

**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, 23 rd April 2019
Venue:	Boardroom, Corporate Offices, Ystwyth Building, St David's Park, Carmarthen

Present:	Mr Paul Newman, Interim Vice-Chair (Committee Chair) Mr Owen Burt, Independent Member Cllr. Simon Hancock, Independent Member Mr David Powell, Independent Member
In Attendance:	Ms Anne Beegan, Wales Audit Office Mr Jeremy Saunders, Wales Audit Office Mr Philip Jones, Wales Audit Office Mr Simon Cookson, Director of Audit & Assurance, NWSSP Mr James Johns, Head of Internal Audit Mr Huw Richards, NWSSP Shared Services Unit Mrs Joanne Wilson, Board Secretary Mr Huw Thomas, Director of Finance Ms Fiona Powell, Assistant Director of Finance Mrs Charlotte Beare, Head of Assurance and Risk Mr Matthew Evans, Local Counter Fraud Specialist (part) Mr Steve Moore, Chief Executive (part) Mr Joe Teape, Deputy Chief Executive & Director of Operations (part) Mrs Karen Miles, Director of Planning, Performance & Commissioning (part) Mr Anthony Tracey, Assistant Director of Informatics (part) Dr Philip Kloer, Medical Director & Director of Clinical Strategy (part) Mrs Mandy Rayani, Director of Nursing, Quality & Patient Experience (part) Mr Ian Bebb, Clinical Audit Manager (part) Ms Louise O'Connor, Assistant Director Legal Services & Patient Experience Ms Amanda Evans, Head of Radiology (part) Mr Rob Elliott, Director of Estates, Facilities and Capital Management (part) Ms Nicola Llewelyn, Head of Hywel Dda Health Charities (part), deputising for Ms Sarah Jennings, Director of Partnerships and Corporate Services Ms Emily Howell, Wales Audit Office (part) Ms Clare Moorcroft, Committee Services Officer (Minutes)

Agenda Item	Item
AC(19)39	Introductions and Apologies for Absence
	Mr Paul Newman, Audit & Risk Assurance Committee (ARAC) Chair, welcomed everyone to the meeting. Apologies for absence were received from: <ul style="list-style-type: none"> • Mr Mike Lewis, Independent Member (Committee Vice-Chair) • Mrs Lisa Gostling, Director of Workforce & OD • Ms Sarah Jennings, Director of Partnerships & Corporate Services • Ms Ann-Marie Harkin, Wales Audit Office • Mr Steve Wood, NWSSP Shared Services Unit • Mr Keith Jones, Assistant Director, Acute Services

AC(19)40	<p>Declaration of Interests</p> <p>No declarations of interest were made.</p>	
AC(19)41	<p>Minutes of the Meeting held on 19th February 2019</p> <p>RESOLVED – that the minutes of the Audit & Risk Assurance Committee meeting held on 19th February 2019 be APPROVED as a correct record.</p>	
AC(19)42	<p>Table of Actions</p> <p>An update was provided on the Table of Actions from the meeting held on 19th February 2019 and confirmation received that all outstanding actions had been progressed. It was agreed that all completed actions would be removed. In terms of Matters Arising:</p> <p>AC(18)247 – in response to a query regarding timescale, Mr Huw Thomas stated that an advisory Internal Audit project has been commissioned to establish best practice across Wales. It will be time-consuming to ensure the appropriate system is in place; a project plan will be presented to the June 2019 ARAC meeting. This item will remain open on the Table of Actions.</p> <p>AC(19)04 – with regard to his action, Mr Thomas explained that Public Health Wales are of the opinion that the allocations were agreed at an All Wales group and that due process has been followed. Mr Newman suggested that this line of enquiry has been exhausted and that this should be noted in the ARAC update report to Board. Ms Anne Beegan advised that Wales Audit Office will be conducting a follow-up on the Public Health Review.</p> <p>AC(19)06 – members noted that this work will be led by the Finance Committee, although it was suggested that, due to ongoing focus at Targeted Intervention meetings, there should be continued progress reports to ARAC via the Table of Actions.</p> <p>AC(19)28 – Mr David Powell advised that, in response to a request from the Director of Operations, the proposed report on Records Management has been deferred to the June 2019 meeting of the Business Planning & Performance Assurance Committee (BPPAC).</p> <p>AC(19)21 – Mrs Joanne Wilson drew Members’ attention to the updated management response provided, which includes ‘tracked changes’. Mr Powell noted that, where proposed completion dates have passed, there is no indication of whether or not these actions have been completed. Mrs Wilson agreed to check on this matter. Referencing page 29, Mr Newman suggested that it is still not clear what actions are being taken in the short term to address this concern. Non-compliance with the European Working Time Directive (EWTD) is unlawful, and it is not clear from the update provided when this position will be resolved. Mr Owen Burt and Mr Powell agreed, noting that potential ‘quick fixes’ had been mentioned at the previous meeting. Mrs Wilson clarified that the Director of Workforce & OD’s view was consistent with that of ARAC Members. It was agreed that Mrs Wilson would discuss this issue with the Director of Planning, Performance & Commissioning. It was further</p>	<p>JW</p> <p>JW</p>

	agreed that ARAC's concerns around non-compliance with EWTD should be reiterated in the update report to Board, and that clarification would be expected by that point. Mr Steve Moore suggested that this issue be discussed at the Executive Team meeting on 29 th April 2019 with an urgent update provided to the ARAC Chairman.	JW
AC(19)43	Matters Arising not on the Agenda	
	There were no matters arising not on the agenda.	
AC(19)44	Annual Review of the Committee's Self-Assessment of Effectiveness	
	<p>Mrs Wilson presented the outcome of online surveys relating to the Annual Review of the Committee's Self-Assessment of Effectiveness, which have been separated into Member and In Attendance Member responses. Overall, the survey results are relatively positive, suggesting that ARAC is well chaired and operating effectively. Areas for potential improvement identified from responses include:</p> <ul style="list-style-type: none"> • Quality of papers; • Quality of management responses; • Independent Members' ongoing development; • Understanding of Risk Registers. <p>Mrs Wilson emphasised that this feedback would be addressed, with certain measures already in train, such as committee handbooks.</p> <p>Mr Powell noted that the information presented is only the 'raw data' and suggested that further analysis within a formal report is required. Members were informed that the timescales for data collection had precluded this and that this would be completed by the next meeting. Referring to the In Attendance Members results, Mr Newman noted comments around lack of focus on Internal Audit actions as part of Tracker discussions, and a suggestion that the Committee does not formally review the effectiveness of Internal Audit and the adequacy of staffing and resources within Internal Audit. Mrs Wilson confirmed that these issues have been considered by ARAC in the past, though not recently. Mr Simon Cookson emphasised that Internal Audit staff have met on a number of occasions with the Chair and Lead for ARAC and stated that these discussions could be presented as a formal report if required. There are also a number of formal review processes to which Internal Audit is subject, although these do not necessarily routinely feed into ARAC. Mr Newman suggested that this information be included in the report mentioned above. Members noted that it has been suggested that Internal Audit include details of the duration of individual audits, to provide ARAC with a sense of the depth of investigation involved.</p>	JW
	The Committee NOTED the survey results from the Annual Review of the Committee's Self-Assessment of Effectiveness.	SC
AC(19)45	Feedback from the Targeted Intervention Meeting held on 10th April 2019	
	Mr Steve Moore outlined feedback from the Targeted Intervention (TI) meeting held on 10 th April 2019. The tone of the meeting had been	

