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Bwrdd Iechyd Prifysgol  
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Cardiff and Vale  
University Health Board

**Ysbyty Athrofaol Cymru**  
**University Hospital of Wales**  
**UHB Headquarters**  
Heath Park  
Cardiff, CF14 4XW

Parc Y Mynydd Bychan  
Caerdydd, CF14 4XW

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Ein cyf/Our ref: MB-JTF-02-7278  
Welsh Health Telephone Network:  
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**Maria Battle**  
**Chair**

06 February 2019

Mr Nick Ramsay AM  
Chair Public Accounts Committee  
National Assembly for Wales  
By email: [SeneddPAC@assembly.wales](mailto:SeneddPAC@assembly.wales)

Dear Mr Ramsay

### **Audit of Cardiff and Vale UHB's contractual relationships with RKC Associates Ltd and its Owner**

I write further to your recent correspondence with an update on progress with the remaining actions and a copy of the final action plan.

#### **Action plan progress**

At the time of last writing, 3 of the 26 actions contained within the action plan provided to the Committee were outstanding.

- **Development of an internal protocol providing a system for senior leaders to raise concerns** – Further to previous detail on the internal protocol I am pleased to confirm that Raising Concerns was launched from the 22<sup>nd</sup> October – 26<sup>th</sup> October. This was after approval of the process at the Hospital Services Management Board and the Local Partnership Forum.

The launch was multi-faceted and included communications from the Chief Executive through 'CAV You Heard' (copy attached) the UHBs weekly newsletter and the launch of an animation which explains easily how you follow the process and who the key contacts are if you wish to raise a concern. The animation is regularly played on monitors throughout the UHB and can also be viewed on the intranet and You Tube via the following link:

<https://www.youtube.com/watch?v=oNWL42hp8ic>

The working group responsible for the launch continues to meet on a regular basis and a further launch will be undertaken in March 2019. The Group are fully aware of the need to continually remind staff of the process.

- **Circulation of a bulletin to the UHB Board and throughout the UHB reinforcing the Nolan principles of Good Governance** – The Nolan Principles are displayed on the UHBs website and can be viewed by the Board or indeed all staff at any time. In addition to this the Board are regularly reminded to review the Nolan Principles to ensure they abide by them. A link to the website where they are held is at the following: <http://www.cardiffandvaleuhb.wales.nhs.uk/governance-nolan-principles>

- **Standing Financial Instructions and Standing Orders** – An all Wales approach is being undertaken by the All Wales NHS Board Secretaries Network. Work is ongoing with the updating of this document through the All Wales approach however, in addition to this the UHB has undertaken a full review of the Standing Orders and Scheme of Delegation which will be approved by the Board on 31<sup>st</sup> March 2019.
- **Implement a no purchase order, no payment system to prevent the processing of manual payments** – Although this was a completed action from August 2018 I felt it was important to update you on the progress which has been made by the UHB. The Finance Committee held on 30<sup>th</sup> January 2019 received an update on the 'No Purchase Order No Payment' process and reported excellent progress in compliance rates which demonstrated C&V UHB with a compliance rate of 98.4% for January 2019 compared to an All Wales rate of 90.7%.

The Internal Audit Review of contracts has been completed but not yet issued. The draft report has an assurance rating of 'reasonable assurance' and once the management responses are completed and have been reported to Audit Committee I will send you a final copy. The NHS Counter Fraud Service Wales investigation into the two contracts referred to it has also been concluded and closed with no action from the CPS.

A closure report with the completed action plan will be presented to the February Audit Committee and March Board and a copy of the same is attached. You will see that within the report it is recommended that the Audit Committee regularly receive a report on the action plan to ensure that compliance is sustained.

Within your recent correspondence you also asked for a comment on the news regarding the £100,000 in legal fees which the UHB paid in relation to an employment tribunal. This was in relation to the successful defence of a claim for unfair dismissal brought by Alice Casey, the UHB's former Chief Operating Officer. The UHB's legal fees for defending the claim were in the region of £100,000 plus VAT. The UHB recovered £20,000 of this by way of a costs award made by the Employment Tribunal, which is the maximum costs award which a Tribunal can make. The legal fee also included two earlier discrimination claims, which were withdrawn by Ms Casey.

