

**COFNODION Y CYFARFOD PWYLLGOR ARCHWILIO A SICRWYDD RISG
CYMERADWYO
APPROVED MINUTES OF THE AUDIT AND RISK ASSURANCE COMMITTEE MEETING**

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| Date and Time of Meeting: | 9.30am, 20 th October 2020 |
| Venue: | Boardroom, Corporate Offices, Ystwyth Building, St David's Park, Carmarthen |

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| Present: | Mr Paul Newman, Independent Member (Committee Chair) (VC) Mr Mike Lewis, Independent Member (Committee Vice-Chair) (VC) Mr Owen Burt, Independent Member (VC) Mr Maynard Davies, Independent Member (VC) Cllr. Simon Hancock, Independent Member (VC) Mrs Judith Hardisty, Vice-Chair, HDdUHB (VC) |
| In Attendance: | Ms Anne Beegan, Audit Wales (VC) Mr Jeremy Saunders, Audit Wales (VC) Mr James Johns, Head of Internal Audit, NWSSP (VC) Mrs Joanne Wilson, Board Secretary Mr Huw Thomas, Director of Finance Mr Ben Rees, Head of Local Counter Fraud Services (part) Miss Maria Battle, Chair, HDdUHB (part) (VC) Mr Steve Moore, Chief Executive (part) (VC) Ms Jill Paterson, Director of Primary Care, Community & Long Term Care (part) Ms Anna Bird, Assistant Director, Strategic Partnerships, Diversity & Inclusion, (part) (VC) Mr Martyn Palfreman, Head of Regional Collaboration, West Wales Care Partnership (part) (VC) Mrs Charlotte Beare, Head of Assurance and Risk Ms Natalie Vanderlinden, Assistant Director of Therapies & Health Science (part) (VC) Dr Philip Kloer, Medical Director and Deputy Chief Executive (part) Dr Leighton Phillips, Deputy Director, Research and Innovation (part) (VC) Mr Andrew Carruthers, Director of Operations (part) (VC) Ms Hazel Davies, General Manager, Bronglais General Hospital (part) (VC) Mr Steven Bennett, Health Records Manager (part) (VC) Mr Anthony Tracey, Assistant Director of Digital Services (part) (VC) Ms Lisa Davies, Clinical Effectiveness Co-ordinator (part) (VC) Mr Rob Elliott, Director of Estates, Facilities & Capital Management (part) (VC) Mrs Mandy Rayani, Director of Nursing, Quality & Patient Experience (part) (VC) Mrs Claire Bird, Assurance and Risk Officer (Minutes) |

| Agenda Item | Item | |
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| AC(20)170 | Introductions and Apologies for Absence | |
| | Mr Paul Newman, Audit & Risk Assurance Committee (ARAC) Chair, welcomed everyone to the meeting. No apologies were received for the meeting. | |

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| AC(20)171 | Declaration of Interests | |
| | Mrs Judith Hardisty declared in interest in agenda item AC(20)191 Partnership Governance (Integrated Care Fund) (Limited Assurance) as Vice-Chair of the Regional Partnership Board. | |
| AC(20)172 | Minutes of the Meeting held on 25th August 2020 | |
| | RESOLVED – that the minutes of the Audit & Risk Assurance Committee meeting held on 25 th August 2020 be APPROVED as a correct record. | |
| AC(20)173 | Table of Actions | |
| | <p>An update was provided on the Table of Actions from the meeting held on 25th August and confirmation received that outstanding actions had been progressed other than the following:</p> <p>AC(19)222 and AC(20)112 – it was agreed between the Chair of ARAC and Director of Operations that a detailed radiology update report would be presented to 15th December 2020 meeting. POST MEETING NOTE – it was agreed this would be deferred until February 2021 due to the anticipated second wave of the pandemic.</p> <p>AC(19)223 – included on the agenda.</p> <p>AC(19)256 – the Board Secretary had met with the Head of Local Counter Fraud Services on 19th October 2020 and a meeting is due to take place with the Director of Workforce and OD to establish a resolution going forward.</p> <p>AC(20)43 – included on the agenda.</p> <p>It was agreed that completed actions would be removed from the Table of Actions.</p> | |
| AC(20)174 | Matters Arising not on the Agenda | |
| | There were no matters arising not on the agenda. | |
| AC(20)175 | Update on Escalation/Targeted Intervention Status | |
| | <p>Mr Steve Moore presented an update on the UHB's Escalation and Intervention Arrangements. Following the recent tripartite meeting between Welsh Government (WG), Audit Wales (formerly Wales Audit Office) and Healthcare Inspectorate Wales (HIW), WG recommended that the UHB's escalation status be reduced from 'Targeted Intervention' to 'Enhanced Monitoring'. This was subsequently approved by the Minister for Health and Social Services. Mr Moore advised that this positive news, was a huge confidence boost for the UHB and provides confirmation of the journey the UHB has been on. The UHB's professional, kind and speedy response to the COVID-19 pandemic, which is a testament to staff, demonstrated to the WG how the organisation has improved and is now leading the way in Wales in certain areas. Mr Moore advised of two issues that the UHB will continue to address:</p> <ul style="list-style-type: none"> Challenges still remain around the UHB's financial position and deficit. Early discussions have taken place with WG to develop | |

