroenterology, and urology.

Exhibit 14: the number of pathway waits that are over a year, Cardiff and Vale University Health Board



Source: Welsh Government, Stats Wales

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Barriers to further improvement

- 48 We have considered the factors that are affecting the Health Board's ability to tackle its waiting list backlog and secure sustainable improvements in planned care, together with actions that it is taking to address them.
- 49 We found that **there are significant barriers inhibiting the scale of planned care improvements required to materially reduce the Health Board's waiting list.**
- 50 Our fieldwork has found challenges in the following areas:
- **Demand for planned care services** - There is increasing demand for services. Long-term referral demand is increasing (**Exhibit 16**, page 39) and at the same time, our analysis of the levels of medical and surgical admissions indicates that service activity is not consistently meeting 2019 levels (**Exhibit 17**, page 39). If the Health Board continues to increase its service activity, this may allow it to balance growing demand and supply, but it needs to ensure that its approach is financially sustainable.
 - **Financial pressures** - The Health Board is experiencing financial pressures and is currently in Level 4 Targeted Intervention for finance, strategy and planning under Welsh Government's NHS Wales Oversight and Escalation Framework. This may mean that it cannot increase planned care spending to the levels that would be needed to significantly reduce long waits.
 - **Competing services pressures** – The Health Board is not only in a position where it needs to balance its investment in planned care with its overall financial position, but it is also facing competing priorities because of pressure in Unscheduled Care and Cancer service demand.
 - **Workforce capacity** – The Health Board has identified that staffing issues are presenting operational challenges. This includes recruitment to key roles in operating theatres, which has resulted in difficulties optimising theatre capacity.
 - **Capacity to support transformation** – The Health Board has deliberately focussed on addressing immediate demand and reducing waiting lists in the short-term. This, alongside wider resourcing and capacity challenges, is limiting opportunities for more long-term transformation work and the ultimate need to implement sustainable modernised services. While it is supporting operational service improvements, there needs to be a far stronger focus on modelling of future service demand and designing service models and pathways to meet that demand.
- 51 The Health Board is struggling to respond to these challenges. There is clear recognition that it needs a better plan to help create financially sustainable services to help manage growth in demand. But its focus is on the short term and despite its actions, it is not making in-roads into its long waits. The Health Board recognises that it needs to do more to focus on prevention, wellbeing and develop community-based services to help manage appropriate demand out of an acute setting, but progress is slow.

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52 As identified in **Exhibit 6**, it is progressing with development of its planned care improvement structures including reintroducing the theatres group and already established outpatient improvement group which is driving increased adoption of ‘patient initiated follow up’ pathways¹³. However, the Health Board will need to review and monitor progress to ensure positive results and value for money. In addition, more work needs to be done to ensure that transformation requirements are embedded in the Health Board’s long-term plans for improvement, with appropriate resource in place to drive the changes needed.

¹³ Patient Initiated Follow Ups - a healthcare approach where a patient actively contacts their healthcare provider to schedule a follow-up appointment based on their current symptoms or concerns.

Appendix 1

Audit methods

Exhibit 15 sets out the methods we used to deliver this work. Our evidence is based on the information drawn from the methods below.

Exhibit 15: audit methods

Element of audit methods	Description
Documents	<p>We reviewed a range of documents, including:</p> <ul style="list-style-type: none">• Public Board papers• Finance and performance committee papers• Quality committee papers• GIRFT reviews• GIRFT Action plans/monitoring• Internal Audit report on job planning (Surgical)• Job planning paper (January 2025)• Targeted Intervention Updates• Theatre productivity reports• Winter plan• 3Ps rollout plan• Board Assurance Framework• Corporate Risk Register• Clinical Board risk register• C&V Health Board Strategy to 2035• Annual Plan 2024-25 including appendix A4• Ophthalmology briefing note• Ophthalmology 104 week regional submission to Welsh Government• Ophthalmology harm review template and reporting to committee• C&V Welsh Government Accountability requirements• C&V additional in year funding letter• Board development papers for 2025-26 IMTP/Annual Plan• Surgery Clinical Board Review October 2024• Rehab programme• Endoscopy recovery papers• Endoscopy surveillance process• Perioperative Theatre Workforce Deep Dive

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Element of audit methods	Description
	<ul style="list-style-type: none"> • Action logs from COO performance meeting, Planned Care Board meeting and Outpatient Delivery meeting • Treat in turn dashboard • Planned care programme structure refresh
Self-assessment	We issued and then analysed a self-assessment completed by the Health Board.
Interviews	<p>We interviewed the following:</p> <ul style="list-style-type: none"> • Executive Director of Allied Health Professionals, Health Scientists and Community Services Development • Director of Planned Care • Chief Operating Officer • Finance Lead/Business Partner for Planned Care (Assistant Director of Finance) • Managing director for University Hospital, Llandough • Executive Nurse Director
Observations	We observed the Chief Operating Officer Performance Meeting.
Data analysis	<p>We analysed key data on:</p> <ul style="list-style-type: none"> • waiting list performance; • financial spend; and • outpatient and inpatient efficiencies.

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Appendix 2

Audit criteria

Main audit question: **Is the Health Board effectively managing its planned care challenges?**

Level 2 questions	Level 3 questions	Audit Criteria (what good looks like)
Is the Health Board's waiting list performance improving?	<p>What is the scale of the challenge?</p> <p>Is the Health Board meeting Welsh Government targets/ambitions?</p>	<p>The Health Board has:</p> <ul style="list-style-type: none"> made progress reducing the overall number of referral to treatment waits for planned care services; and met Ministerial priorities and national targets that were set by the Welsh Government.
Does the Health Board have a clear plan and a programme of action to support planned care waiting list recovery?	<p>Does the Health Board have a clear, realistic, and funded plan in place for planned care recovery?</p> <p>Is there a clear programme structure to deliver planned care improvement?</p>	<p>The Health Board has:</p> <ul style="list-style-type: none"> clear, realistic and funded plan in place for planned care recovery in the short and longer term; and a programme structure that appropriately supports the delivery of the plan.

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Level 2 questions	Level 3 questions	Audit Criteria (what good looks like)
<p>Is the Health Board maximising the impact of its funding to address the planned care backlog?</p>	<p>Is it clear what additional monies have been received by the Health Board?</p> <p>Is it clear what the additional waiting list monies has been spent on?</p> <p>Did the Health Board aim to use all the money on planned care improvement?</p> <p>Can the Health Board clearly demonstrate that the money has resulted in performance improvement, enabled service efficiency and/or new ways of working?</p> <p>Is the Health Board's overall financial position affecting its ability to deliver sustainable planned care recovery?</p>	<ul style="list-style-type: none"> • There is sufficient evidence that the Health Board spent the money as intended by the Welsh Government (i.e. addressing waits and transforming services). • The Health Board can clearly demonstrate that the spend has resulted in improvement. • The Health Board's overall financial position is not affecting its ability to support planned care recovery.
<p>Does the Health Board have effective operational management arrangements to drive improvement and</p>	<p>Is the Health Board improving its operational management of planned care services?</p> <p>How does the Health Board capture information on clinical risk relating to long planned care waiting lists?</p>	<p>The Health Board is:</p> <ul style="list-style-type: none"> • improving the operational management of planned care services; and • capturing information and managing clinical risks and harm related to long planned care waiting lists.

