

Energy Management

Final Internal Audit Report

2024/25

Hywel Dda University Health Board



Reasonable Assurance

Contents

Executive Summary	1
Findings & Agreed Action Plan	3
Appendix A	15

Review Reference

HDD-SSU-2425-30

Fieldwork

October - November 2024

Executive Sign Off

November 2024

Audit & Risk Assurance Committee

December 2024

Executive Lead

Andrew Carruthers

Head of Internal Audit

Huw Richards

Deputy Head of Internal Audit

Eifion Jones

Executive Summary

Purpose

Noting rising costs of energy, effective management and control of energy costs has been risk assessed as an area of potential benefit for audit.

Overview

The Health Board's (UHB's) energy consumption represents 10% of the NHS Wales total, with 2023/24 costs of circa £3.4m for gas, £6.3m for electricity, and £1.4m for other fuels.

Energy is procured centrally on behalf of NHS Wales by NWSSP: Procurement Services, with new contractual arrangements in place from October 2023.

An assigned energy officer had established robust systems for data monitoring, utilising variance analysis to review potential anomalies in usage or charges, informing payment authorisation. There was also linkage via Welsh Government forums for management of the national energy contract and sharing of best practice across Health Boards and Trusts within NHS Wales.

Following £10m of investment delivered via an energy partner, the Health Board was in process of securing further funding for energy efficiency schemes (e.g. £7m targeted at Prince Philip Hospital to 2026/27).

The move to the new NHS Wales energy contract in 2023 had presented some issues, including difficulties in providing accurate energy forecasts to participating organisations. Recognising the robust data monitoring processes operated at the Health Board, the impact of the national issues had not been as significant as seen elsewhere. However, reconciliation, payment and reporting processes have been labour intensive. Accordingly, the Health Board was in the process of automating much of this processing.

Whilst compliance was noted in most areas, there were some matters that required further management attention e.g. the need to:

- enhance energy issue reporting through appropriate committees and the inclusion of pertinent WEOG/WEG (Welsh Government) updates;
- ensure energy reporting to a scrutiny forum with assigned responsibility e.g. newly formed Energy Performance Contract & Estates Buildings Decarbonisation Group;
- review the cost / benefit of additional sub-metering and associated enhancements to information;
- expand the proposed automation of payment processing to include the potential to monitor timely payments;
- ensure that scheme of delegation for payments is up to date and approved;
- balance automation efficiencies with any additional resource required to enhance monitoring and reporting;
- ensure that a costed plan is in place for phasing out fossil fuels (notably gas usage in favour of electricity); and
- ensure monitoring of the status of expert advisory recommendations.

We have therefore determined **reasonable assurance** in respect of the energy management arrangements applied within the Health Board.

Scope & Assurance Summary

Objectives	Related Findings	Assurance
1 Governance - Assurance that key roles had been assigned and responsibilities of key staff were understood. An appropriate forum had been assigned with responsibility and accountability for overseeing Energy efficiency/ consumption.	1, 4	Reasonable
2 Contract - Recognising the national contracts in place, to obtain assurance that the Health Board obligations under the national contract arrangements were fully understood and applied.	1	Reasonable
3 Data Capture – To ensure that appropriate systems were in place to capture data on energy consumption in a timely manner.	2, 3	Reasonable
4 Data Validation – To confirm adequate checks were undertaken to verify the quality/ reliability of the data – with any anomalies fully investigated.		Substantial
5 Monitoring and Reporting - To review internal / external monitoring and reporting arrangements, to ensure that anomalies were understood, benchmarking was undertaken where appropriate, and any resulting management action was appropriately tracked.	4, 5, 6	Reasonable
6 Energy Awareness - That appropriate training had been established for general and key energy staff focused on increasing awareness of obligations and requirements. Assessment of any other initiatives established to increase awareness e.g. intranet pages, staff circulars, team briefings etc.		Substantial
7 Payments - Energy related billing was verified, authorised, and processed in accordance with contractual payment terms.	7, 8	Reasonable
8 Risk Management - A review of the systems and controls in place to manage energy-related risks, and assurance that risks were escalated as appropriate – to include evaluation of risk mitigation strategies, ensuring compliance with regulations, and addressing any risk exposure.		Substantial

Management Actions



High Priority



Medium Priority

Themes



- Communication & Engagement
- Finance Management & Control
- Information, Data Quality & Data Accuracy
- Performance Monitoring
- Planning, Delivery & Deadline Management

Risk Types

Financial Loss
Legal & Regulatory
Non-Compliance

Choose an item.