Should you require any further assurance please do not hesitate to contact me.

Yours sincerely



**Maria Battle**  
**Chair**

Encs:

- CAV You Heard
- Report to Audit Committee and Completed Action Plan



[View email in browser](#)

# Chief Exec CONNECTS



This week Len talks about the launch of the recently updated raising concerns video, transformation and improvement through our Learning Alliance and encourages staff to have their flu jab.

This week the first meet the Executive Team session was held at Barry Hospital and Len thanks staff for attending and sharing their views.

## Chief Exec Connects

### More Health Board News



Capital, Estates and Facilities are launching a new campaign to encourage staff to use the postal system more efficiently



Addressing health inequality through English lessons for speakers of other Languages



Prof. John Gregory receives award for excellence in paediatric endocrinology



Cardiff and Vale UHB's flu campaign off to a flying start



**Paediatric Diabetes Team wins  
at a prestigious national  
diabetes awards**



**CAV on Social Media**



**BE POST SAVVY!**  
Be smart - think before you post



- 1. Stop** Can the item be sent via internal mail? Check the list of internal mail delivery sites
- 2. Check** If the address is not the internal list, follow our Good Practice guidelines to ensure all external mail is suitable for our franking machines.
- 3. Send** Prepare the item for distribution via the external or internal mail

**This message reached 2,324 people on Facebook!**

## Charity News





Cardiff & Vale Health Charity recently held its first glittering Blue Tie ball at Cardiff City Stadium raising a fantastic £14,000 for the PROP Appeal.

Nearly 400 people attended, all with the sole intention of raising money for the PROP Appeal, which supports those suffering from brain injuries at Rookwood Hospital.

PROP Appeal Ball

Cardiff & Vale HealthCharity  
Elusenlechyd  
Casalydd a'r Pro

**Jump for Joy this Christmas at  
Cardiff & Vale Health Charity's  
Children's Disco Trampoline Party**

Bring your child along for two hours of  
disco bouncing and a party buffet

Dress up in Christmas fancy dress or Christmas jumpers/T-shirts  
All money raised will go to the Community Child Health Department.  
There will be a lucky dip and raffle on the night

Llanishen Cardiff  
Tuesday 27th November  
5pm – 7pm

**Tickets  
£7.50**

[www.justgiving.com/fundraising/snugglethebear](http://www.justgiving.com/fundraising/snugglethebear)  
Trampoline socks are included in price

[www.healthcharity.wales](http://www.healthcharity.wales)

Cardiff & Vale Health Charity  
registered charity no 1050544.  
Call us: 029 2184 1802

Tickets  
Jump for joy this Christmas

Hospital Llandough is organising a Christmas gift bag collection for the homeless.

Christmas Appeal for the animals owned by people who are homeless.

Gift bag collection

Pet gift collection

## Health and Wellbeing News and Events

# Wellbeing AT WORK

## FREE SESSIONS FOR STAFF

Relax and unwind during your working day with:

free massages from trained masseurs

DIY massage equipment and chairs

relaxing music and free refreshments

12:00 - 14:00 at the following locations:

26th Sept - Global Link

3rd Oct - UHL, Chapel/Quiet Room

12th Oct - Barry Hospital, Mary Lennox Room/Canteen

19th Oct - UHW, President Room/Jubilee Room

24th Oct - Cardiff Royal Infirmary

22nd Nov - St. David's Hospital, Board Room

28th Nov - Cardiff Royal Infirmary

30th Nov - Barry Hospital, Mary Lennox Room/Canteen

5th Dec - UHL, Chapel/Quiet Room

12th Dec - Global Link



## Alcohol Brief Intervention (ABI) Training 2018

Free 2  
Hour  
Course

Monday 19<sup>th</sup> November, 10.00-12.00  
Wednesday 21<sup>st</sup> November, 13.30-15.30

**Aim:** to increase your confidence in raising the issue of alcohol use and motivating and supporting individuals to change their drinking behaviour through brief intervention.

