

Internal Audit Plan 2020/21: Proposed Revisions

Swansea Bay University Health Board

**NHS Wales Shared Services Partnership
Audit & Assurance Services**



Audit and Assurance Services conform to all Public Sector Internal Audit Standards as validated through the external quality assessment undertaken by the Institute of Internal Auditors.

INTERNAL AUDIT PLAN 2020/21: PROPOSED REVISIONS

1. INTRODUCTION

This paper is seeking the approval of the Audit Committee to changes proposed to the Internal Audit plan for 2020/21.

2. BACKGROUND

Covid-19 has had a significant impact on the management of services and risk profile of NHS organisations across Wales. It was agreed nationally and with individual organisations' Audit Committees that audit work would be suspended for the first Quarter of 2020/21 in recognition of the exceptional circumstances facing management and staff. It was indicated that this position would be reviewed at the end of the Quarter prior to the resumption of audit work.

The Internal Audit Plan was originally agreed at the Audit Committee in March 2020. It has been reviewed in June 2020 to reflect changes in risk across audit areas, input from Executive Directors, and to reflect the reduced period over which internal audit work will be delivered. A proposed, revised plan was received by the Executive Board on 10th June 2020. The plan was on the whole endorsed, but some additional adjustments have been made.

The proposed, revised Internal Audit Plan 2020/21 is attached at *Appendix A*. The plan lists the original areas agreed in March, together with revised timings, proposed additions/deferrals, and some proposed adjustments to indicative scopes. Explanatory comments have been added where changes have been suggested.

A number of audits have been proposed for deferral from 2020/21 audit coverage for future audit planning. The Plan also includes an additional review of *COVID-19 Governance* arrangements, the scope for which has been developed nationally and discussed and agreed locally with the Director of Corporate Governance and Interim Director of Finance.

The Audit Plan will remain flexible and will continue to be reviewed and revised during the year as required.

The Audit Committee is asked to consider and approve the revised Audit Plan.

3. GOVERNANCE AND RISK ISSUES

The audit plan submitted with this paper has been revised in light of the impact of the COVID-19 pandemic on organisational risks and priorities.

4. FINANCIAL IMPLICATIONS

There are no financial implications.

5. RECOMMENDATION

The Audit Committee is asked to consider and approve the Revised Internal Audit Plan 2020/21.

Planned output	Audit Ref	HBRR Ref	Outline Scope	Executive Lead	Outline timing
Corporate governance, risk and regulatory compliance					
Annual Governance Statement (AGS)	001		To provide commentary on key aspects of Board governance to underpin the completion of the statement.	Director of Corporate Governance	Q4/5
Governance, Leadership & Accountability (Health & Care Standards)	002		To provide a commentary on the process and evidence used to support the Health Board's self-assessment against the Healthcare Standards.	Director of Nursing & Patient Experience <i>cc Director of Corporate Governance</i>	Q4/5
Risk Management & Board Assurance Framework (BAF)	003		To review the overall board assurance framework and risk management arrangements	Director of Corporate Governance	Q3
Health & Safety Framework (Follow Up)	004	64	To review action taken to improve the health & safety governance framework following the 2019/20 internal audit review.	Director of Nursing & Patient Experience <i>cc Director of Corporate Governance, Chief Operating Officer</i>	Q3
Controlled Drugs Governance Framework	005	57	To review the implementation of the Health Board's Controlled Drug Governance Framework and the assurance it provides in respect of legislative compliance.	Clinical Director of Pharmacy & Medicines Management <i>cc Chief Operating Officer, Executive Medical Director, Director of Corporate Governance</i>	Late Q1 Q3 Timing moved to allow for finalisation and implementation of the CD Governance Framework.

Planned output	Audit Ref	HBRR Ref	Outline Scope	Executive Lead	Outline timing
HTA Compliance: Mortuary (Follow Up)	006		To review action taken to improve arrangements following the 2019/20 internal audit review.	Chief Operating Officer	Q1 Q2 Timing adjusted to reflect the pause in audit work during Q1.
Hosted Body: Operational Delivery Network (Major Trauma)	007		To review operation of the governance arrangements agreed for this hosted body.	Director of Corporate Governance	Q4
COVID-19 Governance Review <i>(All Wales additional review)</i>	044		The aim of this advisory review is to assess the adequacy and effectiveness of internal controls in operation during the Covid-19 outbreak, with particular regard to the Principles and guidance set out by the Welsh Government. Any weaknesses will then be brought to the attention of management and advice issued on how particular problems may be resolved and control improved to minimise future occurrence.	Director of Corporate Governance / Director of Finance	Q2
Corporate governance, risk and regulatory compliance domain sub-total	7 8 Audits				

