

**COFNODION Y CYFARFOD PWYLLGOR ARCHWILIO A SICRWYDD RISG  
CYMERADWYO**

**APPROVED MINUTES OF THE AUDIT AND RISK ASSURANCE COMMITTEE MEETING**

Date and Time of Meeting:	9.30am, 19 <sup>th</sup> April 2022
Venue:	Boardroom, Corporate Offices, Ystwyth Building, St David's Park, Carmarthen and via MS Teams

Present:	Mr Paul Newman, Independent Member (Committee Chair) (VC) Mr Winston Weir, Independent Member (Committee Vice-Chair) (VC) Mr Maynard Davies, Independent Member (VC) Professor John Gammon, Independent Member (VC) Mrs Judith Hardisty, Vice-Chair, HDdUHB (VC)
In Attendance:	Ms Clare James, Audit Wales (VC) (part) Mr James Johns, Head of Internal Audit, NWSSP (VC) Ms Sophie Corbett, Deputy Head of Internal Audit, NWSSP (VC) (part) Mrs Joanne Wilson, Board Secretary (VC) Mr Huw Thomas, Director of Finance (VC) Mrs Charlotte Beare, Assistant Director of Assurance & Risk (VC) Mr Ben Rees, Head of Local Counter Fraud Services (VC) (part) Mr Steve Moore, Chief Executive (VC) (part) Mr Andrew Carruthers, Director of Operations (VC) (part) Mr Gareth Rees, Deputy Director of Operations (VC) (part) Dr Leighton Phillips, Deputy Director for Research and Innovation (VC) (part) Mrs Lisa Gostling, Director of Workforce & OD (VC) (part) Ms Rhian Bond, Deputy Director of Primary Care (VC) (part), deputising for Ms Jill Paterson, Director of Primary Care, Community & Long Term Care Ms Julia Chambers, Primary Care Manager, Business/Service Improvement (VC) (part) Mr Gareth Heaven, Audit Manager, NWSSP (VC) (part) Ms Sian Harries, IM&T Audit Manager, NWSSP (VC) (part) Ms Rachel Williams, Assurance & Risk Officer (VC) (observing) Ms Clare Moorcroft, Committee Services Officer (minutes)

Agenda Item	Item
AC(22)48	<p><b>Introductions and Apologies for Absence</b></p> <p>Mr Paul Newman, Audit &amp; Risk Assurance Committee (ARAC) Chair, welcomed everyone to the meeting. Apologies for absence were received from:</p> <ul style="list-style-type: none"> <li>• Ms Anne Beegan, Audit Wales</li> <li>• Mr Simon Cookson, Director of Audit &amp; Assurance, NWSSP</li> <li>• Professor Philip Kloer, Deputy Chief Executive &amp; Medical Director</li> <li>• Ms Jill Paterson, Director of Primary Care, Community &amp; Long Term Care</li> <li>• Mr Anthony Tracey, Digital Director</li> <li>• Ms Gail Roberts-Davies, Head of Radiology</li> </ul>

AC(22)49	<b>Declaration of Interests</b> No declarations of interest were made.	
AC(22)50	<b>Minutes of the Meeting held on 22<sup>nd</sup> February 2022</b> <b>RESOLVED</b> – that the minutes of the Audit & Risk Assurance Committee meeting held on 22 <sup>nd</sup> February 2022 be <b>APPROVED</b> as a correct record.	
AC(22)51	<b>Table of Actions</b> An update was provided on the Table of Actions from the meeting held on 22 <sup>nd</sup> February 2022 and confirmation received that outstanding actions had been progressed. In terms of matters arising:  <b>AC(21)105</b> – Members’ attention was drawn to the request to close this action and progress it via other means. Mr Maynard Davies expressed the view that an Independent Member should be involved in this process to ensure, on ARAC’s behalf, that the action is managed appropriately. Mrs Joanne Wilson offered to discuss this matter with the Digital Director, with the action to be closed on this basis.  <b>AC(21)118</b> – the annual report in relation to this topic appears later on the agenda. Whilst the planned digital system has not been progressed, Mrs Wilson advised that more proactive measures had been implemented to increase numbers of staff declarations.  <b>AC(21)155</b> – the situation in regards to Radiology, particularly workforce, remains challenging. This is also a substantive item later on the agenda.  <b>AC(21)212 and AC(22)14</b> – Professor John Gammon advised that both the Medical Staff Recruitment Internal Audit report and the need to review and re-examine the UHB’s staff engagement strategy post COVID-19 had been discussed at the recent the People, Organisational Development & Culture Committee (PODCC) agenda-setting meeting and would be considered at the June 2022 meeting.  Completed actions would be removed from the Table of Actions.	<b>JW</b>
AC(22)52	<b>Matters Arising not on the Agenda</b> There were no other matters arising not on the agenda.	
AC(22)53	<b>Enhanced Monitoring Update</b> <i>Mr Steve Moore joined the Committee meeting.</i>  Mr Steve Moore introduced the Enhanced Monitoring Update report, which was relatively self-explanatory. The UHB’s continued status of Enhanced Monitoring, following de-escalation last year, has been confirmed. The letter from the Ms Judith Paget sets out the issues facing HDdUHB, as identified by Welsh Government, Audit Wales and Healthcare Inspectorate Wales (HIW): <ul style="list-style-type: none"> <li>• Financial position and strategy</li> <li>• Urgent and Emergency Care position</li> </ul>	

