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Pwyllgor Gwasanaethau Iechyd
Arbenigol Cymru (PGIAC)
Welsh Health Specialised
Services Committee (WHSSC)

Annual Governance Statement 2023-2024

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ANNUAL GOVERNANCE STATEMENT 2023-2024

1.0 SCOPE OF RESPONSIBILITY

In accordance with the Welsh Health Specialised Services Committee (Wales) Directions 2009 (2009/35) and 2014 (2014/9 (w.9)) (the Directions), the Local Health Boards (LHBs) established a joint committee known as the Welsh Health Specialised Services Committee (the Joint Committee or WHSSC), which commenced on 1 April 2010, for the purpose of jointly exercising its Delegated Functions and providing the Relevant Services.

In establishing WHSSC to work on their behalf, the seven LHBs recognised that the most efficient and effective way of planning the Relevant Services was to work together to reduce duplication and ensure consistency.

WHSSC's aim is to ensure that there is:

"On behalf of Health Boards, to ensure equitable access to safe, effective, and sustainable specialised services for the people of Wales."

In order to achieve this aim, WHSSC works closely with each of the Local Health Boards (LHBs) (in both their commissioner and provider roles) as well as with Welsh NHS Trusts, providers in NHS England and the independent sector.

The commissioning of specialised services is informed through the application of the Prudent Healthcare Principles and the 'Quadruple Aim' identified in the [Parliamentary Review of Health and Social Care in Wales, published in 2018](#).

WHSSC is committed to supporting achievement of the objectives outlined in [A healthier Wales](#) to ensure that people stay healthy for as long as possible, and to supporting achievement of the ambitious objectives outlined in Welsh Government's "[Health and Social Care in Wales COVID-19: Looking Forward](#)" guidance and adopt a realistic approach to supporting building back our health and care system in Wales, in a way that places fairness and equity at its heart.

The Welsh Health Specialised Services Committee (Wales) Regulations 2009 (SI 2009 No 3097) (the Regulations) make provision for the constitution of the Joint Committee including its procedures and administrative arrangements.

The Joint Committee is a statutory committee established under sections 12 (1) (b) and (3), 13(2) (c), (3) (c) and (4) (c) and 203(9) and (10) of the National Health Service (Wales) Act 2006. The LHBs are required to jointly exercise the Relevant Services.

Cwm Taf Morgannwg University Health Board (CTMUHB) is the identified host organisation. It provides administrative support for the running of WHSSC and has established the Welsh Health Specialised Services Team (WHSST) as per Direction 3(4), Regulation 3(1) (d) and the interpretation sections of both the Directions and the Regulations and the Joint Committee Standing Orders: Statutory Framework and Joint Committee Framework.

The Joint Committee is accountable for Governance, Risk Management and Internal Control. As Managing Director for Specialised and Tertiary Services Commissioning, NHS Wales, I have responsibility for maintaining appropriate governance structures and procedures as well as a sound system of internal control that supports the achievement of the Joint Committee's policies, aims and objectives whilst safeguarding the public funds for which I am personally responsible; and to report the adequacy of these arrangements to the Chief Executive of CTMUHB in accordance with the responsibilities assigned by the Accountable Officer of NHS Wales. Under the terms of the establishment arrangements, CTMUHB is deemed to be held harmless and have no additional financial liabilities beyond its own population.

WHSSC does not have a statutory duty to produce an Annual Governance Statement (AGS) but does so, as a matter of good governance, to provide assurance to the LHBs and, in particular, to CTMUHB, as its host organisation, in relation to its governance and accountability arrangements.

This report outlines the different ways the organisation has had to work both internally and with partners in response to the unprecedented financial pressures in planning and providing services. The financial context within NHS Wales at the current time presents significant challenge and risk to the commissioning and further development of Specialist Services provision within Wales.

This report explains arrangements for ensuring standards of governance are maintained, risks are identified and mitigated and that assurance has been sought and provided.

2.0 OUR GOVERNANCE FRAMEWORK

In accordance with the WHSSC Regulations 2009, each Local Health Board (LHB) in Wales must agree Standing Orders (SOs) for the regulation of the Joint Committee proceedings and business. These Joint Committee standing orders form a schedule to each LHB's own standing orders, and have effect as if incorporated within them. Together with the adoption of the Scheme of Decisions Reserved to the Joint Committee; the Scheme of Delegations to Officers and Others; and the Standing Financial Instructions (SFIs), they provide the regulatory framework for the business conduct of the Joint Committee.

These documents, together with the Memorandum of Agreement setting out the governance arrangements for the seven LHBs and a Hosting Agreement between the Joint Committee and Cwm Taf Morgannwg University Health Board (as the Host LHB), form the basis upon which the Joint Committee's Governance and Accountability Framework is developed.

To ensure effective governance and to comply with the provisions of the WHSSC Standing Orders (SOs) it is important that the SOs and Standing Financial Instructions (SFIs) are kept up to date to comply with the need for:

- The Joint Committee to take appropriate action to assure itself that all matters delegated are effectively carried out, and that
- The framework of delegation to be kept under active review and, where appropriate, revised to take account of organisational developments, review findings or other changes.

- **Financial Limits and Reporting**

On [10 January 2023](#) the Joint Committee approved that the increased financial delegation limits, introduced in March 2020 to enable effective financial governance as a consequence of the COVID-19 pandemic, could be adopted as new permanent limits. In addition, they approved the updated process for the current SFI requirement for Joint Committee "approval" of non-contract cases above defined limits for annual and anticipated lifetime cost, to be replaced by an assurance report to the Joint Committee. This report will notify the Committee of all approvals above the defined limit and the Chairs action required to meet the need for timely approval. During 2023-2024 reports were presented to the in-committee Joint Committee meetings on 18 July 2023 and 21 November 2023. Given the low volumes of high cost cases it is necessary to take the report in-committee to ensure appropriate levels of confidentiality.

- **Updated Governance and Accountability Framework**

The governance and accountability framework was last updated in 2023-2024 and approved by the Joint Committee on [19 September 2023](#). The updated documents were issued to the seven HBs for approval and inclusion as schedule 4.1 within their respective HB SOs. There were only minor changes and included:

- a) reflecting the provisions of the Health and Social Care (Quality and Engagement) Act 2020 specifically the introduction of the duty of quality and duty of candour; and
- b) Changes linked to the establishment of Llais and the dissolution of the Community Health Councils and the Board of Community Health Councils.

A copy of the 2023 WHSSC Joint Committee Governance and Accountability Framework is available at:

<https://whssc.nhs.wales/publications/governance>

2.1 The Joint Committee

The Joint Committee was established in accordance with the Directions and Regulations to enable the seven LHBs in NHS Wales to make collective decisions

on the review, planning, procurement and performance monitoring of agreed specialised and tertiary services (Relevant Services) and in accordance with their defined delegated functions.

Whilst the Joint Committee acts on behalf of the seven LHBs in undertaking its functions, the responsibility of individual LHBs for their residents remains. They are therefore accountable to citizens and other stakeholders for the provision of specialised and tertiary services.

The membership of the Joint Committee consists of 15 voting members and 3 Associate members. The voting members include the Chair (appointed by the Minister for Health and Social Services), the Vice Chair (appointed by the Joint Committee from existing non-officer members of the seven LHBs), two other non-officer members (appointed by the Joint Committee from existing non-officer members of the seven LHBs), the LHB Chief Executives and WHSSC Officers.

Decisions taken at Joint Committee meetings are subject to a two-thirds majority of voting members present. Deputies, who must be LHB Executive Directors, may be nominated by LHB Chief Executives; they formally count towards the quorum and have voting rights.

The Joint Committee is supported by the Committee Secretary, who acts as the guardian of good governance within the Joint Committee. Committee Secretary, Jacqueline Evans, started at WHSSC on 1 June 2021.

The Joint Committee papers and confirmed minutes can be viewed on the link below:

<https://whssc.nhs.wales/joint-committee/committee-meetings-and-papers/>

2.1.1 Appointments

As at 1 April 2023, the WHSSC Independent Members (IM) consisted of Steve Spill from SBUHB (Audit/Finance Lead IM), Professor Ceri Phillips from C&VUHB (Chair of WHSSC QPSC) and Chantal Patel (Generalist) from HDdUHB.

Professor Ceri Phillips resigned from WHSSC effective from 30 June 2023.

A recruitment exercise commenced in May 2023 to appoint a new WHSSC IM in accordance with the IM appointment process agreed by the Joint Committee on [18 January 2022](#). The vacancy was advertised through the HB Chairs and the HB Board Secretaries, with eligibility confined to existing HB IMs.

Carolyn Donoghue, CTMUHB, was appointed as the new WHSSC IM for a 2-year period with effect from 1 July 2023. In addition, Carolyn Donoghue agreed to take on the Chair role for the WHSSC Quality & Patient Safety Committee (QPSC) and Chaired her first meeting on 23 October 2023 after observing the August 2023 meeting. Kate Eden, Chair of WHSSC, acted as QPSC Chair for the August 2023 meeting.

Chantal Patel who has been an IM with WHSSC since 1 December 2022, was appointed on 19 September 2023 to the unremunerated role of Vice Chair for the Joint Committee, in accordance with the WHSSC Standing Orders (SOs) which states:

1.4.3 The appointment process for the Vice Chair and the two other Independent Members shall be determined by the Joint Committee, subject to the approval of each LHB Board and any directions made by the Welsh Ministers.

2.1.2 Individual Patient Funding Request (IPFR) Chair

On 12 July 2022, the Joint Committee approved the appointment of Jim Hehir, Independent Member for CTMUHB as the interim Chair of the Individual Patient Funding Request (IPFR) Panel for an initial 6-month period on an unremunerated interim basis until January 2023.

The Joint Committee agreed to extend the interim chair arrangement until 30 September 2023 to enable sufficient time to be given to reviewing the feedback from the engagement process and to reviewing the person specification for the substantive Chair role. Jim Hehir formally stepped down as the interim Chair on 30 September when his tenure as independent member of CTMUHB ended.

Dr Richard Hain, Chair of the Cardiff and Vale UHB (CAVUHB) IPFR Panel and CAVUHB representative on the WHSSC IPFR Panel, acted as interim Chair for 2 meetings in October 2023 and Dr Ruth Alcolado, Deputy IPFR Chair, also assisted with the consideration of urgent virtual email Chair Action decisions pending the substantive appointment of the IPFR Chair.

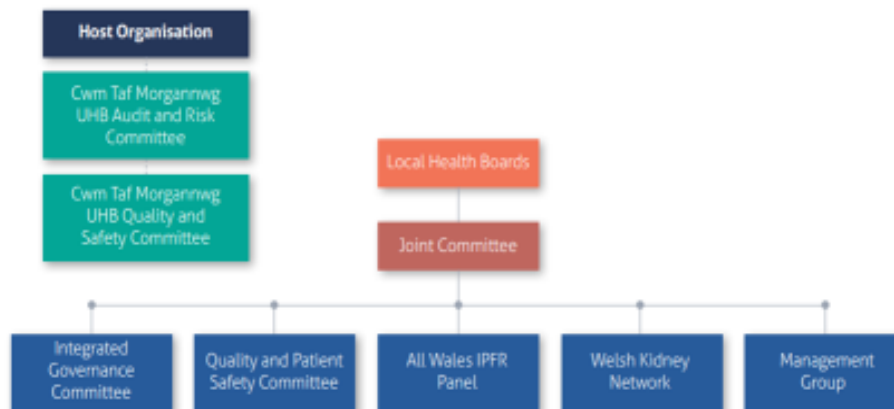
A recruitment process was undertaken in September 2023 and Mrs Elizabeth Abderrahim was appointed as the substantive Chair to the WHSSC Individual Patient Funding Request (IPFR) Panel from 1 November 2023.

2.2 Joint Sub-Committees and Advisory Groups

In accordance with WHSSC Standing Order 3, the Joint Committee, where directed by the LHBs jointly or the Welsh Ministers, must appoint joint sub-committees of the Joint Committee either to undertake specific functions on the Joint Committee's behalf or to provide advice and assurance to others (whether directly to the Joint Committee, or on behalf of the Joint Committee to each LHB Board and/or its other committees).

The Joint Committee governance structure is outlined below:

WHSSC – Current Governance Structure



2.2.1 Sub-Committees

The Joint Committee has established [five joint sub-committees](#) in the discharge of its functions:

- All Wales Individual Patient Funding Request (IPFR) Panel (WHSSC),
- Integrated Governance Committee (IGC),
- Management Group (MG),
- Quality & Patient Safety Committee (QPSC); and
- Welsh Kidney Network (WKN)

The **All Wales Individual Patient Funding Request (IPFR) Panel (WHSSC)** is constituted to act as a Sub Committee of the Joint Committee, and hold delegated Joint Committee authority to consider and make decisions on requests to fund NHS healthcare for patients who fall outside the range of services and treatments that a Health Board has agreed to routinely provide. The terms of reference for the WHSSC IPFR panel are outlined in the “All NHS Wales Policy Making Decisions on Individual Patient Funding Requests (IPFR)”.

