

**Minutes of the Meeting of Cwm Taf Morgannwg University (CTMUHB)
Audit & Risk Committee held on the 24 October 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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| Darren Griffiths | Audit Wales |
| Paul Dalton | NWSSP – Internal Audit & Assurance |
| Emma Samways | NWSSP – Internal Audit & Assurance |
| Martyn Lewis | NWSSP – Internal Audit & Assurance (In Part) |
| Eifion Jones | NWSSP – Internal Audit & Assurance (In Part) |
| Sally May | Executive Director of Finance |
| Georgina Galletly | Director of Corporate Governance |
| Owen James | Head of Corporate Finance |
| Matthew Evans | Head of Local Counter Fraud |
| Amanda Legge | All Wales Post Payment Verification Manager |
| Sarah Jeremiah | Post Payment Verification Team |
| Cally Hamblyn | Assistant Director of Governance & Risk |

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:

- Sara Utley, Audit Wales
- Hywel Daniel, Executive Director for People
- Emma Walters, Meeting Secretariat

G Galletly noted that H Daniel is invited upon request and therefore his apologies do not require formally noting at each meeting.

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 22 August 2022

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

2.1.2 Audit & Risk Committee Terms of Reference

Resolution: The Terms of Reference were **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**.

3.0.0 MAIN AGENDA

GOVERNANCE

3.1 Audit & Risk Committee Action Log

G Galletly presented Members with the action log drawing attention to item 5.4.5 (22.8.2022) and advising that H Daniel will provide a written update outside of the meeting.

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

Action: H Daniel to provide an update on the concerns raised on the Management Response for the Internal Audit Review Medical & Dental Rostering outside the meeting.

3.2 Matters Arising not contained within the Action Log

There were no further items identified.

4.0.0 SUSTAINING OUR FUTURE

4.1 Local Counter Fraud Report

M Evans presented the report drawing particular attention to the following areas:

- The review undertaken by the NHS Counter Fraud Authority Quality Assurance Inspector.
- The plans for the Health Board in terms of its participation in International Fraud Awareness week in November 2022.
- Counter Fraud Investigations Update.

In considering the Overpayment of Salary Cases presented in item 4.1b, I Wells queried whether there is a trigger point for when overpayments of salary reach the threshold for fraud investigations to commence and what remedies are implemented. In response, M Evans advised that any overpayments of three months or more are referred into the Counter Fraud Team for initial enquiries. He stressed that the majority of cases are referred back into the Finance Recovery arrangements, however, those that indicate that there is potential dishonest knowledge may lead to an offence under the Theft Act and will proceed on that basis if there is also an appropriation of the property i.e. the money is spent.

J Sadgrove queried why the case on page 8 of the Counter Fraud Investigations Report (INV/22/00664) has not been regarded as dishonest knowledge. M Evans advised that there was no intent to deprive others of these funds as they had not been spent and therefore the case was referred to the Financial Investigators to initiate simple recovery.

P Roseblade commented that the All Wales Audit Chairs are taking a particular interest in Counter Fraud activity. M Evans welcomed this increased visibility in ensuring that activity is prominent at Board level.

P Roseblade reflected that the utilisation of bank and agency workforce into the service appears to present a risk in terms of opportunities for error and based on the report at 4.1c areas of dishonesty. In response, M Evans advised that there are local proactive exercises underway to reduce the risk as well as learning from other Health Boards who are undertaking activity in this area. P Dalton commented that this is captured on the IA Work Programme Cycle and is likely to form the basis of a future Internal Audit review.

S May noted that there is a value and effectiveness programme underway to strengthen the control around nurse agency activity.

Resolution: The report was **NOTED**.

4.2 Procurements and Scheme of Delegation Report

S May presented Members with the Procurement and Scheme of Delegation Report as well as drawing the Committees attention to the Health Boards performance as outlined in the comparative findings report "Preventing Procurement Fraud in the NHS" (Agenda item 4.2b), commenting on the activity being taken forward by the Health Board.

P Roseblade sought an update on the action from the previous Scheme of Delegation Report as captured in the action log at 3.1. In response, S May agreed to address this outside of the meeting and provide an update to the Committee.

J Sadgrove commented that the lack of resource in the Bank Office will not only be impacting invoices but also the efficient running of the bank service. In response, G Galletly advised that Dilys Jouvenat as Chair of the People & Culture Committee is meeting with the Executive Director for People and the Executive Director of Nursing to discuss the entire arrangements for managing the bank service. S May further noted that the capacity issues have been addressed and therefore improvements should be noted in that regard as the vacancy factors are reduced.

