



GIG
CYMRU
NHS
WALES

Bwrdd Iechyd Prifysgol
Bae Abertawe
Swansea Bay University
Health Board



		Agenda Item	2.8 (i)
Freedom of Information Status		Open	
Reporting Committee	Audit Committee		
Author	Claire Mulcahy, Corporate Governance Officer		
Chaired by	Martin Sollis, Independent Member		
Lead Executive Director (s)	Pam Wenger, Director of Corporate Governance		
Date of last meeting	12 March 2020		

Summary of key matters considered by the committee and any related decisions made.

- **Health Board Risk Register**

Members were informed that out of a total 35 risks of which 17 were rated as 20 or 25. There was a total of 6 new risks; *CTG interpretation, SACT treatment; Radical Radiotherapy Treatment, Pandemic Framework; CAMHS and National Data Outages*. Following a suggestion from the Performance and Finance Committee that the *Unscheduled Care* risk should be split across several committees, members felt that while there needed to be coverage of the issue by a number of committees, it was agreed that the risk should only be owned by one committee and that a split of ownership across committees was not good governance.

- **Audit Registers and Status of Outstanding Recommendations**

Members were informed that the number of outstanding recommendations had increased during the period; there were 160 outstanding internal audit recommendations and 90 for external audit. It was agreed that further work was again required in terms of the audit register processes which included a process of 'cleansing' any non-extant historic recommendations. This further work was needed to ensure that the committee could ensure that agreed completion deadlines were being met.

- **Capital Systems: Financial Safeguarding Audit – Estates**

Members were updated on the actions taken with regards to the audit within the Estates department which highlighted issues with non-compliance of Standing Orders (SO's) and Standing Financial Instructions (SFI's). Members felt assured that the suitable controls were in place and that staff were generally compliant.

- **General Dental Services – Multiple FP17 Reports**

Members were provided with a report on a number of historical GDS multiple FP17 Reports which indicated that certain dental services may have been overpaid and that no follow up action had been taken. Recent legal advice had been sought on whether any follow up action was now likely to be successful and the Board had been advised not to pursue the multiple cases. Members of the Committee sought assurance that lessons had been learned and that this would not occur again. Hilary Dover confirmed that a number of effective governance arrangements had been put in place for the monitoring of FP17 since 20015 which would prevent this from happening again. The committee agreed with the recommendations not to pursue the potential debts in this case and requested officers to ensure this was recorded

properly within the losses and special payments register.

Key risks and issues/matters of concern of which the board needs to be made aware:

- **Water Safety Management Report**

A report providing an update on water safety management was received. A key area of concern for the committee was the awareness of Board and Accounting Officer as the responsible officer as to the scale of the risk. There needed to be an openness and transparency on the level of risk and a key priority here was ensuring there was no potential for no harm to patients. Members were informed with regards to Legionella, that testing had been prioritised and initiated in high risk areas but there was an issue with staff resources and the ability to carry out testing over and above the 6000 water tests that are carried out each month. It was also noted that an improved system of assurance had been set up in the form of the Health and Safety Assurance Group and this would report to the Health and Safety Committee on all key issues including water testing. The committee felt assured that actions were in place to address the risk but sought further assurance from the deep dive that was due to take place through the Health and Safety Committee.

- **Digital Risks**

A report providing an update on the health board's digital risks was received and particular focus was given to the *Cyber Security* risk and the risk of *National Data Centre Outages* as they were the highest. Concerning *Cyber Security*, members sought assurance on what mitigations were in place at a national level, they did not feel there was a level of confidence in this area. Further work was requested in order for the Audit Committee to advise the Board appropriately. Regarding the *National Data Centre* risk members felt that assurance was required from those bodies through the service line agreements and this would be requested once the new NWIS infrastructure was put in place. The digital programme was also discussed and members were assured that any risks associated with the delivery of key systems were being covered by the programme board and that they would be escalated should the need arise.

- **Perinatal Mental Health Unit**

A report outlining the position in relation to establishing the Perinatal Mother and Baby Unit at Tonna Hospital was received. The health board was instructed by the Health Minister to proceed with the interim arrangement at Tonna within a 12-month timescale. A funding allocation of £1.496m would be provided to proceed. Members were advised that this was awarded to the health board without the submission of a formal business case. Members sought further assurance in a number of areas including whether the Accountable Officer was fully satisfied that the delivery of the service was achievable; that the arrangement was included within the organisational plan; and that it fitted into any public consultation process surrounding the arrangements at Tonna. Member received assurance that the Unit would be fit for purpose and that it could be delivered within the requirements set out by the Minister.

- **Finance Update**

Members heard that there had been a deterioration in the financial position in period 11, with an in-month overspend of £1.119m resulting in a cumulative overspend of £13.49m. The year-end forecast deficit now stood at £16.3m and the finance department remained confident in the delivery of this. The number of invoices paid within 30 days in February was above 95% target, which had resulted in the cumulative compliance for the year increasing to 93.9%.

Delegated action by the committee:

The following action was delegated to the Health and Safety Committee

i. Deep Dive into Water Safety Management

Main sources of information received:

The following reports were received with no significant issues raised:

- Counter Fraud Policy and Responses
- Wales Audit Office reports into Public Service Boards and Integrated Care Funds
- Major Trauma Network Governance Framework
- Internal Audit Progress and Assignment Summary
- Internal Audit Plan 2020/21 including Charter
- Wales Audit Office – Audit Plan 2020
- Wales Audit Office Progress Report
- Audit Enquiries to those charged with Governance and Management
- Annual Accounts Update
- Losses and Special Payments
- Single Tender Actions and Quotations
- Governance Work Programme
- Standards of Business Conduct Policy
- Audit Committee Self-Assessment
- Audit Committee Terms of Reference (appendix 1)

Highlights from sub-groups reporting into this committee:

None identified.

Matters referred to other committees

None identified.

Date of next meeting

15 May 2020