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

Annual Governance Statement 2020-21

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1 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:
Equitable access to safe, effective and sustainable specialist services for the people of Wales, as close to patients' homes as possible, within available resources

In order to achieve this aim, WHSSC works closely with each of the 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](#).

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.

WHSSC does not have a statutory duty to produce an Annual Governance Statement 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.

2 GOVERNANCE FRAMEWORK

In accordance with regulation 12 of the Regulations, each LHB in Wales must agree Standing Orders for the regulation of Joint Committee proceedings and business. These Joint Committee Standing Orders (Joint Committee SOs) form a schedule to each LHB's own Standing Orders, and have effect as if incorporated within them. The Joint Committee Standing Orders were substantially revised under [Welsh Health Circular \(WHC\) 2019 027](#) and approved by LHBs for adoption in November 2019. During the year some minor changes have been incorporated into the WHSSC Standing orders to comply with Ministerial Directions and these are detailed in section 6.2.

Together with the adoption of a scheme of decisions reserved to the Joint Committee; a scheme of delegations to officers and others; and, Standing Financial Instructions (SFIs), the Joint Committee SOs provide the regulatory framework for the business conduct of the Joint Committee.

These documents, together with a Memorandum of Agreement setting out the governance arrangements for the seven LHBs and a hosting agreement between the Joint Committee and CTMUHB form the basis upon which the Joint Committee's Governance and Accountability Framework is developed. This, together with the adoption of a Values and Standards of Behaviour Framework, is designed to ensure the achievement of the standards of good governance set for the NHS in Wales.

A copy of the 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 Joint Committee is accountable for Governance, Risk Management and Internal Control. As Managing Director for Specialised and Tertiary Services Commissioning, NHS Wales, I have the responsibility for maintaining appropriate governance structures and procedures as well as a sound system of internal control that supports achievement of the Joint Committee's policies, aims and objectives; and to report the adequacy of these arrangements to the Chief Executive of CTMUHB. Under the terms of the establishment arrangements, CTMUHB is deemed to be held harmless and have no additional financial liabilities beyond its own population.

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.

Professor Vivienne Harpwood stood down from her role as Interim Chair with effect from 31 September 2020 and Kate Eden took up the Chairmanship of the Joint Committee with effect from 1 October 2020. Paul Griffiths left his role as Independent Member with effect from 31 December 2020 and his replacement, Professor Ian Wells, commenced as an Independent Member on 1 May 2021. Ian Phillips agreed to stand for a further two years as an Independent Member from 1 April 2021. Emrys Elias left his role as an Independent Member with effect from 31 May 2021 and his replacement, Professor Ceri Phillips, commenced as an Independent Member on 1 June 2021.

WHSSC has historically appointed the Chair of the Welsh Renal Clinical Network (WRCN) as a non-statutory Affiliate Member. Dr Kieron Donovan was appointed interim chair of the WRCN from 1 April 2019, so joined the Joint Committee as an Affiliate Member at that time. Kieron was appointed to the permanent role of Chair of the WRCN from 1 February 2020 and retired on 26 March 2021. A replacement Chair for the WRCN is currently being sought.

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.

Joint Committee papers and confirmed minutes are available here:

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

In accordance with WHSSC Standing Order 3, the Joint Committee may and, 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).

2.2 Joint Sub-Committees and Advisory Groups

The Joint Committee structural diagram can be found on page 12.

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
- Management Group
- Quality & Patient Safety Committee
- Welsh Renal Clinical Network

The **All Wales Individual Patient Funding Request (IPFR) Panel (WHSSC)** holds delegated Joint Committee authority to consider and make decisions on requests to fund NHS healthcare for patients who fall outside the range of specialised services and treatments that a Health Board has agreed to routinely provide.

The **Integrated Governance Committee** scrutinises evidence and information brought before it in relation to activities and potential risks which impact on the services provided and provides assurance to the Joint Committee that effective governance and scrutiny arrangements are in place across the organisation.

The **Management Group** 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 2020-21 the Group held two workshops on the development of the Integrated Commissioning Plan for 2021-22 on the 22 October 2020 and the 12 December 2020.

The **Quality & Patient Safety Committee** 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.

During 2020-21 a successful development day took place on 15 September 2020 and during this session the Terms of Reference for the Quality & Patient Safety Committee were reviewed and refreshed as part of the ongoing development to strengthen quality performance and reporting within the organisation.

The **Welsh Clinical Renal Network** 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.

The Terms of Reference for the Welsh Clinical Renal Network will be reviewed in 2021-22 as part of the sub-committee's ongoing development.

