

Bundle Audit & Risk Assurance Committee 21 April 2020

8.1

Internal Audit Plan Progress Report

Presenter: James Johns

SBAR IA Plan Progress Report ARAC April 2020

IA Plan Progress Report ARAC April 2020



PWYLLGOR ARCHWILIO A SICRWYDD RISG AUDIT AND RISK ASSURANCE COMMITTEE

DYDDIAD Y CYFARFOD: DATE OF MEETING:	21 April 2020
TEITL YR ADRODDIAD: TITLE OF REPORT:	Audit & Assurance Services Progress Report
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Head of Internal Audit
SWYDDOG ADRODD: REPORTING OFFICER:	Head of Internal Audit

Pwrpas yr Adroddiad (dewiswch fel yn addas)

Purpose of the Report (select as appropriate)

Er Sicrwydd/For Assurance

ADRODDIAD SCAA SBAR REPORT

Sefyllfa / Situation

The Internal Audit Progress Report provides specific information for the Audit & Risk Assurance Committee covering the following key areas:

- Detail relating to outcomes, key findings and conclusions from the finalised internal Audit assignments
- Specific detail relating to progress against the audit plan and any updates that have occurred within the plan.
- Details where our delivery and reporting of audit work has changed due to the current pandemic and as a result reports at Draft stage are being presented to the Committee, in order they can gain assurance from work delivered to that stage.

Cefndir / Background

The work undertaken by Internal Audit is in accordance with its plan of work, which is prepared following a detailed planning process and subject to Committee approval.

The progress report provides the Committee with information regarding the progress of Internal Audit work in accordance with the agreed plan; updated to the plan; including details and outcomes of reports finalised since the previous meeting of the committee. The Committee also receives the finalised audit reports for review and scrutiny.

Asesiad / Assessment

The findings and assurance ratings from the Internal Audit Reports provide the Committee with a level of assurance as to the adequacy of the risk, governance and control environment in the areas audited. The assurance is also provided in a number of reports at draft reports on this occasion as a result of the current circumstances.

Argymhelliad / Recommendation

The Audit & Risk Assurance Committee is asked to consider the Internal Audit Progress Report and the assurance available from the finalised Internal Audit reports, along with acknowledging the recommended updates to the plan, and changes as a result of the current circumstances. .

Amcanion: (rhaid cwblhau)

Objectives: (must be completed)

Committee ToR Reference Cyfeirnod Cylch Gorchwyl y Pwyllgor	5.16 The Committee shall ensure that there is an effective internal audit and capital/PFI function established by management that meets mandatory Internal Audit Standards for NHS Wales and provides appropriate independent assurance to the Committee, Chief Executive and Board. 5.17 This will be achieved by: 5.17.1 review and approval of the Internal Audit Strategy, Charter, operational plan and more detailed programme of work, ensuring that this is consistent with the audit needs of the organisation; 5.17.2 consideration of the major findings of internal audit work (and management's response), and ensure co-ordination between the Internal and External Auditors to optimise audit resources;
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not applicable
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	All Health & Care Standards Apply
Amcanion Strategol y BIP: UHB Strategic Objectives:	All Strategic Objectives are applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Statement	Not Applicable

Gwybodaeth Ychwanegol:

Further Information:

Ar sail tystiolaeth: Evidence Base:	Internal Audit plan. Evidence gathered as part of the delivery of audit assignments.
Rhestr Termiau: Glossary of Terms:	Contained within the body of the report.
Partion / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Archwilio a Sicrwydd Risg:	Executive Directors and Senior managers relevant to the individual audits. Board Secretary.

Parties / Committees consulted prior to Audit and Risk Assurance Committee:	
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Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	Not applicable
Ansawdd / Gofal Claf: Quality / Patient Care:	Not applicable
Gweithlu: Workforce:	Not applicable
Risg: Risk:	Not applicable
Cyfreithiol: Legal:	Not applicable
Enw Da: Reputational:	Not applicable
Gyfrinachedd: Privacy:	Not applicable
Cydraddoldeb: Equality:	Not applicable

Hywel Dda University Health Board

Audit & Risk Assurance Committee

April 2020

Internal Audit Progress Report

CONTENTS

1. Introduction
2. Outcomes From Completed Audit Reviews
3. Delivery and Planning Update

Appendix A - Assignment Status Schedule



1. INTRODUCTION

- 1.1.** This progress report provides the Audit & Risk Assurance Committee (ARAC) with the current position regarding the work being undertaken by Audit and Assurance Services as part of the 2019/20 Internal Audit plan.
- 1.2.** The report includes details of the progress made to date against individual assignments, outcomes from finalised Internal Audit reports along with details regarding the delivery of the plan and any required updates.
- 1.3** The plan for 2019/20 was agreed by the Audit & Risk Assurance Committee in April 2019 and is delivered as part of the arrangements established for the NHS Wales Shared Service Partnership - Audit and Assurance Services.
- 1.4** The progress report highlights the need to have made changes to the delivery and reporting of our audit work as a result of the current pandemic.

