

Internal Audit Progress Report

Audit Committee

September 2022

Swansea Bay University Health Board

NWSSP Audit and Assurance Services

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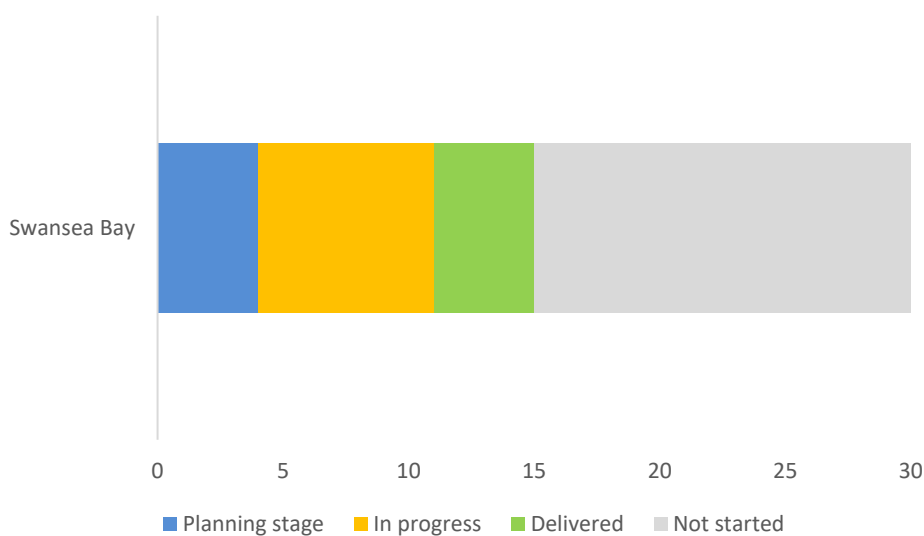
1. Introduction

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 30 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

- To amend the focus of the ESR Manager Self Service advisory review, to undertake a baseline assessment of the arrangements in place prior to the implementation of the ESR Manager, Supervisor and Employee Self Service functionalities across the health board, and to provide suggestions for areas of improvement or future development.
- Management has requested that our review of Clinical Systems Implementation – Benefits Realisation be deferred to quarter 4 from quarter 3 as planned, due to resource availability and to allow time to review the arrangements in place.
- Primary and Community Care Infrastructure Projects - Swansea Wellness Centre moves from quarter 3 to quarter 4, due to changes to the design and scope of the project which has impacted on the timing of the Outline Business Case submission to Welsh Government.

4. Follow up of Capital & Estates recommendations

Further to the presentation of the Capital Assurance and Estates Assurance 2021/22 Follow Up reports at the July 2022 Audit Committee, it was agreed that a revised approach to this work would be trialled as part of the 2022/23 Internal Audit Plan.

Rather than our audit work being undertaken during quarter 4, the approach will entail a regular periodic review of the health board's internal audit recommendations tracker. We will seek to confirm status of the actions being implemented by management, against agreed recommendations and timescales, and report accordingly. A summary report will also be prepared at the end of the year to capture the overall status.

The tracker is 'closed' by the Head of Compliance bi-monthly, on dates aligned to the Audit Committee reporting cycle. Our review of the tracker took place on 1 September, a week after it was closed on 24 August, resulting in some discrepancies between our assessment of implementation status versus those recorded on the tracker. Going forward, we will work with the Compliance Team to ensure alignment.

Tables 1A and 1B within Appendix B set out the status of the Capital Assurance recommendations with expected implementation dates by 31 August 2022. Full details of the updates provided by management are recorded within the tracker. Of the 29 recommendations detailed, we have assessed 16 (55%) as closed. Based on the agreed implementation date, we would expect four of the remaining recommendations, to be closed by the November Audit Committee. There are nine further recommendations included in the Singleton Cladding report, of which we would expect four to be closed by the same date.

Tables 2A and 2B within Appendix B set out the status of the Estates Assurance recommendations reviewed. We note that, with the exception of Fire Safety, technical issues prevented the Estates Team from providing updates against the expected 27 recommendations on the tracker, since the last date of reporting (July 2022).

It is noted that we would have expected 10 recommendations to have been closed by the date of our review (of which seven relate to the Waste Management report) – closure was achieved for only one. In accordance with the agreed implementation dates, and the proposed closure date of the tracker (21 October) before the November Audit Committee, there is now an expectation that 16 recommendations will be closed.

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.

6. Key Performance Indicators

- Correct on 31 August 2022

Indicator	Status	Actual	Target
Operational Audit Plan agreed for 2022/23		March	By 30 June
Audits reported over planned		4	4
Work in progress		7	
Report turnaround: time from fieldwork completion to draft reporting [10 days]		4 out of 4	80%
Report turnaround: time taken for management response to draft report [15 days]		3 out of 4	80%
Report turnaround: time from management response to issue of final report [10 days]		4 out of 4	80%

Key:

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

7. Recommendation

- The Audit Committee is invited to note the above.

