

**Minutes of the Meeting of Cwm Taf Morgannwg University (CTMUHB)
Audit & Risk Committee held on the 22 August 2022 as a Virtual Meeting
via Microsoft Teams**

Members Present:

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| Patsy Roseblade | Independent Member (Chair) |
| Jayne Sadgrove | Health Board Vice Chair |
| Carolyn Donoghue | Independent Member |
| Ian Wells | Independent Member |

In Attendance:

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|--------------------|--|
| Sara Utlej | Audit Wales |
| Mark Jones | Audit Wales |
| Paul Dalton | NWSSP – Internal Audit & Assurance |
| David Butler | NWSSP – Internal Audit & Assurance |
| Huw Richards | NWSSP – Internal Audit & Assurance (In part) |
| Sally May | Executive Director of Finance |
| Georgina Galletly | Director of Corporate Governance |
| Hywel Daniel | Executive Director for People |
| Cally Hamblyn | Assistant Director of Governance & Risk |
| Matthew Evans | Head of Local Counter Fraud |
| Elisabeth Williams | Finance Manager |
| Emma Walters | Corporate Governance Manager (Committee Secretariat) |

1.0.0 PRELIMINARY MATTERS

1.1 Welcome & Introductions

P Roseblade, Committee Chair welcomed everyone to the meeting, particularly those joining for the first time, those observing and colleagues joining for specific agenda items. The format of the proceedings in its virtual form were also noted. Members **noted** that the meeting would be recorded to aid the Committee Secretariat in ensuring the accuracy of scrutiny related discussions and decisions made during the meeting. Members **noted** that the recording would be destroyed once the minutes had been confirmed as accurate. Members confirmed they were happy to proceed.

The Committee Chair advised that at the end of the meeting, she would be seeking Members views as to how we have done in the meeting.

1.2 Apologies for Absence

Apologies for absence have been received from:

- Emma Samways, Internal Audit;
- Dave Thomas, Audit Wales;
- Owen James, Head of Corporate Finance

1.3 Declarations of Interest

No declarations of interest were received prior to the meeting.

2.0.0 CONSENT AGENDA

2.1 FOR APPROVAL

2.1.1 Unconfirmed Minutes of the Meeting held on the 14 June 2022

Resolution: The minutes were **APPROVED** as a true and accurate record.

2.1.2 Unconfirmed Minutes of the Meeting held on the 23 June 2022

Resolution: The minutes were **APPROVED** as a true and accurate record.

2.1.3 Audit & Risk Committee Annual Report

Resolution: The Audit & Risk Committee Annual Report was **APPROVED**.

2.2 FOR NOTING

2.2.1 Audit & Risk Committee Annual Cycle of Business

Resolution: The report was **NOTED**.

2.2.2 Audit & Risk Committee Forward Work Programme

Resolution: The Forward Work Programme was **NOTED**.

2.2.3 Declarations of Interest and Gifts and Hospitality Report

Resolution: The report was **NOTED**.

3.0.0 MAIN AGENDA

3.1 GOVERNANCE

3.1 Audit & Risk Committee Action Log

G Galletly presented Members with the action log.

In response to a comment made by I Wells in relation to action log reference 18/099 which had been on the action log for 6 years and the update that had been provided that JAG accreditation would be delayed until 2024, G Galletly agreed to request further narrative on this matter for inclusion in the update column in preparation for the next meeting. G Galletly advised that if the date

remains at 2024 then this could be removed from the action log and added to the forward work programme.

Resolution: The Action Log was **NOTED**.

Action: Further update to be obtained in relation to action log reference 18/099 to determine whether the delay to 2024 remains.

3.2 Matters Arising not contained within the Action Log

There were none

4.0.0 SUSTAINING OUR FUTURE

4.1 Local Counter Fraud Report

M Evans presented Members the report.

In response to a comment made by J Sadgrove in relation to the usage of days across the four domains and the reduced number of days spent in relation to inform and involve and prevent and deter, M Evans advised that an uptick in performance within the prevent and deter domain should be seen by the next meeting.

In response to a question raised by J Sadgrove as to whether issues identified in the losses and special payments reports were being flagged as potential for fraud, M Evans advised that he was not aware of any issues being referred to the team regarding this and added that consideration could be given to strengthening theft control procedures.

Resolution: The report was **NOTED**.

4.2 Losses & Special Payments Report

S May presented Members with the report.

In relation to Learning From Events Reports (LFERs), G Galletly advised that the position remained challenging and advice had been received from the Welsh Risk Pool in relation to what cases needed to be prioritised. Members noted that there were capacity issues within the Team and that consideration was being given to alternative ways to address this through the revised operating model. G Galletly added that the development of the Listening & Learning Framework would enable learning to be captured at an earlier stage making completion of LFERs much more efficient. Members noted that the Welsh Risk Pool were supporting the Health Board with its improvement plan.

In relation to a question raised by the Committee Chair regarding the significant increase in medical negligence claim costs, S May advised that this related to

the overall increase in open cases, a number of which would be closed during Quarter 2.

