

**COFNODION Y CYFARFOD PWYLLGOR ARCHWILIO A SICRWYDD RISG
HEB EU CYMERADWYO / UNAPPROVED MINUTES OF THE AUDIT AND RISK
ASSURANCE COMMITTEE MEETING**

Date and Time of Meeting:	Tuesday 13 th December 2022 09:30 – 13:00
Venue:	Board Room, Ystwyth Building, St David's Park, Carmarthen and via Microsoft Teams

Present:	Mr Paul Newman, Independent Member (Committee Chair) Mr Winston Weir, Independent Member (Committee Vice-Chair) (VC) Mrs Chantal Patel, Independent Member (VC) Mrs Judith Hardisty, Vice-Chair, HDdUHB (VC) Mr Maynard Davies, Independent Member Cllr. Rhodri Evans, Independent Member
In Attendance:	Ms Anne Beegan, Audit Wales (part) (VC) Ms Eleanor Ansell, Audit Wales (part) (VC) Mr Steve Moore, Chief Executive (part) Mr James Johns, Head of Internal Audit, NHS Wales Shared Services Partnership (NWSSP) (VC) Mrs Joanne Wilson, Board Secretary Mr Huw Thomas, Director of Finance Mrs Lisa Gostling, Director of Workforce & OD (part) Mr Anthony Tracey, Digital Director (part) (VC) Ms Alwena Hughes-Moakes, Communications Director (part) (VC) Ms Enfys Williams, Welsh Language Services Manager (part) (VC) Miss Charlotte Wilmshurst, Assistant Director of Assurance & Risk Mr Ben Rees, Head of Local Counter Fraud Services (part) (VC) Mr Eifion Jones, Internal Audit, NWSSP (part) (VC) Mr Martyn Lewis, Internal Audit, NWSSP (part) (VC) Mr Paul Williams, Head of Property Performance (part) (VC) Ms Clare Moorcroft, Interim Head of Corporate Governance Mrs Helen Mitchell, Committee Services Officer (minutes) (VC)

Agenda Item	Item	
AC(22)185	Introductions and Apologies for Absence	
	Mr Paul Newman, Audit & Risk Assurance Committee (ARAC) Chair, welcomed everyone to the meeting, and briefly outlined changes that were made to the agenda due to sickness of some attendees. He also welcomed Cllr. Rhodri Evans to his first ARAC. No apologies for absence were received.	
AC(22)186	Declaration of Interests	
	No declarations of interest were made.	
AC(22)187	Minutes of the Meeting Held on 18th October 2022	
	RESOLVED - The Minutes from the meeting held on 18 th October 2022 were approved as an accurate record.	

AC(22)188	Table of Actions	
	<p>An update was provided on the Table of Actions from the meeting held on 18th October 2022 and confirmation received that outstanding actions had been progressed. In terms of matters arising:</p> <p>AC(22)66 – Mrs Joanne Wilson advised that Mrs Lisa Gosling is awaiting an update from Ms Tracy Walmsley, Senior Workforce Development Manager, relating to the meeting held on 6th December 2022. This action will therefore remain open.</p> <p>In terms of matters arising:</p> <p>AC(22)171 – Mrs Judith Hardisty requested clarification on the deployment order referenced in the action. Mr Huw Thomas confirmed that the Health Board’s deployment order will last 7 years and that the Bridgend County Borough Council deployment order would last for a longer period.</p> <p>AC(22)174 – Mr Winston Weir requested clarification around the opening date of the mental health unit referred to in the table of actions. Mrs Wilson advised that a paper was expected at the January 2023 Board meeting. For clarity, the contract held with Bridgend County Borough Council (master services agreement) will end sooner as they were the first to sign and hold the main contract. Hywel Dda UHB signed a contract which will cease in 2026, with the extension period outlined within the contract.</p>	
AC(22)189	Matters Arising	
	There were no matters arising.	
AC(22)190	Escalation Status Update	
	<p>The Committee received and considered the Escalation Status Update report and appended items presented by Mr Steve Moore.</p> <p>Mr Moore advised that since finalising the report, a written response recording the first quarterly meeting has been received from the Director General, which will be shared with Independent Board Members. The Director General recognised the considerable progress made in both governance and on the Escalation Action Plan; provided clarity around de-escalation; and a road map to achieve de-escalation both for enhanced monitoring and targeted intervention areas. The Committee noted that the Health Board will develop an annual plan for 2023-24.</p> <p>Mr Moore also advised that the Escalation Action Plan remains on track and is monitored through the Escalation Steering Group (ESG). In addition, the Targeted Intervention Working Group and the Enhanced Monitoring Working Group focus on actions pertaining to Targeted Intervention and Enhanced Monitoring respectively. The Chair, Chief Executive, Director of Nursing, Quality and Patient Experience and the Chair of the Quality Safety Experience Committee (QSEC) have met with the Chief Executive of Healthcare Inspectorate Wales (HIW) to address their concerns, and a letter outlining the discussion will be sent from the Chair to HIW.</p>	JW

