

Internal Audit Progress Report

Audit Committee

January 2026

Swansea Bay University Health Board

NWSSP Audit and Assurance Services



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Contents

<i>1. Introduction</i>	<i>3</i>
<i>2. Progress against the 2025/26 Internal Audit Plan</i>	<i>3</i>
<i>3. Proposed changes to approved plan</i>	<i>3</i>
<i>4. Follow Up of Internal Audit Recommendations</i>	<i>3</i>
<i>5. Engagement</i>	<i>4</i>
<i>6. Key Performance Indicators</i>	<i>5</i>
<i>7. Recommendation</i>	<i>5</i>
<i>Appendix A: Progress against 2025/26 Internal Audit Plan</i>	<i>6</i>
<i>Appendix B: Follow Up of Internal Audit Recommendations</i>	<i>10</i>

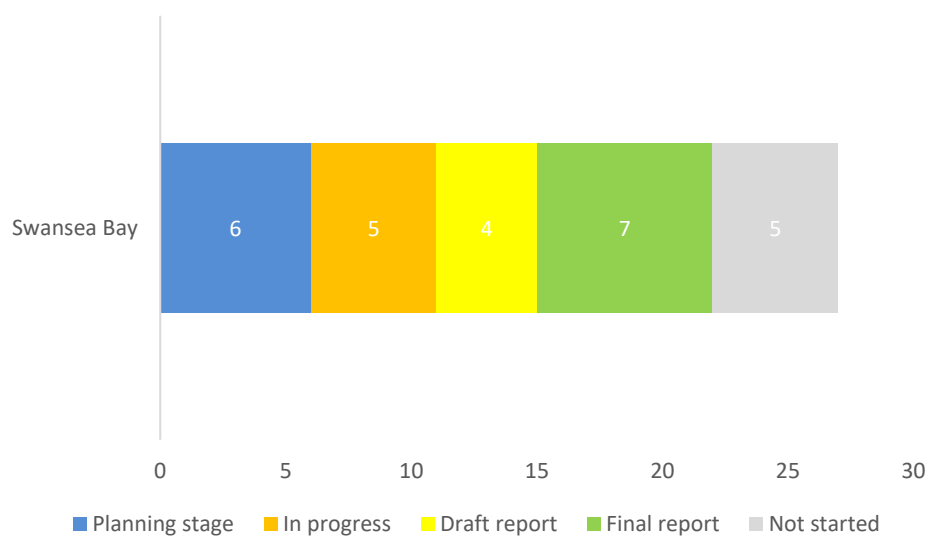
1. Introduction

The purpose of this report is to:

- highlight progress of the 2025/26 Internal Audit Plan to the Audit Committee; and
- provide an overview of other activity undertaken since the previous meeting.

2. Progress against the 2025/26 Internal Audit Plan

There are 27 reviews in the 2025/26 Internal Audit Plan, and overall progress is shown below.



Detailed progress in respect of each of the reviews in the 2025/26 Internal Audit Plan is summarised in Appendix A.

3. Proposed changes to approved plan

Urgent and Emergency Care – Following discussion with management, the focus of this audit has been revised to avoid duplication with Audit Wales’ recent work on unscheduled care. The review will now concentrate on governance interfaces and decision-making boundaries, with particular emphasis on interactions with the Regional Partnership Board (RPB).

4. Follow Up of Internal Audit Recommendations

As previously communicated and agreed with the health board, we have introduced a revised approach to follow up for the 2025/26 Internal Audit plan year. A minimum of 50% of high priority findings and 10% of medium priority findings from internal audit reports issued during 2024/25 will be subject to review throughout the year. Selection will be based on those recorded as closed within the health board’s recommendation tracker.

Subject to recorded closure, the sample will also include recommendations from two limited assurance reports: Safety Notice & Alerts (2020/21) and Continuing HealthCare (2022/23). These were previously noted as 'in progress' at previous follow up reviews.

The conclusions from our first review, covering recommendations with an expected implementation date on or before 31 March 2025, were reported to the November 2025 Audit Committee. Our second review focused on recommendations due for implementation on or before 20 August 2025, which aligns with the update provided by the Head of Compliance to the September Audit Committee.

Of the 148 high and medium priority recommendations issued in 2024/25:

- 56 recommendations were expected to be closed by 31 March 2025, of which 44 (78.6%) were closed.
- A further 68, including the remaining 12 from 31 March 2025, were expected to be closed by 20 August 2025. Closure was recorded on the tracker for 25 (37%) of these (31/03/2025: 2; 20/08/2025: 23).
- Overall, 69 of the 112 recommendations expected to be closed by these two dates have been recorded as closed, representing a closure rate of 61.6%.

