

**Minutes of the Meeting of Cwm Taf Morgannwg University (CTMUHB)
Audit & Risk Committee held on the 13 February 2023 as a Virtual
Meeting via Microsoft Teams**

Members Present:

Patsy Roseblade	Independent Member (Chair)
Jayne Sadgrove	Health Board Vice Chair
Carolyn Donoghue	Independent Member
Ian Wells	Independent Member

In Attendance:

Sara Utley	Audit Wales
Mark Jones	Audit Wales
Paul Dalton	NWSSP – Internal Audit & Assurance
Emma Samways	NWSSP – Internal Audit & Assurance
Eifion Jones	NWSSP – Internal Audit & Assurance (In Part)
Sally May	Executive Director of Finance (In part)
Mark Thomas	Deputy Director of Finance (In part)
Cally Hamblyn	Assistant Director of Governance & Risk
Owen James	Head of Corporate Finance
Matthew Evans	Head of Local Counter Fraud
Richard Hughes	Deputy Director of Nursing
Emma Walters	Corporate Governance Manager (Secretariat)

1.0.0 PRELIMINARY MATTERS

1.1 Welcome & Introductions

P Roseblade, Committee Chair welcomed everyone to the meeting, particularly those joining for the first time, those observing and colleagues joining for specific agenda items. The format of the proceedings in its virtual form were also noted. Members **noted** that the meeting would be recorded to aid the Committee Secretariat in ensuring the accuracy of scrutiny related discussions and decisions made during the meeting. Members **noted** that the recording would be destroyed once the minutes had been confirmed as accurate. Members confirmed they were happy to proceed.

The Committee Chair advised that at the end of the meeting, she would be seeking Members views as to how the meeting went.

1.2 Apologies for Absence

S May advised that she would need to leave the meeting earlier and added that M Thomas, Deputy Director of Finance would be joining the meeting from around 3.15pm.

1.3 Declarations of Interest

No declarations of interest were received prior to the meeting.

2.0.0 CONSENT AGENDA

2.1 FOR APPROVAL

2.1.1 Unconfirmed Minutes of the In Committee Meeting held on the 12 December 2022

Resolution: The minutes were **APPROVED** as a true and accurate record.

2.1.2 Audit & Risk Committee Annual Cycle of Business for 2023

M Jones made reference to the timetable for the Audit of Financial Accounts and the Annual Report for 2022-2023 and advised that it was highly likely that this would now need to be undertaken during July and not June as stated within the Annual Cycle of Business. C Hamblyn advised that a note had been included in the Annual Report Timetable 2022-2023 at agenda item 2.2.2 that the timetable may be subject to change.

M Jones advised that in previous years, the Committee had also met in May to receive the draft financial statements, which would need to be reflected in the annual cycle of business.

S May advised that the whole timetable would need to be reviewed as a result of the significant movement in the date for the accounts to be finalised, which would impact on the work undertaken by teams as focus would need to be placed on the previous year for a longer period.

Resolution: The Annual Cycle of Business was **APPROVED**.

Action: Annual Cycle of Business to be amended to reflect the comments made regarding discussion of the draft accounts and approval of the final accounts.

2.2 FOR NOTING

2.2.1 Audit & Risk Committee Forward Work Programme

Resolution: The Forward Work Programme was **NOTED**.

2.2.2 Annual Report Timetable 2022-2023

Resolution: The report was **NOTED**.

3.0.0 MAIN AGENDA

GOVERNANCE

3.1 Unconfirmed Minutes of the meeting held on 12 December 2022

P Roseblade advised Members that the minutes had been included on the main agenda as it was felt that the paragraph highlighted on page 3 of the minutes, which related to referral rates of Counter Fraud items being reviewed pragmatically, required further explanation. Members were assured that case closures were taken through a thorough review process prior to being closed.

Resolution: The minutes were **APPROVED** as a true and accurate record

3.2 Audit & Risk Committee Action Log

C Hamblyn presented Members with the action log. I Wells expressed concern in relation to action log reference 18/099 which related to the JAG Accreditation Closure Report. I Wells expressed concerns on the continuing delay in receiving an update. S May advised that this matter was heavily dependent on the development of a Business Case for the Decontamination Unit at Princess of Wales Hospital which was due to be presented to the last meeting of the Executive Capital Management Group, but had now been deferred to the March meeting. P Roseblade suggested that a realistic completion date be sought which could be reflected in the action log. C Hamblyn agreed to discuss further with the Chief Operating Officer outside the meeting.

S Utley confirmed that she had now met with the Director of Digital to discuss the closure of the Clinical Coding recommendations and advised that an update would be included in the next iteration of the Audit Recommendations Tracker.

Resolution: The Action Log was **NOTED**.

