

**Swansea Bay University Health Board
Unconfirmed
Minutes of the Meeting of the Audit Committee
held on Thursday, 19th May 2022 at 9.00am
Microsoft Teams**

Present:

Nuria Zolle	Independent Member (in the Chair)
Keith Lloyd	Independent Member (from minute 80/22 to 97/22)
Tom Crick	Independent Member
Patricia Price	Independent Member
Steve Spill	Vice Chair

In Attendance:

Andrew Biston 81/22)	Assistant Director of Finance - Accounting and Governance (to minute 81/22)
Mark Hackett	Chief Executive Officer (to minute 81/22)
Len Cozens	Head of Compliance (from minute 86/22)
Osian Lloyd	Deputy Head of Internal Audit
Sara Utley	Audit Wales
Hazel Lloyd	Acting Director of Corporate Governance
Simon Cookson	Director of Audit and Assurance
Jason Blewitt	Audit Wales (from minute 80/22)
Leah Joseph	Corporate Governance Manager
Liz Stauber	Head of Corporate Governance (to minute 83/22)
Daniel King	Audit Wales
Gareth Howells	Director of Nursing and Patient Experience (minute 92/22)
Richard Evans	Medical Director (minute 84/22 to 86/22)
Keir Warner	Head of Procurement (minute 95/22)
Darren Griffiths	Director of Finance and Performance
Matt John	Director of Digital
Paul Mapson	Special Advisor
Debbie Eyitayo	Director of Workforce and OD (minute 91/22)
Julie Lloyd	OD & Staff Experience Manager (minute 91/22)
Matthew Evans	Head of Counter Fraud (minute 96/22)
Louisa Steele	Local Counter Fraud Specialist (minute 96/22)

Minute No.		Action
73/22	APOLOGIES	
	Apologies were noted from Jackie Davies, Independent Member.	

74/22	WELCOME / INTRODUCTORY REMARKS	
	The chair welcomed everyone to the meeting.	
75/22	DECLARATION OF INTERESTS	
	There were no declarations of interest.	
76/22	MINUTES OF THE PREVIOUS MEETING	
Resolved:	The minutes of the meeting held on 10 th March 2022 were received and confirmed as a true and accurate record.	
77/22	MATTERS ARISING	
	There were no items raised under matters arising.	
78/22	ACTION LOG	
	<p>The action log was received.</p> <p>i. <u>Internal Audit Progress Report</u></p> <p>Nuria Zolle advised that discussions had been held with chairs of Health Board committees, and the Board Assurance Framework would be used to build committee agendas for scrutiny of risks.</p>	
Resolved:	The action log was noted .	
79/22	WORK PROGRAMME	
Resolved:	The work programme was received and noted .	
80/22	DRAFT ANNUAL ACCOUNTS	
	<p>The draft annual accounts was received.</p> <p>In introducing the report and presentation, Andrew Biston highlighted the following points:</p>	

- COVID-19 recovery funding released to the Health Board totaled £159.9m following bids requested by Welsh Government;
- Swansea Bay University Health Board (SBUHB) had not met its financial duty to break-even against its revenue resource limit over the three years from 2020/21 to 2021/22, however it was in line with Welsh Government's expectations;
- The capital resource allocation for 2021/22 stood at £67.3m. There had been major challenges and excellent work had been undertaken to ensure SBUHB met its duty to break-even over 2020/21 and 2021/22;
- Due to the pandemic, the process for the 2020/23 integrated medium term plan was paused in spring 2020 and temporary planning arrangement was implemented. As a result, SBUHB did not submit a 2019/22 integrated medium term plan in accordance with the planning framework
- The financial target was to pay 95% of these non-NHS creditor payment invoices within 30 days of delivery. SBUHB achieved 94.32%
- Expenditure costs stood at £194m for primary healthcare services, £279m for healthcare from other providers, and £933m for hospital and community services;
- A service level agreement is in place with Velindre following a service transfer on 1st April 2021;
- The local authority expenditure figure has reduced by £30m due to the field hospital spend in 2021;
- Staff costs increased by £19m in comparison to 2020/21 and this comprised 3% pay award to employed staff, mass vaccination campaign, test trace and protect staff and extra costs due to COVID recovery. Offset reductions included £2.8m in the untaken annual leave accrual and the £500 bonus payment (£735 gross) per staff member;
- Assets totalled £328m. Property plant and equipment increased to £54.5m, and local authority invoices reduced by £1.8m. Pre-payments are linked to a number of salary sacrifice cars totalling £1.1m. There was a reduction in the provision for irrecoverable debts following payment of section 117 invoices;
- In respect of liabilities, there was a reduction in finance leases and private finance initiative contracts;

