

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

Date and Time of Meeting:	9.30am, 19 th December 2019
Venue:	Boardroom, Corporate Offices, Ystwyth Building, St David's Park, Carmarthen

Present:	Mr Paul Newman, Independent Member (Committee Chair) Mr Mike Lewis, Independent Member (Committee Vice-Chair) Mr Owen Burt, Independent Member Mr Maynard Davies, Independent Member Mrs Judith Hardisty, Vice-Chair, HDdUHB
In Attendance:	Ms Anne Beegan, Wales Audit Office Mr Jeremy Saunders, Wales Audit Office Mr James Johns, Head of Internal Audit, NWSSP Mr Huw Richards, Internal Audit, NWSSP Mrs Joanne Wilson, Board Secretary Mr Huw Thomas, Director of Finance Mr Matthew Evans, Local Counter Fraud Specialist (part) Ms Claire Bird, Assurance Officer (deputising for Mrs Charlotte Beare, Head of Assurance and Risk) Ms Jill Paterson, Director of Primary Care, Community & Long term Care (part) Ms Rhian Bond, Assistant Director of Primary Care (part) Dr Philip Kloer, Medical Director & Director of Clinical Strategy (part) Mr John Evans, Assistant Medical Director (part) Ms Helen Williams, Revalidation and Appraisal Manager (part) Mr Rob Elliott, Director of Estates, Facilities and Capital Management (part) Ms Sue Tillman, Post Payment Verification Location Manager (part) Ms Clare Moorcroft, Committee Services Officer (Minutes)

Agenda Item	Item	
AC(19)231	Introductions and Apologies for Absence	
	Mr Paul Newman, Audit & Risk Assurance Committee (ARAC) Chair, welcomed everyone to the meeting, particularly Mr Maynard Davies, joining the Committee as an Independent Board Member. Apologies for absence were received from: <ul style="list-style-type: none"> • Cllr. Simon Hancock, Independent Member • Mr Steve Moore, Chief Executive • Mr Andrew Carruthers, Director of Operations • Mrs Charlotte Beare, Head of Assurance and Risk 	
AC(19)232	Declaration of Interests	
	No declarations of interest were made.	
AC(19)233	Minutes of the Meeting held on 22nd October 2019	
	RESOLVED – that the minutes of the Audit & Risk Assurance Committee meeting held on 22 nd October 2019 be APPROVED as a correct record.	

AC(19)234	<p>Table of Actions</p> <p>An update was provided on the Table of Actions from the meeting held on 22nd October 2019 and confirmation received that outstanding actions had been progressed. Whilst a number of actions have passed their original timescale, explanatory narrative has been provided. In terms of Matters Arising:</p> <p>AC(18)247 – Mr Newman did not feel that the update addressed the minute from the previous meeting. Mrs Joanne Wilson and Mr Huw Thomas agreed to review this action, the update and the associated minute.</p> <p>AC(19)46 – Ms Anne Beegan advised that she had met with representatives from Internal Audit (IA) last week, and as a result, was inclined to stand down the Wales Audit Office (WAO) Clinical Equipment review, as this crosses over with planned IA work. This matter will be discussed with Mrs Wilson.</p> <p>AC(19)138 – This action is subject to HR processes being completed. Members were reminded that Mr Andrew Carruthers has recently taken up the post of Director of Operations, and Mrs Wilson offered to seek a further update on progress. Mr Newman noted that this issue has been ongoing for some time, and suggested that it be formally escalated to Board, which can then determine/establish what further actions are required.</p> <p>AC(19)148 – Members heard that there is still one element of one budget not signed-off by the budget holder. Mr Thomas recognised their reasons for not signing, which relate to a complex historical issue. The budget involved is not material, and amounts to less than £0.5m. Mr Thomas was confident that the budget would be signed-off within the next couple of weeks. Highlighting that it is not long until the next round of accountability letters will be issued, Mr Newman enquired whether lessons have been learned. Mr Thomas emphasised that this relates to a historical issue, which has now been resolved, and will not recur next year.</p> <p>AC(19)167 – Members heard that WAO is reflecting on the work conducted at Cwm Taf UHB, and is awaiting responses from all Health Boards to the Self-Assessment. In terms of potential ‘deep dives’, consideration will need to be given to whether these are conducted in the same directorate in all Health Boards, or in different directorates.</p> <p>AC(19)200 – Mr Newman requested confirmation that installation of the new switchboard system will resolve the issues previously discussed regarding lone workers and the European Working Time Directive (EWTD). Mr Thomas understood that this is the case, with the new system allowing calls to be re-diverted across the UHB. Mrs Wilson would clarify with Mr Tracey and Mr Thomas to review if this addresses ARAC’s concerns.</p>	<p>JW/HT</p> <p>AB/JW</p> <p>JW</p> <p>JW/AT</p>
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	<p>AC(19)207 – Ms Beegan was not aware of any other Health Boards having conducted a ‘whole system’ test, and suggested that Mr Anthony Tracey confirm this via the Assistant Directors of Informatics Group.</p> <p>AC(19)220 – Mr Owen Burt queried whether the suggested review of outstanding Estates/IT/Medical Equipment backlog should have taken place at the Board Seminar on 12th December 2019. Mrs Wilson clarified that this topic has been added to the forward plan for a future Board Seminar noting there are a number of requests for items to be discussed at the Board Seminars.</p> <p>AC(19)222 – It was emphasised that there is still a need to provide ARAC with assurance regarding this matter and it was agreed that the action should remain open, with a further update to be provided to the next meeting via the Table of Actions.</p> <p>AC(19)224 – Mr Newman queried how the Health & Safety Audit Programme had been prioritised, noting that Hafan Derwen is the first site due to be audited, rather than clinical/patient areas. It was agreed that clarification would be sought when Mr Rob Elliott joins the meeting later.</p> <p>It was agreed that actions RAG rated green would be removed from the table of actions, with the exception of AC(18)247.</p>	<p>AT</p> <p>AC</p>
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AC(19)235	Matters Arising not on the Agenda	
	There were no matters arising not on the agenda.	