**The course will increase your :**

**Understanding** of the alcohol problem in Wales across the life course.

**Knowledge** of how to use the tools & techniques of brief interventions.

**Skill** to successfully deliver brief interventions.

For more information or to book a place, please contact [Caroline.Mullins@wales.nhs.uk](mailto:Caroline.Mullins@wales.nhs.uk)  
or call Cardiff and Vale Public Health Team on **029 21 832 122**



Are you a painter, printer, photographer,  
ceramicist or textile artist?

We're currently considering submissions  
in all media forms for display in our Winter  
Open Exhibition at the Hearth Gallery,  
which will run throughout December, over  
Christmas and New Year.

If you'd like to submit your work for  
consideration, please email our Exhibition  
Coordinator, Melanie Wotton.

email: [melanie.wotton@wales.nhs.uk](mailto:melanie.wotton@wales.nhs.uk)



ORIEL YR AELWYD  
HEARTH GALLERY

**Winter Open Exhibition**

Staff, Visitors and Patients are invited to submit artwork  
Artworks in all media accepted

December 12th 2018 - January 3rd 2019

Delivery of work to The Hearth Gallery on 6th December.  
Please contact [melanie.wotton@wales.nhs.uk](mailto:melanie.wotton@wales.nhs.uk) to express your interest in  
exhibiting and for further information.

Open Daily 9am-8pm  
Ground Floor, University Hospital Llandough,  
Penlan Road, Llandough, CF64 2XX.



This week's featured artists is Molly May  
Lewis.





Molly May Lewis is a printmaker and fine artist who has been working with Cardiff and Vale UHB for several years.

Molly May Lewis



## English for Speakers of Other Languages

Working with Cardiff and Vale College, Public Health Wales and Velindre, Cardiff and Vale UHB has developed an innovative suite of health-specific English language courses for speakers of other languages (ESOL).

The new courses will allow those for whom English is not a first language to learn and use terminology that will enable and empower them to have effective conversations with English-speaking NHS health professionals, be able to vocalise their symptoms, be more aware of free national screening programmes, and engage with preventative health promotion messages (such as the benefits of quitting smoking or doing more physical activity) that are so key to a healthy life.

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life, or if there are any training needs we need to respond to.

Your responses will be anonymous and no identifiable information will be kept. Your participation in this survey is entirely voluntary.

### Children's Charter Survey

Spaces are available at this year's Welsh Public Health Conference.

Grand round Junior Doctor Case Presentation Competition

Register today for the Welsh Public Health Conference

Grand Round

Reminder - Urine Sampling

Unison AGM Topic for Discussion

Unison election nomination form 2019

Unison Election Notice 2019

Unison AGM Agenda

### Job of the Week

**JOB OF THE WEEK**

Staff Nurse Band 5 - Sam Davies Ward

£23,023 to £29,608 per annum pro rata

Ref: 001-NMR277-0818-A



Contact: Linda Edwards, Ward Sister, Sam Davies Ward on 01446 704 164

Closing date: 1 November 2018

Do you want to work with an award winning team in providing high quality care?

Are you an enthusiastic, dynamic and innovative nurse?

Are you passionate about the care of older people?

If you are, our team is exactly what you are looking for. We are a 23 bedded ward providing patient centred holistic care. We include music therapy and use of digital technology supported by a local school. We are supporters of the Johns Campaign and open to new ideas.



### Band 5 Staff Nurse - Sam Davies Ward

# WE ARE HIRING RYDYM YN CYFLOGI



If you are a self-motivated, enthusiastic and hardworking individual, this is your chance to join our team.

## POSITION AVAILABLE: BUSINESS ADMINISTRATION APPRENTICE

**CLOSING DATE SUNDAY 4TH NOVEMBER 2018**

**Do you have a passion for learning and the motivation to succeed?**

If yes, then we have the ideal opportunity for you. We are currently looking to appoint an apprentice who will work in Cellular Pathology Administration. The successful candidate will join our Apprenticeship Programme and will gain invaluable workplace experience, whilst achieving a nationally recognised Apprenticeship qualification in Business Administration.