2. OUTCOMES FROM COMPLETED AUDIT REVIEWS








- 2.1** A number of assignments have been finalised since the previous meeting of the committee and are highlighted in the table below along with the allocated assurance ratings.
- 2.2** The full versions of these reports are included on the agenda as separate items.






FINALISED INTERNAL AUDIT REPORTS

ASSIGNMENT	ASSURANCE RATING	
Rostering	Reasonable	
Financial Reporting	Substantial	

2.3 In addition to the finalised reports a number of reports have been issued as draft, and as a result of the current circumstances these reports are also presented to the Audit & Risk Assurance Committee, in order that the committee can take assurance from the audit work delivered. From the reports issued a draft, listed in the table below, two have been given Limited assurance with the others Reasonable Assurance.

ISSUED AS DRAFT REPORTS

ASSIGNMENT	ASSURANCE RATING	
Glangwili Hospital, Women & Children’s Development Phase 2	Limited	
Estates Assurance - control of contractors	Limited	
Nursing Medication Errors	Reasonable	
Mortality Rates	Reasonable	
Variable Pay	Reasonable	
Health & Safety	Reasonable	
IT Follow-up	Reasonable	

Health & Care Standards	Reasonable	
Estates Directorate Governance Follow up	Reasonable	
Business Continuity Plans	Reasonable	
Estates Assurance Follow up	Reasonable	
Capital Follow up	Reasonable	

3. DELIVERY & PLANNING UPDATE

3.1 As a result of the current pandemic a decision has been taken to bring all current year Internal Audit work to a close as soon as possible. This has resulted in some audits being brought to a close based on the amount of audit work done at that stage and what could be completed from information already obtained.

This has resulted in small number of audits be concluded on a slightly reduced amount of field work than planned. For the audit issued as draft reports this has still enabled us to concluded those with an assurance rating. It has been noted in the reports where audit work has been reduced. The Audit & Risk Assurance Committee to take this n to account when considering the individual audit reports.

3.2 The detail of the plan of audit work for the year along with progress is outlined in the schedule which is included at Appendix A. The remaining audits not yet reported to the Committee are currently being concluded with draft reports be prepared for issue as soon as possible.

3.3 Resulting from the decision to concluded all audit work sooner than originally planned it has been determined that we would not be able to complete two audits, Records Management follow up and Closure of actions audits and as such these will not be included within the Annual

Report and Opinion. These changes will not significantly impact on the overall opinion at year end. The Committee is asked to not this change to the agreed work plan.

3.4 Head of Internal Audit Annual Report & Opinion 2019/20 – The overall annual report and opinion is currently being prepared. The overall opinion will take in to account reports at draft stage particularly in the current circumstances. From the outcomes of audit work reported to Final & Draft stage to date it is anticipated that a Reasonable Assurance overall Opinion will be given.

The annual report will however highlight that there have been a number of Limited Assurance reports have been issued during the year and as a result two of the eight assurance domains will be given Limited assurance. These being Capital & Estates and also Operational & Service Management.

As part of the formation of the overall opinion the annual report will also set out the assurances that have been taken in to consideration from audit work delivered by Audit & Assurance Services across NHS Wales including NWSSP, NWIS, WHSSC and EASEC.

3.5 Internal Audit Planning 2020/21 – The Internal Audit Plan, Strategy & Charter have been prepared for the year and is on the agenda to be presented to the Committee. This highlights that whilst the plan has been prepared on a twelve months basis, it will now be subject to review and change for the second half of the audit year when the audit work is anticipated to resume as a result of the ongoing current circumstances.

Appendix A – Internal Audit Plan 2019/20 – Progress Schedule

Planned output	Outline timing	Current progress	Executive Lead	ARAC	Assurance
Corporate governance, risk and regulatory compliance					
Governance & Risk Overview Governance, leadership and Accountability module & AGS.	Q1-4	---	Board Secretary	In Annual report	N/a
Health and Care Standards	Q4	wip	Director of Nursing, Quality & Patient Experience	Feb	Reasonable
Welsh Risk Pool Claims	Q3/4	FINAL	Director of Nursing, Quality & Patient Experience	Dec/Feb	Substantial
Standards of Behaviour	Q3/4	wip	Board Secretary	April	
Health & Safety	Q2/3	Draft	Director of Operations	Dec	Reasonable
Welsh Language Compliance	Q2	FINAL	Director of Partnerships and Corporate Services	Oct	Reasonable
Strategic Planning, Performance					