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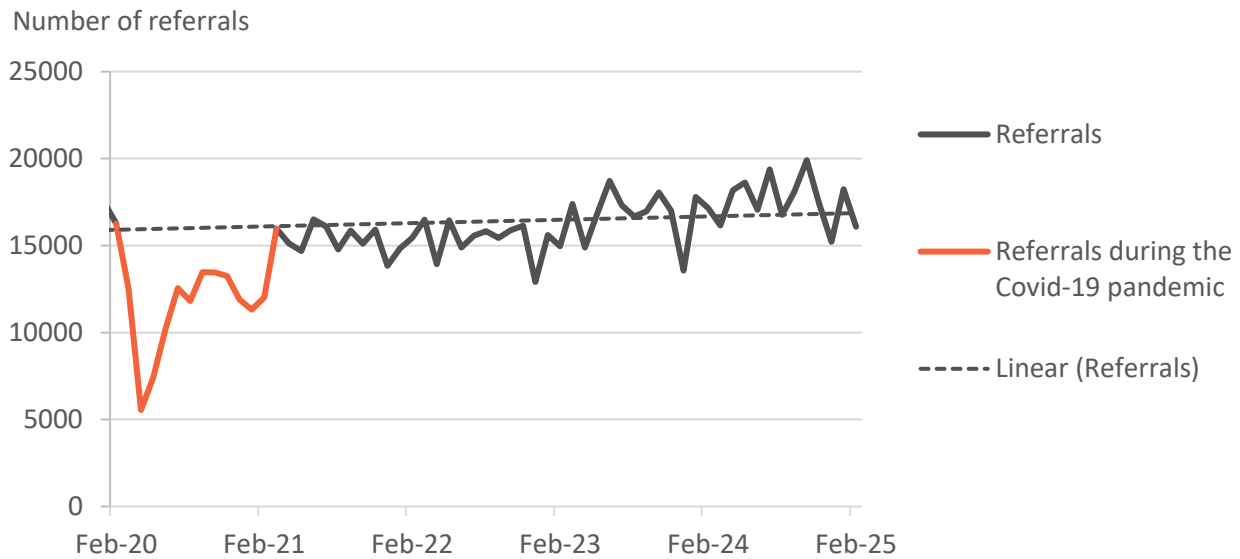
Level 2 questions	Level 3 questions	Audit Criteria (what good looks like)
<p>management of clinical risks?</p>	<p>How does the Health Board capture information on clinical risk relating to long planned care waiting lists? Is the Health Board sufficiently managing clinical risks resulting from delays to treatment? Is the Health Board proactively ensuring clear routes of communication when patients are concerned that they are deteriorating?</p>	<p>The Health Board:</p> <ul style="list-style-type: none"> • has sound arrangements to identify, capturing, and report on clinical risk and harm associated with long waits; • is proactively managing clinical risks resulting from delays to treatment and effectively communicating with patients.
<p>Does the Health Board sufficiently understand barriers to improvement and what needs to be done to address them?</p>	<p>Does the Health Board understand the barriers it has experienced to improvement in planned care performance? (Capacity, funding, recruitment & retention, estates/use of facilities, commissioning external healthcare?) What mechanisms and interventions have been put in place by the Health Board to address these barriers? Is the Health Board learning and sharing good practice where things have gone well?</p>	<p>The Health Board has:</p> <ul style="list-style-type: none"> • identified its risk and barriers and acted on these to address long planned care waiting lists in the short term and sustainable service models in the longer term. • good arrangements for seeking good practice and sharing and applying learning to improve planned care services.

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Appendix 3

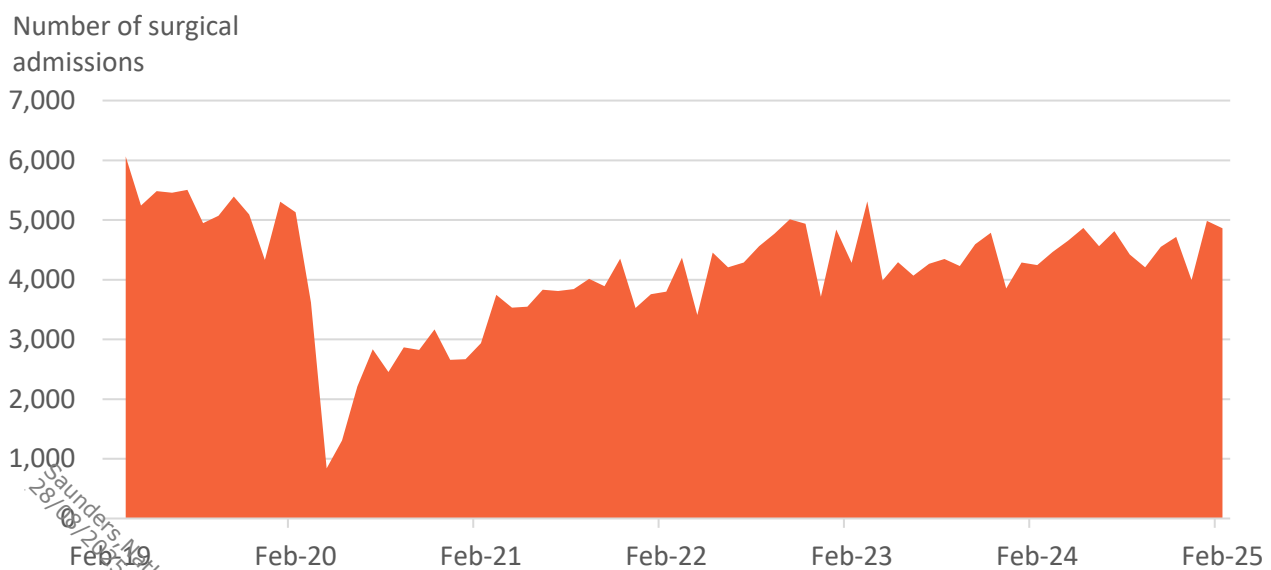
Additional data analysis on planned care

Exhibit 16: trend of monthly referrals to Cardiff and Vale University Health Board



Source: Welsh Government, Stats Wales

Exhibit 17: monthly elective medical and surgical admission levels, Cardiff and Vale University Health Board



