



GIG
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WALES

Bwrdd Iechyd Prifysgol
Abertawe Bro Morgannwg
University Health Board



Meeting Date	20th September 2018		Agenda Item	2e
Report Title	Audit Registers and Action Plans			
Report Author	Crystal Jenkins, Finance Manager, Accounting & Governance			
Report Sponsor	Andrew Biston, Head of Accounting & Governance			
Presented by	Lynne Hamilton, Director of Finance			
Freedom of Information	Closed			
Purpose of the Report	<p>To provide summary extracts of the Audit Registers for the Health Board which have been developed to monitor:</p> <p>Delivery of the Audit Plans; Receipt of draft and final reports; and Health Board management responses to audit reports</p> <p>To monitor the status of agreed audit recommendations.</p>			
Key Issues	<p>The Audit Registers have been fully updated as at 28th August 2018, and these show when reports were expected by the Health Board, as set out in the original audit plans, the dates they were received and whether management responses were made on a timely basis.</p> <p>The deadline for updating progress on Action Plans was 24th August 2018.</p>			
Specific Action Required <i>(please ✓ one only)</i>	Information	Discussion	Assurance	Approval
	✓			
Recommendations	<p>Members are asked to:</p> <ul style="list-style-type: none"> Note <p>The current position of the Audit Registers and the status of the Action Plans.</p>			

1.0 INTRODUCTION

1.1. This report provides the Audit Committee with summary extracts of the Audit Registers for the Health Board which have been developed to monitor: -

- Delivery of the Audit Plans;
- Receipt of draft and final reports; and
- Health Board management responses to audit reports

1.2. In addition, the status of agreed audit recommendations is monitored and included within this report.

2.0 BACKGROUND

2.1 Prior to the July Audit Committee a detailed review was undertaken by the Head of Accounting & Financial Governance, Director of Corporate Governance and Head of Internal Audit of the outstanding audit recommendations listed on the audit registers. This review identified outstanding actions which have been superseded by subsequent audit reports or are no longer valid and these have been removed from the audit registers. A similar review was undertaken with Wales Audit Office on 10th September which has highlighted a very small number of audit recommendations which can potentially be removed and added to the risk register. An update will be provided to the November Audit Committee.

2.2 The reports remaining on the audit registers have been fully updated as at 28th August 2018, and these show when reports were expected by the Health Board, as set out in the original audit plans, the dates they were received and whether management responses were made on a timely basis.

2.3 The deadline for updating progress on Action Plans was 24th August 2018. Summary extracts for both internal and external audit are set out in the sections below:

External Audit Register (2017 Work) (Appendix A)

Delivery of the 2017 plan is summarised below:

- **Financial Accounts Work (2017/18):** Main accounts work completed. Charitable Funds Accounts Audit planned for October 2018
- **Performance Work:**
 - Structured Assessment (2017): completed
 - Primary Care – Thematic Review: fieldwork is complete and the report is being drafted. The report is anticipated to be received by the Audit Committee in November 2018.

- Cross Sector Thematic – Intermediate Care Fund: the fieldwork is completed with presentation of the local findings planned for 30th October 2018.

In addition to the above projects, local audit work includes:

- Board Development session on assurance, scrutiny and challenge provisionally planned for 25th October 2018.

External Audit Register (2018 Work) (Appendix B)

Delivery of the 2018 plan is summarised below:

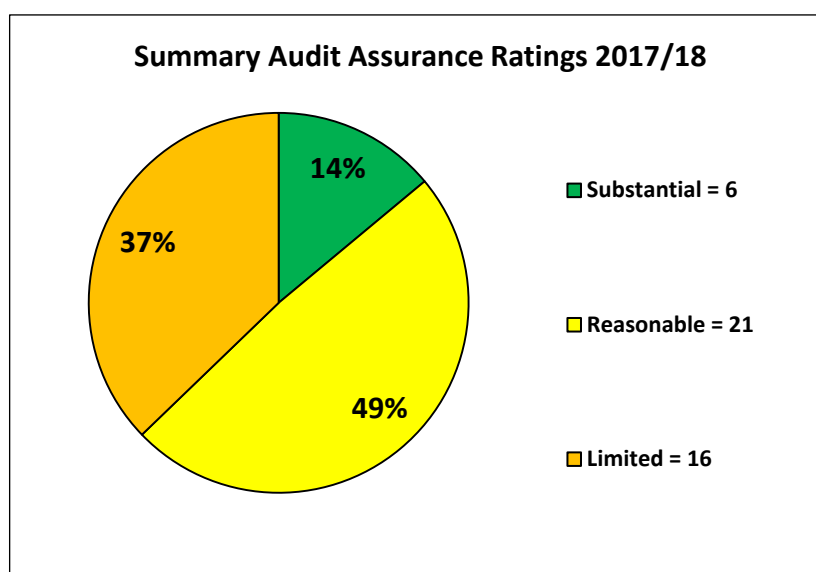
- **Financial Accounts Work (2018/19):** Main accounts work is planned for February to June 2019, and the Charitable Funds Audit for October 2019.
- **Performance Work:**
Fieldwork for two audits has commenced :
 - Structured Assessment (2018)
 - Clinical coding follow-up (all-Wales thematic review)

