

Swansea Bay University Health Board
Unconfirmed
**Minutes of the Meeting of the Audit Committee
held on Tuesday, 14th September 2021 at 9.30am
Microsoft Teams**

Present:

Nuria Zolle	Independent Member (in the Chair)
Tom Crick	Independent Member
Martyn Waygood	Independent Member
Jackie Davies	Independent Member

In Attendance:

Pam Wenger	Director of Corporate Governance
Christine Williams	Interim Director of Nursing and Patient Experience (to minute 130/21)
Andrew Biston	Head of Accounting and Governance
Darren Griffiths	Director of Finance and Performance
Helen Higgs	Head of Internal Audit
Leah Joseph	Corporate Governance Officer
Huw Richards	NHS Wales Shared Services Partnership – Audit and Assurance
Len Cozens	Head of Compliance (to minute 127/21)
Osian Lloyd	Deputy Head of Internal Audit
Daniel King	Audit Wales
Andrew Doughton	Audit Wales (from minute 123/21)
Matthew Evans	Head of Counter Fraud

Minute No.		Action
115/21	APOLOGIES	
	The following apologies were noted: Richard Evans, Medical Director; Jason Blewitt, Audit Wales; Dave Thomas, Audit Wales; Anne Beegan, Audit Wales; Anthony Veale, Audit Wales.	
116/21	WELCOME / INTRODUCTORY REMARKS	
	The chair welcomed everyone to the meeting.	
117/21	DECLARATION OF INTERESTS	

	Martyn Waygood declared an interest in item 6.3 NWSSP procurement: single tender actions and quotations report.	
118/21	MINUTES OF THE PREVIOUS MEETING	
Resolved:	The minutes of the meeting held on 13 th July 2021 was received and confirmed as a true and accurate record.	
119/21	MATTERS ARISING	
	There were no items raised under matters arising.	
120/21	ACTION LOG	
Resolved:	The action log was received and noted .	
121/21	AUDIT REGISTERS AND STATUS OF RECOMMENDATIONS	
	<p>A report providing an update on audit registers and status of recommendations was received.</p> <p>In introducing the report, Len Cozens highlighted the following points:</p> <ul style="list-style-type: none"> - The figures detailed within the report were accurate as of 27th August 2021; - There was an improvement in figures due to management compliance of recommendations within the primary care service; - The movement is small in terms of overdue recommendations, however management have reported closure/ completion of 11 actions agreed as part of the discharge planning report; - There are a number of actions related to the estates department which have offset the figure of recommendations closed/ completed. He continues to work with the Assistant Director of Operations (Estates) to understand and agree any additional work required. The actions will remain open until this is completed. <p>In discussing the item, the following points were made:</p> <p>Overall Nuria Zolle found the report positive but noted the need to see progression of the recommendations and welcomed the opportunity to bring a discussion on delays into the committee for assurance. She</p>	

	<p>queried whether there were any areas that required independent member reviews.</p> <p>Pam Wenger recognised the outstanding actions relating to the estates department and highlighted that the Chief Executive had recently met with her and Christine Williams to discuss limited assurance reports. She acknowledged that work is ongoing with the estates department for closure of some of the recommendations. She noted that many of the recommendations are high risk and are crosscutting into health and safety. Pam Wenger suggested an update on the estates recommendations be received at the next committee meeting to highlight the next steps.</p> <p>Martyn Waygood had concerns surrounding discharge planning and queried key themes in primary care services in light of the nine high priority areas. Len Cozens advised that he would circulate to committee members outside of the meeting a briefing on overdue recommendations relating to the Audit & Assurance review of Primary Care Services for assurance.</p>	<p>PW</p> <p>LC</p>
<p>Resolved:</p>	<ul style="list-style-type: none"> - An update report on the estates recommendations to be received at November's Audit Committee meeting to highlight the next steps. - A briefing overdue recommendations relating to the Audit & Assurance review of Primary Care Services to be circulated outside of the committee. - The current position of the Audit Registers and the status of the action plans was noted. 	<p>PW</p> <p>LC</p>
<p>122/21</p>	<p>STANDING ORDERS</p>	
	<p>An update was provided on the Standing Orders.</p> <p>In introducing the report, Pam Wenger highlighted the following points:</p> <ul style="list-style-type: none"> - Changes were previously made in the height of the COVID-19 pandemic along with updates of the governance framework; - Proposals have been provided to reinstate the changes that were made and these changes have been taken through Welsh Health Specialised Services Committee (WHSSC) and Emergency Ambulance Services Committee (EASC). <p>In discussion of the report the following points were raised:</p> <p>Nuria Zolle felt that the Health Board was transparent with its public board meetings, but queried the position of working from home in light of the increased COVID-19 rates. Pam Wenger advised that Swansea Bay</p>	