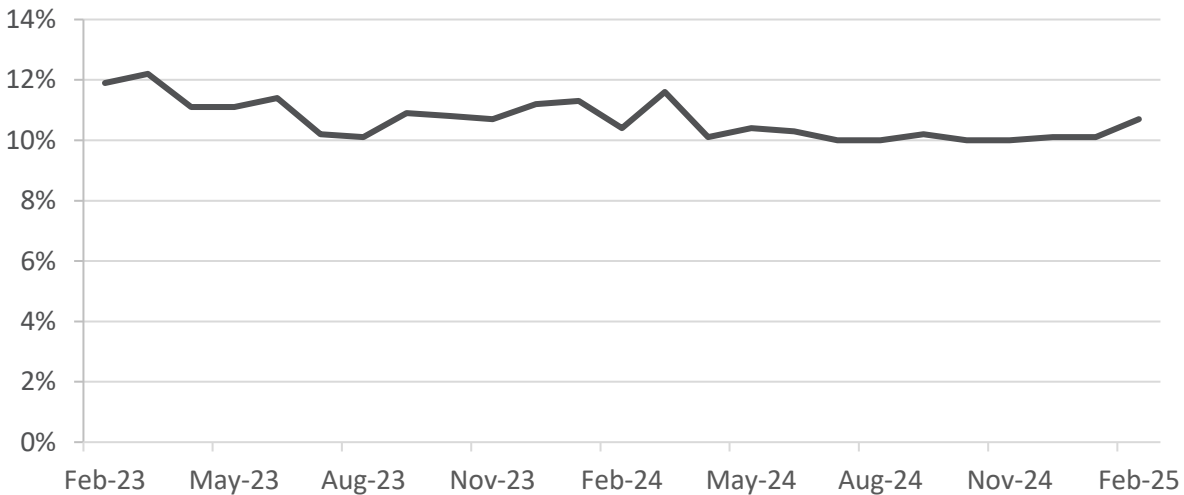
Source: [Digital Health and Care Wales secondary care dashboard](#)

Outpatient services

53 Outpatient appointments where a patient 'did not attend' is inefficient. **Exhibit 18** shows that the Health Board's 'Did Not Attends' is around 10.5% of total outpatient clinic activity. This equates to around 60,450 lost patient appointments in the most recent 12-month period to February 2025. It represents a lost opportunity cost of around £9.1 million (£150 per appointment¹⁴). If the Health Board could reduce its outpatient Did Not Attends by 20%, it could potentially save approximately £1.81 million.

Exhibit 18: the number and percentage of outpatient 'Did Not Attends', Cardiff and Vale University Health Board

Percentage of outpatient 'Did Not Attends'

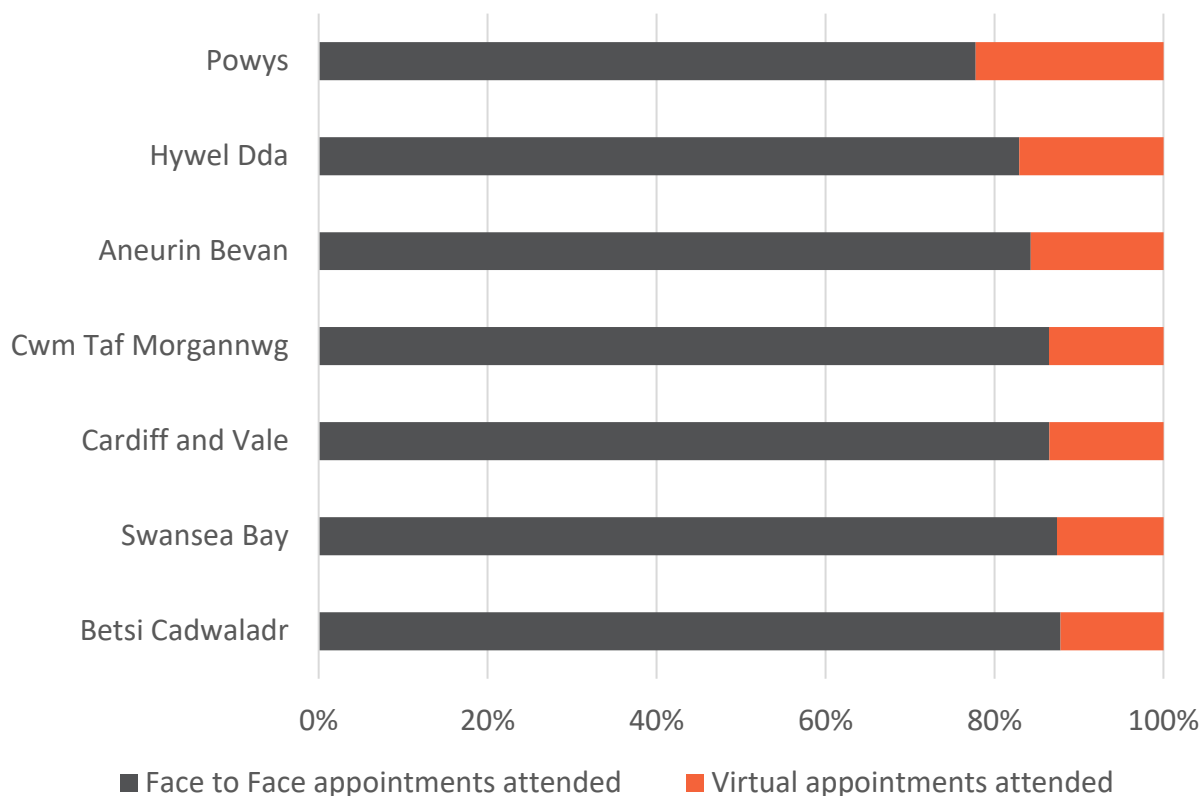


Source: [Digital Health and Care Wales secondary care dashboard and datasets](#)

¹⁴ We have adjusted the [2018 NHS England cost of an outpatient appointment](#) (£120) by [Bank of England CPI rates](#) to estimate current average outpatient costs in 2024.

55 NHS bodies can use virtual outpatient appointments for some but not all patients. **Exhibit 19** shows that the 'virtual' consultation approach is not well-adopted in most health boards.