Two further audits included in the 2018 audit plan are not yet due to commence. These include:

- Orthopaedic Services: Follow up (all-Wales thematic review 2018)
- Local audit project: to be agreed with Executive and the Audit Committee, the potential topic is a follow up review of waiting times.

NWSSP Audit & Assurance Audit Register 2017/18 (Appendix C)

As at 27th August 2018, 45 final reports have been issued which included two reports without an assurance rating (Annual Quality Report and Medical Devices). The assurance ratings on the remaining 43 reports are summarised in the chart below:

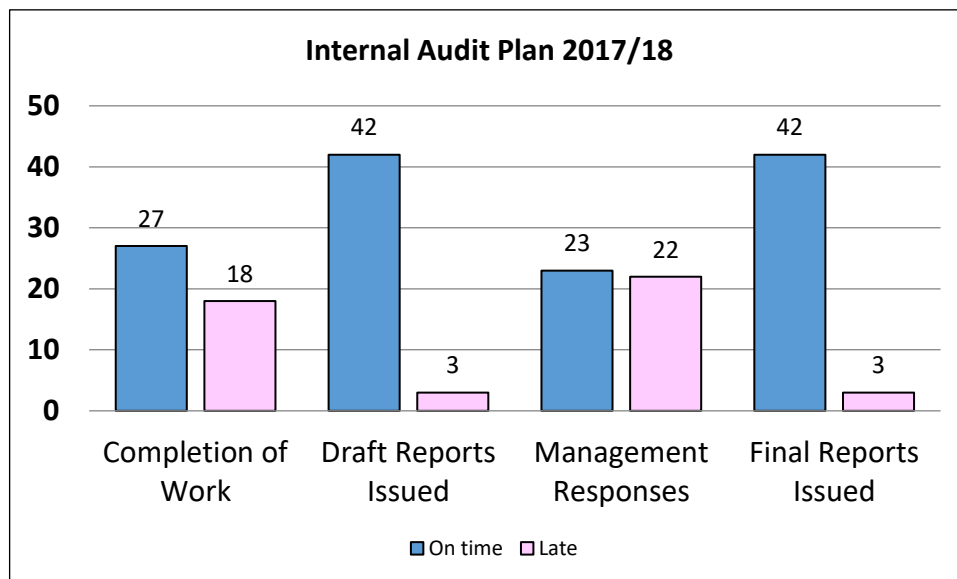


Key Performance Indicators

There are KPIs established for measuring the overall delivery of the audit plans which are set out below:

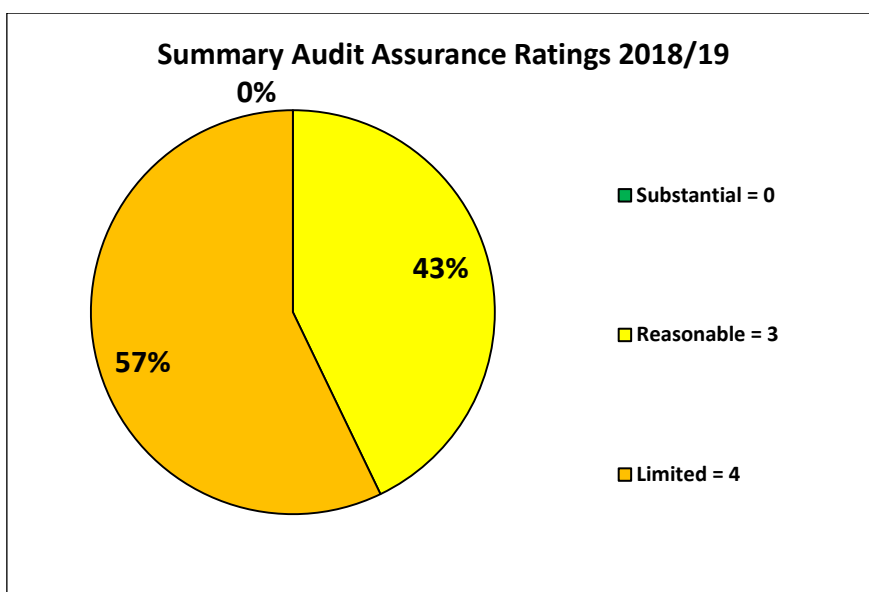
1. Completion of Work - Was the review work completed in the quarter planned?
2. Draft Reports Issued - Was the draft report received within 14 days of the review work being completed?
3. Management Responses - Were management responses received within 21 days of the draft report being issued?
4. Final Reports - Was the final report received within 14 days of management responses being received by NWSSP Internal Audit (including the completed Action Plan)?