	<p>Mr Moore referenced the Audit Wales Structured Assessment 2022 report which focussed on the Health Board’s corporate arrangements for ensuring that resources are used efficiently, effectively, and economically, with a specific focus on the organisation’s governance arrangements; strategic planning arrangements; financial management arrangements; and arrangements for managing the workforce, digital assets, the estate, and other physical assets.</p> <p>Mr Newman requested clarity on support available from Welsh Government (WG); and the evidence to support statements made in respect of increasing the Health Board’s escalation status. Mr Moore advised support is being offered in three areas:</p> <ul style="list-style-type: none"> • A review of our finances and our approach to them, with a specification agreed with the Financial Delivery Unit (Huw Thomas) • A peer review of our planning processes and the development of a planning maturity matrix (Lee Davies) <p>A standing agenda item for consideration at every ESG is ‘Any Other Areas to Request Support from WG’.</p> <p>With regard to Enhanced Monitoring arrangements, the issues raised in the original HIW letter, and the concerns relating to Bronglais Hospital in the initial discussion, the Health Board is seeking further evidence. The Director of Nursing, Quality and Patient Experience has raised all other areas of concern with the Engagement Officer from HIW.</p> <p>Of the approximately 68 initial points received by WG as part of increased escalation, Mr Moore confirmed that a large number have now been completed, with the main focus presently being the key requests around the financial road map to recovery; the approach to planning the development of an annual and a 3-year plan; and the performance issues relating to enhanced monitoring. To allow the working groups to focus on these areas of work, the ESG has been stood down until the first week of January 2023.</p> <p>Mr Weir requested that the KPMG report published in February 2020 be shared with Independent Members. Mr Huw Thomas agreed to share the report and advised that a report bringing out key actions would be presented at Sustainable Resources Committee (SRC) on 20th December 2022.</p>	<p style="text-align: right;">HT</p>
	<p>The Committee NOTED the update on the Health Board’s actions in relation to its escalated status.</p>	

<p>AC(22)191</p>	<p>All Wales Audit Committee Chairs Meeting Update</p> <p>Mr Newman presented the All Wales NHS Audit Committee Chairs’ Meeting Update report, advising that this represents a summary of the items discussed.</p> <p>Mr Maynard Davies welcomed the focus on All-Wales areas of high-risk activity, eg, cyber-security; and queried when the interactive awareness tool for Standing Financial Instructions would be available. Mr Thomas</p>	<p style="text-align: right;">HT</p>
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	<p>agreed to follow-up with the lead from NHS Wales Shared Services Partnership (NWSSP) with a view to sharing with Board Secretaries and Independent Members. Mr Thomas referenced a presentation on the Internal Audit Dashboard, which he found to be useful; and suggested using it in an ARAC setting to consider the approach to audit and the response. Mr Johns agreed to present the dashboard at a future ARAC or at a future development session.</p>	JJ
	<p>The Committee RECEIVED FOR INFORMATION the All Wales NHS Audit Committee Chairs' Meeting Update report.</p>	