Planned output	Audit Ref	HBRR Ref	Outline Scope	Executive Lead	Outline timing
Strategic planning performance management and reporting					
IMTP Development: Quality Impact Assessment (Follow Up)	008		To review action taken to improve arrangements following the 2019/20 internal audit review.	Director of Nursing & Patient Experience	Q 1 Q2 Timing adjusted to reflect the pause in audit work during Q1.
IMTP Development	009	39	To review the planning approach taken to development of the 2020/21-23/24 IMTP	Director of Strategy <i>cc Director of Finance / Associate Director of Performance & Finance, Chief Operating Officer, Director of Workforce & Organisational Development</i>	Late Q 1 C/FWD 2021/22 Deferral proposed to focus balance of plan for this year on operational / governance risk, as priority over strategic risk areas
Performance Management & Reporting Framework	010	39	To review the framework in place to manage performance and delivery of Health Board objectives.	Director of Finance / Associate Director of Performance & Finance <i>cc Chief Operating Officer</i>	Q 3 C/FWD 2021/22 Documented performance management framework not yet in place. Deferral proposed to allow for development and implementation.
Transformation Portfolio: Clinical Services Plan	011	39	To review programme management arrangements in place to deliver the Clinical Services Plan and the interface with the wider portfolio governance framework.	Director of Transformation <i>cc Executive Medical Director, Director of Corporate Governance</i>	Q 2 C/FWD 2021/22 Deferral proposed to focus balance of plan for this year on operational / governance risk, as priority over strategic risk areas

Planned output	Audit Ref	HBRR Ref	Outline Scope	Executive Lead	Outline timing
Digital Transformation Programme	012	37	To review the programme governance arrangements in place to deliver the commitments within the Digital Strategy, including business intelligence and analytics	Chief Digital Officer <i>cc Chief Operating Officer</i>	Late Q2 C/FWD 2021/22 Deferral proposed to focus balance of plan for this year on operational / governance risk, as priority over strategic risk areas and to allow for development and implementation of Business Intelligence Strategy.
Primary Care Cluster Plans & Delivery	013	60	To review primary care cluster plans and arrangements in place to monitor their delivery.	Chief Operating Officer	Q2
Vaccinations & Immunisations (Follow Up)	014	15	To review action taken to improve arrangements following the 2018/19 internal audit review.	Director of Public Health <i>cc Chief Operating Officer</i>	Q1 Q2 Timing adjusted to reflect the pause in audit work during Q1.
Planned Care (Essential Services)-Improvements	015	16	To review arrangements in place to manage and reduce waiting times for planned care services. To review arrangements in place to manage the re-setting of essential services.	Director of Finance / Associate Director of Performance & Finance <i>cc Chief Operating Officer</i>	Q3 Q2 TBC Original audit replaced with proposed advisory review following early management feedback.
Strategic planning performance management and reporting domain sub-total	4 Audits				

Planned output	Audit Ref	HBRR Ref	Outline Scope	Executive Lead	Outline timing
Financial Governance and management					
Financial Plan: Delivery Framework	016	42	To review arrangements in place to deliver financial plans, including action taken following the 2019/20 KPMG review.	Director of Finance <i>cc Chief Operating Officer</i>	Q3
Procurement & Tendering: No Purchase Order, No Pay (Follow Up)	017		To review action taken to improve arrangements following the 2019/20 internal audit review.	Director of Finance <i>cc Chief Operating Officer</i>	Late Q2
Charitable Funds	018		To review the governance framework operating to ensure the effective management of Health Board charitable funds. Scope to be agreed, but may include consideration of previous coverage of the Golau fund and/or more recent Covid processes (subject to considerations within the separate <i>COVID-19 Governance Review</i>).	Director of Finance	Q1 Q2 Timing adjusted to reflect the pause in audit work during Q1. Audit to be conducted largely remotely at management request.
Welsh Risk Pool Reimbursement Claims	019		To review documentation supporting WRP reimbursement claims, in accordance with WRP requirements.	Director of Finance	Q2 Q3 Timing adjusted to reflect the pause in audit work during Q1