Action: Discussion to be held with the Chief Operating Officer outside the meeting to identify and agree a more realistic completion date for the JAG Accreditation closure report.

3.3 Matters Arising not contained within the Action Log

There were no further items identified.

4.0.0 SUSTAINING OUR FUTURE

4.1 Local Counter Fraud Report

M Evans presented the report and highlighted the key matters for Members attention.

A discussion was held in relation to the work being undertaken in relation to the offering of free Health Sector Conferences/working events to NHS Staff. Members noted that these conferences had been circulating for some time and tended to have Terms and Conditions associated with them, which sometimes

resulted in the attendee being invoiced if they were no longer able to attend the conference. J Sadgrove expressed concerns on this matter and was assured that review is being undertaken.

J Sadgrove welcomed the report and the progress being made in case closures and advised that she was pleased to see that at this point in the year, the way in which the days were being used was tracking much better. J Sadgrove also noted the improvement in the presentation of the performance graphs where it was clearly identified that there had been an increase in the number of people who were willing to raise potential areas of fraud.

P Roseblade made reference to case number INV/21/00041 which related to an overpayment of salary and queried whether this case was subject to a police check issue or a different issue. M Evans advised that this related to the inability to submit the Police National Computer Check into the Crown Prosecution Service which had been an ongoing issue since late last year. Members noted that in this case, the bank had queried the signature provided which did not match the signature they had on file. Steps had now been taken to ask the Finance payment team to prove that payments had been made.

Resolution: The report was **NOTED**.

4.2 Losses and Special Payments Report

O James presented the report and advised that the main risk being highlighted was in relation to the timely submission of Learning From Events reports (LFER), with a number of blank reports being submitted.

R Hughes provided members with an update on the steps being taken to improve the process in relation to the completion and submission of (LFER) forms, which was an area of priority. Members noted that the revised Quality Governance operating model should help to alleviate some of the issues being experienced and noted that a five week implementation plan had now been initiated to finalise the Patient Safety and Quality elements of the structure. Members noted that the position was being reviewed weekly at the Executive Director led patient safety meetings.

In response to a query raised by C Donoghue as to the reasons why blank forms were being submitted, R Hughes advised that a blank form was being submitted when the initial deadline date was being reached, which then allowed a further 6 months to review. Members noted that completed forms were being submitted following the 6 month extension and noted that some escalation points had been put into place to limit the submission of blank forms, with any blank forms now requiring approval by the Deputy Director of Nursing prior to submission.

P Roseblade made reference to paragraph 2.13 which stated that there were a further 42 Red/Amber deferred case that were due to hit the 6 month deadline and sought clarity as to whether this deadline was imminent or whether these

related to the need to submit a blank form to obtain a further 6 month extension. R Hughes advised that he would need to review the position outside the meeting.

S May advised that the submission of the blank LFER forms had been done so in agreement with the Welsh Risk Pool with their full knowledge and acceptance. S May added that this piece of work should hopefully help staff to have much greater focus in relation to the embedding of learning and added that it would be important to have the Care Group Medical and Nurse Directors working alongside R Hughes to make the process more meaningful.

P Roseblade sought clarity as to whether the £1.1m accrual in the accounts for the Welsh Risk Pool overspend was a prediction or the actual figure of what the Cwm Taf Morgannwg share of the overspend would be. O James advised that this this was the projected share of the overspend and added that he was unsure if this figure had been confirmed.

Resolution: The report was **NOTED**.

Action: Review to be undertaken outside the meeting in relation to the 42 Red/Amber deferred cases that were due to hit the six month deadline to determine whether the deadline was imminent or whether these related to the need to submit a blank LFER in order to obtain a further six month extension.

4.3 **Procurements and Scheme of Delegation Report**

S May presented Members with the report.

J Sadgrove made reference to the Single Tender action which related to the provision of 4x4 vehicles and questioned whether this was related to snow. S May advised that this was in relation to the anticipation of snow and added that each year, as part of the Health Board's winter plan, the provision of these vehicles had been put into place. Members noted that the Assistant Director of Facilities had been asked to undertake a review of the overall process in relation to Car and Leasing arrangements.

C Donoghue advised that she was pleased to see the improvement in performance of payment of non NHS invoices but disappointed to see that performance was not as strong in relation to payment of NHS invoices. S May advised that it had been identified that there were some service areas within the Health Board who were less effective in paying invoices on time compared to others. O James advised that there had now been an improvement in the payment of nurse agency invoices, which had been highlighted as an area of concern previously. Members noted that NHS invoices were exempt from the No Purchase Order, No Pay rule which made it more difficult for invoices to be followed up without a purchase order included.

Resolution: The report was **NOTED**.