For further information please contact Emma Bendle on 02920 744337  
or email at [apprenticeshipacademy.cav@wales.nhs.uk](mailto:apprenticeshipacademy.cav@wales.nhs.uk)  
#TRAINWORKLIVE

Kind and caring  
Caredig a gofalgar

Respectful  
Dangos parch

Trust and integrity  
Ymdiriedaeth ac uniondeb

Personal responsibility  
Cyfrifoldeb personol

Cardiff and Vale University Health Board is an inclusive organisation and welcomes diversity in the work place.



Apprenticeship opportunities  
for existing staff

**Thank You!**

I just wanted to note my thanks to your wonderful staff on A1 Link, who looked after me during a recent admission. The care I received was both efficient and compassionate in often very testing circumstances, a couple of nurses in particular were absolutely brilliant including Catrin, Mabel and Rhiannon, and the wards HCSW Jayne was a complete ray of sunshine, who brightened up difficult days for myself and other more elderly complex patients. The entire staff were so friendly and caring that my stay was a pleasant one.

patients. The catering staff were also fabulous, ensuring that we were fed and watered, and there was always a smile, and care.

Being a patient for the first time brought home to me the harsh realities of the pressurised and often at times insurmountable jobs we have in the NHS, and the difference a smile, some good food, and good care can bring a tired, anxious and frightened patient, as I was all of those things.

I'd be very grateful if you were able to pass on my thanks to the staff on A1 Link

Kind Regards, Emily Warren

### Compliments on the Web

## Training and Development

Acknowledging and Reducing Harm:  
Sex Work Awareness Training.

Reducing harm

Applications close soon for Skills to Manage. If you would like to apply for this development programme, please make sure your application is submitted to LED by 2<sup>nd</sup> November. Applications received after this date will not be considered.

Skills to manage

**PrePARER**  
Your weekly forward-look with an eye on emergency preparedness & business continuity

Kind and caring | Respectful | Trust and integrity | Personal responsibility

Have you got a success story, a tale to tell or do you just want to shout about something?  
Contact the Communications Team by calling 46381 or email us at [news@wales.nhs.uk](mailto:news@wales.nhs.uk).

## Our Partners



## Connect with us



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Cardiff and Vale University Health Board | Heath Park, Cardiff, CF14 4XW  
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<b>Report Title:</b>	<b>Closure Report - Audit of Cardiff and Vale UHB's contractual relationships with RKC Associates Ltd and its Owner</b>						
<b>Meeting:</b>	AUDIT COMMITTEE					<b>Meeting Date:</b>	26.02.19
<b>Status:</b>	<b>For Discussion</b>	✓	<b>For Assurance</b>	✓	<b>For Approval</b>	✓	<b>For Information</b>
<b>Lead Executive:</b>	DIRECTOR OF CORPORATE GOVERNANCE						
<b>Report Author (Title):</b>	DIRECTOR OF CORPORATE GOVERNANCE						

## SITUATION

The report of the Auditor General for Wales regarding the UHB's Contractual Relationships with RKC Associates Ltd and its Owner was published in July 2017. It identified a number of serious concerns in relation to the awarding of the consultancy contracts to RKC Associates Ltd, the management of the recruitment process to appoint the replacement Director of WOD, and the way in which information was relayed to the UHB Board and its Remuneration and Terms of Service Committee

## REPORT

### BACKGROUND

A report was provided to the Board on 27 July 2017 where it was agreed that the Audit Committee would monitor the progress of actions and provide the Board with the assurances required. A further report was received by the Board on 28<sup>th</sup> September 2017 updating members of the Board on progress against the action plan.

### ASSESSMENT

The UHB, in conjunction with its colleagues in Procurement and Human Resources / Workforce, developed a comprehensive action plan to make the necessary improvements required to ensure no similar incidents of this kind occurred in the future. The action plan (attached at the appendix) contained 26 actions and these are now all considered to be complete therefore provides the Audit Committee with the assurances it requires to sign off the plan as complete.

It will be important that the actions within the action plan are sustained going forward and it is therefore recommended that the Audit Committee receive an assurance report from the Director of Corporate Governance on an annual basis to confirm that the UHB is still compliant.

**ASSURANCE** is provided by:

- Discussion at Management Executive Team on 11<sup>th</sup> February 2019.