Planned output	Outline timing	Current progress	Executive Lead	ARAC	Assurance
Patient Access	Q2	FINAL	Director of Operations	Dec	Substantial
Research and Development	Q1/2	FINAL	Medical Director	Feb	Limited
Business Continuity	Q4	Draft	Director of Public Health	April	Reasonable
ARCH	Q1	FINAL	Director of Planning	Aug	Reasonable
Financial Governance and management					
Core Financial Systems	Q3	FINAL	Director of Finance		Substantial
Contracting	Q4	Initial draft	Director of Finance		
Clinical governance quality & safety					
Annual Quality Statement 1819	Q1	FINAL	Director of Nursing, Quality & Patient Experience	Aug	Reasonable
Medical devices	Q3	FINAL	Director of Operations	Dec	Reasonable
Mortality rates	Q4	Draft	Medical Director	Apr	Reasonable

Planned output	Outline timing	Current progress	Executive Lead	ARAC	Assurance
Nursing Medication Errors	Q3/4	Draft	Director of Nursing, Quality & Patient Experience	April	Reasonable
Closure of Actions	Q3/4	Deferred	Director of Nursing, Quality & Patient Experience	Feb	-----
Nurse Staffing act – Additional Testing (Briefing Note)	Q3/4	FINAL	Director of Nursing, Quality & Patient Experience	Feb	n/a
Annual Quality Statement 1920	Q4	WIP	Director of Nursing, Quality & Patient Experience		
Information Governance and Security					
Cyber Security	Q3/4	FINAL	Director of Planning	April	Reasonable
Virtualisation	Q2	FINAL	Director of Planning	Dec	Substantial
Departmental IT system – Lillie (Sexual health)	Q2/3	FINAL	Director of Operations	Dec	Reasonable
IT Follow up	Q4	Draft	Director of Planning	April	Reasonable
Operational service and functional management					
Directorate Review – Estates	Q1/2	FINAL	Director of Operations	Oct	Limited

Planned output	Outline timing	Current progress	Executive Lead	ARAC	Assurance
Follow up Directorate Review – Estates (Follow up)	Q4	draft	Director of Operations	April	Reasonable
Directorate Review – Bronglais	Q1/2	FINAL	Director of Operations	Feb	Limited
Records Management (Follow up)	Q4	Deferred	Director of Operations	Apr	-----
National Standards for Cleaning (Follow up)	Q4	Wip	Director of Operations	April	
Workforce management					
Consultants Job Planning	Q2	FINAL	Medical Director	Dec	Limited
Electronic Staff Record System	Q3	FINAL	Director Workforce	Dec	Reasonable
Rostering	Q3	FINAL	Director Workforce	Feb	Reasonable
Variable Pay	Q3	draft	Director Workforce	Feb	Reasonable
PADR Follow up	Q4	wip	Director Workforce	Apr	

Planned output	Outline timing	Current progress	Executive Lead	ARAC	Assurance
Capital and Estates					
Environmental Sustainability Reporting 1819	Q1	FINAL	Director of Operations	Aug	Reasonable
Environmental Sustainability Reporting 1920	Q4	planning	Director of Operations		
Carbon Reduction Commitment	Q1	FINAL	Director of Operations	Aug	Substantial
Estates Assurance - Water Management (Follow up)	Q2	FINAL	Director of Operations	Dec	Substantial
Estates Assurance - Water Management (withybush)	Q2	FINAL	Director of Operations	Dec	Limited
Systems (Financial Safeguarding-maintenance)	Q2/3	FINAL	Director of Operations	Feb	Limited
Follow up Water Management - Withybush		Initial Draft	Director of Operations		
Water Management - Bronglais		Currently being completed	Director of Operations		
Control Of Contractors		Draft	Director of Operations		Limited
Follow up (Capital and Estates)	Q4	Draft	Dir. Planning, Perf. / Commissioning/ Director of Operations	Apr	Reasonable
Capital Systems (Financial Safeguarding - capital)	Q2/3	FINAL	Director of Planning, Performance and Commissioning	Feb	Reasonable

Planned output	Outline timing	Current progress	Executive Lead	ARAC	Assurance
Glangwili Hospital, Women & Children's Development Phase 2	Q3	Draft	Director of Planning, Performance and Commissioning	Dec	limited
Other work					
Bronglais Hospital Front of House Development and Fire Lift - Final Account		Wip / fieldwork paused, account not ready	Director of Planning, Performance and Commissioning		n/a
Project Board Support		completed	Director of Planning, Performance and Commissioning		-----



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