	<ul style="list-style-type: none"> <li>• Workforce challenges</li> </ul> <p>Mr Moore’s letter outlines how the organisation intends to respond to these issues. Members noted that there is no clear de-escalation ‘trigger’, which reinforces the importance of HDdUHB working closely with Welsh Government. The aspiration is to achieve de-escalation to a status of Routine Monitoring.</p> <p>Noting the statement in Mr Moore’s letter regarding the criteria against which the organisation will be measured, Mr Newman enquired whether any response had been received, and heard that nothing had been received to date. In reply to a further query, Mr Moore indicated that he was not aware of the existence of such a criteria used to judge any other Health Board. Achievement of de-escalation is more likely to rest on the Tripartite Group’s wider confidence in the organisation and the UHB’s ability to develop, align and embed its Integrated Medium Term Plan. Mr Moore felt that maintaining the organisation’s current direction and workstreams will lead to further de-escalation in time.</p> <p><i>Mr Steve Moore left the Committee meeting.</i></p> <p>The Committee <b>NOTED</b> the UHB’s continued escalation status of Enhanced Monitoring.</p>	
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AC(22)54	<p><b>Notification of the Annual Review of the Committee’s Self-Assessment of Effectiveness</b></p> <p>Mrs Wilson presented the Notification of the Annual Review of the Committee’s Self-Assessment of Effectiveness report, advising that the Self-Assessments will now be staggered throughout the year, with ARAC being one of the first. The draft questionnaire is being shared in order for Members to suggest any amendments or additions.</p> <p>As no amendments were proposed, the questionnaire would be issued within the next week or two.</p> <p>The Committee <b>CONSIDERED</b> the proposed self-assessment questionnaire template and <b>SUPPORTED</b> its use.</p>	CM
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AC(22)55	<p><b>Counter Fraud Annual Report 2021/22</b></p> <p><i>Mr Ben Rees joined the Committee meeting.</i></p> <p>Mr Ben Rees presented the Counter Fraud Annual Report 2021/22, noting that this summarised the reports delivered throughout the year. Members’ attention was drawn to page 8 of the Annual Report, and the Area of Activity Overview, with almost 50% of work activity around the area of Hold to Account. This is linked to an almost 100% increase in the number of referrals received. Whilst not every referral will equate to a fraud/crime, the new Clue3 system will facilitate effective reporting on all referrals. The introduction of Counter Fraud Mandatory Training has made a positive impact, with the team able to link new referrals received to training delivered. The training raises awareness of and confidence around reporting fraud among staff. The report and associated Self Review Tool (SRT) both highlight a planned focus on fraud risk assessments going forward.</p>	
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	<p>Commending the report, the proactive work undertaken, and the increase in referrals, Mr Davies enquired whether the SRT and its outcome are externally validated, or are a self-assessment only. In response, Mr Rees explained that the process is a self-assessment in the first instance; however, the Counter Fraud Authority will validate submissions later in the year. Professor Gammon thanked Mr Rees for the report, which comprehensively reflects the activities of the Counter Fraud team. There are two issues highlighted within the report, upon which Professor Gammon wished to focus: system weaknesses and concerns among staff regarding these. The Counter Fraud team's work with the Organisational Development department and development of the e-learning package was noted, together with the low uptake in Mandatory Training among Medical and Dental staff. Professor Gammon enquired what steps are being taken to raise staff awareness of fraud, other than training. Mr Rees advised that Counter Fraud is providing input in terms of policies and procedures and is working with others within the UHB to identify areas of weakness. Once identified, the team links with the relevant Executive Director and department and encourages them to either adopt new processes or strengthen existing processes. This emphasises the importance of introducing a system of fraud risk assessments.</p> <p>Mr Huw Thomas acknowledged that the existence of any fraud activity is indicative of a system weakness, and is one element of the 'Fraud Triangle'. Mr Thomas has discussed with the Counter Fraud team the introduction of a more robust mechanism for reporting to ARAC the weaknesses which have been identified and how it is intended to address these.</p>	
	<p>The Committee <b>RECEIVED</b> for information the Counter Fraud Annual Report 2021/22.</p>	

<p><b>AC(22)56</b></p>	<p><b>Counter Fraud Work Plan 2022/23</b></p> <p>Mr Rees introduced the Counter Fraud Work Plan 2022/23, advising that there has been a slight adjustment in allocations from previous years, in order to implement the process/mechanism described above. Additional information relating to individual cases will be provided to the In-Committee ARAC Counter Fraud discussions, which will include management responses and facilitate tracking. Members' attention was drawn to page 3 of the Work Plan, and the standards in relation to Component 3, Requirement 3 – Fraud bribery and corruption risk assessment. This is an area of improvement, enabling the UHB to receive a Green Rating against previous standards; however, the organisation needs to continue to undertake fraud risk assessments and document these. Various changes had been made to the resources allocated to the four key Counter Fraud principles/areas of activity, which reflect the experience during previous years.</p> <p>Thanking Mr Rees for his reports, and referencing In-Committee ARAC discussions, Mrs Judith Hardisty noted the number of cases of 'false representation' being reported. Whilst recognising that this should be welcomed if it leads to identification of fraud, Mrs Hardisty enquired how this is being addressed and how its impact was being assessed. In response, Mr Rees advised that the new Clue3 system will allow the team to better document and classify types of fraud and can, therefore,</p>	
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	<p>identify areas of weakness and focus training on these areas. False representation is a wide category, which does not take into account the issue of intentional dishonesty. Mrs Hardisty felt that it would be useful for ARAC to be provided with more detail around areas of system weakness, which Mr Rees confirmed the new reporting format will highlight, along with collaborative work being undertaken by the team.</p> <p>Mr Thomas suggested that Inform &amp; Involve, Prevent &amp; Deter and Hold to Account all form part of the fraud detection cycle. The increasing number of cases does not necessarily indicate a failure; it may reflect increased Hold to Account activity, which in turn refers/feeds back into Inform &amp; Involve or Prevent &amp; Deter. It is challenging to evidence the impact of Counter Fraud work, and by raising its profile, the number of referrals is increased. The organisation can take additional steps, such as emphasising its values and behaviours framework to both new and existing staff; however there will, unfortunately, always be instances of individuals acting dishonestly. Mr Rees reminded Members that, once fraud risk assessments have been undertaken, findings documented and any areas of concern identified, a sense of the potential benefits of proactive work will be evident. As this will evolve over the course of the year, it is not currently possible to provide details of all the work planned in this area. However, the team will be examining the issue of variable pay and the rising cost of living, and associated potential fraud risks.</p> <p>The Committee <b>APPROVED</b> the Counter Fraud Work Plan 2022/23.</p>	
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<b>AC(22)57</b>	<p><b>NHS Counter Fraud Authority Draft SRT Return</b></p> <p>Mr Rees presented the NHS Counter Fraud Authority Draft SRT Return, noting that this has been submitted earlier than normal, whilst still in draft form. There has been an overall improvement against the standards from previous years. Members were reminded that Health Boards remain in the transitional period in terms of implementing the standards; however, HDdUHB is working towards the substantive position in this regard.</p> <p><i>Mr Ben Rees left the Committee meeting.</i></p> <p>The Committee <b>RECEIVED</b> the draft report for information.</p>	
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<b>AC(22)58</b>	<p><b>Report on the Adequacy of Arrangements for Declaring, Registering and Handling Interests, Gifts, Hospitality, Honoraria and Sponsorship 2021/22</b></p> <p>Mrs Wilson introduced the Report on the Adequacy of Arrangements for Declaring, Registering and Handling Interests, Gifts, Hospitality, Honoraria and Sponsorship 2021/22. Members heard that Mr Rees has undertaken ongoing collaborative work with the Corporate Governance team around Standards of Behaviour, for which he was thanked. Mrs Wilson outlined the areas of focus during 2021/22, which had been derived from the Committee's feedback following last year's report. The Medical Director, Deputy Medical Director (Acute Services) and Board Secretary had jointly written to all Consultants, encouraging them to make declarations of interest. Next year, they will be subject to the same process as other staff groups. Whilst the number of gifts declared remains relatively low, this is probably as a result of the £25 threshold for declaration.</p>	
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	<p>Referencing Table 1, Mr Davies enquired how ‘high risk’ areas had been defined. Mrs Wilson explained that this was based on Oracle budget holders, and that the group had been extended to include 5<sup>th</sup> and 6<sup>th</sup> level budget holders. In addition, the group included Pharmacy, Finance, Procurement and Estates, due to their exposure to external suppliers. Welcoming the comprehensive report, and also focusing on Table 1, Mrs Hardisty noted that 17 declarations had been received in response to the letter to the Consultant body and enquired how this compared to other Health Boards. Also, in regards to registering hospitality/honoraria/sponsorship, what the ‘threshold’/standard is for deciding whether this is paid to the individual, to their department or to Charitable Funds. The second entry in Appendix 4 was highlighted as an example. Mrs Hardisty stated that she would have expected to see higher levels of sponsorship for conferences/training declared, whilst acknowledging that this may have been impacted by the COVID-19 pandemic. In response to the first query, Mrs Wilson advised that it is not common for Health Boards to focus on declarations of interest from doctors; HDdUHB have, in the first instance, written to all Consultants and will need to consider how it manages this process going forward. With regard to the second query, around honoraria, etc, Mrs Wilson confirmed that staff would usually be asked to donate this to Charitable Funds and committed to look into the example noted. Within the online Chat, Professor Gammon noted that research sponsorship should also be considered, and suggested that this issue be linked to the UHB’s values framework. Members noted that work has commenced in terms of developing a policy for Intellectual Property, with a Working Group established; the outputs will be presented to PODCC for approval. Mr Newman enquired whether the outstanding responses detailed in Table 1 will be pursued, and this was confirmed. Since the report was prepared, follow-up emails had been issued from Executive Directors, and almost all of the compliance figures, with the exception of Pharmacy, have risen to 100%.</p>	<p><b>JW</b></p>
	<p>The Committee <b>REVIEWED</b> the adequacy of the arrangements in place for declaring, registering and handling interests, gifts, hospitality, sponsorship and honoraria during 2021/22, and <b>NOTED</b> the proposed actions for 2022/23 to promote and improve the adequacy of these arrangements, for onward assurance to the Board.</p>	