5.0.0 IMPROVING CARE

5.1 Organisational Risk Register

C Hamblyn presented the report and provided an update against the key matters for Members attention. Members noted that the report had also been presented to the Quality & Safety and People & Culture Committees where a number of updates were being addressed following discussions held.

I Wells made reference to Risk 5276, which related to the Failure to deliver replacement Laboratory Information Management System, LINC Programme, by summer 2025, and sought clarity as to whether there was an outcome of the discussions held with the configuration supplier on the 10 January 2023. C Hamblyn advised that she would obtain an update outside the meeting and advised that a Board Briefing session would be held on the 16 February in relation to the LINC programme.

I Wells made reference to Risk 5267 which related to the risk to the delivery of quality patient care due to difficulty recruiting & retaining sufficient numbers of nurses, and noted that the risk score had increased to 20 in January and queried whether this was as a result of winter pressures or whether this risk was a permanent risk. C Hamblyn agreed to obtain a response outside the meeting and added that there were a large number of workforce risks on the register which are being reviewed. R Hughes advised that he had also planned to undertake a robust review of this risk.

C Donoghue advised that there were some risks on the register that had not been reviewed since September and October and noted that the mortuary risk had been an issue since 2018 but had only recently been added to the risk register. C Hamblyn advised that this risk had now been de-escalated and will be removed from the Organisational Risk Register.

In relation to Risk 4103 - Sustainability of a safe and effective Ophthalmology service, C Donoghue welcomed the positive action that was being taken in this area.

C Donoghue made reference to Risk 3008 - Risk of injury due to unavailability of opportunities to train and maintain compliance with Manual handling training and Risk 4780 Patient Handling Training and advised that these risks appeared to be the same and questioned whether they could be aligned. C Hamblyn advised that consideration was being given to these risks as part of the review.

In response to a query raised by P Roseblade as to whether a discussion had been held with Executive colleagues regarding the consistency of approach to the scoring of risks, C Hamblyn confirmed that a discussion was held and steps would be taken to ensure calibration and moderation of risk scoring across the Health Board.

In response to a comment made by P Roseblade in relation to the LINC programme and the references being made to an extension of the current contract which she thought was not possible, C Hamblyn advised that the contract could be extended, but by three months only. P Roseblade sought clarity as to what was meant by the term sequential deployment and what this meant for the Health Board. C Hamblyn agreed to confirm the position outside the meeting.

P Roseblade made reference to Risk 2721 - Capacity to deliver Point of Care Testing (POCT) training to Health Board Nursing Staff, which made reference to a post that had been agreed through Covid-19 funding which is only available until March 2023. P Roseblade sought clarity as to what the plans were in terms of funding this post if the recruitment was ongoing. C Hamblyn agreed to obtain a response outside the meeting.

P Roseblade made reference to Risk 4253 - Ligature Points - Inpatient Services which had been proposed for closure and sought clarity as to whether all of the schemes connected to this had been completed in all areas. C Hamblyn advised that she would seek assurance outside the meeting and agreed to keep this risk on the register until assurance had been provided.

Resolution: The report was **REVIEWED**.

Action: Response to be provided outside the meeting in relation to a number of queries raised by Independent Members regarding risks contained within the risk register.

5.2 Audit Recommendations Tracker

C Hamblyn presented the report and highlighted the key matters for the attention of the Committee.

P Roseblade made reference to the following recommendations contained within the audit trackers:

- Concerns recommendations – Realistic timeframes to be identified against these recommendations as deadlines were being extended by one month at a time;
- Princess of Wales Theatres – The update provided seemed to be generic for all recommendations and did not seem to address the specific recommendation made;
- Digital recommendations – Revised implementation dates needed to be identified for these recommendations

Resolution: The report was **NOTED**.

Action: Discussions to be held with lead officers in relation to the points highlighted.

5.3 INTERNAL AUDIT

5.3.1 Internal Audit Review Progress Report

P Dalton presented the report and advised that discussions were ongoing in relation to the programme of work for 2023/2024, which would be presented to the April meeting of the Committee.

In response to a comment made by J Sadgrove in relation to the drop in the turnaround times for management responses, P Dalton advised that this was possibly a reflection of the pressures being felt by all staff at present, particularly during the winter period.

Resolution: The report was **NOTED**.

5.3.2. Internal Audit Review – Wellbeing

P Dalton presented the report which had undergone further review following discussions held at the December meeting. Members noted that the adjustments made had resulted in an improvement in the overall opinion of the report, which had now been allocated a substantial assurance rating.

Resolution The report was **NOTED**.

5.3.3 Internal Audit Follow Up Review – Fire Safety

E Jones presented the report and advised that the report had now been given a reasonable assurance rating following a marked improvement in the completion of recommendations.

