



**PWYLLGOR ARCHWILIO A SICRWYDD RISG
AUDIT AND RISK ASSURANCE COMMITTEE**

DYDDIAD Y CYFARFOD: DATE OF MEETING:	18 October 2022
TEITL YR ADRODDIAD: TITLE OF REPORT:	Audit & Assurance Services Progress Report
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Head of Internal Audit
SWYDDOG ADRODD: REPORTING OFFICER:	Head of Internal Audit

Pwrpas yr Adroddiad (dewiswch fel yn addas) Purpose of the Report (select as appropriate)
Er Sicrwydd/For Assurance

ADRODDIAD SCAA SBAR REPORT
<u>Sefyllfa / Situation</u>
The Audit & Assurance Services progress report provides the Audit & Risk Assurance Committee (ARAC) with an update in relation to the delivery of the approved Internal Audit Plan for 2022/23.
<u>Cefndir / Background</u>
The work undertaken by Internal Audit is in accordance with its annual plan, which is prepared following a detailed planning process and subject to Committee approval.
The progress report provides the Committee with information regarding the progress of Internal Audit work in accordance with the agreed plan, amendments to the agreed plan and outcomes of any audits completed since the previous meeting of the committee.
<u>Asesiad / Assessment</u>
The delivery of the 2022/23 audit plan has commenced with a schedule of audits planned for each Audit & Risk Assurance Committee.
The findings and assurance ratings from the Internal Audit Reports provides the Committee with a level of assurance as to the adequacy of the risk, governance and control environment in the areas audited.
<u>Argymhelliad / Recommendation</u>
The Audit & Risk Assurance Committee is asked to take assurance with regard to the delivery of the Internal Audit plan for 2022/23 year, assurance from the finalised audit reports and approve updates to the plan as required.

Amcanion: (rhaid cwblhau) Objectives: (must be completed)	
Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	<p>3.17 The Committee shall ensure that there is an effective internal audit function established by management that meets mandatory Internal Audit Standards for NHS Wales and provides appropriate independent assurance to the Committee, Chief Executive and Board.</p> <p>3.18 This will be achieved by:</p> <p>3.18.1 review and approval of the Internal Audit Strategy, Charter, operational plan and more detailed programme of work, ensuring that this is consistent with the audit needs of the organisation;</p> <p>3.18.2 review of the adequacy of executive and management responses to issues identified by audit, inspection and other assurance activity, in accordance with the Charter;</p> <p>3.18.3 Regular consideration of the major findings of internal audit work (and management's response), and ensure co-ordination between the Internal and External Auditors to optimise audit resources;</p> <p>3.18.4 ensuring that the Internal Audit function is adequately resourced and has appropriate standing within the organisation; and</p> <p>3.18.5 annual review of the effectiveness of internal audit.</p>
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not applicable
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	Governance, Leadership and Accountability All Health & Care Standards Apply Choose an item. Choose an item.
Amcanion Strategol y BIP: UHB Strategic Objectives:	All Strategic Objectives are applicable Choose an item. Choose an item. Choose an item.
Amcanion Cynllunio Planning Objectives	All Planning Objectives Apply Choose an item. Choose an item. Choose an item.

Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Objectives Annual Report 2018-2019	10. Not Applicable Choose an item. Choose an item. Choose an item.
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Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Internal Audit Plan & Charter. Individual Internal Audit reports. Evidence gathered as part of the delivery of audit assignments.
Rhestr Termau: Glossary of Terms:	Contained within the body of the report.
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Archwilio a Sicrwydd Risg: Parties / Committees consulted prior to Audit and Risk Assurance Committee:	Board Secretary. ARAC Chair. Executive Directors and Senior Managers relevant to the individual audits.

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	Not applicable
Ansawdd / Gofal Claf: Quality / Patient Care:	Not applicable
Gweithlu: Workforce:	Not applicable
Risg: Risk:	Not applicable
Cyfreithiol: Legal:	Not applicable

Enw Da: Reputational:	Not applicable
Gyfrinachedd: Privacy:	Not applicable
Cydraddoldeb: Equality:	Not applicable

Hywel Dda University Health Board Audit & Risk Assurance Committee

October 2022

Audit & Assurance Services Internal Audit Progress Report



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

Please note

This report has been prepared for internal use only. Audit & Assurance Services reports are prepared, in accordance with the Service Strategy and Terms of Reference, approved by the Audit & Risk Assurance Committee.






Audit reports are prepared by the staff of the NHS Wales Shared Services Partnership – 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 the 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.