<p><b>AC(22)59</b></p>	<p><b>Financial Assurance Report</b></p> <p>Mr Thomas introduced the Financial Assurance Report, advising that this is predominantly of the standard format, whilst highlighting the following additions:</p> <p><b>2.2.5 Consultancy contracts</b> – a new section detailing consultancy contracts awarded, with further details available in Appendix 2.</p> <p><b>2.2.6 Transfer of Title documents</b> – this section outlines items ordered by the UHB but not delivered by the end of the financial year, over which it holds ownership, risk, etc. Whilst not ideal from a year-end/accountancy/governance perspective, this process has been followed for a number of years.</p>	
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**2.2.7 Credit cards** – detailing the authorisation of three additional credit cards for the recruitment team, to allow expenditure facilitating recruitment at pace, particularly overseas recruitment.

Highlighting information on Tenders awarded, Mrs Hardisty noted the award of Single Tender Action (STA) HDD595, in respect of Fire Doors for Ty Bryn, which was in addition to a contract via the 'normal' procurement process for Fire Doors at Bronglais General Hospital. Mrs Hardisty queried the reason for two separate processes/purchases. Referencing the scanning of medical records, Mrs Hardisty observed that contracts had been awarded to a number of companies and enquired with regard to the reason for this. In response to the first query, Mr Thomas advised that two separate processes had been undertaken due to timing, with the need to respond promptly to the HIW inspection of Ty Bryn in particular. There are challenges involved in splitting contracts across sites, and there had been a tendering process specifically for the BGH site. Mr Thomas was not sure which of the two contracts had been awarded first; however, offered to clarify. In terms of the medical records scanning contracts, Mr Thomas acknowledged the significant effort by Mr Gareth Rees and his team to award these contracts and take forward this work at pace. The rationale behind awarding multiple contracts was based on a desire to spread the risk and spread the opportunity. It is clear that a longer-term relationship with a scanning provider is required; awarding a number of smaller contracts allows the UHB to assess quality and test the market, prior to embarking on a long-term arrangement. All of the suppliers are on the NHS Wales Shared Services Partnership (NWSSP) framework and all were reasonable in terms of cost. Whilst accepting the above reasoning, and recognising that contracts had been awarded for 6 months in the first instance; Mr Winston Weir enquired whether it is intended, in time, to prepare a business case. Mr Thomas confirmed that this is the process being undertaken currently; there will be a business case submitted to Executive Team and – depending on value – Board for approval, which will consider the UHB's future strategic response to Health Records. Mr Thomas explained that the Board had approved expenditure of £1.9m on digitisation of Health Records, and that the providers were selected from the 7 on the framework, with expenditure split accordingly.

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Welcoming data on overpayment of salaries, Professor Gammon requested clarification regarding whether the increasing trend is due to an increase in cases or value. Also, when it is anticipated that the Overpayments Task & Finish Group will report their findings. Mr Thomas explained that, despite the Task & Finish Group having been in existence for some time, the overpayments balance is steadily increasing, which remains a source of frustration. It appears that the drivers for the increase are turnover of staff appointed as part of the response to COVID-19 and new departments/structures associated with this, for example the vaccination centres. Whilst it should be recognised that £160k represents a very small proportion of the UHB's monthly payroll, there is a significant impact on those staff repaying overpayments. The average repayment period is declining. Mr Thomas suggested, however, that – until the system is digitised to a greater extent – the situation is unlikely to improve significantly. It is hoped that

	<p>the new Electronic Staff Record system will assist to some extent. In response to the original query around the increasing trend, and whether this is as a result of numbers or value of cases, Mr Thomas confirmed that the driver is the number of cases. Members also noted that overpayments do not tend to be written off.</p> <p>The Committee:</p> <ul style="list-style-type: none"> <li>• <b>DISCUSSED</b> and <b>NOTED</b> the report</li> <li>• <b>APPROVED</b> the write-off of Losses and Special Payments over £5k</li> </ul>	
<b>AC(22)60</b>	<b>Clinical Audit Update</b>	
	DEFERRED to 21 <sup>st</sup> June 2022	
<b>AC(22)61</b>	<b>Audit Wales Update Report</b>	
	<p>Ms Clare James provided an update on Audit Wales' work, highlighting in particular that financial audit work is ongoing in the run-up to year-end. The deadline for submission of annual accounts to Welsh Government is 15<sup>th</sup> June 2022, with Charitable Funds audit work scheduled for later in the year. Exhibit 2 sets out performance audit work completed, with Exhibit 3 outlining work currently underway/under consideration. This includes the Orthopaedic Services follow-up, Review of Sustainable Use of Referral to Treatment Time (RTT) monies and Operational Governance Arrangements – Mental Health &amp; Learning Disabilities. With regard to the latter, a project brief has been issued and a meeting with the Directorate is being scheduled. For the Review of Unscheduled Care, it is planned to release a Blog, and the patient discharge work will consider two distinct modules: patient flow and patient access to services; the former will include the 111 service. In considering Exhibit 4, Ms James noted that the Review of Operational Governance Arrangements is due to commence in the summer. Members' attention was drawn to page 8, and the Good Practice events and products, with HDdUHB having contributed examples of good practice which will be shared in due course.</p> <p>Referencing the planned work around discharge, Mr Newman noted the intended inclusion of Local Authorities and Regional Partnership Boards (RPBs), and enquired whether this indicated a greater willingness to examine RPBs and their governance processes. Ms James confirmed that it does.</p> <p>The Committee <b>NOTED</b> the Audit Wales Update.</p>	
<b>AC(22)62</b>	<b>Audit Wales Annual Plan 2022</b>	
	<p>Introducing the Audit Wales Annual Plan 2022, Ms James advised that this is of the standard format/structure. Members' attention was drawn to pages 5-7, where the significant risks that have been identified for the audit of HDdUHB's financial statements are detailed. Significant risk of management override is a risk present in all entities and is included in all Audit Wales audited bodies' audit plans. On page 5, inclusion of the risk of failing to meet the UHB's first financial duty to break even over a three-year period is to be expected. On page 6, in regards to the NHS pension tax arrangements for clinical staff, Audit Wales is liaising with Welsh Government and will be consistently tracking this across NHS bodies. Mr Thomas and his team will be kept informed. As should be expected, risks around the ongoing costs associated with the COVID-19</p>	