	<p>University Health Board (SBUHB) will continue to hold its committee meetings virtually, however it will work towards a physical Health Board meeting in November 2021 depending on the COVID-19 status. SBUHB will continue to live stream its Health Board meetings as public attendance remains virtual. There is an expectation that arrangements for public physical attendance to Health Board meetings will be re-started as per the Chair’s wishes. SBUHB is not an outlier in relation to its virtual committees and Health Board meetings, and a similar approach is being taken across other Health Boards in Wales.</p> <p>Martyn Waygood had noted changes surrounding detail within the report and confirmed he would email Pam Wenger outside of the meeting, and those changes did not affect the recommendation to approve the amendments to standing orders.</p>	
<p>Resolved:</p>	<ul style="list-style-type: none"> - The amendments made to the standing orders and standing financial instructions were recommended to the board for approval. - The inclusion of the revised WHSSC standing orders, standing financial instructions and memorandum of understanding into the health board’s suite of documents were recommended to the board for approval. 	
<p>123/21</p>	<p>INTERNAL AUDIT ASSIGNMENT SUMMARY AND PROGRESS REPORT</p>	
	<p>The internal audit assignment summary and progress report was received.</p> <p>In introducing the report, Helen Higgs highlighted the following points:</p> <ul style="list-style-type: none"> – Progress was slower than anticipated due to sickness within the team, however the team have picked up pace over the past few weeks; – Proposed changes to the approved plan were detailed within the report which requires committee approval. <p>In discussion of the report, the following points were raised:</p> <p>Nuria Zolle recognised the hard work of not just the internal audit team, but staff as a whole to assist with queries to ensure audits could take place.</p> <p>Martyn Waygood noted that the work on the quality and safety governance framework had not yet begun and queried a timeframe. He also queried whether the mental health legislative compliance review and child and adolescent mental health services review were due to complete in November 2021. Osian Lloyd advised that the quality and safety governance framework was expected to be finalised by January 2022, and</p>	

	<p>the mental health legislative compliance and child and adolescent mental health services review were due to be finalised in November 2021.</p> <p>Osian Lloyd took committee members through the staff wellbeing and occupational health final internal audit report. He advised that no significant issues were identified and reasonable assurance was awarded which was a positive outcome.</p> <p>Huw Richards took committee members through the environmental infrastructure modernisation program final audit report and the progress of recommendations will be kept under review by internal audit.</p>	
Resolved:	<ul style="list-style-type: none"> - The proposed changes to the plan were approved. - The staff wellbeing and occupational health final internal audit report was noted. - The environmental infrastructure modernisation program final audit report was noted. - The progress report was noted. 	
124/21	CLINICAL AUDIT AND EFFECTIVENESS REPORT	
	<p>The clinical audit and effectiveness report was received.</p> <p>Pam Wenger noted the role of the Audit Committee and the requirements to receive the clinical audit plan as an assurance mechanism to recognise specific areas being monitored through the Quality and Safety Committee. Pam Wenger agreed to contact the Medical Director outside of the meeting for details of the clinical audit plan. Martyn Waygood advised that he would also discuss points of concern outside of the meeting.</p>	PW/MW
Resolved:	<ul style="list-style-type: none"> - Details surrounding the clinical audit plan to be discussed outside of the meeting. - The clinical audit and effectiveness report was noted. 	PW/MW
125/21	AUDIT WALES PERFORMANCE AND PROGRESS REPORT	
	<p>The Audit Wales performance report was received.</p> <p>In introducing the report, Andrew Doughton highlighted the following points:</p> <ul style="list-style-type: none"> - The structured assessment has been split into two parts; 	