1. Introduction and Background

- 1.1** This progress report provides the Audit & Risk Assurance Committee (ARAC) with the current position in relation to the delivery of the 2022/23 Internal Audit Plan
- 1.2** The report also includes details of the progress with the delivery of individual audits, outcomes from finalised audits and any updates required to the plan.

2. Outcomes from Finalised Audits

- 2.1** The Internal Audit Reports finalised since the previous meeting of the Committee are highlighted in the table below along with the allocated assurance ratings, where applicable. The full versions of these reports are included on the agenda as separate items.

ASSIGNMENT	ASSURANCE RATING	
Directorate Governance GGH	Reasonable	
Directorate Governance WGH	Reasonable	
Quality & Safety Governance	Reasonable	
Falls Management	Reasonable	
Tri Tech Governance Follow up	Substantial	

3. Internal Audit Plan 2022/23 - Planning and Delivery Update

3.1 Audit fieldwork to delivery of the Internal Audit Plan for 2022/23 is underway in and progressing broadly line with plan, with the assignment status schedule at Appendix A setting out current progress. In addition to the audits report to draft and final stages from the current year plan, a large number of audits have progressed to the fieldwork or planning stage.

3.2 The current position of the audits that have not made the Committee deadline are summarised in the table below.

In order to ease pressures on the flow of audit work, the follow up audit of TriTech Governance has been brought forward has been reported as Final at this Committee.

Audit	Current position	Rating	Current Position/ Reason	Revised ARAC
IT Infrastructure	Initial draft	R	Initial delay with UHB staff absence, followed by A&A staff absence.	Dec
Cyber	Initial draft	-	Initial delay with UHB staff absence, followed by A&A staff absence.	Dec
Estates Assurance – Decarbonisation	Draft report	n/a	All Wales approach taken with the audit and reports. Now waiting management responses.	Dec
Glangwili Fire Enforcement	planning	-	At the request of management, this review was deferred to allow management to apply lessons learnt from the Withybush Fire Enforcement audit which was recently completed.	Feb

3.4 As a result of ongoing planning discussions with the Health Board, taking into account changing priorities and operational pressures, a number of audits are under review in terms of scope and timing, along with some adjustments being required to the plan. This is summarised below:

- Records Digitistaion to move back to Q4
- Major Project/Programme Provision to move back until Q4
- Withybush Fire Enforcement Works Phase 1 from Q3 to Q4
- To include in the plan – Follow up of Salary Overpayments audit.
- In order to manage the balance in the flow of audit work, we are bringing forward the follow up audits of Non Clinical Temporary Staffing, Welsh Language and Prevention of Self Harm and also the Lessons Learned audit.
- Discussions have been ongoing in relation to the scope and timing a number of workforce audits, Agency Staffing, Workforce Strategies and Rostering, due to

the ongoing UHB work in relation to workforce site stabilisation and operational pressures. We are currently working through the impact of this to the timing and coverage of these audits and are developing an approach as to how best to proceed.

- Initial discussions have commenced to understand the impact of the increase in escalation status of the UHB on the audit plan.

The Committee is asked to note and approve where appropriate the reported adjustments to the plan.

3.6 The regular programme of meetings with the Board Secretary have continued, along with meetings taking place with Executive Directors and senior managers in relation to audits currently being delivered and planned. UHB Board meetings have been observed and discussions with Counter Fraud and Audit Wales have also continued.

3.7 The Audit & Assurance are continuing to work with the Governance and Risk team to ensure a coordinate approach to recommendation follow up, attending meetings jointly and supporting the process by requesting evidence in order to provide a view as to where specific recommendations on the tracker can be closed. This work has supported our ability to bring forward some of the follow up audits.

Appendix A – HDUHB Internal Audit Plan 2022/23 – Assignment Status Schedule

Audit Ref	Audit Output	Audit Type	Outline timing	Planned ARAC	Executive Lead	Progress Status	Assurance	H	M	L
1	Public Inquiry preparedness	2	Q1/2	Aug	Board Secretary	FINAL	Substantial	-	-	-
2	Quality and Safety Governance Framework	3	Q2	Oct	Nursing Quality & Patient Experience	FINAL	Reasonable	-	2	-
3	Discharge Management	3	Q3/4	April	Director of Operations	Planning				
4	Service Reset and Recovery	3	Q2	Dec	Director of Operations	wip				
5	Workforce Strategies	3	Q2/3	Dec	Director of Workforce & OD	Under review				
6	Agency Nursing	2	Q2	Oct	Director of Workforce & OD	Under review				
7	Rostering	2	Q3/4	Apr	Director of Workforce & OD	Under review				
8	Overpayment of Salary	1	Q1/2	Aug	Director of Workforce & OD	FINAL	Limited	3	1	-
9	Financial Management	3	Q2/3	Dec	Director of Finance	Planning				
10	Continuing Health Care	2	Q3	Dec	Primary, Community and Long Term Care	Planning – brief agreed				