	<p>pandemic are included. On page 7, it is intended to review the completeness and accuracy of the disclosures around identification of leases and IFRS 16. Following identification of weaknesses last year, Audit Wales will also review the work undertaken to improve systems to capture year-end annual leave balances. Pages 7-8 include details of planned work in respect of the Well-being of Future Generations (Wales) Act 2015, with Ms James highlighting the planned review of organisations' Well-being Objectives. It is intended that this year's Structured Assessment will be more agile and focused than previous years; Audit Wales also hope to introduce a greater element of comparison across Wales. A focus on Workforce is planned in the All-Wales Thematic work, to include all NHS Wales bodies, and Health Education and Improvement Wales (HEIW) as the system leader for NHS Workforce. As is usual, there will also be opportunities to agree local work in consultation with the UHB and ARAC. The Audit Fee is detailed on page 10, with Ms James advising that rates have increased by 3.7% as a result of cost pressures. However, for a variety of reasons, HDdUHB's fee has only increased by 0.5%. Members will be pleased to hear that there are few changes to the audit team; a Performance Audit Lead has been added. The report concludes with Exhibit 5, which outlines the timetable for planned audit work.</p> <p>Mrs Hardisty thanked Ms James for the report. Highlighting Exhibit 2 and the All-Wales Thematic work, Mrs Hardisty noted the focus on HEIW and enquired whether consideration has been given to a social care workforce perspective. Ms James responded that this specific work is due to focus on NHS bodies; however, the point was valid and Audit Wales is considering cross-sector work as part of the forward work programme. Ms James committed to raise this issue with Ms Anne Beegan. Mr Newman welcomed the Audit Wales Annual Plan and looked forward to discussing audit findings at future meetings.</p> <p>The Committee <b>NOTED</b> the Audit Wales Annual Plan 2022.</p>	<p>CJ</p>
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<p>AC(22)63</p>	<p><b>Non-clinical Temporary Staffing (Limited Assurance)</b></p> <p><i>Mrs Lisa Gostling joined the Committee meeting.</i></p> <p>Ms Sophie Corbett introduced the Non-clinical Temporary Staffing report, based on an audit intended to establish whether appropriate arrangements are in place for the appointment and monitoring of temporary staffing solutions. Four Matters Arising had been identified, with two medium and two high priority matters, the latter relating to the procurement, identification and monitoring of non-clinical temporary staff. This had resulted in an overall rating of Limited Assurance. Mrs Lisa Gostling advised that an Action Plan has been developed, with a number of actions already completed. It should be noted that until recently, the UHB had no non-clinical agency staff and therefore required no policy in relation to their appointment/management. This position has changed, however.</p> <p>Mrs Hardisty expressed surprise that Matter Arising 2 had only been allocated a medium priority, and requested assurance that the contracts in question will end in June 2022 as indicated, and/or that other options are being explored to replace these contracts. Ms Corbett emphasised that the priority had been determined not based on the rationale or</p>	
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	<p>justification for employment of these individuals, but on the basis of the evidence provided around this. Mr Thomas explained that these contracts fall within the Digital team, beginning during the COVID-19 pandemic and had continued. Members were assured that the contracts will not be extended beyond June 2022, that an exit strategy had been developed and that such a situation will not recur. Mrs Gostling described work being undertaken by Ms Annmarie Thomas, Assistant Director of Workforce &amp; OD (Resourcing &amp; Utilisation) around protocols. These will ensure that future proposals to engage temporary staff are fully costed and that due process is followed. The appointment of individuals on fixed term contracts may adversely affect recruitment, and consideration is being given to whether permanent appointments could be made in certain circumstances, on the understanding that the appointee will be moved between projects as required. Within the online Chat, Mr Thomas confirmed that the process alluded to above is consistent with the Use of Consultancy process now utilised. In response to a query, Members were assured that these new processes/policies will be presented to PODCC for approval.</p> <p>Referencing Matter Arising 3, Mr Davies noted that 12 individuals had been identified just in the sample selected, and enquired with regard to the potential scale of this issue. Mrs Gostling advised that regular reports are now being provided by the Finance team, areas of weakness are being identified and appropriate measures put in place. Within the online Chat, Professor Gammon suggested that, conversely, it could be queried how representative the sample is. Highlighting the second bullet point in Matter Arising 1, Mr Newman enquired whether a clear process is now in place. Mrs Gostling confirmed that this was the case and that Workforce is linking with the Finance team to identify every instance of agency use and ensure the process is applied. Noting statements in paragraph 2.23, Mr Newman enquired whether evidence of pre-employment checks was provided. In response, Ms Corbett advised that – in the case of agencies on framework agreements – checks are undertaken by the supplying agency. Internal Audit had not had specific sight of evidence around checks, but would not expect to in these circumstances. Mr Newman expressed concern regarding the reliance on another body to undertake the necessary pre-employment checks. Finally, referencing Matter Arising 4, Mr Newman requested assurance around governance oversight of non-clinical agency appointments/expenditure, noting the plan to report this to the Executive Team. Mrs Gostling responded that, in addition to regular reports to the Executive Team, this information will form part of the standard report to PODCC prepared by Ms Annmarie Thomas.</p> <p>The Committee <b>NOTED</b> the Non-clinical Temporary Staffing (Limited Assurance) report.</p>	
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<p><b>AC(22)64</b></p>	<p><b>Workforce Planning (Substantial Assurance)</b></p> <p>Ms Corbett introduced the Workforce Planning report. The purpose of this audit had been to evaluate and determine the adequacy of the systems and controls in place for development and management of the Workforce Plan. One medium priority Matter Arising was identified, whereby the Workforce Planning &amp; Conscience Group terms of reference required updating and approval. An overall rating of Substantial Assurance had been awarded.</p>	
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	The Committee <b>NOTED</b> the Workforce Planning (Substantial Assurance) report.	
<b>AC(22)65</b>	<p><b>Organisational Values &amp; Staff Wellbeing (Substantial Assurance)</b></p> <p>Ms Corbett introduced the Organisational Values &amp; Staff Wellbeing report, based on an audit to establish whether appropriate arrangements are in place for the monitoring and continued review and implementation of the Organisational Values and Behaviours Framework and to evaluate adequacy of assessment and response to Staff Wellbeing levels. One low priority Matter Arising relating to promotion of the UHB values via the staff intranet and internet was identified, with an overall rating of Substantial Assurance awarded.</p> <p>Within the online Chat, Professor Gammon and Mr Davies commended the two Workforce Internal Audit reports. Mrs Hardisty echoed these comments, advising that the Workforce Planning Tool mentioned is to be adopted across Wales. Congratulations were offered to the Workforce &amp; OD team. It was agreed that the positive findings of these reports would be highlighted to Board.</p> <p><i>Mrs Lisa Gostling and Mrs Clare James left the Committee meeting.</i></p> <p>The Committee <b>NOTED</b> the Organisational Values &amp; Staff Wellbeing (Substantial Assurance) report.</p>	<b>PN/JW</b>
<b>AC(22)66</b>	<p><b>Radiology Directorate Internal Audit Update</b></p> <p><i>Mr Andrew Carruthers joined the Committee meeting.</i></p> <p>Mr Andrew Carruthers presented the Radiology Directorate Internal Audit Update report, emphasising that this area continues to present significant challenges. The report provides an update on progress, with the two outstanding recommendations highlighted. Members were reminded that – prior to COVID-19 – a potential solution to issues around out of hours provision had been identified; this being the introduction of a shift system, which did bring with it additional workforce resource requirements. As had been reported previously, the UHB had only received 4 out of the anticipated 15 graduate radiographers. A new Head of Service commenced in post in November 2021 and is undertaking a review of all aspects of the service. However, she has not yet been able to complete a full review of the workforce situation. Mr Carruthers acknowledged that the service provision has actively deteriorated since the previous report to ARAC, although the last week has seen a degree of improvement and it is hoped that the UHB will be in a position to re-introduce services at Tenby Hospital. The underlying fragility within the Radiology service remains, however. Particular issues have been experienced in Sonography; mitigations are being put in place and the service is exploring an insourcing solution. The national recruitment position remains challenging.</p> <p>The UHB advertised for 15 unfunded student streamlining posts this year, which are currently at the interview stage, with 11 expressions of interest received. However, it is not currently known whether these applicants have selected HDdUHB as their first choice. Swansea Bay UHB is also recruiting from the same ‘pool’ of candidates, in order to implement a similar shift system to that proposed by HDdUHB. The</p>	