## RECOMMENDATION

The Audit Committee is asked to:

- **Review** the attached action plan in relation to UHB's Contractual Relationships with RKC Associates Ltd and its Owner
- **Recommend** closure of the action plan to the Board on 31<sup>st</sup> March 2019
- **Receive** an assurance report from the Director of Corporate Governance on an annual basis to ensure ongoing compliance and sustainability of actions in the future.

### Shaping our Future Wellbeing Strategic Objectives

*This report should relate to at least one of the UHB's objectives, so please tick the box of the relevant objective(s) for this report*

1. Reduce health inequalities	✓	6. Have a planned care system where demand and capacity are in balance	✓
2. Deliver outcomes that matter to people	✓	7. Be a great place to work and learn	✓
3. All take responsibility for improving our health and wellbeing	✓	8. Work better together with partners to deliver care and support across care sectors, making best use of our people and technology	✓
4. Offer services that deliver the population health our citizens are entitled to expect	✓	9. Reduce harm, waste and variation sustainably making best use of the resources available to us	✓
5. Have an unplanned (emergency) care system that provides the right care, in the right place, first time	✓	10. Excel at teaching, research, innovation and improvement and provide an environment where innovation thrives	✓

### Five Ways of Working (Sustainable Development Principles) considered

*Please tick as relevant, click [here](#) for more information*

Prevention		Long term	✓	Integration		Collaboration		Involvement	
<b>Equality and Health Impact Assessment Completed:</b>	Not Applicable								



**Action Plan in Response to the Wales Audit Office Report in Respect of Cardiff and Vale University Health Board's Contractual Relationships with RKC Associates Ltd and its Owner**

**Conclusion 1 - The way in which the Cardiff and Vale University Health Board (UHB) procured and managed HR consultancy contracts awarded to RKC Associates fell well short of the standard that the public has a right to expect of a public body**

- a) The UHB failed to comply with its own procurement procedures when it awarded consultancy contracts to RKC Associates in November 2014 and June 2015 and in consequence both the contracts and payments made under them are potentially unlawful.
- b) The award of consultancy contracts to RKC Associates breached public procurement rules.
- c) The UHB failed to undertake due diligence checks of RKC Associates resulting in the UHB being exposed unnecessarily to financial and reputational risk.
- d) The UHB was in breach of its own Standing Financial Instructions when it agreed contracts with RKC Associates which had been drafted by the owner of RKC Associates.
- e) The UHB appointed the owner of RKC Associates to deliver consultancy projects, but the UHB utilised her as a senior member of staff and, in consequence, has potentially over-claimed VAT amounting to £58,162.
- f) As the Officer who signed the contracts with RKC Associates in November 2014 and June 2015, the UHB's Chief Operating Officer had a duty to ensure proper process had been followed. The failure to do so has cast doubt on whether the decisions to award these contracts were based entirely on valid considerations.
- g) The UHB did not exercise effective financial monitoring of its contracts with RKC Associates, with payments exceeding the contracted value and contractual expenses not being verified.

## UHB Response to Conclusion 1

Following publication of the Wales Audit Office report, a full report was received at the UHB's Board meeting on 27 July 2017 and discussion conducted in the public session of that meeting. In addition, the report has been raised at the meetings of our Management Executive (ME) and Health Systems Management Board (HSMB), and discussed with Senior Trade Union / Staff Side representatives and at our Local Partnership Forum (LPF).

As acknowledged by the Wales Audit Office, the UHB has a number of detailed policies and procedures covering this area. These have been developed to standardise processes based on best procurement practice and set out the governing principles for public procurement, for example, the Scheme of Delegation, Standing Orders, Standing Financial Instructions and Financial Control Procedures. Regrettably, these processes were not followed on this occasion, and there was no reference to the UHB's Head of Procurement as provided for in our Scheme of Delegation.

The Procurement Guide for Staff which was developed in conjunction with NHS Wales Shared Services Partnership Procurement Services, and approved through the All Wales Directors of Finance Sub Group in 2015, is provided to UHB staff as part of the training delivered by the UHB Procurement Department and will be further reinforced throughout the UHB.

