GIG CYMRU NHS WALES | Bwrdd Iechyd Prifysgol Hywel Dda University Health Board

PWYLLGOR ARCHWILIO A SICRWYDD RISG
AUDIT AND RISK ASSURANCE COMMITTEE

DYDDIAD Y CYFARFOD: **DATE OF MEETING:**	19 April 2022
TEITL YR ADRODDIAD: **TITLE OF REPORT:**	Audit & Assurance Services Report
CYFARWYDDWR ARWEINIOL: **LEAD DIRECTOR:**	Head of Internal Audit
SWYDDOG ADRODD: **REPORTING OFFICER:**	Head of Internal Audit

Pwrpas yr Adroddiad (dewiswch fel yn addas)   **Purpose of the Report** (select as appropriate)
Er Sicrwydd/For Assurance

ADRODDIAD SCAA   **SBAR REPORT**
Sefyllfa / Situation   The Audit & Assurance Services progress report provides the Audit & Risk Assurance Committee (ARAC) with an update in relation to the delivery of the Internal Audit Plan for 2021/22, along with outcomes form individual finalised audits.
Cefndir / Background   The work undertaken by Internal Audit is in accordance with its plan of work, which is prepared following a detailed planning process and subject to Committee approval.   The progress report provides the Committee with information regarding the progress of Internal Audit work in accordance with the agreed plan, amendments to the agreed plan and outcomes of audits completed since the previous meeting of the committee.
Asesiad / Assessment   The findings and assurance ratings from the Internal Audit Reports provide the Committee with a level of assurance as to the adequacy of the risk, governance and control environment in the areas audited.
Argymhelliad / Recommendation   The Audit & Risk Assurance Committee is asked to note the progress with delivery of the plan for current year and the assurance available from the finalised Internal Audit reports

Amcanion: (rhaid cwblhau) Objectives: (must be completed)	
Committee ToR Reference Cyfeirnod Cylch Gorchwyl y Pwyllgor	3.17 The Committee shall ensure that there is an effective internal audit and capital/PFI function established by management that meets mandatory Internal Audit Standards for NHS Wales and provides appropriate independent assurance to the Committee, Chief Executive and Board. 3.18 This will be achieved by: 3.18.1 review and approval of the Internal Audit Strategy, Charter, operational plan and more detailed programme of work, ensuring that this is consistent with the audit needs of the organisation; 3.18.2 review of the adequacy of executive and management responses to issues identified by audit, inspection and other assurance activity, in accordance with the Charter; 3.18.3 Regular consideration of the major findings of internal audit work (and management's response), and ensure co-ordination between the Internal and External Auditors to optimise audit resources; 3.18.4 ensuring that the Internal Audit function is adequately resourced and has appropriate standing within the organisation; and 3.18.5 annual review of the effectiveness of internal audit.
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not applicable
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	All Health & Care Standards Apply
Amcanion Strategol y BIP: UHB Strategic Objectives:	All Strategic Objectives are applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: [Hyperlink to HDdUHB Well-being Objectives Annual Report 2018-2019](#)	Not Applicable

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

Parties / Committees consulted prior to Audit and Risk Assurance Committee:	ARAC Chair.

Effaith: (rhaid cwblhau) **Impact: (must be completed)**	
Ariannol / Gwerth am Arian: Financial / Service:	Not applicable
Ansawdd / Gofal Claf: Quality / Patient Care:	Not applicable
Gweithlu: Workforce:	Not applicable
Risg: Risk:	Not applicable
Cyfreithiol: Legal:	Not applicable
Enw Da: Reputational:	Not applicable
Gyfrinachedd: Privacy:	Not applicable
Cydraddoldeb: Equality:	Not applicable

Hywel Dda University Health Board

Audit & Risk Assurance Committee

April 2022

Audit & Assurance Services
Internal Audit Progress Report

CONTENTS

Audit and Assurance Services conform with all Public Sector Internal Audit Standards as validated through the external quality assessment undertaken by the Institute of Internal Auditors

Please note

This report has been prepared for internal use only. Audit & Assurance Services reports are prepared, in accordance with the Service Strategy and Terms of Reference, approved by the Audit & Risk Assurance Committee.

Audit reports are prepared by the staff of the NHS Wales Shared Services Partnership – Audit and Assurance Services, and addressed to Independent Members or officers including those designated as Accountable Officer. They are prepared for the sole use of the Hywel Dda University Health Board and no responsibility is taken by the Audit and Assurance Services Internal Auditors to any director or officer in their individual capacity, or to any third party.

1. Introduction and Background

1.1 This progress report provides the Audit & Risk Assurance Committee (ARAC) with the current position in relation to the delivery of the 2021/22 Internal Audit Plan

1.2 The report also includes details of the progress the delivery of individual audits, outcomes from finalised audits along any updates required to the plan.

2. Outcomes from Finalised Audits

2.1 Seven Internal Audit Reports have been finalised since the previous meeting of the Committee and are highlighted in the table below along with the allocated assurance ratings, where applicable. The full versions of these reports are included on the agenda as separate items.