Resolution: The report was **APPROVED**.

Action: S May to follow up on any outstanding actions on the action log regarding the Scheme of Delegation report received in August 2022 where a verbal update was required in the meeting.

4.3 Post Payment Verification (PPV) End of Year Update

A Legge joined the meeting and provided a detailed update in relation to the Post Payment Verification activity and the position on PPV visits.

P Roseblade sought clarity on the process PPV visits and A Legge advised as to the process for visits and triggers for revisits.

Following the update, I Wells queried the action taken by the PPV Team where there is a high rate of errors triggered. In response, A Legge advised that the PPV function is proactive in its support, guidance and training to aid with improvement and support learning.

Resolution: The report was **NOTED**.

5.0.0 IMPROVING CARE

5.1 Organisational Risk Register

G Galletly introduced C Hamblyn to present the report in light of the work ongoing to transition the risks on the Organisational Risk Register to the new Operating Model.

C Hamblyn presented the Organisational Risk Register noting that over the next few weeks she is meeting with each of the Care Group Directors and Nurse Directors to review all risks on the Organisational Risk Register to ensure they are appropriately aligned to the new Care Group structure with the appropriate ownership. The Committee were asked to afford some flexibility in terms of timely reviews whilst this process is undertaken. It was noted that phase one of this review will focus on the high risks escalated to the Organisational Risk Register and the phases that follow will review the service level risks.

I Wells requested an update on the following risks, which C Hamblyn responded to in the meeting whilst agreeing to share the feedback with the respective risk owners outside the meeting.

- Risk ID 4888 - C Hamblyn agreed to ensure the rationale for de-escalation has been captured in the Datix System as not explicit within the Organisational Risk Register.
- Risk ID 4632 - C Hamblyn explained that the individual stroke risks reflected in the Organisational Risk Register have been appropriately amalgamated into an overarching Health Board wide Stroke Risk. This risk is held by the Executive Director of Therapies and Health Sciences as the Strategic Risk Owner and updated via the Stroke Improvement Programme.
- Risk ID 4743, C Hamblyn agreed to ensure this risk is appropriately allocated through the transition to the new Care Group Model and a progress update captured.
- Risk ID 4887 – in response to I Wells query as to whether non hospital sites have been considered for the transfer of paper medical records, C Hamblyn advised she will link in with the risk owner to ensure this is captured in the update for the risk due on the 1st November.
- Risk ID 4664 – recognising I Well’s comment on the impact of the recent cyber-attack on this risk, C Hamblyn advised that she will ask the risk owner to ensure the learning from the incident is reflected in a review of the risk controls and mitigation.
- Risk ID 4479 – C Hamblyn to ask the Infection Prevention and Control Team to reflect whether the level of confidence in the continuation of JAG accreditation has been taken into account in terms of the risk scoring.

The Committee recognised the need to ensure lessons in respect of the Northern Ireland Cyber Incident are shared. The recent internal Cyber Awareness Event was noted as being well received in terms of awareness and learning. Members commented that Cyber Awareness is a key feature on the work programme of the All Wales Audit Chairs and All Wales Vice Chairs networks.

Resolution The report was **REVIEWED**.

Action: Updates on risks 4888,4632,4887,4664, 4743 and 4479 to be taken forward outside of the meeting and captured as appropriate in the next iteration of the Organisational Risk Register received by the Committee.

5.2 Audit Recommendations Tracker

G Galletly presented the report confirming that the workshop to consider the long standing recommendations with Executive Leads was held in October 2022, which has led to progress being made with movement on recommendations clearly reflected in this latest tracker.

J Sadgrove welcomed the significant progress and focus on the tracker since the last meeting.

P Roseblade queried whether explicit agreement has also been sought from External Audit in relation to the closure of the Clinical Coding Follow Up Review 03. In response, G Galletly agreed to liaise with Sara Utley outside of the meeting to seek support on the closure of the long standing recommendations relating to this external audit review.

Resolution: The report was **NOTED**.

Action: G Galletly to liaise with S Utley at Audit Wales on the closure of the recommendations captured in the Clinical Coding Follow Up Review 03 audit.

5.3 INTERNAL AUDIT

5.3.1 Internal Audit Review Progress Report

P Dalton presented the report recognising the timely responses being received from Health Board Officers in relation to the sign off of management responses.