Resolution: In relation to a question raised by the Committee Chair regarding the detail behind the cash write off contained on page 7 of the report, S May advised that she would share the detail regarding this outside the meeting.

Action: The report was **NOTED**.

Detail to be shared with the Committee Chair outside the meeting regarding the cash write off contained on page 7 of the report.

4.3 Procurements and Scheme of Delegation Report

S May presented Members with the report.

In response to a query raised by the Committee Chair in relation to the increase in financial approval limits of the Deputy Chief Operating Officer to £100k, S May confirmed that the limit for the Chief Operating Officer was £250k. S May also confirmed that when an Executive Director was on annual leave, their financial limit was delegated to their Deputy for a designated time period.

Resolution: The report was **NOTED**.

5.0.0 IMPROVING CARE

5.1 Audit Recommendations Tracker

G Galletly presented the report. G Galletly confirmed that as per agreement at the last Audit Committee meeting, a workshop would be held in the next few weeks to discuss long standing recommendations with Executive Leads and sought guidance as to how Members would like the session to be run.

I Wells advised that he would find it helpful to understand why some of the recommendations were so out of date, particularly within specific areas, for example, there were a significant number of recommendations which fell under the remit of the Chief Operating Officer. In relation to the majority of recommendations which fell under the remit of the Director of Finance, it was noted that the vast majority of these related to the Sunnyside project which wasn't at the stage of completion as yet.

S Utleigh advised that as part of the new Audit Wales Programme of work, the following up of recommendations would be a key area of focus. M Jones added that a sense check of the external audit recommendations tracker would need to be undertaken as there may be some recommendations that would need to be added back onto the tracker as identified in the Audit of Accounts Addendum report at agenda item 5.3.2.

J Sadgrove suggested that focus needed to be placed on high priority recommendations, particularly where implementation target dates had exceeded 24 months and added that the last time this exercise was undertaken Committee members had found that the understanding of the original recommendation had drifted and that the teams were pursuing a different recommendation outcome.

In response to a query raised by P Dalton as to the intended outcome of the workshop, G Galletly confirmed that it was to provide the Committee with assurance that everything was being done to close these long standing recommendations and raise awareness amongst HB officers of the level of scrutiny afforded to progress made by the Audit Committee.

Members agreed that the workshop session would help to refocus the minds of Executive Leads, particularly given the turnover of Executives Leads over the past couple of years.

The Committee Chair made reference to concerns she had in relation to fire safety risks and highlighted that fire officer posts had been put forward for savings in areas where there were still risks and the risk scores were increasing. The Committee Chair questioned the appropriateness for doing this. H Daniel advised that a review of posts had been undertaken which had taken into account some of the risks and added that sufficient resource was in place in terms of fire officer resource. H Daniel added that it was not the role of the Fire Officers to manage fire risks as these risks needed to be managed by each individual Care Group/former Integrated Locality Groups. Members noted that a report was being developed for the Health, Safety & Fire Sub Committee in relation to a summary of all fire risks.

The Committee Chair advised that the audit trackers had continued to improve over the last 12 months and acknowledged the significant amount of work that had been undertaken to improve them.

Resolution: The report was **NOTED**.

5.2 Organisational Risk Register

G Galletly presented Members with the report and advised that risks would need to be reviewed and re-aligned in light of the new operating model, with steps being taken to allocate risks to the appropriate areas.

I Wells made reference and sought further clarity in relation to Risks 3267, 3638 and 3337 and advised that the original target date for completion had passed in these areas. C Hamblyn advised that work would continue to be undertaken to chase leads for updated positions and agreed to provide a response to I Wells on the queries raised outside the meeting.

C Donoghue highlighted that where a risk had been on the register for some time the risk scores did not seem to reduce which needed to be looked into

further. C Hamblyn advised that this was an area that was being highlighted in the risk register training sessions being provided by the Team.

In response to a question raised by the Committee Chair as to whether the level of scrutiny undertaken by the Audit & Risk Committee needed to change given that the full risk register was no longer being received at the Board, G Galletly advised that the full risk register was still being shared with Board members for information and confirmed that the Risk Register will continue to be scrutinised by each relevant Committee in which you would expect the Executive Lead to be in attendance to respond to any questions. G Galletly added that the Audit & Risk Committee needed to be assured that the escalation process was working and added that she would be happy to discuss the process further with Committee members outside the meeting if required.

The report was **NOTED**.

Resolution:

Action: Response to be provided to I Wells outside the meeting in relation to the queries raised regarding Risks 3267, 3638 and 3337.

5.3 AUDIT WALES

5.3.1 Audit Wales Audit & Risk Committee Update

S Utey presented the report. Members noted that the Charitable Funds Audit would be undertaken in November 2022 and that work was being undertaken on the Structured Assessment and the further Joint Review on Quality Governance with Healthcare Inspectorate Wales.