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| | <p>and negotiate a route map to recovery, delivery of which once agreed, will be overseen by the Finance Committee. However, addressing the deficit position will rely on realising the benefits of building a new hospital;</p> <ul style="list-style-type: none"> • The need to ensure that appropriate planning capacity and leadership is in place recognising the significant commitments in the clinical strategy. The Board recently agreed its six strategic objectives that will form the foundations for planning going forward. The Executive Director of Planning, Performance and Commissioning role is also being reviewed with a view to ensuring that the lead for strategic planning will also oversee operational planning and to consider whether the other elements of the role should be moved to other members of the Executive Team. <p>The Committee welcomed the report and recognised this was an exceptional achievement, especially having been achieved during the pandemic. The Committee was assured in terms of the plan to address the outstanding issues, therefore it was agreed that ARAC will be provided with a six monthly assurance report on progress made in these areas.</p> <p>Mr Newman queried when the restructure of the planning team would be decided and where this would be reported for approval. Mr Moore advised that the review of the role would be completed as soon as possible and would be presented for approval at the Remuneration and Terms of Service Committee (RTSC) followed by ratification by the Public Board.</p> | SM |
| | <p>The Committee NOTED the update on the UHB's Escalation and Intervention Arrangements from Targeted Intervention to Enhanced Monitoring and agreed progress reports against the enhanced monitoring status would be provided to ARAC on a bi-annual basis.</p> | |
| AC(20)176 | <p>Audit Wales Structured Assessment 2020</p> <p>Ms Anne Beegan presented the Structured Assessment 2020 report, advising that this constitutes a positive report, which reflected how the UHB had responded to the pandemic. Mrs Wilson advised that the report had been presented to the Board on 24th September 2020 and whilst there were no formal recommendations, the areas for suggested improvements are being taken forward and would be reported to Board through the maintaining good governance report and to the next Audit Committee. The Committee welcomed the report, which recognised that good governance had been maintained during the pandemic.</p> <p>Ms Beegan informed ARAC that Audit Wales are pulling together a Wales-wide 'lessons learnt' document on governance arrangements during the pandemic, as well as a report on how BAME staff had been supported through the pandemic, both of which should be finalised before the end of the calendar year.</p> <p>The Committee NOTED the Structured Assessment 2020 Report.</p> | JW |

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| AC(20)177 | Internal Audit Advisory Review: Governance Arrangements during the COVID-19 Pandemic | |
| | <p>Mr James Johns presented the Internal Audit Advisory Review, which considered the governance arrangements at Hywel Dda that had been established rapidly during the first peak of the COVID-19 pandemic. This was part of an all Wales advisory review. Key messages in the advisory report, were positive, and concluded overall that the UHB's governance arrangements operated effectively during the peak of the pandemic and complied with the guidance and the principles issued by WG. The UHB had been able to maintain good governance with assurance arrangements including financial governance being robust in addition the UHB had managed to deliver its end of year commitments.</p> <p>Mrs Hardisty added that whilst the Mental Health Legislation Assurance Committee had been stood down temporarily, it had been agreed that if any temporary changes to Mental Health Legislation had taken place (which had not been the case) these would have been considered by the Board.</p> <p>Mrs Joanne Wilson advised that the suggested areas of improvement noted in the report would be included in the governance report to Board. The Committee agreed that an update should also be provided, via the Table of Actions, on the actions taken forward against the suggested improvements within the report.</p> <p>Mr Maynard Davies queried whether the comment made in the report regarding a small number of Committee papers that could not be located on the UHB website had now been resolved. Mrs Wilson confirmed that the issue had been resolved and explained that this had been due to resource challenges within the team from supporting two governance structures as well as the launch of the new UHB website.</p> <p><i>Mr Steve Moore and Miss Maria Battle left the Committee.</i></p> | <p>JW</p> <p>JW</p> |
| | The Committee CONSIDERED the assurance available from the advisory report and noted the suggested improvements. | |

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| AC(20)178 | Financial Assurance Report | |
| | <p>Mr Thomas introduced the Financial Assurance Report, which highlighted the growth in Single Tender Actions in excess of £25,000 (appendix 1), which had been deemed necessary in light of the urgency required to respond to COVID-19. There was also an increase in overpayments to staff, however the Committee was assured that this was not material. Mr Thomas expressed his frustration concerning delays in resolving an issue relating to the overpayment of PAYE tax with HMRC and had now requested the UHB's tax advisor, KPMG, to act more robustly on the UHB's behalf.</p> <p>Mr Owen Burt highlighted an error in appendix 2 against Mace Ltd which states the period of 15/9/20 to 31/3/20, Mr Thomas confirmed that this would be corrected to 31/3/21.</p> <p>Mr Davies queried whether the challenges of the Public Sector Payment Policy (PSP) compliance regarding pharmacy items had caused any issues with the UHB's relationships with pharmacy companies. Mr</p> | <p>HT</p> |