2.2.2 Advisory Groups and Networks

The Joint Committee also established three advisory groups in the discharge of its functions:

- NHS Wales Gender Identity Partnership Group
- All Wales Mental Health and Learning Disability Collaborative Commissioning Group
- All Wales Posture & Mobility Partnership Board

In April 2016, the **All Wales Gender Identity Partnership Group (AWGIPG)**, (formally known as the All Wales Gender Dysphoria Partnership Board) was established to advise the Joint Committee on the development of a NHS Wales Strategy for Gender Dysphoria Services. In 2019, key elements of the strategy were realised, with the commencement of an interim all Wales Welsh Gender Service hosted by Cardiff & Vale University Health Board (CVUHB), supplemented by local gender teams in each health board and a Direct Enhanced Service direction issued by Welsh Government to General Practice. As this graduated model of care is now in place, the focus needed to shift to the co-ordination and consistency in development of the pathway across primary, secondary and tertiary care to move to a longer term integrated model.

The Joint Committee supported the proposal to disband the AWGIPG and supported the recommendation to consider the development of a Managed Clinical Network hosted outside of WHSSC in its meeting on 10 November 2020.

The **All Wales Mental Health and Learning Disability Collaborative Commissioning Group was established to** advise the Joint Committee on issues regarding the development of secure mental health services for Wales. The Group ensured that there was a co-ordinated approach to secure services across Wales and that the benefits of working collaboratively were realised. The purpose of this Group was subject to review during 2019-20 because of changes to the structure of mental health advisory functions. It is anticipated that the learning disability aspects previously incorporated in the function of the Group will be incorporated elsewhere during 2021-22 and the Group will be disbanded.

The **All Wales Posture and Mobility Services Partnership Board** was established in 2011 to monitor the service's delivery against the key performance and quality indicators, in order to provide assurance to the Joint Committee that the service was delivering in line with the All Wales Service Specification and to advise the Joint Committee on the commissioning strategy for Posture and Mobility services, including identification of, and supporting opportunities for embedding co-production as a core principle of the commissioning strategy. Having achieved its main objectives, namely to ensure that there is equitable access to safe and effective Posture and Mobility services across Wales, the decision was taken by Joint Committee on 9 March 2021 to disband the All Wales Posture and Mobility Services Partnership Board. The Joint Committee agreed that the Posture and Mobility Service providers across Wales and WHSSC would continue to engage with local user groups and third sector partners, when appropriate, to support service developments and that in order to ensure that this continues, WHSSC would organise twice yearly Stakeholder and Partnership Engagement events to supplement the Risk, Assurance and Recovery meetings.

2.3 Committees of the Host Organisation

2.3.1 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, to support 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 CTMUHB Audit & Risk Committee meetings for agenda items concerned with WHSSC business.

2.3.2 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, Quality & Safety Committee when appropriate.

2.4 Joint Committee and Joint Sub-Committees meetings

Ordinarily the Joint Committee is required to meet in public. As a result of the public health risk linked to the COVID-19 pandemic there have been limitations on public gatherings and it has not therefore been possible to allow the public to attend all meetings of the Joint Committee during 2020-2021.

At the outset of the pandemic, in order to ensure the appropriate level of Joint Committee oversight and scrutiny to discharge its responsibilities effectively, whilst recognising the reality of executive focus for Joint Committee members and WHSSC Officers, and time constraints, during the pandemic, temporary variations from the WHSSC Governance and Accountability Framework were made and communicated to Joint Committee Members on 21 April 2021.

These included the adoption of the governance principles developed by Welsh Government in conjunction with the Welsh NHS Board Secretaries Group.

At the outset it was agreed that Joint Committee meetings would be held, only if required, potentially with a shortened 'consent agenda' and on a 'quorum basis' in line with the Joint Committee SOs.

Given that the Joint Committee could not meet in person, virtual meetings and electronic communication became key to the Joint Committee's functionality. As a result of this, initially members of the public were unable to attend in person or observe.

To ensure business was conducted in as open and transparent a manner as possible, during this time the following actions were taken:

- Joint Committee papers were routinely published two weeks prior to meetings, so far as possible,
- Written questions were invited from members to be received one week prior to meetings and responses were published prior to meetings,

- Written briefings of the key components of meetings were published as soon as possible after meetings.

At the outset of the pandemic the website (which gives our official notice of Joint Committee meetings) explained why the Joint Committee was not meeting in public. This notice was further updated to include a statement which invited anybody wishing to attend a meeting to contact the organisation in advance to determine what arrangements were possible. During the Joint Committee meeting held on 9 March 2021, for the first time during the pandemic, a member of the public observed the public meeting via Microsoft Teams.