Planned output	Audit Ref	HBRR Ref	Outline Scope	Executive Lead	Outline timing
Financial Governance and management domain sub-total	4 Audits				
Clinical governance quality & safety					
Annual Quality Statement	020		The Board must assure itself that information published in the AQS is both accurate and representative. To support this, we will review the consistency of key information within the Draft AQS against information previously reported in the public domain and provide commentary to management.	Director of Nursing & Patient Experience	Q1 Q2 Timing adjusted to reflect the pause in audit work during Q1 and changes to Welsh Government timescales.
Quality & Safety Governance Framework	021		To review the framework implemented to monitor & manage the quality & safety of services and provide assurance to the Board. The audit will consider action taken in response to any recommendations arising from the 2019/20 WAO Quality Governance review.	Director of Nursing & Patient Experience <i>cc Chief Operating Officer, Executive Medical Director</i>	Q3
Clinical Audit & Assurance	022		To review the management of clinical audit, and its use to provide assurance on the quality	Executive Medical Director	Early Q4 C/FWD 2021/22 Deferral of detailed audit review proposed in line with Management

Planned output	Audit Ref	HBRR Ref	Outline Scope	Executive Lead	Outline timing
			and improvement of clinical services.		request, and to allow development and implementation of clinical audit strategy.
Ward Quality Assurance Framework	023		To review the implementation of the ward-to-board quality assurance framework (and changes made following the 2018/19 internal audit review).	Director of Nursing & Patient Experience <i>cc Chief Operating Officer, Executive Medical Director</i>	Q2
Concerns & Redress	024		To review corporate arrangements in place to ensure incidents and complaints are managed in accordance with Welsh Government requirements and Health Board policies and procedures.	Director of Corporate Governance <i>cc Director of Nursing & Patient Experience</i>	Q2 Q3 Timing adjusted to reflect the pause in audit work during Q1
Infection Control	025	4	To review arrangements in place to manage the risk in infection, with a focus on cleaning.	Director of Nursing & Patient Experience <i>cc Executive Medical Director, Chief Operating Officer</i>	Q2
WHO Checklist Compliance (Follow Up)	026		To review action taken to improve arrangements following the 2019/20 internal audit review.	Executive Medical Director <i>cc Director of Nursing & Patient Experience</i>	Q3

Planned output	Audit Ref	HBRR Ref	Outline Scope	Executive Lead	Outline timing
Safeguarding	027		To review Health Board arrangements to ensure the safeguarding of patients within its care.	Director of Nursing & Patient Experience	Q2
Mortality Reviews	028		To review arrangements in place to learn lessons following patient deaths and provide assurance to the Board.	Executive Medical Director	Q3 Q4 Timing deferred in line with Management request
Clinical governance quality & safety domain sub-total	8 Audits				
Information Governance and Security					
IM&T Control & Risk Assessment	029		To review and assess the control environment for the management of IM&T within the organisation	Chief Digital Officer <i>cc Chief Operating Officer, Director of Corporate Governance</i>	Q3/4 TBC Management have requested deferral of this review. The scope of the review is being developed nationally. The timing within this year's plan or next, will be subject to further discussion with management.
IT Application Systems	030		To review the implementation & management of controls in respect of a key IT system.	Chief Digital Officer <i>cc Chief Operating Officer</i>	Q2 Q3 TBC Timing adjusted in line with management request.

Planned output	Audit Ref	HBRR Ref	Outline Scope	Executive Lead	Outline timing
Information Governance and Security domain sub-total	2 Audits				
Operational service and functional management					
Singleton & Neath Port Talbot Unit Governance	031	63, 65, 66, 67	To review the framework of governance and risk management operating implemented within the Unit.	Chief Operating Officer <i>cc Director of Corporate Governance</i>	Q3 (Late Q3) Management have suggested consideration be given to delay or deferral of this review. It is proposed that it is scheduled to commence late in the quarter and the scope be focused on the framework of governance implemented, with only limited review of operation, recognising the relative infancy of arrangements.
Primary Care Unit Governance (Follow Up)	032		To review action taken to improve arrangements following the 2019/20 internal audit review.	Chief Operating Officer	Q2 Q4 Timing adjusted to Q4 in line with Management request.

Planned output	Audit Ref	HBRR Ref	Outline Scope	Executive Lead	Outline timing
Maternity Services	033	63, 65	To review the arrangements in place to ensure quality & safety within Maternity Services and action taken following the management self-assessment and submission to Welsh Government.	Chief Operating Officer <i>cc Director of Nursing & Patient Experience, Executive Medical Director</i>	Q1 Q3 Management has requested deferral to Q4. Timing has been delayed from Q1 to Q3 provisionally.
General Dental Services	034		To review systems in place for the management of services & payments associated with the provision of primary care dental contracts	Chief Operating Officer <i>cc Director of Finance, Director of Corporate Governance</i>	Late Q1 C/FWD 2021/22 Management has requested delay to Q4 if there is sufficient time to complete. It is proposed to defer to early within next year's audit plan, in view of the relative risk of other audit areas and to recognise change in LCFS lead during 2020/21.
GP OOH Services (Follow Up)	035		To review arrangements in place to manage, monitor & report performance of the GP Out of Hours services. To review progress in monitoring & addressing issues identified during the 2019/20 internal audit review.	Chief Operating Officer	Q2 Q3/4 Management has requested delay to Q4 if there is sufficient time to complete. It is proposed to retain within the 2020/21 plan but delay to late Q3/Q4 and adjust the scope to a follow up review of issues raised during 2019/20.