COVID-19 pandemic has resulted in an increased demand for Radiology services, and the UHB will be undertaking a capacity and demand exercise. This will, in turn, help to inform workforce requirements and planning. Mr Carruthers emphasised, however, that the UHB's long-term approach should also focus on 'growing our own', via a programme of training and developing new staff, to potentially include Apprenticeships. In conclusion, Mr Carruthers suggested that it is difficult to identify a timeframe by which a solution can be put in place, due to the number of variables involved. Members were informed, however, that Radiology has been added to the agenda for discussion by A Regional Collaboration for Health (ARCH), in order to consider the potential for a regional approach/solution.

Thanking Mr Carruthers for his fair and honest assessment of the position, Mr Newman enquired with regard to the size of the 'pool' of graduates and whether there are more posts than candidates. Whilst Mr Carruthers was not sure of the precise figures, he suspected that this is the case. Within the online Chat, Professor Gammon indicated that insufficient student numbers are being commissioned by HEIW, which do not reflect HDdUHB workforce plans. In response to a query regarding the potential duration of training for an Apprentice in Radiology, Members heard that this was comparable with nursing, ie 5-6 years. Mr Davies recalled that, in the previous update, there had been mention of restructuring the work/skill mix, and enquired whether any decision had been made in this regard. Also, whether the challenges outlined are impacting on all sub-specialties within Radiology. Finally, Mr Davies queried who Everlight are. In response, Mr Carruthers advised that Everlight are an external company/provider which reads and reports on scans, etc. The issue of skill mix is still being actively explored, and links to the planned capacity and demand work. The importance of recognising skills and targeting workload accordingly is acknowledged. As far as whether the challenges affect all sub-specialties, Mr Carruthers stated that there are 'pockets' where issues are being seen. As mentioned, there have been recent challenges in Sonography, principally as a result of staff retirements and sickness and subsequent difficulties in recruiting to vacancies, particularly in certain geographical locations.

Mrs Hardisty welcomed the news that Radiology services may soon be restored to Tenby Hospital. Whilst it was helpful to be provided with an honest assessment of the current position, and the improved 'grasp' on the situation following appointment of the new Head of Service was welcomed, Mrs Hardisty suggested that consideration of this topic might sit more appropriately with another Committee, perhaps the Quality, Safety & Experience Committee (QSEC). It was further suggested that the risks remain a little nebulous. Mrs Hardisty also noted that several locums had been employed for a number of years and felt that this issue should be considered further. Mr Carruthers shared these views, advising that updates regarding Radiology had been provided to both QSEC and the Operational Quality & Safety Experience Sub-Committee. Members heard that a specific risk around Sonography will be added to the Corporate Risk Register, which will increase the profile of Radiology from a risk perspective. Mr Carruthers agreed that conversations around locums are required, to explore whether these

	<p>individuals could be encouraged to take up permanent posts with the UHB.</p> <p>Recognising the ongoing workforce issues, Professor Gammon welcomed the proposed ARCH approach, and suggested that a formal proposal be made to the Transformation Board to employ staff regionally across the two UHBs, creating rotas accordingly. Currently, both UHBs are competing for the same 'pool' of candidates. Professor Gammon enquired whether there was any update on how HEIW propose to manage graduate allocation to Health Boards. Also, whilst recognising the sensitivities involved, whether any consideration is being given to redesigning certain roles and whether other innovative models are being utilised elsewhere. Finally, how the UHB is linking these challenges to its Digital Strategy and considering whether digital platforms provide any potential solutions. Mr Carruthers agreed regarding the regional approach, emphasising that making posts more attractive is the essence of discussions. Other specialties where similar approaches have been used, for example eye care, are producing positive feedback. Members were assured that the UHB will be as proactive as possible. Mr Carruthers was not aware of any update around HEIW's plans, and would discuss this issue with Mrs Gostling. Consideration of role redesign is central to the plan being considered by the Head of Service, with potential options being explored. Mr Carruthers committed to discuss opportunities offered by digital platforms with Mr Thomas.</p> <p>Mr Newman noted that the outcome of the demand and capacity work is awaited. The UHB is unlikely to be in a position to close off the recommendation imminently, and there does not appear to be much more that can be done for the time being, than is already underway/ being planned. Mr Newman agreed that this topic is probably more appropriately scrutinised/monitored by one of the other Board level Committees. Mrs Wilson suggested that this matter be highlighted in ARAC's Update Report to Board, and guidance sought on where this is best placed.</p>	<p>AC</p> <p>AC/HT</p> <p>PN/JW</p>
	<p>The Committee:</p> <ul style="list-style-type: none"> <li>• <b>RECEIVED</b> the report as a source of assurance that the outstanding recommendations have been considered; whilst noting that, due to the mass staff shortfalls identified, there is a need to postpone replacing the current out of hours service provision;</li> <li>• <b>NOTED</b> that a capacity and demand plan for all modalities will be undertaken (supported by informatics) and projected activity forecast, in order to realise the true demand for Radiology and align capacity and the staffing resource, and thus provide a timely service/meet targets;</li> <li>• <b>NOTED</b> that the current timeline for completion of the above plan is detailed on the divisional audit tracker to be November 2022; however, work is currently underway and it is intended to deliver outcomes before this time;</li> <li>• <b>ACKNOWLEDGED</b> that there is a requirement for further investment in Radiology staffing to ensure a sustainable daytime service before the current on-call service can be replaced by a shift system and prior to any cost savings being realised over the longer term; and that this will be considered as part of a plan to reduce the</li> </ul>	

overall run rate spend in the directorate, once the demand and capacity work is complete.

AC(22)67

### Response to Internal Audit Records Management Review

*Mr Gareth Rees joined the Committee meeting.*

Mr Carruthers introduced the Response to Internal Audit Records Management Review report, hoping that this does justice to the significant amount of work undertaken in this area. Outcomes from this work invariably link to the findings of the Internal Audit report; it is proposed that two recommendations are closed, with updates on the two outstanding provided within the report. Revenue allocated in November 2021 had allowed an acceleration in Records Management work, which had:

- Resulted in a 20-25% reduction in records held at the Llangennech store;
- Created an opportunity to 'repatriate' records from third party storage.

The second phase will further accelerate and absorb new records into the scanning process.