Appendix A: Progress against 2022/23 Internal Audit Plan

Review	Status	Rating	Key matters arising	Outline timing	Anticipated Audit Committee ¹
Risk Management and Assurance	Not started			Q3	TBC
Service Group Governance Arrangements (Deferred from 2021/22)	Not started			Q3/4	TBC
Quality and Safety Governance Framework	Not started			Q3/4	TBC
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	In progress			Q1/2	November 2022
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 Control	Planning			Q2	January 2023
Covid-19 Cost Management: Response Funding and Deployment	In progress			Q1	November 2022
Covid-19 Cost Management:	In progress			Q2	November 2022

¹ May be subject to change

Review	Status	Rating	Key matters arising	Outline timing	Anticipated Audit Committee ¹
Recovery Funding and Deployment					
Rostering	Planning			Q2/3	TBC
Continuing Health Care	Not started			Q2	January 2023
Recruitment and Retention of Staff	Not started			Q4	TBC
Electronic Staff Record: Manager Self Service - Advisory	In progress			Q1	November 2022
Access to Cancer Services	Not started			Q4	TBC
Transition from Child and Adolescent to Adult Mental Health Services	Not started			Q3	TBC
Health and Safety	Final report	Limited	Minimal reporting against agreed KPIs; Limited progress in addressing areas within the health and safety plan, 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	September 2022
End of Life Care	Not started			Q3	TBC
Clinical Audit	Not started			Q4	TBC
Controlled Drugs	In progress			Q2	November 2022
Digital Strategy Implementation (Analytics) (Deferred from 2021/22)	Not started			Q4	TBC

Review	Status	Rating	Key matters arising	Outline timing	Anticipated Audit Committee ¹
Cyber Security	Planning			Q3	January / March 2023
Records Management	Not started			Q4	TBC
Information Governance	In progress			Q2	November 2022
Clinical Systems Implementation – Benefits Realisation	Planning			Q4	March 2023
Follow Up Action Tracker	Not started			Q4	TBC
Capital & Estates					
Primary and Community Care Infrastructure Projects - Swansea Wellness Centre	Not started			Q4	TBC
Decarbonisation	In progress			Q2/3	TBC
Follow up (Capital)	See section 4 and appendix B				
Follow up (Estates assurance)	See section 4 and appendix B				
Singleton Hospital - Cladding	Final report	Reasonable	Handover of key documents to the incoming Project Director; 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	September 2022
Development of Integrated Audit Plans	N/A	N/A	We will provide on-going guidance and advice to the health board.		N/A

¹ 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 24 August 2022			Internal audit assessment of recommendations as at 1 September 2022		
	In progress	Overdue	Closed	In progress	Overdue	Closed
Reports included in the 2021/22 Capital Assurance Follow Up report:						
Capital Systems: Declaration of Interest & Risk Management (issued April 2019)	1	-	-	1	-	-
Capital Systems (issued November 2020)	10	-	-	9	-	1 ²
Environmental Infrastructure Phase 2 (issued August 2021) <i>including follow up of:</i>	-	1	-	-	-	1 ³
<i>Environmental Infrastructure (issued June 2019)</i>	-	5	-	2	-	3 ⁴⁵

² MA10 –whilst a revised deadline of 30 September 2022 was agreed in the 2021/22 Follow Up report, during the course of our review management demonstrated that sufficient action has been taken to close the recommendation.

³ MA4 - whilst a revised deadline of 30 September 2022 was agreed in the 2021/22 Follow Up report, during the course of our review, management demonstrated that sufficient action has been taken to close the recommendation.

⁴ MA2 & MA9 - both are recorded as 'in progress' on the tracker. However, they were followed up in the Environmental Infrastructure Phase 2 report and reported as closed. The tracker should be updated accordingly.

⁵ MA11 - based on the documentation provided by management during this period of review, appropriate action has been taken. The tracker can be updated to report the recommendation as closed.

Table 1B: Capital Assurance reports not previously followed up.

Internal audit report	Number and status of 'live' recommendations on the health board's tracker as at 24 August 2022			Internal audit assessment of recommendations as at 1 September 2022		
	In progress	Overdue	Closed	In progress	Overdue	Closed
Elective Orthopaedic Unit (issued October 2021)	-	2	10		1 ⁶	11 ⁷
Singleton Cladding (issued October 2021)	Refer to the report included in the September Audit Committee papers					

⁶ MA10.1a - additional information is required to demonstrate that all areas of the agreed recommendation have been addressed. At the date of reporting, due to periods of annual leave, this had not been provided. As such, a revised deadline from 30 June 2022 to 30 September 2022 has been agreed with management. The tracker will need to be updated accordingly.

⁷ MA7.1 – reported as overdue on the tracker. However, based on the documentation provided by management during this period of review, appropriate action has been taken and the recommendation can be reported as closed.

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 24 August 2022			Internal audit assessment of recommendations as at 1 September 2022		
	In progress	Overdue	Closed	In progress	Overdue	Closed
Reports included in the 2021/22 Estates Assurance Follow Up report:						
Backlog Maintenance (issued October 2017)	2	-	-	2	-	-
Disability Discrimination Arrangements	1	-	-	1	-	-
Fire Safety (issued April 2021)	1	-	1	1 ⁸	-	1
Water Safety (issued June 2021)	4	-	-	3	1	-
Financial Safeguarding (issued November 2019)	7	-	-	7	-	-
Control of Contractors (issued March 2020)	4	-	-	3	1	-

Table 2B: Estates Assurance reports not previously followed up.

Internal audit report	Number and status of 'live' recommendations on the health board's tracker as at 24 August 2022			Internal audit assessment of recommendations as at 1 September 2022		
	In progress	Overdue	Closed	In progress	Overdue	Closed
Waste Management (issued February 2022)	-	7	-	-	7	-

⁸ MA4 - consolidation of the output from the 6-facet survey and compartmentation surveys is required to assist in the development of an appropriate strategy to address the fire safety requirements. As such, a revised deadline from 31 August 2022 to 31 December 2022 has been agreed with management, and the tracker will need to be updated accordingly.