

# Internal Audit Progress Report

## Audit Committee

March 2023

Swansea Bay University Health Board

NWSSP Audit and Assurance Services



GIG  
CYMRU  
NHS  
WALES

Partneriaeth  
Cydwasaethau  
Gwasanaethau Archwilio a Sicrwydd  
Shared Services  
Partnership  
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Bwrdd Iechyd Prifysgol  
Bae Abertawe  
Swansea Bay University  
Health Board



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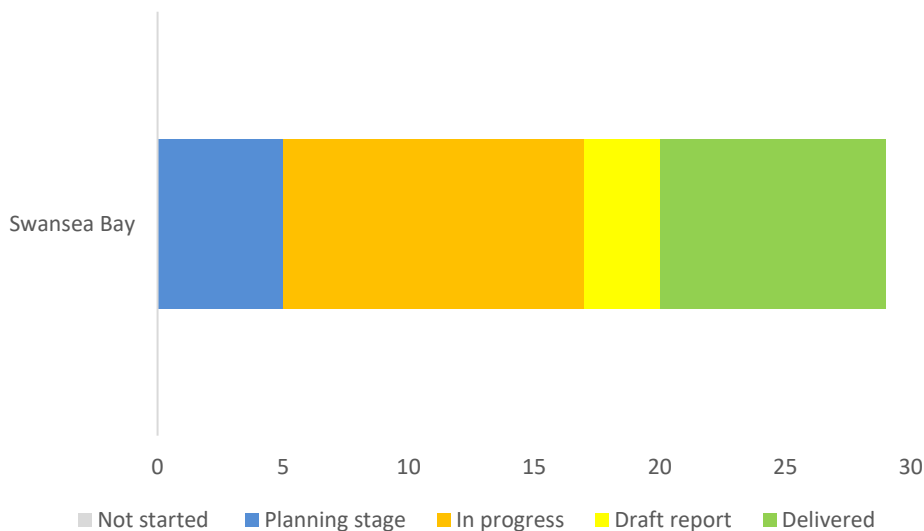
## 1. Introduction

The purpose of this report is to:

- highlight progress of the 2022/23 Internal Audit Plan to the Audit Committee; and
- provide an overview of other activity undertaken since the previous meeting.

## 2. Progress against the 2022/23 Internal Audit Plan

There are 29 reviews in the 2022/23 Internal Audit Plan, and overall progress is shown below.



Detailed progress in respect of each of the reviews in the 2022/23 Internal Audit Plan is summarised in Appendix A.

## 3. Proposed changes to approved plan

- Our review of 'Service Group Governance' is deferred towards the end of the 2023/24 Internal Audit plan. Revisions to the broader governance arrangements across the Service Groups are currently being determined, given the health board's focus has been on establishing its quality management system. Audit Wales are due to commence their review of the effectiveness of the arrangements for governance across the Service Groups.

## 4. Planning 2023/24

The draft plan has been discussed by the Management Board and Independent Members. The final version is included in papers for the Committee to consider for approval.

The plan will remain flexible throughout 2023/24 in response to new and emerging risks. We will re-visit the approved plan on a regular basis to allow discussion of priorities.

## 5. Follow up of Capital & Estates recommendations

Our most recent review of the Capital Assurance and Estates Assurance internal audit recommendations was undertaken following closure of the health board's tracker by the Head of Compliance on 10 February 2022. This date aligns with the Audit Committee reporting cycle. Full details of the updates provided by management are recorded within the tracker.

Tables 1A and 1B within Appendix B set out the status of the Capital Assurance recommendations. Of the four recommendations detailed, all three in relation to the Singleton Cladding report were expected to have been closed by the date of our review. Closure was achieved for all three of these. The remaining recommendation relates to the completion of a lessons learnt exercise from the Environmental Infrastructure report.

Tables 2A and 2B within Appendix B set out the status of the Estates Assurance recommendations. Of the total 18 recommendations detailed, we would have expected 17 (94%) to have been closed by the date of our review – seven of which should have been closed at the date of our previous review in December. However, closure was achieved only for six and the remaining 11 recommendations (of which five relate to the Waste Management report) are reported as overdue.

In accordance with the agreed implementation dates, and the proposed closure date of the tracker (21 April) before the May Audit Committee, there is an expectation that all remaining 12 Estates Assurance recommendations (including one from the Control of Contractors report which was not addressed at this review) will be closed by the next review. There is also an expectation that management will determine the target date for the remaining Environmental Infrastructure report recommendation, in line with the expected completion date of the project.