ASSIGNMENT	ASSURANCE RATING	
Non-Clinical Temporary Staffing	Limited	
TriTech	Limited	
Primary Care Clusters	Reasonable	
IM&T- NIS Directives	Substantial	
Workforce Planning	Substantial	
Performance Monitoring & Reporting	Substantial	
Organisational Values & Staff Wellbeing	Substantial	

3. Internal Audit Plan 2021/22 - Planning and Delivery Update

3.1 The delivery of the Internal Audit Plan for 2021/22 has been progressing well in recent weeks and in addition to the finalised audits, all remaining audits for the current year are in progress. The assignment status schedule at Appendix A sets out a summary current progress.

3.2 The current position of the audits that have not made the deadline summarised in the table below.

Audit delayed	Planned ARAC	Current position	Rating	Reason	Revised ARAC
Nurse Staffing Act	April	fieldwork	--	Fieldwork taken longer than planned.	

3.3 Since the previous meeting of ARAC, the regular programme of meetings with the Board Secretary have continued, as well as a meeting with the Committee chair. Meetings have also taken place with Executive Directors and senior managers in relation to audits currently being delivered and planned. Regular meetings continue to take place with Audit Wales.

3.4 The Audit & Assurance team having continued to work with the Governance and Risk team to ensure a coordinate approach to recommendation follow up, attending meetings jointly and supporting the process by requesting evidence in order to provide a view as to where specific recommendations on the tracker can be closed.

3.5 Key Performance Indicators for 21/22 are highlighted in Appendix B.

3.6 The Internal Audit Plan for 22/23, is on the agenda for ARAC Approval.

Appendix A – HDUHB Internal Audit Plan 2021/22 – Assignment Status Schedule

Planned audit output	Audit Type	Outline timing	Current progress	Executive Lead	Planned ARAC	Assurance	H	M	L
Risk Management & Board Assurance Framework	3	Q4	wip	Board Secretary	May				
Corporate Governance (Annual Governance Statement)	3	Q4	Planning	Board Secretary	Included in annual report.				
~~Quality & Safety Governance Framework~~	~~3~~	~~Q3/4~~	~~Defer~~	~~Director of Nursing, Quality & Patient Experience~~	~~—~~				
Financial Planning, Reporting and Monitoring.	3	Q2/3	FINAL	Director of Finance	Dec	Reasonable		3	
Performance Reporting and Monitoring	**2**	**Q3**	**FINAL**	**Director of Finance**	**Apr**	**Substantial**	**-**	**-**	**-**
Annual Recovery Plan / Planning Objectives	3	Q2/3	FINAL	Director of Strategic & Operational Planning	Oct	Reasonable	-	2	1
Field Hospital Decommissioning	3	Q1	FINAL	Director of Operations	Aug	n/a	-	-	-
Waiting List Risk Management	2	Q2	FINAL	Director of Operations	Oct	Reasonable	-	1	-
~~Restart of Elective Work /Planned Recovery~~	~~3~~	~~Q2~~	~~Deferred~~	~~Director of Operations~~	~~—~~	~~———~~			

Planned audit output	Audit Type	Outline timing	Current progress	Executive Lead	Planned ARAC	Assurance	H	M	L
Use of Consultancy	1	Q1/2	FINAL	Director of Finance	Aug	Limited	1	3	-
Single Tender Actions	1	Q1/2	FINAL	Director of Finance	Aug	Reasonable	1	2	-
~~Commissioning~~	~~1~~	~~Q3~~	~~defer~~	~~Director of Finance~~	~~—~~				
Welsh Language Standards	1	Q1	FINAL	Chief Executive	Aug	Limited	3	2	1
~~Clinical Audit~~	~~1~~	~~Q3~~	~~Deferred 22/23~~	~~Director of Nursing, Quality & Patient Experience~~	~~—~~				
Infection Prevention & Control	2	Q3	wip	Director of Nursing, Quality & Patient Experience	May				
~~Falls~~	~~2~~	~~Q3/4~~	~~defer~~	~~Director of Nursing, Quality & Patient Experience~~	~~–~~				
Mental Health Patient Administration System	1	Q2	FINAL	Director of Finance	Oct/dec	Limited		5	
IT Infrastructure	1	Q3/4	defer	Director of Finance	-	----			
The Security of Network & Information Systems (NIS) Regulations	**1**	**Q4**	**FINAL**	**Director of Finance**	**April**	**Substantial**			