The following table indicates the months during which meetings of the Joint Committee and joint sub-committee meetings were held during 2020-21.

	2020									2021		
	Apr	May	Jun	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Joint Committee												
Joint Committee (extraordinary)												
Integrated Governance							N/A					
All Wales IPFR Panel	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Management Group	N/A											
Quality & Patient Safety												
Welsh Renal Clinical Network												

The pandemic continued to cause disruption to some sub-committee meetings scheduled to take place in the year. The April 2020 Management Group and October 2020 Integrated Governance Committee meetings were cancelled. The All Wales IPFR Panel meetings for 2020-21 were cancelled from March 2020 and IPFR requests were dealt with virtually and Chair's Actions were undertaken on an almost weekly basis. From March 2021 All Wales IPFR Panel meetings were reinstated with meetings being held twice monthly.

The membership of the Joint Committee and member's attendance can be found on page 13.

2.5 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 as well as setting 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.

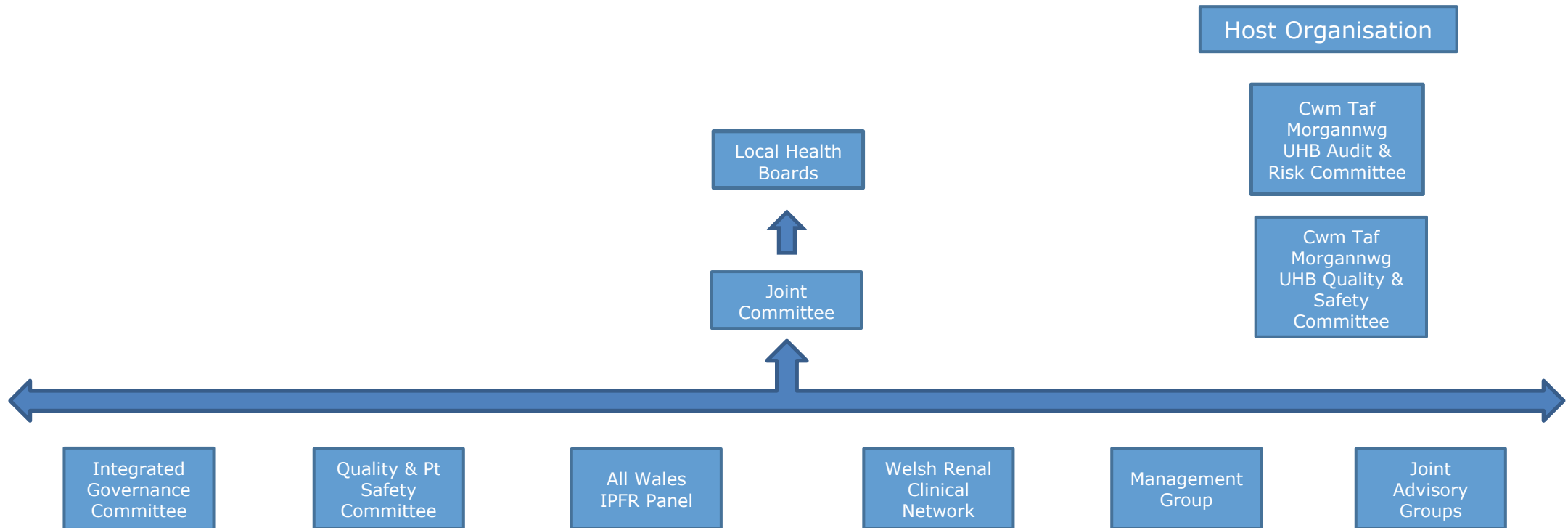
An updated WHSSC Standards of Behaviour Policy was approved on 13 January 2021 and a copy of this policy can be found on the WHSSC website.