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| | <p>Thomas responded that the challenges had arisen due to issues in respect of team resilience, which have since been rectified, and confirmed that the PSPP position would be recovered before the end of the financial year.</p> <p>Mr Newman queried whether the aged receivables over 90 days are a cause for concern and not recoverable. Mr Thomas explained that there are challenges with the English Clinical Commissioning Group suppliers and debt collectors have now been asked to work on these legacy issues on behalf of the UHB. The disputes with regards to previous members of staff do pose a challenge and may be outstanding for some time, however these are not material and all items under appendix 4 will be kept under close scrutiny.</p> <p>It was agreed that Mr Thomas would discuss and agree the future content of the Financial Assurance Report with the Chair of ARAC, as it seems more appropriate to report some elements of the report to the Finance Committee in order that they have full oversight of financial management, however some elements will remain within the remit of ARAC in order to comply with Standing Financial Instructions.</p> <p>The Committee NOTED the report and APPROVED the losses and debtors write offs noted within.</p> | <p>HT/PN</p> |
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| <p>AC(20)179</p> | <p>Audit Wales Update</p> <p>Ms Beegan and Mr Jeremy Saunders presented an update on Audit Wales' work, highlighting the following:</p> <ul style="list-style-type: none"> • The audit of the 2019-20 Charitable Funds Accounts is on schedule to be presented on 30th November 2020 and certified in early December. • The Review of WHSSC and the Orthopaedic Services follow up reports are being finalised. • The Test, Track and Protect review will provide an overview of governance arrangements at national, regional and local level, and is anticipated to be presented to the next meeting. This replaced the planned work on scheduled care, which has now been deferred to the 2021 audit plan. • Restarting the Quality Governance Review, which had been suspended due to COVID-19, is being reshaped in order that it can be undertaken remotely, with a view to using staff surveys instead of interviewing front line staff. • Two national reports on the Welsh Community Care Information System (WCCIS) and the National Fraud Initiative (NFI) have recently been published. <p>Mr Newman queried whether the Quality Governance Review would include patient feedback as well as staff. Ms Beegan advised that the report will be looking at staff views on the ability to raise concerns on quality, which will include looking at patient views from Community Health Council (CHC) and Healthcare Inspectorate Wales (HIW) reports.</p> | |
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| | <p>Mrs Wilson added that she and Mr Thomas are meeting regularly with Audit Wales and Internal Audit to review both audit plans to ascertain which audits can be commenced in light of the current pressures facing operational services. Any amendments will be brought to the Chair of ARAC to agree and reported to the next meeting.</p> | JW |
| | The Committee NOTED the Audit Wales Update. | |
| AC(20)180 | Audit Wales Structured Assessment 2019 – Progress to Date | |
| | <p>Mrs Wilson presented the Structured Assessment 2019 report, providing an update on progress to date. Mrs Wilson highlighted that some of the recommendations from 2018 may not be applicable as the pandemic has led to different ways of working within the Heath Board. The Committee agreed that Mrs Wilson and Ms Beegan should discuss whether the principles behind the outstanding recommendations are still valid, and whether any can now be closed in light of equivalent work the UHB may be undertaking.</p> <p>The Committee requested that Mrs Wilson provide a more meaningful update to the next meeting in December 2020 following these discussions with Ms Beegan.</p> | JW |
| | The Committee CONSIDERED progress made in respect of the recommendations from the Structured Assessment 2018 and 2019, and NOTED the recommendations implemented to date. | |
| AC(20)181 | Internal Audit Plan Progress Report | |
| | <p>Mr Johns presented the Internal Audit (IA) Plan Progress report, which summarises the current position, outcomes, and provides an update on the IA Plan 2020/21. Mr Johns reported that following discussion with the Assistant Director of the Medical Directorate, it was agreed that the Consultants Job Planning Follow-up would be deferred from quarter 4 2020/21 to quarter 1 2021/22 in light of COVID-19 pressures. Mr Newman highlighted that the Committee requires assurance that the UHB is on the right track with regards to job planning. Mr Johns confirmed that discussions are taking place with the Assistant Director of the Medical Directorate in the hope that an alternative piece of work takes place in the interim to cover the quality of current job plans.</p> <p>Mr Johns added that both the Information Governance, and the IM&T Control Risk Assessment reports have been delayed and will now be reported to the Committee at the December 2020 meeting. Mr Mike Lewis queried the rating of not applicable against the IM&T Control Risk Assessment report and Mr Johns clarified that whilst this report will contain narrative, due to the nature and the methodology it does not lend itself to provide a rating. Overall, it is a positive report, which has a broad coverage resulting in a number of issues being highlighted.</p> <p>Mr Thomas reflected on the increasing IT reliance on modelling and queried whether assurance on its sophistication should be on the audit work plan for the next financial year. Mr Johns agreed to explore the possibility of taking this work forward. The Committee agreed that this should be looked into and brought back for further discussion.</p> | HT/JJ |