Resolution: The report was **NOTED**

5.3.2 Audit Wales Audit of Accounts Addendum

M Jones presented the report. Members noted that Management had accepted 13 recommendations and had not accepted one recommendation.

Resolution: The report was **NOTED**.

5.4 INTERNAL AUDIT

5.4.1 Internal Audit Review Progress Report

P Dalton presented the report.

The Committee Chair welcomed the Business Intelligence information that had been included in the report which she had found to be helpful and added that she was surprised at the relatively small number of operational management reports that had been issued compared to the number of reports that had been issued for Capital and Estates. P Dalton advised that a risk based approach had been taken and the Team had focussed on the main issues for that particular

year, with lots of activity being undertaken in relation to Prince Charles Hospital. P Dalton advised that he would be happy to consider and feedback the suggestion made by S May for the Prince Charles Hospital audit activity to be separated out from the core plan.

The report was **NOTED**.

Resolution:

Consideration to be given to the suggestion made to separate out the Prince Charles Hospital audit activity from the core plan.

Action:

5.4.2 Internal Audit Review – Risk Management

P Dalton presented the report which had been allocated a reasonable assurance rating.

I Wells sought clarification in relation to matters arising 3 and asked for an explanation to be given in relation to the agreed management action which he struggled to understand. C Hamblyn advised that the record of training attendance at risk management sessions is generated via Teams which doesn't capture the level of detail as to where staff were based and what Integrated Locality Group they were located in. Members noted that discussions had been held with the Learning & Development Team as to how this could become a recognised course on ESR to enable some of this information to be captured more easily.

G Galletly welcomed that good assurance had been sustained in relation to risk management and added that work would need to be undertaken to map the recommendations from the Integrated Locality Groups into the Care Groups.

Resolution: The report was **NOTED**.

5.4.3 Internal Audit Review – Clinical Service Group and Integrated Locality Group Assurance

P Dalton presented the report which had been allocated a reasonable assurance rating.

In response to a query raised by the Committee Chair as to whether the timeliness of submission of management responses was improving, P Dalton advised that the majority of responses were being submitted on time and added that if any issues did arise then he would liaise with the Director of Governance to assist and if necessary, would then be raised with the Committee Chair.

Resolution:

The report was **NOTED**.

5.4.4 Internal Audit Follow Up Review – Princess of Wales Hospital Fire Safety Works

D Butler presented the report.

In response to a query raised by the Committee Chair, H Daniel advised that whilst this was not a standing item on the agenda for the Health, Safety & Fire Sub Committee, regular updates were being provided on this matter.

In response to a query raised by the Committee Chair in relation to the current status of discussions with Welsh Government in relation to funding of the scheme, S May advised that this was a large and potentially complex project against a backdrop of significant capital constraints across NHS Wales. Members noted that as a result of the increasing costs Welsh Government had asked the Health Board to look at alternative options in relation the provision of Theatres on the Princess of Wales site. Members noted that a Project Group had now been established and were reviewing options. H Daniel confirmed that regular discussions were being held with the South Wales Fire & Rescue Service regarding the current position and added that it would be likely that the Health Board would be asking for a further extension to the Fire Enforcement Notice. It was noted that a detailed report on this issue was due to be discussed at the Health, Safety and Fire Sub-Committee.

Resolution: The report was **NOTED**.

5.4.5 Internal Audit Follow Up Review – Medical & Dental Rostering Updated Management Response

P Dalton presented the report which had been allocated a reasonable assurance rating. Members noted that this report was initially received at the June meeting where Members requested a further review to be undertaken of the management response.

J Sadgrove advised that she still had some concerns in relation to the management response that had been provided, particularly in relation to recommendation one and the direction of travel that was being taken.

G Galletly advised that if Members remained dissatisfied by the response then a request can be made for a further review to be undertaken by the Medical Director. G Galletly added that a further discussion could then either be held at the People & Culture Committee or at the next Audit & Risk Committee. H Daniel advised that this was a significant programme of work and added that he felt it would benefit from a broader discussion and agreed to discuss this further with the Medical Director outside the meeting. The Committee Chair requested that a verbal update was provided at the next Audit & Risk Committee on the outcome of the discussions held.

Resolution: The report was **NOTED**.

Action: Discussion to be held with the Medical Director outside the meeting in relation to the concerns raised by Members regarding the management response provided.

5.4.6 Internal Audit Review – CAMHS Workforce

P Dalton presented the report which had been allocated a Substantial assurance rating.

The report was **NOTED**.

Resolution:

5.4.7

Internal Audit Follow Up Review – Single Cancer Pathway Data Quality & Integrity

P Dalton presented the report. The Committee Chair welcomed the progress that had been made in this area.

The report was **NOTED**.

Resolution:

6.0.0

ANY OTHER BUSINESS

There was no other business to report. The Committee Chair advised that she would welcome feedback from Members outside the meeting as to how they felt the meeting went.

7.0.0

DATE AND TIME OF NEXT MEETING

The next meeting would take place at 3.00pm on Monday 24 October 2022.

8.0.0

CLOSE