Changes to the All Wales Policy and WHSSC Terms of Reference

In November 2020, a report was presented to the JC of WHSSC recommending changes to the ToR of the Panel. The changes were not approved because concerns were raised outside the JC to the CEOs regarding the authority of the JC to amend the WHSSC ToRs. The authority of the JC was confirmed in the letter of 28 July 2022 received from the Chief Pharmaceutical Officer, Welsh Government (WG).

Following a Judicial Review in December 2021, WHSSC engaged a KC Barrister to advise on Policy changes and an independent Barrister to observe and advise on the WHSSC Panel processes.

On the 8 November 2022, the JC approved the methodology for an engagement process on the IPFR panel ToR and the specific and limited review of the All Wales IPFR Policy, as specified by WHSSC, which would be led by WHSSC.

The stakeholder engagement process took place between 10 and 22 December 2022. The consultation documentation was issued to a broad range of stakeholders including the WHSSC IPFR panel, the All Wales Toxicology and Therapeutics Quality Assurance Group (AWTTC QAG), the NHS Wales IPFR Policy Implementation Group (PIG), Medical Directors and Board Secretaries of each of the HBs, WG and Velindre University NHS Trust (VUNT). Additionally, a stakeholder engagement workshop was held on the 2 December 2022 in Cardiff and a number of engagement briefings were held.

Feedback was received from all HBs, the AWTTC, and individual IPFR Panel members. The feedback from HBs and the AWTTC was co-ordinated by the IPFR Policy Implementation Group (PIG) and as such, the comments received were consistent across all HBs.

The output from this process were the revised ToRs for the Panel which were approved at the [14 March 2023](#) JC and a revised Policy which was due to be presented to the [18 July 2023](#) JC meeting of WHSSC for support prior to submission to the HBs for approval, however the report was deferred. As the Policy had not been approved, a decision was taken to defer the implementation of the updated WHSSC Terms of Reference pending the approval of the All Wales IPFR Policy.

An updated report was presented to the [21 November 2023](#) Joint Committee meeting and the All Wales IPFR Policy with some minor updates to the WHSSC ToR were supported. These were then taken forward by the Boards of the seven HBs for approval. Confirmation that the HBs had approved the updated Policy was received by February 2024. Welsh Government are in the process of liaising with stakeholders across Government regarding the Policy changes. A date will be agreed to implement the Policy across NHS Wales once a formal response is received from Welsh Government, but this is unlikely to be before the end of March 2024.

IPFR Meetings

All Wales IPFR Panel meetings are scheduled to be held twice monthly. When quoracy could not be achieved, Chair's Action Panel meetings (strengthened by including the attendance of two WHSSC Clinical Directors and a lay member representative) continued to operate. The longstanding issues related to the terms of reference (ToR) of the All Wales IPFR Panel and achieving quoracy during 2023-2024 continued to present challenges. Some meetings did not go ahead as non-attendance was only confirmed minutes before the meeting was due to start. A number of full IPFR panel meetings were stood down due to quoracy issues and this became problematic again during the beginning of 2024. Every effort was made to ensure the meetings were quorate and the importance of HB attendance has been raised at JC meetings.

In anticipation of the implementation of the revised Terms of Reference steps have been taken to ensure that the membership of the Panel is established as soon as possible. This has included writing to the Medical Directors of each of the Health Boards inviting them to confirm the identity of their representative – under the revised Terms of Reference the Health Boards should be represented by the Chair of the Health Board’s own IPFR Panel or, if not the Chair, a nominated clinical deputy. We are awaiting confirmation.

It is anticipated that adoption of the new ToR will significantly reduce the occasions on which the Panel is not quorate and in preparation for the roll out of the updated All Wales IPFR Policy and WHSSC ToR a letter was sent to Medical Directors and IPFR Chairs on 9 February 2024 seeking confirmation of their Health Board representative under the new WHSSC Terms of Reference.

IPFR governance was identified as a risk on the WHSSC Corporate Risk and Assurance Framework (CRAF) on 20 October 2021 and was escalated from 16 to 20 following the judgment handed down in the Judicial Review case in December 2021. The risk score has remained at 20 since then and will be reviewed once the all Wales IPFR Policy and the new WHSSC ToR are implemented.

The very long time line associated with the process to address the issues identified in the WHSSC ToR and All Wales IPFR Policy, illustrates the very significant complexities in taking forward this change. This is despite it being highlighted as one of the highest corporate risks within WHSSC for over a period of 2 years and is symptomatic of the lack of clarity around the governance arrangements within the arena of IPFR Policy.

WHSSC will cease to exist on 31 March 2024 and the new JCC will be established on the 1 April 2024. It is proposed that the existing arrangements remain unchanged, for Q1, other than the reporting line to the new JCC and that the Terms of Reference are amended to reflect this. The existing independent chair arrangements will also continue during this time.

The Panel is established through the All Wales IPFR Policy and any changes cannot be made in isolation of this Welsh Government policy; it may be that Welsh Government wish to review this arrangement more generally in due course

The **Integrated Governance Committee (IGC)** scrutinises evidence and information brought before it in relation to activities and potential risks that impact on the services provided and provides assurance to the Joint Committee that effective governance and scrutiny arrangements are in place across the organisation. For example, the IGC plays a key role in developing the approach for the annual Committee Effectiveness exercise and oversees the Declaration of Interest process.

During 2023-2024, the IGC continued to monitor and track progress against the recommendations outlined in the Audit Wales report on Committee governance arrangements at WHSSC, on behalf of the Joint Committee.

They IGC received regular updates on the Corporate Risk and Assurance Framework (CRAF), and they provided scrutiny of the CRAF before it was presented to the Joint Committee for approval, the WHSSC Quality & Patient Safety Committee and the CTMUHB Audit & Risk Committee (ARC) for assurance. The IGC also received quarterly updates on the Delivery of the Integrated Commissioning Plan throughout 2023-2024.

The Welsh Kidney Network (WKN) Governance Plan was presented to the IGC at its April, June and October 2023 meetings. The monitoring of this action plan was a key focus for the IGC during 2023 and the action plan has now been signed off as completed.

The **Management Group (MG)** is the specialised services commissioning operational body responsible for the implementation of the Specialised Services Strategy. The group underpins the commissioning of specialised services to ensure equitable access to safe, effective, sustainable and acceptable services for the people of Wales.

During 2023-2024, the Group held a workshop focused on the Specialised Services Commissioning Strategy. Following approval of the Strategy in early 2023, the Success Measures were developed with MG input.

In addition MG received a presentation on CVUHB Shaping Our Future Wellbeing Strategy and this led to a Clinical Strategies Workshop.

The 2023-2024 Integrated Commissioning Plan was signed off with a number of identified savings and a condition that WHSSC and Health Board staff make a 1% additional pathway saving (approximately £7m). An efficiency and recommissioning Board was established to take forward this piece of work. In addition, financial savings targets with financial improvement options were requested by the Minister for Health and Social Services for NHS Wales. To respond to this request three tranches of savings were running concurrently throughout 2023-2024.

To support the Integrated Commissioning Process for 2024-2025 an early draft plan was presented to the October 2023 MG and November 2023 JC meetings. Due to the austere financial context within which the plan was developed, there was a heavy emphasis upon value, recommissioning and efficiency. A triangulated risk assessment was undertaken with the Management Group to prioritise uncommitted schemes from previous plans alongside the results of the CIAG prioritisation process for 2024-2025 which ensured that informed choices were made by the JC in the final Plan.

An updated ICP with a range of financial scenarios was presented to MG in January 2024 following discussion at the December 2023 ICP workshop with JC members. A financial summary with a composite scenario was presented in response to these discussion at MG on 25 January 2024 and JC on 30 January 2024. These discussions were helpful and enabled WHSSC to present an updated ICP to the Joint Committee on 30 January 2024. Further work was requested and further financial scenarios were presented to the Management Group on 22 February 2024. A further ICP Plan was presented to an Extraordinary JC meeting for approval on 27 February 2024. The ICP was not approved at this Extraordinary JC meeting and was presented back to the JC meeting on 19 March 2024 and was approved.

WHSSC will cease to exist on 31 March 2024 and the new JCC will be established on 1 April 2024. It is anticipated the existing arrangement for the MG will continue for Q1.

The **Quality & Patient Safety Committee (QPSC)** provides assurance to the Joint Committee in relation to the arrangements for safeguarding and improving the quality and safety of specialised services within the remit of the Joint Committee.

The quality of care and experience that patients and their families receive in specialised services is no different and the role of the commissioner is to ensure that quality is central to the way that services are commissioned. Quality is everyone's business and the organisation strives to ensure that the quality and patient centred services are at the heart of commissioning.

An overarching goal of WHSSC is to improve outcomes for people, wherever they are and wherever they live, by providing them with access to high-quality specialised services. To achieve this aspiration of having a quality-led commissioned service, we need to operate within an effective quality management system. The WHSSC Quality Framework first developed in July 2014 was re-launched as the Commissioning Assurance Framework (CAF), and was endorsed by the WHSSC Quality & Patient Safety Committee on 10 August 2021 and approved by the Joint Committee on the 7 September 2021. The framework provides the assurance to Health Boards and the public that WHSSC commissions high quality clinical care and there are robust processes in place to monitor services. It also provides the foundation on which to build the mechanisms required to meet the Act and highlights the key principles and arrangements that need to be in place to be assured of high quality services at all times.

During 2023-2024, a successful development day took place on 23 October 2023. The development day provided demonstrations on Patient Incident Safety Framework (PISRF) and how this is being implemented in NHS England. A key focus of the development day was the updated Escalation Trajectory and an overview and update on the Duty of Quality.

One of the fundamental principles underpinning quality is to develop open and transparent relationships with providers, to engage and involve the clinical teams and work in partnership with stakeholders when planning and commissioning services. Where concerns regarding the quality of services are identified and remedial action is required escalation processes are initiated and acted upon in a timely manner

WHSSC will cease to exist on 31 March 2024 and the new JCC will be established on 1 April 2024. As the operating arrangements will be different across each of the constituent parts of the new JCC it has been proposed that in Q1 2024-2025 the remit of the QPS Sub-Committee includes the former business of WHSSC and is expanded to include mental health commissioning.

It is proposed that the non-officer membership will be made up of the current WHSSC sub-Committee members (i.e. seven Independent Members who are also members of the Health Board Quality and Safety Committees) for Q1, with one or two JCC lay members also joining the Sub-Committee.

The **Welsh Kidney Network (WKN)** is a vehicle through which specialised renal services are planned and developed on an all Wales basis in an efficient, economical and integrated manner and provides a single decision-making framework with a clear remit, responsibility and accountability.

A governance review was undertaken by Steven Combe, Independent Governance Advisor, as a way of identifying any potential governance issues that the WKN needed to address the governance review was undertaken over the summer 2022 and an Action Plan was developed and approved by the WKN Board on 6 October 2022.

The recommendations from the Independent Governance Review were presented to the Joint Committee on the [17 January 2023](#) for assurance and an action plan was developed, agreed and monitored through the WKN Board. The delivery of the action plan has been regularly scrutinised by the Integrated Governance Committee (IGC).

It is important to note that since the WKN was established in 2009, it has matured and widened its scope of activity. In addition, there have been significant changes to the governance environment within the NHS in Wales.

The future strategic direction of the WKN was considered further during 2023 and from these discussions the WKN planned to:

- Increase its focus on strategy and planning,
- Increase involvement in prioritisation, linking much closer to the development of the WHSSC Integrated Commissioning Plan ensuring a focus on what matters to patients and staff,

- Identify opportunities for WKN commissioning of chronic disease kidney services currently delivered by the secondary care nephrology teams for consideration by the Joint Committee of WHSSC; and
- Be the source of advice and guidance, in particular for CKD prevention and management of acute kidney injury to health boards and WG when capacity allows.

In September 2023 as part of the internal audit programme, an audit was undertaken on the WKN. The aim of the review was:

- to consider the governance arrangements in place for the Welsh Kidney Network following the independent governance review undertaken in 2022 and
- to provide assurance that there are robust and effective risk management arrangements in place that strengthen and contribute to the overall governance framework.

The audit received substantial assurance with the comment in the audit report that

"The Network has robust governance arrangements in place which complement the wider WHSSC governance framework. The Network has made good progress with the implementation of the recommendations of the independent governance review".

Following 1 April 2024, it is proposed that the existing arrangements continue unchanged, for Q1, other than the reporting line to the new JCC and that the TORs are amended to reflect this. The existing independent chair arrangements will also continue during this time.

