



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

DYDDIAD Y CYFARFOD: DATE OF MEETING:	22 February 2022
TEITL YR ADRODDIAD: TITLE OF REPORT:	All Wales NHS Audit Committee Chair's Meeting
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Mr Paul Newman, Audit and Risk Assurance Committee Chair
SWYDDOG ADRODD: REPORTING OFFICER:	Mr Paul Newman, Audit and Risk Assurance Committee Chair

Pwrpas yr Adroddiad (dewiswch fel yn addas)

Purpose of the Report (select as appropriate)

Er Gwybodaeth/For Information

**ADRODDIAD SCAA
SBAR REPORT**

Sefyllfa / Situation

The purpose of the paper is to present the Audit and Risk Assurance Committee with an update from the proceedings of the All Wales NHS Audit Committee Chairs' meeting held on 9th February 2022, chaired by Mr Paul Newman, Chair of Hywel Dda University Health Board (HDdUHB) Audit and Risk Assurance Committee.

Cefndir / Background

The All Wales NHS Audit Committee Chairs' meeting provides an opportunity to share information regarding common issues which arise within NHS bodies across NHS Wales and to share best practice. The forum is supported by attendance from a nominated Board Secretary from the All Wales Board Secretaries Network (AWBSN). In addition, meetings are attended by representatives from NHS Wales Shared Services Partnership Internal Audit (NWSSP IA), as providers of audit assurance through the independent and objective assessment of governance, risk management and internal control. Also in attendance are representatives from Audit Wales (AW), in their capacity as external auditors who also provide information and advice.

Asesiad / Assessment

The following is a summary of the main issues discussed at the meeting on 9th February 2022:

- NWSSP Internal Audit** provided a presentation, which focused on the 2020/21 audit progress, changes to audit methodology, Board Secretaries work, All Wales summary papers and the IMTP 2022-25. Key points which were covered included:
 - 32% of work planned for 2021/22 is still in progress (the level of work in progress being attributable to the number of requests received by Internal Audit to pause or delay reviews). Assurance was provided that the remaining audits will be delivered by the end of the year, and that the team's access to people and information remains reasonably good.

- Changes to audit methodology for 2022/23 include a review of the approach to planning *ie.* some minor amendments to existing templates and increased focus upon core areas of governance (risk management, financial sustainability, clinical governance and quality, IT and digital services, decarbonisation, cyber-risk, performance management, the Nurse Staffing Act, service catch-ups, Chairs Action, outcomes and benefits realisation and wider business continuity).
- In regard to audit opinion, the approach taken by Internal Audit for 2022/23 will be broadly consistent with that taken for the previous year and is explained in the Annual Report, with most Audit committees having understood the proposed approach and any changes being subject to sign-off by committees. The Head of Internal Audit document itself will be shortened, with the appendices removed, and consideration will be given to how best the work undertaken by Internal Audit can contribute to the wider assurance agenda, including developing an understanding of the impact of implementing recommendations and benefits realisation.
- Internal Audit will continue to meet with Board Secretaries (BS) on a monthly basis. A BS Sub-Group has been re-established which will support a range of workstreams, including the implementation of changes to the Planning/Opinion approach, development of KPIs and the replacement of the *TeamMate Audit Solutions* electronic papers system.
- 3 All Wales papers have been issued since the previous meeting on 6th October 2021 (Control of Contractors, Fire Safety and Water Safety). Further papers were due in Summer 2022 (Waste Management, Major Capital Programmes and a summary of the All-Wales papers issued, as requested by the Directors of Finance).
- A draft IMTP has been produced which focuses upon people and training, quality impact measures, key risks post-COVID and decarbonisation, marketing and service promotion and quality enhancement. Further work is being undertaken to develop the linkage between audit recommendations and KPIs and closer working with counter-fraud and Post-Payment Verification (as requested by Directors of Finance). An audit of the Nurse Agency verification process is also planned.
- There are no 'No Assurance' ratings for audits conducted across Wales in the current year.
- While a reduced number of audits have been undertaken in the current year, reflecting the impact of the pandemic upon organisations' capacity, discussions are being held with Board Secretaries regarding an increase in the audit programme for the coming year.

2. Assurance and Learning for Organisations from All Wales (AW) Audit Reports

Discussions at the previous AWACC meeting on 6th October 2021 had highlighted challenges in sharing learning from audit across organisations and had reflected agreement that it would be useful for Audit Chairs to share learning points from audit across their respective organisations. The production of concise Summary papers by the Internal Audit Team is intended to provide an overview of findings relating to individual subject areas. These papers would continue to be produced, and consideration was being given to summarising key messages from all audit outputs at year-end within a single report, to include both positive and negative findings. A request was made to Audit Wales to focus upon translating good practice into recommendations wherever possible.

Audit Wales has established a Research and Development (R&D) function in order to add value through the identification of best practice at a UK-wide level and were invited to share thoughts regarding what should be included in the R&D work programme which is currently being developed and which will be informed by a stakeholder consultation exercise. The wider scope of learning which will be identified by the R&D function was welcomed, given

the potential of some issues - such as cyber threats - to impact upon all organisations, and the significant benefits to be derived from sharing relevant learning from across and beyond Wales and from outside the health and care sector.