Planned output	Audit Ref	HBRR Ref	Outline Scope	Executive Lead	Outline timing
Integrated Care Fund Expenditure ^{c/fwd}	043		The overall objective of this audit is to review the decision and authorisation processes for ICF payments and the partnership governance arrangements supporting them.	Director of Strategy / Director of Finance	Q2
Operational service and functional management domain sub-total	5 Audits				
Workforce management					
Consultant Contract Job Planning	036		To review improvements made to consultant job planning arrangements following the WAO review.	Executive Medical Director <i>cc Director of Workforce & Organisational Development, Chief Operating Officer</i>	Q3 C/FWD 2021/22 Management has suggested deferral to 2021/22. It is proposed to defer recognising impact of Covid on improvement work following WAO audit, and relative risk against other planned areas.
PADR (Follow Up)	037		To review action taken to improve arrangements following the 2018/19 internal audit review.	Director of Workforce & Organisational Development <i>cc Chief Operating Officer</i>	Q3 C/FWD 2021/22 Management has suggested deferral to 2021/22. It is proposed to defer recognising the suspension of PADR monitoring by Welsh Government and the relative risk against other audit areas.

Planned output	Audit Ref	HBRR Ref	Outline Scope	Executive Lead	Outline timing
Agency Staff Management	038	42	To review systems in place for the engagement and control of agency staff within nursing, therapies and health sciences	Director of Workforce & Organisational Development <i>cc Chief Operating Officer, Director of Nursing & Patient Experience, Executive Medical Director</i>	Q 1 TBC Management have requested that audit work be delayed. A dedicated audit of agency staff controls within this year will be re-considered following the national Covid-19 Governance Review.
Medical Recruitment	039	3	To review the arrangements in place to recruit to medical posts.	Director of Workforce & Organisational Development <i>cc Executive Medical Director</i>	Q 3 Q4 TBC Management have signalled that Q4 may be more appropriate, but the timing of this audit may need to be considered subject to staff pressures at that time. Timing and scope for this audit will be re-considered following completion of the Covid-19 Governance Review.
Nurse Staffing levels Act	040	51	To review arrangements in place to ensure that the organisation complies with the requirements of the Nurse Staffing Levels (Wales) Act 2016.	Director of Nursing & Patient Experience	Q 2 Q3 Management have indicated potential issues in reviewing this area whilst the pandemic is ongoing. We propose to delay the audit to Q3 and will consider issues at that time.

Planned output	Audit Ref	HBRR Ref	Outline Scope	Executive Lead	Outline timing
Locum On Duty	041	42	To review progress with implementation of the Locum on Duty electronic system, and assess the extent to which the system of control as implemented via the electronic system addresses control weaknesses raised in the audit review of medical agency locums.	Executive Medical Director Cc Director of Workforce & Organisational Development, Chief Operating Officer	Q1 Q3 This audit was started and paused in Q4 of 2019/20 with a view to completion this year. Management have requested delay to Q3/4. We will review the position with operational management with an aim to complete early – however, we have scheduled indicatively for Q3 if delay is necessary.
Workforce management domain sub-total	6 3/4 Audits				
Capital & Estates					
External Reporting					
Environmental Sustainability Reporting	042		To review and comment on compliance with guidance and information reported.	Director of Strategy Cc Director of Corporate Governance	Q1 Q2 Timing adjusted to reflect the pause in audit work during Q1 and changes to Welsh Government timescales.
Follow Up (Capital)					
Follow up (Capital)	S01		To deliver reasonable assurance to the Audit Committee that appropriate management action has been taken to address agreed audit recommendations	Director of Strategy	Q4