	<ul style="list-style-type: none"> - The clinical negligence figure had flattened as many cases received up-front payments which were lower than Welsh Risk Pool's expectations. The closing position for 2021/22 was £137m. - In respect of taxpayers equity, the general fund increased by £9.352m;; - The Auditor General for Wales' opinion and sign off is scheduled 15th June 2022. Accounts laid before National Assembly for Wales is scheduled 16th June 2022. - The Auditor General's view has not been changed and the expectation is irregular and will be qualified; - Audit work on the scheme for individuals on payroll 2019/20 was ongoing. No issues had been raised and the team are auditing the numbers centrally and had been provided by Welsh Government to determine robustness. <p>In discussing the item, the following points were made:</p> <p>Darren Griffiths thanked the finance team for their work to ensure deadlines had been met. Nuria Zolle supported Darren Griffiths' comments and noted that she had previously provided queries to Andrew Biston and he had responded diligently in advance of the committee meeting.</p> <p>Steve Spill queried the difference in the goods and services from Welsh contracts. Andrew Biston advised that no expenditure had taken place with Health Education and Improvement Wales (HEIW) in 2019/20 and 2020/12, however funding had been received for training and education purposes. Income of around £250k had been received from Digital Health and Care Wales; however, the remainder of the bulk payments were from HEIW.</p> <p>Steve Spill queried whether outsourcing payments to the private sector were COVID-19 related or if they were a part of the expected direction of travel. Darren Griffiths advised that COVID-19 recovery amounted to £25m last year, and £21.6m recurrent for 2021/22. There was a similar expectation of spend for 2022/23 to manage the COVID-19 recovery.</p>	
Resolved:	Draft annual accounts for 2021/22, which are currently subject to audit by Audit Wales, were noted .	
81/22	DRAFT REMUNERATION AND STAFF REPORT	
	<p>The draft remuneration and staff report was received.</p> <p>In introducing the report, Andrew Biston highlighted the following points:</p> <ul style="list-style-type: none"> - Assistant Directors to be included in future iterations of the report; 	

	<ul style="list-style-type: none"> - The pension benefits figure was negative for some Executive Directors. Audit Wales had reviewed and identified that the negative figure should be replaced with zero. The amendment would be updated in the finalised version. <p>In discussing the item, the following points were made:</p> <p>Paul Mapson queried how the negative figures arose. Andrew Biston noted that the figures had related to the former Director of Corporate Governance pension release, and individuals opting out of the pension scheme, which resulted in a negative number.</p> <p>Pat Price noted that future analysis of other Health Board's composition staff would be helpful to see comparisons across Wales. Darren Griffiths noted that the information was standard, and a finance exercise to compare and contrast could be completed once the final report had been published.</p>	
Resolved:	The draft remuneration and staff report for submission to Welsh Government as part of the Health Board's Annual Report for 2021/22 was approved .	
82/22	DRAFT ORGANISATIONAL ANNUAL REPORT	
	<p>The draft organisational annual report was received.</p> <p>In introducing the report, Hazel Lloyd highlighted the following points:</p> <ul style="list-style-type: none"> - The report had been split into three parts, performance report, accountability report and the financial statements; - A draft version had been shared with Independent Members, Executives, Audit Wales and internal audit colleagues. Feedback had been incorporated into the versions received; - Thanks to Liz Stauber for pulling the report together. <p>In discussing the item, Nuria Zolle suggested the Stakeholder Reference Group have sight of the reports for accessibility.</p>	
Resolved:	<ul style="list-style-type: none"> - The draft annual report 2021-22 for onward consideration and approval by the Health board in June 2022 was received. - Committee members agreed to submit final comments via email to Liz Stauber by 5pm on Tuesday, 24th May 2022. 	
83/22	CORPORATE GOVERNANCE CODE	