	<ul style="list-style-type: none"> - A report on governance arrangements is due to go out for clearance within external audit's internal process; - A review of service group governance arrangements is due to begin. 	
Resolved:	The Audit Wales performance and progress report was noted .	
126/21	AUDIT WALES STRUCTURED ASSESSMENT REPORT	
	<p>The Audit Wales structured assessment report was received.</p> <p>In introducing the report, Andrew Doughton highlighted the following points:</p> <ul style="list-style-type: none"> - The first phase focused on operational planning arrangements at SBUHB and the second phase focused on governance and financial governance; - The Q3/Q4 plan was submitted to Welsh Government (WG) in a timely manner which covered all required areas within the planning guidance and received appropriate Board scrutiny and approval; - SBUHB has been used as a signpost for data modelling for other Health Boards; - There were no specific recommendations and overall Audit Wales found that SBUHB had robust arrangements for developing and monitoring the delivery of operational plans which were supported by effective data modelling to be able to respond to changing circumstances. <p>In discussion of the report, the following points were raised:</p> <p>Nuria Zolle was delighted that SBUHB was used as an example to other Health Boards for data modelling. She queried whether SBUHB would be held to account for its trajectories or its flexibility to meet arrangements. Andrew Doughton advised that SBUHB is still in a time of uncertainty and the need to adapt and be flexible in the short term will be required. There is a need to look to long term solutions for a sustainable future to ensure SBUHB is responsive.</p>	
Resolved:	The report was noted .	
127/21	WELSH HEALTH SPECIALISED SERVICES COMMITTEE (WHSSC) GOVERNANCE REVIEW AND MANAGEMENT RESPONSE	

	<p>The WHSSC governance review and management response was received.</p> <p>In introducing the report, Andrew Doughton highlighted the following points:</p> <ul style="list-style-type: none"> - Work initially began prior to the COVID-19 pandemic, and therefore had to be paused which lengthened the process; - SBUHB and Cardiff and Vale University Health Board receive income from the partnership arrangements; - Four recommendations were outlined for WHSSC and three recommendations were outlined WG; - Audit Wales were pleased with the response and progress from WHSSC, however Audit Wales require further clarity from WG regarding progress and timescales; - WHSSC’s Board Secretary is tracking progress and will provide updates through the Board Secretary meetings. <p>In discussion of the report, the following points were raised:</p> <p>Pam Wenger advised that a detailed update was provided at August’s Board Secretaries meeting and noted that it would be prudent to bring an update back to committee for the delivery of recommendations.</p> <p>Pam Wenger detailed that the suggestion for independent members to be remunerated over the usual rate remained with the Chairs for consideration and she will feed back progress into the Audit Committee from Board Secretaries.</p> <p>Darren Griffiths found the recommendations accurate and noted that conflicts have been managed well. WHSSC have formally requested recovery plans from SBUHB and would hold the Health Board to account to ensure that the plans are met.</p>	PW
Resolved:	<ul style="list-style-type: none"> - An update to be brought to November’s Audit Committee meeting for the delivery of recommendations. - The response was noted. 	PW
128/21	FINANCE UPDATE	
	<p>Darren Griffiths provided a verbal update on the financial position and highlighted the following points:</p> <ul style="list-style-type: none"> - The financial position for month five stood at an in-month overspend of £2.13m which had been expected; 	