Prior to the Wales Audit Office report, a review of our processes was already in train in response to changes to the IR35 legislation<sup>1</sup> relating to off-payroll working in the public sector. In addition, the process around requesting approval of contracts has been changed, a procurement checklist that sets out a defined approval hierarchy has been implemented to ensure compliance with Standing Orders and EC Regulations and that more than one signatory is obtained. All external Consultancy contracts are now signed off by the CEO.

The UHB, in conjunction with its colleagues in Procurement and Human Resources / Workforce, has developed this action plan to make the necessary further improvements to ensure no similar incidents of this kind occur in the future. The Action Plan will be presented to the UHB Board on 28 September 2017 and its Audit Committee on 26 September 2017 and will thereafter be monitored by the Audit Committee. The Action Plan has also been shared with Wales Audit Office.

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<sup>1</sup> Her Majesty's Revenue and Customs (HMRC) introduced the 'intermediaries legislation' commonly known as IR35 or off-payroll rules in April 2000. This legislation is intended to combat tax abuse by an individual who would be treated as an employee were it not for the fact that they provide their services via their own company, called 'disguised employees' by HMRC. From April 2017, where a public sector organisation engages an off-payroll worker through their own limited company, that organisation will become responsible for determining whether the rules should apply, and, if so, for paying the right tax and National Insurance Contributions.

Conclusion 1 Action Plan	Lead	Completion	Update	Status
<b>Training</b>				
1. Provide training for all Board members on the law, rules and regulations relating to employment and procurement at the August Board Development Day.	Director of Corporate Governance	Aug 2017	<b>Complete</b> Training delivered on 31/08/17.	
2. Cascade the training provided at Clinical Board senior management teams and throughout the organisation to Directorate Management level.	Executive and Clinical Board Directors	Oct 2017	<b>Complete</b> Discussed at ME on 04/09/17 & cascaded.	
<b>Review</b>				
3. Undertake review of external consultancy categories in the purchase to pay system for period 2014-2017 to ensure compliance with procurement rules.	Head of Procurement	Aug 2017	<b>Complete</b> Reports received by CEO and Director of Finance.	
4. Review the Procurement Guide for Staff and revise to reflect process changes connected with the IR35 legislation.	Head of Procurement	Sep 2017	<b>Complete</b>	
<b>Process</b>				
5. Provide the Procurement Guide for Staff to the Management Executive Team meeting for cascading to Clinical Boards, and Corporate Departments.	Director of Finance	Sep 2017	<b>Complete</b> Approved by ME on 25/09/17	
6. Publish the Procurement Guide for Staff across the UHB and place on intranet and internet for ease of staff access.	Director of Corporate Governance	Oct 2017	<b>Complete</b>	
7. Implement a no purchase order, no payment system to prevent the processing of manual payments.	Head of Procurement	June 2018 (original date set was Mar 2018)	<b>Complete</b> The NHS Wales Shared Services Partnership have been working with Health Boards to implement an all Wales no purchase order no pay policy. Initially implemented from June 2018 and fully adopted from September 2018.	
8. Develop and cascade process guidance for off-payroll working.	Head of Procurement	Aug 2017	<b>Complete</b> Approved by ME on 14/08/17, taken to HSMB on 17/08/17 for cascading by Clinical Board Directors.	

**Conclusion 2 - The way in which an HR consultancy contract was awarded to RKC Associates in February 2016, along with the actions of key decision-makers, compromised the integrity of the procurement process**

- a) The UHB embarked upon a procurement process for a contract and invited and evaluated tenders for that contract, despite the fact that RKC Associates had been engaged in advance of the tender process.
- b) The robustness and integrity of the advertised procurement process was compromised in several key respects and the UHB's Chief Operating Officer participated in the process despite knowing that RKC Associates had already been engaged in advance of the procurement process commencing.
- c) The Procurement Department failed to keep adequate documentation of the procurement process.
- d) The UHB delayed seeking formal written approval for the fixed-term appointment of a new Director of Workforce and Organisational Development, resulting in the UHB incurring unnecessary expenditure on a consultancy contract.

**UHB Response to Conclusion 2**

The UHB has taken steps to strengthen its existing processes and extend training at all levels to reinforce the requirements in relation to these areas.