Exhibit 19: proportion of outpatient attendances that are virtual appointments, from April 2024 to February 2025



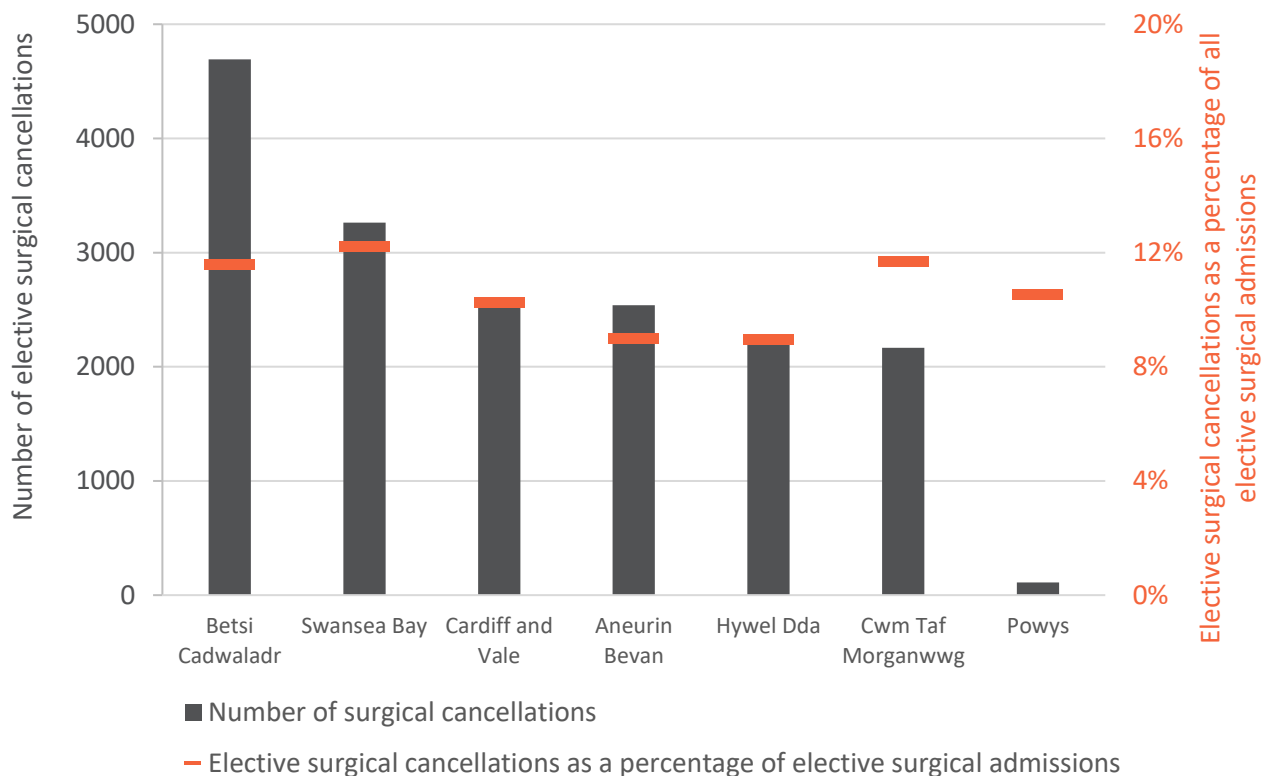
Source: [Digital Health and Care Wales secondary care dashboard and datasets](#)

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Surgical cancellations

56 Short notice cancellations result in significant inefficiency because operating theatre sessions cannot be easily backfilled with other patients. The total number of surgical cancellations for the Health Board exceeded 2,500 for the latest 12 month published data (March 2024 to February 2025) (Exhibit 20). Exhibit 21 identifies the cancellation reasons.

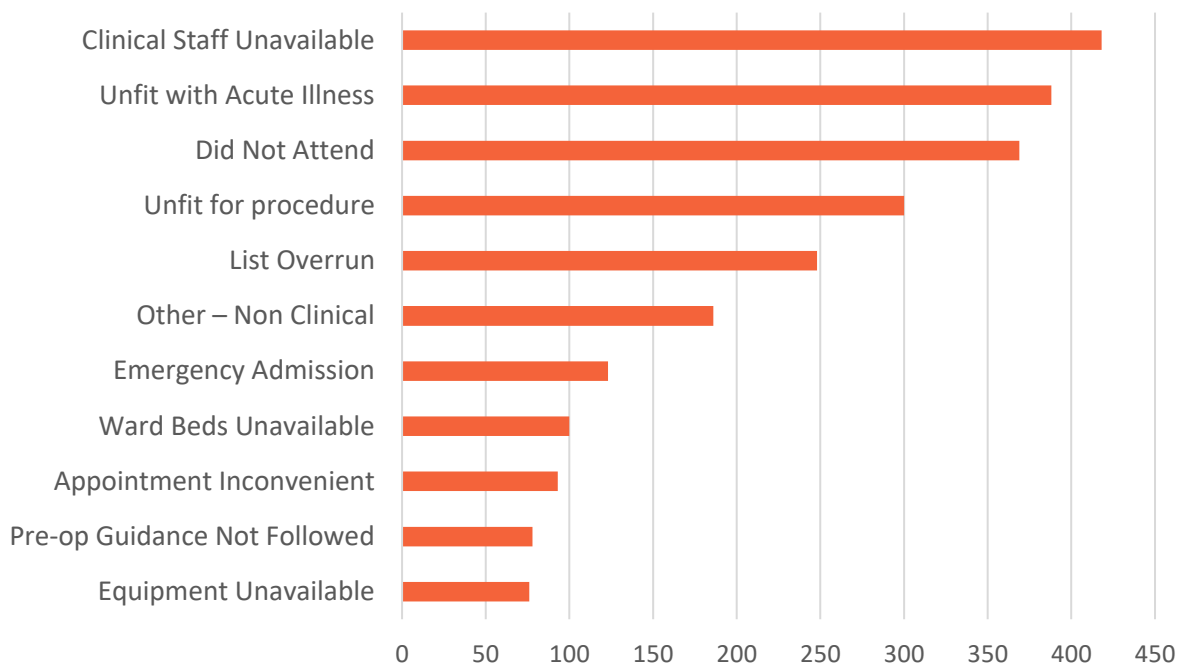
Exhibit 20: the number of short notice (within 24 hours) surgical cancellations alongside cancellations as a percentage of all elective surgical admissions, March 2024 to February 2025



Source: Health Board submissions to the Welsh Government and Digital Health and Care Wales

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Exhibit 21: number of short notice (within 24 hours) surgical cancellations for the latest 12-month reporting period (March 2024 to February 2025), by reason, Cardiff and Vale University Health Board



Source: Health Board submissions to the Welsh Government and Digital Health and Care Wales