AC(19)236	<p>Feedback from the Targeted Intervention Meeting held on 31st October 2019</p> <p>Mr Thomas presented an update from the Targeted Intervention meeting with Welsh Government (WG) held on 31st October 2019, reminding Members that this had been discussed at Public Board on 28th November 2019. There had been a further Targeted Intervention meeting on 18th December 2019, which had been the first since the UHB had increased its forecast deficit. WG had expressed disappointment regarding this increase, and a detailed discussion had taken place. There had been debate regarding whether the UHB is being too ‘pessimistic’ in its forecast, and WG had encouraged the organisation not to stop progressing efforts on potential opportunities to improve its financial position. WG has not yet indicated whether it will remove the additional £10m as this was predicated on the UHB achieving a £15m Control Total. The meeting had not included a great deal of discussion around planning or performance, which suggests that WG is broadly content in this regard; the challenge is in relation to the UHB’s finances. WG indicated that the UHB needs to learn from its position, querying whether it should have better predicted Unscheduled Care (USC) pressures/ costs and the Welsh Risk Pool (WRP) costs. Whilst discussions had been challenging, Mr Thomas felt that they had been constructive. During further discussion, the following comments were made:</p> <ul style="list-style-type: none"> • In response to a query regarding whether WG had expressed a view on the Referral to Treatment (RTT) slippage, it was noted that no 	
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	<p>specific concerns had been expressed. It had been suggested, however, that the UHB should not implement short-term measures on RTT to support the financial position.</p> <ul style="list-style-type: none"> • It is likely that the UHB is reaching a 'natural cap' on its USC overspend, due to an inability to secure nursing staff. • There is a new issue – cancellations, due to the impact of norovirus outbreaks in both GGH and PPH on planned care. • Members were reminded of the costs involved in managing the local Tuberculosis outbreak. WG has already allocated additional funding of £0.8m, and has indicated that no further funding will be offered this year. The UHB needs to discuss how this matter will be managed going forward, as it is essential that a sustainable service is put in place. • In response to a query regarding whether WG has indicated when it will make a decision regarding the £10m, Members heard that no such information was forthcoming. The organisation is, therefore, preparing forecasts based on two outcomes; a £25m deficit and a £35m deficit. It is understood that there is a WG meeting with the Minister for Health and Social Services planned for January 2020. • It was understood that other Health Boards across Wales are facing similarly challenging financial positions. <p><i>Mr Matthew Evans and Ms Sue Tillman joined the Committee meeting.</i></p> <p>The Committee NOTED the updates from the Targeted Intervention meetings held on 31st October and 18th December 2019.</p>	
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<p>AC(19)237</p>	<p>All Wales NHS Audit Committee Chairs' Meeting Update</p> <p>Mr Newman presented an update from the All Wales NHS Audit Committee Chairs' Meeting. During further discussion of the report, the following observations were made:</p> <ul style="list-style-type: none"> • Whilst there appears to be a great deal of activity/issues relating to the NHS Wales Informatics Service (NWIS), there do not appear to be any regular formal reports, for example to the Business Planning & Performance Assurance Committee (BPPAC). There was a query around how the UHB manages its relationship with NWIS. In response, it was noted that Mrs Karen Miles has regular meetings with NWIS, and issues are escalated if required. There is also an NHS Informatics Board, of which Mrs Miles is a member. Members were assured that the Board is sighted on issues relating to NWIS. • There was a query regarding whether it is recommended that the suggestion (under point 8) of attendance by all Executives and the Accountable Officer at the Audit Committee be adopted. In response, Members heard that the situation was left as stated in the report, with further evidence requested noting that locally this is not deemed as good governance. <p>The Committee NOTED the All Wales NHS Audit Committee Chairs' Meeting Update report.</p>	
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<p>AC(19)238</p>	<p>Financial Assurance Report</p> <p>Mr Thomas outlined the Financial Assurance Report. During further discussion of the report, the following points were raised:</p>	
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	<ul style="list-style-type: none"> • There was a query regarding the potential financial implications of the Capital Front of House Scheme (Bronglais General Hospital) detailed on page 11. In response, Members noted that the outcome is likely to be favourable to the UHB, with a return of capital. • A number of the delays relating to tax issues are as a result of HMRC processes/systems rather than those within the UHB. • It was noted that the maintenance contract relating to Single Tender Action (STA) HDD479 detailed in Appendix 1 will be superseded upon full installation of the new switchboard system. • It was suggested that when there are maintenance contracts for equipment which, like the one mentioned above, are limited to one provider; an alternative mechanism for approving these should be explored, to remove the need for multiple STAs. This would potentially reduce the number of STAs significantly. • The trend in regards to overpayment of salaries, detailed in Appendix 6, is not reducing. There has been mention of difficulties in accessing the Electronic Staff Record (ESR) system, particularly off-site, which may be related. • The increasing costs associated with medical negligence cases is a concerning trend. It was queried whether the UHB is confident that it is predicting such costs and learning lessons from cases. In response, Members were advised that the number of medical negligence cases is actually reducing, it is the value of claims which is increasing. This is a trend being seen across the UK. The WRP has a committee which oversees medical negligence claims, and Health Boards rely on the WRP for legal risk forecasting. • Based on the overspend this year, and the upward trend in costs, a specifically-earmarked additional amount has been allocated to the WRP budget for next year. • In terms of lessons learned from medical negligence cases, it was suggested that the Quality, Safety & Experience Assurance Committee (QSEAC) provides the most appropriate forum for such discussions. Members heard that the proposed new governance structure, and the new Listening and Learning Group, will offer enhanced opportunities for this type of discussion. • In regards to Payables in excess of £10,000 and 3 months, Appendix 3; it was noted that this includes two references to Carmarthenshire County Council. Members were informed that the value of both invoices is being disputed with the Local Authority, although it is anticipated that resolution is imminent. <p>The Committee was alerted to one issue which, due to timescales for submission of papers, it had not been possible to include in the report. This relates to a team within the UHB not following due process for procurement of training. Full information will be included in the report to the February 2020 ARAC meeting.</p> <p>The Committee NOTED the report, and APPROVED the losses and debtors write offs noted within.</p>	HT
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AC(19)239	<p>Post Payment Verification (PPV) Update</p> <p>Ms Sue Tillman introduced the Post Payment Verification (PPV) update, highlighting that the figures in red, particularly those relating to revisits, are to be expected to an extent, because the process covers a three</p>	
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year cycle. Certain practices have had difficulty in understanding the new process around Care Homes; this is a new service, therefore it will take time to fully embed. Members heard that Mr Scott Lavender, PPV Team Manager, has been liaising with both Counter Fraud and Primary Care teams to arrange regular meetings, every six months, to update on progress and discuss outcomes. This is intended to lead to a more coordinated and consolidated response. The PPV team has also been offering training to Ophthalmic practices, although there has been no uptake thus far. Mr Matthew Evans would be following this up, as he felt that the training would be beneficial. Mr Evans also suggested that the proposed meetings with Primary Care will provide important opportunities for collaboration and information sharing. Members noted that, currently, the PPV team do not receive feedback from the Primary Care team with regards to actions taken in response to PPV reports. The report was discussed further, with the following comments made:

- Members were reminded that a new Deputy Medical Director for Primary Care has been appointed, and that their priorities are being discussed; this may be an area of focus.
- The impact and outcomes of PPV reporting needs to be clarified.
- The report presented to ARAC does not identify which practices are making errors in claims. In response to a query regarding whether this information is communicated to individuals within the UHB, Members were assured that this is the case.
- It was suggested that there needs to be triangulation of information, to establish whether those practices making errors in claims, are also practices experiencing issues in terms of performance, concerns/ complaints, recruitment, etc. Members were advised that this is one of the aims of the meetings with Primary Care and Counter Fraud mentioned above. The PPV team do not currently know which practices are experiencing issues. Fraud and clinical issues can impact upon each other. This type of triangulation may be best considered by QSEAC rather than ARAC.
- With regards to the Health Board and All Wales comparison tables, it was noted that the HDdUHB recovery figure is much higher than the rest of Wales, and a query raised whether this was of concern. The PPV representative was not aware that this was an issue, however offered to clarify. It was suggested that this anomaly may be due to the number of practices within HDdUHB compared with other Health Boards, and the higher number of enhanced services in HDdUHB.
- It was noted that Pharmacy administrative and claim error percentages for 2018/19 are above the All Wales average. In response to a request for suggestions as to how the UHB might improve performance, Members heard that this is a relatively new area for PPV, noting that visits are conducted on a three year cycle. The PPV representative would seek further information.
- Assurance was sought that the UHB is refunded payments which are found to be the result of claim errors, and clarification sought regarding whether findings are ever disputed. In response, Members were informed that the claim error amount is deducted from payments to practices. In terms of disputed findings, if practices