Choose an item.

Findings & Agreed Action Plan

Objective 1: Governance Arrangements

Reasonable

An Energy and Environment manager was accountable to the Senior Environmental Manager. in turn reporting to the Head of Property Performance. Accordingly, there were clearly assigned responsibilities for energy management and oversight.

However, manual systems and increasing decarbonisation administration has created resource pressures. Accordingly, management were in process of automating these processes to reduce the burden.

The newly formed Energy Performance Contract (EPC) & Estates Buildings Decarbonisation Group was responsible for scrutiny of energy consumption. While it was not in receipt of routine monitoring, it was confirmed that issues would be reported by exception. This group reported to the Climate Change Task Force Group, which in turn was accountable to the Sustainability Resource Committee, and onward to the Executive.

Other groups reporting to the Sustainable Resource Committee (SRC), included the Agile Working & Estate Rationalisation Task Force Group (AWERTFG) and Climate Change Task Force Group (CCTFG). There was therefore a comprehensive structure of task groups in place to review various aspects of environmental compliance and efficiency.

However, while there were both individual and corporate lines of monitoring and accountability, resource limitations were evident, and energy was not routinely reported to a designated scrutiny group. Similarly, while officers attended Welsh Government forums, there was no feedback linkage or presentation of papers to a scrutiny forum.

These matters are further considered at the **Monitoring and reporting** and **Contracts** sections.

In October 2023, the Health Board entered a new all-Wales NHS energy contract with Crown Commercial Services (CCS), managed by NWSSP: Procurement Services. This change was due to the existing supplier exiting the market, citing volatility since 2021.

Two central governance forums were initiated to oversee the arrangements:

- Welsh Energy Group (WEG) – Responsible for procurement strategy and supplier choices. Membership included finance leads from each organisation; and the
- Welsh Energy Operational Group (WEOG) – Responsible for establishing a common model for supplier management. Membership included operational energy colleagues from member organisations.

The Assistant Director of Finance, Financial Planning & Statutory Reporting attended the former and the Energy and Environmental Officer attended the latter. The Energy and Environmental Officer and the Head of Property Performance attended a WEG sub-group addressing operational issues. Such participation provided influence in decision-making and supplier management.

While the implementation of the new contract has seen operational issues experienced across NHS Wales, these were not seen to unduly impact the UHB.

Whilst noting the above, summary reporting from Welsh Government forums to internal groups was not evidenced.

Key Findings	Risk & Impact	Agreed Management Action
<p>1 Reporting from All Wales forums</p> <p>In addition to minuted issues, various papers also formed a part of the output of the All-Wales meetings (WEOG & WEG sub-group).</p> <p>Whilst there was reasonable attendance of these meetings by the Health Board, issues were not routinely fed back to a scrutiny forum.</p> <p>While recognising that internal structures were relatively new, at the time of audit there was no formal linkage via internal scrutiny forums for the escalation and approval of All Wales issues.</p>	<p>Issues and are not appropriately communicated to and from All Wales forums, with the potential that issues are not appropriately addressed or approved.</p>	<p>Standing agenda item to be added to EPC & Estates Decarbonisation subgroup for feedback from All-Wales meetings for dissemination.</p> <hr/> <p>Expected Evidence of Implementation:</p> <p>Agendas of EPC & Estates Decarbonisation subgroup will evidence item and any actions arising will be recorded in the subgroup’s RAID (Risks, Assumptions, Issues & Discrepancies) log.</p>
<p>Theme: Communication & Engagement</p>	<p>Medium Priority</p> <p>Control Operation</p>	<p>Officer: EPC & Estates Decarbonisation subgroup chair and support officers. Date: 5/12/2024</p>

Historically, energy management systems have been manual and resource intensive e.g. in 2022/23 the Environmental Team processed 3,642 invoices (14.4 per working day), detracting from more productive activities. The Energy and Environmental Officer maintained a utility spreadsheet populated manually on a monthly basis detailing invoicing and associated consumption. Accordingly, agreed investment has been targeted at the introduction of a new automated system (which is currently being implemented).