Day case surgery

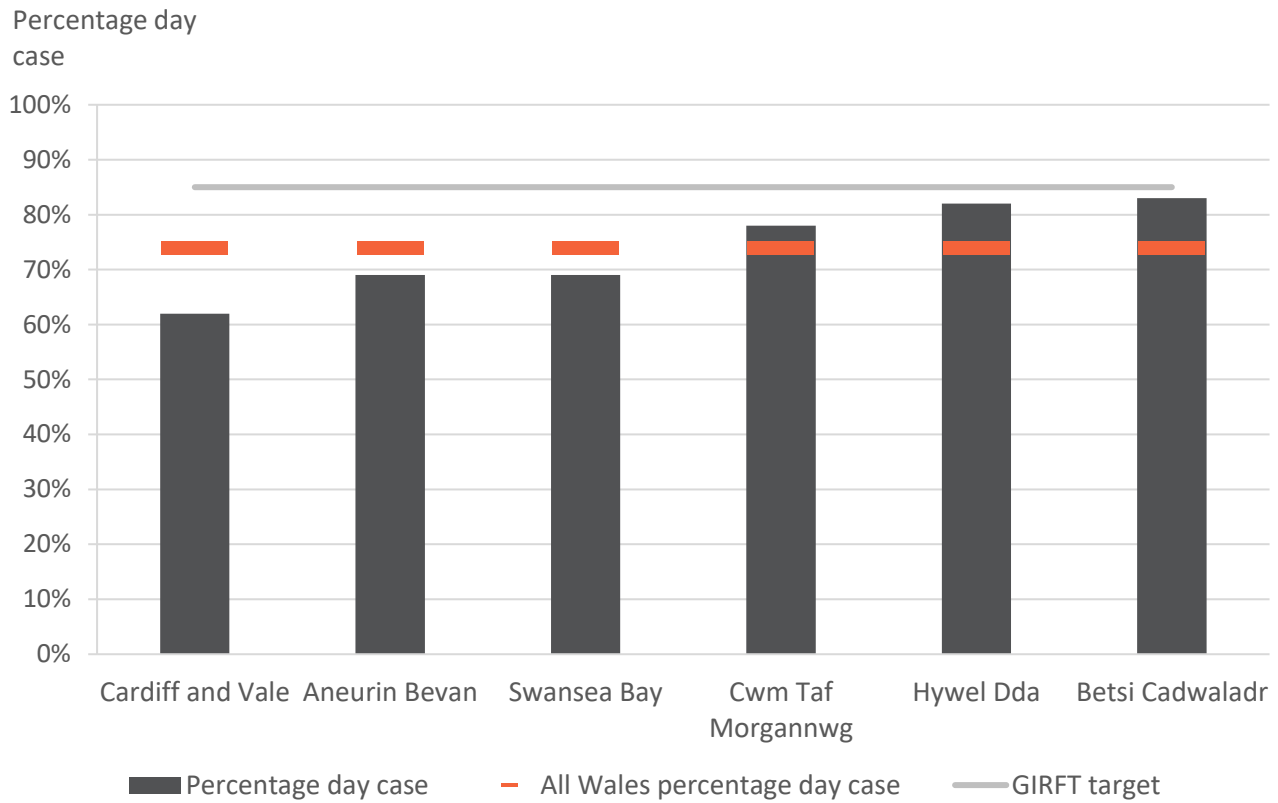
57 Day case surgery offers the potential for improved efficiency, lower costs, lower carbon footprint per patient¹⁵ and a better patient experience when compared with inpatient services. Getting It Right First Time recommends that on average 85% of all elective¹⁶ surgery should be day case¹⁷. Our analysis in **Exhibit 22** indicates that 62% of the Health Board’s elective surgery is day case.

¹⁵ [Paper outlines GIRFT’s ‘unique position’ in supporting the NHS drive for net zero carbon emissions - Getting It Right First Time - GIRFT](#)

¹⁶ Elective surgery is the type of surgery associated with a planned care patient pathway.

¹⁷ [Getting it Right First Time - Elective Recovery High Volume Low Complexity guidance for health systems](#)

Exhibit 22: proportion of elective surgery undertaken by Health Boards as day case for the period April 2024 to February 2025



Source: [Digital Health and Care Wales secondary care dashboard and datasets](#)

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Appendix 4

The management response to audit recommendations

Exhibit 23 below sets out the Health Board’s response to our audit recommendations.

Recommendation	Management response	Completion date	Responsible officer
<p>Planning</p> <p>R1 The Health Board should:</p> <p>1.1 develop an up-to-date planned care improvement plan and road map that articulates the design and delivery of sustainable specialty services in the medium to longer term. (Exhibit 2)</p> <p>1.2 set out its projected costings against forecast demand over a 3-to-5-year term with realistic and challenging milestones based on reasonable planning assumptions. (Exhibit 2)</p>	<p>1.1 The Health Board has recently published a 10 year Clinical Services Strategy for Babies, Children & Young People Plan 2025. It is the aim of the Health Board to publish a similar long-term plan for planned care and unscheduled and emergency care. The Health Board recently refreshed its overall strategy, Shaping Our Future Wellbeing, which outlines our vision and strategic objectives for 2023-2035. Alongside that work is underway to articulate the Health Boards Clinical Services Plan, of which the medium to long term for planned care is an integral part.</p>	<p>March 2026</p>	<p>Managing Director for Planned Care</p>

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Recommendation	Management response	Completion date	Responsible officer
	<p>It must be recognised however, that the ever-evolving political context creates a dynamic planning environment with numerous short-term plans regarding buy out of the backlogs etc, that make a backstop position on demand and capacity challenging to create for the longer term.</p> <p>1.2 The Health Board has submitted an Annual Plan for 25/26 as per the requirements specified by Welsh Government. Ministerial priorities are set on an annual basis as is the UHB allocation process. At present we do not have the capacity or capability to work on a window any further ahead than this. Although having a line of sight to the Capital and Revenue requirements to deliver a sustainable planned care offer is something which we aspire to and is likely to be reinvigorated over coming months through our clinical Services Planning process</p>	March 2027	Director of Operational Performance and Planning

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Recommendation	Management response	Completion date	Responsible officer
<p>Demand and capacity modelling</p> <p>R2 The Health Board should ensure that its demand and capacity modelling approach is consistently applied across its specialties to inform short-term service capacity planning and longer-term service design. This should also consider changes in population demand for planned care services. (Exhibit 2)</p>	<p>The Health Board has one centrally led team that undertakes demand and capacity modelling across all acute specialties. This is iterated quarterly and is the most mature demand and capacity process the organisation has instituted to date. Known changes in demand due to, for example, changes to screening programmes, are built into modelling, as well as seasonal changes. Whilst there is a robust demand and capacity process in place for RTT reportable specialties and the longest waiting patients, this approach has been driven by operational pragmatism, in concentrating on RTT first due to significant capacity constraints within the team to date precluding the ability to take a broader approach. The ambition to broaden this to all planned care specialties, and to triangulate workforce, core activity demand and finance is live, and a process is currently being designed to build this into the 2026/2027 planning cycle</p>	<p>March 2027</p>	<p>Director of Operational Performance and Planning</p>
<p>Programme support for service transformation</p> <p>R3 The Health Board should build the required programme capacity and capability to support planned care specialties transformation. (Exhibit 3)</p>	<p>The Health Board's programme, transformational and service improvement resource is held in several areas, ranging from technical digital and capital programme management to operational capacity within acute services and the partnership space. The current focus of programmes and improvements in the planned care portfolio includes resource from the operational and improvement teams. The capacity of the planned care team specifically has increased due to the realigning of</p>	<p>Complete</p>	<p>Director of Operational Performance and Planning</p>