AC(22)192	<p>Risk Management Strategy</p> <p>The Committee received and considered the Risk Management Strategy presented by Miss Charlotte Wilmshurst, who advised that the Risk Management Strategy sets out the broad aims and principles of risk management across Hywel Dda UHB, and sets out the Health Board's objectives in respect of risk management over the next 12 months. Three key objectives have been identified:</p> <ul style="list-style-type: none"> • Define the organisation's risk appetite and tolerance statement • Support the strengthening of operational risk management arrangements • Strengthen the assurance that the board receives on risk management activities <p>Mr Weir raised two points of clarification, the first relating to the timing of the Board Seminar on Risk Appetite and Tolerance. This will be scheduled for some time during the Summer period. The second point related to the plan for continued emphasis on the importance of risk management at an operational level. Mrs Wilson advised that corporate support for operational teams had been strengthened this year with the introduction of two new Risk and Assurance Officers, as well as the continuation of the Operational Risk Reviews undertaken by Ms Mandy Rayani and Mr Andrew Carruthers with operational services.</p> <p>Miss Wilmshurst clarified that the recognised standard referenced in Objective 3 will be 'The Orange Book' standard which is used by the government departments. A plan will be developed to strengthen any areas of improvement, and the Committee will receive assurance on these objectives through a Risk Assurance Report, similar to the Financial Assurance report already received by the Committee. It was also confirmed that the Risk Management Strategy and Framework applies to staff at all levels of the Health Board and how been subject to consultation with all Board Members and the wider organisation.</p> <p>The Audit and Risk Assurance Committee ENDORSED the Risk Management Strategy prior to its submission to the Board for approval on 26th January 2023.</p>	
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AC(22)193	<p>Counter Fraud Update</p> <p><i>Mr Ben Rees joined the meeting.</i></p> <p>The Committee received and considered the Counter Fraud Update December 2022 and appended items presented by Mr Ben Rees. The Committee noted that International Fraud Awareness Week</p>	
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	<p>commenced on 14th November 2022 and involved face to face awareness sessions at Tregaron Community Hospital, Aberaeron Health Centre, South Pembrokeshire Hospital, Withybush General Hospital, Prince Phillip Hospital, and various community pharmacies across the three counties. In addition, online webinars were held for all GP surgeries, Workforce and OD (including recruitment teams), Pathology together with a general meet and greet. Daily digital newsletters were published via the Global Messaging System, placing NHS Fraud under the magnifying glass. Topics included Working Whilst Sick, Expenses, Charitable Funds, and Overpayment of Salary. This exercise emphasised how the workforce can work collaboratively together to reduce further instances of fraud within the organisation.</p> <p>The Prevent and Deter section of the report references a risk assessment into Mortuary Services in partnership with the service, who have subsequently recorded the assessment on Datix, reference number 1542 refers. The assessment highlights the need to review existing processes, including those linked to post-mortems (PMs), where Health Board employees are receiving payments for PM related work from Local Authorities. No fraud has been identified, however a need for better governance in this area is required. A fraud awareness session was delivered to Pathology in response to the Fraud Risk Assessment. The Risk Assessment will be reviewed periodically.</p> <p>Mr Rees confirmed that evaluation is undertaken following each session delivered and has led to tailoring of sessions to specific workforce areas and provision of case studies to provide context and illustrate relevance.</p> <p>For Mr Rees' information, Ms Anne Beegan referenced the recently published National Fraud Initiative report. An action in the report is for Audit Committees to review the Self-Appraisal Checklist.</p> <p><i>Mr Rees left the meeting.</i></p>	
	<p>The Committee RECEIVED for information the Counter Fraud Update and appended items.</p>	

AC(22)194	Annual Review of Requisitions with a Focus on Credit Card Transactions	
	DEFERRED	

AC(22)195	Financial Assurance Report	
	<p>The Committee received and considered the Financial Assurance Report presented by Mr Thomas. The report highlights changes to the Scheme of Delegation in Continuing Health Care; the no Purchase Order (PO) no pay policy, where there have been challenges around suppliers issuing invoices without purchase order numbers; Public Sector Payment Policy (PSPP) Compliance, where the Health Board failed to meet its 95% October 2022 target for non-NHS invoices. The latter relates to issues around the Bank Office and processing of nurse agency invoices and more general challenges around backlog of work; these are being addressed. Mr Thomas confirmed that this should not affect the end of year target/position.</p>	