We recognise however that policies / procedures and training, whilst the foundation of good practice, are part of a bigger picture that includes a culture of sound behaviours and values, adherence to the rules at all levels of the organization, checks to ensure this is happening and an environment that enables individuals to confidently highlight departure from any rules no matter how senior those involved. As part of the communication with the UHB following receipt of this report, the CEO has asked staff to share any concerns they may have with him and provided assurance that anything raised will be explored to provide reassurance regarding our systems / processes and decisions made.

Procurement compliance reports are already presented to the UHB's Audit Committee outlining for example Contract Extensions and Single Quotation or Single Tender Actions. Steps are also being taken to put in place more vigorous checks around our processes to flag potential issues and to achieve more robust oversight and business scrutiny by our Management Executive Team, Board and its Committees.

We are committed to utilising temporary employment contracts rather than consultancy contracts wherever possible.

<b>Conclusion 2 Action Plan</b>	<b>Lead</b>	<b>Completion</b>	<b>Update</b>	<b>Status</b>
<b>Training</b>				
1. Develop and deliver an enhanced training programme for procurement staff focusing on the conclusions of the Wales Audit Office report.	Head of Procurement	Sep 2017	<b>Complete</b> All training complete, refresher sessions will continue.	
2. Obtain quality management accreditation for the Procurement Department in respect of its tendering processes.	Head of Procurement	Mar 2018 (original date set was Nov 2017)	<b>Complete</b> Audit took place 15/02/18 & full ISO Accreditation awarded with no findings of non-compliance.	
3. Develop a Procurement flowchart for use by Board and Senior Managers.	Head of Procurement	Oct 2017	<b>Complete</b> Flowchart considered by ME on 11/12/17 & agreed that Executives will cascade through Management Structures.	
<b>Audit</b>				
4. Enhance existing audit processes within the Procurement Department to verify compliance with contract procedure.	Head of Procurement	Sep 2017	<b>Complete</b> Forward programme for audit planned & training of Clinical Boards & departments to continue.	
5. Review Internal Audit Programme to include audits relevant to the issues highlighted in this report and to test compliance with new processes.	Director of Finance	Nov 2017 (original date set was Sep 2017)	<b>Complete</b> Specific audit included in 2018 plan, to look at overall progress of action plan & review in detail a sample of actions.	
<b>Assurance</b>				
6. Enhance the statutory compliance report provided at each Audit Committee to include our compliance with and exceptions to recruitment requirements, Standing Orders and Standing Financial Instructions.	Directors of Finance and Workforce and Organisational Development	Sep 2017	<b>Complete</b> Standing agenda item with first report received at Audit Committee on 26/09/17.	
7. Review the Terms of Reference for the Remuneration and Terms of Service Committee to include a requirement to report any Executive level secondments and Consultancy appointments for approval to this Committee.	Director of Corporate Governance	Jan 2018 (original date set was Oct 2017)	<b>Complete</b> Review approved by Board on 30/11/17. Amendment made to note at the next meeting of the Remuneration and Terms of Service Committee.	

**Conclusion 3 - The process followed by the UHB that led to the appointment of the owner of RKC Associates to the position of Director of Workforce and Organisational Development in April 2016 was fundamentally compromised, lacked transparency and was poorly documented.**

- a) It is unclear why the UHB decided to proceed with a recruitment process for a Board level position with only a single candidate who had not applied for the position when it was originally advertised.
- b) The recruitment process was poorly documented and, as a consequence, it is not clear when the person who had been overseeing the recruitment exercise became a candidate.
- c) The integrity of the recruitment process was compromised because the sole candidate had access to some of the assessment questions in advance of being interviewed for the position.
- d) The information provided to the Board and its Remuneration and Terms of Service Committee regarding the appointment was inaccurate, incomplete and inconsistent.

**UHB Response to Conclusion 3**

High level appointments are not as frequent as other positions within the UHB and are often challenging to recruit due to small numbers of applicants with the relevant skills and experience.

As a result of this report, the UHB has looked at how these senior appointment processes are conducted and how the office of the Chief Executive and Director of Workforce and Organisational Development can work better together to ensure compliance with processes and that satisfactory documentation is maintained.

We also recognise that we can better support our Independent Board Members in relation to their Committee roles, to equip them to confidently scrutinise decisions and hold us to account.