Referencing earlier discussions, Mrs Hardisty noted that contracts had been awarded to a number of companies for Health Records storage and scanning and enquired whether the UHB is yet in a position to determine which of these will be used long-term. Mr Gareth Rees advised that three companies are currently being contracted for scanning services. Once these contracts have been concluded, a decision will be made on whether arrangements are maintained with all three, with two or with one. In the long-term, Mr Rees would aspire to the UHB establishing its own scanning provision. Mrs Hardisty commended Mr Rees and his team for their efforts and achievements to date in addressing these challenging issues. To provide context with regard to scale, Members heard that 100 HGVs carrying 2,000+ records and 7km of shrink wrap and pallets costing £10k had been used in the process thus far. Within the online Chat, Members also noted that the records for the Public Inquiry had been included in the scanning process, which was welcomed. Mr Rees stated that the report is brief and does not truly reflect the efforts of the team; he also thanked the Executive Team for responding positively to the request for support.

Noting the indicated milestone of November 2022 in relation to Recommendation 4, Mr Newman requested that Members consider whether a further update should be scheduled for ARAC in December 2022, or whether monitoring of this area should be referred elsewhere. Mrs Wilson suggested that this topic could either be referred to the Sustainable Resources Committee (SRC), or a further update provided to ARAC before referral. Members were reminded that ARAC would not routinely ratify the closure of recommendations; therefore, Mrs Wilson offered to discuss this with Mr Carruthers and action accordingly via the Audit Tracker. Mr Weir, Chair of SRC, was content with the suggestion that this matter be referred to that forum for monitoring. Mr Newman concluded discussions by thanking Mr Carruthers and Mr Rees and

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	<p>requesting that the Committee's thanks also be passed on to the team involved.</p> <p><i>Mr Andrew Carruthers and Mr Gareth Rees left the Committee meeting.</i></p> <p>The Committee:</p> <ul style="list-style-type: none"> <li>• <b>RECEIVED</b> the update;</li> <li>• <b>NOTED</b> the broader plans and progress made.</li> </ul>	<b>AC/GR</b>
<b>AC(22)68</b>	<p><b>RCP Medical Records Keeping Standards Internal Audit Update</b></p> <p>DEFERRED to 21<sup>st</sup> June 2022</p>	
<b>AC(22)69</b>	<p><b>Internal Audit Plan Progress Report</b></p> <p>Mr James Johns presented the Internal Audit (IA) Plan Progress report, highlighting the audits finalised since the previous meeting, which show a mix of outcomes/assurance ratings. Reasonable progress is being made on completion of the Internal Audit programme of work. The report also details the regular activities of the team and mentions the Internal Audit Plan and Charter 2022/23, which is a separate agenda item.</p> <p>The Committee <b>NOTED</b> progress with delivery of the plan for the current year and the assurance available from the finalised Internal Audit reports.</p>	
<b>AC(22)70</b>	<p><b>Internal Audit Plan and Charter 2022/23</b></p> <p>Mr Johns presented the Internal Audit Plan and Charter 2022/23, which outlines the full Internal Audit programme for the year ahead. The document:</p> <ul style="list-style-type: none"> <li>• Sets out the background/context for planned audit work;</li> <li>• Refers to broader national work;</li> <li>• Provides information regarding the Public Sector Internal Audit standards;</li> <li>• Details how the Internal Audit Plan has been developed, with a review of key risks;</li> <li>• Outlines 6 key areas of consideration;</li> <li>• Touches upon resource requirements/audit coverage.</li> </ul> <p>Appendix A provides details of the proposed Internal Audit work, whilst Appendix B sets out Key Performance Indicators (KPIs). Appendix C, the Internal Audit Charter, outlines how the Internal Audit team operates, in collaboration with the UHB. Mr Johns advised that the only difference from previous years relates to a requirement to align to the Public Sector Internal Audit standards.</p> <p>Referencing the planned Digital audits, Mr Davies noted on page 12 audit 22 'Fitness for Digital', intended to review UHB arrangements for digital development and maturity. Mr Davies enquired which model of maturity the UHB would be measured against, specifically whether this would be the Healthcare Information and Management Systems Society (HIMSS) model. Also, in terms of records digitalisation, there has been a significant amount spent on the new Electronic Document Records Management System (EDRMS), and Mr Davies enquired whether there were plans to include a review of the usability/accessibility of this</p>	

	<p>system. In response, Mr Johns confirmed that it was the HIMSS model which would be used. There would be consideration of the EDRMS and he would expect accessibility to form part of this assessment. Mr Thomas added that there is a timing element, in that the scanning currently underway is largely of historical records, which are not in active use. In view of this, there will need to be consideration of when it is most appropriate for an evaluation of the EDRMS to take place. As indicated under a previous agenda item, Members heard that a limited number of records on the EDRMS had been accessed/tested in preparation for the COVID-19 Public Inquiry.</p> <p>Mrs Wilson wished to record her thanks to Mr Johns for his work, confirming that the proposed Plan has been considered in detail. Members were reminded that any changes will be presented to the Committee for approval. In view of previous discussions, Mr Newman enquired whether all audits will be substantive, rather than advisory. Mrs Wilson responded that this would be the case, unless agreed in advance. Mr Newman noted that audits are classified into Type 1, 2 or 3 and, whilst noting the intention to include this information in the progress reports, requested that this be added to Appendix A.</p>	
	<p>The Committee <b>APPROVED</b> the Internal Audit Plan and Charter for 2022/23.</p>	<p><b>JJ</b></p>

<p><b>AC(22)71</b></p>	<p><b>TriTech Institute Governance Review (Limited Assurance)</b></p> <p><i>Dr Leighton Phillips joined the Committee meeting.</i></p> <p>Introducing the TriTech Institute Governance Review report, Mr Gareth Heaven noted that the Institute had evolved from a collaborative initiative. The audit had evaluated the adequacy of the systems and controls in place within the governance arrangements for the TriTech Institute. An assurance rating of Limited Assurance had been awarded, based on the lack of a Board approved business case and a clear financial structure. Six Matters Arising had been identified, four medium and two high priority. Dr Leighton Phillips felt that, in considering the audit’s findings, it was important to provide the following context:</p> <ul style="list-style-type: none"> <li>• The fact that TriTech reflects two departments joining together to collaborate on projects in exceptional times and continuing to do so;</li> <li>• The Institute remains relatively new and is operating in a new space; whilst those involved have attempted to consider all eventualities, learning is still taking place;</li> <li>• This learning and reflection around governance is being utilised to strengthen the Institute and its processes;</li> <li>• There is a strong focus on good governance throughout the projects being undertaken by the Institute; although this may not have been formally reported, the focus has been on mitigating risk;</li> <li>• The Institute is already delivering in terms of impact. Work is taking place around the early detection of prostate cancer, COPD, drug-resistant depression and naso-gastric feeding. The Institute delivered on its income generation target for 2021/22, and is already 80-85% towards delivering on this year’s target.</li> </ul>	
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Dr Phillips provided this information in order to demonstrate that the TriTech Institute represents a 'positive impact story' for HDdUHB.