The Group highlighted the need for consideration to be given to the way in which findings from audit reports prepared for hosted organisations are followed up and utilised, given that – by their nature – the outcomes of these audits often have the potential to affect all organisations, and suggested that in its work programme AWACC considers:

- How committees and Board Secretaries ensure that learning from identified best practice is adopted and consistency in approach is embedded within each organisation.
- How learning from the outcomes of audits of those areas where Limited Assurance is commonly provided can be shared and utilised to target resources most effectively to address potential risk.

3. Audit Wales provided an update on the external audit programme. Key points included:

- The following short sector-specific reports have been published looking at key trends, opportunities and challenges:
 - *'Taking Care of the Carers?'*: this report should be in the process of review by Health Board committees, and that key learning from findings would be shared at a future AWACC meeting.
 - *Care Homes Commissioning for Older People*: this report was likewise currently being reviewed by committees and learning points would be presented at a future AWACC meeting.
 - *Joint working Between Emergency Services*: the findings from this report reflect an All Wales position.
- During the final quarter of the current financial year, Audit Wales will be reviewing its audit work programme for 2022-23 and undertaking consultation with stakeholders to help identify priorities and specific areas of focus. This will include workforce planning and a review of how Audit Wales delivers the Structured Assessment – for example, through the use of deep dive reviews. Audit Wales is happy to take suggestions regarding the subjects of future deep dives.
- Future Audit Wales work will be based upon a holistic view of inter-related areas - for example, a planned review of Unscheduled Care will look at health and social care systems in the round across Wales and a forward-planned review of digital use and capacity will cover a range of different business sectors.
- The Group discussed performance management and informed decision-making arrangements. While performance reporting is mainly based upon organisations' performance frameworks, it will be helpful to review performance management and identify opportunities to utilise outcomes within a wider business context.
- The deadline for the submission of annual accounts to Welsh Government is 15th June 2022 and the Group was advised that, while Audit Wales is some weeks behind in its work for 2021/22, it is hoped that the final accounts will meet the deadline and so be ready for the ARAC meetings in May/June 2022. ARAC meetings may need to be re-scheduled for later dates in June where necessary to accommodate this deadline.

4. **Update from AWBSN:** An update was provided from the AWBSN meetings held on 24th September 2021, 22nd October 2021 and 19th November 2021, summarising the key decisions made and issues discussed by the Network. The draft minutes of the AWBSN meeting held on 28th January 2022 were also circulated.

Opportunities to reduce end-of-year reporting are being explored by a BSN working group which is working with Welsh Government and which is seeking to develop some consistency in the content of reports across organisations.

5. **AWACC Work Programme:** It was proposed that it might be helpful for AWACC to focus upon individual issues arising in Audit Committee and Board meetings and to identify and share best practice relating to these, recognising that while each member would hold subjective views regarding what constitutes good practice, this will add value to the Committee's discussions. Audit Trackers and Board Assurance Frameworks were suggested for the May 2022 meeting.

Inconsistency in the implementation of Welsh Language standards across Health Boards was highlighted and it was suggested that it might be helpful for the Group to develop an overview of how this is approached within each organisation, recognising that while it is not easily measurable, it represents a potential subject for future audit.

6. **Chair and Support Arrangements:** A new Chair and Board Secretary support would be required from the September 2022 meeting due to the current Chair and Board Secretary undertaking these roles for 1 and 2 years respectively.

7. **The next meeting** will take place on 19th May 2022.

Argymhelliad / Recommendation

The Audit and Risk Assurance Committee is requested to receive this report for information.

Amcanion: (rhaid cwblhau)

Objectives: (must be completed)

Committee ToR Reference Cyfeirnod Cylch Gorchwyl y Pwyllgor	3.1 The Committee shall review the adequacy of the UHB's strategic governance and assurance arrangements and processes for the maintenance of an effective system of good governance, risk management and internal control, across the whole of the organisation's activities (both clinical and non-clinical) that supports the achievement of the organisation's objectives.
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):	Governance, Leadership and Accountability

Amcanion Strategol y BIP: UHB Strategic Objectives:	All Strategic Objectives are applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Statement	Not Applicable

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Assurance reports to Committees and Board aligned to relevant standards.
Rhestr Termau: Glossary of Terms:	AWBSN – All Wales Board Secretaries’ Network CIW – Care Inspectorate Wales HEIW – Health Education and Improvement Wales HIW – Healthcare Inspectorate Wales ICF – Integrated Care Fund IMTP – Integrated Medium Term Plan KPIs – Key Performance Indicators RPB – Regional Partnership Board TF – Transformation Fund
Partion / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Archwilio a Sicrwydd Risg: Parties / Committees consulted prior to Audit and Risk Assurance Committee:	Board Secretary Chair, Audit & Risk Assurance Committee

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	There are no direct financial implications within this report.
Ansawdd / Gofal Claf: Quality / Patient Care:	There are no direct quality or patient care implications within this report.
Gweithlu: Workforce:	There are no direct workforce implications within this report.
Risg: Risk:	There are no direct implications within this report.
Cyfreithiol: Legal:	There are no legal workforce implications within this report.
Enw Da: Reputational:	There are no direct implications within this report.
Gyfrinachedd: Privacy:	There are no direct implications within this report.
Cydraddoldeb: Equality:	<ul style="list-style-type: none"> • Has EqIA screening been undertaken? No • Has a full EqIA been undertaken? No