The chart below summarises the position against the KPIs as at 27th August 2018:

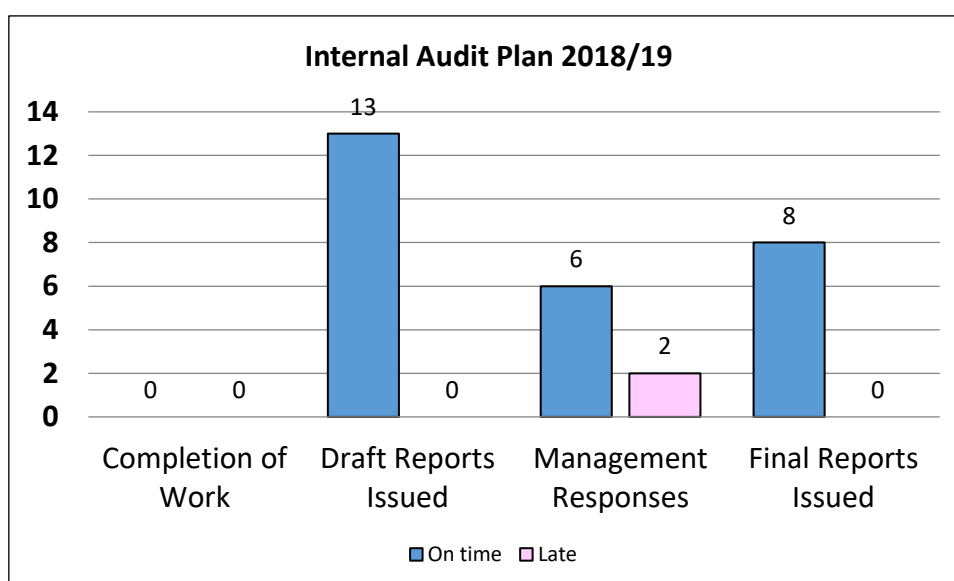


NWSSP Audit & Assurance Audit Register 2018/19

As at 27th August 2018, 8 final reports have been issued which included one without an assurance rating (Annual Quality Statement). The assurance ratings on the remaining 7 reports are summarised in the chart below:



The chart below summarises the position against the KPIs as at 28th August 2018:



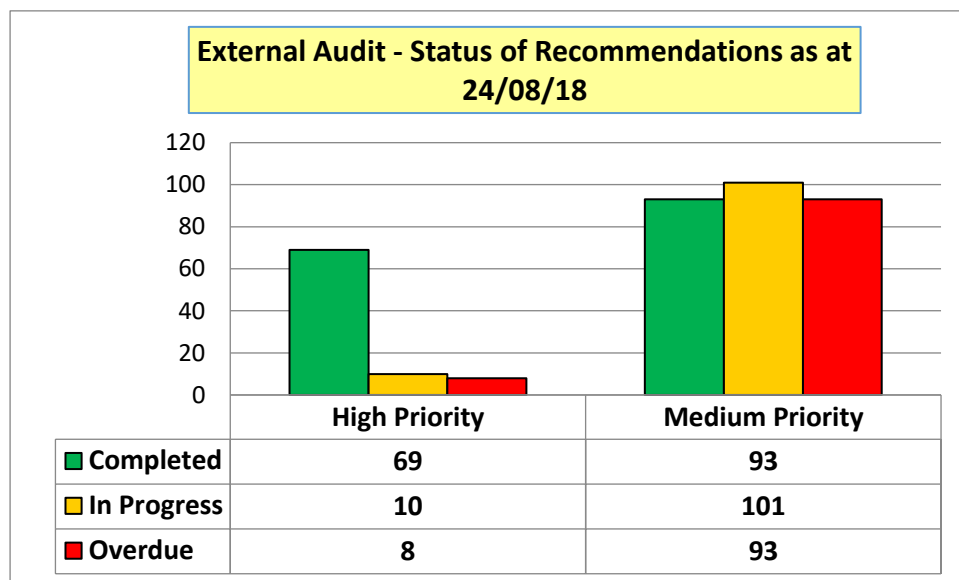
Action Plans

Action plans are all available on the Finance Portal for managers and executives to access and update throughout the year. Training has been provided to all executives and named managers within the action plans. The deadlines for the reporting periods to the Executive Team and then onto Audit Committee are clearly set out within the file set up.

It should also be noted that the charts and tables within this report only include audit reports relating to the 2017/18 and 2018/19 Audit Plans, unless there are

recommendations that have not yet been reported as completed from previous years, and so these continue to be monitored this year, and reported to the Committee.

The status of external audit recommendations is shown in the chart below:

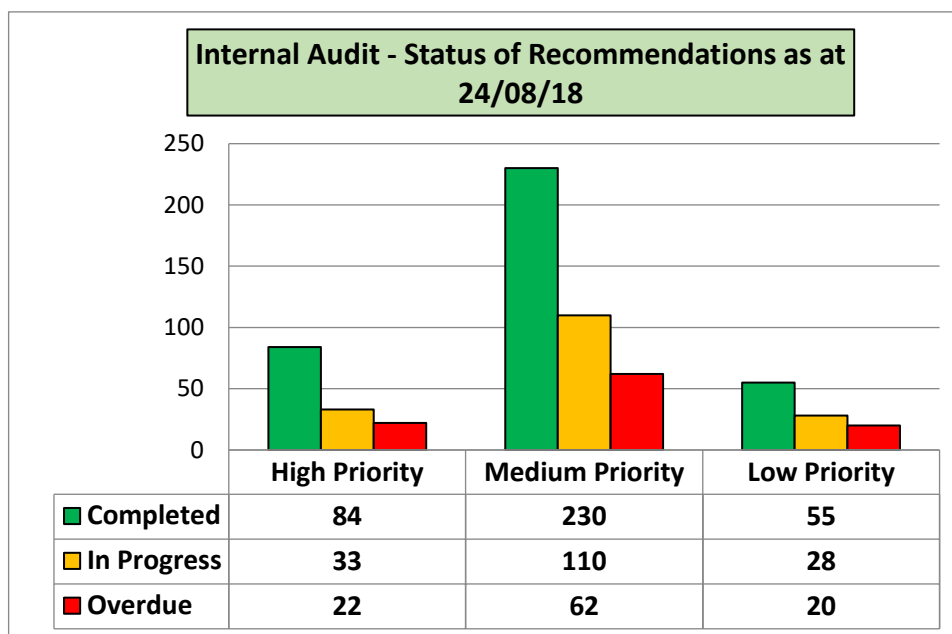


At this point, the overdue recommendations for external audit reports relate to:

Row Labels	Sum of High Priority Overdue	Sum of Medium Priority Overdue	Longest Overdue (Days)
Medical Director	0	74	
NHS Consultant Contract: Follow Up of Previous Audit Recommendations	0	74	541
Director of Therapies	0	3	
Radiology Service	0	3	297
Chief Operating Officer	2	15	
Review of Follow-up Outpatient Appointments	1	0	967
A Comparative Picture of Local Orthopaedic Services	1	0	146
Discharge Planning	0	15	232
Director of Corporate Governance	3	0	
Structured Assessment 2016	3	0	328
Director of Nursing	3	1	
Maternity Services Follow-up Review	0	1	420
Hospital Catering & Patient Nutrition Follow-up	3	0	511
Grand Total	8	93	

Taking into account noted revised target implementation dates, the table above would remain the same for both medium and high priority recommendations.