	A report on compliance with the corporate governance code was received and it was agreed that the assessment would be reflected in the accountability report.	
84/22	CLINICAL AUDIT AND OUTCOME REVIEW PLAN	
	<p>The clinical audit report and outcome review plan were received.</p> <p>In introducing the report, Richard Evans highlighted the following points:</p> <ul style="list-style-type: none"> - In 2021, the clinical audit and effectiveness policy was revised to introduce a hierarchy of priorities for audit activities. The approach had been introduced for the new audit year; - Audits has taken place based on either Health Board, Service Group or directorate issues or trends; - The next steps would be to manage the recommendations following the audits and ensure lessons learned. <p>In discussing the item, the following points were made:</p> <p>Nuria Zolle agreed that systematically lessons learned needed to be shared across the Health Board, and actions tracked to ensure movement in the right direction.</p> <p>Steve Spill queried how the six Health Board priority topics were decided. Richard Evans advised that antimicrobial stewardship was linked to the Health Board's emphasis on infection, prevention and control. World Health Organisation surgical checklist was based on a previous external audit. End of life care had been raised throughout the COVID-19 pandemic. Consent to examination and treatment and use of chaperones had been raised over the last few months from patient and staff safety perspectives.</p> <p>He advised that the report mechanism for clinical audit would be via the newly refreshed Quality and Safety of Patient Services Group, which in turn reports to Quality and Safety Committee. Nuria Zolle highlighted the importance to address what was included and overseen across Audit Committee and Quality and Safety Committee as part of its statutory duties. Richard Evans, Nuria Zolle, Hazel Lloyd and Steve Spill undertook to discuss the reporting requirements outside of the committee.</p>	SS/RE/ HL/NZ
Resolved:	<ul style="list-style-type: none"> - Richard Evans, Nuria Zolle, Hazel Lloyd and Steve Spill undertook to discuss the clinical audit reporting requirements outside of the committee. - The report be noted. 	SS/RE/ HL/NZ

85/22	CHANGE IN AGENDA ORDER	
Resolved:	Item 5.3 to be taken with 4.1 to follow.	
86/22	GOVERNANCE ARRANGEMENTS FOR SPINAL OPERATIONAL DELIVERY NETWORK	
	<p>A report detailing the governance arrangements for spinal operational delivery network (ODN) was received.</p> <p>In introducing the report, Hazel Lloyd highlighted the following points:</p> <ul style="list-style-type: none"> – SBUHB has developed a hosting agreement that sets out the responsibilities of the ODN and the responsibilities of the Spinal Services Operational Delivery Network for South Wales, West Wales and South Powys (ODN) member Health Boards; – The hosting agreement takes the form of a Memorandum of Understanding (MoU) and will be signed by SBUHB as host of the ODN and all Health Boards within the Spinal Services Operational Delivery Network. This will include SBUHB as a provider of adult spinal surgery. The MoU is, at the time of reporting, in final draft form, subject to any further required revisions from the Welsh Health Specialised Services Committee; – Each Health Board would need to approve the MoU through their own organisational processes throughout June 2022; – SBUHB will begin work if the MoU is approved at Audit Committee. <p>In discussing the item, the following points were made:</p> <p>Steve Spill queried the designated process, and whether SBUHB volunteered to host the spinal ODN. Richard Evans provided committee members with background information that stemmed over a 15-year period following difficulties to treat patients in a timely manner. He noted that in 2019, discussions began with spinal clinical leads in Cardiff and Swansea, however the NHS Collaboration Group have assisted the process and as a result, SBUHB agreed to host the spinal ODN. Keith Lloyd congratulated colleagues and noted the positive steps.</p> <p>Steve Spill queried whether the additional workload was under control. Richard Evans advised that additional resource was due to come through the ODN to ensure a good flow of patients and timely care was provided. He stated that the management team on the site would manage the operational issues, and he would be contacted if issues need escalation.</p>	