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	<p>provide further evidence at a later date, this is passed on to the UHB to determine whether it is acceptable.</p> <ul style="list-style-type: none"> • In view of the proposed 'shift to the left' of services, there was a query regarding whether the importance and impact of PPV is likely to increase in the future. Whilst acknowledging that the total monies recovered is not a hugely significant amount, and that fraud deterrent is the main purpose of PPV, Members noted that the funding allocation to services in this sector of healthcare is likely to increase. • The UHB needs to consider how it should place PPV strategically, in order to best provide assurance to ARAC and Board, support the services involved and achieve the triangulation of information mentioned above. It was agreed that proposals would be presented to the next meeting. • Members were assured that the PPV team provides advice, training and support to practices where claim errors have been identified. • Clarification is required with regards to whether the system will change as a result of the new General Medical Services (GMS) contract and payment system. It was also noted that the process does not cover Cluster funding, although Members were reminded that these are managed by the UHB and are, therefore, subject to the associated financial management processes. • The proposed 'shift to the left' will necessitate an enhanced grip on funding issues. It was agreed that this should be highlighted to Board. <p><i>Mr Evans and Ms Tillman left the Committee meeting. Ms Jill Paterson and Ms Rhian Bond joined the Committee meeting.</i></p> <p>The Committee NOTED the content of the Post Payment Verification (PPV) Update report.</p>	<p>HT</p> <p>JW</p>
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<p>AC(19)240</p>	<p>Wales Audit Office Update Report</p> <p>Ms Beegan outlined the WAO update report, drawing Members' attention to current and planned performance audit work. This includes the Orthopaedics follow-up review and the Structured Assessment. The latter had been presented to the Board Seminar on 12th December 2019. Ms Beegan advised that weblinks to further information regarding the Good Practice Exchange (GPX) events included in the report would be shared. Members were reminded that the WAO will soon be issuing its Annual Plan and Audit Report. Ms Beegan advised that WAO has been requested to undertake a high-level review of the Welsh Health Specialised Services Committee (WHSSC). In relation to the Structured Assessment, Mr Newman stated that he felt this was a very fair summary of where the organisation is. Members noted that there are discussions regarding whether the WAO will conduct a Structured Assessment of the UHB next year, or whether there will be a hiatus, to allow the UHB to undertake work on quality and safety governance arrangements, following the WAO review on this topic.</p> <p>The Committee NOTED the Wales Audit Office Update.</p>	<p>AB</p>
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<p>AC(19)241</p>	<p>WAO Review of Primary Care Services in Wales and Local Update</p> <p>Ms Beegan introduced the WAO Review of Primary Care Services in Wales. Part 1 of the report focuses on the steps being taken by the</p>	
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NHS and Welsh Government to strengthen primary care, with Ms Beegan noting that there are a number of similarities/commonalities between the findings of this review and the review into the Integrated Care Fund. The second part of the report focuses on the pressures on Primary Care services and the need for change at greater pace and scale to ensure services are fit for the future. The latter includes workforce challenges and patient aspects, such as access to services. Referencing the WAO Review of Primary Care Services at HDdUHB, and the associated Management Response, Ms Jill Paterson highlighted that a number of the recommendations are out with the UHB's control. Members heard that each Director of Primary Care is working with their peer group to consider how to introduce a strategic model for Primary Care and how to maximise resources. There is a national forum which facilitates the sharing of good practice. Primary Care has been challenged, rightly, on how it translates Cluster developments into mainstream services. Within HDdUHB, there has been a commitment from the Executive Team to scale up three Cluster projects, subject to satisfactory business cases, and this is welcomed as a positive step. The Primary Care team has also been working with the Finance team and Cluster Leads with regards to management of budgets. As part of the new GMS contract, there will be a requirement to submit quarterly updates to Board, the first of which is imminent. During further discussion of the reports, the following were raised:

- The Management Response to Recommendations 4a, 4b and 4c is the same: that the Board already receives reports. It was queried whether this indicates that a change has been made since the review or that the recommendation is disputed. In response, it was reiterated that performance reports containing Primary Care data, such as the Integrated Performance Assurance Report (IPAR), are submitted to Board. Members noted that the disparity in response may be as a result of timing, with the IPAR having undergone development in terms of Primary Care data at around the same time as the WAO review. Members were assured that this matter had been discussed at length with the WAO.
- The plans at WG level to undertake work relating to the Primary Care budget were welcomed. This was considered timely, in view of the expected 'shift to the left', and will assist the UHB in developing services which are fit for purpose.
- An increase in WG communications with the public around Primary Care would also be welcomed.
- Locally, hospital sites are requesting more central communications and direction for the public regarding, for example, appropriate use of A&E.
- There is a tension within Primary Care regarding investment whilst the UHB is in a challenging financial position. The support to mainstream Cluster projects is, however, a significant step forwards.
- In relation to performance data, the Director of Primary Care, Community & Long term Care stated that there are regular discussions with practices around recruitment and their workforce; the missing element is a workforce tool. In terms of performance management, there are regular contractual reviews. There is absolute clarity in terms of budgetary allocation and how it is spent.