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| | <p>Mrs Wilson informed Members of an internal audit update meeting with Mr Johns on a weekly basis in order that any issues can be resolved quickly to ensure reports are presented to the Committee in a timely manner. Mrs Hardisty advised that she is not aware of any review of the revalidation process, either at a local or UK wide level, adding that this is an important area which has issues with recruitment and revalidation not being updated.</p> | |
| | <p>The Committee CONSIDERED the Internal Audit Progress Report, the assurance available from the finalised Internal Audit reports and APPROVED the proposed update to the plan.</p> | |
| AC(20)182 | <p>Core Financial Systems – Accounts Receivable (Reasonable Assurance)</p> <p>Mr Johns introduced the Core Financial Systems – Accounts Receivable report, advising that the audit includes four medium level recommendations, with an overall rating of Reasonable Assurance. Mr Thomas responded that whilst the report found one design issue and 3 operational issues, he considered all issues raised in the report to be operational, resulting from time management concerns within the finance team. Mr Thomas confirmed that the finance team is reviewing the cause of these delays and will ensure mitigating actions are put in place to avoid such delays in the future.</p> | |
| | <p>The Committee NOTED the Core Financial Systems – Accounts Receivable (Reasonable Assurance) report.</p> | |
| AC(20)183 | <p>Additional Learning Needs and Educational Tribunal (Wales) Act 2018 (Reasonable Assurance)</p> <p><i>Ms Natalie Vanderlinden joined the Committee meeting.</i></p> <p>Mr Johns introduced the Additional Learning Needs and Educational Tribunal (Wales) Act 2018 report, advising that the audit includes two medium level recommendations, with an overall rating of Reasonable Assurance. Mrs Hardisty raised a concern that the corporate risk relating to the Act does not appear to fit with the reasonable assurance rating given within the audit report. Mr Johns responded that the audit looked at the arrangements the UHB has put in place to date in response to the requirements of the Act. Ms Natalie Vanderlinden added that the risk is looking forward to issues that are anticipated for the future. Since the audit report was compiled, the risk has been reviewed and de-escalated from the Corporate risk register.</p> <p><i>Ms Natalie Vanderlinden left the Committee meeting.</i></p> | |
| | <p>The Committee NOTED the Additional Learning Needs and Educational Tribunal (Wales) Act 2018 (Reasonable Assurance) report.</p> | |
| AC(20)184 | <p>IM&T Control & Risk Assessment</p> | |
| | <p>DEFERRED to 15th December 2020 meeting.</p> | |
| AC(20)185 | <p>Information Governance</p> | |
| | <p>DEFERRED to 15th December 2020 meeting.</p> | |

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| AC(20)186 | Bronglais General Hospital Directorate Governance Follow-up (Reasonable Assurance) | |
| | <p><i>Mr Andrew Carruthers and Ms Hazel Davies joined the Committee meeting.</i></p> <p>Mr Johns introduced the Bronglais General Hospital Directorate Governance Follow-up report, advising that four of the eight recommendations have been fully addressed whilst three are partially addressed and one has not been addressed. Due to the progress made in key areas, the report has been given an overall rating of Reasonable Assurance compared to the Limited Assurance rating awarded in the original report.</p> <p>Mr Johns advised that the sickness absence recommendation had not been addressed as a small sample testing showed there were still gaps. Ms Hazel Davies clarified that the PADR and sickness absence recommendations had been due to nurse vacancies, which have now improved with several substantive posts appointed too to strengthen leadership within the Directorate. Ms Davies reflected that a very small sample had been used for the follow up report, and that in terms of PADRs, it does not reflect the progress being made which is now over 80% complete. Mr Andrew Carruthers expressed his satisfaction with the improvement of the assurance rating in the follow up report, being aware of the system changes that have been put in place to improve arrangements within the Directorate. Mrs Hardisty welcomed the improvements the Directorate has made to improve the rating in the original report.</p> <p>Mr Newman queried why the recommendation for a work plan/cycle of business had not been implemented. Ms Davies responded that whilst she would be happy to develop a workplan, questioned whether this was necessary taking into account the formal reporting arrangements that have been put in place to ensure all supporting group minutes and papers are regularly submitted at meetings. Mr Carruthers advised that he would discuss the reporting arrangements across all directorates to ensure there is a standardised approach that provides assurance without causing unnecessary additional work.</p> <p>The Committee discussed the recommendation regarding the risk on the risk register relating to patient flow in the hospital (risk 197). Ms Davies advised that although all actions had been taken, the risk continues and needs to remain on the register. Mrs Charlotte Beare added that it may not be within the scope of the Directorate to take further action, and in these circumstances, the controls put in place would need to be regularly reviewed to ensure the risk does not increase. It was agreed that Ms Davies would discuss this risk with Mrs Beare outside of the Committee meeting to ensure the risk is reviewed appropriately.</p> <p><i>Ms Hazel Davies left the Committee meeting.</i></p> | <p>AC</p> <p>CB/HD</p> |
| | The Committee NOTED the Bronglais General Hospital Directorate Governance Follow-up (Reasonable Assurance) report. | |

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| AC(20)187 | Audit Wales Review of Estates Update | |
| | <p><i>Mr Rob Elliott joined the Committee meeting.</i></p> <p>Mr Carruthers presented the Audit Wales Review of Estates 2016: Outstanding Actions report, noting that the essence of one of the outstanding recommendation (6) is largely dependent on the implementation of a computer system to help resolve the issues identified in the original report. The software solution has now been purchased and the next steps are to implement and provide training on the software, the pace of which has been slow due to the pandemic. It is hoped that this software will be fully implemented by March 2021. Mr Rob Elliott added that by the start of the new financial year, the service will be in a position to have the new system in place and to give assurance on the KPIs including time, productivity and quality, as well as providing the opportunity to obtain feedback which will represent an exciting development.</p> <p>The remaining outstanding recommendation (8) is related to staffing resources. The SBAR and appendix 2 explains the work that has been undertaken on age profiling, succession planning, analysis of training needs, etc. to ensure the estates department has the right people, at the right place, at the right time. This is challenging in respect of the potential retirement age of the workforce, which had been highlighted during the desktop exercise. However, there are exciting opportunities for apprentices to join the estates team, including funding identified for four to join this financial year, and a further four in 2021/22. Estates are currently working with finance partners to incorporate this resource into future financial years. Mrs Hardisty commented that whilst the workforce plan demonstrates a good way forward and real progress, which should be updated as time progresses, this report is from 2016 suggesting these recommendations have been far too slow in their implementation. Mr Elliott accepted this point whilst acknowledging the challenges over the preceding few years, advising however that a new Head of Operational Services would be joining the team in January 2021 to head up the full maintenance service and to drive this forward. Cllr. Hancock welcomed the 'grow your own' apprenticeship approach and queried whether this could be expanded further beyond the initial eight proposed. Mr Elliott responded that the age profile identifies significant staff numbers in the 60-65 age category and therefore his aspiration would be to continue the apprenticeships on a cyclical basis as staff retire. This has been previously undertaken in Prince Philip Hospital and greatly welcomed by the workforce who were energised to pass on their expertise to the next generation.</p> <p>The Committee recognised the progress made with the outstanding recommendations and the opportunities this brings for the future.</p> <p><i>Mr Rob Elliott left the Committee meeting.</i></p> | |
| | <p>The Committee:</p> <ul style="list-style-type: none"> • NOTED and TOOK ASSURANCE from the content of the update report. | |