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Recommendation	Management response	Completion date	Responsible officer
	resource from within the Health Board and is being utilised to support the extensive data analysis and contract management required.		
<p>Risk management</p> <p>R4 The Health Board should develop a planned care risk register that fully assesses and mitigates the key risks that inhibit short term improvement and longer-term service transformation. (Exhibit 3)</p>	The delivery and accountability for delivery of the component parts of Planned Care sits within Clinical Boards and their Governance Structures. The Planned Care team need to ensure that Planned Care risks are referenced on Clinical Board risk registers.	March 2026	Managing Director for Planned Care
<p>Monitoring the progress of planned care programme delivery</p> <p>R5 The Health Board should introduce quarterly committee reports to provide updates and assurance on the progress of planned care programme delivery milestones. This report should also describe where progress is off track, and key risks that inhibit short-term improvement and longer-term service transformation (as described in Recommendation 4). (Exhibit 3)</p>	The planned Care Programme Delivery Measures for 2025/26 focus on delivery of Ministerial Priorities, Ministerial Enabling Actions for Planned Care and MAG recommendations. All of which are reported to both Senior Leadership Team and Board on a Quarterly basis.	Complete	Managing Director for Planned Care

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Recommendation	Management response	Completion date	Responsible officer
<p>Monitoring impact of additional funding</p> <p>R6 The Health Board should strengthen its reporting to Board on the direct impact of the additional Welsh Government planned care funding. (Paragraph 25)</p>	<p>This is reported up to Planned Care Portfolio Board with a quarterly update to the Health Board’s Senior Leadership Board, and onwards to Board. Specific reference to the additional WG funding will be made at the end of Q2 reporting period</p>	<p>September 2026</p>	<p>Managing Director for Planned Care</p>
<p>Efficiency and productivity</p> <p>R7 The Health Board should:</p> <p>7.1 Ensure timely completion of all recommendations arising from Getting It Right First Time (GIRFT) reviews and accelerate progress in ophthalmology and general surgery services. (Exhibit 6)</p> <p>7.2 Develop and implement a plan to address high outpatient ‘Did not attend’. (Exhibit 6)</p> <p>7.3 Develop and implement a plan to address the full range of causes of short notice surgical cancellations. (Exhibit 6)</p> <p>7.4 Develop and implement a plan to improve theatre utilisation rates across all core specialties, with realistic improvement trajectories, with the aim of achieving the GIRFT recommended level of 85% across most specialties. (Exhibit 6)</p> <p>7.5 Increase Day Surgery rates to the GIRFT level of 85%. (Exhibit 6)</p> <p>7.6 Ensure that the approach to consultant job planning focusses on maximising productivity and</p>	<p>7.1 GiRFT recommendations, recommendations from the MAG report and NHS Executive’s Enabling Actions for Planned Care are essentially the same framework of productivity, efficiency and grip and control of operational processes in acute services. This suite of measures now forms the basis of how the Health Board monitors progress and holds operational leaders to account. The Ophthalmology and General Surgery Directorates’ recently submitted Maturity Matrix to their relevant national Clinical Implementation Group scored approximately 45% maturity against the identified measures, meaning that there is evidence of maturity in some areas, although there remains considerable work to do.</p> <p>7.2 Through the Outpatient Implementation Group, there is a plan to address high DNAs. This includes improving processes to address data quality and setting clear productivity guidance for the outcoming and “cashing up” of clinics. NHS Executive have issued a directive for all high DNA clinics to be</p>	<p>March 2026</p> <p>September 2025</p>	<p>Director of Operational Performance and Planning</p> <p>Managing Director for Planned Care</p>

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Recommendation	Management response	Completion date	Responsible officer
<p>uses team-based approaches to help plan the future shape of services to meet the Welsh Government requirement that 90% of consultants have job plans. (Exhibit 6)</p>	<p>routinely overbooked, work on which has commenced in Orthopaedics and Ophthalmology</p> <p>7.3 Short notice cancellations are reported daily to Executive level of the Health Board and the organisation's weekly 6-4-2 theatre booking and confirmation cycle seeks to address all aspects of theatre utilisation. The organisation does not yet have one single plan to address the full range of short notice cancellations. These reasons are many and range from equipment failure, unplanned staff availability and short-term sickness of patients. There are many preventable aspects of these reasons, and the expectation is that a Theatre Improvement Programme, as directed in the MAG review, and following an internal review, will focus on this.</p>	<p>March 2026</p>	<p>Director of Operations for Perioperative Care</p>
	<p>7.4 See 7.3 Above</p>	<p>March 2026</p>	<p>Director of Operations for Perioperative Care</p>
	<p>7.5 Currently at 69%. The organisation has a ready-made solution to increasing day surgery rates in the form of the Surgical Hub @Llandough. Workforce is currently the rate limiting factor to achieving 85% current indications suggest this will resolve by September</p>	<p>September 2025</p>	<p>Director of Operations for Perioperative Care</p>

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Recommendation	Management response	Completion date	Responsible officer
	<p>7.6 Plans are in place to aim for 90% compliance by September 2025, although there is risk attached to this. A team-based approach to job planning is encouraged and is applied in the majority of specialties across the Health Board.</p>	<p>September 2025</p>	<p>Assistant Medical Director (Workforce)/Individual Clinical Board Directors?</p>
<p>Promote, Prevent and Prepare for Planned Care Policy</p> <p>R8 The Health Board should complete its implementation of the single point of contact for people to access information and support following referral to specialist secondary care. (Exhibit 7)</p>	<p>The Health Board's single point of contact service is the Waiting Well Support Service. As issued to Welsh Government in its Delivery Plan, new specialties and pathways are being brought into scope for the team in stages, with two additional specialties being added this month.</p>	<p>March 2026</p>	<p>Executive Director of Therapies, Health Sciences and Community Development</p>

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Recommendation	Management response	Completion date	Responsible officer
	<p>As the Health Board does not have a unified patient administration system, the onboarding of specialties requires processes for lists of patients to be contacted to be agreed and time built in for these to be uploaded and available digitally.</p> <p>This can be achieved and the team are happy to broaden their scope, and are focussing on the pathways and specialties in order of relevance, need and benefits to be realised. Executive Director of Therapies, Health Sciences and Community Development.</p> <p>The service is funded by Welsh Government until the 31st March 2026, meaning that a sustainability plan for ongoing support of this team is required by Q4 of this financial year</p>		
<p>Managing clinical risks associated with long waits</p> <p>R9 The Health Board needs to strengthen its monitoring and reporting processes associated with managing clinical risks and with long waits by:</p> <p>9.1 Developing and implementing a more consistent approach for assessing the risk of harm to patients caused by long waits across specialties. (Exhibit 7); and</p>	<p>9.1 The expansion of the Waiting Well Support Service could address this. Text invitations to contact the WWSS include a shortened HSQ which is triaged by the team and directs how the patient is contacted, by whom and what information is provided. The Health Board's new outpatient Validation programme, mandated by Welsh Government, includes invitation to complete a PROM. The scope of this validation is limited to first appointments only.</p>	<p>March 2026</p>	<p>Assistant Director of Quality and Patient Safety</p>