	<p>Mr Weir queried the figure of £95,419.72 overpayment of Shifts / Hours / Unauthorised Leave in Appendix 3 and Mr Thomas clarified that this figure related to maternity leave, sickness absence and payments for other leave overpaid where the start date has been entered incorrectly. Mr Thomas confirmed that the overall position should improve following digitisation of the All Wales system, whilst noting that no timescale is available at present.</p> <p>The Committee noted that there were four write-offs in excess of £5k, detailed in Appendix 4 of the report. £95,000 related to damaged goods at the Selwyn Samuel Field Hospital. During subsequent discussions, Mr Thomas advised that the contract between the Health Board and the contractor was insufficiently robust to allow the Health Board to make a claim against the contractor involved; he would forward a more detailed response to Mr Newman outside the meeting. Other write-offs related to expired drugs and drugs which had been purchased for patients who are no longer receiving the treatment in question. Every effort was made to utilise the drugs within the Health Board, but this was not successful. Mr Davies queried whether the drugs in question had been, or could, be offered to neighbouring Health Boards. Mr Thomas agreed to make enquires in this regard.</p> <p>Members' attention was drawn to section 2.6, with Mr Thomas reporting on a number of longstanding tax issues and the outcome of HMRC's Business Risk Review; the Health Board has been deemed "Low Risk", the lowest of four possible risk ratings.</p> <p>Mr Davies offered his congratulations on the Health Board's HMRC risk rating. Mrs Hardisty noted the positive progress on Single Tender Actions and the volume of work that has been undertaken.</p>	<p>HT</p> <p>HT</p>
	<p>The Committee:</p> <ul style="list-style-type: none"> • DISCUSSED and NOTED the report; • RECOMMENDED Board approval of changes to the Scheme of Delegation; • APPROVED the write-off of Losses and Special Payments over £5k. 	
<p>AC(22)196</p>	<p>Audit Wales Update Report</p> <p>Ms Anne Beegan introduced the Audit Wales (AW) Update Report, advising that the audit of the 2021-22 Charitable Funds Accounts is underway and will be presented to the next Charitable Funds Committee. The following update was also provided:</p> <ul style="list-style-type: none"> • Workforce Planning: Work is ongoing with the Hywel Dda UHB as one of the first Health Boards to be reviewed, and the report will be presented to the Committee at its meeting in April 2023. <p>AW are still trying to catch up the backlog due to the pandemic, and when asked by Mr Newman if the reports scheduled for February will be ready, an affirmative response was provided.</p>	

	<p>With regard to the National Fraud Initiative (NFI) in Wales 2020-21, Ms Beegan will meet with Mr Ben Rees, to consider how the Health Board could make better use of the NFI.</p> <p>Ms Beegan also referenced the Cyber-Security report which will be presented to ARAC In-Committee later today.</p>	
	<p>The Committee NOTED the Audit Wales Update.</p>	

<p>AC(22)197</p>	<p>Structured Assessment</p> <p>Ms Beegan presented the Structured Assessment report, with Members noting that this annual review outlines the findings from the Auditor General's 2022 work at the Health Board, predominantly focussing on governance and financial management arrangements, strategic planning and use of resources.</p> <p>Ms Beegan noted that the Health Board is in Targeted Intervention and Enhanced Monitoring measures and highlighted positive governance arrangements; staff wellbeing; a strong focus around staff and patients; and clear strategic vision. The Health Board has been unable to produce a WG approvable Integrated Medium-Term Plan and is on track to deliver a significant financial deficit at the end of 2022-23. Last year's Strategic Planning Report contained a number of actions which have been incorporated and updated to include the Health Board's current position. Further work is needed to streamline the Health Board's operational structure and performance management arrangements to support delivery, both of which are under consideration at present.</p> <p>The Health Board continues to have a very strong commitment to public transparency and Ms Beegan noted that some areas may be slightly further enhanced. The Health Board's arrangements support the effective conduct of Board business, enabling the Board and committees to work effectively. Good quality information is received to support effective scrutiny, assurance and decision-making, with a strong commitment at Board to hearing from patients and staff.</p> <p>In terms of planning, Ms Beegan noted that the Health Board being more sighted on enabling plans which fit within the 3-year plan (such as the Digital Plan) would be beneficial.</p> <p>In respect of paragraph 7 and performance management arrangements at an operational level, Mr Davies asked whether Audit Wales had seen the work completed on the Mental Health dashboard. Ms Beegan confirmed that she had received the link and would be receiving a demonstration soon. Lack of reference to this work in the report had been due to a timing issue.</p> <p>Ms Beegan confirmed that COVID-19 costs had been reflected in the detail and noted that there may be an exercise next year regarding this.</p> <p>Welcoming the report, Ms Hardisty asked for Audit Wales' view on the Health Board's operational structure. Ms Beegan advised that it would</p>	
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not be appropriate to comment, however there is a need for review and to refresh the structure.