	<ul style="list-style-type: none"> - The total overspend for the financial year currently stood at £10.1m which is £16k out of the expected overspend; - Pressure is building around staffing counts and currently there are 40 surge beds being utilised at Morriston Hospital and 20 surge beds being utilised at Singleton Hospital; - There are changes in rates of pay in light of the operational pressures and there is a risk that members of the workforce could leave the organisation; - Price variants are being highlighted and the procurement position is being reviewed across the Health Board; - Today, there are 66 patients across the sites who are COVID-19 positive. Extra gold command meetings are taking place and there is an expectation that financial pressures would be seen over the next few months; - The current financial plan stands at a forecast deficit of £24m, and SBUHB remains on track against this figure; - The profile has been maintained throughout the first five months of the financial year. <p>In discussion of the update, the following points were raised:</p> <p>Nuria Zolle thanked Darren Griffiths for his detailed update.</p> <p>Martyn Waygood advised that a booster vaccine for citizen's over-50 by the end of the year had been announced today and queried the financial impact. Darren Griffiths advised that the booster vaccine programme had been anticipated and was included in the vaccination package. He noted that the vaccination team were prepared at the mass vaccination centre and were waiting on timescales from WG. There is a £13m projection for the vaccination boosters and WG will cover the difference if the costs surpasses that figure.</p> <p>Darren Griffiths advised that he had written to WG for capital funding for increased theatre presence at Neath Port Talbot Hospital for orthopaedics and also to increase ophthalmology theatres and expects an announcement from WG next week.</p>	
Resolved:	The finance update was noted .	
129/21	LOSSES AND SPECIAL PAYMENTS REPORT	
	<p>A report on losses and special payments was received.</p> <p>In introducing the report, Andrew Biston highlighted the following points:</p>	

	<ul style="list-style-type: none"> - During the period of 1st April 2021 and 31st July 2021 there were £16.5m gross losses. £16m of this was recoverable from Welsh Risk Pool, meaning that the actual loss to SBUHB in the period totaled £626,744; - Three settlements were in excess of £2m totaling £12.3m; - Over 50 clinical negligence cases remain open; - There is a risk sharing arrangement which would be invoked if the value of settlements exceeded the amount of the top sliced funding. 	
Resolved:	The report was noted .	
130/21	NWSSP PROCUREMENT: SINGLE TENDER ACTIONS AND QUOTATIONS	
	<p>The NWSSP procurement: single tender actions and quotations report was received.</p> <p>In introducing the report, Keir Warner highlighted that:</p> <ul style="list-style-type: none"> - During the period of 16th June 2021 to 18th August 2021 there were nine Single Quotation Actions (SQAs) approved, with a total value of £105,644.57 and eight Single Tender Actions (STAs), with a total value of £1,010,551.58. There were three retrospective action file notes, with a total value of £ 47,136.00 which were sent to the Head of Procurement for approval; - In comparison to the previous reporting period from 29th April 2021 to 21st June 2021, the figures were almost identical; - The pandemic has dictated the process; - All SBUHB 's executives are to receive procurement training on 20th October 2021, and learning from this event will be included in the next iteration of the report; - The programme will be rolled out to all budget holders and also drop-in procurement surgeries will be held across all three main hospital sites and at headquarters; - There is still a concern that retrospective actions are being completed, which highlights that SBUHB have purchased goods without good governance. <p>In discussing the report, the following points were raised:</p> <p>Nuria Zolle queried if the themes and the impact of training would be monitored. Keir Warner advised that both would be monitored for lessons</p>	KW