Whilst acknowledging all of the comments made by Dr Phillips, Professor Gammon emphasised that ARAC's first consideration must be good governance. Failure to do so exposes the organisation to risk. Professor Gammon noted that innovation is being actively encouraged in HDdUHB and welcomed the report, whilst not being surprised by its findings. It is clear that intentions were genuine, however, it should now be expected that a management action plan be put in place going forward. Mr Thomas also welcomed the report; the TriTech Institute represents an interesting development for the UHB, which has created a number of useful opportunities, particularly in relation to Value Based Health Care. It has also served to highlight a 'hallmark' of HDdUHB as an organisation, which is that it is easy to work with. A number of roles have been created in forming the Institute, which have impacted positively in terms of the foundational economy/social value. These are high quality jobs, funded by industry, in a geographical location requiring investment. Mr Thomas suggested that there is a need to work through the risks involved; and be cognisant of the fact that the very nature of innovation brings with it a strong likelihood of failure. This issue requires further exploration. Within the online Chat, Mrs Wilson advised that the organisation does have a different risk appetite for research and innovation, which reflects this exact position.

Mr Weir stated that he had been surprised by statements that there was no business plan, noting that one had been considered by the Research & Innovation Sub Committee, which also receives regular financial updates from the Institute. Mr Weir queried whether the suggestion was that there had been no business plan, or that this had not been updated. In response, Mr Heaven confirmed that the development of a business plan was detailed in the information around the establishment of the TriTech Institute; however the audit had not been able to identify evidence of where this was discussed or agreed. Mr Weir suggested that the issue may be a lack of formal reporting of this from the Research & Innovation Sub-Committee to PODCC. Members heard that, whilst Internal Audit had been provided with a copy of an early version of the business plan, there had been no formal approval of this at Board level, or assurance that this had been undertaken. Dr Phillips confirmed that there had been a formal business plan, together with an aligned financial plan which had received Finance Business Partner input. Members were assured, therefore, that – whilst there may be debate around whether it was adequate and had been subject to the required scrutiny processes – a business plan was in place. The audit's findings, however, had been accepted and the business plan will be refreshed based on both these and the experience of the previous year. This process is already underway. Mrs Wilson and Mr Thomas also confirmed that a business plan had been prepared; this would usually have been submitted to Executive Team and referred onwards into the Committee reporting structure. Due to the timing, however, at the height of the first COVID-19 wave, this process had not taken place. In addition, as the Institute had not involved additional financial resources and an exit strategy was in place, it had not been considered necessary to escalate it further. Members were also reminded that Research &

Innovation is the only area in which Health Boards are permitted to generate income, recognising this is clearly detailed within regulations. Health Boards do not have the authority to establish subsidiary companies etc, and in simple terms, the TriTech Institute is therefore a team within the Research & Innovation Directorate. In hindsight, and given how the Institute has developed, it was acknowledged that the business plan should have been considered at Executive Team; this has been recorded as learning.

Mrs Hardisty welcomed the honesty and recognition of areas for improvement which has been demonstrated. It will be important to learn from the Institute lessons in relation to the social model for health and the local economy. One of the topics Mrs Hardisty would have expected the report to mention is Intellectual Property and she enquired whether this is a potential 'gap' which needs addressing. Dr Phillips advised that, for each project delivered by the TriTech Institute, there is a clear contract in place which includes Intellectual Property provision. The opinion of Legal & Risk is sought routinely, as part of the process. Contracts detail the ownership of projects and how any benefits will be shared. A separate piece of work is underway around the organisation's current Intellectual Property guidelines, which will put in place a formal policy. In the interim, this is decided on a case-by-case basis. Mr Newman suggested that the audit has highlighted the process by which the TriTech Institute was created and has developed, and the learning which is necessary from this. As the Institute evolves further, the UHB will need to consider and monitor how it is developing and operating in practice. Dr Phillips agreed, emphasising that the team has already made substantial progress towards addressing the recommendations and delivering the action plan. He would be more than willing to provide a further update to the Committee in due course, to include the Intellectual Property Policy. Mr Johns advised that there is already provision in the 2022/23 Internal Audit Plan for a follow-up audit.

Mr Davies felt that the successes of the TriTech Institute to date should be recognised and lauded, suggesting that they should be made more visible and highlighted to the Board. In terms of foundational economy and Value Based Health Care, Mr Thomas observed that it is common for organisations to take a rather 'transactional' approach to procurement, which can be challenging/narrow. There is a need to develop a broader strategy, whilst ensuring the appropriate governance processes are in place. Work in this area is progressing, via a Task & Finish Group. Once a framework has been developed, this will be considered by SRG; however, ARAC will probably also have an interest in this work.

Mr Newman concluded discussions by wishing Dr Phillips and the Institute well and stating that he looked forward to the follow-up report.

*Dr Leighton Phillips and Mr Gareth Heaven left the Committee meeting.*

The Committee **NOTED** the TriTech Institute Governance Review (Limited Assurance) report.

<p><b>AC(22)72</b></p>	<p><b>Primary Care Clusters (Reasonable Assurance)</b></p> <p><i>Ms Rhian Bond and Ms Julia Chambers joined the Committee meeting.</i></p> <p>Ms Corbett introduced the Primary Care Clusters report, based on an audit to review Cluster plans, the arrangements in place to monitor their delivery and to assess assurance reporting. One high priority Matter Arising, relating to the absence of appropriate assurance reporting arrangements had been identified, together with one further medium priority Matter Arising. This had resulted in a Reasonable Assurance rating overall. Ms Rhian Bond reported that the Primary Care team has already put in place an action plan in relation to Cluster meetings/ reporting. A considerable amount of work has also been undertaken – led by Ms Julia Chambers – around standardisation of approach to Cluster Integrated Medium Term Plans (IMTPs), and enhanced data collection/presentation.</p> <p>Noting the management response to Matter Arising 2, Mrs Hardisty enquired whether a committee had been identified yet. Members heard that the intention is to move to a County Planning Group structure, with this to be discussed in more detail at the upcoming Board Seminar. Ms Bond explained that the Primary Care Applications Committee had previously received Cluster reports; however, this committee had been stood down. It is important to ensure that the valuable work already undertaken driving forward Cluster IMTPs is not lost. Members were informed that reporting will be via the Strategic, Development and Operational Delivery Committee (SDODC), with Ms Julia Chambers advising that discussions have already commenced around a quarterly report to this forum. Highlighting recent discussions around the need to better evidence improvement trajectories within the Integrated Performance Assurance Report (IPAR), Mr Newman requested assurance that Primary Care will be included. Confirming that this will be the case, Mrs Wilson indicated that this will form part of the discussions at the June 2022 Board Seminar. In addition, the new Operational Update to Public Board will be jointly produced by the Director of Operations and Director of Primary Care, Community &amp; Long Term Care.</p> <p>Mr Newman welcomed the evidence of work being undertaken and thanked the Primary Care team for their efforts.</p> <p><i>Ms Rhian Bond and Ms Julia Chambers left the Committee meeting.</i></p> <p>The Committee <b>NOTED</b> the Primary Care Clusters (Reasonable Assurance) report.</p>	
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<p><b>AC(22)73</b></p>	<p><b>Performance Monitoring &amp; Reporting (Substantial Assurance)</b></p> <p>Ms Corbett introduced the Performance Monitoring &amp; Reporting report, based on an audit to provide assurance to the regarding the quality of information and effectiveness of arrangements in place for the monitoring and reporting of performance. No Matters Arising had been identified, with an overall assurance rating of Substantial Assurance awarded. Mr Thomas stated that the teams involved have made an incredible effort collating data and creating a range of dashboards across the organisation, including the Board Assurance Framework and</p>	
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	IPAR. Mr Thomas thanked the Internal Audit team for their review and the Performance team in particular for their work.	
	The Committee <b>NOTED</b> the Performance Monitoring & Reporting (Substantial Assurance) report.	