A sample of five recommendations (four high priority and one medium priority) from four reports was selected for validation (see Table 1) and a further four recommendations were carried over from our first review (see Table 2). Sufficient evidence was provided to confirm closure for five of the recommendations. At the date of reporting, we have been unable to conclude on three recommendations (from the Asset Management and Continuing Healthcare reports) as queries have been raised on the evidence provided; and the evidence requested in August 2025 for one recommendation (Continuing Healthcare, 7.1) has yet to be provided.

Across both reviews, we have therefore agreed with the closure of 14 out of the 18 recommendations sampled. Our next review will consider those recommendations with an expected implementation date of 12 December 2025, aligning with the update provided by the Head of Compliance to the January 2026 Audit Committee. A further 67 recommendations from 2024/25 audits are expected to be closed by this date (including the remaining 10 from 31 March 2025; and 33 from 20 August 2025), from which our next sample will be selected. Our conclusions will be reported to the March Audit Committee, including updates on the four recommendations that could not be assessed during the first two reviews.

5. Engagement

The following meetings have been held/attended during the reporting period:






- observation of Board and Committee meetings;
- audit scoping and debrief meetings;
- liaison with senior management; and

- liaison with external regulators.




We are currently meeting with all Executive Directors to identify potential areas for review in 2026/27. The long list of proposed reviews will be discussed with the Director of Corporate Governance and the Management Board before we produce a draft Audit Plan for Audit Committee approval at the March 2026 meeting.

6. Key Performance Indicators

- Correct on 31 December 2025

Indicator	Status	Actual	Target
Operational Audit Plan agreed for 2025/26		March	By 30 June
Audits reported over planned		11	11
Work in progress		5	
Report turnaround: time from fieldwork completion to draft reporting [10 days]		9 out of 11	80%
Report turnaround: time taken for management response to draft report [15 days]		3 out of 8	80%
Report turnaround: time from management response to issue of final report [10 days]		7 out of 7	80%

Key:

-  v>20%
-  10%<v<20%
-  v<10%

7. Recommendation

- The Audit Committee is invited to note the above; and
- Approve the proposed changes at section 3.

Appendix A: Progress against 2025/26 Internal Audit Plan

Review	Status	Rating	Key matters arising	Outline timing	Anticipated Audit Committee ¹
Risk Management and Assurance	Planning			Q4	March / May 2026
Service Group Governance Arrangements: Morriston	Not started			Q3/4	May / July 2026
Hywel Dda University Health Board and Swansea Bay University Health Board Regional Joint Committee (Advisory)	Not started			Q3/4	May / July 2026
Follow Up	In progress		See section 4. A sample of closed recommendations will be validated on a rolling basis, with updates provided at each Audit Committee meeting and a summary report prepared at year-end to capture the overall status.	Q1-4	May / July 2026
Budget Setting	In progress		<i>The timing of this audit may be subject to change, as it is aligned with related reviews currently being undertaken across NHS Wales.</i>	Q3	March / May 2026
Medical Variable Pay	Planning			Q4	May / July 2026
Escalation Status Action	Draft report	Limited		Q1	March 2026
Children and Young People Services	<i>The audit has been deferred to the 2026/27 Internal Audit Plan and replaced by a review of the Clinical Strategic Plan scheduled for Q4</i>				
Clinical Strategic Plan	Planning			Q4	May / July 2026
Annual Plan and Integrated Medium-Term Plan (IMTP) Delivery	Planning			Q3	May 2026
Patient Experience	Final report	Reasonable	The Health Board has strong systems for collecting and analysing patient feedback.	Q2	September 2025

¹ May be subject to change

Internal Audit Progress Report

Review	Status	Rating	Key matters arising	Outline timing	Anticipated Audit Committee ¹
			However, Service Groups lack clear roles, documented actions, and traceability in responding to feedback. Improvements are needed in strategy timelines, governance, and accountability to ensure consistent learning and service improvement across the organisation.		
Management of Serious Incidents	Draft report	Reasonable		Q3	March 2026
Controlled Drugs	Draft report	Reasonable		Q3	March 2026
National Safety Standards for Invasive Procedures (NatSSIPs) and Local Safety Standards for Invasive Surgical Procedures (LocSSIPs)	Not started			Q4	May / July 2026
Access to Primary Care: Community Pharmacy	Final report	Reasonable	Unsigned service agreements before payments, limited strategic reporting to the Board, and opportunities to improve complaints communication and feedback mechanisms.	Q2	November 2025
Theatres Utilisation	Final report	Reasonable	Progress has been made through new governance structures and standardised scheduling practices. However, challenges remain, including unratified frameworks, inconsistent reporting, limited clinical engagement, and resource constraints. Improvements are needed in data quality, performance monitoring, and formalising policies to sustain gains and enhance theatre efficiency.	Q2	November 2025
Urgent and Emergency Care Performance	Not started	<i>Please refer to Section 3 above regarding the proposed change in focus.</i>		Q3	May 2026

