



**PWYLLGOR ARCHWILIO A SICRWYDD RISG  
AUDIT AND RISK ASSURANCE COMMITTEE**

<b>DYDDIAD Y CYFARFOD: DATE OF MEETING:</b>	19 October 2021
<b>TEITL YR ADRODDIAD: TITLE OF REPORT:</b>	Audit & Assurance Services Report
<b>CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:</b>	Head of Internal Audit
<b>SWYDDOG ADRODD: REPORTING OFFICER:</b>	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 from 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.

**Aseiad / 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 the plan for current year, the required adjustments to the plan and the assurance available from the finalised Internal Audit reports

<b>Amcanion: (rhaid cwblhau)</b> <b>Objectives: (must be completed)</b>	
Committee ToR Reference Cyfeirnod Cylch Gorchwyl y Pwyllgor	<p>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.</p> <p>3.18 This will be achieved by:</p> <p>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;</p> <p>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;</p> <p>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;</p> <p>3.18.4 ensuring that the Internal Audit function is adequately resourced and has appropriate standing within the organisation; and</p> <p>3.18.5 annual review of the effectiveness of internal audit.</p>
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: <a href="#">Hyperlink to HDdUHB Well-being Objectives Annual Report 2018-2019</a>	Not Applicable

<b>Gwybodaeth Ychwanegol:</b> <b>Further Information:</b>	
Ar sail tystiolaeth: Evidence Base:	Internal Audit plan. Evidence gathered as part of the delivery of audit assignments.
Rhestr Termiau: Glossary of Terms:	Contained within the body of the report.

Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Archwilio a Sicrwydd Risg: Parties / Committees consulted prior to Audit and Risk Assurance Committee:	Executive Directors and Senior managers relevant to the individual audits. Board Secretary. ARAC Chair.
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<b>Effaith: (rhaid cwblhau)</b> <b>Impact: (must be completed)</b>	
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**

**October 2021**

## **Audit & Assurance Services Internal Audit Progress Report**



**GIG  
CYMRU  
NHS  
WALES**

Partneriaeth  
Cydwasaethau  
Shared Services  
Partnership



**GIG  
CYMRU  
NHS  
WALES**

Bwrdd Iechyd Prifysgol  
Hywel Dda  
University Health Board



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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	
Discharge Management Process (DTC)	N/A	--
Women & Child Health Directorate Governance	Reasonable	
Waiting List Risk Management	Reasonable	
Mental Health & Learning Disabilities Directorate Governance	Reasonable	
Medical Staff Recruitment	Reasonable	
Prince Phillip Hospital Directorate Governance	Reasonable	
Annual Plan & Planning Objectives	Reasonable	

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

**3.1** The delivery of the Internal Audit Plan for 2021/22 is progressing broadly in line with the agreed schedule at this point in the year, with the assignment status schedule at Appendix A setting out current progress. Twelve audits have been reported at final stage, with sixteen currently either in progress or at the planning stage.

**3.2** Discussions have been ongoing with the Health Board Executives and the Board Secretary with regards to aspects of the Internal Audit plan, where adjustments have been required as a result of ongoing operational pressures and emerging risks. As a result, the following adjustments have been required:

- To include within the plan a review of Temporary Staffing (Q3)
- To include a review of TriTech (Q3)
- To include a follow up review of the Use of Consultancy
- To defer the Quality & Safety audit to Q4
- To defer the Performance Reporting audit to Q4
- To defer the Restart Elective Services
- To defer the Clinical Audit to 22/23
- To defer the Decarbonisation - 22/23 (based on national deadlines and requirements)

Further to the points above discussions are ongoing with regards to the timing of the Falls audit and also in relation to an advisory review looking at aspects of procurement at the Health Board end.

The Committee is asked to approve the required adjustments to the plan.

**3.3** Seven audits were planned to be delivered at the meeting if the committee, with the current position of the audits that have not made the deadline summarised in the table below.

<b>Audit delayed</b>	<b>Planned ARAC</b>	<b>Current position</b>	<b>Rating</b>	<b>Reason</b>	<b>Revised ARAC</b>
Therapies Directorate Governance	Oct	Wip	n/a	Availability of information and the requirement for some further work	Dec
Mental Health PAS	Oct	wip	n/a	Initial availability of required key staff and additional time required on another audit.	Dec

**3.4** 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 in relation to work planned later in the year. Regular meetings continue to take place with Audit Wales.