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

A register of interests is maintained and is available on request or through the WHSSC publication scheme and is available on the WHSSC website:

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

Joint Committee Structure



Joint Committee members in post during the financial year 2020-21:

Name	Role	Organisation	Attendance at Meetings 2020-2021
Non Officer Members			
Vivienne Harpwood	Interim Chair (until 31 September 2020)	Welsh Health Specialised Services Committee	3/3
Kate Eden	Chair (from 1 October 2020)	Welsh Health Specialised Services Committee	5/5
Emrys Elias	Vice Chair	Independent Board Member, Aneurin Bevan UHB	5/8
Paul Griffiths	Member and Audit Lead (until 31 December 2020)	Independent Board Member, Cwm Taf Morgannwg UHB	2/6
Ian Phillips	Member	Independent Member, Powys Teaching HB	7/8
Chief Executive Members*			
Simon Dean	Member (until 31 August 2020)	Interim Chief Executive, Betsi Cadwaladr UHB	1/2
Mark Hackett	Member (from 1 January 2021)	Chief Executive, Swansea Bay UHB	2/2
Gill Harris	Member (from 1 September 2020 until 31 December 2020)	Interim Chief Executive, Betsi Cadwaladr UHB	3/4
Sharon Hopkins	Member (until 31 August 2020)	Interim Chief Executive, Cwm Taf Morgannwg UHB	2/2
Paul Mears	Member (from 14 September 2020)	Chief Executive, Cwm Taf Morgannwg UHB	5/5
Steve Moore	Member	Chief Executive, Hywel Dda UHB	7/8
Tracy Myhill	Member (until 31 December 2020)	Chief Executive, Swansea Bay UHB	4/6
Judith Paget	Member	Chief Executive, Aneurin Bevan UHB	7/8
Len Richards	Member	Chief Executive, Cardiff and Vale UHB	8/8
Carol Shillabeer	Member	Chief Executive, Powys Teaching HB	8/8
Jo Whitehead	Member (from 1 January 2021)	Chief Executive, Betsi Cadwaladr UHB	2/2
Welsh Health Specialised Services Officer Members			
Carole Bell	Officer Member	Director of Nursing and Quality Assurance	7/8
Stuart Davies	Officer Member	Director of Finance	8/8
Iolo Doull	Officer Member (from 1 November 2020)	Interim Medical Director	5/6
Sian Lewis	Officer Member	Managing Director	8/8
Jennifer Thomas	Officer Member (until 31 October 2020)	Medical Director	2/2

Name	Role	Organisation	Attendance at Meetings 2020-2021
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
Affiliate Members			
Kieron Donovan	Affiliate Member (until 26 March 2021)	Chair of the Welsh Renal Clinical Network	5/7

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

3 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 2021 and up to the date of approval of the annual accounts.

As Managing Director for Specialised and Tertiary Services Commissioning, NHS Wales, I have responsibility for maintaining a sound system of internal control that supports the achievement of the organisation's policies, aims and objectives and need to be satisfied that appropriate policies and strategies are in place and that systems are functioning effectively.

The Joint Committee's joint sub-committees assist in providing these assurances and I am supported by the Head of Internal Audit's annual work programme, reports and opinion on the effectiveness of our system of internal control.

An Independent Member of the Joint Committee is a Member of the CTMUHB Audit & Risk Committee. Paul Griffiths was that Independent Member until 31 December 2020 and a replacement for him, Professor Ian Wells, was appointed with effect from 1 May 2021.

The links with joint sub-committees, previously established through the Integrated Governance Committee, continue. The Integrated Governance Committee is chaired by the Chair of the Joint Committee and the Members include the Independent Member Chairs of the WHSSC joint sub-committees.

A summary briefing from each Joint Committee meeting is circulated to all LHBs and Welsh NHS Trusts for reporting to their Boards. The confirmed minutes of Joint Committee meetings are available on the WHSSC [website](#).

Each joint sub-committee and advisory group is required to submit a Chair's report to the Joint Committee following each meeting, to ensure that an integrated and efficient approach to risk management is maintained within the organisation. The report summarises the issues discussed at the joint sub-committee or advisory group meeting and any items for escalation to the Joint Committee. Joint Committee Members

also have access to the minutes of the joint sub-committee or advisory group.

During this year WHSSC has developed an Assurance Map summarising the assurance mechanisms within WHSSC and how this assurance is provided through the joint sub-committees and to the Joint Committee.

WHSSC's Strategic Aim: On behalf of the health boards, to ensure that there is equitable access to safe, effective and sustainable specialist services for the people of Wales, as close to patients' homes as possible, within available resources.