## 6. 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.

## 7. Key Performance Indicators

- Correct on 31 January 2023

Indicator	Status	Actual	Target
Operational Audit Plan agreed for 2022/23		March	By 30 June
Audits reported over planned		9	15
Work in progress		15	
Report turnaround: time from fieldwork completion to draft reporting [10 days]		7 out of 9	80%
Report turnaround: time taken for management response to draft report [15 days]		5 out of 9	80%
Report turnaround: time from management response to issue of final report [10 days]		9 out of 9	80%

Key:

- $v > 20\%$
- $10\% < v < 20\%$
- $v < 10\%$

## 8. Recommendation

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

## Appendix A: Progress against 2022/23 Internal Audit Plan

Review	Status	Rating	Key matters arising	Outline timing	Anticipated Audit Committee <sup>1</sup>
Risk Management and Assurance	Planning			Q3	May / July 2023
Service Group Governance Arrangements (Deferred from 2021/22)	Planning			Q3/4	May / July 2023
Quality and Safety Governance Framework	In progress			Q3/4	May 2023
Freedom of Information Requests	Final report	Reasonable	Disclosure log is not kept up to date; Training compliance is below the Welsh Government target; Quarterly performance reports lack sufficient granularity; Limited evidence of review and scrutiny of performance.	Q1/2	September 2022
Claims Management	Draft report	Reasonable	Updating policies and procedures; Management of appropriate audit trail to evidence authority has been sought for claims; Timeliness for dealing with claims; Identifying themes and trends. and enhanced monitoring of ongoing claim caseloads and compliance.	Q1/2	May 2023
Stakeholder Engagement and Communication	Final report	Reasonable	Incomplete records of stakeholder engagements, events and contacts in respect of service change proposals; Lapse in Stakeholder Reference Group annual activity reporting; Stakeholder Reference Group governance weaknesses.	Q1/2	September 2022
Infection Prevention and	Draft report			Q2	May 2023

<sup>1</sup> May be subject to change

Review	Status	Rating	Key matters arising	Outline timing	Anticipated Audit Committee <sup>1</sup>
Control					
Covid-19 Cost Management: Response Funding and Deployment	In progress			Q1	May 2023
Covid-19 Cost Management: Recovery Funding and Deployment	In progress			Q2	May 2023
Rostering	Draft report			Q2/3	May 2023
Continuing Health Care	In progress			Q2	May 2023
Recruitment and Retention of Staff	Deferred	N/A	N/A	N/A	N/A
Electronic Staff Record: Self Service	Final report	Advisory	Some arrangements at the health board differ to those typically in place across Wales, particularly in respect of annual leave and sickness absence, where, historically and until recently, manual and paper records were maintained for some staff. There is also opportunity to make more use of ESR to capture and monitor training requirements. The ongoing review and maintenance of the management hierarchy structure will also be key. The health board could also benefit from a more structured and coordinated approach to reporting.	Q1	November 2022
Access to Cancer Services	Planning			Q4	May / July 2023
Transition from Child and Adolescent to Adult Mental Health Services	In progress			Q3	May 2023
Health and Safety	Final report	Limited	Minimal reporting against agreed KPIs; Limited progress in addressing areas within the health and safety plan,		September 2022

Review	Status	Rating	Key matters arising	Outline timing	Anticipated Audit Committee <sup>1</sup>
			including audit programme and training; Health and safety policy content and availability; HSOG terms of reference overdue and clarity required on supporting groups; Estates reporting to Health and Safety Operational Group (HSOG) in need of refinement; Service Group health and safety group alignment and operation; Resourcing.	Q1	
End of Life Care	Planning			Q3	May / July 2023
Clinical Audit	Planning			Q4	May / July 2023
Controlled Drugs	Final report	Reasonable	The matters requiring management attention include: Instances of illegible or missing staff signatures in ward and theatre CD order stationery and registers; Instances where hospital pharmacy team CD balance checks are not recorded in CD registers; and Service Group CDMAP action plans not up to date and varying governance and oversight arrangements across Service Groups.	Q2	November 2022
Digital Strategy Implementation (Analytics) (Deferred from 2021/22)	In progress			Q4	May / July 2023
Cyber Security	Final report	Reasonable	One matter arising requiring management attention: the use of the risk management process to manage the improvement plan results in some loss of clarity over timing of progress and detail of risk.	Q3	January 2023