Resolved:	The Memorandum of Understanding was approved .	
87/22	INTERNAL AUDIT PROGRESS REPORT	
	<p>The internal audit progress report was received.</p> <p>In introducing the report, Osian Lloyd highlighted the following points:</p> <ul style="list-style-type: none"> (i) Information Systems Directive Final Internal Audit <ul style="list-style-type: none"> – Reasonable assurance had been provided; – Further development had been highlighted. An improvement action plan had not been developed, and no retention of supporting information provided to the cyber resilience unit as part of the cyber assessment framework. <p>In discussing the item, the following points were made:</p> <p>Nuria Zolle queried whether the timescales were on-track ensure the delivery of an improvement plan. Matt John advised that the improvement plan remains on-track and a meeting to discuss developments took place last week.</p> <p>Pat Price highlighted that there was no assessment of Health Board cyber security. Keith Lloyd advised that Health Board cyber security was discussed at a recent Welsh Government meeting and it would be good for clarification on the status. Matt John advised that the cyber resilience unit came into force over the past six months and the team were on a journey.</p> <p>Tom Crick queried whether the relationships on a national scale were developing as the national approach allows adaptability at a Health Board level. Matt John noted that it was good to have national expertise to provide a consistent approach across Wales, however local input was important. Work has been underway to minimise risks, including discussions with Cwm Taf Morgannwg University Health Board and until the work had completed, the risk status would remain in place.</p> <p>Tom Crick highlighted that there was a high demand across all sectors for recruitment and retention for cyber security workforce to build a talent pipeline. He noted that there was a wider behaviours piece as information governance and cyber resilience was everyone’s responsibility, and staff members should be aware of actions and consequences. Matt John stated that mandatory training work was ongoing and a pro-active phishing exercise had taken place, which was effective.</p> <ul style="list-style-type: none"> (ii) Financial Reporting and Monitoring Final Internal Audit Report, <ul style="list-style-type: none"> – Reasonable assurance had been provided; 	

	<ul style="list-style-type: none"> – Content of delegation letters does not fully align with standing orders and letters were not returned by budget holders; – Significant budgets are not being acknowledged with delegation letters; – A listing of virements is not maintained; – The team are on track to deliver their year-end position. <p>In discussing the item, the following points were made:</p> <p>Paul Mapson suggested a review of the budget holder process as budget holders could be clinical and have not received finance training. He supported the feedback that additional finance support might be required.</p> <p>Darren Griffiths noted that training and education remained a huge challenge for the finance department. Many people had changed roles throughout the COVID-19 pandemic to support the pace of change. There was a plan to develop a suite for budget holders to provide support. Work was needed to define the words ‘budget holder’ as there was an understanding of budget holder requirements, but there were areas of no response in some financial requirements. He appreciated advice from colleagues around the level of engagement for delegation letters.</p> <p>Simon Cookson advised that audits need to be realistic to best effectively manage requirements. He agreed with Paul Mason’s comments around reviewing the budget holder process, and noted that the internal audit report was positive overall. He highlighted that work was ongoing with the NHS Finance Academy along with national work to strengthen finance requirements.</p> <p>Darren Griffiths noted that coming out of the COVID-19 pandemic, a different grip and control was needed following resource restrictions and COVID funding decreasing. He stated that the financial maturity was being working on.</p> <p>Nuria Zolle requested that the financial reporting and monitoring final internal audit report be referred to Performance and Finance Committee.</p>	NZ
Resolved:	<ul style="list-style-type: none"> – Refer the financial reporting and monitoring final internal audit report to the Performance and Finance Committee for discussion. – The network and information systems directive final internal audit report be noted. – The financial reporting and monitoring final internal audit report be noted. – The internal audit progress report be noted. 	NZ