In addition, WHSSC hosts the delivery teams for the Traumatic Stress Wales (**TSW**), and the teams for the All Wales Positron Emission Tomography (**PET**) Capital Programme and the Molecular Radiotherapy (**MRT**) Strategy Development Programme.

TSW is an all Wales quality improvement initiative which aims to improve the health and wellbeing of people of all ages affected by traumatic events. It aims to raise trauma-informed awareness and practice across Wales and has a particular focus on those at risk of developing or with post-traumatic stress disorder or complex post-traumatic stress disorder.

The PET Capital Programme is a £25M capital investment programme funded by WG. It was originally intended to be a five year programme funded in two phases. This first phase ends in July 2024. The programme consists of the replacement of the fixed site scanner in PETIC (a Cardiff University owned facility on the University Hospital Wales site), procurement of two fixed site scanners, one in SBUHB and one in Betsi Cadwaladr University Health Board (**BCUHB**), to replace

their existing mobile scanners, refurbishment of the PETIC production facility and a fourth fixed site scanner to be situated at a site yet to be agreed. In addition a number of cross cutting developments related to workforce, PET radiopharmaceutical horizon scanning, data and report standardisation, electronic referrals and vetting; in addition to benefit measures such as patient and staff satisfaction, sat within this programme. The majority of these cross cutting developments are reaching final stages.

The MRT Strategy Development Programme is a WG funded programme to develop a strategy for the future implementation of the new MRT treatments across Wales. The programme is funded until July 2024 and the final document will be presented to WG in June 2024. The programme is on track. The programme manager left post in early March 2024, therefore the PET Capital Programme team will see the work to completion. There are no current programme issues or significant risks.

WHSSC also commissions three Operational Delivery Networks (**ODN/s**):

Major Trauma: The South Wales Trauma Network was launched in September 2020 following approval of a Programme Business Case by all six affected health boards. WHSSC commissions the Network from SBUHB as the designated host provider under the approved Service Specification. There is a quarterly Clinical and Operational Board run by the Network; assurance on delivery is currently provided to the Joint Committee via the quarterly WHSSC-led Delivery Assurance Group.

Spinal: The South Wales Spinal Network launched in 2023 following agreement to establish an ODN for spinal surgery by the NHS Wales Collaborative Executive Group in April 2021. WHSSC commissions the Network from SBUHB as the designated host provider under the approved Service Specification. There will be a quarterly Clinical and Operational Board run by the Network; assurance on delivery will be provided to the Joint Committee via the quarterly WHSSC-led Delivery Assurance Group.

Neonatal: The Joint Committee has also agreed to establish a Neonatal Transport ODN following concerns raised by WHSSC about the governance of service delivery. The establishment of the Neonatal Transport ODN is currently under review in the context of wider financial and service issues.

2.3 Joint Committee and Joint Sub-Committees Meetings

It is acknowledged that since the COVID-19 pandemic, there have continued to be limitations on Boards and Committees being able to physically meet where this is not necessary and can be achieved by other means. In accordance with the Public Bodies (Admissions to Meetings) Act 1960 the Joint Committee is required to meet in public.

As a result of the public health risk linked to the pandemic when there were limitations on public gatherings and it was not therefore possible to allow the public to attend meetings of the Joint Committee, virtual meetings were introduced to ensure business was conducted in as open and transparent manner.

Further to the Committee effectiveness exercise for 2022-2023 undertaken in April 2023, the feedback from individual members indicated that the majority of members preferred to continue with the virtual meeting arrangements adopted during the COVID-19 pandemic and the recovery phase but with occasional face to face meetings. Therefore, the majority of Joint Committee and sub-committee meetings continued to be held virtually during 2023-2024 and face to face meetings were considered for any key decision making requirements as deemed appropriate by the Chair. Arrangements were in place to ensure that the decision logs were maintained and reported to each meeting appropriately. One face to face meeting was arranged for the meeting that took place on 19 September 2023. All WHSSC Officers, WHSSC IMs and two Health Board Chief Executives and a nominated executive deputy attended in person.

Virtual meetings and electronic communication have remained the key to the Joint Committee's functionality as we adapt our working practices following the COVID-19 pandemic.

To ensure business is conducted in as open and transparent a manner as possible, the following actions were taken:

- Joint Committee papers were routinely published and made available on the WHSSC website two weeks prior to meetings, so far as possible,
- Written briefings of the key components of meetings were published as soon as possible after meetings.

The website (which gives our official notice of Joint Committee meetings) includes a statement inviting anybody wishing to attend a Public meeting to contact the organisation in advance to determine suitable arrangements. No requests to observe a Joint Committee meeting from a member of the public was received during 2023-2024, although there are regularly observers from Health Boards who request to attend and these are warmly welcomed.

The membership of the Joint Committee and member's attendance is presented at **Appendix 1**. A table outlining the dates of Joint Committee meetings held during 2023-2024, is presented at **Appendix 2**.

2.4 JCC Sub-Committee Structure 1 April 2024 onwards

To ensure business continuity and to support the transition it has been proposed to continue with existing sub-Committees/Groups during Q1 with variations to membership/remit as detailed above. This will allow for a robust review of the function and membership of all forums during Q1 to inform the new Sub-Committee arrangements which will be taken forward from Q2.

2.5 Committees of the Host Organisation

2.5.1 Audit & Risk Committee

[The Audit & Risk Committee of Cwm Taf Morgannwg University Health Board \(CTMUHB\)](#), as host organisation, advises and assures the Joint Committee on whether effective arrangements are in place, through the design and operation of the Joint Committee's assurance framework. This supports members in their decision taking and in discharging their accountabilities for securing the achievement of the Joint Committee's Delegated Functions.

Relevant officers from WHSSC attend Part B CTMUHB Audit & Risk Committee meetings for agenda items concerned with WHSSC business. In addition, Steve Spill from SBUHB is the WHSSC designated IM Audit/Finance Lead and also attends Part B meetings. An assurance report following each Part B meeting is submitted to the Joint Committee outlining the business discussions for assurance.

From 1 April 2024 The new JCC will continue to utilise the CTMUHB Audit and Risk Assurance Hosted Bodies Committee with the remit of taking assurance that the JCC is discharging its accountabilities with regard to financial stewardship, risk etc. It is likely there will also be the need to hold a CTMUHB Audit and Risk Assurance Meeting specific to the JCC and its business as required.

Interim arrangements are being considered to ensure continuity of non-officer attendance at the CTMUHB Audit and Risk Committee during Q1 with a view to agreeing the appropriate Lay Member attendance from Q2.

2.5.2 CTMUHB Quality & Safety Committee

[The Quality & Safety Committee of CTMUHB](#), as host organisation, advises and assures the Joint Committee on the provision of workplace health & safety within WHSSC.

Relevant officers from WHSSC attend the CTMUHB, Safeguarding Committee when appropriate.

2.6 Standards of Behaviour

The Welsh Government's *Citizen-Centred Governance Principles* apply to all public bodies in Wales. These principles integrate all aspects of governance and embody the values and standards of behaviour expected at all levels of public services in Wales.

"Public service values and associated behaviours are and must be at the heart of the NHS in Wales"

The Joint Committee is strongly committed to WHSSC being value-driven, rooted in the Nolan principles and high standards of public life and behaviour, including openness, customer service standards, diversity and engaged leadership.

The Joint Committee expects all Members and employees to practice high standards of corporate and personal conduct, based on the recognition that the needs of service users must come first.

The “Seven Principles of Public Life” or the “Nolan Principles” form the basis of the Standards of Behaviour requirements for WHSSC employees and Independent Members.

The WHSSC Standards of Behaviour Policy, incorporating Declarations of Interest, Gifts, Hospitality and Sponsorship, aims to ensure that arrangements are in place to support employees to act in a manner that upholds the Standards of Behaviour Framework. In addition, it sets out specific arrangements for the appropriate declarations of interests and acceptance / refusal and record of offers of Gifts, Hospitality or Sponsorship. The Policy also aims to capture public acceptability of behaviours of those working in the public sector so that WHSSC can be seen to have exemplary practice in this regard.

The WHSSC Standards of Behaviour Policy was approved on 13 January 2021 and a copy of this policy can be found on the WHSSC website.

<https://whssc.nhs.wales/publications/corporate-policies-and-procedures/>

In accordance with the WHSSC Standards of Behaviour Framework Policy and Standing Orders WHSSC issued requests for annual Declarations of Interest returns for the 2023 -2024 financial year on 23 March 2023. For 2022-2023, the DOI form was updated to align the Health Board processes and our DOI process has been strengthened to include cross-referencing information with the Companies House register and any other related declaration processes.

The register of interests is available on request or through the WHSSC publication scheme on the WHSSC website:

<https://whssc.nhs.wales/publications/governance>

3.0 THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risks; it can therefore only provide reasonable and not absolute assurances of effectiveness.

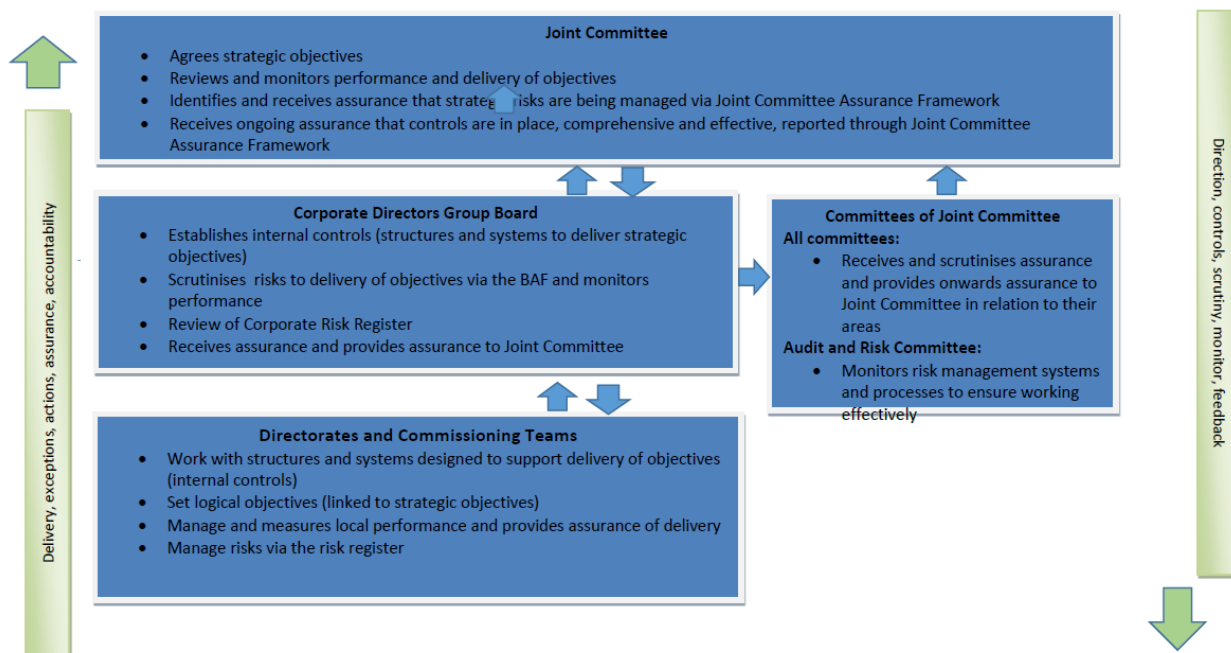
The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control was in place for the year ended 31 March 2024 and up to the date of approval of the annual accounts.

4.0 CAPACITY TO HANDLE RISK

The WHSSC systems of control are designed to manage risk to a reasonable level rather than to eliminate all risks; it can therefore only provide reasonable and not absolute assurance of effectiveness.

The WHSSC system of control is based on an ongoing process designed to identify and prioritise the risks to the achievement of its policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place for the year ended 31 March 2024 and up to the date of approval of the CTMUHB annual report and accounts.

RISK MANAGEMENT PROCESS



4.1 The Risk and Assurance Framework

Risk management is embedded in the activities of WHSSC through the WHSSC Risk Management Framework and associated operating procedures. Overall responsibility for the Risk Management lies with the Director of Planning and Committee Secretary who have delegated responsibility for managing the development and implementation of the Risk Management Strategy. Arrangements are in place to effectively assess and manage risks across the organisation, which includes the ongoing review and updating of the CRAF so that the Joint Committee maintains a line of sight on the WHSSC’s key strategic and operational risks.

WHSSC’s Risk Management Strategy sets out responsibilities for strategic and operational risk management for the Joint Committee and staff throughout the organisation and describes the procedures to be used in identifying, analysing,

evaluating and controlling risks to the delivery of strategic objectives. A revised Risk Management Strategy was approved by the Joint Committee on [11 May 2021](#) and aligns to the Risk Management Strategy agreed by CTMUHB (WHSSC's host organisation) for consistency.