Aim/Objective	Primary	Secondary	Assurance bodies
Service quality	Integrated Performance Reports/ Commissioner Assurance Framework Commissioning Team Quality Reports NHSE Quality Surveillance Information System (QIS) portal	Quality meetings with providers Provider SUI/SI (Serious Untoward Incident/Serious Incident) reports SLA (Service Level Agreement) meetings with providers Quality and Patient Safety Committee (Q&PSC) Chair's report to Joint Committee (JC)	Quality & Patient Safety Committee/ Joint Committee
	Escalation framework/ process and table – Initially to Corporate Directors Group Board (CDGB)	Escalation review meetings with providers Q&PSC Chair's report to JC	Quality & Patient Safety Committee/ Joint Committee
Service performance/ activity	Integrated Performance Reports/ Commissioner Assurance Framework – Initially to CDGB	SLA meetings with providers	Management Group/ Joint Committee
	Activity Reports – Initially to CDGB		Management Group/ Joint Committee
Financial performance	Monthly Finance Report – Initially to CDGB	SLA meetings with providers	Management Group/ Joint Committee

Risk identification and management	Commissioning Teams/ Directorates/ Organisation-wide – Risk identification and Risk registers	Corporate Risk and Assurance Framework (CRAF) Reporting – Initially to CDGB*	Audit Committee/ Integrated Governance Committee/ Quality& Patient Safety Committee/ Joint Committee
Development and deployment of the Integrated Commissioning Plan (ICP)	Periodic reports – Initially to CDGB		Management Group/ Joint Committee
	Periodic reports to Integrated Governance Committee	Integrated Governance Committee (IGC) Chair’s report to JC	Integrated Governance Committee

*CDGB WHSSC –Corporate Directors Group Board

4 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 2021 and up to the date of approval of the Annual Governance Statement and accounts.

4.1 Risk Appetite

In 2015-16, the Joint Committee agreed to adopt the Good Governance Institute Model Matrix on defining Risk Appetite for Specialised Services.

The risk appetite statement is the driver for implementing our priority areas. It provides staff with clear expectations on how risks should be managed and a common acceptance of the importance of continuous management of risk.

4.2 The Risk and Assurance Framework

Risk management (for risks other than health and safety) is embedded in the activities of WHSSC through the WHSSC Risk Management Framework and associated operating procedures.

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, the joint sub-committees and the Joint Committee.

The CRAF is informed by risks identified by the Directorates and Commissioning Teams. 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. The Joint Committee receives the CRAF twice yearly.

A revised Risk Management Strategy was developed during 2020-21 and was approved by the Joint Committee in [May 2021](#).

The revised Risk Management Strategy brings the assessment of risk into line with CTMUHB, as host organisation, so that in the future reporting of risk will be based on a single risk score moving from the previous practice of risks being assessed against multiple domains with multiple scores.

The Directorate and Commissioning Teams have begun re-assessing the previously identified risks and any new risks on this basis.

The revised Risk Management Strategy continues to require that any risks scoring 15 or above are escalated to the CRAF for consideration by the Corporate Directors Group Board, the joint sub-committees and the Joint Committee.

The CRAF will be continuously reviewed in line with the revised Risk Management Strategy.

Under the hosting agreement with CTMUHB, WHSSC complies with the Health Board's Risk Management Policy and Risk Assessment Procedure for its health and safety risks.

4.3 Managing Risk in the Pandemic

Whilst the organisation has a major incident and business continuity plan in place that serves well, the scale and impact of the COVID-19 pandemic was unprecedented. As a consequence, action was taken to prepare for and respond to the likely impact on the organisation and the commissioning of specialised services. A number of new and emerging risks associated with the pandemic were identified.

At its meeting in July 2020 the Joint Committee was briefed on a number of risks occurring as a consequence of the pandemic, which had been captured on a separate COVID-19 Risk Register that continues to be monitored.

The organisation continues to work closely with a wide range of partners, including Welsh Government, as it continues with its response to the pandemic and its planning into the recovery phase. It will be necessary to ensure this is underpinned by robust risk management arrangements and the ability to identify, assess and mitigate risks which may impact on the ability of the organisation to achieve its objectives.

Many specialised services are not being delivered in the same way that they were prior to the pandemic. Additionally, there is a broader system risk of equity of access to services and the breakdown of pathways through primary and secondary care, meaning that patients are not flowing into tertiary care in the same way that they were prior to the pandemic. Although this is not a risk that WHSSC can manage there is a clear concern regarding how patients' access specialised services. The financial framework mandated across both NHS Wales and NHS England and the standing down of non-urgent services and performance reporting means that WHSSC has also had to consider how it manages a new range of risks.

A level of uncertainty remains regarding the overall impact this will have on the immediate and longer term delivery of services commissioned by

WHSSC; however, as Managing Director for Specialised and Tertiary Services Commissioning, NHS Wales, I am confident that all reasonable and appropriate risk management action is being taken.