Mrs Hardisty noted that the WG's strategy for the Health Board to establish Pan Cluster Planning Groups to report into the Regional Partnership Board (which has no status as a statutory body) and also into the Health Board, are complex and require clarification. Mrs Hardisty also noted that the AW reviews relating to structures and governance will prove helpful.

Mrs Wilson offered assurance regarding the operational structure and confirmed that this is an ongoing piece of work in Mr Andrew Carruthers' team. Mr Thomas advised that the timescale was likely to be 6 – 9 months.

Commending the report as helpful, Mr Weir queried whether the Health Board considers value for money during the procurement process and in dealings with suppliers. Mr Weir also asked if Hywel Dda Health Board is behaving differently from other Health Boards in respect of the cost-of-living crisis. Ms Beegan advised that Hywel Dda appeared to be responding well in respect of staff wellbeing and noted that she had not seen similar responses from other Health Boards.

Ms Beegan confirmed that a rolling programme of deep dives of areas such as procurement, capital, financial savings, COVID-19 costs will be undertaken over the next five years which will offer a greater insight and more assurance to Health Boards. She also advised that views are presently being sought from Board Secretaries. In terms of procurement, the value for money and sustainability development aspects are now considered. Mr Thomas advised that his new Procurement team will report to SRC in February or April 2023.

Mrs Chantal Patel raised a question in the MS Teams Chat relating to the management of the deficit and whether the measures taken will make a difference given the rising living costs. She also asked if streamlining would add stress to an operational team under pressure. Ms Beegan deferred to Mr Thomas on the question of the cost of living and advised that the NHS Finances Report would address this.

Ms Beegan noted that streamlining is regarded as a positive move and will likely reduce the number of meetings, thereby freeing up time.

Ms Beegan confirmed that the work already undertaken relating to performance management for the upcoming Review of Operational Governance Arrangements – Mental Health and Learning Disabilities had contributed the Structured Assessment Report.

Mrs Wilson thanked Ms Beegan for her input and for working alongside the Health Board on this report and noted that the report was a fair reflection of the Health Board, recognising the recommendations related to areas where work was already being undertaken.

Mrs Wilson advised that the Structured Assessment report would be presented at the Board in January 2023 and the management response

	would be presented at ARAC in February 2023, to allow for a full and frank discussion.	
	The Committee CONSIDERED and RECEIVED ASSURANCE from progress made in respect of the recommendations from the Audit Wales Structured Assessment 2022 – Hywel Dda University Health Board report.	
AC(22)198	Review of Operational Governance Arrangements – Mental Health & Learning Disabilities	
	DEFERRED	
AC(22)200	Orthopaedics Services Follow-up	
	DEFERRED	
AC(22)201	Deep Dive - Ophthalmology	
	DEFERRED	
AC(22)202	Internal Audit Plan Progress Report	
	<p>Introducing the Internal Audit Plan Progress Report, Mr James Johns highlighted the audits finalised since the previous meeting, and the planning and delivery of the current year's Internal Audit Plan. The Committee was advised that there have been some changes to the plan due to changing priorities, organisational pressures and Targeted Intervention. The overall plan has been reviewed to ensure it meets the needs of the Health Board. However, four audits have been deferred and the reason for delays to these were outlined in section 3.2.</p> <p>Mr Johns advised that there is a large volume of audit work ongoing at present which has contributed in part to the changes outlined at section 3.3. Mr Johns and Miss Wilmshurst met last Friday 9th December 2022 with a view to planning for the February and April 2023 ARAC meetings and the latest changes will be considered at the agenda-setting meeting which follows this Committee.</p>	
	The Audit & Risk Assurance Committee RECEIVED ASSURANCE with regard to the delivery of the Internal Audit plan for 2022/23 year, and the finalised audit reports and APPROVED the proposed updates to the plan.	
AC(22)203	Estates Assurance – Decarbonisation	
	<p><i>Mr Eifion Jones joined the meeting.</i></p> <p>Mr Eifion Jones introduced the Decarbonisation Internal Audit Report, advising that simultaneous audits relating to decarbonisation across all of NHS Wales were originally planned, but following initial Internal Audit work, it became clear that at a national level a full audit review would not be appropriate at this time. The decision was therefore taken that an advisory review would be completed to outline next steps and to share best practice. A full audit will follow in the next financial year, facilitating follow-up of all recommendations in the 12-month period.</p> <p>Mr Jones highlighted key matters for consideration:</p> <ul style="list-style-type: none"> • National common themes under Appendix A 	

- Specific Health Board recommendations under Appendix B
- Availability of sufficient protected resource
- Delivery of the project in view of limited capital funding
- Improving engagement with Shared Services Procurement Services

Mr Paul Williams noted that both physical and financial resources are challenging and that the Delivery Plan sets out the Health Board's ambition and financial needs. He advised that the focus is on a whole organisation approach to carbon awareness, aligning where possible to existing capital investment plans and transformational programs.