The status of internal audit recommendations is shown in the chart below:



At this point, the overdue recommendations for internal audit reports relate to:

Row Labels	Sum of High Priority Overdue	Sum of Medium Priority Overdue	Sum of Low Priority Overdue	Audit Rating	Longest Overdue (Days)
Director of Strategy	4	24	7		
Phase 1B Existing Medical School	0	1	0	Limited	24
Capital Systems	0	0	1	Reasonable	23
Cardiac Intensive Therapy Unit	0	3	1	Reasonable	24
Health & Safety - Primary Care Estates	0	2	0	Reasonable	24
Security Framework (Follow Up)	0	1	0	Limited	236
Neath Port Talbot Operational PFI	0	9	0	Reasonable	267
Backlog Maintenance	0	0	1	Limited	24
Regulatory Compliance: H&S	2	2	2	Limited	146
Safety Alerts (Follow Up)	1	1	0	Reasonable	116
Performance Management & Reporting	0	1	1	Reasonable	86
Regulatory Compliance: Fire Safety FU	1	2	1	Limited	93
Annual Plan: Integration	0	2	0	Reasonable	85
Capital Systems (Capital Equipment Replacement)	0	0	0	Reasonable	23
Medical Director	9	9	3		
Junior Doctor Bandings	1	4	1	Limited	846
Medical Appraisal to Support Revalidation Follow-up	3	0	0	Limited	693
Mortality Reviews follow up	0	0	2	Limited	146
Medical Devices & Equipment	1	0	0	Limited	212
Informatics Programme	1	0	0	Reasonable	146
Locum Medical Cover: Expenditure Control	3	2	0	Limited	176
Medical Devices & Equipment Follow Up	0	1	0	N/A	22
Health Records Management	0	2	0	Reasonable	24
Director of Therapies	1	7	4		
Older Persons: Dignity & Respect	1	2	3	Limited	663
Dignity & Respect (Follow Up)	0	5	1	Reasonable	510

▢ Chief Operating Officer	1	6	2		
Performance Management	0	1	0	Reasonable	327
MH&LD Governance	0	0	2	Reasonable	205
Community Dentistry	1	3	0	Reasonable	236
Data Quality: Mental Health Measures (Follow Up)	0	2	0	Reasonable	204
▢ Director of Finance	1	6	3		
FHOT: GOLAU Governance Review	1	1	0	Limited	146
Budgetary Control and Financial Reporting	0	1	0	Substantial	85
Finance Directorate	0	0	1	Reasonable	55
Non Pay Expenditure (Goods Receipting)	0	1	0	Limited	55
Funds Held on Trust - Part 1	0	3	2	No rating yet	24
▢ Director of Human Resources	2	5	0		
Statutory & Mandatory Training Progress	1	4	0	Limited	296
Staff Performance Mgt & Appraisals	0	1	0	Limited	235
Sickness Absence Management: Follow Up	1	0	0	Reasonable	205
▢ Director of Public Health	0	0	1		
Vaccination & Immunisation	0	0	1	Limited	14
▢ Director of Nursing	4	5	0		
Clinical Governance Framework	0	2	0	Reasonable	389
Funded Placements in Non-NHS Settings Follow Up Review	4	1	0	Limited	358
Risk Management & Assurance	0	2	0	Reasonable	236
Grand Total	22	62	20		

Taking into account noted revised target implementation dates, the table above would reduce to 21 high, 57 medium and 20 low priority as shown on the table below:

Row Labels	Sum of High Priority Overdue2	Sum of Medium Priority Overdue2	Sum of Low Priority Overdue2
▢ Director of Strategy	4	21	8
▢ Medical Director	9	8	3
▢ Director of Therapies	1	7	4
▢ Chief Operating Officer	1	6	2
▢ Director of Finance	0	4	2
▢ Director of Human Resources	2	5	0
▢ Director of Public Health	0	0	1
▢ Director of Nursing	4	6	0
Grand Total	21	57	20

3.0 GOVERNANCE AND RISK ISSUES

- 3.1 There are significant governance risks arising from delays in implementing management responses to both Internal and External Audit reports particularly in areas where reports highlight limited assurance. It is therefore important that management actions are implemented on a more timely basis than is currently the case as highlighted by the tables above.

4.0 FINANCIAL IMPLICATIONS

- 4.1 Whilst there are no direct financial implications which need to be highlighted in this report, there may be issues arising from individual audit reports which have financial implications, where cost may need to be incurred in order to implement audit recommendations or where areas of limited assurance may have financial implications for the health board.

5.0 RECOMMENDATIONS

- 5.1 The Audit Committee is asked to note the current position of the Audit Registers and the status of the Action Plans.