

COMMITTEE UPDATE REPORT/ADRODDIAD DIWEDDARU'R PWYLLGOR – AUDIT AND RISK ASSURANCE COMMITTEE

Date of last meeting/Dyddiad y cyfarfod diwethaf: 10 December 2024

Quoracy/Cworwm: Met

Report by/Adroddiad gan: Cllr. Rhodri Evans, Chair

KEY DISCUSSION POINTS AND MATTERS TO BE ESCALATED FROM THE DISCUSSION AT THE MEETING/ PWYNTIAU TRAFOD ALLWEDDOL A MATERION I'W HUWCHGYFEIRIO O'R DRAFODAETH YN Y CYFARFOD:

Alert¹ (may require discussion)/**Rhybuddio** (efallai y bydd angen trafodaeth)

The Audit and Risk Assurance Committee wishes to **alert** members of the Board:

- in relation to the **Discharge Management Follow-up (Limited Assurance) Internal Audit report**, due to the findings and concerns highlighted therein.

An initial audit published in April 2024 had received a rating of Limited Assurance and the follow-up audit had returned the same rating.

The Committee heard that the discharge process has become extremely complex for services, and that there is a desire to simplify it and provide tools to assist in ensuring that staff understand their role in discharge. This involves a 'back to basics' approach, with an acceptance that discharge is everyone's responsibility and that discharge planning begins at the point of admission. Despite the Limited Assurance rating, it was suggested that there are a number of positive aspects and instances of progress made. For example, the optimal flow work has been embedded, which contributes significantly to patient flow and discharge processes. There has been further progress since the audit in standardising processes across the Health Board, which represents a significant step. It was acknowledged, however, that progress is taking longer than is desirable.

Due to the level of concern and second Limited Assurance rating, it was agreed to 'Alert' the Board as the Committee agreed there was no further action that could be undertaken. A further follow-up audit is to be conducted before the end of the financial year.

Advise² (to monitor)/**Cynghori** (i fonitro)

The Audit and Risk Assurance Committee wishes to **advise** members of the Board:

- In relation to the **Nursing Management (Limited Assurance) Internal Audit report**, due to the findings and concerns highlighted therein relating to

¹ There is a lack of confidence that any action in place is sufficient to address the issue satisfactorily and/or within the scope of the operational team or executive to resolve. Engagement, action or intervention required.

² There are areas of concern where assurance has been taken on actions in place but requires close monitoring. An early warning of an emerging and potentially serious concern.

management of sickness; annual leave utilisation; approval of agency use; roster review/approval arrangements and processes for bank and agency escalation.

Whilst accepting that actions have either been taken or are planned, there is a lack of evidence that these are impacting. There is a cultural element as well as a procedural one. The promotion of nurses into management roles was welcomed; however, it was felt that historically, the Health Board has not necessarily assisted individuals transition into these roles. It has also been assumed that they have knowledge of rostering. The organisation must put in place appropriate management training packages and managerial processes. There needs to be support for new managers, and additional training for experienced staff.

It was agreed that a follow-up audit be conducted within 6 months. This should have a wider scope, including oversight and across the whole Health Board.

- In relation to the **Clinical Audit Update**, due to concerns highlighted during discussion around the potential quality and safety implications involved with non-participation in Clinical Audit. It was agreed that, where there are concerns around non-participation in audits, services should be required to complete Quality Impact Assessments (QIAs) to enable an understanding of the impact on patients and care. With regard to feedback from services suggesting that they cannot participate in clinical audit without additional resource or investment, it was emphasised that participation in clinical audit is a mandatory expectation across the organisation and services should prioritise resources accordingly. Noting the importance of the AMAT system in enabling clinical audit, and that this system is utilised more widely across the organisation, ongoing investment would need to be a management decision discussed at Executive Team.

It was agreed that there should be a further progress update on Clinical Audit at the April 2025 meeting providing an update on the 'Advise' areas detailed above.

- Regarding the **Risk Assurance Report**. Whilst it was noted that none of the services are escalated to Level 3 in the Governance domain on the basis of their risk management, the Committee agreed to 'Advise' the Board in relation to continued concerns around outstanding external audit recommendations relating to Mental Health.

Assure³ (to note)/Sicrhau (i nodi)

The Audit and Risk Assurance Committee wishes to **assure** members of the Board:

- In relation to the Health Board's **Escalation Status**. The new report format, which was considered effective and which assists ARAC in taking the required assurance, was welcomed.
- Having considered the outputs from the **Committee Self-Assessment** process, and having agreed the actions to be taken to improve its effectiveness.

³ *There is confidence that actions are robust and will be sufficient to address the issue or generally operating effectively. Routine monitoring.*

- In relation to the **Audit Wales Structured Assessment 2024 Report**, which would be considered by the Board at its January 2025 Public Board meeting.
- In relation to the following **Internal Audit** reports:
 - Speaking Up Safely (Reasonable Assurance)
 - Energy Management (Reasonable Assurance)
 - Capital Systems (Reasonable Assurance)
 - Cash Management (Substantial Assurance)
- With regard to the **Economic Crime and Corporate Transparency Act 2023: Guidance to Organisations on the Offence of Failure to Prevent Fraud**. Having considered the policies and procedures in place to counter fraud within the Health Board, these are adequate to show that reasonable measures are in place to prevent the new offence of failure to prevent fraud.
- In relation to the **Post Payment Verification (PPV) Report** and **Primary Care PPV Report**, with it noted that processes are in place to address issues where they arise.

Review of Risks/Adolygiad o Risgiau

Discussed during Risk Assurance Report item.

Sharing of learning/Rhannu dysgu

Not applicable.

Recommendation/Argymhelliad

The Board is asked to **respond** to the items the Committee is alerting them to, **note** the items the Committee is advising them of and **take assurance** from the items that the Committee is providing assurance on.

Agenda, papers and minutes are available on our website/Mae agenda, papurau a chofnodion ar gael ar ein gwefan: <https://hduhb.nhs.wales/about-us/governance-arrangements/board-committees/audit-and-risk-assurance-committee-arac/>