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11	Directorate Governance – Withybush	2	Q1/2	Oct	Director of Operations	FINAL	Reasonable	1	5	-
12	Directorate Governance Glangwili	2	Q1/2	Aug	Director of Operations	FINAL	Reasonable	1	4	1
13	Records Management	2	Q4	Apr	Director of Operations	Planning				
14	Individual Patient Funding requests (IPFR)	2	Q2/3	Feb	Medical Director	planning				
15	Commissioning (Mental Health)	2	Q3	Feb	Director of Operations					
16	Safety Indicators	2	Q3	Feb	Nursing Quality & Patient Experience	planning				
17	Patient Experience	2	Q3	Apr	Nursing Quality & Patient Experience	Planning				
18	Lessons learned	2	Q3	Feb	Nursing Quality & Patient Experience	planning				
19	Falls	2	Q1/2	Oct	Nursing Quality & Patient Experience	FINAL	Reasonable	1	5	-
20	Job planning	2	Q3/4	Apr	Medical Director	planning				
21	Public Health	1	Q4	Apr	Public Health					
22	Fitness for Digital	2	Q2	Dec	Director of Finance	wip				
23	Cyber Security	2	Q2	Oct	Director of Finance	wip				
24	IT Infrastructure	2	Q1/2	Aug	Director of Finance	wip				
25	Records Digitisation	1	Q3	Dec	Director of Finance	planning				

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26	Fire Governance	2	Q1/2	Aug	Director of Operations	FINAL	Substantial	-	1	-
27	Accelerated Cluster Development	2	Q3/4	April	Primary, Community and Long Term Care	Planning				
28	Regional Integrated Fund	2	Q2/3	Dec	Primary, Community and Long Term Care	planning				
29	Welsh Language follow up	1	Q2	Feb	Chief Executive Officer	Planning				
30	Tritech follow up	1	Q3	Dec	Medical Director	FINAL	Substantial	-	-	-
31	Non-clinical temporary staffing follow up	1	Q3	Feb	Director Workforce and OD	Planning				
32	IT WPAS follow up	1	Q1/2	Aug	Finance Director	FINAL	Substantial	-	1	-
33	Prevention of Self Harm follow up	1	Q3/4	April	Nursing, Quality & Patient Experience	planning				
34	Glangwili Hospital - Women and Children Development	3	Q4	Feb	Director of Operations	planning				
35	Estates Assurance – Decarbonisation	2	Q2	Oct	Directors of Finance & Strategic, Development and Operational Planning	Draft				

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36	Withybush General Hospital Fire Precautions: Phase 1	2	Q1	Aug	Director of Operations	FINAL	Reasonable	-	8	4
37	Withybush Fire Enforcement Works Phase 1	2	Q4	Feb	Director of Operations	planning				
38	A Healthier Mid & West Wales Programme	2	Q4	Feb	Strategic, Development and Operational Planning	planning				
39	Glangwili Fire Enforcement Works	2	Q2	Oct	Director of Operations	planning				
40	Major Project/Programme Provision	2	Q3/4	Dec	Strategic, Development and Operational Planning	planning				
41	Blackline Financial System		Q2/3	Dec	Director of Finance	Planning				

Description of Audit Categories.

A brief explanation of each audit type is show below and the definition will be included in each progress report. The planned category type is shown against each audit in the status schedule above.

Audit type 1

Typically, a standard audit, in terms of planned time requirements, coverage and complexity. Some routine coverage and testing included. Much of the testing is likely to be quantitative in nature. The time requirement used for planning purposes is twenty days.

Audit Type 2

Typically planned time requirements, coverage, and complexity are greater than type1. May include broader coverage of audit areas and increased requirements for the volume and complexity of testing or documentation review and a larger number of meetings. Testing is likely to be both quantitative and qualitative in nature requiring judgements. Potential increase in the level of risk of audit area. The time requirement used for planning purposes is twenty-five days.

Audit type 3

Similar to type 2 with coverage of an audit area with even more volume, complexity, and a greater level of risk. The time requirement used for planning purposes is thirty days.



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