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Recommendation	Management response	Completion date	Responsible officer
<p>9.2 Developing a routine report to be presented at the Quality Committee that reports risks and actual incidences of harm resulting from delays in access to treatment across all clinical specialty areas of concern. (Exhibit 7)</p>	<p>9.2 This requirement is being reviewed by the Assistant Director of Quality and Patient Safety which will include consideration of the following:</p> <ul style="list-style-type: none"> • A review at pre-determined points during the patient pathway • Developing a way of cross-referencing long waiters with Datix recorded incidents • Reviews of expedited referrals • Reviews of validated upgrading of urgency 	<p>March 2026</p>	<p>Assistant Director of Quality and Patient Safety</p>

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Audit Wales

Tel: 029 2032 0500

Fax: 029 2032 0600

Textphone: 029 2032 0660

E-mail: info@audit.wales

Website: www.audit.wales

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

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Report Title:	Counter Fraud Progress Report			Agenda Item No:	4.1
Meeting:	Audit & Assurance Committee	Public	X	Meeting Date:	02.09.2025
		Private			
Status	Assurance	Approval		Information/Noting	X
Lead Executive Title:	Executive Director of Finance				
Report Author Title:	Henry Bales				

Main Report
Background and Current Situation:

The Counter Fraud Progress report seeks to provide assurance to members of the Audit Committee that the Counter Fraud work being undertaken is satisfactory, robust and compliant with NHS Counter Fraud Authority requirements.

The report provides information around key areas of work including, fraud awareness and learning, proactive, investigation and reactive work, and promotional activity.

Executive Director Opinion & Key Issues to bring to the attention of the Committee

- Progress made against the Annual Counter Fraud Plan
- Promotional /Educational Activity
- Summary of Investigations
- Prevention activity
- National Fraud Initiative
- Salary Overpayments

Appendices (please list all appendices that accompany this report. Do **not** embed)

- 1) 4.1b - COUNTER FRAUD PROGRESS REPORT - CAVUHB PUBLIC P2

Recommendations:

The Committee is requested to:
a) **NOTE** the report.

Link to Strategic Objectives of Shaping our Future Wellbeing:

1.	 Putting People First	2.	 Providing Outstanding Quality
3.	 Delivering in the Right Places	4.	 Acting for the Future

Five Waves of Working (Sustainable Development Principles) considered:

Prevention	X	Long Term	X	Integration	X	Collaboration	X	Involvement	X
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Quality Impact Assessment Completed?

Yes (please include the complete QIA document)		No (please provide reasoning e.g. not required)		n/a
Impact Assessment				
Risk: Yes				
<i>Fraud is a risk to all organizations. Within the NHS should fraud occur then this can have financial and reputational impacts and ultimately negatively affect patient care.</i>				
Safety: No				
Financial: Yes				
<i>All fraud occurring in the organization has a financial loss to the organization.</i>				
Workforce: Yes				
<i>Reduction of available staff during investigations and sanctions; demotivation.</i>				
Legal: Yes/No				
Reputational: Yes				
<i>Fraud is a risk to all organizations. Within the NHS should fraud occur then this can have financial and reputational impacts and ultimately negatively affect patient care.</i>				
Socio Economic: No				
Equality & Health: No				
Decarbonisation: No				
Welsh Language: Yes/No				
Approval/Scrutiny Route (please list all other Committees/Groups this report has been to)				
Name of Committee/Group/Exec			Date:	

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University Health Board

NHS WALES

Counter Fraud Progress Report

03/05/2025 – 14/08/2025

Public

Henry Bales
Saunders
14/08/2025
HENRY BALES
COUNTER FRAUD MANAGER
CARDIFF & VALE UNIVERSITY HEALTH BOARD

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1. Introduction

In compliance with the Secretary of State for Health's Directions on Countering Fraud in the NHS, this report provides details of the work carried out by the Cardiff and Vale University Health Board's Local Counter Fraud Specialists on behalf of the Health Board.

This report relates to activity for the reporting period 03/05/2025 – 14/08/2025.

2. Progress

Infrastructure/Annual Plan

Work has continued in maintaining the Counter Fraud infrastructure in order to maintain compliance with the Counter Fraud Plan for 2025-2026, and the NHS CFA functional standards. The below activity has taken place -

- i. Continued maintenance and development of a comprehensive local activity database which is vital in maintaining a detailed and accurate record of work undertaken and activity reported in order to inform areas of future work.
- ii. Continued maintenance of Counter Fraud digital platform – **Members of the Audit and Assurance Committee are encouraged to visit the site at the link/QR code here**

[Counter Fraud - Home \(sharepoint.com\)](#)



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Promotion and Awareness and Educational Activity

E-Learning Awareness Sessions – The ESR E-Learning package remains available for staff to access and is promoted through the Counter Fraud SharePoint page and our other publications.

Awareness Sessions – Counter Fraud continue to participate in corporate induction events for new starters. During this period two of these sessions has taken place with ‘mini’ talks being given to all in attendance (circa 90 members of staff).

Newsletter – A counter fraud newsletter was created, circulated and publicised in June. You can view the newsletter by following this link [June 2025 - Counter Fraud Newsletter](#) (you will need to log in to your NHS Microsoft account to view).

Prevention

Local Bulletins/Alerts – (1)

An updated alert was circulated regarding CEO Impersonation fraud, following a recent incident with a new methodology of emails to personal email addresses. The previously circulated alert has been modified and recirculated. You can view the alert here: [Beware: CEO Impersonation Fraud on WhatsApp and Your Personal E-mail - How Scammers Are Targeting You](#) (you will need to log in to your NHS Microsoft account to view).

IBURN/Alerts (intelligence bulletins) – (6)

Intelligence received over mandate fraud. Company checked and no links identified on Oracle. NWSSP made aware of intelligence also. No issues identified for the organisation.

Intelligence received regarding potential overseas patient attempting to gain secondary care fraudulently. Intelligence shared with the relevant departments as a prevention measure. No identified care attempted or received for CAVUHB.

Intelligence received regarding potential fraudulent GP registration, insufficient evidence to prove offence. Intelligence shared with relevant practices / departments.

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Alert received regarding suspected fraudulent cheques being used in England, no identified cases for the organisation. Intelligence circulated to relevant individuals/departments.