In response to a query raised by P Roseblade as to whether the draft report had been presented to the February Health, Safety & Fire Sub Committee, Members noted that the February meeting was stood down and the meeting had been rescheduled to take place on 7 March 2023. Members noted that this report would be presented to that meeting.

Resolution The report was **NOTED**.

5.3.4 Internal Audit Review – Medical Variable Pay

E Samways presented the report which had been allocated a Limited Assurance rating. Members noted that the review highlighted that procedures and policies were not always being followed despite Standard Operating Procedures and Financial Control Procedures (FCP) being in place, lack of approvals in place to use agency and lack of evidence in place to support the higher payments higher than the Welsh Government cap. Members noted that assurance was provided that the Medical Director was approving the pay caps but there was no evidence in place to support these approvals.

In response to a question raised by I Wells as to the potential reasons why staff were not adhering to the correct approval process, and whether this was down to lack of knowledge in relation to the process or whether staff were worried that their request would not be approved if it went through the correct process, E Samways advised that the majority of staff did not know there was a process in place and were not aware of the Standard Operating Procedure. S May advised that the opportunity to use a different agency may get lost in this process, and advised that it appeared that staff were working on a presumption that the request would always be approved so why follow process. Members noted that work was being undertaken as part of the value and effectiveness programme on how to tighten controls in relation to medical variable pay.

C Donoghue made reference to the statement made within the report that reports which summarised the rates that had been agreed above Welsh Government cap had stopped being presented to the Committee and questioned whether these reports needed to be reinstated. E Samways advised that the Financial Control Procedure does set out that these reports need to be presented to the Committee.

C Donoghue advised that whilst she found the management response to be very helpful, she felt that there was a significant amount of work to undertake and questioned whether the assigned timescales were realistic. E Samways advised that the Team had commenced a review of the FCP prior to the audit being undertaken. C Donoghue added that the procedural elements would take time to address and the education of staff would be a significant challenge.

P Roseblade advised that she found the report to be concerning and advised that she did recall reports previously being presented to the Committee in relation to agency spend above Welsh Government cap and advised that this would need to be revisited. P Roseblade added that she took some comfort that the agreed management actions were very comprehensive and there was full acceptance that improvements were required.

Resolution: The report was **NOTED**.

Action: Reports outlining the rates that had been agreed above cap to be reinstated and presented to future meetings of the Audit & Risk Committee.

5.4 AUDIT WALES

5.4.1 Audit Wales Audit & Risk Committee Update

S Utley presented the report and advised that the Structured Assessment Review would be issued this week and added that interviews would shortly be commencing in relation to the Joint Follow Up Review into Quality Governance arrangements.

Resolution: The report was **NOTED**.

5.4.2 **Audit Wales Review – Ysbyty Cwm Cynon Minor Injuries Unit**

S Utley presented the report and advised that four recommendations had been made which had been accepted by management.

R Hughes advised that at least 50% of the recommendations had now been completed, with all recommendations expected to be completed in full by May 2023. C Hamblyn advised members that an update would be presented to the March 2023 Quality & Safety Committee in relation to the quality aspects and lessons learned.

J Sadgrove fully supported the need for closure on this matter and advised that she had asked for a review to be undertaken of all issues that had been presented to Quality & Safety Committee over the last few years to ensure closure reports had been received and that lessons had been learnt.

I Wells made reference to recommendation 3 which related to staff within the Minor Injuries Unit not having up to date performance appraisals and stated that this was a similar issue across the Health Board. I Wells added that the management response provided did not seem to respond to the issue from a Health Board perspective. R Hughes advised that he would be happy to review this element of the response outside the meeting and added that a bespoke plan had been put into place to address overall compliance.

P Roseblade also raised a query in relation to recommendation 3 and questioned whether the recommendation was completed as she couldn't see a completion date identified. R Hughes advised that the action associated with the People & Culture Committee was completed last week and the second element of the action was due to be completed March 2023. S Utley advised that the report was the final report and not in draft as highlighted in the report.

Resolution: The report was **NOTED**.

Action: Review to be undertaken of the response provided against recommendation 3 to ensure it covered the Health Board position and not just the position related to Ysbyty Cwm Cynon.

5.4.3 **Audit Wales - Review of Commissioning and Contracting Arrangements (CTM & Swansea Bay)**

S Utley presented the report which now included the agreed management response.

Resolution: The report was **NOTED**.

6.0.0 **ANY OTHER BUSINESS**

There was no other business to report

7.0.0 COMMITTEE HIGHLIGHT REPORT

8.0.0 How Did We Do?

The Committee Chair advised that she would welcome feedback from Members outside the meeting as to how they felt the meeting went.

9.0.0 DATE AND TIME OF NEXT MEETING

The next meeting would take place on Wednesday 19 April 2023.

8.0.0 CLOSE

Unconfirmed