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| AC(20)188 | Records Management Follow-up (Limited Assurance) | |
| | <p><i>Mr Steven Bennett joined the Committee meeting.</i></p> <p>Mr Johns introduced the Records Management Follow-up report, advising that 6 of the 10 recommendations remain either not, or partially, addressed. The follow up report had been given a Limited Assurance rating as there are a number of high priority recommendations still to be taken forward. It was noted that whilst work had commenced by the Health Records modernisation programme, COVID-19 had impacted its implementation. Mr Carruthers explained that this area is a challenge with long term issues that require a large scale piece of work, which resulted in a request for project management support from the Executive Team in November 2019 to progress this. A Health Records Group was established in February 2020 however due to COVID-19 the group did not meet for seven months as key individuals were redeployed, which has also delayed progress. Mr Bennett added that storage capacity and retention issues have been exacerbated by two embargoes, resulting in the UHB not being able to destroy any records for the past eight years; however there has been significant progress with asset owner registers. Mr Bennett added that he is only partially responsible for the area of work and that further work needs to be undertaken to identify the patient records that are held across the UHB, and move to electronic patient records.</p> <p>The Committee agreed this to be a more complex programme of work than that presented in the follow up report, which requires a comprehensive and strategic approach to take forward.</p> <p>Mrs Hardisty queried the delay in updating the Corporate Records Management Strategy and Policy, as this had been pre-COVID-19, Mr Carruthers acknowledged the delay and assured the Committee that he would ensure this is implemented.</p> <p>The Committee agreed that the ongoing issues and lack of progress due to COVID-19 need to be highlighted to the next Board meeting. It was also agreed that this item be added to the Table of Actions for the next ARAC meeting on thoughts on how this can be taken forward in light of other pressing issues facing the UHB.</p> <p><i>Mr Andrew Carruthers and Mr Steven Bennett left the Committee meeting.</i></p> | <p>JW</p> <p>AC</p> |
| | <p>The Committee NOTED the Records Management Follow-up (Limited Assurance) report.</p> | |
| AC(20)189 | Research and Development Department Follow-up (Reasonable Assurance) | |
| | <p><i>Dr Philip Kloer, Dr Leighton Phillips and Ms Lisa Davies joined the Committee meeting.</i></p> <p>Mr Johns introduced the Research and Development Department Follow-up report, advising that 10 of the 13 recommendations had been fully implemented. Due to progress made in key areas the report has</p> | |