88/22	DRAFT HEAD OF INTERNAL AUDIT OPINION AND ANNUAL REPORT 2021/22	
	<p>The draft head of internal audit opinion and annual report 2021/22 were received.</p> <p>In introducing the report, Osian Lloyd highlighted the following:</p> <ul style="list-style-type: none"> – The Health Board can take reasonable assurance that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively; – 28 audit reviews were undertaken throughout 2021/22. 2 scored substantial assurance, 18 scored reasonable assurance, 4 scored limited assurance, and 3 audits were advisory. <p>In discussing the item, the following points were made:</p> <p>Darren Griffiths highlighted his delight that estates had reasonable assurance level and welcomed the progress.</p> <p>Nuria Zolle thanked the internal audit team for their invaluable work. The reasonable assurance levels were fair reflections, and significant improvement work was underway in the areas with limited assurance reports. She queried the timeframe of the finalised internal audit report on ‘external standards assurance: National Institute for Health and Care Excellence Guidance’. Osian Lloyd advised that the final internal audit report had been agreed with the executive lead and would be taken through July’s Audit Committee.</p>	
Resolved:	The draft deputy head of internal audit opinion and annual report were noted .	
89/22	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 audit registers and status of recommendations, Len Cozens highlighted the following points:</p> <ul style="list-style-type: none"> – The report included all updates to audit registers made up to and including the 22nd April 2022; – There has been a reduction in outstanding actions stemming from Audit Wales and NWSSP and updated will be included in the next iteration of the report; 	

	<ul style="list-style-type: none"> – Discussions with cluster development and planning team have been ongoing, and most of the actions will be closed by July’s Audit Committee; – Capital and estates follow-up reports are due to be finalised by the next review and will be included in July’s iteration; – A meeting was scheduled this afternoon with the nursing team to discuss progression of the discharge planning actions. <p>In discussing the item, the following points were made:</p> <p>Nuria Zolle raised concerns as timeframes had moved following delays, and noted the importance of discharging the recommendations. She highlighted that moving timeframes should not become usual practice. Len Cozens noted that it was good to see the levels of scrutiny and had informed executives that clearance of recommendation was important. He confirmed that he was happy to advise committee members on the areas of concern.</p> <p>Darren Griffiths highlighted that a number of responses had been received from the estates department, and he was in the process of responding to those actions.</p>	
Resolved:	The current position of the audit registers and the status of the action plans was noted .	
90/22	BOARD EFFECTIVENESS ACTION PLAN	
Resolved:	A report detailing the board effectiveness action plan was received and noted .	
91/22	GUARDIAN SERVICE ANNUAL REPORT	
	<p>The Guardian Service Annual Report was received.</p> <p>In introducing the report, Julie Lloyd highlighted the following points:</p> <ul style="list-style-type: none"> – The end of year report for the period of 1st April 2021 to 31st March 2022 from The Guardian Service Ltd was provided to committee members; – The service has been in place since 2019; – 231 staff used the service from May 2019 to March 2022 and 178 concerns were resolved/closed, which amounts to 77% of total concerns raised in the same reporting period; – Next steps include proceeding with virtual drop in session; 	

- Feedback from users includes staff feeling that although they have raised concerns in the existing system, they have not been listened to. Fear of damaging careers is on the increase. Leadership development and work with human resources leads was ongoing to support staff.

In discussing the item, the following points were raised:

Debbie Eytayo highlighted the importance of using quality and safety Datix information to look at trends and issues to address matters. She noted the workforce geographically was changing due to overseas recruitment campaigns and SBUHB needed to ensure there were no negative barriers around diversity.

Nuria Zolle voiced her support for the Guardian Service. Steve Spill queried how quality measures were factored into quality governance. Julie Lloyd stated that if a patient or staff safety matter was raised it would be escalated immediately and confidentiality could not be maintained. The outcome would be fed into the Quality and Safety Committee process.

Keith Lloyd commented that the service had improved, and queried the number of complaints versus the number of contacts. Julie Lloyd advised that contacts could be via phone or email and not all contacts warrant as a concern as some were used for information gathering.