Review	Status	Rating	Key matters arising	Outline timing	Anticipated Audit Committee <sup>1</sup>
Records Management	In progress			Q4	May 2023
Information Governance	Final report	Limited	The matters requiring management attention include: inadequate resources within the IG Team and no full capacity and resilience assessment; no health board wide policy on handling subject access requests; IG risk reporting; and lack of full performance measures.	Q2	January 2023
Clinical Systems Implementation – Benefits Realisation	In progress			Q4	May / July 2023
Follow Up Action Tracker	In progress			Q4	May / July 2023
Capital & Estates					
Primary and Community Care Infrastructure Projects - Swansea Wellness Centre	In progress			Q4	May / July 2023
Decarbonisation	Final report	N/A - An action plan of common themes across NHS Wales.	Whilst some progress has been observed with implementation of Decarbonisation Action Plans, this has been restricted by the availability of financial and staff resources. The recommendations made, relating to governance, localised strategy, monitoring and reporting and project delivery, aim to aid management in driving forward the strategies, whilst also highlighting some of the competing pressures / risks.	Q2/3	November 2022
Follow up (Capital)	In progress. See section 4 and appendix B				
Follow up (Estates assurance)	In progress. See section 4 and appendix B				
Singleton Hospital - Cladding	Final report	Reasonable	Handover of key documents to the incoming Project Director;		September 2022

Review	Status	Rating	Key matters arising	Outline timing	Anticipated Audit Committee <sup>1</sup>
			Reporting to Board the costs associated with the legal action; Inclusion of the value of costed risks in cost reports when presenting the forecast outturn position; Undertaking a mid-point lessons learned review.	See IAP	
Development of Integrated Audit Plans	N/A	N/A	We will provide on-going guidance and advice to the health board.		N/A

<sup>1</sup> May be subject to change

## Appendix B: Status of Capital & Estates recommendations

**Table 1A: Reports included in the 2021/22 Capital Assurance Follow Up Report**

Internal audit report	Number and status of 'live' recommendations on the health board's tracker as at 10 February 2023			Internal audit assessment of recommendations as at 10 February 2023		
	In progress	Overdue	Closed	In progress	Overdue	Closed
<b>Reports included in the 2021/22 Capital Assurance Follow Up report:</b>						
Capital Systems (issued November 2020)	-	-	-	-	-	-
Environmental Infrastructure Phase 2 (issued August 2021) <i>including follow up of:</i>	-	-	-	-	-	-
<i>Environmental Infrastructure (issued June 2019)</i>	1	-	-	1 <sup>2</sup>	-	-

**Table 1B: Other Capital Assurance reports**

Internal audit report	Number and status of 'live' recommendations on the health board's tracker as at 10 February 2023			Internal audit assessment of recommendations as at 10 February 2023		
	In progress	Overdue	Closed	In progress	Overdue	Closed
Elective Orthopaedic Unit (issued October 2021)	-	-	-	-	-	-
Singleton Cladding (issued August 2022)	-	-	3	-	-	3

<sup>2</sup> This recommendation (MA8) relates to a lessons learnt exercise which management agreed will be undertaken for the BJC2 (Morriston Hospital Infrastructure Modernisation). This business case is split in two phases, with Welsh Government approval for Phase 2 Stage 2 received in October 2022. Management should now determine the expected date for completion of the project (and hence the recommendation) for inclusion in the tracker.

**Table 2A: Reports included in the 2021/22 Estates Assurance Follow Up Report**

Internal audit report	Number and status of 'live' recommendations on the health board's tracker as at 10 February 2023			Internal audit assessment of recommendations as at 10 February 2023		
	In progress	Overdue	Closed	In progress	Overdue	Closed
<b>Reports included in the 2021/22 Estates Assurance Follow Up report:</b>						
Backlog Maintenance (issued October 2017)	-	-	1	-	-	1
Disability Discrimination Arrangements	-	-	-	-	-	-
Fire Safety (issued April 2021)	-	-	1	-	-	1
Water Safety (issued June 2021)	-	1	1	-	1	1
Financial Safeguarding (issued November 2019)	-	3	2	-	3	2
Control of Contractors (issued March 2020)	1	2	1	1	2	1
<b>Report included in the 2021/22 Capital Assurance Follow Up report – responsibility now transferred to the Director of Finance</b>						
Capital Systems: Declaration of Interest & Risk Management (issued April 2019)	-	-	-	-	-	-

**Table 2B: Other Estates Assurance reports**

Internal audit report	Number and status of 'live' recommendations on the health board's tracker as at 10 February 2023			Internal audit assessment of recommendations as at 10 February 2023		
	In progress	Overdue	Closed	In progress	Overdue	Closed
Waste Management (issued February 2022)	-	5	-	-	5 <sup>3</sup>	-
Decarbonisation (issued October 2022)	1	-	-	4		

<sup>3</sup> Whilst all recommendations are reported as overdue, it is recognised that the responsible officer has been absent on bereavement leave so no further work has been undertaken since the last date of review.

<sup>4</sup> Four recommendations were raised at this report, three of which management reported as 'complete' at the date of issue of the final report. Review of actions taken by management, and progress on the remaining recommendation, will be undertaken as part of the Decarbonisation review included in the 2023/24 Internal Audit plan.