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| | <p>been given an overall rating of Reasonable Assurance compared to the Limited rating awarded in the original report.</p> <p>Dr Philip Kloer welcomed the recognition in the report of the progress made and thanked the research and development team for work that had been undertaken, however noted the further work to do including exploring opportunities available in research and development. Dr Leighton Phillips added that the remaining 3 recommendations that are partially addressed are well on their way to being implemented, with a wider piece of work to strengthen the Research and Development Sub-Committee (RDSC) and a new strategy that should prevent similar issues occurring in the future.</p> <p>Mr Davies queried whether the SBAR report had been submitted to the RDSC as noted on page 8 of the audit report. Dr Phillips responded that the SBAR had been reported to RDSC on 14th September 2020, which addressed a variety of financial matters and the position of investigator accounts. Further work is still required and a follow up report is due to be reported to the next RDSC meeting on 9th November 2020.</p> <p>Mrs Hardisty advised that that she was much more assured by the follow up report and acknowledged all the work that had been undertaken which has resulted in real change. Mr Newman echoed these comments and added that the progress made will bring benefit to the UHB and improve patient outcomes.</p> <p>The Committee NOTED the Research and Development Department Follow-up (Reasonable Assurance) report.</p> | |
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| AC(20)190 | <p>Internal Audit RCP Medical Records Keeping Standards Update</p> <p>Dr Kloer presented the Royal College of Physicians Medical Records Keeping Standards Update (Reasonable Assurance) report, demonstrating the good progress made in spite of COVID-19. The re-audit of Withybush General Hospital (WGH) in 2020 had been a much more extensive audit than 2019. Dr Kloer added that Quality Improvement Leads have been appointed at each hospital site to further enhance medical quality and safety.</p> <p>Mrs Hardisty welcomed the progress made however in terms of the areas of concern identified on page 4 of the report, queried how these would be rectified. Dr Kloer responded that there were a number of reasons involved in these concerns including some staff behavioural issues. However, now that there are the right mechanisms, leadership and reporting arrangements in place, Dr Kloer expressed his confidence that the issues identified will be addressed. These will proceed through the quality and governance groups looking at causes of harm and effective clinical practices. Whilst this audit only focused on WGH, the aim now is for it be rolled out across to all clinical areas within the UHB. Monitoring of these audits will be undertaken through the Effective Clinical Practice Working Group, whilst the individual audits will be reported through directorate/site quality and governance meetings. Ms Davies added that much progress has been made to ensure consistent nursing record documentation, and discussions are taking place to potentially merge the Clinical Record Keeping Policy with the Record</p> | |
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| | <p>Keeping for Nurses and Midwives Policy, into a single Clinical Record Keeping Policy with bespoke audit tools.</p> <p>Mr Newman noted the recurrent themes reported at the Listening and Learning Sub-Committee relating to complaints, in respect of communication and record keeping, which have a real impact on patient care, and queried the next steps to address this. Dr Kloer advised that the Effective Clinical Practice Working Group drives this work through setting standards with appropriate engagement and oversight which will be reported through to the Quality, Safety and Experience Assurance Committee (QSEAC).</p> <p>The Committee requested an update in 9 to 12 months' time to obtain assurance on the improvements being made, including the cultural elements. Dr Kloer agreed that this timescale would allow time to re-audit WGH as well as commencing the audit in other clinical areas, with the expectation of providing assurance to ARAC that record keeping is improving across all sites and that there are robust processes in place.</p> <p><i>Dr Philip Kloer, Dr Leighton Phillips and Ms Lisa Davies left the Committee meeting.</i></p> <p>The Committee TOOK ASSURANCE regarding the progress made in relation to the original audit report recommendations, and subsequent actions agreed by the Record Keeping Audit Working Group, following the previously delayed progress due to the pandemic response.</p> | <p>PK</p> |
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| AC(20)191 | <p>Partnership Governance (Integrated Care Fund) (Limited Assurance)</p> <p><i>Ms Jill Paterson, Ms Anna Bird and Mr Martyn Palfreman joined the Committee meeting.</i></p> <p>Mr Johns introduced the Partnership Governance (Integrated Care Fund) report, advising that the audit includes eight (four low and four medium) recommendations, with an overall assurance rating of Limited Assurance awarded. The report identified some areas of good practice however high priority areas needed strengthening. It was noted that during the audit process the Executive Director identified for the report changed from the previous Director of Partnerships and Corporate Services, to the Executive Director of Public Health and now to the Director of Primary Care, Community and Long Term Care. Mrs Hardisty requested her declaration of interest as the Vice Chair of the West Wales Care Partnership (Regional Partnership Board (RPB) for the Hywel Dda area) be noted.</p> <p>Ms Jill Paterson advised that she had requested Ms Anna Bird to join the meeting in relation to the Social Services and Well-being (Wales) Act 2014, as well as Mr Martyn Palfreman from the RPB. Ms Paterson queried the nature of the report and Mr Johns clarified that the report was focused on the overall governance of the Integrated Care Fund, rather than specific projects under it.</p> <p>Whilst accepting that the issues raised in the report require addressing, Ms Paterson suggested that the UHB is not accountable for the governance of the RPB in isolation, and advised that she would be</p> | |
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| | <p>taking this report to the next RPB meeting, to assist with informing conversations that affect partnership working and how recommendations can be collaboratively addressed. Mr Martyn Palfreman reiterated that the issues raised in the report are recognised, and it is clear that processes can be strengthened, noting that a number of the recommendations are for himself and other Local Authority partners to implement which will require actions from partners outside of the UHB; these therefore lie with the RPB to address. Ms Paterson added that whilst accepting that the recommendations will need to be addressed, this still raises the issue of accountability. Ms Paterson suggested this report should be presented to the Integrated Executive Group which reports to the RPB for discussion in the next few weeks to agree how the recommendations within the report should be addressed, recognising that it is in all partner organisations interests to ensure there are clear routes of assurance back to each organisation.</p> <p>The discussion re-emphasised the importance that Internal Audit hold closing meetings with Executive Leads prior to finalising internal audit reports.</p> <p>The Committee agreed that this report has highlighted the need for wider discussions to take place around the appropriate governance arrangements and assurance routes of the RPB and its statutory organisations, which include the UHB.</p> <p>It was agreed that this issue be highlighted to the Board, and it was requested that Ms Beegan explore how other health boards have progressed their partnership governance arrangements, with findings to be brought back to the next meeting.</p> <p><i>Ms Jill Paterson, Ms Anna Bird and Mr Martyn Palfreman left the Committee meeting.</i></p> | <p>JP</p> <p>JW</p> <p>AB</p> |
| | The Committee NOTED the Partnership Governance (Integrated Care Fund) (Limited Assurance) report. | |

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| AC(20)192 | <p>Audit Wales Clinical Coding Follow-up Update</p> <p><i>Mr Anthony Tracey joined the Committee meeting.</i></p> <p>Mr Anthony Tracey presented the update report on the Audit Wales Clinical Coding Follow-up, highlighting the error on page 2 where total complete recommendations updated as at October 2020 should read 19 instead of 17, which would be corrected. 5 recommendations remain in progress. Mr Tracey added that it was positive to note that the Audit Wales 'Cracking the Code – Management of Clinical Coding Across Wales' report recognises that 18 months is required to fully train clinical coders. Section 3.3 of the report highlighted that Hywel Dda had struggled to meet its timeliness targets, however Mr Tracey confirmed that this is now up to 80%, with the delay caused by the lack of clinical coding staff and social distancing constraints.</p> <p>Mr Tracey further highlighted the following:</p> <ul style="list-style-type: none"> • Since the last update to ARAC in April 2020, additional funding has been made available resulting in 4.5 WTE new trainee clinical coders and 2 clinical coding clerks being appointed. At | |
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the end of an 18 month training period, each clinical coder will contribute 2% to the overall completeness of compliance. The resource will also allow for internal quality audits to take place, which will improve the quality of clinical coding within the UHB. This will form part of a wider improvement project, which will in turn form part of a Clinical Coding Strategy for the UHB.