Conclusion 3 Action Plan	Lead	Completion	Update	Status
<b>Review</b> 1. Review the procedures used to recruit Executive Directors and other Senior Managers.	Assistant Director of Workforce and Organisational Development	June 2018 (target date set Jul 2017)	<b>Complete</b> Relevant documents have been revised and approved by the UHB's Strategy and Delivery Committee on 28 <sup>th</sup> June 2018.	
2. Review the quality of information and its presentation to the Remuneration and Terms of Service Committee.	Chair and Director of Corporate Governance	Mar 2018 (target date set Sep 2017)	<b>Complete</b> New process introduced in January 2018 whereby all papers are assured by Chair & Director of Corporate Governance prior to publication. Checklist formulated to support this scrutiny.	
<b>Process</b> 3. Revise the Executive recruitment process to include a clear defined role for the Director of Workforce and Organisational Development which can be delegated to their Deputy or Director of Corporate Governance if circumstances require or a conflict arises.	Chief Executive	Aug 2017	<b>Complete</b> Process revised & now to be reflected in the updated Recruitment and Selection Policy & Procedure.	
<b>Training</b> 4. Arrange training for Independent Board Members, including those sitting on the Remuneration and Terms of Service Committee, covering their roles and responsibilities. This should also provide them with example questions they may wish to ask and the minimum information they may require to assist them in discharging their role.	Director of Corporate Governance	Aug 2017	<b>Complete</b> Included in the programme for the August Board Development Day.	
5. Provide legal and governance training for all Board members on their roles and responsibilities at the October Board Development Day.	Director of Corporate Governance	Oct 2017	<b>Complete</b> Included in the programme for the October Board Development Day.	
<b>Additional Improvements</b>				



Action Plan	Lead	Completion	Update	Status
<b>Whistleblowing</b> 1. Review current Procedure for NHS Staff to Raise Concerns which includes whistleblowing to ensure it is fit for purpose and easy for staff to raise any concerns regarding non-compliance.	Director of Workforce and Organisational Development	Jan 2018 (target date set Oct 2017)	<b>Complete</b> All Wales Procedure adopted, Working Group established to re-launch Procedure, agree underlying process & improve culture.	
2. Develop an internal protocol providing a system for senior leaders to raise concerns, with clear lines of reporting should a concern relate to the Chair, Vice Chair or Chief Executive.	Director of Corporate Governance	October 2018 (target date set Oct 2017)	<b>Complete</b> Raising concerns was launched during the week 22-26 October along with communications from the CEO and an animation played throughout the UHB	
<b>Governance and Accountability Framework</b> 3. Revise the UHB Governance and Accountability Framework to reflect any amendments by the Directors of Finance All Wales Group to the Standing Financial Instructions and Standing Orders.	Director of Corporate Governance	March 2019 (target date set Mar 2018)	<b>Complete</b> Model Standing Orders reviewed and being presented to the Board on 31 <sup>st</sup> March 2019 for approval	
4. Review and revise the UHB's Scheme of Delegation.	Director of Finance	Feb 2018 (target date set Oct 2017)	<b>Complete</b> Review presented to Audit Committee on 27/02/18 & Scheme of Delegation revised to include off-payroll working.	
5. Circulate a bulletin to the UHB Board and throughout the UHB reinforcing the Nolan principles of Good Governance and duties of probity / candour and the Values and Standards of Behaviour Framework.	Directors of Corporate Governance and Communications	Feb 2019 (target date set Oct 2017)	<b>Complete</b> Nolan Principles added permanently to website for all Board Members to access	
<b>Communication</b> 6. Communicate openly and transparently with staff about the findings of this report, the actions being taken by the UHB and their progress. This will include public meetings of Board / Audit Committee and meetings of LPF, Clinical Board Directors, HSMB and publishing of the action plan on the intranet for access by all staff, supplemented by other communication bulletins.	Chief Executive and Chair	Oct 2017	<b>Complete</b> Reports at Board, ME, HSMB, LPF. Continued dialogue with Senior Trade Union / Staff Side representatives, CEO communication placed on intranet and internet. Action plan monitored by Audit Committee.	