	<ul style="list-style-type: none"> • Whilst it was accepted that there is budgetary control around how the Primary Care budget is spent, the UHB's return for this spend is less clear, in terms of productivity and outcomes. • It was highlighted that the UHB possesses Primary Care Dashboard information, to individual practice level. However, when this had previously been presented to various committees, it had been suggested that the detail was too great. In-depth prescribing data is also available. • Members suggested that Primary Care data, unlike that relating to Secondary Care, is not discussed often enough at Committee and Board level. It is correct to suggest that a certain level of detail is required in order to fully scrutinise information. • It was agreed that the need to focus more on Primary Care at Board level should be taken forward, with it suggested that this area should have the same emphasis, if not more, than Secondary Care. The current and future reporting arrangements relating to Primary Care would be discussed. • It was noted that a discussion regarding Primary Care contracts is scheduled for the February 2020 Board Seminar. • In response to a query regarding the existence of a Primary Care Dashboard at national level, Members heard that this has not yet been signed-off by the Minister for Health and Social Services. • When considering the totality of clinical pathways, it can be difficult to establish those parts which are delivered in Primary Care. There are various nuances, for example, outreach clinics delivered in the community; it is not as straightforward as considering only contracted services. • It was noted that, for two of the management responses, the timescale for completion is unknown. Whilst the reasons for this were recognised, WAO's view was requested. In response, it was highlighted that one of the actions was internal, relating to workforce; the other was subject to work at a national level, with the resulting constraints accepted. It was agreed, however, that review dates at least for these actions should be specified and the management response updated in order that the tracker can be updated to reflect these timescales. <p><i>Ms Paterson and Ms Bond left the Committee meeting.</i></p>	<p>JP</p> <p>JP</p>
	<p>The Committee NOTED the work that has been undertaken to date to achieve a number of the recommendations within the report and NOTED the update on the work that continues to ensure that all recommendations are met, whilst ensuring that they are aligned to the national Strategic Programme work streams.</p>	

AC(19)242	WAO Orthopaedic Services Follow-up	
	Deferred to 25 th February 2020 meeting.	

AC(19)243	Internal Audit Plan Progress Report	
	Mr James Johns presented the Internal Audit Plan Progress report, drawing Members' attention to the key issues outlined in Section 2. It was noted that 8 Internal Audit have been completed since the previous meeting, resulting in a mix of assurance ratings, including 2 Limited Assurance. There are a number with Substantial and Reasonable	

	Assurance ratings, which represent a positive outcome. Attached as Appendix A is the Internal Audit Plan 2019/20 Progress Schedule. Members noted that there is a typographical error on page 2, where 'Virulisation' should read 'Virtualisation'.	
	The Committee CONSIDERED the Internal Audit Progress Report and the assurance available from the finalised Internal Audit reports.	
AC(19)244	Patient Access (Substantial Assurance)	
	Mr Johns introduced the Patient Access (Substantial Assurance) report, a positive overall position, with one medium priority recommendation identified.	
	The Committee NOTED the Patient Access (Substantial Assurance) report.	
AC(19)245	Server Virtualisation (Substantial Assurance)	
	Mr Johns introduced the Server Virtualisation (Substantial Assurance) report, which had identified that robust arrangements are in place, resulting in a strong position.	
	The Committee NOTED the Server Virtualisation (Substantial Assurance) report.	
AC(19)246	Welsh Risk Pool Claims (Substantial Assurance)	
	Mr Johns introduced the Welsh Risk Pool Claims (Substantial Assurance) report, reminding Members that this is an annual audit, focusing on a specific set of criteria, which may change going forward. In the meantime, however, the audit had resulted in a positive outcome.	
	The Committee NOTED the Welsh Risk Pool Claims (Substantial Assurance) report.	
AC(19)247	Electronic Staff Record (Reasonable Assurance)	
	Mr Johns introduced the Electronic Staff Record (ESR) (Reasonable Assurance) report, which had considered the use of the ESR system. A Reasonable Assurance rating had been awarded; however, further work is required regarding the functionality of ESR and to develop systems, processes and guidance around its use.	
	Referencing Finding 3 on page 12, Mrs Judith Hardisty conveyed reports that staff are experiencing difficulties in accessing ESR when they are off-site. Mrs Hardisty enquired whether this is considered to be an external or internal issue. Mr Johns stated that findings suggest it is an internal issue, requiring resolution by the UHB. It is possible that such difficulties are exacerbating issues such as overpayment of salaries.	
	The Committee NOTED the Electronic Staff Record (Reasonable Assurance) report.	
AC(19)248	Medical Devices (Reasonable Assurance)	
	Deferred to 25 th February 2020 meeting.	
AC(19)249	Departmental IT System – Lillie (Sexual Health) (Reasonable Assurance)	
	Mr Johns introduced the Departmental IT System – Lillie (Sexual Health) (Reasonable Assurance) report. Members heard that various aspects of this IT system were examined. An assurance rating of	