Planned output	Audit Ref	HBRR Ref	Outline Scope	Executive Lead	Outline timing
			arising from the capital reports previously issued.		
Major Strategic Investment Programmes					
Development of Integrated Audit Plans: <ul style="list-style-type: none"> • Primary and Community Care Infrastructure Projects - Swansea Wellness Centre • Mental Health PBC/Adult Acute SOC • Thoracic Surgery • Pathology OBC 	S02		<p>NHS Wales Infrastructure Investment Guidance (updated guidance issued by Welsh Government in October 2018) requires an Integrated Assurance and Approval Plan (IAAP), which sets out assurance and approval points for each stage of the Business Case process. Accordingly, the organisation is required to outline the various formalised assurance mechanisms proposed (e.g. internal audit, Gateway reviews, functional reviews etc.) and the timing of each.</p> <p>The Integrated Audit Plans proposed include a combination of programme-level, functional and consultancy assurance that, when combined, provide a balanced programme for the client to achieve the desired level of assurance required by Welsh Government.</p>	Director of Strategy	Q4

Planned output	Audit Ref	HBRR Ref	Outline Scope	Executive Lead	Outline timing
			Accordingly we will seek to develop IAP's for the projects outlined (subject to the timing of the development of the respective OBC/FBCs).		
Major Strategic Investment Programmes: ARCH Programme		13	Dovetailing with internal audit, assessing the robustness of arrangements to deliver the ARCH Programme requirements, the same may include an assessment of programme management and delivery arrangements or emphasis on individual project elements. Additionally the benefits of an integrated assurance plan will be assessed.	Director of Strategy	Q2
Capital Projects					
Singleton Hospital Cladding Façade	S03		To assess the delivery of this £10m capital project, currently progressing through the appointment of its supply chain partner, through to design completion, approval and commencement on site.	Director of Strategy	Q3 Subject to the availability of capital funding - to be reviewed on an ongoing basis.

Planned output	Audit Ref	HBRR Ref	Outline Scope	Executive Lead	Outline timing
Environmental / Infrastructure Modernisation Programme	S04	13	An assessment of the delivery of the latest phase of the Infrastructure Modernisation Programme.	Director of Strategy	Q2 Q3 Subject to the availability of capital funding - to be reviewed on an ongoing basis.
Informatics Modernisation Programme					
Informatics SOP	S05		Building on previous audit reviews of the UHB IM&T strategy, it is proposed that this will be further tested via appropriate sampling. Including e.g. the updated maintenance of the UHB strategy; risk management arrangements and the testing of the delivery of IM&T infrastructure projects allocated within the discretionary capital programme.	Chief Operating Officer	Q4 Q3 Subject to the availability of capital funding - to be reviewed on an ongoing basis.
Capital Systems					
Capital Systems	S06		To confirm that there are effective systems operating to manage delivery of the Health Board's discretionary capital programme in accordance with the Welsh Government Capital Resource Limit.	Director of Strategy	Q2

Planned output	Audit Ref	HBRR Ref	Outline Scope	Executive Lead	Outline timing
Estates Assurance					
Follow up (Estates Assurance)	S07		To deliver reasonable assurance to the Audit Committee that appropriate management action has been taken to address agreed audit recommendations arising from the estates assurance reports previously issued.	Chief Operating Officer / Director of Nursing & Patient Experience	Q3 Q4
Water Safety (Follow Up and Additional site Testing)	S08		Recognising the limited assurance Water Safety Audit delivered during 2019/20, it is proposed that a follow up review be undertaken including additional testing at UHB premises not incorporated within the original audit.	Chief Operating Officer / Director of Nursing & Patient Experience	Q3 Q2-Q3
Fire Safety	S09		To review arrangements in place to provide assurance to the Board that fire risks are managed effectively	Chief Operating Officer / Director of Nursing & Patient Experience	Q2 Q3
Capital & Estates domain sub-total	10 Audits				

Planned output	Audit Ref	HBRR Ref	Outline Scope	Executive Lead	Outline timing
Compliance with the Public Sector Internal Audit Standards					
Contingency			This element of the plan allows the flexibility to respond to management requests in order to meet specific Health Board needs throughout the course of the financial year.	Director of Corporate Governance	Q1-Q4
Audit Management and Reporting			An allocation of time is required for management:- <ul style="list-style-type: none"> • Planning liaison and management, incorporating attendance at Audit Committee and other formal Committee(s) of the Board; completion of risk assessment and planning; liaison with WAO; HIW; and organisation of the audit reviews; and • Reporting and meetings – key reports will be provided to support this, including preparation of the annual plan and progress reports to the Audit Committee and other formal Committee(s) of the Board. 	Director of Corporate Governance	Q1-Q4

Planned output	Audit Ref	HBRR Ref	Outline Scope	Executive Lead	Outline timing
Follow up of previous audit reports			We will conduct additional follow-up reviews throughout the year to provide the Audit Committee with assurance regarding management's implementation of agreed actions for reviews that received limited or no assurance.	Director of Corporate Governance	Q1-Q5