Two separate intelligence bulletins received for potential individuals impersonating qualified medical professionals through agency bookings. Checks made, agency is not on the framework and Oracle checks show no concerns.

System Weakness Reports – (1)

Following the completion of an investigation into potential overtime / timesheet fraud, no fraud was identified, however, potential weaknesses in the system were identified which could be exploited fraudulently. Engagement held with management and recommendations made to reduce risks, these are being implemented by the department.

National Fraud Initiative

Progress on the 2024/25 NFI data is underway, so far 16 matches have been cleared with no issues identified and 2 more are under active investigation. Work continues focussing on the matches assessed by NFI as higher risk in the first instance.

Referrals

During this reporting period there have been a total of 51 referrals made to the team. 13 of these referrals have been promoted to investigations (detailed in next section). 4 referrals remain in initial assessment stage. The remaining referrals have all been closed.

Investigations

During this period there have been 13 new investigations commenced by the counter fraud team. There have been 15 investigations that have been concluded and closed on the system. This means that there are currently 12 investigations open with the at the time of this report. Summaries of the opened, closed and currently open cases are shown below.

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Investigations opened in the period

Investigation Number	Investigation Subject	Date Opened	Date Closed	Outcome
INV/25/01258	Abuse of timesheets	07/05/2025	15/05/2025	Insufficient information to investigate further. SWR Completed.
INV/25/01261	Theft of equipment	07/05/2025	23/06/2025	Insufficient evidence to progress. Prevention measures put in place.
INV/25/01358	Data Access	15/05/2025	15/05/2025	Referred to ICO and being dealt with via disciplinary / IG, no financial / fraud matters
INV/25/01368	False Sickness Fraud	16/05/2025	19/05/2025	No offences identified.
INV/25/01455	Timesheet	23/05/2025		
INV/25/01492	Working whilst sick	29/05/2025	07/08/2025	No fraud concerns DOI to be submitted by employee.
INV/25/01513	Theft of Drugs	30/05/2025	07/08/2025	Internal disciplinary outcome
INV/25/01599	Working whilst sick	05/06/2025		
INV/25/01871	Recruitment Concerns	03/07/2025	07/08/2025	Intelligence shared, no further action
INV/25/01967	Impersonating medical professional	14/07/2025	06/08/2025	No offences identified; intelligence shared
INV/25/02172	Working elsewhere whilst sick	14/07/2025		
INV/25/02173	Altered prescription	25/07/2025	06/08/2025	No gain or loss caused; suitable prevention measures put in place.
INV/25/02415	Working Elsewhere whilst sick / dual employment	12/08/2025		

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Investigations Closed in this period

Investigation Number	Investigation Subject	Date Opened	Date Closed	Outcome
INV/24/01972	Inflated travel expenses claims	CARRIED OVER - 02/08/2024	13/08/2025	Internal disciplinary outcome
INV/24/02795	False Sick Notes	CARRIED OVER - 04/11/2024	22/05/2025	Matter dealt with via Civil recovery which is now being repaid. Subject resigned prior to disciplinary action being completed
INV/24/03132	Prescription Anomalies	CARRIED OVER - 06/12/2024	13/05/2025	Transferred to CFS Wales
INV/24/03145	Theft of Controlled Drugs	CARRIED OVER - 09/12/2024	23/06/2025	Insufficient evidence to show offence/identify offender, additional prevention measures implemented.
INV/25/00253	Working elsewhere in contracted hours	CARRIED OVER - 29/01/2025	06/08/2025	Subject resigned whilst disciplinary process ongoing.
INV/25/01136	Working elsewhere whilst sick	15/04/2025	14/05/2025	Subject resigned after disciplinary action commenced, no financial loss, NMC notified
INV/25/01258	Abuse of timesheets	07/05/2025	15/05/2025	Insufficient information to investigate further. SWR Completed.
INV/25/01261	Theft of equipment	07/05/2025	23/06/2025	Insufficient evidence to progress. Prevention measures put in place.
INV/25/01358	Data Access	15/05/2025	15/05/2025	Referred to ICO and being dealt with via disciplinary / IG, no financial / fraud matters
INV/25/01368	False Sickness Fraud	16/05/2025	19/05/2025	No offences identified.
INV/25/01492	Working whilst sick	29/05/2025	07/08/2025	No fraud concerns DOI to be submitted by employee.
INV/25/01513	Theft of drugs	30/05/2025	07/08/2025	Internal disciplinary outcome
INV/25/01871	Recruitment Concerns	03/07/2025	07/08/2025	Intelligence shared, no further action
INV/25/01967	Impersonating medical professional	14/07/2025	06/08/2025	No offences identified; intelligence shared
INV/25/02173	Altered prescription	25/07/2025	06/08/2025	No gain or loss caused; suitable prevention measures put in place.

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Investigations that remain open

Investigation Number	Investigation Subject	Date Opened	Date Closed	Outcome
INV/23/00825	Salary Overpayment for Sick Pay	CARRIED OVER - 02/05/2023		
INV/23/01634	Salary Sacrifice Vehicle - Payments not made	CARRIED OVER - 03/08/2023		
INV/23/02002	Theft of Controlled Drugs	CARRIED OVER - 15/09/2023		
INV/24/00462	Working elsewhere whilst sick	CARRIED OVER - 21/02/2024		
INV/24/03059	Theft of Medication	CARRIED OVER - 29/11/2024		
INV/25/00121	Accessing records	CARRIED OVER - 15/01/2025		
INV/25/00286	Taking study leave not entitled to	CARRIED OVER - 03/02/2025		
INV/25/00720	Theft of Cash and Drugs	CARRIED OVER - 11/03/2025		
INV/25/01455	Timesheet	23/05/2025		
INV/25/01599	Working whilst sick	05/06/2025		
INV/25/02172	Working elsewhere whilst sick	14/07/2025		
INV/25/02415	Working Elsewhere whilst sick / dual employment	12/08/2025		

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3. Significant Salary Overpayments

There have been six significant salary overpayments reported for this period. Five of these have been reviewed by the counter fraud team and none of these have required escalation to formal criminal investigations. One overpayment that was reported just prior to the report date remains in the initial stage; however, initial indications are that this will not be progressed to a formal criminal investigation.

NB. The All-Wales Salary Overpayments Policy requires that the Counter Fraud team review all 'significant' salary overpayments prior the employee being informed of the issue.

The Counter Fraud team have a five-day window to carry out an initial assessment of the surrounding circumstances and decide whether the matter will be formally investigated as a financial crime.

"Significant" overpayments are defined in the policy as overpayments that have a total value of over £5,000 and have been ongoing for a period of over 3 months.

A digital dashboard has been developed and implemented to assist with the monitoring of salary overpayments, their causes and the departments where they occur. This dashboard is accessible to the Finance and Counter Fraud teams.

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