Operational Plan

Final Internal Audit Report

September 2021

Public Health Wales NHS Trust

NWSSP Audit and Assurance Services

Contents

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Committee:	Audit & Corporate Governance Committee

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

Executive Summary

Purpose

The overall objective of the review was to evaluate and determine the adequacy of the systems and controls in place within the Trust to deliver the Operational Plan in order to provide assurance to the Trust's Audit and Corporate Governance Committee that risks material to the achievement of the system's objectives are managed appropriately. We have not included reviewing the integrity of data for reported milestones as we tested this as part of our data audit report issued in March 2021.

Overview

We identified no issues for reporting in our review.

Report Classification

Substantial

Few matters require attention and are compliance or advisory in nature.

Low impact on residual risk exposure.

Assurance summary[1]

	Assurance objectives	Assurance
1	Appropriate governance arrangements are in place.	Substantial
2	Resources to ensure key milestones can be achieved.	Substantial
3	Adequate scrutiny of proposed changes to milestones.	Substantial
4	Appropriate risk management arrangements are in place.	Substantial
5	Adequate reporting mechanisms are in place.	Substantial

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[1] The objectives and associated assurance ratings are not necessarily given equal weighting when formulation the overall audit opinion

1. Introduction

Our review of the Operational Plan was completed following discussions and agreement with the Trust. The review seeks to provide the Trust with assurance there are effective processes in place to manage the delivery of the Operational Plan.

In October 2020 the Trust developed an Operational Plan that covered the period 2020-2022. The plan set out the priority areas and specific action that the Trust planned to deliver over the next 18 months. The plan was recently refreshed to reflect Welsh Government requirements as set out in the Annual Planning Framework 2021-22.

During February 2021, staff from each of the six priority areas, (Health Protection Response, Population Health, Service Reactivation, Organisational Learning, Enablers, and Organisational Recovery) identified in the plan carried out a validation exercise, aiming to identify any potential changes to the scope and deliverables of their plans, and to include any new work identified since October 2020. The plans were subsequently reviewed by the planning department, considered by the Executive Team and the Board, and submitted to Welsh Government by the 31 March 2021.

The Operational Plan is reported as part of the Performance Assurance Dashboard (PAD). The PAD reports on the priority area milestones identified within the Operational Plan.

The relevant lead Executive Director for the review is the Deputy Chief Executive and Director of Operations and Finance.

The potential risks considered in the review were as follows:

- Strategic aims are not met if the objectives identified in the Operational Plan are not met.

- Reputational damage if services identified in the Operational Plan are not delivered.

- Milestones within the Operational Plan are not delivered as key stakeholders have not been engaged to help support delivery.

2. Detailed Audit Findings

Objective 1: There are appropriate governance arrangements in place for each of the priority areas.

We note the following areas of good practice:

- Planning squads have been developed for each priority area. These squads are made up of Trust staff who are directed by an experienced Senior Responsible Officer (SRO) and planning lead.

- Relevant information is fed into the planning squads by people and organisational development and finance departments.

- Monthly performance updates and proposed changes are provided to the Business Executive Team (BET) and the Board via the PAD, which indicates progress and deadlines for each of the Operational Plan's milestones.

- Wider update reviews of operational performance are provided separately to BET by each operational team.

- Briefings and updates are provided to the planning squads by the central team regarding Operational Plan requirements.

We did not identify any issues under this objective.

Conclusion: There are appropriate governance arrangements in place for each of the priority areas. (Substantial Assurance)

Objective 2: Resources have been identified to ensure key milestones can be achieved and the priorities implemented.

We note the following areas of good practice:

- Meetings are held by the SRO and the planning lead of each planning squad with people and organisational development and finance departments to review and prioritise the resources available to implement and achieve the key milestones.

- Updates are provided monthly to BET and the Board via the PAD so that informed decisions can be made on resources at that level where necessary, which are subsequently fed back to the relevant planning squad.

We did not identify any issues under this objective.

Conclusion: Resources have been identified to ensure key milestones can be achieved and the priorities implemented. (Substantial Assurance)

Objective 3: There are adequate governance arrangements to scrutinise proposed changes to milestones within the Operational Plan.

We note the following areas of good practice:

- Proposed changes to milestones within the Operational Plan are submitted to the Central Team via a Sharepoint form which is only available to designated planning squad personnel. Specific information has to be submitted detailing the name of the submitter, the milestone reference and priority area, the type, detail, reason and impact of the change, and what alternatives have been considered.

  The proposed change is verified by the Central Team to confirm that it has been appropriately completed before being incorporated into the PAD for consideration by BET and the Board at the next month's Operational Plan review.

- Planning squad SROs are also members of BET and therefore decisions regarding changes are fed back to the relevant planning lead and operational lead.

We did not identify any issues under this objective.

Conclusion: There are adequate governance arrangements to scrutinise proposed changes to milestones within the Operational Plan. (Substantial Assurance)

Objective 4: There are appropriate risk management arrangements in place for the delivery of the Operational Plan.

We note the following areas of good practice:

- Risk management is included within the Delivery Confidence Assessments (DCAs) which set out the likely successful delivery of the operational plan based on progress, risk management, financial and workforce information and these are presented to BET and the Board.

- The monthly review of the PAD by BET, and the wider operational performance reviews provided to BET, indicate where there are risks to the delivery of the Operational Plan.

We did not identify any issues under this objective.

Conclusion: There are appropriate risk management arrangements in place for the delivery of the Operational Plan. (Substantial Assurance)

Objective 5: Adequate reporting mechanisms are in place to monitor the milestones within the Operational Plan.

We note the following areas of good practice:

- Each planning squad regularly reviews progress towards implementing its sections of the Operational Plan.

- The Operational Plan PAD is updated and reported to BET each month. This shows the progress for each milestone with supporting information where performance is behind where it should be, such as the cause, impact, next step, timescale and dependencies.

- The SRO's feedback decisions and actions to the Planning and Operational Leads.

We did not identify any issues under this objective.

Conclusion: Adequate reporting mechanisms are in place to monitor the milestones within the Operational Plan. (Substantial Assurance)

Appendix: Assurance opinion rating

Audit Assurance Ratings

We define the following levels of assurance that governance, risk management and internal control within the area under review are suitable designed and applied effectively:

	Substantial assurance	Few matters require attention and are compliance or advisory in nature. **Low impact** on residual risk exposure.
	Reasonable assurance	Some matters require management attention in control design or compliance. **Low to moderate impact** on residual risk exposure until resolved.
	Limited assurance	More significant matters require management attention. **Moderate impact** on residual risk exposure until resolved.
	No assurance	Action is required to address the whole control framework in this area. **High impact** on residual risk exposure until resolved.
	Assurance not applicable	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.

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