P Dalton also drew attention to the Internal Audit programme at Appendix A noting that there is significant activity planned for quarter four which will require the Health Board Officers and Internal Audit Colleagues to work closely to ensure the timetable for the fourth quarter is achieved.

Resolution: The report was **NOTED**.

5.3.2. Internal Audit Review – Digital Operating Model

M Lewis presented the report which had been allocated a limited assurance rating. M Lewis reflected the positive reflections in the report and recognised the significant restructure activity underway within the Digital and Data Function.

C Donoghue commented that the Digital and Data update provided by the Director of Digital at the Board Briefing Session on the 20th October was timely

in terms of providing Board Members with the assurance on the activity that is underway in this area. C Donoghue also suggested that the Digital and Data Function consider escalating the ICT Kit Risk to the Organisational Risk Register in recognition of the scale of the problem and resource required. In recognising, the reference to digital literacy and the assumption of a minimum level of digital literacy captured during recruitment, C Donoghue noted that this is a careful balance to not limit recruitment options.

In response to I Wells comment in relation to the resource support for Office 365. S May advised that as part of the business case for Office 365 a Team had been created within Digital Health Care Wales who provide support to Health Boards. She also reflected on the concerns in relation to the financial position relating to the procurement of ICT kit which she recognised as a year on year challenge with an aging estate and limited capital.

P Roseblade suggested that recommendation 6.1 is reframed as the allocation of funding is not within the gift of the Director of Digital. S May also commented that it was problematic where audit recommendations directed additional spend given the challenging financial position and the need for the Health Board to prioritise. In light of these comments, it was suggested that a referral to the Digital and Data Committee is made to consider the recommendations and management response prior to them being captured in the Audit Tracker.

- Resolution Actions
- The report was **NOTED**.
- Director of Digital to consider the escalation of a risk relating to ICT Kit to the Organisational Risk Register.
 - Committee referral to the Digital and Data Committee to provide the scrutiny on the management responses to ensure that they provide the assurance that the actions agreed will address the issues which have been identified.

5.3.3 Internal Audit Review – Medical Records Management

M Lewis presented the report which had been allocated a reasonable assurance rating.

I Wells expressed concerns in relation to matter arising seven regarding file quality and the misfiling of records in terms of information governance and patient care risks.

- Resolution:
- As with item 5.3.2 on the agenda the Committee requested this report be referred to the Digital and Data Committee to consider the recommendations and management response prior to them being captured in the Audit Tracker, particularly refining the areas where there is partial agreement on recommendations.

- Resolution Action
- The report was **NOTED**.
Committee referral to the Digital and Data Committee to provide the scrutiny on the management responses to ensure that they provide the assurance that the actions agreed will address the issues which have been identified.

5.3.4 Internal Audit Follow Up Review – Prince Charles Hospital Redevelopment: Phase 1b Final Account

E Jones presented the report which had been allocated a substantial assurance rating.

Resolution: The report was **NOTED**.

5.3.5 Internal Audit Follow Up Review – Prince Charles Hospital Validation of Management Actions

E Jones presented the report which had been allocated a substantial assurance rating.

Resolution: The report was **NOTED**.

5.4 AUDIT WALES

5.4.1 Audit Wales Audit & Risk Committee Update

D Griffiths presented the report and provided an apology to Members for the omission in previous reports on the review undertaken in the Minor Injuries Unit, noting that the review is now at clearance stage.

D Griffiths thanked Health Board Officers for the submission of the Self Assessment and Intel Request for the Joint HIW and Audit Wales Review and drew particular attention to the changes in the timetable in relation to the field work to allow for the new operating model to embed.

Attention was drawn to the national publications noting that relation to the Pan Sector EQIA recommendation that the Health Board is currently preparing a management response which will be presented to a future meeting of the Committee.

Resolution: The report was **NOTED**.

6.0.0 ANY OTHER BUSINESS

6.1.1 How Did We Do?

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.

6.1.2 Farewell to George Galletly

P Roseblade expressed thanks to G Galletly personally and on behalf of the Committee in recognition of her invaluable guidance and input into the Committee. She exclaimed that G Galletly should leave feeling proud of the

achievements she and her Team have made to date and wished her all the very best in her new role

7.0.0 DATE AND TIME OF NEXT MEETING

The next meeting would take place on Monday 12 December 2022.

8.0.0 CLOSE

Unconfirmed