	<p>Reasonable Assurance had been awarded, with a number of recommendations made; although these are generally focused on improving existing processes rather than addressing any fundamental weaknesses. During discussion of the report, the following comments were made:</p> <ul style="list-style-type: none"> • There are several references to a meeting on 11th December 2019; it was queried whether this meeting had taken place. It was suggested that this be followed up via the Audit Tracker. • There is a finding within the report around the non-use of strong password functionality. It was suggested that patient records in this speciality in particular are extremely sensitive and a query raised regarding whether IA had made a recommendation in this regard. In response, it was noted that Recommendation 8 focuses on this finding and that this has been actioned by management. • Referencing Finding 1, it was queried whether service agreements are in place between departments and the ICT department for all IT systems. This would be followed up, although it was suggested that there is evidence of more central IT ownership in HDdUHB than is seen elsewhere. • Members noted that the deadline for Recommendation 9 on page 24 should read '31st January 2020'. <p>The Committee NOTED the Departmental IT System – Lillie (Sexual Health) (Reasonable Assurance) report.</p>	<p>CB/AT</p> <p>JJ</p> <p>JJ</p>
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<p>AC(19)250</p>	<p>Consultant & SAS Doctors Job Planning (Limited Assurance)</p> <p><i>Dr Philip Kloer, Mr John Evans and Ms Helen Williams joined the Committee meeting.</i></p> <p>Mr Johns introduced the Consultant & SAS Doctors Job Planning (Limited Assurance) report, drawing Members' attention to Section 4, which focuses on the key findings and high priorities. These related to timeliness of job planning, use of standard UHB job planning template, recording of job plans in ESR, outcomes recording and lack of a plan to achieve 100% compliance. Section 5 presents the action plan including recommendations, together with management response. Whilst recognising that there are a range of areas in which improvement is required; to provide context, Dr Philip Kloer noted that job planning has been flagged as a challenge for the UHB for some time. Members were reminded that at this point last year, 38% of consultants had an up to date job plan; this figure is currently 61%. The aim is to reach 90% compliance by the end of 2019/20, with several months in which to achieve this. In response to a query regarding the proportion of job plans which are electronic, Members heard that this is still only around 10%. Dr Kloer acknowledged that this has been an issue and that there has not been as great an uptake of the Allocate (e-Job Planning) training as had been hoped. It was noted, however, that from January 2020 it will be mandatory for all job plans to be electronic. The newly appointed Deputy Medical Director for Acute Services and Director of Secondary Care will increase the level of focus on this area. It is also intended to align Executive Director objectives to this, and a draft action plan has been developed; although Members were reminded that Dr Kloer does not manage the operational teams. Mr John Evans emphasised that delivery of the job planning process sits with</p>	
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operational teams. Support is, however, being provided by the Medical Directorate and HR teams in terms of the move to an electronic system, which will create consistency in job plans. The report was discussed in more detail, with the following points raised:

- The importance of job planning was emphasised.
- Noting that there have been a number of previous discussions on this topic; there was an enquiry regarding how the approach being taken now differs, and what assurances can be provided that the new action plan will deliver. Members were informed that the action plan mentioned above is in response to the Internal Audit report. Members were reminded that delivery of job planning sits with the operational teams. The original intention was to employ a quarter by quarter approach, which has not, unfortunately transpired as anticipated. There are various reasons for this, in many cases linked to other, conflicting clinical and operational demands.
- In response to a query regarding whether the action plan has been agreed with those who will be responsible for implementing it, Members were advised that the action plan has been shared with the Director of Operations, who has recognised job planning as one of many priorities. However, the action plan itself needs to be agreed.
- Certain of the IA findings relate to completeness/currency of job plans, and quality of job plans. Members heard that the UHB had, at one stage, achieved a rate of 91% consultants with up to date job plans.
- It was suggested that the issue of paper versus electronic job plans is separate. Whilst the aspiration and target is for job plans to be electronic, and the UHB is mandating this from January 2020, the first priority is for doctors to have a job plan in place.
- The job plans outstanding at the end of the process are likely to be those which are more challenging, for example where there are queries/disagreements delaying sign-off.
- A tracker and escalation process has been developed, which will report compliance to the Director of Operations on a weekly basis. The process identifies individual doctors with job plans outstanding, so that this can be followed up directly by managers.
- It is disappointing to be in this position at this time of year, particularly as increasing winter pressures are likely to create further conflicting demands.
- Whilst all of the above explanations/actions are reasonable, there is no explanation in terms of why managers are not undertaking job planning. Members' frustrations were shared by those responsible for job planning, particularly in view of the fact that the issue of quality of job plans has not yet been considered.
- It is accepted that managers should have an understanding of what tasks their workforce should be undertaking in the forthcoming year, as this is an important component of planning processes. Those responsible will need to grasp why this task is not being prioritised, or whether the demands being placed on managers are unreasonable.
- There was a query regarding the patient and financial impact of non-compliance with job planning. In response, Members noted that