	<p>extremely positive, in contrast to the letter from Welsh Government (WG) received shortly beforehand. At the meeting, the UHB had been able to confirm achievement of the zero target for Referral to Treatment (RTT), which had been described as a 'stand out' performance across Wales. The UHB had also delivered on its year-end forecast position, representing the first reduction in its financial deficit. WG continue, however, to focus on HDdUHB's finances, particularly the proportion of non-recurrent solutions utilised to achieve the year-end position. The letter and TI meeting had both outlined an expected reduction in the Control Total to £25m, which reflected WG's ambitions for HDdUHB. A similar approach had been applied to another Health Board, which had achieved the control total set and had subsequently been taken out of Targeted Intervention. The UHB and WG had jointly commissioned external expertise regarding deficit reduction, and are considering various aspects of this. A draft specification for this work has been received from the Head of the Finance Delivery Unit, which Mr Moore is seeking to sign off with Mr Michael Hearty, Chair of the UHB Finance Committee. The timescale for signing off the specification is extremely short, which will present challenges, and Mr Moore emphasised that it is vital to ensure the specification is correct. In response to a query regarding the proposed duration of this work, Members heard that it is anticipated to be an intensive, short term project of 3-6 months. A further update would be provided at the next meeting. Mr Moore also advised that the UHB had requested financial support to increase capacity in the core team for implementation of the new Health & Care Strategy. There had been a meeting with WG representatives, and work relating to this request was ongoing. Mr Moore was hopeful of a positive outcome.</p> <p>Aside from the performance issues, which are generally operational, Mr Newman enquired whether WG would expect the organisation to achieve financial balance before contemplating taking it out of Targeted Intervention. Mr Moore explained that the criteria for de-escalation is not clear, whilst suggesting that the UHB will likely need to describe how it intends to achieve a zero deficit within the next 3 years. There are a number of performance issues which are high on the list of concerns for the UHB, even if they are not currently WG priorities. The Executive Team would be attending an Away Day at the end of May 2019 to consider these matters.</p> <p><i>Mr Moore left the Committee meeting.</i></p> <p>The Committee NOTED the update from the Targeted Intervention meeting held on 10th April 2019.</p>	<p style="text-align: center;">SM</p>
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<p>AC(19)46</p>	<p>Wales Audit Office Update Report</p> <p>Mr Jeremy Saunders introduced the Wales Audit Office (WAO) update report, drawing Members' attention to the tables on page 4. In terms of Financial Audit, interim work has been completed and a draft set of accounts prepared, with year-end work on target. Referencing performance audit, Ms Beegan advised that publication of the local Integrated Care Fund (ICF) Review has been delayed until 4th June 2019 to link in with the national report on this topic. The report will be presented to the June 2019 ARAC meeting. Ms Beegan will be meeting with Mrs Mandy Rayani and Mrs Wilson to discuss the local Quality &</p>	
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	<p>Safety Review work. Performance Audit work around Orthopaedics and Wellbeing of Future Generations is being taken forward, and work relating to Structured Assessment will begin shortly. An updated WAO Annual Plan is being presented as the next agenda item, and this includes planned work around Clinical Equipment and RTT. Members were reminded that the Auditor General Wales' Report on Brexit preparations had been published on the day of the previous ARAC meeting. A Board checklist relating to the Discharge of Patients has also been published, which appears later on the agenda. Referencing planned work, Mr Powell enquired with regards to the scope for the Clinical Equipment review, as this sounds extremely broad. Ms Beegan explained that the review scope is likely to be fairly extensive, and will include defining what clinical devices are, and examining how the UHB manages, procures and maintains its clinical equipment. Mr Powell expressed concern that too broad a scope may result in a loss of value; Ms Beegan offered to share the proposed scope when available.</p> <p>The Committee NOTED the Wales Audit Office Update Report.</p>	AB
AC(19)47	<p>Wales Audit Office Annual Plan 2019 (Updated)</p> <p><i>Mrs Karen Miles and Mr Anthony Tracey joined the Committee meeting.</i></p> <p>Ms Beegan presented the WAO Annual Plan 2019, drawing Members' attention to the table on page 8, which had been updated since the previous meeting. Mr Thomas noted that, aside from the risks relating to changes to finance staff structure, the financial audit risks outlined on page 5 are common to all Health Boards.</p> <p>The Committee NOTED the Wales Audit Office Annual Plan 2019.</p>	
AC(19)48	<p>WAO Structured Assessment 2017 and 2018 – Progress to Date</p> <p>Mrs Wilson outlined the WAO Structured Assessment 2017 and 2018 report, reminding Members that it provides an update on progress with regard to outstanding recommendations. Members heard that there had been detailed discussion at Executive Team regarding Structured Assessment 2018 Recommendation 3a, resulting in a revised deadline for this action. Mrs Karen Miles advised that, following discussions between the Chief Executive and Chair, a new performance mechanism is planned, centred around strategic team-based goals rather than individual objectives for Executive Directors. A workshop will take place in May 2019 to determine the organisational goals; until this change is implemented, which is not likely to be until June/July 2019, the previous process will remain. Mr Newman enquired whether, once the scoping for this new performance mechanism is complete, implementation is reasonably straightforward. Mrs Miles stated that WG has a view regarding performance management, which is more complex, and which needs to be considered by the Executive Team. It was suggested that this topic is likely to be discussed at a future Board Seminar or similar. Referencing page 3 of the SA2018 management response, Mr Newman requested assurance with regard to progress on the medical leadership structure, and whether this will be in place by the second quarter of the year. Mrs Wilson advised that the update, including timescale, has been provided by the Medical Director and suggested that this could be raised with Dr Philip Kloer when he joins the meeting.</p> <p>The Committee DISCUSSED and CONSIDERED progress made in</p>	

respect of the recommendations from the Structured Assessment 2017 and 2018.

AC(19)49

WAO Clinical Coding Follow-up Review

Mr Philip Jones introduced the WAO Clinical Coding Review, which is a nationally-mandated follow-up review. Standard review methodology had been utilised, together with Health Board self-assessment and the canvassing of Board Member opinion. The main findings/concerns/conclusions are detailed within the report. Overall, it is felt that clinical coding has a much higher profile than it did in 2014, and that the situation has improved within HDdUHB, which is not the case in all Health Boards. There has been restructuring of the service and additional resource allocation. However, there are ongoing workforce issues, which have impacted on the service. The review had also considered the quality of clinical coding within the organisation, and whether or not it is used for business purposes (it is not). Digitalisation of healthcare offers a significant potential driver to draw attention to the importance of clinical coding. Findings suggest that clinical coding teams are extremely isolated, which significantly impacts on staff morale. There is poor clinical engagement, which is common across Wales, although this has deteriorated. All in all, it was a credit to the clinical coding team that they perform as well as they do.