The Corporate Risk and Assurance Framework (CRAF) forms part of WHSSC's approach to the identification and management of strategic and other top-level risks. The framework is subject to continuous review by the Executive Director lead for each risk, the Corporate Directors Group Board (CDGB), the joint sub-committees and the Joint Committee.

The CRAF is informed by risks identified by both Directorates and Commissioning Teams that are considered by a bi-monthly risk scrutiny panel that reports to CDGB. Each risk is allocated to an appropriate sub-committee for assurance and monitoring purposes. The CRAF is received by the sub-committees as a standing agenda item, and the Joint Committee receives the CRAF at least twice yearly and this was last received by the Joint Committee on [30 January 2024](#).

The CRAF is an integral part of the system of internal control and defines the extreme potential risks listed on the Corporate Risk Register (scored 15 or above) which may impact upon the delivery of strategic objectives. It also summarises the controls and assurances that are in place or plans to mitigate them. The CRAF aims to align principal risks, key controls and assurances on controls alongside each of WHSSC's strategic objectives.

Each directorate risk register is submitted to the Risk Scrutiny Group (RSG) on a bi-monthly basis. The membership of the RSG includes Directorate Managers who review and scrutinise the narrative, scores and mitigating actions for each risk. The risks are validated by the RSG and are subject to continuous review by the Executive Director lead for each risk. In addition to reviewing Directorate Risks, the RSG also receives a deep dive into a Commissioning Team Risk Register at each of its meetings.

The updated CRAF was approved by the Joint Committee on [30 January 2024](#). The risks outlined in **Table 1** below were identified as posing the greatest risk (20 and above).

Table 1 – High scoring Risks 20 and above

Ref	Risk Description	Risk Score
Risk Ref: 26 Neuropsychiatry patients waiting times (NCC046)	There is a risk that neuropsychiatry patients will not be able to be treated in a timely manner with the appropriate therapy support due to staffing issues. The consequence patients will have long waiting times to access the service and the lack of availability of step	20 (4x5)

Ref	Risk Description	Risk Score
	down facilities to support the acute centre will also result in delays.	
Risk Ref: 29 WHSSC IPFR ToR & Governance (CS8)	There is a risk that WHSSC will be unable to meet the TOR for the All Wales IPFR panel due to the inability to achieve quoracy in the membership and consequently this may lead to delayed decision-making. In addition, there is also a risk that the current IPFR governance arrangements are not robust and as a consequence this may also lead to legal challenges in the form of judicial reviews.	20 (4x5)
Risk Ref: 34 - Lack of Paediatric Intensive Care Beds (P/21/02)	There is a risk that a paediatric intensive care bed, in the Children’s Hospital for Wales, will not be available when Date Added to Register:24/02/21 required due to constraints within the service. There is a consequence that paediatric patients requiring intensive care will be cared for in, inappropriate areas where the necessary skills or equipment are not available or the patient being transferred out of Wales.	20 (4x5)
Risk Ref: 48 Wales Fertility Institute (WFI) P/21/20	There is a risk the Wales Fertility Institute (WFI) in Neath & Port Talbot Hospital are not providing a safe and effective service due to concerns with regards to the information flows from the service into WHSSC; late submission of contract monitoring which does not reconcile with finance returns. There is a consequence that families who have treatment at this centre are not receiving the quality of care expected from the service and in turn impacting outcomes.	25 (5x5)
Risk Ref: 54 CAHMS Environment and Workforce (MH/23/16)	There is a risk that tier 4 providers for CAMHS cannot meet the service specification due to environmental and workforce issues, with a consequence that children could abscond/come to harm. (NWAS)	20 (4x5)
Risk Ref: 60 WFI Treatment (P/21/24)	There is a risk all licensed HFEA activity at WFI will urgently and temporarily need to cease due to the fact that the Person Responsible (PR) has stood down from the role and there has been a failure to appoint a new PR to fulfil their duties. There is a consequence that patients in active treatment will need to have their treatment plan temporarily paused and the	20 (5 x 4)

Ref	Risk Description	Risk Score
	centre would not be able to accept new patients on a temporary basis.	
Risk Ref: 63 - Neurosurgery Sustainability (NCC063)	There is a risk that the delay in progressing the Neurosurgery Sustainability and Standards CIAG scheme for the ICP 22/23 and not investing in key high risk posts (Intra operative Monitoring (IOM), CNS Skull Base and Neuromodulation) due to the financial pressures of NHS Wales would as a consequence result in the loss of the sub speciality services of Neurosurgery (Skull Base, Facial Pain, Complex Spine and elements of tumour surgery). The IOM post is recommended by NICE guidelines and the lack of ability to recruit to this post substantively, would mean that these subspecialty surgeries would have to cease in Wales with patients then being required to receive treatment in North Bristol Trust (NBT). Additionally there is no commissioned CNS posts for skull base and Neuromodulation services, the service is managed by single handed consultants resulting in consultant time being used inappropriately to deliver nurse led services – this does not meet national standards and patients would be denied timely access to neurosurgical advice and treatment.	25 (5 x 5)

In April 2022 as part of the annual internal audit programme and internal audit was undertaken to evaluate and determine the adequacy of the systems and controls in place within WHSSC in relation to risk management. Internal audit gave an audit assessment rating of “reasonable assurance” and concluded that WHSSC has an up to date and comprehensive risk management strategy in place that clearly sets out roles and responsibilities.

The CRAF is continuously reviewed in line with the Risk Management Strategy and has been strengthened to incorporate the recommendations of the internal audit feedback.

WHSSC is committed to continuous improvement across the whole risk management pathway, areas of significant focus for the new Joint Commissioning Committee will be:

- Developing and implementing the new Joint Committee Assurance Framework (JAF) and implementing a Risk management Strategy,
- Training and awareness of the risk management process adopted within the new JCC; and

- Implementing the Once for Wales Risk Management System (Datix Cloud System) and aligned training programmes.

4.2 Risk Appetite

Members of the WHSSC Joint Committee share responsibility for the effective management of risk and compliance with relevant legislation. In relation to risk management, Joint Committee is responsible for approving the risk appetite for WHSSC. The WHSSC risk management strategy states that the Joint Committee will review its risk appetite on an annual basis to ensure that progress is being made toward the 'risk appetite' WHSSC wishes to achieve. Following the risk workshop the CDGB reviewed its risk appetite and an updated risk appetite statement was approved by the Joint Committee on [17 January 2023](#).

WHSSC's risk appetite has been defined following consideration of organisational risks, issues and consequences. To assess risk appetite the [Good Governance Institute's Matrix for NHS Organisations](#) was followed. Appetite levels will vary, in some areas, our risk tolerance may be cautious in others we may be eager for risk and are willing to carry risk in the pursuit of important strategic objectives. WHSSC will always aim to operate organisational activities at the levels defined below.

Where activities are projected to exceed the defined levels, this will be escalated through the appropriate governance mechanisms to the Joint Committee for ratification.

Table 2 below outlines the risk appetite.

Table 2 – WHSSC Risk Appetite

Type of Risk	Risk Appetite
Innovation/Quality Outcomes	WHSSC has adopted a Cautious stance for quality and safety risks, with a preference for safer delivery options, tolerating a cautious degree of residual risk and choosing the option most likely to result in successful delivery, high quality care and value for money services to its population.
Reputation / Adverse Publicity (Trust in Confidence) risks	WHSSC has adopted a Cautious stance for reputational risks, with a preference for safer delivery options, tolerating a cautious degree of residual risk and choosing the option most likely to result in successful delivery, high quality care and value for money services to its population.
Business Continuity risks	WHSSC has adopted a Cautious stance for Business Continuity Risks. The Joint Committee will receive ongoing assurance from the testing of business continuity plans

Type of Risk	Risk Appetite
Compliance/Regulatory risks	WHSSC has adopted a Cautious stance for Legal, Regulatory and Compliance risks, seeking a preference for adhering to responsibilities and safe delivery options with little residual risk. The joint Committee will receive assurance that compliance regimes are in place
Data and Information Management risks	WHSSC has adopted a Cautious stance for data and information management risks seeking a preference for adhering to responsibilities and safe delivery options with little residual risk. There is acceptance for the need for operational effectiveness with risk mitigated through careful management of information sharing and limiting distribution
Financial stability risks/VFM	<p>WHSSC stance for financial risk is varied as follows:</p> <ul style="list-style-type: none"> ▪ Averse for financial propriety and regularity risks with a determined focus to maintain effective financial control framework accountability structures. ▪ Averse – in terms of risks related to WHSSC qualification of accounts, associated process and deviation from reporting timescales. ▪ Minimal – as to risk relating to breaching individual control totals. ▪ Cautious – in relation to the WHSSC budget spend with the intention that it should maximise the use of resource each year. WHSSC will seek safe delivery options with little residual risk that only yield some upside opportunities. WHSSC would receive ongoing assurance through reporting structures that policies and procedures are in place to comply with HMT guidance.
Assets and Estates risks –	WHSSC has adopted Cautious and Open stances for assets and estates respectively, seeking value for money but with a preference for proven delivery options have that a cautious residual risk. this means that WHSSC will use solutions for purchase, rental, disposal, construction, and refurbishment that ensures it protects the public purse from as much risk as possible, producing good value for money whilst fully meeting organisational objectives.

Type of Risk	Risk Appetite
Technological advances	WHSSC has adopted an Open stance for risks associated with technological advances accepting that system and technology developments can enable improved delivery. Responsibility for non-critical decisions may be devolved in accordance with the Scheme of Delegation. Plans aligned with functional standards and organisational governance.

Due to the formation of the new JCC and the need for the new JCC to develop its own Risk Appetite, the current statement will apply until 31 March 2024.

4.3 Joint Assurance Framework

WHSSC committed to developing and implementing a Joint Assurance Framework (JAF) that identifies, analyses, evaluates and controls the risks that threaten the delivery of its strategic objectives. The intention was for the JAF to align with the new Specialised Services Strategy. The strategy was approved and in place by 31 May 2023. Pending the establishment of the new NHS Wales Joint Commissioning Committee work on the JAF was paused and further details have been captured in the WHSSC Legacy Statement. A JAF will be developed for the JCC in 2024-2025.

Following 1 April 2024, the new JCC will need to ensure it has arrangements in place for the identification and management of risks. Each of the component parts of the new JCC have their own risk registers. These will be brought into the JCC as is and consolidated to form one risk register during Q1. It will also be necessary to ensure that business continuity risks identified during the implementation programme phase that may continue to have an impact on the operation of the JCC or the JCC Team are not lost and are kept under review, together with any new risks specific to the management and operation of the new JCC.

The JCC will be asked to agree the risk management and assurance arrangements during Q1, reflecting as appropriate the risk and assurance Policies of the host body.

5.0 THE CONTROL FRAMEWORK

5.1 Performance Dashboard

As laid out in the WHSSC Specialised Services Strategy WHSSC's mission is to 'ensure the delivery of high quality, sustainable healthcare services for the people of Wales which are responsive to change, accessible, and maximise value and outcomes within available resources'. As a mature commissioner of over 120 services on behalf of the seven Health Boards in Wales we take a balanced view

across all of the domains of performance and ensure best practice assurance and reporting is in place.

The approach set out for performance management within WHSSC has been strengthened within the year and was ratified as a suite of documents at the May 2023 meeting of the Joint Committee. A refreshed Performance Management Framework was agreed as part of the overall Commissioning Assurance Framework (CAF) and this has been implemented and embedded throughout the year. It is an important part of our legacy statement as we transition to the new NHS Wales Joint Commissioning Committee (JCC) from 1 April 2024.