NWSSP Audit and Assurance Services   5

Planned audit output	Audit Type	Outline timing	Current progress	Executive Lead	Planned ARAC	Assurance	H	M	L
IT Back Up Arrangements	1	Q2/3	FINAL	Director of Finance	Dec	Substantial	-	-	-
Mental Health and Learning Disabilities (MHLD) Directorate	2	Q2	FINAL	Director of Operations	Oct	Reasonable	1	2	-
Directorate Review Women and Children's Services Directorate	2	Q1/2	FINAL	Director of Operations	Oct	Reasonable	-	5	-
~~Public Health~~	~~2~~	~~Q3/4~~	~~Deferred 22/23~~	~~Director of Public Health~~	~~—~~	~~———~~			
Directorate Review Therapies	2	Q2	FINAL	Director of Therapies	Oct/dec	Reasonable	1	2	-
Primary Care Clusters	**2**	**Q3/4**	**Final**	**Director of Primary, community and Long-Term care**	**April**	**Reasonable**	**1**	**1**	**-**
~~Continuing Health Care~~	~~1~~	~~Q3/4~~	~~Defer~~	~~Director of Primary Care, Community and Long-Term care~~	~~—~~				
Partnership Governance follow up	2	Q3/4	wip	Director of Primary Care, Community & Long-Term care	May				
Records Management	2	Q2/3	FINAL	Director of Operations	Feb	-------	-	-	-
~~Consultants Job Planning~~	~~1~~	~~Q3/4~~	~~Deferred~~	~~Medical Director~~	~~–~~				

Planned audit output	Audit Type	Outline timing	Current progress	Executive Lead	Planned ARAC	Assurance	H	M	L
Medical Staff Recruitment	2	Q1/2	FINAL	Director of Operations	Oct	Reasonable	1	1	1
HTA compliance	1	Q1/2	FINAL	Medical Director	Aug	Reasonable	1	2	1
Workforce Planning	**2**	**Q3**	**FINAL**	**Workforce & OD Director**	**April**	**Substantial**	-	1	-
Organisational Values & Staff Wellbeing	**1**	**Q2/3**	**Draft/final**	**Workforce & OD Director**	**April**	**Substantial**	-	1	-
Directorate Governance PPH	2	Q2	FINAL	Director of Operations	Oct	Reasonable		3	2
Delayed transfers of Care/ Discharge Process	3	Q1/2	FINAL	Director of Operations/ Director Primary, Community and Long-Term Care	Oct	n/a	-	-	-
Waste Management	2	Q3/4	Final	Director of Operations	Feb	Reasonable	-	2	1
~~Decarbonisation~~	~~2~~	~~Q4~~	~~Defer 22/23~~	~~Director of Operations~~	~~April~~	-			
Women & Children Phase II	3	Q4	Initial draft	Director of Operations	May				
Non Clinical Temporary Staffing	**2**	**Q3/4**	**FINAL**	**Director fo Workforce**	**April**	**Limited**	2	2	-
TriTech	**3**	**Q3/4**	**FINAL**	**Medical Director**	**April**	**Limited**	2	4	-
MHLD WPAS follow up	1	Q4	FINAL	Director of Finance	Feb	Reasonable	-	2	-
Use of Consultancy follow up	1	Q4	FINAL	Director of Finance	Feb	Reasonable	-	2	-

Planned audit output	Audit Type	Outline timing	Current progress	Executive Lead	Planned ARAC	Assurance	H	M	L
Bank Staff Payment Process (Briefing note)	1	Q4	FINAL	Director of Workforce	Feb	----	-	-	-
Nurse Staffing Act	2	Q4	Wip	Director of Nursing, Quality & Patient Experience	April				
Prevention of Self Harm (Points of Ligature)	2	Q4	Initial draft	Director of Nursing, Quality & Patient Experience	May				
Backline Financial Reconciliations	1	Q4	wip	Director of Finance	May				

NWSSP Audit and Assurance Services

8

Description of Audit Categories.

A brief explanation of each audit type is show below and the definition will be included in each progress report. The planned category type is shown against each audit in the status schedule above.

Audit type 1
Typically, a standard audit, in terms of planned time requirements, coverage and complexity. Some routine coverage and testing included. Much of the testing is likely to be quantitative in nature. The time requirement used for planning purposes is twenty days.

Audit Type 2
Typically planned time requirements, coverage, and complexity are greater than type1. May include broader coverage of audit areas and increased requirements for the volume and complexity of testing or documentation review and a larger number of meetings. Testing is likely to be both quantitative and qualitative in nature requiring judgements. Potential increase in the level of risk of audit area. The time requirement used for planning purposes is twenty-five days.

Audit type 3
Similar to type 2 with coverage of an audit area with even more volume, complexity, and a greater level of risk. The time requirement used for planning purposes is thirty days.

Appendix B Key Performance Indicators (end of March 22)

Indicator Reported to Audit Committee	Status	Actual	Target	Red	Amber	Green
Operational Audit Plan agreed for 2020/21	G	April 2021	By 30 June	Not agreed	Draft plan	Final plan
Total assignments reported (to at least draft report stage) against plan to date for 2021/22	G	82%	88%	v>20%	10%<v<20%	v<10%
Report turnaround: time from fieldwork completion to draft reporting [10 working days]	G	95%	80%	v>20%	10%<v<20%	v<10%
Report turnaround: time taken for management response to draft report [15 working days]	G	100%	80%	v>20%	10%<v<20%	v<10%
Report turnaround: time from management response to issue of final report [10 working days]	G	100%	80%	v>20%	10%<v<20%	v<10%

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