Mr Newman suggested that this issue represents an ongoing issue – if coding is not undertaken in a timely fashion, clinicians see little value in it and do not provide the information, which leads to delayed or poor coding. It is a 'whole system' problem. Mrs Miles agreed, whilst stating that there are certain short term actions which can be taken. The Director of Finance has identified a non-recurrent source of funding which will be utilised to outsource the coding of 20,000 records by June 2019. However, there needs to be recognition that any increase in clinical demand/activity results in an increase in clinical coding. Mrs Miles is taking steps to raise the profile of 'back office' functions; the comments recorded on page 20 are consistent with the feedback received when presenting the case for additional investment at various meetings. Whilst clinical coding is viewed as important, it is not high in the UHB's priorities for investment. Planned actions include raising the profile of coding generally, and specifically among clinicians; emphasising the impact of clinical coding in relation to Value Based Healthcare; establishing apprenticeships in clinical coding, which would require recurrent funding. Mrs Miles was most concerned and disappointed by the findings around isolation and low staff morale; these need to be addressed and require investment. WAO have made a number of helpful suggestions regarding the changes and investment made at Abertawe Bro Morgannwg University Health Board (ABMUHB). Mrs Miles committed to do all she can to address the issues, and was hopeful that the outsourcing will be a positive step.

Mr Powell observed that certain of the recommendations relate to general records management rather than clinical coding specifically. These did not, however, feature in the recent records management Internal Audit report, and Mr Powell was concerned that there is a lack of clarity around ownership. Mrs Miles committed to discuss this with

	<p>Mr Joe Teape and suggest that she leads on these matters and takes them to Executive Team for further discussion. Mrs Miles would also speak to Dr Kloer regarding clinical engagement. It was suggested that the findings of the WAO review be included in the report on records management being presented to BPPAC in June 2019. Cllr. Simon Hancock welcomed the report as a candid assessment of the situation. Whilst recognising that the organisation has a considerable number of priorities, Cllr. Hancock was concerned about the issue of succession planning. The cadre of clinical coders is relatively small, and a number are due to retire soon. The need for recurrent funding and investment was reiterated. Mr Thomas accepted this comment, adding that funding discussions will take place at Executive Team, and confirming that this is just one of a significant number of issues requiring prioritisation. Whilst there are opportunities for savings/efficiencies in clinical coding, for example around IT, there is an underlying issue with capacity and demand. Referencing ABMUHB's work, Mr Jones stated that this has created a shift in attitude towards clinical coding. Investment had been made in short and medium term measures, which represent a 'bridge' building towards the digital future of this area. The approach had not been simply to mitigate the current situation, rather to consider the future strategy. Mr Newman, who was aware of the changes made at ABMUHB, observed that these had emanated from a quality and safety perspective, which had been significant in terms of the resulting precedence. The importance of having an accurate view of services provided, including case complexity, etc, was emphasised. Mr Newman suggested that, if the organisation does not have accurate records and coding, it cannot be entirely confident in future modelling, including that for the Health & Care Strategy. Mrs Miles stated that, in the main, the accuracy of the UHB's clinical coding is not an issue, it is the timeliness of coding.</p> <p>Concluding the discussion, Mr Newman suggested that, whilst these discussions are likely to principally take place in BPPAC and/or the Quality, Safety & Experience Assurance Committee (QSEAC), it would be useful for ARAC to monitor progress. It was agreed, therefore, that an update would be scheduled for six months' time. Furthermore, Mr Newman requested an update at the next meeting to provide assurance that this matter had been raised at Executive Team.</p> <p><i>Mrs Miles and Mr Tracey left the Committee meeting.</i></p> <p>The Committee NOTED the WAO Clinical Coding Follow-up Review.</p>	<p>KM</p> <p>KM</p> <p>KM</p> <p>KM</p> <p>KM</p>
AC(19)50	WAO Integrated Care Fund (ICF) Review	
	Deferred to 25 th June 2019.	
AC(19)51	WAO Local Quality & Safety Review	
	Deferred to 25 th June 2019.	
AC(19)52	Clinical Audit Update	
	<i>Mrs Mandy Rayani, Dr Philip Kloer and Mr Ian Bebb joined the Committee meeting.</i>	
	Mrs Mandy Rayani presented the Clinical Audit Update report, advising	

that since this had been submitted, there have been further discussions between herself and Dr Kloer regarding approach. When ARAC had last considered clinical audit, the 2018/19 clinical audit plan had been discussed; there is now a further iteration of this for 2019/20. Mrs Rayani suggested that there has also been a 'step change' in terms of outstanding recommendations relating to clinical audit. An annual report will be presented to the August 2019 ARAC meeting, which will close off these outstanding actions. Clinical participation in audits has improved since last year, and partial participation rates have reduced/improved. Mrs Rayani advised that she and Dr Kloer have agreed that the Clinical Audit Group should be modified, with the membership reduced and the remit redefined to a scrutiny panel. This is to ensure a more structured approach, wherein actions which come out of clinical audits are tracked and those responsible are held to account. Dr Kloer stated that he had been concerned a number of years ago with regards to the UHB's participation in clinical audit. Whilst there has been a significant improvement, there are further opportunities in this regard. There is evidence that the organisation is learning from national clinical audit findings, and there are now reasonable levels of participation. However, there needs to be a systematic approach, with the findings from clinical audits synthesised, analysed and prioritised. As described by Mrs Rayani, it is intended to call audit leads into the Clinical Audit Group to talk through the findings of audits and their action plans. Dr Kloer also suggested that there needs to be a link to Executive Performance meetings, in order to connect with the UHB's operational arm and to enact changes. Mr Ian Bebb advised Members that a number of processes have been developed and added since the previous clinical audit update. There is improved 'buy-in' from services in terms of risk assessment, and the number of national audit meetings has increased.

Mr Powell welcomed the helpful and positive update, which demonstrates the progress made. One query raised previously, which remains, is whether there are direct consequences of non-participation in 'mandatory' audits. Mrs Rayani advised that there is a nationally published report which would identify non-participation and might potentially impact on the UHB's reputation. It was suggested that the Clinical Audit Group will assist in this regard, as non-participation will be discussed and scrutinised. Dr Kloer highlighted that non-participation impacts primarily on quality and safety, with the intention of clinical audit being to identify potential improvements in care. Noting that the UHB has not participated in the National Ophthalmology Audit, Mr Newman enquired whether this non-participation is habitual; and expressed concern, in view of issues in this specialty, around how assurances can be obtained regarding the quality of the service. Mr Bebb explained that there are IT/software issues which are impacting on the service's ability to collect the relevant data. This is a highly resource intensive audit in which to participate. A risk assessment has been completed, and there are plans to meet again with the service to consider potential solutions. Dr Kloer assured Members that there are other performance indicators used to assess service quality, whilst acknowledging that audit is utilised for a reason. Mr Newman emphasised that one of the key benefits offered by clinical audit is benchmarking the quality of services. Agreeing, Dr Kloer emphasised that considerable efforts had been made in trying to identify a software solution. The newly-appointed