<b>AC(22)74</b>	<b>Network &amp; Information Systems (NIS) Directive (Substantial Assurance)</b>	
	<i>Ms Sian Harries joined the Committee meeting.</i>	
	<p>Ms Sian Harries introduced the Network &amp; Information Systems (NIS) Directive report, which was based on a review of the arrangements in place for the implementation of the NIS Directive in the UHB. Significant work has been undertaken in this area, with two medium priority Matters Arising identified and an assurance rating of Substantial Assurance awarded. Mr Thomas thanked the Internal Audit team for their review, Audit Wales for their support and Mr Davies for his role as ‘critical friend’, providing challenge and monitoring. Members heard that one action remains outstanding; although it was emphasised that a commitment to vigilance around cyber security must be ongoing. A cyber security expert has been employed via an external agency, and this arrangement will likely need to be maintained until the summer. Mr Thomas felt that HDdUHB probably benchmarks favourably in terms of cyber security against other organisations across Wales.</p> <p>With regard to the outstanding action under Matter Arising 1, Mrs Wilson advised that a separate session for Board Members on the topic of cyber security will be offered. Mr Davies congratulated Mr Thomas and his team on this positive report, whilst emphasising that NHS Wales operates on a shared network, and cyber security is ‘only as strong as the weakest link’. Compliance with the Directive is, therefore, crucial. In view of this, Mr Davies suggested that a wider, All Wales audit should be undertaken, noting that the risks and threats in this area are extensive and increasing. Within the online Chat, Mr Thomas advised that he had raised this issue with Audit Wales. Members also heard that the topic of cyber security is on the agenda for forthcoming meetings of both the Digital Independent Members’ Group and the All Wales Audit Chairs’ Committee.</p>	
	<i>Ms Sian Harries left the Committee meeting.</i>	
	The Committee <b>NOTED</b> the Network & Information Systems (NIS) Directive (Substantial Assurance) report.	

<b>AC(22)75</b>	<b>Nurse Staffing Act</b>	
	DEFERRED to 5 <sup>th</sup> May 2022	

<b>AC(22)76</b>	<b>Audit Tracker</b>	
	Mrs Charlotte Beare presented the Audit Tracker report, indicating that there has been an increase in report recommendations, mainly due to the closure of the Strategic Log. Members heard that since the previous report, 13 reports have been closed or superseded, with 10 new reports received by the UHB and an additional 8 reports re-opened following the review and closure of the Strategic Log. As at 22 <sup>nd</sup> March 2022, there are 98 reports currently open. 55 of these reports have	

	<p>recommendations that have exceeded their original completion date, which has increased from the 49 reports previously reported in February 2022. Of these 55 reports, 8 have been re-opened following the review and closure of the Strategic Log. There is a slight decrease in recommendations where the original implementation date has passed from 126 to 122. The number of recommendations that have gone beyond six months of their original completion date has increased to 45 from 41 reported in February 2022. It is hoped that an improved picture will be seen at the next meeting. In terms of services, Central Operations and Radiology are demonstrating an improving position; a 'watching brief' remains in place with respect to Mental Health &amp; Learning Disabilities (MHLD).</p> <p>With reference to the final comment, Mr Newman enquired whether it is felt that any more proactive steps are required with regard to MHLD, to which Mrs Beare suggested that monitoring is sufficient at present. Mrs Wilson advised that the UHB Chair has requested copies of all audit reports on MHLD; however, it is important to ensure that there is not an over-focus on any one service, to the potential detriment of that or others. Mr Johns reported that he and Mrs Wilson had discussed whether it would be helpful to consider specific areas of the Audit Tracker and identify potential areas of risk on an ongoing basis. Mrs Wilson confirmed that this had been an extremely constructive conversation. Members were reminded that, last year, an exercise was undertaken to review all audit/regulator recommendations with Executive Directors. Due to capacity issues within the team, it is not currently possible to repeat this exercise as planned; however, it would be beneficial for the Internal Audit team to test/challenge decisions to close recommendations.</p> <p>Referencing the table on page 3, Mrs Hardisty noted that the three open Peer Review reports all relate to Out of Hours services and all of the others relate to Children's services. Several make reference to 'No response received', and Mrs Hardisty queried how non-engagement such as this is managed/escalated. Also, in view of the recent focus on Children and Young People's services, Mrs Hardisty was surprised that these reports had not been mentioned elsewhere. Mrs Beare advised that the UHB does not receive many Peer Review reports. Continued non-response is generally escalated to the relevant Executive Director; Mrs Beare committed to take this up with the Head of Effective Clinical Practice &amp; Quality Improvement.</p> <p>Mr Newman did not feel that the report suggested the need to be taking any particular action in the immediate term, whilst acknowledging the value of a 'sense check' and possible external view from Audit Wales and Internal Audit, prior to a refreshed approach. Mrs Wilson agreed, noting that this can be taken forward as appropriate via agenda-setting.</p> <p>The Committee <b>TOOK ASSURANCE</b> on the rolling programme to collate updates from services on a quarterly basis in order to report progress to the Committee.</p>	<p>CB</p>
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AC(22)77	<p><b>National Internal Audit Reports</b></p> <p>None to report.</p>	
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AC(22)78	<b>Healthcare Inspectorate Wales (HIW) Strategic Plan Launch &amp; Spring Update</b>	
	<p>The Committee <b>NOTED</b> the HIW Strategic Plan Launch &amp; Spring Update.</p> <p>Mrs Wilson advised that one area of concern identified by HIW was Points of Ligature/Prevention of Self Harm, adding that an Internal Audit has been undertaken focusing on this topic.</p>	
AC(22)79	<b>Audit &amp; Risk Assurance Committee Work Programme 2022/23</b>	
	<p>The Committee <b>NOTED</b> the ARAC Work Programme, recognising that this will be further populated following approval of the Internal Audit Plan for 2022/23.</p>	
AC(22)80	<b>Any Other Business</b>	
	<p>There was no other business reported.</p>	
AC(22)81	<b>Reflective Summary of the Meeting</b>	
	<p>A reflective summary of the meeting was captured which will form the basis of the ARAC Update Report, and highlight and escalate any areas of concern to the Board. This would include a summary of discussions, together with the following specifically:</p> <ul style="list-style-type: none"> <li>• Receipt of positive Internal Audit reports on Workforce Planning and Organisational Values &amp; Staff Wellbeing, with it agreed that these should be highlighted to the Board;</li> <li>• Receipt of the Internal Audit report on the TriTech Institute and its findings;</li> <li>• Receipt of an update report on Radiology, with it agreed that this be highlighted to Board, in order to determine which Committee is best placed to monitor this matter going forward;</li> <li>• Approval of write-off of Losses and Special Payments;</li> <li>• Approval of the Internal Audit Plan and Charter 2022/23.</li> </ul>	
AC(22)82	<b>Date and Time of Next Meeting</b>	
	<p>1.30pm, 5<sup>th</sup> May 2022 (Review of Draft Annual Accounts and Draft Accountability Report)</p> <p>9.30am, 9<sup>th</sup> June 2022 (Sign-off Annual Accounts)</p> <p>9.30am, 21<sup>st</sup> June 2022 (Routine Meeting)</p>	