5 THE CONTROL FRAMEWORK

5.1 Integrated Plan for Commissioning Specialised Services

The Integrated Commissioning Plan (ICP) is the vehicle through which WHSSC establishes its strategic direction and commissioning aims for specialised services, within the Ministerial priorities (as they apply to WHSSC) of equal access to all residents of Wales, the decarbonisation agenda and provision of care as close to home as possible.

WHSSC's commissioning intentions and associated performance monitoring were reset and described in the 2019-22 ICP to include more explicit, measurable intentions to measure achievement against. However, it was recognised that in the COVID-19 environment the commissioning intentions needed to be revisited, along with a new commissioner assurance framework, with revised quality and performance measures which in particular address the Welsh Government published framework 'Leading Wales out of the COVID-19 pandemic: A framework for recovery'.¹

Within this context, the Joint Committee agreed to reset the WHSSC commissioning intentions at its meeting on 14 July 2020 to the following:

1. Reduce the harms related to COVID-19. Our key focus will be restoring access to specialised services which reduced during the early phases of the pandemic,
2. Ensuring that strategically important fragile services remain viable during the pandemic and that a full recovery of these services is possible.

Additionally, the Joint Committee further agreed that investment for 2021-22 would need to be focused in those areas most likely to have a positive impact on patient outcomes in an environment dominated by the effects of the COVID-19 pandemic, whilst ensuring that opportunities for service recovery and improved outcomes for the future are not missed.

Specifically:

- The implementation of innovative technologies which will in the longer term deliver significantly improved patient outcomes; and
- Undertaking strategic planning around services where there are service sustainability issues – "Fragile Services".

¹Leading Wales out of the COVID-19 pandemic: A framework for recovery'
<https://gov.wales/leading-wales-out-coronavirus-pandemic-html>

The final ICP for specialised services for Wales 2021-22 was agreed by the Joint Committee at its meeting on 16 February 2021.

5.1.2 Prioritisation process for the 2021-22 Integrated Commissioning Plan

WHSSC has a robust prioritisation process and although this year has been particularly challenging due to the pandemic, the plan has at its core the usual prioritisation mechanism. Whilst the intention this year was to secure robust public health advice in to support needs assessment for specialised services, staff were not available due to the pandemic. WHSSC therefore relied on the input of Health Boards through the process of developing and approving this plan to set the needs of patients for specialised services within the context and knowledge of the needs of their own populations.

The Joint Clinical Impact Assessment Group and Management Group process ran, albeit virtually, with 44 schemes being received for consideration. These were triaged against the reset priorities and 20 schemes were taken forward for consideration of investment.

A review of results meeting was held on 26 November 2020. At this meeting the scores were discussed and agreement reached on the relative priorities of each of the schemes. Figure 1 below shows the outcome of that discussion.

5.1.3 Schemes prioritised for the 2021-22 Integrated Commissioning Plan (ICP)

The schemes prioritised and identified to receive full funding through 2021-22 are:

1. Pet indications	2. Paediatric Neurology	3. Paediatric Gastroenterology
4. Neuropsychiatry	5. Prosthetics	6. Intestinal Failure
7. SABR for Oligomets and HCC	8. Paediatric Rheumatology	9. Tuberous Sclerosis

There were a number of schemes which scored lower, and it is recognised that issues may emerge during the year for these services. Joint Committee, at its December 2020 meeting, therefore agreed to approve a value of £1.5m that could be allocated as necessary across the following schemes:

10.All Wales Gender Service	11.Inherited cardiac conditions	12.Sarcoma MDT radiology
13.Paediatrics CF	14.Neurosurgery oncology service	15.HDR Brachytherapy
16.Paediatric Radiology	17.Spinal Rehabilitation	18.Cardiac MRI
19.Relocation of rehabilitation services	20.Clinical Immunology Paediatrics	

The COVID-19 pandemic has had a significant impact on the delivery of specialised services and the impact is likely to last at least during 2021-22. WHSSC's commissioning intentions and associated performance monitoring were reset and described in the 2019-22 Integrated Commissioning Plan (ICP) to include more explicit, measurable intentions to measure achievement against. However, it is recognised that in the COVID-19 environment the commissioning intentions will need to be revisited, along with a new performance assurance framework.

5.2 Performance Dashboard

Prior to the COVID-19 pandemic WHSSC had two performance dashboards. An Organisation Performance Report, and an Integrated Performance Report. Compilation and monitoring of these was stood down during the pandemic.

As a result of responding to the COVID-19 outbreak, provider organisations were permitted to stand down routine care and focus on delivery of services for patients with COVID-19 and essential services. During the height of the pandemic it was difficult to engage with providers who were heavily focused on the pandemic. To overcome this WHSSC adopted a direct monitoring system and reviewed available performance data.