In January 2024 WHSSC prepared a Specialised Services Commissioning Framework to document its approach to commissioning specialised services:

[file:///Y:/WHSSC%20Y%20Drive/National%20Commissioning/WHSSC%20Legacy%20Statement/Planning%20&%20Performance%20Directorate/WHSSC%20Commissioning%20Framework%20Approved%20v4%20\(002\)%20-%20MG.pdf](file:///Y:/WHSSC%20Y%20Drive/National%20Commissioning/WHSSC%20Legacy%20Statement/Planning%20&%20Performance%20Directorate/WHSSC%20Commissioning%20Framework%20Approved%20v4%20(002)%20-%20MG.pdf)

Section 4.4.1 (Page 18) of the Specialised Services Commissioning Framework sets out WHSSC’s approach to Commissioner Assurance and provides links to the following key documents:

- Commissioning Assurance Framework
- Patient Experience & Engagement Framework
- Performance Management Framework
- Escalation Process
- Risk Management Strategy

There are 3 levels at which performance management discussions between WHSSC and provider HBs take place, and upon which the Performance Management arrangements have been built: Strategic, Planning and Performance. The performance framework hierarchy is outlined in **Table 3** below:

Table 3 – Performance Framework Hierarchy

Level of discussion	Meeting	Purpose
Strategic	Board to Board Exec to Exec	<ul style="list-style-type: none"> • Strategic direction • Strategic risks • Strategic appetite for service developments • Strategic discussion on population health, equity, access etc. • Enabling delivery
Planning	Planning team to HB corporate teams	<ul style="list-style-type: none"> • Monitor progress with development of Integrated Commissioning Plan (ICP) and Integrated Medium Term Plans

Level of discussion	Meeting	Purpose
		(IMTPs) Identify barriers/risks to implementation of plan and developments contained therein <ul style="list-style-type: none"> • Share intelligence in order to triangulate workforce, finance and performance improvement • Ensure there are 'no surprises' on performance and delivery issues
Performance	SLA Meetings	<ul style="list-style-type: none"> • Formally manage and escalate variation in performance on quality, activity, delivery of Ministerial measures and financial performance. • Formally receive exception reports on services in Escalation • Deal with issues escalated from the service level performance meetings • Formally note and monitor investments and benefits
	Service level performance meetings	<ul style="list-style-type: none"> • To monitor performance in individual service areas – including quality, activity, Ministerial and service specification measures and financial performance • To monitor investments and benefits • To escalate issues as needed to the SLA meeting with Health Boards
	Escalation	<ul style="list-style-type: none"> • To enable development of an action plan for those services in escalation • To enable monitoring of necessary actions • To enable de-escalation

A robust performance report is prepared and discussed at each Management Group and Joint Committee meeting to allow members to fulfil their duties of scrutiny and assurance. The latest report is available [here](#).

Moreover the data collated systematically from services, is used to drive discussions at Commissioning Team meetings, individual service level meeting and at Health Board Service Level Agreement (SLA) meetings.

There are robust conversations with regard actual performance against commissioned volumes and expected quality governance arrangements and cost through our contracting arrangements.

The Commissioning Teams triangulate the domains of performance including quality, activity and cost to ensure WHSSC meets its objectives. There are clear performance management arrangements in place including the risk and escalation processes which enables any issue of variance to be managed appropriately. The Commissioning teams also drive the risk management and escalation processes which are laid out in the Escalation Framework part of the CAF, all of which are focussed on promoting and maintaining improvement in the quality and value of the services we commission.

5.2 Ministerial Priorities & Measures

A baseline of activity against the relevant Ministerial Priorities was included as part of the development of the 2023/24 Integrated Commissioning Plan (ICP).

The mechanisms outlined above were utilised to monitor against these, with a year-end position being:

- Improvement towards no patients waiting over 52 weeks for a new outpatient appointment, then leading to no patients waiting over 36 weeks.
- Improvement towards no patients waiting over 104 weeks for treatment (97% expected to achieve this by December 2023, and 99% by March 2024), then leading to no patients waiting over 52 weeks for treatment.

All main specialty services are meeting the New Outpatient and the Inpatient waiting target, except for Plastic Surgery at Swansea Bay UHB. This service is currently in escalation.

Specialty / Provider Name		Measure	Tolerance Levels			Nov 2023	Dec 2023	Jan 2024			
Cardiac Surgery		RTT < 105 weeks - admissions	< 95%	95-99%	100%	100.00%	✓	100.00%	✓	100.00%	✓
Cardiothoracic Surgery		RTT < 105 weeks - admissions	< 95%	95-99%	100%	100.00%	✓	100.00%	✓	#DIV/0!	
Neurosurgery		RTT < 105 weeks - admissions	< 95%	95-99%	100%	100.00%	✓	100.00%	✓	100.00%	✓
Paediatric Surgery		RTT < 105 weeks - admissions	< 95%	95-99%	100%	100.00%	✓	100.00%	✓	100.00%	✓
Plastic Surgery		RTT < 105 weeks - admissions	< 95%	95-99%	100%	93.05%	✗	93.92%	✗	93.47%	✗
Spinal Surgery Service		RTT < 105 weeks - admissions	< 95%	95-99%	100%	100.00%	✓	100.00%	✓	#DIV/0!	
Thoracic Surgery		RTT < 105 weeks - admissions	< 95%	95-99%	100%	100.00%	✓	100.00%	✓	100.00%	✓
Bariatric Surgery - Swansea Bay UHB		RTT < 105 weeks - admissions	< 95%	95-99%	100%	100.00%	✓	100.00%	✓	100.00%	✓
Bariatric Surgery - Salford Royal		RTT < 105 weeks - admissions	< 95%	95-99%	100%	100.00%	✓	100.00%	✓	100.00%	✓

The NHS Wales Performance Framework and Guidance Document 2024/25 was issued by the Director General for Health and Social Care early March 2024 and will be used as the basis for forward planning and monitoring as relevant to the provision of specialised services, and more broadly to reflect the extended remit of the new Joint Commissioning Committee. The framework and guidance document can be viewed [here](#).

5.3 Integrated Commissioning Plan (ICP) for Specialised Services

WHSSC is required to develop an ICP for specialised services on behalf of Health Boards (HBs) that must be agreed by the Joint Committee (JC) and align with the Welsh Government's NHS Wales Planning Framework and Commissioner Integrated Medium Term Plans (IMTPs). The Plan has been developed within the context of the difficult financial environment and the transition to the new Joint Commissioning Committee (JCC).

Whilst WHSSC is not a statutory organisation within NHS Wales, we are part of the system and the ICP responds to the Framework; presenting a cohesive plan for the commissioning of Specialised Services for the people of Wales.

The ICP is developed by the Welsh Health Specialised Services Committee (WHSSC) on behalf of the seven Health Boards (HBs) in Wales, and is the basis upon which HBs will plan for specialist services provision within their Integrated Medium Term Plans (IMTPs). The ICP 2023/24 was approved by the Committee in February 2023 and was accepted by Welsh Government in October. We were also delighted to receive '*substantial assurance*' from Internal Audit on our processes for the development of the ICP during the year.

Whilst delivery of some elements of the Plan have been paused or stopped due to the need to make difficult financial choices across NHS Wales in year, overall good progress has been made with the implementation of the 2023/24 ICP. Quarterly reports on delivery of the Plan were presented to the WHSSC Integrated Governance Committee and shared with Welsh Government. The Quarter 3 report can be viewed [here](#).

The [NHS Wales Planning Framework 2024-2027](#) was received on the 18 December 2023. The requirements include a need for HBs to send an Accountable Officer (AO) letter on the status of their plan by the 19 February and all plans to be submitted to Welsh Government by 29 March 2024. In the current financial context the Framework places a strong emphasis on the themes of the Value and Sustainability Board and the Duty of Quality. These have been reflected in WHSSC's planning throughout the ICP development cycle and the ICP 2024-2025 includes our strategic commissioning approach to quality, value and efficiency. A prudent, prioritised approach has been taken to the balance of developments and risk management in the Plan, underpinned by a structured Quality Impact Assessment.

This year the ICP for 2024/25 has been developed in the context of our approved Specialised Services Strategy and the extreme financial pressures and service challenges facing NHS Wales. The processes for the development of the 2024/2025 ICP have also run successfully throughout 2023/24, including the well-established horizon scanning/new interventions, prioritisation and risk assessment processes. The Plan has been considered on multiple occasions by

both Management Group and Joint Committee during the third quarter of 2023/24. The Plan was approved by the Joint Committee on 19 March 2024.

Following 1 April 2024, the IMTPs (Integrated Commissioning Plan for WHSSC) and commissioning intentions/work programmes for 2024/25 for each constituent function will be agreed prior to the JCC being established. These plans will therefore need to be adopted by the JCC and consolidated so that there is one monitoring process that can be reported via the sub-Committee structure to the JCC. The establishment of a sub-Committee with the remit of Planning and Performance will be considered during Q1 as part of the review of existing sub-Committee arrangements.

The planning cycle for 2025/26 will commence swiftly after the JCC forms. It will be a priority of the Tier 1/Chief Commissioner to ensure the new JCCT has the appropriate arrangements in place to inform the JCC in the development of the IMTP for 2025/26.

5.4 A Specialised Services Strategy for Wales

Whilst the development of the ICP takes place in accordance with the NHS Wales planning cycle, through discussions with Joint Committee, WHSSC has committed to developing a new overarching 10 year Specialised Services Strategy for Wales.

In line with WHSSC Standing Orders (SOs), the role of the Joint Committee is to determine a long-term strategic plan for the development of specialised and tertiary services in Wales, in conjunction with the Welsh Ministers. In addition, the May 2021 Audit Wales Report into the Committee Governance arrangements at WHSSC included a number of recommendations related to developing a new specialised services strategy. The report advised that, "Post COVID-19, developing a strategy would now provide opportunity to shape the direction to focus on recovery, value, and to exploit new technologies and innovative ways of working"

The original specialised services strategy was published in 2012, and during the intervening period there has been significant challenge related to the pace of development of innovative treatments, the aftermath of the unprecedented and disruptive impact of the COVID-19 pandemic on NHS care and the recent extreme financial pressures facing the NHS. The policy context within NHS Wales also changed during this time. Following a 12-week engagement process to inform and support the development of a new ten year specialised services strategy the strategy work was completed and approved by the Joint Committee on 16 May 2023 and published on [31 May 2023](#). The success measures were developed and agreed on 23 November 2023. It was recognised that some measures will need to go on hold pending the establishment of the new NHS Wales JCC. However, where possible preparatory work will continue.

6.0 DISCLOSURE STATEMENTS

6.1 Equality, Diversity & Human Rights

Equality is central to the work of WHSSC and our vision for improving and developing specialised services for NHS Wales. WHSSC welcomes Welsh Government's distinct approach to promoting and safeguarding equality, social justice and human rights in Wales. WHSSC is committed to complying with the provisions of the Equality Act 2020, and the public sector general duty and the specific duties to promote and safeguard equality, social justice and human rights in Wales. We are committed to ensuring and considering how we can positively contribute to a fairer society through advancing equality and good relations in our day-to-day activities

WHSSC follows the control measures in place of the host, CTMUHB to ensure that obligations under equality, diversity and human rights legislation are complied with. CTMUHB policies and procedures, set out the organisational commitment to promoting equality, diversity and human rights in relation to employment. It also ensures staff recruitment is conducted in an equal manner. All staff have access to the Intranet where these are available. The Hosting Agreement includes provision for specific support around Equality and Diversity.

The Corporate Services Manager is a member of the Equality and Welsh Language Steering Group within CTMUHB and any issues are integrated into this process.

The Duty of Candour (Wales) 2023 and the Citizen Voice Body (Wales) 2023, has changed the status of equality and human rights and all public bodies in Wales are under a duty to be open and honest with service users receiving care and treatment.

The Welsh Government's Public Sector Equality Duty (PSED) advocates that all public sector organisations publish their Strategic Equality Plan (SEP) no less than every four years. Whilst WHSSC commissions specialised services on behalf of the seven LHBs the responsibility for individual patients remains with the LHB of residence.

6.2 Welsh Language

WHSSC is committed to treating the English and Welsh languages based on equality and will endeavour to ensure the services we commission meet the requirements of the legislative framework for Welsh Language as required by the Welsh Language Act (1993), the Welsh Language (Wales) Measure 2011 and the Welsh Language Standards (No. 7) Regulations. Provider organisations in Wales are subject to the same legal framework, however the provisions of the Welsh language standards do not apply to services provided in private facilities or in hospitals outside of Wales. In recognition of its importance to the patient experience, WHSSC ensures that wherever possible patients have access to their

preferred language. This commitment is now set out as an overarching statement in all new and updated WHSSC commissioning policies and service specifications.

In order to facilitate this WHSSC is committed to working closely with providers so that in the absence of a Welsh speaker in the service, patients and their families will have access to either a translator or 'Language-line'. We will also encourage, in those services where links to local teams are maintained during the period of care, that this will provide, when possible, access to the Welsh language.

During 2023-2024, the Corporate Services Manager and Committee Secretary were attended the CTMUHB Welsh Language Steering Group meetings to lead and drive the implementation and delivery of legislative Welsh Language compliance across WHSSC and supports implementation of the "More than just words" framework. The Committee is a sub-committee of the CTMUHB People and Culture Committee. The purpose of the Committee is to support the CTMUHB Board to deliver on its responsibilities, in accordance with the legislative framework for Welsh Language, and to improve service user experience, through the provision of bilingual care and support. The first meeting took place on 15 March 2023 and meetings took place bi-monthly during 2023-2024.

6.3 Well-Being of Future Generations Act (WBFGA)

The Well-being of Future Generations Act (WBFGA) requires named statutory bodies, including CTMUHB, (our host) to ensure the needs of the current population are met without compromising the ability of future generations to meet their own needs. This 'sustainable development principle' requires the organisation to routinely follow the five ways of working from the Act (prevention, long-term, collaboration, integration, involvement), and contribute to the seven national well-being goals.