	<p>effective job planning allows the most expensive patient-facing workforce to be directed to the correct tasks. It allows an improved global oversight of the tasks being undertaken, and offers opportunities to identify waste/inefficiencies. It facilitates demand and capacity modelling, with the expectation that some sessions will increase, and others will reduce.</p> <ul style="list-style-type: none"> • Members were reminded that the 'Invest to Save' bid relating to the Allocate system indicated significant efficiencies per year, in return for an investment. Whilst these savings were not expected in the first year, the current percentage of job plans which are electronic will not achieve such expectations. • It was noted that savings will primarily be in productivity, although the UHB does also expend significant amounts in certain high cost areas. • Job planning is key to workforce planning and informing decisions around whether alternative healthcare professionals can be utilised. • References have been made to job planning being incorporated into both appraisal and revalidation for consultants. As these are two separate processes, there was a query regarding which is correct. Members were informed that Revalidation is a General Medical Council (GMC) process, which relates to a doctor's fitness to practise. There is a requirement for a doctor to have undergone 5 appraisals before Revalidation can be recommended. There are different structures elsewhere in the UK with regard to Revalidation and the Responsible Officer. Appraisal is an annual process. • It was suggested that the dynamic around and attitude to job planning might change if it were a requirement for Revalidation to possess an up to date job plan. However, Members were reminded that it is already a contractual requirement to have a job plan in place, and it was suggested that the onus is on the UHB to facilitate and ensure this. <p>Whilst there was no specific feedback on the management response, due to ongoing concerns this was not accepted by the Committee. Mr Newman requested that the draft action plan be shared with the Committee and that a further progress update be provided to the next meeting.</p> <p><i>Dr Kloer, Mr Evans and Ms Williams left the Committee meeting.</i></p> <p>The Committee NOTED the Consultant & SAS Doctors Job Planning (Limited Assurance).</p>	<p>PK</p> <p>PK</p>
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<p>AC(19)251</p>	<p>Financial Safeguarding: Design Team Led CRL Projects (Reasonable Assurance)</p> <p><i>Mr Rob Elliott joined the Committee meeting.</i></p> <p>Members were reminded of the earlier query regarding prioritisation of the Health & Safety Audit Programme, and how the order of sites had been determined. Mr Rob Elliott advised that the team had considered this on a risk-based approach, perhaps using Datix, although he would seek further clarification.</p> <p>Mr Huw Richards introduced the Financial Safeguarding: Design Team Led CRL Projects (Reasonable Assurance) report, reminding Members</p>	<p>RE</p>
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	<p>that there have been recent, well publicised examples of fraud within the wider NHS Capital, Estates and Facilities functions. This report focused on larger capital projects and had resulted in a positive outcome. There were three recommendations, primarily aimed at enhancing existing arrangements. Mrs Wilson advised that Recommendation 1 had already been taken forward on Mr Elliott's behalf. In regards to this recommendation, Mr Thomas reminded Members that the rules around extending contracts exist for a reason, and hoped that departments would 'comply with the spirit of these, as well as the word.' It would not be desirable for departments to employ 'work arounds' to avoid compliance. Mr Elliott acknowledged these comments.</p>	
	<p>The Committee NOTED the Financial Safeguarding: Design Team Led CRL Projects (Reasonable Assurance) report.</p>	

<p>AC(19)252</p>	<p>Financial Safeguarding: Maintenance Team Led Work (Limited Assurance)</p>	
	<p>Mr Richards introduced the Financial Safeguarding: Maintenance Team Led Work (Limited Assurance) report. Members heard that this audit focused on procurement exercises associated with capital projects which were financed by discretionary funding below £1m, pre-planned maintenance and reactive maintenance programmes. It was acknowledged that, by their very nature, certain of these are urgent/emergency contracts. This exercise is being conducted across a number of Health Boards, with similar outcomes being seen. With larger capital projects, there tend to be stricter controls in place; less so for lower level maintenance work. Mr Elliott felt that the size of project was irrelevant, highlighting that the figures can still be significant. The issues identified will only increase due to the wider challenges being experienced in terms of the UHB's estate and its maintenance backlog. There is a need for coordination, and a significant role for maintenance led work. In terms of delivery, the team have carefully considered timescales, reflecting on previous comments around ensuring that these are realistic. There is an ambition, however, to complete certain actions before the start of the next financial year; for example, those relating to internal processes, management of contractors, procurement. It is also intended that steps will be taken to encourage a culture change within the Estates team, to ensure that this situation does not recur. During discussion of the report, the following comments were made:</p> <ul style="list-style-type: none"> • In response to a query regarding whether NHS Wales Shared Services Partnership (NWSSP) Procurement is involved in the UHB's procurement processes, Members heard that they are involved in certain exercises, though not all. HDdUHB is not unique among Health Boards in this approach. Going forward, processes will be managed by the NWSSP Procurement team, with financial vetting being part of the centralised process. • Separate financial vetting for small value schemes is not considered sensible or necessary. • Members heard that the new Estates Management System will provide more effective recording of maintenance jobs, particularly pre-planned maintenance. • In terms of verification of work completed, there was a query regarding whether payment of invoice is accepted as evidence of 	

	<p>work having been completed satisfactorily, with no other checks made. It was confirmed that this was the case, although this weakness has now been addressed. There will be a formal sign-off process, including a physical site visit and verification of work.</p> <ul style="list-style-type: none"> • Highlighting earlier comments around ensuring that timescales are achievable, there was a reminder that these will be monitored via the Audit Tracker. It was stated that the Estates team wished to enact change promptly, due to the seriousness of the issues identified. A realistic approach has, however, been employed. • With regards to Recommendation 13, it was confirmed that funding has been approved for the new Estates Management System. • In response to a query regarding whether the findings/outcome of the audit had come as a surprise, Members heard that the extent of the issues identified had been a surprise personally to the Director of Estates, Facilities and Capital Management. It had suggested that a better understanding of the department at operational level was required. • Due to the concerns raised by ARAC members, it was agreed this matter would be raised to the Board's attention. <p><i>Mr Rob Elliott left the Committee meeting.</i></p>	
	The Committee NOTED the Financial Safeguarding: Maintenance Team Led Work (Limited Assurance) report.	