During this interim period, WHSSC took an activity report to the Joint Committee, and Management Group which highlighted the scale of the decrease in activity levels during the peak COVID-19 period, and reported whether there were any signs of recovery in specialised services activity.

As services start to resume and to reflect the revised commissioning intentions a new performance assurance process is being developed to provide assurance on WHSSC commissioned services. This new Commissioner Assurance Framework will set out a new performance assurance process alongside more outcome focussed performance measures. Monitoring services as they recover from the pandemic will need a different approach. Reviewing data on patient outcomes and harm will need to be an important part of these developing arrangements.

The escalation process is currently being reviewed alongside the Commissioner Assurance Framework. The suspension of the referral to treatment targets (RTTs) set by Welsh Government will impact the way that commissioned services are monitored and creates a need to temporarily revise the reporting of services in escalation as a result of a failure to meet RTTs.

Given the pandemic and pressures on providers, services in escalation for isolated RTT failures have been temporarily removed from the escalation process. Commissioning teams will continue to work with these providers and maintain oversight of their recovery plans and trajectories and re-introduce any Welsh Government targets when announced.

5.3 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. There were no reported/identified departures from the Code during the year.

5.4 Health and Care Standards

The Health and Care Standards set out the Welsh Government's common framework of standards to support the NHS and partner organisations in providing effective, timely and quality services across all healthcare settings. They set out what the people of Wales can expect when they access health services and what part they themselves can play in promoting their own health and wellbeing.

The Health and Care Standards are focussed around service delivery and therefore a number of areas are not relevant to the remit of WHSSC. However, WHSST has sought opportunities to ensure consideration of the standards within its work and requires all reports to the Joint Committee and sub-committees to identify which themes within the Health and Care Standards were considered/appropriate when developing those reports. In particular WHSSC has appropriate structures and processes in place to meet the requirements of the Governance, Leadership and Accountability standard through its Governance and Accountability Framework, ICP process and escalation process.

6 OTHER ELEMENTS OF CONTROL FRAMEWORK

6.1 Equality and Diversity

We recognise that the Joint Committee could benefit from greater diversity, however, currently this is restricted as the membership is set by the Directions.

WHSSC follows the policies and procedures of CTMUHB, as the host LHB. 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 Governance Officer is a member of the Equality and Welsh Language Group within CTMUHB and therefore any issues are integrated into this process.

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.

WHSSC recognises that the Socio-economic Duty, under the Equality Act 2010, requires relevant public bodies in Wales, which include local health boards, to have due regard to the need to reduce the inequalities of outcome that result from socio-economic disadvantage when they take strategic decisions and that the duty came into force on 31 March 2021. As a Joint Committee of the LHB's, this duty will be taken into account when planning and commissioning specialised services 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.

6.2 Ministerial Directions 2020-21

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. During 2020-21 the following Welsh Health Circular's (WHCs) were relevant to WHSSC:

- **The National Health Service (Temporary Disapplication of Tenure of Office) (Wales) (Coronavirus) Regulations 2020 and WHC 2020 (-011) Model Standing Orders - LHB, Trust, WHSSC and EASC - Temporary Amendments July 2020**

On 5 July 2020, in response to the suspension of recruitment to public appointments in Wales, the National Health Service (Temporary Disapplication of Tenure of Office) (Wales) (Coronavirus) Regulations 2020 came into force. The regulations

dis-applied the maximum tenure of office contained in the specified regulations for NHS board/committee non-officer members for a time limited period.

WHSSC received [Welsh Health Circular \(WHC\) 2020/011](#) on the 9 July outlining the amendments required to the WHSSC SOs in response to these Regulations.

The WHSSC Standing Orders were amended and approved by Chair's Action on 14 July 2021. These changes ceased to have effect on 31 March 2021.

- **[WHC 2020 \(019\)](#) - Expectations for NHS Health Boards and Trusts to Ensure the Health and Wellbeing of the Workforce During the COVID-19 Pandemic.** This WHC was issued in October 2020 and a full package of wellbeing support has been made available to support colleagues.
- **[WHC 2020 \(022\)](#) - NHS Wales Annual Planning Framework 2021-22** which was issued in December 2020. The timeline of the WHSSC ICP took this WHC into account.

Welsh Health Circulars (WHC's) 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 2020-21 which were applicable to WHSSC. A list of WHC's issued by Welsh Government during 2020-21 is available at: <https://gov.wales/health-circulars>

6.3 Information Governance

The Committee Secretary is the Lead Officer 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 Committee Secretary and the Corporate Governance Manager are members of the CTMUHB Information Governance Group.