Welcoming the focus on this area, and referencing Appendix B, Mr Weir advised that the Terms of Reference for SRC have been updated. Mr Weir suggested that the Health Board should strive to be more ambitious and that it would be useful to know how the Health Board works with its partners on decarbonisation. It was suggested that a more in-depth discussion could be held at SRC. Mr Thomas advised that the report is included on the SRC agenda and that the governance process is in place; and links to a Planning Objective. He also referenced carbon-intensive clinical interventions which should be reviewed, as well as the established procurement of decarbonised inhalers.

Cllr. Rhodri Evans welcomed the report, assuring Members that this issue is a focus for Local Authorities and advising that they are subject to Welsh Government targets. Cllr. Evans queried whether fines would be applied to Health Boards if decarbonisation targets are not met. Mr Williams advised that he attends WG focus groups and regularly feeds back that support will be needed to meet targets. Mr Williams also advised that the Health Board has appointed a Programme Manager to support the decarbonisation agenda.

Mr Thomas noted that energy cost volatility links to decarbonisation and asked whether an All Wales review was planned to facilitate energy governance, risk management and solutions.

Ms Beegan referenced the Good Practice Exchange supporting the NHS sector in relation to energy pressures agreed to investigate the timeline and advise the Committee.

Mr Williams referenced an ongoing project with the Health Board, Aberystwyth University and the Local Authority to develop a low carbon heat scheme. The project has applied to the WG for funding to develop a detailed design.

Mrs Hardisty noted the limited scope of the audit, suggesting that this topic should be considered across all Public Sector bodies and that further engagement with partners would be beneficial. Mrs Wilson noted that the absence of dates in the report causes difficulty in entering details on the audit tracker and requested that Ms Rachel Williams, Head of Assurance and Risk, works with Mr Williams to enter dates so that assurance can be provided to the Committee.

RW/PW

	<p>The Committee agreed that this report should be shared with SRC for information, and that a more detailed update and focused action plan should be considered at that forum.</p> <p>Mr Thomas acknowledged that with constantly changing guidance and parameters, measurement is challenging, particularly measurement of progress. He suggested breaking measurements down into component parts to facilitate consistent measurement. Mr Thomas noted an assurance review across all Heath Boards would prove beneficial for all.</p> <p>The Committee agreed to reach out to Executive level networks to share good practice.</p> <p><i>Mr Eifion Jones left the meeting.</i></p> <p>The Committee NOTED the Decarbonisation Internal Audit Report</p>	<p>HM</p> <p>LD</p>
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<p>AC(22)204</p>	<p>Follow-up: Welsh Language Standards</p> <p><i>Ms Alwena Hughes-Moakes and Ms Enfys Williams joined the meeting.</i></p> <p>Mr Johns introduced the Welsh Language Standards Follow-up Report, advising that the review sought to establish progress made by management to implement agreed actions arising from the previous internal audit, which concluded Limited Assurance over the adequacy of arrangements in place to ensure Health Board compliance with the Welsh Language Standards.</p> <p>The original audit identified three high and two medium priority matters arising. Action has been taken by management to address five of the matters arising. However, one high priority matter arising is only partially addressed, whilst one medium priority matter arising has not been implemented. Positive progress has been made in implementing recommendations, and this had formed the basis of an assurance rating of Reasonable Assurance.</p> <p>Welcoming the progress made, Mr Davies questioned how many complaints the Health Board receives relating to Welsh Language. In response, Ms Enfys Williams advised that annually, approximately 10-15 complaints are received, and that these are reported to the Welsh Language Commissioner (WLC). Any complaints submitted via WLC require action plans. Currently there are two open investigations.</p> <p>Mr Newman noted that the Self-Assessment from the Nursing, Quality and Patient Experience and Operations Directorates are awaited and are likely to be significant submissions when received. Ms Williams confirmed that these are the largest in terms of scope and advised that due to operational pressures, submission was proving challenging. The Welsh Language team continues to offer support, with a view to concluding the exercise by the end of the financial year.</p> <p>Ms Williams referenced positive feedback received via social media and from the Eisteddfod.</p>	
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	<p>Work within the directorates continues and Mrs Wilson noted that this piece of work is a small part of a larger piece that Ms Alwena Hughes-Moakes is leading, focussing on the Welsh Language and culture discovery process. Ms Hughes-Moakes invited Committee members to participate in the questionnaire, 'The future of Welsh language and culture at Hywel Dda University Health Board' (link below):</p> <p>https://forms.office.com/r/7CtNiBQ11y</p> <p>Ms Hughes-Moakes also offered to meet with Independent Members to canvas their views.</p> <p><i>Ms Alwena Hughes-Moakes and Ms Enfys Williams left the meeting</i></p>	
	<p>The Committee NOTED the Welsh Language Standards Follow-up Report</p>	