AC(19)253	Quality, Safety & Experience Assurance Committee Assurance Report around the Discharge of their Terms of Reference	
	The Committee NOTED the content of the Quality, Safety & Experience Assurance Committee Assurance report, and was ASSURED that the Quality, Safety and Experience Assurance Committee has been operating effectively during 2018/19.	

AC(19)254	Audit Tracker	
	<p>Mrs Wilson outlined the UHB Central Tracker report, advising that since the previous meeting a further 10 reports have been closed with 11 new reports received by the UHB, leaving 90 reports currently open, 40 of which have now passed their original completion date, as outlined in Appendix 1.</p> <p>In response to a query from Mr Maynard Davies, it was confirmed that the original completion date of December 2015 for the WAO Clinical Coding Follow-up Review was correct. It was clarified that the WAO NHS Consultant Contract Follow-up relates to Consultant Job Planning, about which the Committee is receiving regular updates. Ms Beegan suggested that the WAO and Internal Audit should discuss priorities in terms of planned work, in order to avoid duplication, etc.</p>	JW/ AB/JJ
	<p>The Committee:</p> <ul style="list-style-type: none"> • NOTED the tracker presented to ARAC demonstrates where progress of implementing recommendations is behind schedule, and asked that the appropriate action is taken to address these areas. • NOTED that 10 reports have been closed on the audit tracker since ARAC October 2019 and 90 reports are currently open, 40 of which have now passed their original completion date. 	

AC(19)255	Reflective Summary of the Meeting	
	<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"> • The Committee agreed, in relation to AC(19)138 – Operating Theatres Update, that this matter will be escalated to the Board due to the length of time it has been ongoing. • The Committee requested a further update on AC(19)222 – Radiology Directorate IA Report, at the next meeting. • The Committee requested an update in relation to switchboard installation and EWTD, to ensure that this issue is now resolved. • A verbal update was provided on the most recent Targeted Intervention meeting, specifically covering the finance position, impact on RTT, the implications for the additional £10m, and performance. • The Committee received an update from the All Wales Audit Chairs’ meeting. • The Committee received the Financial Assurance Report, and approved the losses and special payments detailed therein. • An update on PPV was provided, with the Committee noting that consideration is required with regards to how PPV is placed within a strategic context. A paper outlining proposals would be presented to the next meeting. It was agreed that PPV and awareness of funding should be highlighted to Board. • The Committee received an update on WAO work, and agreed that the draft Structured Assessment was a fair representation of the UHB’s position. • A report on the WAO Review of Primary Care was provided, with the Committee welcoming the direction of travel toward the ‘shift left’, increased communications from WG and overall WG messages. The challenge for the UHB is to understand what is being provided for the budget, and a greater focus on Primary Care is required within the Board and Committee structure. • The Committee received a number of Substantial and Reasonable Assurance IA reports, including Patient Access, Server Virtualisation, Welsh Risk Pool Claims, ESR, Financial Safeguarding and Departmental IT System. • A Limited Assurance IA report on Consultant and SAS Doctor Job Planning was received. This prompted a detailed discussion, with it agreed that the draft action plan would be circulated, and a further progress update provided to the next meeting. The management response would not be accepted until the necessary level of assurance had been provided. • A Limited Assurance IA report on Financial Safeguarding had highlighted a number of serious issues which are in the process of being resolved. The Committee will continue to monitor this area. • The Committee was assured that the Quality, Safety & Experience Assurance Committee has operated effectively during 2018/19. 	
AC(19)256	Counter Fraud Update	
	<i>Mr Evans rejoined the Committee meeting.</i>	

	<p>Mr Evans presented the Counter Fraud Update report. Mr Newman congratulated the team on the volume of Counter Fraud training being provided, which was extremely impressive. Whilst welcoming this comment, Mr Evans advised that a significant proportion of training is delivered as part of the Corporate Induction programme. The importance of face-to-face training was, however, emphasised. Referencing page 7 of the NHS Wales Counter Fraud Quarter 2 report, Mr Thomas noted that HDdUHB is not performing well in terms of Counter Fraud Awareness E-Learning. It was noted that this training is not currently mandatory, and Mr Thomas suggested that he discuss this further with the Director of Workforce & OD.</p>	HT
	The Committee NOTED the Counter Fraud Update report.	
AC(19)257	Audit & Risk Assurance Committee Work Programme 2019/20	
	The Committee NOTED the ARAC Work Programme.	
AC(19)258	Any Other Business	
	There was no other business reported.	
AC(19)259	Date and Time of Next Meeting	
	9.30am, 25th February 2020, Boardroom, Corporate Offices, Ystwyth Building, St David's Park, Carmarthen	