- The new “Clinical Coding Plan” is due to be presented to the Information Governance Sub-Committee in November 2020 for review. This plan explores the use of digital solutions, such as automation, moving paper records to a digital solution, and the possible development of software to use natural language processing which will be overlaid across the unstructured information to provide a coded set of terms.
- The Health Records Group is looking at areas and themes around poly-pocket use, however progress has been delayed due to COVID-19 restrictions in ward areas. The Health Records Group is now meeting monthly to gain traction, including the creation of an ideal health record that can be digitalised and made available through the Welsh Clinical Portal (WCP), however this will only be fully implemented once health records are fully digital.
- Steady progress has been made with regards to the information asset registers and owners. There is now 100% engagement with 75 to 80% of asset registers completed. To finalise and gain approval of the remaining information asset registers, an additional contracting resource has been brought into the Information Governance Team to complete the work by March 2021, with the goal to reach General Data Protection Regulation (GDPR) compliance.

Ms Beegan advised that the ‘Cracking the Code’ report is a summary of the previous Audit Wales Clinical Coding report and is an opportunity to raise awareness of coding under a COVID-19 lens. Mr Davies commended the report in terms of clearly expressing the issues involved. Mr Owen Burt concurred that the report helped to understand the background and challenges facing clinical coding. Cllr. Hancock paid tribute to Mr Tracey for his leadership and effort in driving this work forward.

Mr Tracey added that backlog is being addressed as part of the new trainee clinical coders training. The coders continue to target the backlog together with current workload which is already having a positive impact on the backlog figures. Mr Newman recognised this as a huge task, however will be useful for front line staff and add value to the UHB.

Mr Anthony Tracey left the Committee meeting.

The Committee **TOOK ASSURANCE** regarding progress made in relation to the original audit report recommendations, and subsequent actions, following the delayed progress previously noted due to the pandemic response.

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| AC(20)193 | Audit Wales Review of Operational Quality and Safety Arrangements in Hywel Dda | |
| | <p><i>Mrs Mandy Rayani joined the Committee meeting.</i></p> <p>Mrs Mandy Rayani provided an update report on the implementation of the recommendations from the Audit Wales Review of Operational Quality and Safety Arrangements report. Having met with Mrs Wilson and Ms Beegan to discuss the approach to recommendation 6, Mrs Rayani was pleased to report that the governance arrangements are now in place. It was noted that a meeting chaired by Mrs Rayani took place on 17th September 2020 which outlined the revised reporting arrangements and assurance to QSEAC via Directorate reporting.</p> <p>The Terms of Reference of sub-committees have now been strengthened and the Assistant Director of Nursing and Head of Quality and Governance are working with directorates to ensure a streamlined approach going forward at quality meetings, with standard Terms of Reference used at all levels and by the 3 county-wide meetings.</p> <p>Standardised agendas are being implemented and will be in place across all services by March 2021 at the latest, with these feeding up into the Operational Quality, Safety and Experience Sub-Committee (QQSESC). Progress has been delayed due to COVID-19 as has progress in rectifying certain issues by slow engagement from some services which has been frustrating however this has now been achieved. Independent Chairs now sit on the 3 County's meeting to ensure inclusivity and non-bias. Mrs Rayani concluded that all processes have been put in place to implement these recommendations.</p> <p>Mrs Hardisty commented that as an Independent Member on QQSESC she welcomed this new approach and focus to the agenda to ensure that going forward the emphasis is on considering impacts and risk based agenda items. Mr Newman added that the report demonstrates the improvement and progress made over the past 18 months.</p> <p>The Committee agreed that all recommendations had been met.</p> | |
| | The Committee TOOK ASSURANCE that the agreed actions against all recommendations have now been implemented. | |
| AC(20)194 | Quality, Safety and Experience Assurance Committee Assurance Report around the Discharge of their Terms of Reference | |
| | <p>Mrs Rayani introduced the Quality, Safety and Experience Assurance Committee (QSEAC) Assurance Report around the discharge of their Terms of Reference, which she believed had been met.</p> <p>The Committee agreed that the report provides assurance that QSEAC has been operating effectively during 2019/2020.</p> <p><i>Mrs Mandy Rayani left the Committee meeting.</i></p> | |
| | The Committee NOTED the content of the report and TOOK ASSURANCE that the Quality, Safety & Experience Assurance Committee has been operating effectively during 2019/2020. | |