	<p>learned. He added that there is a need to navigate the ‘new normal’ and have awareness of the pace of pressure within the system.</p> <p>Nuria Zolle queried the governance behind the sole providers and requested that in future reports more description is provided to give committee members assurance. Keir Warner advised that this would be included going forward.</p> <p>Darren Griffiths advised that training and awareness of procurement processes would be a strong piece of work and this would assist in the level of advice and debate when discussing possible SQAs and STAs.</p> <p>Andrew Biston stated that there is a need to give the tools to staff to enable them to understand the tenders. He noted that certain items are mandated and the process for mandated items needs to be streamlined.</p>	
<p>Resolved:</p>	<ul style="list-style-type: none"> - Lessons learned and themes following procurement training for SBUHB’s executives on 20th October 2021 to be included in the next iteration of the report. - The NWSSP Procurement: single tender actions and quotations report was noted. 	<p>KW</p>
<p>131/21</p>	<p>COUNTER FRAUD PROGRESS REPORT</p>	
	<p>The counter fraud counter fraud progress report was received.</p> <p>In introducing the report, Matthew Evans highlighted the following points:</p> <ul style="list-style-type: none"> - Attendance at the fraud awareness sessions had been good and the counter fraud team have delivered 22 sessions this year via a blend of face-to-face and Microsoft Teams delivery; - Information was raised within the NHS counter fraud community regarding a case dealt with by South Wales Police as an individual had been registering themselves at multiple general practices (GP). Work is still ongoing but initial meetings suggest that there is a lack of control in GP registrations with basic checks easily circumnavigated and different approaches amongst GP’s in undertaking checks at point of registration. As well as access to primary care services including access to drugs via prescriptions, there is potential to access secondary care when this may be chargeable or that individual is out of area and therefore not funded appropriately; - The counter fraud team have linked with the cyber security team and purchased kit to enhance abilities to recover digital information in-house from the full range of digital devices. The team now have 	

	<p>the capability to forensically interrogate laptops, tablets, mobile phones and memory cards to produce evidence to a criminal standard for use in investigations;</p> <ul style="list-style-type: none"> - NHS Counter Fraud Authority (NHS CFA) are undertaking a post-event assurance exercise based around COVID-19 procurement activity. Data was submitted to NHS CFA by SBUHB in a timely manner and this will be presented to Committee once available for discussion with follow up work potentially needed on a local basis. <p>In discussion the following points were raised:</p> <p>Nuria Zolle requested an update on outcomes following meetings with GP's to establish themes and gaps at the point of registration.</p> <p>Martyn Waygood queried if there was an opportunity for staff to receive counter fraud training at induction. Matthew Evans advised that an information booklet could be linked to the training online page and he would discuss this further with colleagues outside of the meeting.</p> <p>Martyn Waygood queried how the individual linked to the identity fraud was highlighted. Matthew Evans advised that identification is usually requested on registration, however different types of identification are asked by different GPs. It is also not a requirement by law to produce identification on registration at a practice. He added that there are gaps in the process and this is being reviewed from a strategic level to understand the complete picture of registration.</p>	ME
Resolved:	<ul style="list-style-type: none"> - The next iteration of the report to include an update on the outcome following meetings with GP's to establish themes and gaps at the point of registration. - The counter fraud progress report was noted. 	ME
132/21	ITEMS TO REFER TO OTHER COMMITTEES	
Resolved:	There were none.	
133/21	MEETING EFFECTIVENESS	
	<p>Nuria Zolle advised that Leah Joseph would send an email outside of the meeting to committee members requesting feedback on how the meeting was held, and whether there were changes to be made.</p>	LJ

	<p>Jackie Davies highlighted that it was her first Audit Committee meeting and she found it to be thorough, effective and did not have many questions to ask which reflected the detail within reports.</p> <p>Pam Wenger found the pace of the meeting good and noted that there was sufficient time for questions. She felt the meeting was well run and was a reflection of how the meeting was conducted.</p> <p>Darren Griffiths agreed with Pam Wenger's points surrounding pace and challenge.</p>	
134/21	ANY OTHER BUSINESS	
Resolved:	There was no further business and the meeting was closed.	
135/21	DATE OF NEXT AUDIT COMMITTEE MEETING	
	The date of the next meeting was confirmed as 9 th November 2021.	