6.3.1 Data Security

There were no WHSSC specific incidents relating to data security that required reporting to the Information Commissioner's Office (ICO) during 2020-21.

6.4 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.

6.5 Carbon Reduction

On the decarbonisation agenda, WHSSC will continue to take opportunities that contribute to reducing its carbon footprint. In particular during 2021 and beyond WHSSC will embed the working practices that were, by necessity, introduced in 2020. In particular WHSSC will continue a blended approach to office and remote working, reducing the need for travel, and will also run as many meetings as practically possible using online platforms including Microsoft Teams. Additionally, during 2020-21, many of the WHSSC systems moved to paperless processes and these have proven to be more efficient and reduces our impact on the environment. We will continue to adopt these practices going forward.

The [NHS Wales Decarbonisation Strategic Delivery Plan](#) was published on 24 March 2021. WHSSC will ensure that the principles and targets are incorporated into its planning during 2021 and beyond.

7 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. As a non-statutory entity, WHSSC is not under a statutory obligation to undertake annual self-assessments in the same way that LHBs and Welsh NHS Trusts are.

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.

Through the Integrated Governance Committee, the Chair and Independent Members of WHSSC formed a Task & Finish Group to deal with the 2019-20 Annual Self-assessment Exercise. Written feedback from Joint Committee and joint sub-committee/Group members/attendees was requested. This was followed by a Task & Finish Group meeting on 1 July 2020 which considered the responses. The majority of responses were positive and noted areas of good practice were reported to the Joint Committee on 14 July 2020. Areas for improvement included:

- Strengthening of the induction process for new Members, and

- Reduction in the reporting delay of the CRAF.

These areas will be addressed during 2021-22. Due to COVID-19 the annual committee effectiveness survey 2020-21 was delayed and will take place in July 2021.

My review of the system of internal control is informed by the work of the internal auditors, and the executive officers within WHSST who have responsibility for the development and maintenance of the internal control framework, and comments made by external auditors in their audit letter and other reports.

7.1 Internal Audit

Internal audit provide me 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 which has been delivered in accordance with public sector internal audit standards by the NHS Wales Shared Services Partnership. The scope of this work is agreed with the CTMUHB Audit & Risk Committee and is focussed on significant risk areas and local improvement priorities.

The Head of Internal Audit is satisfied that there has been sufficient internal audit coverage during the reporting period in order to provide the Head of Internal Audit Annual Opinion. In forming the Opinion, the Head of Internal Audit has considered the impact of the audits that have not been fully completed.

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 2020-21:

- Financial Systems
- Women and Children's Services

Both reports received an assessment of 'Substantial assurance'.

For internal audit the CTMUHB Audit & Risk Committee monitored implementation of management actions agreed in response to reported weaknesses. Reports were generated that enabled the Audit & Risk Committee to understand operational and financial risks.

7.2 External Audit

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.

During 2020 Audit Wales conducted an invited review of WHSSC's governance arrangements. Audit Wales published its report "[Welsh health Specialised Services Committee Governance Arrangements](#)" on 12 May 2021. WHSSC welcomed the findings set out in the report, which stated that:

"Since the previous reviews in 2015, governance, management and planning arrangements have improved, but the impact of COVID-19 will now require a clear strategy to recover services and there would still be benefits in reviewing the wider governance arrangements for specialised services in line with the commitments within A Healthier Wales."

The recommendations outlined within the report will be addressed during 2021.

8 SIGNIFICANT GOVERNANCE ISSUES

During 2020-21 no significant internal control or governance issues were identified other than those already referenced in this document.

9 CONCLUSION

As Accountable Officer, 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.

No significant internal control or governance issues have been identified above in this Statement.

The need to respond and recover from the pandemic will be with the organisation and wider society throughout 2021-22 and beyond. I will ensure our Governance and Accountability Framework considers and responds to this need.

As indicated throughout this statement the need to plan and respond to the COVID-19 pandemic has had a significant impact on the organisation, wider NHS and society as a whole. It has required a dynamic response which has presented a number of opportunities and risks. The need to respond and recover from the pandemic will be with the organisation and

wider society throughout 2020-2021 and beyond. I will ensure our Governance Framework considers and responds to this need.

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 are no significant internal control or governance issues to report for 2020-2021.

Dr Sian Lewis

Managing Director of Specialised and Tertiary
Services Commissioning, NHS Wales

Date: 8 June 2021