Accordingly, to date usage / cost variance analysis has included only charged meters. Management advised that more detailed analysis (including additional sub-meters) is undertaken as required to review investment proposals.

However, automation now offers the potential for improved monitoring utilising sub-meter reads e.g. to show consumption at the peripheral areas of Glangwili Hospital (e.g. those lacking roof insulation, or peripheral buildings powered by separate boilers etc). It is also noted that (government regulated) Display Energy Certification reviews have identified additional sub-metering as having the potential to provide pay-back within three years.

The Health Board has also reviewed leased premises, ensuring appropriate recovery of energy costs and standardisation of leases.

Key Findings	Risk & Impact	Agreed Management Action
<p>2 Sub meter analysis</p> <p>Automation of data capture and processing provides the opportunity for improved data analysis. This can enable routine provision of both summary and supporting data, with graphic and variance analysis to an appropriate scrutiny forum.</p> <p>Areas lacking insulation / pipework insulation; peripheral buildings with additional stand-alone equipment; those heated separately etc. may each vary in energy consumption from core build consumption.</p> <p>Greater sub-meter analysis can assist therefore in information, control, and investment decisions. However, many non-charged meters are not SMART meters (requiring manual reads).</p> <p>Presently, this will require consideration of the additional resource need for such analysis versus time saved from automation.</p>	<p>Management may be inadequately, or mis-informed e.g. positive and negative variances may be offset within reporting, resulting in inefficiencies not being identified or controlled.</p>	<p>All existing submeters installed to be logged on new Energy Manager software and new submeter readings to be logged.</p> <p>Expected Evidence of Implementation:</p> <p>All existing submeters installed logged on new Energy Manager software and submeter readings logged.</p> <p>Officer: Energy & Environment Officer Date: 31/3/2026</p>
<p>Theme: Performance Monitoring</p>	<p>Control Design</p>	

3	<p>Additional sub meters</p> <p>Based on the potential for analysis and pay-back from additional sub-metering information, there would similarly appear benefit in reviewing the cost / benefit of additional SMART sub-metering.</p>	<p>Management may be inadequately informed resulting in inefficiencies not being identified or addressed.</p>	<p>Submetering information collection to be included in Wales Funding Programme spend-to-save funding bid to Salix/Welsh Government. This will be incorporated through the building management control systems energy conservation measures in the energy performance contract with Vital Energi.</p>
		<p>Medium Priority</p>	<p>Expected Evidence of Implementation:</p> <p>Investment grade proposal submitted to Salix/Welsh Government Wales Funding Programme.</p> <p>Officer: Head of Property Performance Date: 30/9/2025</p>
<p>Theme: Data Accuracy / Quality</p>		<p>Control Design</p>	

Objective 4: Data Validation

Substantial

Data validation of current usage had appropriately utilised variance analysis to both historic and expected budget figures.

Invoices were therefore validated against historic / expected data for charged meters (many now being SMART meters). Consumption at invoices was only validated against meter reads in the case of identified anomalies. There were also a range of non-automated sub-meters which provide additional insight.

A robust authorisation process was evidenced for the approval of utility invoices prior to their submission to NWSSP for payment, including manual signature by the Energy and Environment officer. Additional review was undertaken by both finance and the Business Governance Manager.

Summary or graphic presentation of energy usage, forecasts and variance commentary was not provided to a committee for scrutiny. Routine monitoring reports were therefore not published by the Energy and Environment officer. Rather usage was referenced in exception reporting e.g. to support investment decisions. In part this relates to resource issues (see **data capture**).

The audit included two site visits, to Prince Philip and Glangwili Hospitals to assess for any visible instances of energy inefficiency. While much good practice was observed at both sites, matters identified included a need to upgrade to LED lighting, and to review the use / consumption of stand-alone heaters and cooling / fans e.g. at remote buildings.

Key issues were known to management and were considered within investment plans e.g. the need for separate heating loops and controls. At Prince Philip Hospital (for example) areas already proposed for investment included increased solar provision, local heat network collaborations, and better interface between the Building Management System and new equipment. The focus of decarbonisation investment has been on cost reduction i.e. investment returns. However, there was a need across the Health Board for a costed plan to phase out fossil fuels (noting higher electricity prices).

