

Main Report	Health Board Meeting On 26th January 2017 Agenda Item: 7 (ii)
Subject	Audit Committee: Summary of key decisions, issues considered and matters requiring Board level consideration
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Approved & Presented by	Charles Janczewski, Chair of the Audit Committee/Non-Officer Member

PURPOSE

The purpose of this report is to provide the board with a summary of the matters discussed and reviewed by the Audit Committee when it met on 17th November 2016. The full minutes of the committee meeting are available on request from the Director of Corporate Governance.

KEY ISSUES CONSIDERED BY THE COMMITTEE

1. Wales Audit Office Communications Technology Follow-Up: Management Response

The management response in relation to Wales Audit Office's communications technology follow-up review was received. It was noted that a significant proportion of the recommendations related to information governance and data quality, which would be monitored by the newly established information governance board. In addition, some of the recommendations related to equipment, which now included medical devices, as some had the ability to store and share data. A task and finish group had been put into place to manage this. A 'kitemark' was to be developed which would signify the quality of data and investment was to be made into training for those who manually input information.

2. Clinical Audit Mid-Year Progress Report

A report was received providing a mid-year progress update for clinical audit. The health board as a whole followed a national audit programme, whereas local audits were undertaken within the units by junior doctors. There was good clinical engagement with national audits, the results of which enabled the health board to benchmark itself against organisations in England and Wales. Results and actions plans following an audit were presented by the clinicians to the clinical outcome group, which in turn reported to the Quality and Safety Committee

3. NHS Wales Shared Services Partnership (NWSSP) Audit And Assurance Post-Payment Verification (PPV) Mid-Year Report

The NHS Wales Shared Services Partnership (NWSSP) Audit and Assurance Post-Payment Verification (PPV) mid-year report was received. The committee stated it found the report helpful as the data compared the health board's position with the rest of Wales and its performance was one which could provide assurance.

4. Continuing Healthcare Report (Quarter Two)

A report detailing the quarter two position for continuing healthcare was received and noted.

5. Patients Monies Ex-Gratia Request

A report was received outlining an ex-gratia request for patient monies and the committee agreed to reimburse two patients with the sums of £1,380 and £2,370 as their money was inappropriately accessed from their hospital bank by a member of staff. The staff member had pleaded 'guilty' in court and was due for sentencing.

6. Corporate Risk Register

The corporate risk register was received. The committee heard that sections of the risk register would now be managed by the relevant board committee, with the Audit Committee having an oversight of the full document. In addition, a risk training session had been organised with an external facilitator for the executive team. The committee complimented the presentation of the report, stating it provided significant assurance. It was agreed that the committee no longer needed to receive the registers for the individual units and that the assurance and learning group should consider whether it was a corporate risk that the health board did not have an approved integrated medium term plan (three-year plan).

7. NWSSP Progress Report

A report was received providing an update on current and planned internal audit work. The committee heard that the management response to the human resources review was delayed and asked for a full update report to be provided at the January 2017 meeting, with either the Chief Executive or the interim Director of Human Resources in attendance. The committee also agreed the proposed changes to the audit plan which were outlined within the report.

8. NWSSP Audit and Assurance Assignment Summary

A report was received providing a summary of recently finalised internal audit work. It was noted that 10 final internal audit reports had been issued; eight of which either had a *reasonable* or *substantial assurance* rating. Of the two which had a *limited assurance* rating ('Managing Sickness Absence' and 'Home Oxygen Services – Follow-Up Review') the committee chair undertook to meet with the relevant executive leads to discuss action plans and review dates. The committee noted the *substantial assurance* ratings for the 'Financial Ledger' and 'HTA Skin Bank – Follow-Up Review' and commended the relevant teams for their hard work.

9. Wales Audit Office Progress Report

A report providing an update on current and planned Wales Audit Office activity was received and noted.

10. Losses and Special Payments

A report was received providing an update on losses and special payments for the period 1st September 2016 to 30th September 2016 totalling £2,211,383, of which £1,979,805 would be recovered in part from the Welsh Risk Pool and £14,132 from Welsh Government, leaving an actual loss of £217,446.

11. Risks and Controls Around Financial Management

A report outlining the risks and controls around financial management was received and noted.

12. Audit Registers and Status of Recommendations

A report outlining audit registers and the status of recommendations as at 31st October 2016 was received and noted.

13. NWSSP Procurement: Single Tender Actions And Quotations

A report outlining single tender actions and quotations for August, September and October 2016 was received and noted.

14. Standing Orders Schedule Seven – Standards of Business Conduct

A report was received outlining a draft revised standards of business conduct. The committee heard that the document had been made more comprehensive and useful for staff and was invited to submit comments on the document before receiving the final version in January 2017.

15. Openness and Transparency

A report was received outlining proposed agenda items to be published on the health board's website in line with a Welsh Health Circular. The committee approved the proposed list of items deemed as 'routine' and therefore suitable for publication.

16. Local Counter Fraud Service Progress Report

A report providing a progress update for the local counter fraud service was received and noted.

17. Financial Control Procedure Review Plan

A report outlining the review plan for the financial control procedure was received and noted.

18. Change of Director of Finance

A report outlining the requirements to notify external agencies of a change to the Director of Finance was received and noted.

MATTERS REQUIRING BOARD LEVEL CONSIDERATION / APPROVAL

The chair of the Audit Committee wishes to draw the following matters to the attention of the Board:

For noting:

- The approval to reimburse two patients as outlined in point five;
- The two *substantial assurance* ratings given to the internal audits highlighted in point eight;
- The agreement to publish 'routine' agenda items on the health board's website as explained in point 15.

For approval:

- The losses and special payments as outlined in point 10.

C. RECOMMENDATION

The board is asked to consider the discussions set out in this report.