AC(22)205	Salary Overpayment Follow Up	
	<p><i>Mrs Lisa Gostling joined the meeting.</i></p> <p>Mr Johns introduced the Overpayment of Salaries Follow-up Report, advising that the review has sought to establish progress made by management to implement agreed actions arising from the previous internal audit, which concluded Limited Assurance over the adequacy of internal controls and processes to identify and ascertain the reason for overpayments and the actions taken to reduce current numbers.</p> <p>Three high and one medium priority matters arising were identified and action has been undertaken by management to address the findings, resulting in three matters arising being addressed and now closed. Action to improve the use of ESR Manager Self-Service is ongoing. Reasonable Assurance was concluded overall, due to progress in implementing recommendations.</p> <p>In respect of Manager Self-Service, Ms Lisa Gostling advised that constant reminders are required around the use of electronic systems alongside paper forms required in regards to pensions. Managers are also reminded to complete termination forms prior to termination and not after. This remains a 'work in progress'.</p> <p>Mr Newman noted that there appears to be a contradiction with earlier discussions relating to digitisation, human error and the need to further streamline the process. Mrs Gostling advised that Workforce and Organisational Development colleagues are not involved in the process until an error/overpayment comes to light.</p> <p>Ms Wilson requested clarification around dates so that the tracker could be updated, and Ms Gostling agreed to provide the information.</p> <p>Mr Thomas confirmed that Mr Anthony Tracey has been working with the Workforce and Robotics teams to streamline the leavers process. In response to a query from Cllr. Evans regarding the percentage of overpayments of salary recovered, Mr Thomas confirmed that this is high and that no overpayments have been written off.</p>	LG

	<p><i>Mrs Lisa Gostling left the meeting.</i></p>	
	<p>The Committee NOTED the Overpayment of Salaries Follow-up Report</p>	