**3.5** 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.



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

Planned audit output	Audit Ref.	Audit Type	Outline timing	Current progress	Executive Lead	Planned ARAC	Assurance	H	M	L
Risk Management & Board Assurance Framework	1	3	Q4		Board Secretary	April				
Corporate Governance	2	3	Q4	Planning	Board Secretary	April				
Quality & Safety Governance Framework	3	3	Q3/4	planning	Director of Nursing, Quality & Patient Experience	Feb/April				
Financial Planning, Reporting and Monitoring.	4	3	Q2/3	wip	Director of Finance	Dec				
Performance Reporting and Monitoring	5	2	Q3	planning	Director of Finance	Feb				
Annual Recovery Plan / Planning Objectives	6	3	Q2/3	FINAL	Director of Strategic & Operational Planning	Oct	Reasonable	-	2	1
Field Hospital Decommissioning	7	3	Q1	FINAL	Director of Operations	Aug	n/a	-	-	-
Waiting List Risk Management	8	2	Q2	FINAL	Director of Operations	Oct	Reasonable	-	1	-
Restart of Elective Work /Planned Recovery	9	3	Q2	Deferred	Director of Operations	--	-----			

## Audit & Risk Assurance Committee Progress Report

Planned audit output	Audit Ref.	Audit Type	Outline timing	Current progress	Executive Lead	Planned ARAC	Assurance	H	M	L
Use of Consultancy	10	1	Q1/2	FINAL	Director of Finance	Aug	Limited	1	3	-
Single Tender Actions	38	1	Q1/2	FINAL	Director of Finance	Aug	Reasonable	1	2	-
Commissioning	11	1	Q3	planning	Director of Finance	Dec				
Welsh Language Standards	12	1	Q1	FINAL	Chief Executive	Aug	Limited	3	2	1
Clinical Audit	13	1	Q3	Deferred 22/23	Director of Nursing, Quality & Patient Experience	---				
Infection Prevention & Control	14	2	Q3	Planning	Director of Nursing, Quality & Patient Experience	April				
Falls	15	2	Q3/4	Planning/ being reviewed	Director of Nursing, Quality & Patient Experience	Feb				
Mental Health Patient Administration System	16	1	Q2	wip	Director of Finance	Oct/dec				
IT Infrastructure	17	1	Q3/4	Planning	Director of Finance	Feb				
The Security of Network & Information Systems (NIS) Regulations	18	1	Q4	Planning	Director of Finance	April				

# Audit & Risk Assurance Committee Progress Report

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Planned audit output	Audit Ref.	Audit Type	Outline timing	Current progress	Executive Lead	Planned ARAC	Assurance	H	M	L
IT Back Up Arrangements	19	1	Q2/3	Planning	Director of Finance	Dec				
Mental Health and Learning Disabilities (MHL) Directorate	20	2	Q2	FINAL	Director of Operations	Oct	Reasonable	1	2	-
Directorate Review Women and Children's Services Directorate	21	2	Q1/2	FINAL	Director of Operations	Oct	Reasonable	-	5	-
Public Health	22	2	Q3/4		Director of Public Health	April				
Directorate Review Therapies	23	2	Q2	wip	Director of Therapies	Oct/dec				
Primary Care Clusters	24	2	Q3/4		Director of Primary, community and Long-Term care	Feb				
Continuing Health Care	25	1	Q3/4	planning	Director of Primary Care, Community and Long-Term care	Feb				
Partnership Governance	26	2	Q3/4		Director of Primary Care, Community & Long-Term care	April				
Records Management	27	2	Q2/3	planning	Director of Operations	Dec				
Consultants Job Planning	28	1	Q3/4		Medical Director	April				

## Audit & Risk Assurance Committee Progress Report

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Planned audit output	Audit Ref.	Audit Type	Outline timing	Current progress	Executive Lead	Planned ARAC	Assurance	H	M	L
Medical Staff Recruitment	29	2	Q1/2	FINAL	Director of Operations	Oct	Reasonable	1	1	1
HTA compliance	30	1	Q1/2	FINAL	Medical Director	Aug	Reasonable	1	2	1
Workforce Planning	31	2	Q3	planning	Workforce & OD Director	Dec				
Organisational Values & Staff Wellbeing	32	1	Q2/3	planning	Workforce & OD Director	Feb				
Directorate Governance PPH	33	2	Q2	FINAL	Director of Operations	Oct	Reasonable		3	2
Delayed transfers of Care/ Discharge Process	34	3	Q1/2	FINAL	Director of Operations/ Director Primary, Community and Long-Term Care	Oct	n/a	-	-	-
Waste Management	35	1	Q3/4	Planning	Director of Operations	Feb				
Decarbonisation	36	2	Q4	Defer 22/23	Director of Operations	April				
Women & Children Phase II	37	3	Q4		Director of Operations	April				
Temporary Staffing						Dec				
TriTech						Dec				
Follow up – Use of Consultancy						Feb				

### 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.



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