WHSSC is committed to contributing towards the achievement of the objectives of the Well-being of Future Generations (Wales) Act aims to improve the social, economic, environmental and cultural well-being of Wales. The WBFGA gives us the opportunity to think differently and to give new emphasis to improving the well-being of both current and future generations, and to think more about the long-term, work better with people, communities and organisations, seek to prevent problems and take a more joined-up approach. This Act puts in place seven well-being goals, and we need to maximise our contribution to all seven.

The ICP integrates and demonstrates the five ways of working and contribution to well-being goals throughout the plan. Prevention is embedded throughout our work.

The back cover for Committee reports includes a section for the author to consider Organisational Implications and outline any legal implications, including the WBFGA.

6.4 Socio Economic Duty

WHSSC recognises that the Socio-economic Duty introduced by Welsh Government under the Equality Act 2010 requires relevant public bodies in Wales, which include LHB's, to have due regard to the need to reduce the inequalities of outcome that result from socio-economic disadvantage when they take strategic decisions. The duty came into force on 31 March 2021 and as a Joint Committee of the LHB's, this duty has been taken into account when planning and commissioning specialised services. WHSSC will consider how their decisions might help reduce the inequalities associated with socio-economic disadvantage, including evidencing a clear audit trail for all decisions made that are caught by the duty. This will be discharged by using existing processes, such as engagement processes and impact assessments.

6.5 Duty of Quality

The duty of quality Act come into force on 1 April 2023 and is intended to have positive benefits for everyone in Wales, supporting a culture and the conditions needed to drive improvements in health care. Quality is more than meeting service standards it's about implementing systems to support safe, effective, person-centred, timely, efficient, equitable care.

The Health & Care Quality Standards replace the Health and Care Standards (2015) and are a framework to help plan, deliver and monitor healthcare services in Wales. They are made up of six domains of quality and six quality enablers.

During 2023-2024, a successful development day took place on 23 October 2023. The development day provided demonstrations on Patient Incident Safety Framework (PSIRF) and how this is being implemented in NHS England. A key focus of the development day was the updated Escalation Trajectory and an overview and update on the Duty of Quality. One of the requirements of the Act is to publish an Annual Quality Report. In order to support this a number of processes that are already in place to support the evidence required and provide an audit trail for its publication. In particular it was proposed at the Executive Organisational Development session in December 2023 that the host organisation template should be adapted for consistency of reporting.

During the development of the Integrated Commissioning Plan 2024/25 the Quality Impact Assessment (QIA) tool was used to prioritise and make recommendations on investment decisions. This has ensured that the Duty of Quality is at the heart of our strategic planning process and has also been a useful practical exercise for our Commissioning Teams in using the QIA tool.

6.6 Duty of Candour

The duty of candour comes into legal force in April 2023 in line with the Health and Social Care (Quality and Engagement) (Wales) Act 2020. It requires them to be open and transparent with service users when they experience harm whilst receiving health care.

On 3 October 2022 the Corporate Directors Group Board (CDGB) received a briefing from Welsh Government (WG) on the Health & Social Care (Quality & Engagement) (Wales) Act 2022 with a specific focus on the consultation process for the duty of candour and the soon to be launched consultation process on the duty of quality. The session gave an insight into the need to focus on quality-driven decision-making to improve outcomes and the need to demonstrate with evidence how we have complied with the duty. In addition, to the need to comply with the duty of candour in relation to health care provision. It was recognised that we already have good systems and processes in place on which we can build for both the duties.

6.7 Emergency Preparedness

Emergency and business continuity arrangements were in place during the financial year 2023-24, in accordance with the duty of our host to comply with the Civil Contingencies Act and the Emergency Planning Guidance issued by Welsh Government.

WHSSC continues to work closely with CTMUHB on business continuity planning arrangements.

WHSSC are working in partnership with HBs and utilise their recovery plans to influence our Integrated Commissioning Plan (ICP). This is supported by a robust risk management framework and the ability to identify, assess and mitigate risks that may impact on the ability to achieve our strategic objectives.

6.8 Carbon Reduction

Welsh Government declared a Climate Emergency in 2019 and expects the public sector to be net zero by 2030. The [NHS Wales Decarbonisation Strategic Delivery Plan](#) was published on 24 March 2021. WHSSC undertake risk assessments as required and aim to support the host, CTMUHB's Carbon Reduction Delivery Plans in accordance with emergency preparedness and civil contingency requirements as based on UKCIP 2009 weather projections to ensure that the organisation's obligation under the climate change Act and the Adaptation Reporting requirements are complied with.

WHSSC is committed to taking assertive action to reducing the carbon footprint through mindful commissioning activities, where possible providing services closer to home (via digital and virtual access where possible) and ensuring a delivery chain for service provision and associated capital that reflects our commitment. We will also seek to support staff considerations and behaviours for those actions that have a positive effect on decarbonisation for example reduced travel, efficient travel and use of electric vehicles where possible. With effect the commencement of the 2022-2023 year, all policies contain a decarbonisation statement and a focus on innovative ways of working.

WHSSC is committed to reducing the carbon footprint through mindful commissioning of services that take account the decarbonisation agenda,

enabling enhanced digital and virtual access for patients and through ethical consideration of staff actions and behaviours e.g. reduced travel, increased use of virtual engagement and, where feasible, use of electric vehicles. From 2022, all WHSSC commissioning policies had a focus on innovative ways of working including digital and remote clinics to support reducing the carbon footprint.

During 2023 WHSSC continued to embed the working practices that were, by necessity, introduced in 2020. WHSSC have adopted a blended and hybrid approach to office and remote working, reducing the need for travel, and we continue to run as many meetings as practically possible using online platforms including Microsoft Teams. Additionally, many of the WHSSC systems which moved to paperless processes have continued operating in this way and these have proven to be more efficient and reduces our impact on the environment. We will continue do adopt these practices going forward.

Increasing numbers of staff are purchasing electric vehicles via the NHS Fleet Solutions Scheme. As a consequence, WHSSC installed EV charging stations at its premises on 20 April 2022.

All our Electricity is Zero Carbon procured on an all-Wales basis under the Renewable Energy Guarantees of Origin (REGO) scheme. We have a smart meter installed and during 2022-2023 we monitored our office utilities and through the introduction of a Friday office closure we have been able to meet the Welsh Government 3% reduction target on the office energy use since this was introduced in September 2022.

NHS All Wales Clinical Waste and Municipal Waste Contracts are awarded through an NHS All Wales Tender Process managed by NWSSP Procurement services on behalf of NHS Wales. Our waste and recycling is processed by Veolia. 'Dry Mixed Recycling' (DMR) is collected and separated for recycling by Veolia. We also work with staff to raise awareness and understanding of the importance of waste segregation to ensure we can continue to meet our recycling targets.

6.9 Duty of Consultation

WHSSC works on behalf of the seven HBs and within the guidance on changes to NHS services in Wales to effectively engage and consult on changes to the services it commissions as required. For any necessary service change that WHSSC leads, it will work through the all Wales Engagement Leads group in order to utilise existing and established mechanisms at HB level. During 2023-2024 concerns were raised regarding the WHSSC Policy for Policies Document and its alignment with WG guidance on legislation around service change. Legal advice was given and a commitment was made to Llais and the Joint Committee that the document would be amended. This work is underway and the document will go out to consultation following the establishment of the new JCC.

6.10 Ministerial Directions 2023-2024

Ministerial Directions issued by the Welsh Government during 2023-2024 have been considered and where appropriate implemented. Whilst Ministerial Directions are received by NHS Wales organisations, these are not always applicable to WHSSC. Ministerial Directions issued throughout the year are listed on the Welsh Government website.

Welsh Health Circulars (WHCs) issued by Welsh Government are logged by the Corporate Governance Function. WHSSC has acted upon, and responded to all Welsh Health Circulars (WHC) issued during 2023-24 which were applicable to WHSSC. A list of WHC's issued by Welsh Government during 2023-24 is available [here](#).

During 2023-2024, the following Welsh Health Circulars (WHCs) were relevant to WHSSC:

WHC
WHC/2023/006 – Commencement of the Health and Social Care (Quality and Engagement) (Wales) Act 2020
WHC/2023/013 - Health and Care Quality Standards 2023
WHC/2023/017 – Patient safety incident reporting and management
WHC/2023/018 – Introduction of HL7 FHIR as a foundational standard in all NHS Wales Bodies
WHC/2023/019 – In support of prevention of suicide and self-harm
WHC/2023/022 – Armed Forces Covenant healthcare priorities
WHC/2023/023 – The National Influenza Immunisation Programme 2023 to 2024
Withdrawal of WHC/2023-042 – regarding annual quality statements
WHC/2023/032 – Amendments to Model Standing Orders and Model Standing Financial Instructions – NHS Wales
WHC/2023/036 – NHS Wales speaking up safely framework
WHC/2023/046 – All-Wales control framework for flexible workforce capacity
WHC/2024/005 - Private obesity surgery and the Welsh NHS
WHC/2023/041 – Refresh of the rare disease action plan 2022 to 2026

[WHC/2023/048](#) – Health Board allocations for 2024 to 2025

6.11 Data Security & Information Governance

The Committee Secretary is the Lead Officer link to the host CTMUHB in relation to Information Governance for WHSSC. An agreement has been made that the Medical Director of CTMUHB, as host organisation, will act as Caldicott Guardian for WHSSC. The Caldicott Guardian, is responsible for the protection of patient information. Guidance and support on Information Governance issues is obtained from the IG team at CTMUHB.

The Committee Secretary and the Head of Corporate Governance are members of the CTMUHB Information Governance Group. WHSSC completed the mandatory Information Governance toolkit annual assessment and information governance support is provided through our host, CTMUHB.

There were no WHSSC specific incidents relating to data security that required reporting to the Information Commissioner's Office (ICO) during 2023-2024.

6.12 UK Corporate Governance Code

Whilst there is no requirement to comply with all elements of the Corporate Governance Code for Central Government Departments, the Welsh Health Specialised Services Team (WHSST) considers that it is complying with the main principles of the Code where applicable, through operating within the scope of the governance arrangements for CTMUHB. The WHSST remains satisfied that it remains compliant with the main principles of the Code, is following the spirit of the Code to good effect and is conducting its business openly and in line with the Code. This has been informed by the Audit Wales "WHSSC Committee Governance Arrangements" Report. There were no reported/identified departures from the Code during the year.

6.13 Counter Fraud

The Counter Fraud Plan was designed to reduce the risk of fraud by reviewing those aspects of WHSSC business that have a residual fraud risk. During the year, the CTMUHB Audit & Risk Committee received regular Local Counter Fraud Progress Reports. These provided a summary of the work that had been undertaken by the Local Counter Fraud Services Team to deliver the Counter Fraud Plan.

6.14 Modern Slavery Act 205 – Transparency in Supply Chains

The Welsh Government's Code of Practice: Ethical Employment in Supply Chains was introduced to highlight the need, at every stage of the supply chain, to ensure good employment practices exist for all employees, both in the United Kingdom and overseas.

WHSSC adopts and complies with all CTMUHB procurement processes that embed the principles and requirements of the Code and the Modern Slavery Act 2015. WHSSC is committed to playing its role as a public sector employer, to eradicate unlawful and unethical employment practices, such as:

- Modern Slavery and Human right abuses,
- The operation of Blacklist / prohibited lists,
- False self-employment,
- Unfair use of umbrella schemes and zero hours contracts; and
- Paying the Living Wage.

During 2023-2024 WHSSC continued to take the following actions to deliver on the Code's commitments:

- It paid all staff above the minimum living rate (which is at Agenda For Change Band 2),
- It complies with the Raising Concerns (Whistleblowing) Policy, which provides the workforce with a fair transparent process, to empower and enable them to raise suspicions of any form of malpractice, by either out staff or suppliers / contractors working on our premises,
- It has a target in place to pay our suppliers within 30 days of receipt of a valid invoice,
- It does not engage or employ staff or work on Zero Hours Contracts,
- It follows a robust Recruitment and Selection Policy and Procedure, which ensure a fair and transparent process as prescribed by its host CTMUHB,
- WHSSC defers the CTMUHB Equality and Diversity Policy, which ensures that no potential applicant, employee or worker engaged by CTMUHB/WHSSC is in anyway unduly disadvantaged, in terms of pay, employment rights, employment, training and development of career opportunities,
- Use of the Transparency in Supply Chains (TISC) report – Modern Slavery Act (2015) compliance tracker through contracts procured and NWSSP Procurement Services on the CTMUHB's behalf.

6.15 NHS Pension Scheme

As an employer with staff entitled to membership of the NHS Pension Scheme, control measures are in place to ensure all employer obligations contained within the Scheme regulations are complied with. This includes ensuring that deductions from salary, employer's contributions and payments in to the Scheme are in accordance with the Scheme rules, and that member Pension Scheme records are accurately updated in accordance with the timescales detailed in the Regulations.