	<p>Service Delivery Manager is exploring other potential mechanisms for data collection. Members were assured that this information will form part of the risk assessment relating to this audit. Mrs Rayani added that the UHB is now obtaining consistent Datix reports, and there are other discussions ongoing with the Ophthalmology service around measuring the quality of service. Members were advised that there is a particular focus on Ophthalmology within QSEAC, which is examining other performance indicators. Mr Powell reminded Members that the UHB has recently received additional funding to support Ophthalmology services, and suggested that the potential offered by this in terms of investment in IT systems should be considered. Mrs Rayani felt that the new Service Delivery Manager will provide scope for additional changes and improvements.</p> <p>Mr Newman requested clarification regarding statements made elsewhere that the Effective Clinical Practice Sub-Committee (ECPSC) has experienced issues around regularity of meetings/quoracy at meetings. Whilst Dr Kloer acknowledged that there have been issues, he assured Members that meetings had taken place. The governance structure around clinical audit is being reviewed and there are a number of challenges involved. The ECPSC is a somewhat disparate group, involving diverse activities, and there is uncertainty about its ability to enact change. The proposed new structure should assist in this regard, with information being submitted to sub-committees in a more effective format. The membership of groups is also being reviewed; in the short term, Dr Kloer will Chair the ECPSC, with the expectation that this will change once the new Medical Director sub-structure is in place. Mr Newman advised that ARAC has noted the update to the SA2018 in this regard, and requested further detail. Dr Kloer stated that the structure has been costed and will be subject to an Organisational Change Process (OCP); both are to be discussed at Executive Team on 29th April 2019. Subject to agreement and completion of the OCP, the structure should be in place by September 2019. Concluding the discussion, Mr Newman recognised that the update represents an improvement from the previous position. Whilst there is still scope for further improvement, those involved were thanked for their efforts. Mr Newman advised that Clinical Audit is due to be considered again by ARAC in August 2019. He suggested that this include an update on the situation regarding the National Ophthalmology Audit. Also, that there be an update on progress regarding the Medical Director sub-structure at that time.</p> <p><i>Dr Kloer and Mr Bebb left the Committee meeting.</i></p>	<p>MR/PK</p> <p>PK</p>
	<p>The Committee:</p> <ul style="list-style-type: none"> • NOTED the development and current status of the 2019/20 forward programme and the process for developing the programme using the existing governance framework (sub-committees and groups) as well as the monitoring, approval and review of the programme and reports by ECPSC; • NOTED the update against the audit tracker recommendations that have already been forward planned for completion; • NOTED the improvement in mandatory national clinical audit compliance and uptake; • NOTED the information provided on the effectiveness of clinical audit 	

	<p>including the requested information on the ECPSC.</p> <ul style="list-style-type: none"> • NOTED the new committee structure and plans for 2019/20 to increase the monitoring of the effectiveness of clinical audit within HDdUHB. 	
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AC(19)53	Concerns (Reasonable Assurance) Update	
	<p>Mrs Rayani introduced the Concerns Update report, advising Members that, whilst the UHB has not been able to consistently meet WG targets around response times, there has been a considerable improvement in this regard. This has been achieved via increased engagement with services, and assisted by the Chief Executive Holding to Account process. Ms Louise O'Connor stated that the position has improved since October 2018, although there had been a 50% increase in cases during February 2019. Staff capacity issues had necessitated a redistribution of cases among other investigators. There has been an increase in the number of cases resolved at an early stage, and a reduction in the number of Ombudsman cases. The Improving Experience Sub-Committee (IESC) has demonstrated the positive impact of patient involvement. Future actions planned include refresher training for staff, development of a toolkit and handbook, and training additional investigators. IESC will also be strengthened, to deal with emerging trends going forward. Whilst the position has improved, this is fluid and fragile.</p> <p>Mr Powell queried the statement that the position relating to concerns is improved, stating that figures in the table on page 2 suggest otherwise. Ms O'Connor explained that the trend has been an improving one, until the 50% increase in cases in February 2019. End of year figures are not yet confirmed, however a continuation of the previous improvement is anticipated. Mrs Rayani reminded Members that when she had joined the organisation, the percentage of concerns settled within 30 working days was approximately 30%, whereas this is now approximately 70%. This demonstrates the impact of working more closely with services. It was also emphasised that the figures referred to only relate to WG's 30 day target, with performance against other measures and targets having improved. Ms O'Connor reminded Members of discussions at the previous meeting around the aspiration for higher quality outcomes/responses to concerns, rather than potentially compromising the standard of these in attempting to meet the 30 day target. Members' attention was also drawn to information regarding Patient Advice and Liaison Service (PALS) performance. Whilst acknowledging comments made by Mrs Rayani and Ms O'Connor, Mr Newman agreed with Mr Powell's assessment that performance around concerns appears to be static rather than improved. Mrs Rayani suggested that a more complete picture would be provided by the full year figures. In response to a query regarding whether there appears to be a reason for the 50% increase in February 2019, Ms O'Connor advised that there is no apparent pattern or trend, with concerns relating to a variety of issues including waiting times and clinical care.</p> <p><i>Ms Emily Howell left the Committee meeting.</i></p> <p>The Committee NOTED the contents of the report</p>	MR/ LO'C

AC(19)54	<p>Internal Audit Plan 2018/19 Progress Report</p> <p>Mr James Johns presented the Internal Audit (IA) Plan Progress report, highlighting audits completed since the previous meeting, including the two awarded Limited Assurance ratings scheduled to be discussed at today's meeting. Members heard that three audits will be deferred into next year's IA Plan, as outlined in paragraph 3.4; ARAC is being asked to approve this course of action.</p> <p>The Committee NOTED the Internal Audit Plan Progress Report and the assurance available from the finalised Internal Audit reports.</p>	
AC(19)55	<p>Internal Audit Plan 2019/20</p> <p>Mr Johns presented the Internal Audit Strategy, Plan and Charter for 2019/20, reminding Members that similar documents have been presented in previous years and that they set out the planned approach and schedule of work for the forthcoming year. Meetings have taken place with a number of Executive Directors in developing the Plan and target audits appropriately, whilst providing a suitable spectrum of audits. The programme of work has been set out, with indicative timings. Certain audits have been timed in response to specific requests. Finally, Members were informed that the Internal Audit Charter remains unchanged from the version previously approved by ARAC in August 2018.</p> <p>Mr Powell, whilst welcoming the comprehensive IA Plan, suggested that this seems to contain more audits than previous years and enquired whether it is indicative or finalised. Mr Johns stated that the intention is to undertake all of the audits listed, and was of the opinion that it contains a similar number to 2018/19. In response to a query regarding the Departmental IT System audit listed on page 14, Mr Johns indicated that this will be an audit of an individual directorate/departmental based IT system. Mr Newman stated that he would like to avoid a repetition of the situation whereby a large number of Internal Audit reports are presented to a single ARAC meeting, suggesting that this can potentially result in insufficient attention being allocated to individual reports. It was suggested that IA work should be planned and delivered appropriately across the year to ensure that reports are presented to ARAC evenly, with this reflected on the Audit Committee work programme. Referencing page 12, Mrs Wilson advised that 'TCS' needs to be retitled HDdUHB Health & Care Strategy. Mrs Wilson also enquired whether the Nursing Medication Errors audit on page 13 should not be wider ranging, reflecting previous discussions. Mr Johns advised that he had agreed with Mrs Rayani this would focus on nursing medication errors. Also on page 13, it was suggested that IA should ensure that the Medical Devices audit does not duplicate the planned WAO Clinical Equipment review, and Mr Johns confirmed that there would be liaison with WAO in this regard. Mrs Wilson advised that she would discuss outside the meeting whether there are areas similar to Cleaning and Water Safety which should be considered for inclusion in the IA Plan. Mr Johns suggested that, in addition to the routine IA Plan Progress Reports, there be a review of the 2019/20 IA Plan at the halfway point of the year.</p> <p>The Committee APPROVED the Internal Audit Strategy, Plan and Charter for 2019/20.</p>	<p>JJ</p> <p>JJ</p> <p>JW</p> <p>JJ</p>