<p>AC(22)206</p>	<p>IT Infrastructure</p> <p><i>Mr Martyn Lewis and Mr Anthony Tracey joined the meeting.</i></p> <p>Mr Martyn Lewis introduced the IT Infrastructure Report, advising that the review provides Reasonable Assurance that a process is in place for ensuring that the infrastructure hardware is tracked, maintained and supported, and that the network is managed sufficiently to provide services for the organisation.</p> <p>The audit identified that the digital infrastructure is currently in a state of significant change due to preparation for the adoption of cloud-based storage and systems, and the cyber security program which is conducting a planned change program that will have a considerable impact on the future network. Currently there are records of infrastructure equipment, although the different records in place require consolidation. Security patching occurs although currently switches are not patched, and the infrastructure contains old items with security vulnerabilities. Infrastructure monitoring takes place and alerts are produced; however, the monitoring process is hampered due to a lack of configuration. The key matters requiring management attention include:</p> <ul style="list-style-type: none"> • Component renewal and patching • Network monitoring • SolarWinds is used to monitor performance and is yet to be configured • Asset registers record assets across multiple systems, with inconsistencies in the particular data fields being collected • Contracts for maintenance have no formal process to ensure that accreditations are in-date • Further matters arising concerning the areas for refinement and further development have also been noted <p>Mr Anthony Tracey advised that all asset management should migrate to the new Fresh Service tool by the end of March 2023; and noted that ensuring third party suppliers retain their respective accreditations is essential. To facilitate this, 3-monthly or 6-monthly updates will challenge suppliers to evidence their in-date accreditation.</p> <p>Mr Davies noted good progress and questioned the costs of replacing aged assets. Mr Tracey agreed to investigate further and provide this information.</p> <p>Mr Tracey referenced the national procurement of a new radiology system which will provide 4k images and will eradicate related risks. There is still some national work to be undertaken regarding the national network structure.</p>	<p>AT</p>
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	<p>Mrs Hardisty requested clarification on the categorising of risk. Mr Johns advised that the priority is purely around the recommendation, not the overarching potential risk.</p> <p>The Committee congratulated Mr Tracey and his team on the progress made in this area and thanked them for their efforts.</p> <p>The Committee NOTED the IT Infrastructure Report.</p>	
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AC(22)207	Cyber Security	
	<p>Mr Lewis introduced the Cyber Security Report, advising that the review had returned a rating of Substantial Assurance.</p> <p>Mr Lewis also advised that there is a cyber security action plan in place which includes the recommendations from the Cyber Assurance Framework (CAF) assessment, and progress is being made against the actions within it. This results in an improved cyber security position for the organisation. There was one matter for reporting in the review, with one further advisory point within the detail of the report.</p> <p>Mr Tracey confirmed that the 15 cyber programs referenced in the report have now moved onto the selected programme management tool, Microsoft PACE, and are being monitored through a project management approach, with Mr Tracey being updated on a weekly basis.</p> <p>Mr Tracey noted that due to the IT infrastructure operating on an All Wales basis, the Health Board is only as strong as its weakest link.</p> <p>Mr Thomas noted that Audit Wales are considering a national Cyber Security Review and queried whether Internal Audit are taking a similar approach. Mr Lewis advised he has liaised with the Cyber Resilience Unit (CRU) who oversee cybersecurity in Wales, and that an All-Wales report will be published by the CRU as the competent authority. This report will be submitted to the Committee when published.</p> <p><i>Mr Martyn Lewis and Mr Anthony Tracey left the meeting.</i></p> <p>The Committee NOTED the Cyber Security Report.</p>	

AC(22)208	Healthier Mid & West Wales - Advisory	
	DEFERRED	

AC(22)209	Blackline Financial Reconciliation System	
	DEFERRED	

AC(22)210	Continuing Health Care	
	DEFERRED	

AC(22)211	Fitness for Digital	
	DEFERRED	

AC(22)212	Service Reset and Recovery	
	DEFERRED	

AC(22)213	Regional Integrated Fund DEFERRED	
AC(22)214	<p>Audit Tracker</p> <p>Miss Wilmshurst presented the Audit Tracker report. Members were advised that as of 15th November 2022, the number of open reports has remained at 91, 52 of which have recommendations that have exceeded their original completion date, which has increased from the 47 reports previously reported in October 2022. There is a slight increase in recommendations where the original implementation date has passed from 124 to 133. The number of recommendations that have gone beyond six months of their original completion date has increased to 74 from 55 reported in October 2022. The number of 'not knowns' has increased in the report; however, this fluctuates from report to report. Miss Wilmshurst advised that the team is looking to strengthen the process around this, to ensure that long-standing issues are highlighted. Whilst the annual review with Executive Leads of recommendations on the tracker is complete, this had not generated as many closed recommendations as anticipated; this would move to a three-yearly process. Three areas of concern had been flagged, although none of these were significant and certain issues are due to timing of reports.</p> <p>Mr Newman referenced the 22 HIW recommendations on page 2 of the Audit Tracker and requested that more detail is provided in the next report, in order to investigate any common themes and to consider the recommendations in the context of Targeted Intervention.</p> <p>Mrs Hardisty requested clarification of peer reviews. Miss Wilmshurst advised that the Assurance and Risk Directorate are not always advised of peer reviews, so they are included on the agenda for Governance meetings with the Services.</p> <p>The Committee RECEIVED ASSURANCE from the Audit Tracker.</p>	CW
AC(22)215	<p>Audit & Risk Assurance Committee Work Programme 2022/23</p> <p>The Committee received and noted the Audit Work Programme.</p>	
AC(22)216	<p>National Internal Audit Reports</p> <p>None to report.</p>	
AC(22)217	<p>Any Other Business</p> <p>There was no other business reported.</p>	
AC(22)218	<p>Date and Time of Next Meeting</p> <p>9.30am, 21st February 2023</p>	