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| AC(20)195 | Scrutiny of Outstanding Improvement Plans | |
| | <p>Mrs Wilson introduced the Scrutiny of Outstanding Improvement Plans agenda item, which had been requested at the previous meeting to present a list of external inspection and audit reports for potential scrutiny at future Committee meetings over the next six months. The report includes a caveat for the Committee to consider in light of increased COVID-19 and non-COVID-19 activity and anticipated winter pressures on services that is currently being experienced since this paper had been requested.</p> <p>Mrs Hardisty noted that a number of the outstanding recommendations contain common themes, such as some Mental Health and Learning Disabilities recommendations are awaiting Capital expenditure or adaptation of buildings, etc. and queried whether it would be appropriate to develop a table of common reasons for outstanding actions. Mrs Beare responded that the majority of delays to recommendations within Mental Health and Learning Disabilities recommendations occurred before COVID-19, and it is unclear whether this is a funding problem, i.e. the bid may or may not have been submitted. However, it is acknowledged that COVID-19 is having an impact on the length of time recommendations are taking to be implemented, with more taking 6 months or longer from their original timescales to be completed. Mrs Hardisty queried if a rating of the risk associated against each outstanding recommendation would provide further value to the report. Mrs Beare agreed however this would rely on the services undertaking a risk assessment which would be challenging at the moment in light of current pressures.</p> <p>The Committee agreed the schedule in principle, however it was agreed that Mr Newman would discuss with Mrs Wilson on how best to fit this into the ARAC workplan going forward in a way that does not bring unnecessary pressures to operational teams at this point in time.</p> | PN/JW |
| | <p>The Committee CONSIDERED the schedule for scrutiny of outstanding improvement plans, in light of the increased COVID-19 and non COVID-19 activity, and anticipated winter pressures on services.</p> | |
| AC(20)196 | Audit Tracker | |
| | <p>Mrs Wilson presented the Audit Tracker report, which provides a progress update in relation to the implementation of recommendations from audit and inspection. Mrs Beare reiterated that implementation of recommendations is slowing due to COVID-19, and that the assurance and risk team are looking into these reasons in more detail with the services. Mrs Beare suggested that reporting going forward continues to focus on implementation of high priority recommendations which will include Mid and West Wales Fire Service (MWWFS) and Health and Safety Executive (HSE) recommendations, as well as the HIW increased activity and high priority recommendations from Internal Audit and Audit Wales which may help ease the burden. The Committee agreed that the current process for requesting updates from services needs to be kept under constant review in light of COVID-19 and winter pressures.</p> | |

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| | <p>The Committee TOOK ASSURANCE on the following:</p> <ul style="list-style-type: none"> Executive Directors and Lead Officers understand that there is still the expectation that outstanding recommendations from auditors, inspectorates and regulators should continue to be implemented during COVID-19, to ensure services are safe and the risk of harm to patients and staff is managed and minimised. The rolling programme to collate updates from services on a bi-monthly basis will be kept under constant review in light of COVID-19 and winter pressures. | |
| AC(20)197 | <p>Counter Fraud Update</p> <p><i>Mr Rees joined the Committee meeting.</i></p> <p>Mr Rees presented the Counter Fraud Update report, including the published Autumn Edition of the Counter Fraud Newsletter. Members noted that Mr Terry Slater has now joined the Counter Fraud team as the Health Board's new Local Counter Fraud Specialist, and is undertaking training in the anticipation of being accredited by the first quarter of the 2021/22 financial year.</p> <p>Mr Rees highlighted from the report the prevent and deter work that has been undertaken, as well as the development of future work on procurement and requisitions, and an annual proactive exercise concerning variable pay.</p> <p>The Committee NOTED the Counter Fraud Update report.</p> | |
| AC(20)198 | <p>Audit Wales: 10 Opportunities for Restarting and Resetting the NHS Planned Care System</p> <p>Ms Beegan presented the 10 Opportunities for Restarting and Resetting the NHS Planned Care System report, included for information to the Committee. This report had originally been meant to focus on waiting time outputs however needed to be revised in light of COVID-19. All Health Boards had been requested to respond on their plans which included recovery planning.</p> <p>The Committee NOTED the Audit Wales report on 10 Opportunities for Restarting and Resetting the NHS Planned Care System.</p> | |
| AC(20)199 | <p>Audit Wales: NHS Wales Finances Data Tool</p> <p>Ms Beegan advised that Audit Wales will be undertaking an additional data tool for the first six months of 2021 which will focus on the COVID-19 finances.</p> <p>The Committee NOTED the update on the Audit Wales NHS Wales Finances Data Tool.</p> | |
| AC(20)200 | <p>Audit & Risk Assurance Committee Work Programme 2020/21</p> <p>The Committee NOTED the ARAC Work Programme.</p> | |
| AC(20)201 | <p>Any Other Business</p> <p>There was no other business reported.</p> | |

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| AC(20)202 | Reflective Summary of the Meeting 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: <ul style="list-style-type: none"> • The Committee received the Internal Audit Advisory Review: Governance Arrangements during the COVID-19 Pandemic. The Committee agreed the suggested areas of improvements to be included in the governance report to Board. • The Committee received the IA report on Records Management Follow-up (Limited Assurance). It was agreed the ongoing issues and lack of progress due to COVID-19 are to be highlighted to the Board. • The Committee received the Internal Audit RCP Medical Records Keeping Standards Update and requested an update be received in 9 to 12 months' time. • The Committee received the Partnership Governance (Integrated Care Fund) (Limited Assurance) and agreed that the concerns regarding RPB governance arrangements are to be highlighted to the Board. | |
| AC(20)203 | Date and Time of Next Meeting 9.30am, 15 th December 2020, Boardroom, Corporate Offices, Ystwyth Building, St David's Park, Carmarthen | |