AC(19)56	Annual Plan 2019/20 (Substantial Assurance)	
	Mr Johns introduced the Annual Plan 2019/20 report, which was generally positive and had been awarded a Substantial Assurance rating.	
	The Committee NOTED the Annual Plan 2019/20 (Substantial Assurance) report.	
AC(19)57	Welsh Risk Pool Claims (Substantial Assurance)	
	Mr Johns introduced the Welsh Risk Pool Claims report, which was generally positive and had been awarded a Substantial Assurance rating. Mr Thomas suggested that it would be useful to provide in the future more detail on Welsh Risk Pool Claims, and requested that NWSSP share with him any examples of good practice in this regard from other Health Boards.	SC/JJ
	The Committee NOTED the Welsh Risk Pool Claims (Substantial Assurance) report.	
AC(19)58	Information Governance: General Data Protection Regulation (GDPR) (Substantial Assurance)	
	Mr Johns introduced the Information Governance: General Data Protection Regulation (GDPR) report, which had a Substantial Assurance rating. The report was positive overall, with the issue of an information assets register highlighted. Cllr. Hancock suggested that the Information Governance team should be congratulated on the assurance rating achieved, despite the loss of several key members of staff.	
	The Committee NOTED the Information Governance: General Data Protection Regulation (GDPR) (Substantial Assurance) report.	
AC(19)59	Single Tender Actions (Reasonable Assurance)	
	Mr Johns introduced the Single Tender Actions report, which had been awarded a Reasonable Assurance rating. This was in recognition of the fact that a number of improvements had been made since the previous report, although there are recommendations for further improvements. Referencing Finding 5, Mr Thomas advised Members that this had been agreed by both IA and Finance, acknowledging that a paper system is not efficient. Work is taking place in Betsi Cadwaladr UHB to develop an electronic system; once in place and tested, it has been agreed that this can be shared with HDdUHB. Mr Newman noted that the review had identified that 2 STAs (233 and 359) had not been submitted to ARAC; Mr Thomas committed to circulate these via email/iBabs.	HT
	The Committee NOTED the Single Tender Actions (Reasonable Assurance) report.	
AC(19)60	Accounts Receivable (Reasonable Assurance)	
	Mr Johns introduced the Accounts Receivable report, which was generally positive and had been awarded a Reasonable Assurance rating. There were a number of findings, one high priority, as detailed. Members heard that the action detailed in response to Finding 1 was now complete, with Mr Thomas acknowledging that there are areas such as this where the organisation has not necessarily robustly followed due process, although improvements are being made.	
	The Committee NOTED the Accounts Receivable (Reasonable Assurance) report.	

AC(19)61	Financial Ledger (Reasonable Assurance)	
	<p>Mr Johns introduced the Financial Ledger report, which had been awarded a Reasonable Assurance rating. Mr Thomas again noted that this is an area where there is a well-defined process in place, which is not necessarily being followed, whilst assuring Members that this is being addressed. Mr Newman enquired whether the action detailed in response to Finding 2 was now complete, and was advised that this needs to be actioned by the IT department. It was suggested that the management response to this finding could have been SMARTer (Specific, Measurable, Achievable, Relevant, Time-based).</p>	
	<p>The Committee NOTED the Financial Ledger (Reasonable Assurance) report.</p>	
AC(19)62	UHB Payroll (Reasonable Assurance)	
	<p>Mr Johns introduced the UHB Payroll report, which had been awarded a Reasonable Assurance rating due to a couple of notable findings. In response to a query regarding whether issues relating to HDdUHB will be fed back to Shared Services, Mr Cookson confirmed that such issues will be the subject of a management response from Shared Services, unless there is a need for specific consultation with the UHB.</p>	
	<p>The Committee NOTED the UHB Payroll (Reasonable Assurance) report.</p>	
AC(19)63	Radiology (Reasonable Assurance) Update	
	<p><i>Mr Joe Teape, Ms Amanda Evans and Mr Rob Elliott joined the Committee meeting.</i></p> <p>Mr Joe Teape presented the Radiology Update report, reminding Members of the background to this item. It was always intended that addressing the issues previously discussed would form part of Ms Evans' remit, and scoping had now taken place, involving both the Finance and HR departments. There has been a meeting with the Heads of Service to discuss the issues, from which it has become apparent that there is no easy or straightforward solution, particularly as there are different on-call arrangements in all four acute sites. A follow-up meeting is scheduled for the week commencing 29th April 2019. It is likely that additional staff will be required to address the issues. Mr Teape outlined the intention to present a set of proposals/options to Executive Team by the end of May 2019. Whilst work has not progressed to the extent to which he would like, Mr Teape suggested that this reflects the complexity of the issues involved.</p> <p>Mr Powell noted that the previously stated timescale had been April 2019, and requested confirmation that this would not be met. Mr Teape reiterated that proposals would be presented to Executive Team during May 2019, and that further work would then be required before any OCP or recruitment processes could commence. A more realistic timescale for completion would be September/October 2019. Ms Amanda Evans advised that the vast majority of preparatory scoping has taken place, emphasising that, with the complexities involved, the situation cannot be changed quickly. Members were assured, however, that staff are aware of this process and are being kept informed. Mr Newman noted that the ambition is for a common system across the</p>	

	<p>UHB, and queried how this will be monitored going forward. It was suggested that Workforce & OD Sub-Committee, reporting to QSEAC, would be the most appropriate forum. This issue will also remain on the Audit Tracker. It was agreed that there should be a further update to ARAC in October 2019 to assess progress. If this is satisfactory, no further review will be required; if not, a further update will be required at ARAC.</p> <p><i>Ms Evans left the Committee meeting.</i></p>	<p>JW</p> <p>JT</p>
	<p>The Committee:</p> <ul style="list-style-type: none"> • RECEIVED the report as a source of assurance that all recommendations from the Internal Audit have been addressed or are being addressed within timescales (revised where applicable); • NOTED that despite extended timeframes, significant progress has been made in addressing the recommendations made. 	