7.0 REVIEW OF EFFECTIVENESS

As Managing Director for Specialised and Tertiary Services Commissioning, NHS Wales, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the system of internal control is informed by the work of the internal auditors, and the officers within the organisation who have responsibility for the development and maintenance of the internal control framework, and comments made by external auditors and other reports.

Despite this not being a statutory obligation for WHSSC, it is a principle of good governance and best practice that all Wales NHS organisations should undertake a formal and rigorous annual evaluation of their own performance and that of their committees in accordance with the Standing Orders.

The IGC plays a central role in the scrutiny of a number of key governance mechanisms for which it provides assurances to the Joint Committee. The IGC is responsible for agreeing the organisation wide approach to the annual effectiveness self-assessment and for monitoring progress against any identified actions.

For the 2022-2023 assessment, a decision was taken to continue with the use of a Microsoft Forms questionnaire but a blended approach was developed that encouraged more narrative. The Committee Effectiveness Questionnaires were circulated on 6 April 2023. The 2022-2023 self-assessment survey was issued to all members on 30 March 2023.

The survey questions were derived from best practice guidance, including the NHS Audit Handbook, and adhered to the following principles:

- the need for sub-committees to strengthen their governance arrangements and support the JC in the achievement of the strategic objectives,
- the requirement for a committee structure that strengthens the role of the JC in strategic decision making and supports the role of Independent Members in challenging executive management actions,
- maximising the value of the input from Independent Members , given their limited time commitment, and
- supporting the JC in fulfilling its role, given the nature and magnitude of the WHSSC agenda.

A number of standard questions were included in the survey questionnaires to all committee members. In addition, the Chairs of each sub-committee meeting were also invited to consider some bespoke and individual questions for their sub-committee members to consider.

Overall, the surveys received a positive response and were reported to the Joint Committee in a comprehensive report on [18 July 2023](#). The feedback contributed to the development of a Joint Committee Development plan, which mapped out the development activities for the Joint Committee and its sub committees. A copy of all the development activities that have taken place during 2023-2024 can be found at **Appendix 3**.

As the corporate governance team are heavily involved in drafting the new governance frameworks for the new Joint Commissioning Committee, the Committee Effectiveness exercise for 2023-2024 will be limited to the Joint Committee.

In order to obtain a broad view of the Committee’s effectiveness, it is important to consider the additional mechanisms and tools, which are used in order to provide evidence that WHSSC’s systems of internal control are working effectively. By using the tools outlined in **Table 4** below to map the various sources of assurance issues, gaps in controls and/or gaps in assurance can be identified:

Table 4 – Tools to Review Effectiveness

Tool	Scope	Assurance Reporting
Corporate Risk Assurance Framework (CRAF)	This is an essential component of WHSSC’s internal control system and is used as a systematic and structured method of recording all risks (operational, financial and strategic) that threaten the achievement of WHSSCs objectives. This forms an integral part of day-to-day practices and culture, utilising a single co-ordinated approach to the identification, assessment and management of all types of risk.	The CRAF is presented to each QPSC, IGC and ARC meeting and is presented to the Joint Committee every 6 months. The operating framework for the CRAF is outlined in the Risk Management Strategy.

Tool	Scope	Assurance Reporting
Internal audit	Look at areas related to corporate governance, risk management and internal control.	The WHSSC Audit tracker outlines audits undertaken and progress being made against recommendations, and is presented to each ARC and IGC meeting.
External Audit	Look at areas related to corporate governance, risk management and internal control.	The Audit Wales Report on Committee Governance Arrangements was presented at JC, IGC and ARC meetings throughout 2022-2023. The tracking report was included on HB Audit Committee agendas to ensure that all NHS bodies were able to maintain a line of sight on the progress being made, noting WHSSC's status as a Joint Committee of each HB in Wales.
Internal Policies	Policies and procedures designed to give management a reasonable assurance that the company achieves its objectives	A report on operational policies is presented to the QPSC and IGC routinely for assurance. The WHSSC internal policy group oversee the management of all policies and report to CDGB. A policy update is also shared with QPSC and MG.
Regulatory and Legal	Compliance with regulatory and legislative frameworks.	Routine assurance reports to JC and sub committees and the Annual Governance Statement (AGS).
Stakeholder feedback	Receiving feedback from people (named or anonymous), whose views are considered helpful and relevant.	WHSSC obtain stakeholder feedback through formal consultation processes and through regular dialogue with the JC, sub committees, through attending peer group

Tool	Scope	Assurance Reporting
		meetings and 1 to 1 meetings.
Joint Assurance Framework (JAF)	Brings together in one place all of the relevant information on the risks to the achievement of strategic objectives. Known as a Board Assurance Framework (BAF) in HB's.	WHSSC made a commitment to introducing a JAF in the risk management strategy; however, this has not yet been developed and work is currently paused.

**Note this list is not exhaustive*

7.1 Internal Audit

Internal audit provide me as Managing Director and the Joint Committee, through the CTMUHB Audit & Risk Committee, with a flow of assurance on the system of internal control. I have commissioned a programme of audit work that has been delivered in accordance with public sector internal audit standards by the NHS Wales Shared Services Partnership (NWSSP). The scope of this work is agreed with the CTMUHB Audit & Risk Committee and is focussed on significant risk areas and local improvement priorities.

The overall opinion by the Head of Internal Audit on governance, risk management and control is a function of this risk based audit programme and contributes to the picture of assurance available to the Joint Committee in reviewing effectiveness and supporting our drive for continuous improvement.

The CTMUHB Audit & Risk Committee regularly reviews and considers the work and findings of the internal audit team. The Director of Audit and Assurance and the relevant Heads of Internal Audit have attended each meeting to discuss their work and present their findings. The CTMUHB Audit & Risk Committee is satisfied with the liaison and coordination between the external and internal auditors.

The following reviews were completed by Internal Audit during 2023-2024:

Audit Theme	Assessment Rating
Welsh Kidney Network (Deferred from 2022-2023)	Substantial Assurance
Integrated Commissioning Plan	Substantial Assurance
Mental Health	Rating awaited

For internal audit, the CTMUHB Audit & Risk Committee (ARC) monitored implementation of management actions agreed in response to reported

weaknesses. Reports were generated that enabled the ARC to understand operational and financial risks.

As WHSSC will no longer exist from 1 April 2024, there are no planned internal audits for 2024-2025 as of yet.

7.2 External Audit

The Auditor General for Wales is CTMUHB’s statutory external auditor and the Audit Wales undertakes audits on his behalf. Audit Wales scrutinises the Health Board’s financial systems and processes, performance management, key risk areas and the Internal Audit function. This includes the governance and finances of WHSSC.

As an organisation hosted by CTMUHB, the work of external audit is monitored by the CTMUHB Audit & Risk Committee through regular progress reports. The recommendations made are relevant and helpful in our overall assurance and governance arrangements and our work on minimising risk. There are clear and open relationships with officers and the reports produced are comprehensive and well presented.

In addition to WHSSC matters, the CTMUHB Audit & Risk Committee has been kept apprised by its external auditors of developments across NHS Wales and elsewhere in the public service. These discussions have been helpful in extending the Audit & Risk Committee’s awareness of the wider context of our work and specific updates have been provided

In May 2021, Audit Wales published the “[Committee Governance Arrangements at WHSSC](#)” which outlined the findings of the review undertaken between March and June 2020, and in July 2021 (as a result of the COVID-19 pandemic, aspects of the review were paused, and re-commenced in July).

The scope of the work included interviews with officers and independent members at WHSSC, observations from attending Joint Committee and sub-committee meetings, feedback from questionnaires issued to HB Chief Executive Officers and Chairs and a review of corporate documents.

The report outlined four recommendations for WHSSC and the three recommendations for Welsh Government as outlined below:

Audit Wales Recommendations	
WHSSC	
R1	Increase the focus on quality at the Joint Committee. This should ensure effective focus and discussion on the pace of improvement for those services in escalation and driving quality and outcome improvements for patients.
R2	Implement clear programme management arrangements for the introduction of new commissioned services. This should include clear and explicit milestones which are set from concept through to completion (i.e. early

in the development through to post implementation benefits analysis). Progress reporting against those milestones should then form part of reporting into the Joint Committee.

R3 In the short to medium term, the impact of COVID-19 presents a number of challenges. WHSSC should undertake a review and report analysis on:

- a. the backlog of waits for specialised services, how these will be managed whilst reducing patient harm.
- b. potential impact and cost of managing hidden demand. That being patients that did not present to primary or secondary care during the pandemic, with conditions potentially worsening.

The financial consequences of services that were commissioned and under-delivered as a result of COVID-19, including the under-delivery of services commissioned from England. This should be used to inform contract negotiation.

R4 The current specialised services strategy was approved in 2012. WHSSC should develop and approve a new strategy during 2021. This should:

- a. embrace new therapeutic and technological innovations, drive value, consider best practice commissioning models in place elsewhere, and drive a short, medium, and long-term approach for post pandemic recovery.
- b. be informed by a review of the extent of the wider services already commissioned by WHSSC, by developing a value-based service assessment to better inform commissioning intent and options for driving value and where necessary decommissioning.

The review should assess services:

- which do not demonstrate clinical efficacy or patient outcome (stop);
- which should no longer be considered specialised and therefore could transfer to become core services of HBs (transfer);
- where alternative interventions provide better outcome for the investment (change); currently commissioned, which should continue.

Progress against the WHSSC actions outlined within the management response are monitored through the Integrated Governance Committee (IGC) and the Joint Committee (JC).

Welsh Government

R5 Review the options to recruit and retain WHSSC independent members. This should include considering measures to expand the range of NHS bodies that WHSSC members can be drawn from, and remuneration for undertaking the role.

R6 This is linked to Recommendation 2 made to WHSSC in this report. When new regional or sub-regional specialised services are planned which are not the sole responsibility of WHSSC, ensure that effective multi-partner programme management arrangements are in place from concept through to completion (i.e. early in the development through to post-implementation benefits analysis).

R7 A Healthier Wales included a commitment to review the WHSSC arrangements along with other national hosted and specialist advisory functions. COVID-19 has contributed to delays in taking forward that action. It is recommended that the Welsh Government set a revised timescale for the action and use the findings of this report to inform any further work looking at governance and accountability arrangements for commissioning specialised services as part of a wider consolidation of current national activity.

Progress against the WG management responses is monitored through discussions between the Chair, the WHSSC Managing Director and the Director General Health & Social Services/ NHS Wales Chief Executive.

Progress against each recommendation is provided via an Audit Tracker document which was presented to the Joint Committee and the CTMUHB ARC during 2023-2024. The Joint Committee received and approved the tracker document on [21 November 2023](#). The ongoing scrutiny being undertaken through the IGC was noted.

All of the WHSSC actions have been completed.

The report outlined three recommendations for Welsh Government (WG) and progress against the WG management responses is monitored through discussions between the Chair, the WHSSC Managing Director and the Director General Health & Social Services/ NHS Wales Chief executive. At the time of writing, recommendation 5 has been completed, and Recommendations 6 & 7 are categorised as partially completed. These Welsh Government recommendations are linked to the recommendations to deliver a new national commissioning Joint Committee by 1 April 2024.

The Welsh Government recommendations have been captured in the WHSSC JC legacy statement.

Following closure of all remaining recommendations, a final report will be sent to the newly established Joint Commissioning Committee for assurance and then onto the Board Secretaries in HBs for inclusion on HB Audit Committee agendas before the Audit Wales Recommendations into Committee Governance Arrangements at WHSSC can be formally closed.

8.0 CONCLUSION

As indicated throughout this statement the extreme financial pressures and service challenges facing NHS Wales has had a significant impact on the organisation, the wider NHS and society as a whole. It has required a dynamic response that has presented a number of opportunities and risks. WHSSC has sought to support commissioned services to recover and return to a position of pre-COVID activity, with variable achievement across our providers. As a result, Performance Management arrangements were re-instated during 2023-2024 to

ensure that high quality services continue to be commissioned for the Welsh population. I will ensure our Governance Framework considers and responds to this need.

WHSSC came to an end on 31 March 2024 and the new NHS Wales Joint Commissioning Committee was formed on 1 April 2024 and will be led by an interim Chief Commissioner.

A Legacy Statement was developed and was received by the programme to deliver the new NHS Wales Joint Commissioning Committee link here:

jcc.nhs.wales/the-committee/meeting-dates-and-papers/april-2024/2-4-5-appendix-5-whssc-legacy-statement/

As Managing Director, based on the assurance process outlined above, I have reviewed the relevant evidence and assurances in respect of internal control. I can confirm that the WHSST are alert to their accountabilities in respect of internal control and that that no significant internal control or governance issues have been identified.

In summary, my review confirms that the WHSCC has sound systems of internal control in place to support the delivery of policy aims and objectives and that there were no significant internal control issues to report for 2023-2024.