Invoicing and monitoring reports analysed consumption for charged meters. While there was further sub-metering, these relied on manual reads and were utilised for additional analysis to supporting investment proposals.

Display Energy Certifications (DEC) had been undertaken along with an ISO14001 audit (valid to October 2026). However, there was a need to monitor resultant actions recommended at DEC reviews.

Key Findings	Risk & Impact	Agreed Management Action
<p>4 Reporting scrutiny by an assigned forum</p> <p>Energy consumption reports were produced by the Energy and Environment officer including graphical analysis. However, energy reports were not regularly presented to a relevant scrutiny forum e.g. the newly formed Energy Performance Contract & Estates Buildings Decarbonisation Group (which includes responsibility for energy monitoring and includes finance representation).</p> <p>Presentation could usefully include monthly and annual out-turn, trends; comparison to budget; prior out-turn, variance commentary, in addition to graphic presentation / summaries.</p> <p>However, it is recognised that the ability to attend and present such information is dependent on efficiencies gained from increased automation.</p>	<p>Energy consumption is not appropriately scrutinised resulting in excess costs.</p>	<p>Standing agenda item to be added to EPC & Estates Decarbonisation subgroup for feedback from All-Wales meetings for dissemination.</p> <p>Expected Evidence of Implementation:</p> <p>Agendas of EPC & Estates Decarbonisation subgroup will evidence item and any actions arising will be recorded in the subgroup's RAID log. Any notable information also to be provided to the Strategic Development & Operational Delivery Committee / (SDOD)/Sustainable Resources Committee (SRC) groups.</p>
<p>Theme: Performance Monitoring</p>	<p>Medium Priority</p> <p>Control Design</p>	<p>Officer: EPC & Estates Decarbonisation subgroup chair and support officers. Date: 5/12/2024</p>

<p>5 Fossil fuel phase out plan</p> <p>As of July 2024, the latest projections of energy spend were:</p> <table border="1" data-bbox="228 177 844 416"> <thead> <tr> <th>Fuel</th> <th>2024/25</th> </tr> </thead> <tbody> <tr> <td>Electricity</td> <td>6,967,031</td> </tr> <tr> <td>Natural gas</td> <td>2,582,850</td> </tr> <tr> <td>Gas oil & kerosene</td> <td>826,116</td> </tr> <tr> <td>Biomass</td> <td>273,931</td> </tr> <tr> <td>LPG</td> <td>327,655</td> </tr> <tr> <td>Total</td> <td>10,977,583</td> </tr> </tbody> </table> <p>i.e. there remains significant spending on fossil fuels e.g. at Prince Philip Hospital a large proportion of energy derives from gas (converted into electricity via a Combined Heat and Power – CHP generator). A four-phase decarbonisation and investment plan included solar and other investments ahead of decommissioning of the CHP. However, electricity prices are currently circa three times those of gas and residual reliance on electricity remains uncertain.</p> <p>There is need therefore for a costed revenue plan for the time phased replacement of fossil fuels.</p> <p>Theme: Financial Management & Control</p>	Fuel	2024/25	Electricity	6,967,031	Natural gas	2,582,850	Gas oil & kerosene	826,116	Biomass	273,931	LPG	327,655	Total	10,977,583	<p>Costed replacement plans for fossil fuels are not time phased resulting in breach of annual financial control budgets.</p> <p>Medium Priority</p> <p>Control Design</p>	<p>Escalate risk regarding revenue cost as operational risk to SDOD and Datix (1544). Recommendation to be provided in a paper to SDOD for Hywel Dda UHB to formally write to Welsh Government concerning the lack of a costed revenue plan for the phased replacement of fossil fuels because of the lack of guaranteed additional revenue funding from Welsh Government to enable this fuel transition.</p> <p>Expected Evidence of Implementation:</p> <p>Paper to SDOD and Datix entry (1544).</p> <p>Officer: Head of Property Performance (paper) and Principal Programme Manager Transformation (Datix). Date: 31/1/2025</p>
Fuel	2024/25															
Electricity	6,967,031															
Natural gas	2,582,850															
Gas oil & kerosene	826,116															
Biomass	273,931															
LPG	327,655															
Total	10,977,583															
<p>6 Display Energy Certification action follow-up</p> <p>Display Energy Certifications had recently provided recommendations for improvement in energy performance alongside their assessments, including those with 1 – 3 year pay-back (which would apply at all sites) e.g. at Glangwili these included:</p> <ul style="list-style-type: none"> time controls on heating cylinders; local targets and user control (e.g. Energy Champions); IT switch off; air conditioning performance enhancements loft insulation; and review simultaneous heating and cooling. <p>An Energy Conservation Re-fit Assessment commissioned from consultants in September 2024 commented on:</p>	<p>Application of energy efficiency initiatives and funding is not optimised resulting in sub-optimal energy performance.</p>	<p>Recommendations from display energy certificates to be added to existing DEC information log.</p> <p>Expected Evidence of Implementation:</p> <p>Display energy certificates information log.</p>														