<p>AC(19)64</p>	<p>National Standards for Cleaning Follow-up (Limited Assurance)</p> <p>Mr Johns introduced the National Standards for Cleaning Follow-up report; the audit for which had considered three objectives and had identified a number of high priority findings, together with other issues. These had resulted in the award of a Limited Assurance rating. Mr Rob Elliott advised that he had met with Mr Johns on a number of occasions to discuss the audit and its findings. The audit had sampled 9 areas; however, to demonstrate the scale and challenge of the UHB's activities and estate involved, Members were advised that there are actually 141 relevant areas across its sites. There has been an evaluation of cleaning audits, and the figure achieved is 92%; whilst the organisation would like this to be higher, Mr Elliott suggested that it is a reasonable figure. The UHB is working hard to avoid missed cleaning audits, with this being one of the few relevant indicators of quality and therefore an area requiring close monitoring. Repeat fails are the subject of a monthly report, although the organisation is seeing very few on cleaning audits; these tend to be related to estates. Mr Elliott acknowledged that iPad usage is low and that there is a need to move to an IT based system. There are, however, issues in certain areas with Cloud coverage, and there have been suggestions that a paper-based system is more discreet than iPads in patient areas. It is anticipated that compliance will be 100% by the end of June 2019.</p> <p>Mr Powell suggested that the use of 'actioned' in the management response is somewhat ambiguous, with the more correct terminology being 'completed' or 'initiated'. Deadlines for completion are also required, for consistency. Mr Newman agreed, suggesting that the issue results from the way in which the management response is written, being a narrative rather than SMART response. It is important for ARAC to be informed regarding what actions are planned and by when. It was agreed that the management response would be updated/revised accordingly and presented to the June 2019 meeting. Mrs Wilson offered to discuss revision of the management response with Mr Elliott. Referencing the cultural challenge of increasing iPad usage and issues with Cloud coverage, Mr Burt requested clarification. Members heard that, whilst the organisation is close to 100% Cloud coverage, it is not yet achieved. There is also the issue of staff attitude/ability, with certain</p>	<p>RE</p> <p>JW</p>
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	members of staff being more IT-confident than others.	
	The Committee NOTED the National Standards for Cleaning Follow-up (Limited Assurance) report.	
AC(19)65	<p>Water Safety (Limited Assurance)</p> <p>Mr Huw Richards introduced the Water Safety report, which shared common themes with audits conducted in other Health Boards; these had also generally resulted in Limited Assurance ratings. Mr Richards outlined the key findings of the audit, with 12 recommendations having been initially raised. 4 of these had been addressed by publication of the final report and the remaining 8 would be addressed by the end of April 2019.</p> <p>Mr Teape emphasised that this is an area of high potential risk to the organisation. Members heard that the relevant risks are being managed via the Water Safety Group and the Health & Safety and Emergency Planning Sub-Committee. Advice has also been obtained from various sources. Mr Teape recognised that there is a need to revise certain processes and policies; whilst emphasising that the implications of these being out of date are not necessarily catastrophic as the Health Board was working to the correct standard but the policy was not up to date. In response to a query from Mr Newman, Mr Richards confirmed that there is provision in place to conduct a follow-up audit. It was agreed that this would be useful in evidencing what measures the UHB has already put in place, together with planned actions. Mr Powell felt that the above provided an element of reassurance, whilst referencing the need to maintain assurance and document that risk is being managed. Members were advised that all items are being managed via the Water Safety Group, which reports to the Infection Prevention and Control Group. Following further discussion, it was agreed that a follow-up audit be conducted, which would examine different sites to those in the original audit and, due to the seriousness of the report, ARAC would require assurance that the management actions have been implemented in accordance with the agreed timescales.</p> <p><i>Mr Teape and Mr Elliott left the Committee meeting.</i></p> <p>The Committee NOTED the Water Safety (Limited Assurance) report.</p>	SC/SW
AC(19)66	<p>Management of Controlled Drugs (Reasonable Assurance)</p> <p>Mr Johns introduced the Management of Controlled Drugs report, which had been awarded a Reasonable Assurance rating. There were a number of findings and recommendations, none of which were high priority. The report was positive overall, although there were issues requiring addressing.</p> <p>The Committee NOTED the Management of Controlled Drugs (Reasonable Assurance) report.</p>	
AC(19)67	<p>Primary & Community Care Pipeline Projects – Aberaeron Integrated Care Centre (Substantial Assurance)</p> <p>Mr Richards introduced the Primary & Community Care Pipeline Projects – Aberaeron Integrated Care Centre report. The project was progressing well, with the audit producing a small number of recommendations, resulting in a Substantial Assurance rating. Mr</p>	

	<p>Thomas noted that the management of supply chain partners has been a high profile issue in certain cases, and suggested that a piece of work around this be undertaken. Mr Newman requested that this matter be covered within a future iteration of the Financial Assurance Report.</p>	HT
	<p>The Committee NOTED the Primary & Community Care Pipeline Projects – Aberaeron Integrated Care Centre (Substantial Assurance) report.</p>	
AC(19)68	<p>Cardigan Integrated Care Centre (Reasonable Assurance)</p> <p>Mr Richards introduced the Cardigan Integrated Care Centre report, which had been awarded a Reasonable Assurance rating. The project is scheduled to be delivered on time and, whilst a number of issues had been identified, there were no major concerns. Mr Newman enquired with regard to the foul drainage issue, noting the suggestion that this may be the subject of legal action against the firm of solicitors acting in the purchase when the project is complete. Members were reminded that there is a statute of limitations for legal proceedings, which would be 6 years from the date of purchase or 3 years from the date of knowledge. Mr Newman suggested that it may already be too late to embark on legal action. It was agreed that Mrs Wilson would flag this to Mrs Miles.</p>	JW
	<p>The Committee NOTED the Cardigan Integrated Care Centre (Reasonable Assurance) report.</p>	
AC(19)69	<p>Withybush General Hospital Refurbishment of Wards 9 & 10 (Reasonable Assurance)</p> <p>Mr Richards introduced the Withybush General Hospital Refurbishment of Wards 9 & 10 report. The audit had identified no high priority recommendations and had, therefore, been awarded a Reasonable Assurance rating. Referencing the general issue of slippage on contracts, Cllr. Hancock enquired whether there is any routine assessment of related damages, noting that all delays have a financial impact. Mr Richards advised that there is a checklist which should be utilised before Health Boards make final payment to contractors; Mr Thomas agreed to explore this issue in more detail.</p>	HT
	<p>The Committee NOTED the Withybush General Hospital Refurbishment of Wards 9 & 10 (Reasonable Assurance) report.</p>	
AC(19)70	<p>Data Centre Project (Reasonable Assurance)</p> <p>Mr Richards introduced the Data Centre Project report, which had been awarded a Reasonable Assurance rating. On page 9, Mr Newman queried the reference to a one year hardware installation with a five year maintenance agreement, stating that he understood all such arrangements were to be on a 'whole-life' basis. Mr Thomas agreed to make enquiries with Procurement.</p>	HT
	<p>The Committee NOTED the Data Centre Project (Reasonable Assurance) report.</p>	
AC(19)71	<p>Capital Follow-up (Reasonable Assurance)</p> <p>Mr Richards introduced the Capital Follow-up report, which represents a positive position and had been awarded a Reasonable Assurance rating. With regards to the Women & Children's Phase 2 development, IA has been informed that the cost adviser has prepared a report on best value, although this has not been provided as yet.</p>	