Internal Audit Progress Report

Review	Status	Rating	Key matters arising	Outline timing	Anticipated Audit Committee ¹
Vaccination and Immunisation	Final report	Reasonable	Misalignment between strategic plans, lack of SMART targets, and limited evaluation of intervention effectiveness in improving vaccine uptake and equity outcomes.	Q2	November 2025
Health Records Migration	In progress			Q3/4	March / May 2026
Digital Benefits Realisation	Final report	Substantial	Strong benefits frameworks in place; improvement needed in consistent application and SMART benefit definition.	Q2	November 2025
Digital Operating Model and Board Awareness	<i>This audit has been deferred due to overlap with Audit Wales' deep dive review into digital system investments</i>				
Management of the Delivery of National Systems	Planning			Q4	May / July 2026
Strategic Equity Plan (Deferred from 2024/25)	Final report	Limited	The Strategic Equity Plan was recently approved, but key action plans require better coordination, formal approval, and monitoring. Improvements are needed in governance, reporting, and impact assessments to meet equality obligations.	Q2	September 2025
Staff Retention	In progress			Q3	March / May 2026
Medical Study Leave	Final report	Reasonable	Key issues include inconsistent approvals, lack of system reconciliation, appeal inconsistencies, miscoded expenses, limited financial oversight, and absence of formal reporting on study leave activity.	Q2	November 2025
Capital & Estates					
Capital Systems (Deferred from 2024/25)	Not started			Q4	May / July 2026

Internal Audit Progress Report

Review	Status	Rating	Key matters arising	Outline timing	Anticipated Audit Committee ¹
Asbestos Management	Draft report	Reasonable		Q3	March 2026
Neath Port Talbot District General Hospital (DGH) Private Finance Initiative (PFI) Follow Up Review			<i>This audit has been deferred following a change in assurance rating in the 2024/25 audit from limited at draft report stage to reasonable assurance, reflecting progress made and a reduction in risk.</i>		
Morrison Hospital: Burns Intensive Care Unit (post completion review)	In progress			Q3	March / May 2026
Singleton Hospital PET (positron emission tomography) and CT (computerised tomography) Scanning	Planning			Q4	May / July 2026

¹ May be subject to change

Appendix B: Follow Up of Internal Audit Recommendations

Table 1: Sample of closed recommendations as at 30 August 2025.

Report Title	Recommendation reference & detail	Priority rating	Management action ref (as per tracker)	Internal Assessment	Audit
Limited Assurance Reports					
Asset Management (February 2025)	4 Physical Verification of Assets	High	4	Further clarification required.	
Continuing Healthcare (July 2023)	2.2 Roles and responsibilities	High	2.2	Further clarification required.	
	2.3 Roles and responsibilities	High	2.3	Further clarification required.	
Records Management (November 2024)	5.1 Record Retention	High	5.1	Appropriately classified as closed ¹	
Reasonable Assurance Reports					
Job Evaluation (May 2025)	2 Bilingual Job Descriptions	Medium	2.1; 2.2	Appropriately classified as closed	

¹ The recommendation concerned ensuring staff have access to guidance on record retention and destruction. Evidence supports closure of this recommendation, as the relevant guidance is available on the intranet. However, we noted the presence of conflicting documents, creating uncertainty about which version is current and authoritative.

Table 2: Sample of closed recommendations as at 31 March 2025 (Carried over from first review)

Report Title	Recommendation reference & detail	Priority rating	Management action ref (as per tracker)	Internal Assessment	Audit
Limited Assurance Reports					
Continuing Healthcare (July 2023)	2.1 Roles and responsibilities	High	2.1	Appropriately classified as closed	
	7.1 Reviews of continuing healthcare packages	High	7.1a; 7.1b	Unable to conclude - evidence to support closure not provided	
Reasonable Assurance Reports					
Primary Care Cluster Plans (September 2024)	1.1 Attendance at Primary Care Cluster meetings (alternative representatives)	Medium	1.1	Appropriately classified as closed	
	1.2 Attendance at Primary Care Cluster meetings (attendance list)	Medium	1.2	Appropriately classified as closed	