<ul style="list-style-type: none"> • circuit controls, thermostat controls and loops; and • “obsolete controls not compatible with new connections” and the need to upgrade the Building Management Systems to better interface with modern equipment e.g. at Prince Philip Hospital. 		
<p>Potentially such matters could form a focus of EFAB (Estates Funding Advisory Board) investment.</p>	<p>Medium Priority</p>	<p>Officer: Energy & Environment Officer Date: 30/9/2025</p>
<p>Theme: Planning, Delivery & Deadline Management</p>	<p>Control Operation</p>	

Energy monitoring was discretely assigned to the Energy and Environmental Officer with a range of key officers undertaking Carbon Literacy training (a specialist two-day course). Similar numbers were trained in sustainable healthcare as climate champions. These specialist courses were designed by Health Education and Improvement Wales (HEIW), with participation overseen by the Principal Programme Manager for Transformation. More general sustainability training courses were also options available within the Electronic Staff Record (ESR) although not mandatory, with participation monitored by the Senior Environmental Manager.

A Sustainability Resource Hub on the staff intranet also provided carbon awareness including energy efficiency to engage and educate employees.

For ongoing communication, the Health Board had a dedicated group to co-ordinate sustainability communications with input from the Communications team and the Energy and Environment officer. Communications had included a recent energy efficiency campaign called 'Switch It Off'.

Energy was championed by both the Director of Finance, and an independent member chairing the Sustainable Resources Committee, as supported by site leads.

The Health Board had a well-established commitment to meeting environmental and sustainability targets, with an established Decarbonisation Action Plan in place. This was supported by a range of decarbonisation groups addressing the various aspects of the plan, including the newly formed Energy Performance Contract & Estates Buildings Decarbonisation Group (see **governance** section).

Objective 7: Payments

Reasonable

Audit testing identified a robust process of invoice review. Following review and signed authorisation by the Energy and Environment officer, invoices were passed to the Business Governance Manager for secondary review and authorisation before payment by the Shared Services Finance function. Finance, in turn provide notification of the details of each batch paid to the Energy and Environment officer.

Invoices sampled for testing were confirmed to have been correctly entered into the Health Board's energy spreadsheets (excel). Usage was compared with historic / expected usage prior to authorisation. These sheets were in turn utilised to update annual payment forecasts.

However, being a manual and batch process, individual invoice payments were not dynamically notified to the Energy and Environment officer to review late payments. This will now be possible with increased automation of these systems.

Also, validation related only to current charges, and not invoiced arrears. While there may be some potential to additionally automate this element, it is equally possible that it may remain wholly or partly manual. However, it was noted that a significant portion of invoices contained un-addressed arrears, risking ongoing payment penalties, and increasing the complexity of reconciliation over time.

However, overall, payment testing found no errors in payment of current consumption charges.

Key Findings	Risk & Impact	Agreed Management Action
<p>7 Automated payment checks</p> <p>At the time of audit, system automation was being implemented to save manual processing. This was envisaged to include automated invoicing, saving data entry. It could usefully be extended to review the potential of automated checks for timely payment (in accordance with invoiced dates). These terms are for 30 days payment to meet the requirements of the national contract and avoid penalties.</p> <p>Further developments could include some automation assisting in review of arrears.</p> <p>Theme: Data Accuracy / Quality</p>	<p>Timely payment is not monitored resulting in late payment penalties.</p> <p>Medium Priority</p> <p>Control Design</p>	<p>Develop validation checks in new Energy Manager software for automation assisting review of arrears. Explore with Finance colleagues the potential of automated checks for timely payment.</p> <p>Expected Evidence of Implementation:</p> <p>New Energy Manager software (validation checks) and correspondence with Finance colleagues (timely payment).</p> <p>Officer: Energy & Environment Officer Date: 30/9/2025</p>
<p>8 Payment authorisation</p> <p>At the time of audit, it remained to be confirmed that current and appropriately approved delegations operated in respect of payments.</p> <p>However, it is recognised that this is in context of a nationally agreed contract, with checks applied by the Energy and</p>	<p>Payments are not appropriately authorised resulting in ultra vires payments.</p>	<p>Liaise with the relevant department to agree a version controlled process for budget holder threshold responsibility in respect of invoice payment approval.</p>