	The Committee NOTED the Capital Follow-up (Reasonable Assurance) report.	
AC(19)72	<p>Estates Follow-up (Reasonable Assurance)</p> <p>Mr Richards introduced the Estates Follow-up report, which again is positive and had been awarded a Reasonable Assurance rating. There are a number of recommendations which remain open due to the requirement for additional funding. In response to a query from Mr Newman, Members heard that these will be included on and monitored via the Audit Tracker. It was noted that where projects and recommendations are dependent on capital, it is not necessarily possible to ‘close the loop’ in terms of management response. Whilst Mr Thomas and Mrs Wilson agreed that it needs to be recognised when recommendations are impacted by capital constraints, Members were advised that there is a process which can provide assurance in this regard, with an update on all capital projects being discussed at every Executive Team meeting.</p> <p>The Committee NOTED the Estates Follow-up (Reasonable Assurance) report.</p>	
AC(19)73	<p>Scrutiny of Outstanding Improvement Plans: Royal College of Paediatrics & Child Health</p> <p><i>Dr Kloer rejoined the Committee meeting.</i></p> <p>Dr Kloer presented the Scrutiny of Outstanding Improvement Plans: Royal College of Paediatrics & Child Health report, reminding Members that this has been a longstanding matter, dating back to 2015 and 2016. The combined action plan merges recommendations from the two reviews. Members were also reminded that there had been changes to services, following public consultation. Dr Kloer advised that outstanding actions relate to areas where progress is subject to a number of issues. It is not felt that this matter justifies a separate monitoring group, when there are other Task & Finish groups and other measures in place. Certain of these fall into the remit of the Women & Children’s Directorate work. This view is shared by the Hywel Dda Community Health Council (CHC).</p> <p>Mr Newman welcomed this useful update, recognising the work undertaken within a challenging environment. Mr Newman suggested that the outstanding actions form part of the UHB’s overall service development, rather than a separate specific workstream. Agreeing, Dr Kloer suggested that, whilst a separate group had been important in initially responding to the action plans, it was less crucial now and would fundamentally be a bureaucratic exercise. The organisation now has the required ‘line of sight’ on possible progress. Mr Newman suggested that the Audit Tracker and Strategic Log be updated to reflect these discussions (and subject to agreement at Executive Team) and that this is not a matter for ARAC going forward. The issues have been largely resolved and those outstanding are part of the UHB’s overall Health & Care Strategy. Dr Kloer emphasised that these decisions do not minimise the significance of the outstanding actions, and Members noted that an update report on Paediatrics is due to be submitted to Public Board in July 2019.</p>	JW/CB

	<i>Dr Kloer left the Committee meeting.</i>	
	The Committee CONSIDERED the progress achieved in respect of the combined action plan developed to address the recommendations of the separate Royal College of Paediatrics & Child Health (RCPCH) reports relating to Maternity, Neonatal and Paediatric services (2015) and Neonatal services (2016) and SUPPORTED the recommendation of the Monitoring Group that further consideration of progress in respect of the action plan at Board/Committee level be suspended.	
AC(19)74	Audit Tracker	
	Mrs Wilson presented the UHB Central Tracker, and Members' attention was drawn to progress since the previous report, with the number of outstanding recommendations reduced from 131 to 118. The Strategic Log was also presented, with Members reminded that a more robust process is now in place in this regard. Referencing the issue of timely responses to requests for updates, Mr Newman suggested that a process be implemented whereby failure to respond by a certain date results in an invitation to attend ARAC.	
	The Committee: <ul style="list-style-type: none"> • NOTED that the tracker presented to ARAC demonstrates where progress of implementing recommendations is behind schedule, and REQUESTED that the appropriate action is taken to address these areas; • NOTED that 32 reports have been closed on the audit tracker since ARAC February 2019 and 77 reports are currently open, 38 of which have now passed their original completion date. 	
AC(19)75	Finance Committee Assurance Report around the Discharge of their Terms of Reference	
	Mr Thomas outlined the Finance Committee Assurance Report around the Discharge of their Terms of Reference, reminding Members that this has been the Committee's first year of operation. This report will also be presented to Finance Committee for information and, in common with other Board level committees, Members will complete a Self-Assessment of effectiveness.	
	The Committee NOTED the content of the report and was ASSURED that the Finance Committee has been operating effectively during 2018/19, since it was constituted.	
AC(19)76	Charitable Funds Committee Assurance Report around the Discharge of their Terms of Reference	
	<i>Ms Nicola Llewelyn and Mr Matthew Evans joined the Committee meeting.</i>	
	Ms Nicola Llewelyn presented the Charitable Funds Committee (CFC) Assurance Report around the Discharge of their Terms of Reference, highlighting the CFC remit and membership. Members heard that there had been issues in terms of attendance at the Charitable Funds Operations Sub-Committee; it had been established that these were due to clashes with Transforming Clinical Services (TCS) events and this was being addressed for future meetings. Risk management has been discussed, in terms of operational risks, with a new risk recently identified in relation to potential reputational damage due to association,	

	<p>or perceived association with external charitable organisations involving UHB staff. There is a need for staff to understand and be cognisant of potential conflicts of interest. Ms Llewelyn was pleased to report that the recent internal audit of Charitable Funds financial processes and performance against policies had resulted in a Substantial Assurance rating. In terms of potential future changes, consideration is being given to alternative arrangements/membership for the Charitable Funds Operations Sub-Committee. With regard to Reserves, there is a need to develop expenditure plans to match income. Ms Llewelyn advised that there are also plans for a professional development programme, with Members expressing the view that induction processes could be improved. To this end, work is taking place with the Corporate Governance team.</p> <p>Cllr. Hancock, CFC Chair, thanked Mrs Llewelyn for her comprehensive overview of the Committee’s work. With regard to the emerging potential reputational risk outlined above, Members heard that a meeting is scheduled for 13th May 2019 to discuss this in more detail. Referencing the growth in Reserves, Mr Newman requested further clarification. Ms Fiona Powell advised that the difference between annual income and expenditure is in the region of £400k, with Ms Llewelyn adding that this consists of the full range of funding sources. There has been an increase in the number of legacies, whilst the level of donations has remained relatively consistent.</p> <p><i>Ms Llewelyn left the Committee meeting.</i></p> <p>The Committee NOTED the content of the report and was ASSURED that the Charitable Funds Committee is discharging its Terms of Reference effectively on behalf of the Board.</p>	
<p>AC(19)77</p>	<p>Report on the Adequacy of Arrangements for Declaring, Registering and Handling Interests, Gifts, Hospitality, Honoraria and Sponsorship</p> <p>Mrs Wilson introduced the Report on the Adequacy of Arrangements for Declaring, Registering and Handling Interests, Gifts, Hospitality, Honoraria and Sponsorship, explaining that this goes into a great deal of detail with regards to these areas. Pages 6 and 7 of the SBAR contain a summary of the ongoing and planned work, which includes migration to an electronic system for declaration of interests. As discussed above in the CFC Assurance report, there has been an increase in discussions regarding potential staff conflicts of interest. Cllr. Simon Hancock enquired whether staff are routinely required to complete declarations of interest. Mrs Wilson advised that, whilst this is part of the contract of employment on joining the organisation, there is no mandate regarding existing staff. An electronic system would, however, link with the Electronic Staff Record (ESR).</p> <p>The Committee REVIEWED and was ASSURED by the adequacy of the arrangements currently in place for declaring, registering and handling interests, gifts, hospitality and sponsorship, noting the proposed steps for 2019/20 to improve the adequacy of these arrangements.</p>	
<p>AC(19)78</p>	<p>Annual Review of HDdUHB Standing Orders and Standing Financial Instructions</p>	