Dr Sian Lewis



Managing Director of Specialised and Tertiary
Services Commissioning, NHS Wales

Date: 28 March 2024

Appendix 1

Table 1 - of Membership and Attendance for the Joint Committee 2023 - 2024

Name	Position	Organisation	Attendance at Meetings 2023-2024
Non Officer Members			
Kate Eden	Chair	Welsh Health Specialised Services Committee	8/8
Ceri Phillips	Member (until 30 June 2023)	Vice Chair, Cardiff and Vale UHB	0/1
Steve Spill	Member	Independent Member, Swansea Bay University Health Board	6/8
Chantal Patel	Member and Vice Chair (from 19 September 2023)	Independent Member, Hywel Dda University Health Board	7/8
Carolyn Donoghue	Member (from 1 July 2023)	Independent Member, Cwm Taf Morgannwg University Health Board	7/7
Chief Executive Members*			
Richard Evans	Member (from 1 September 2023)	Interim Chief Executive, Swansea Bay UHB	5/5
Mark Hackett	Member (until 31 August 2023)	Chief Executive, Swansea Bay UHB	2/3
Paul Mears	Member	Chief Executive, Cwm Taf Morgannwg UHB	8/8
Steve Moore	Member	Chief Executive, Hywel Dda UHB (until 29 February 2024)	6/6
Philip Kloer	Member (from 12 February 2024)	Interim Chief Executive, Hywel Dda UHB (from February 2024)	2/2
Suzanne Rankin	Member	Chief Executive, Cardiff & Vale UHB	7/8
Carol Shillabeer	Member	Interim Chief Executive, Betsi Cadwaladr UHB (substantive	8/8

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Appendix 8

Name	Position	Organisation	Attendance at Meetings 2023-2024
		appointment from 1 February 2024)	
Hayley Thomas	Member	Interim Chief Executive, Powys teaching HB until substantive appointment in February 2024.	8/8
Nicola Prygodzicz	Member	Chief Executive Officer, Aneurin Bevan UHB	8/8
Welsh Health Specialised Services Officers/Members			
Carole Bell	Officer Member	Director of Nursing and Quality Assurance	5/8
Stuart Davies	Officer Member (until 31 July 2023)	Director of Finance	2/2
Iolo Doull	Officer Member	Medical Director	5/8
Sian Lewis	Officer Member	Managing Director	8/8
James Leaves	Officer Member (from 1 August 2023 until 22 October 2023)	Acting Director of Finance	2/2
Stacey Taylor	Officer Member (from 23 October 2023)	Director of Finance	4/4
Nicola Johnson **	Officer	Director of Planning and Performance	8/8
Jacqui Evans **	Officer	Committee Secretary	8/8
Associate Members			
Tracey Cooper	Associate Member	Chief Executive, Public Health Wales NHS Trust	0/8
Steve Ham	Associate Member	Chief Executive, Velindre NHS Trust	0/8
Jason Killens	Associate Member	Chief Executive, Welsh Ambulance Service NHS Trust	0/8
Independent Chair WKN			
Ian Phillips	Affiliate Member	Independent Member, Powys Teaching HB	4/8

* In person or represented by a nominee in accordance with the Joint Committee SOs.

** As per the Standing Orders the Director of Planning and Committee Secretary are not voting members of the JC but are both regular attendees.

Appendix 2

Table 2 – Dates of Joint Committee Meetings 2023-2024

The following table outlines the dates of Joint Committee meetings and joint sub-committee meetings held during 2023-2024.

	2023									2024		
	Apr	May	Jun	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Joint Committee		16		18		19		21		30		19
Joint Committee (extraordinary)					01						27	
Integrated Governance	18		13		15		25		13**		14	
All Wales IPFR Panel	06 20	04* 18	01 15*	06* 20	03 17	07 21*	05 19	15 28	13*	03 17*	7* 21	6 20
Management Group	27	25	22	27	24	28	26	23	14	25	22	28
Quality & Patient Safety	18		14		16		23		05**		19	
Welsh Renal Clinical Network	04	31					03		06		01	

**Inquorate - All meetings were quorate with the exception of the IPFR panel. During these times, the Chair's Action arrangement outlined in the Terms of Reference (ToR) was used to ensure business continuity for urgent cases.*

*** Cancelled*

Joint Committee Development Plan 2023-2024

Meeting Date	Topic	Plan for Delivery and Evaluation
Joint Committee		
<u>17 April 2023</u>	<p>Specialised Services Commissioning Strategy Workshop To request JC to consider and contribute to a discussion on the strategic aims for understanding, reasonableness, and relevance to support the direction of travel and strategic intent for the commissioning of specialised services for the next 5 to 10 years. The workshop specifically focused on the following areas;</p> <ul style="list-style-type: none"> • Pathway management • Performance management • Once for Wales commissioning approach • Care closer to home 	<ul style="list-style-type: none"> • Through the success measures • Annual Committee Effectiveness survey 2023-2024
<u>16 May 2023</u>	<p>Specialised Services Commissioning Strategy Presentation JC meeting on 16 May 2023 presented an updated Strategy for approval following the April 2023 workshop.</p>	<ul style="list-style-type: none"> • Through the success measures • Annual Committee Effectiveness survey 2023-2024
	<p>WHSSC & HB Shared Pathway Savings Target – Milestones on Governance System & Process A presentation outlining the governance system and process for the Joint</p>	<ul style="list-style-type: none"> • Delivery of the ICP 2023-2024 reports • Annual Committee Effectiveness survey 2023-2024

Meeting Date	Topic	Plan for Delivery and Evaluation
	<p>Committee to monitor achievement of the 1% WHSSC and HB shared pathway savings target, which had been requested by the Committee following approval of the Integrated Commissioning Plan (ICP) 2023-2024 on 13 February 2023 was provided.</p>	
<p>18 July 2023</p>	<p>NHSE Funding Growth / Impact on Providers A presentation outlining the variation in growth in specialised services across the UK compared to other services was provided.</p>	<ul style="list-style-type: none"> • Through the new JCC • Annual Committee Effectiveness survey 2022-2023
<p>19 September 2023</p>	<p>ATMP's/Genomics Update Strategic piece covering the next phases of expansion/development in ATMPs and genomics delivery in Wales.</p> <p>A presentation was delivered outlining how the All Wales Medical Genomics Service (AWMGS) was leading the way in the Rare Disease, Cancer, Pharmacogenomics and Mental Health areas of Genomics. The presentation covered the work being taken forward in prevention, diagnosis and targeted treatments being used where there is a clinical need.</p>	<ul style="list-style-type: none"> • Through the new JCC • Annual Committee Effectiveness survey 2022-2023

Meeting Date	Topic	Plan for Delivery and Evaluation
	<p>Development of the Integrated Commissioning Plan (ICP) 2024/25 In-committee discussion took place around the financial options.</p>	<ul style="list-style-type: none"> • Delivery of the ICP for 2024/25 reporting to the new JCC
8 November 2023	<p>Escalation & De-Escalation Framework A session for Independent Members to provide an overview of the development of the Escalation Framework with examples of where this has worked well.</p>	<ul style="list-style-type: none"> • Through Performance Reporting and the QPSC Committee • Annual Committee Effectiveness survey 2023-2024
November 2023	<p>Paediatric Workshop The workshop provided Joint Committee members with an update regarding the current challenges for a number of key WHSSC commissioned services within the Childrens Hospital for Wales (CHfW). Paediatric Intensive Care, Paediatric Surgery and Neonates, all 3 services at level 3 of the WHSSC escalation process were discussed with an agreement on next steps.</p>	<ul style="list-style-type: none"> • Through Performance Reporting • Annual Committee Effectiveness survey 2023-2024
21 November 2023	<p>Financial Savings Update A presentation reporting the current position against the financial savings targets was provided.</p>	<ul style="list-style-type: none"> • Through the approval process for the ICP – JC approval
	<p>Draft Integrated Commissioning Plan (ICP)</p>	<ul style="list-style-type: none"> • Through the approval process for the ICP – JC approval

Meeting Date	Topic	Plan for Delivery and Evaluation
	An Early draft of the ICP for 2024-2025 was shared with the JC for comment.	
12 December 2023	Integrated Commissioning Plan (ICP) Workshop Scenarios presented and Risk Assessment and Choices Approach discussed and feedback to be incorporated into the final ICP 2024-2025.	<ul style="list-style-type: none"> • Through the approval process for the ICP – JC approval
30 January 2024	Advanced Therapeutic Medical Products (ATMP) Integrated Commissioning Plan (ICP) 2024-2025 Presentation	<ul style="list-style-type: none"> • JC approval
27 February 2024	Integrated Commissioning Plan (ICP) – Extraordinary JC meeting	<ul style="list-style-type: none"> • The ICP was not approved
19 March 2024	Integrated Commissioning Plan (ICP)	<ul style="list-style-type: none"> • The ICP was approved
Quality & Patient Safety Committee/Integrated Governance Committee		
18 April 2023	Major Trauma Presentation A presentation which outlined the background of the South Wales Trauma Network (SWTN) and provided an update following the Peer Review was provided.	<ul style="list-style-type: none"> • Through the JCC • Annual Committee Effectiveness survey 2023-2024
14 June 2023	Immunology Patient Story	<ul style="list-style-type: none"> • Through the JCC

Meeting Date	Topic	Plan for Delivery and Evaluation
		<ul style="list-style-type: none"> • Annual Committee Effectiveness survey 2023-2024
16 August 2023	<p>Wheelchair Services Deep Dive Presentation and Patient Story An informative presentation outlining the functions of the Posture and Mobility service and the services it provides for children, young people and adults was provided.</p> <p>Welsh Kidney Network Presentation A presentation outlining the impact of kidney disease and treatment options for patients with advanced kidney failure was provided.</p> <p>Information regarding the main role of the WKN as the commissioner for all adult kidney specialised services in Wales was provided. The presentation explained the structure and role of WKN and highlighted the current commissioning responsibilities.</p>	<ul style="list-style-type: none"> • Through the JCC • Annual Committee Effectiveness survey 2023-2024
23 October 2023	<p>Annual QPSC Development Day Topics included the Duty of Quality, Patient Safety Incident Response Framework (PSIRF).</p>	<ul style="list-style-type: none"> • Through Feedback and evaluation obtained from participants •
19 February 2024	Mental Health Deep Dive and Neuro-rehabilitation Patient Story	<ul style="list-style-type: none"> • Through the JCC • Annual Committee Effectiveness survey 2023-2024

Meeting Date	Topic	Plan for Delivery and Evaluation
Individual Patient Funding Request Panel (IPFR)		
16 May 2024	IPFR Workshop - Completing IPFR application forms - training for clinicians Assessing value for money Comparators Example case studies	<ul style="list-style-type: none"> • Through evaluation captured from participants
Welsh Kidney Network		
Various	Peer Reviews, Units	<ul style="list-style-type: none"> • WKN governance review and WKN Board
Various	Audit Days	<ul style="list-style-type: none"> • Final Audit Reports – WKN Board
Management Group		
27 April 2023	Specialised Services Commissioning Strategy Update	<ul style="list-style-type: none"> • Through the JCC • Annual Committee Effectiveness survey 2023-2024
22 June 2023	CVUHB Shaping Our Future Wellbeing Strategy	<ul style="list-style-type: none"> • Through the JCC • Annual Committee Effectiveness survey 2023-2024
	Presentation to introduce new Performance Report	<ul style="list-style-type: none"> • Through the JCC • Annual Committee Effectiveness survey 2023-2024
	Recommissioning and Efficiency Update	<ul style="list-style-type: none"> • Through the JCC

Meeting Date	Topic	Plan for Delivery and Evaluation
		<ul style="list-style-type: none"> • Annual Committee Effectiveness survey 2023-2024
27 July 2023	Update on single commissioner for Secure Mental Health Services	<ul style="list-style-type: none"> • Through the JCC • Annual Committee Effectiveness survey 2023-2024
24 August 2024	Financial Savings (10/20/30%) – Reducing the Deficit	<ul style="list-style-type: none"> • Through the JCC • Annual Committee Effectiveness survey 2023-2024
26 October 2023	Clinical Strategies Workshop	<ul style="list-style-type: none"> • Through the JCC • Annual Committee Effectiveness survey 2023-2024
23 November 2023	Specialised Services Commissioning Strategy – Success Measures	<ul style="list-style-type: none"> • Through the JCC • Annual Committee Effectiveness survey 2023-2024
14 December 2023	ICP Update and updated Risk Assessment	<ul style="list-style-type: none"> • Through the JCC • Annual Committee Effectiveness survey 2023-2024
18 January 2023	ICP Workshop	<ul style="list-style-type: none"> • Through the JCC • Annual Committee Effectiveness survey 2023-2024
22 February 2023	ICP Workshop	<ul style="list-style-type: none"> • Through the JCC • Annual Committee Effectiveness survey 2023-2024