<p>Environment Officer (the authority on consumption monitoring), with authorisation by the Business and Governance Manager. Additional monitoring was also undertaken by finance utilising budgeted annual consumption (forecasts) as shared with Welsh Government. Additional monitoring was also undertaken by finance utilising budgeted annual consumption (forecasts) as shared with Welsh Government.</p>		<p>Expected Evidence of Implementation: Approved process with version control.</p>
<p>Theme: Financial Management & Control</p>	<p>Medium Priority</p>	<p>Head of Property Performance Date: 31/3/25</p>




No 'live' corporate risks relating to energy costs were logged at the time of audit. However, it was confirmed that these had previously been logged on the Datix (risk management) system relating to energy consumption and cost. It was confirmed that:

- Datix risk no. 549 related to financial risk during the energy crisis with unpredictable energy markets and mitigated via Shared Services co-ordinating NHS Wales's electricity and gas procurement. This risk being archived when the energy markets stabilised, with NHS Wales's electricity and gas procurement is now co-ordinated by Crown Commercial Services as part of the All-Wales contract.
- Datix risk no. 550 related to the Health Board's risk of non-compliance with the financial aspect of carbon reduction targets as outlined by Welsh Government. This Datix was archived in July 2021, and a new Datix set up reference no. 1544 on decarbonisation to reflect Welsh Government Decarbonisation Delivery plan requirements.

The Energy Performance Contract & Estates Decarbonisation Group was responsible for operational management and escalation of issues. For this purpose, they maintained a Risk Log, with risks scored via a probability and impact assessment matrix in accordance with best practice. At the time of audit, issues related to decarbonisation issues, such as effective engagement with consultants, rather than energy costs. However, the risk log was appropriately supported by both an action log and decisions log to facilitate timely action and escalation of issues.

Appendix A

Assurance Opinion

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

Prioritisation of Findings

Priority	Explanation
High	Significant risk to achievement of a system objective OR evidence present of material loss, error, or misstatement. Poor system design OR widespread non-compliance.
Medium	Some risk to achievement of a system objective. Minor weakness in system design OR limited non-compliance.

Website: [Audit & Assurance Services - NHS Wales Shared Services Partnership](#)

Disclaimer

This audit report has been prepared for internal use only. Audit and Assurance Services reports are prepared, in accordance with the agreed audit brief, and the Audit Charter as approved by the Audit Committee.

Audit reports are prepared by the staff of the NHS Wales Audit and Assurance Services and addressed to Independent Members or officers including those designated as Accountable Officer. They are prepared for the sole use of Hywel Dda University Health Board and no responsibility is taken by the Audit and Assurance Services Internal Auditors to any director or officer in their individual capacity, or to any third party.

The report is based on the review work undertaken and is not necessarily a complete statement of all weaknesses that exist or potential improvements. Whilst every care has been taken to ensure that the information provided in this report is as accurate as possible, no complete guarantee or warranty can be given with regard to the advice and information contained.

Our work does not provide absolute assurance that material errors, loss or fraud do not exist. Responsibility for a sound system of internal controls and the prevention and detection of fraud and other irregularities rests with management of Hywel Dda University Health board. Work performed by internal audit should not be relied upon to identify all strengths and weaknesses in internal controls, or all circumstances of fraud or irregularity. Effective and timely implementation of recommendations is important for the development and maintenance of a reliable internal control system.

Public Sector Internal Audit Standards

Audit work undertaken by NHS Wales Audit and Assurance Services conforms with the International Standards for the Professional Practice of Internal Auditing and associated Public Sector Internal Audit Standards as validated through the external quality assessment undertaken by the Chartered Institute of Public Finance & Accountancy in April 2023.