	<p>Mrs Wilson presented the Annual Review of HDdUHB Standing Orders and Standing Financial Instructions, advising that changes are only minor at present. There will be further amendments in due course.</p> <p>The Committee:</p> <ul style="list-style-type: none"> • CONSIDERED the local amendments to HDdUHB's Standing Orders and Standing Financial Instructions since those approved by the Board in March 2018. • CONSIDERED whether any further local amendments are required. • RECOMMENDED the revised version of the Standing Orders and Standing Financial Instructions to the Board on 30th May 2019 for approval. 	
AC(19)79	<p>Financial Assurance Report</p> <p>Mr Thomas introduced the Financial Assurance report, with Ms Powell drawing Members' attention to page 7 and the review of purchase orders made in 2018/19 which fell immediately below the procurement thresholds of £5k and £25k. The review had not identified any suspicious activity. With regard to medical negligence cases detailed on page 11, Members heard that the significant increase in the Level of Provision figure was due to 5 specific cases.</p> <p>Mr Newman expressed concern that the graph on page 11 appears to show a trend of increased claims. It was suggested by Ms Powell that further data is required from the Welsh Risk Pool as, whilst there is an increase in claims across Wales, she was not aware of any trend specific to HDdUHB. Levels of claims are being influenced by the ability to maintain life, and the consequent impact on the costs of maintaining life. Referencing the graph relating to overpayment of salaries on page 8, Mr Burt noted that there had been an improvement in the average recovery period, followed by a peak. Mr Thomas suggested that this is probably an end of year phenomenon, rather than a trend.</p> <p>The Committee NOTED the report, and APPROVED the losses and debtors write offs noted within.</p>	
AC(19)80	<p>Counter Fraud Annual Report 2018/19</p> <p>Mr Matthew Evans outlined the Counter Fraud Annual Report 2018/19, advising that this is an amalgamation of individual update reports presented during the year. The service has been more stable than last year, which places it on an improved footing to take the Work Plan forward. Referencing Appendix 3 and the Recoveries figure of £300 for HDdUHB, Mr Powell suggested that this seems extremely low. Mr Evans explained that this relates only to cases led by NHS Counter Fraud Service Wales; the equivalent figure for cases led by the Local Counter Fraud Service is in the region of £25k. Mr Evans also clarified that the figures in the report only cover the period to Quarter 3.</p> <p>The Committee NOTED the Counter Fraud Annual Report 2018/19.</p>	
AC(19)81	<p>Counter Fraud Work Plan 2019/20</p> <p>The Committee APPROVED the Counter Fraud Work Plan 2019/20.</p>	
AC(19)82	<p>AGW Letter: Consultation on Three-year Forward Programme of Work</p> <p>Ms Beegan presented the AGW Letter: Consultation on Three-year</p>	

	<p>Programme of Work, drawing Members' attention to page 6 of the Annex and plans to bring forward work around the Welsh Community Care Information System (WCCIS). The Follow-up review on waiting times will be linked to WAO work around Orthopaedics. Members heard that the long-term programme includes planned work in relation to the Health and Social Care workforce.</p> <p>The Committee NOTED the AGW Letter: Consultation on Three-year Programme of Work.</p>	
AC(19)83	<p>AGW Report: Preparations in Wales for a 'no-deal' Brexit</p> <p>The Committee NOTED the AGW Report: Preparations in Wales for a 'no-deal' Brexit.</p>	
AC(19)84	<p>AGW Report: What's the hold up? Discharging Patients in Wales</p> <p>Ms Beegan presented the AGW Report: What's the hold up? Discharging Patients in Wales, with Members noting that discussion of local issues has been forward planned for the June 2019 ARAC meeting. Mr Newman suggested that the report may include information which would be useful in terms of the Patient Charter.</p> <p>The Committee NOTED the AGW Report: What's the hold up? Discharging Patients in Wales.</p>	MR/ LO'C
AC(19)85	<p>AGW Report: Waste Management in Wales – Preventing Waste</p> <p>The Committee NOTED the AGW Report: Waste Management in Wales – Preventing Waste.</p>	
AC(19)86	<p>Audit & Risk Assurance Committee Work Programme 2019/20</p> <p>It was agreed that the following amendments were required:</p> <ul style="list-style-type: none"> • Date to be changed to 2019/20; • IA Reports to be forward planned in accordance with IA Plan; • Date to be determined for NHS Consultant Contract Follow-up Review. <p>The Committee NOTED the ARAC Work Programme.</p>	CM
AC(19)87	<p>Any Other Business</p> <p>There was no other business reported.</p>	
AC(19)88	<p>Reflective Summary of the Meeting</p> <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"> • Public Health Resources – to note that the line of enquiry regarding HDdUHB's allocation has been exhausted; • EWTD non-compliance – to record concerns regarding a lack of clarity around actions being taken in the short term to address this, or when the position will be resolved; • Committee Self-Assessment of Effectiveness – to note that the Committee considered the survey results from this exercise; • Targeted Intervention – to record the continued WG focus on HDdUHB's finances and savings plans, and an expected reduction in the Control Total to £25m; 	

	<ul style="list-style-type: none"> • WAO Annual Plan 2019 – to note that an updated version was presented; • WAO Clinical Coding Follow-up Review – to note concerns around the findings of this review, including staff morale and clinical engagement; and a lack of clarity around ownership; • Clinical Audit Update – to report discussions around improvements made and planned work; • Concerns Update – to report discussions around improvements made and planned work; • Internal Audit Plan 2018/19 – to note progress on the plan; • Internal Audit Strategy, Plan and Charter for 2019/20 – to note that this was approved; • Internal Audit Radiology Report Update – to report discussions, including those relating to altered timescales for actions and the reasons for this, and plans in terms of how to take forward and monitor this issue; • Internal Audit National Standards for Cleaning Follow-up Report – to report discussions around improvements made and planned work, together with suggestions regarding how the management response might be improved; • Internal Audit Water Safety Report – to report discussions around actions being taken and planned work, and the agreement that a follow-up audit be conducted; • Management of Supply Chain Partners and Contracts – to note discussions around the potential implications of these, and the suggestion that targeted work be undertaken in this regard; • Scrutiny of Outstanding Improvement Plans: Royal College of Paediatrics & Child Health (RCPCH) – to note the update provided in terms of progressing these improvement plans, and that the outstanding actions form part of the UHB’s overall service development, rather than a separate specific workstream requiring monitoring by ARAC; • Finance Committee – to record that ARAC was assured that the Finance Committee has operated effectively during 2018/19; • Charitable Funds Committee – to record that ARAC was assured that the Charitable Funds Committee has operated effectively during 2018/19; • Declaring, Registering and Handling Interests, Gifts, Hospitality, Honoraria and Sponsorship – to note that the Committee reviewed and was assured by the adequacy of the arrangements currently in place and the proposed steps for 2019/20 to improve the adequacy of these arrangements; • HDdUHB’s Standing Orders and Standing Financial Instructions – to note that the Committee considered the local amendments to HDdUHB’s Standing Orders and Standing Financial Instructions and recommended the revised version for approval by the Board. • Financial Assurance Report – to record discussions on the numbers and levels of medical negligence claims. 	
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AC(19)89	Date and Time of Next Meeting	
	9.00am, 7th May 2019, Boardroom, Corporate Offices, Ystwyth Building, St David’s Park, Carmarthen (Review of Draft Annual Accounts and Draft Accountability Report);	

	9.30am, 29th May 2019, Boardroom, Corporate Offices, Ystwyth Building, St David's Park, Carmarthen (Sign-off Annual Accounts); 9.30am, 25th June 2019, Boardroom, Corporate Offices, Ystwyth Building, St David's Park, Carmarthen (standard business).	
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