Keith Lloyd queried whether concerns were capped. Julie Lloyd advised that the team were scoping a business model as although concerns were not capped, a predicted guide of 150 concerns was in place. Once the number of concerns passed 150, the Guardian Service would charge additional fees. Debbie Eytayo advised that the figure of 150 was worked into the contract on best average and if the number of concerns passed the tolerance measure, it would be a red flag to SBUHB.

Nuria Zolle observed that the package of support for staff including the holistic options need to be communicated, and any opportunity to offer user feedback without betraying confidentiality needed to be considered. She noted that it could be helpful for a value for money exercise to take place to provide indicators, and stated that the service linked with cultural and quality and safety aspects.

Tom Crick noted that from a Workforce and OD Committee perspective, this had been received at meetings for some time. He highlighted that he attends 8-weekly meetings with the SBUHB Chair, and queried how the data was used effectively to capture positive support from different staff groups. Debbie Eytayo advised that the children's continuing care team had utilised the service to provide support and feedback to the Quality and Safety Committee. The services were working together to ensure staff were supported.

Resolved:	The Guardian Service Annual Report was noted .	
92/22	QUALITY MANAGEMENT SYSTEM	
	<p>A report on the quality management system was received.</p> <p>In introducing the report, Gareth Howells highlighted the following points:</p> <ul style="list-style-type: none"> – SBUHB undertook a review considering the quality governance arrangements in the service groups and this coincided with Audit Wales and internal audit reviews of quality governance and the quality governance framework respectively; – It was identified that while there were some areas of good practice, there was also a need to embed a quality management system including quality improvement goals and ownership at service group level. This included the organisational assurances structures in place; – Two externally facilitated quality and safety workshops were held on 23rd February 2022 and 23rd March 2022 in support of the reset, as well as an executive session and Board away-day all of which focused on developing a more robust culture of quality and safety and what the quality governance system should look like; – An action plan was drafted which included actions identified during the workshops and the response to the recommendations from the three pieces of work on quality governance. This showed good progress, but still some work to do to embed, especially around local ownership; – Two actions due in June 2022 are linked to the quality strategy, and he suggested these were extended to September 2022; – The work would also enable the Health Board to comply with the new duties of the Health and Social Care (Quality and Engagement) (Wales) Act 2020 which places both an enhanced duty of quality and an organisational duty of candor and strengthen the approach to high quality and safe care.- – He suggested bringing an update report to September’s Audit Committee. <p>In discussing the item, Nuria Zolle stated she was content for the one overarching action plan following the workshops and response to recommendations. She agreed that the update report be received at September’s Audit Committee, and was pleased that the actions that were delayed had been highlighted to committee members.</p>	GH/HL/ RE

Resolved:	<ul style="list-style-type: none"> - Receive an update report on the quality management system at September's Audit Committee. - The report was noted. 	GH/HL/RE
93/22	AUDIT WALES PERFORMANCE AND PROGRESS REPORT	
	<p>The Audit Wales performance report was received.</p> <p>In introducing the report, Sara Utley and Jason Blewitt highlighted the following points:</p> <ul style="list-style-type: none"> - Audit Wales are on-track to meet mid-June timescales for the finance audit; - The charitable funds audit is expected to be completed in December 2022; - A link was provided within the report that provided information on the NHS-related or relevant national studies published since the last committee update. This month's blog included unscheduled care in Wales that provided a snapshot of how the unscheduled care system was coping under pressure. 	
Resolved:	The Audit Wales performance and progress report was noted .	
94/22	FINANCE UPDATE	
	<p>Darren Griffiths provided a verbal update on the financial position. He highlighted the following points:</p> <ul style="list-style-type: none"> - The forecast £21.4m deficit had been confirmed by Welsh Government for 2022/23. Increased allocation was being used to reduce the deficit from 4.2m to 2.4m; - Financial supported for COVID-19 was expected to materialize from Welsh Government; - The financial position for month one stood at an in-month overspend of £2.2m with 350k non-pay overspent and £300k pay overspent; - Work was underway on workforce as establishment was £4m underspent and improvement plans were ongoing; - Fund flow of long-term agreements to go live as the middle model had been agreed with other Health Boards. <p>In discussing the item, the following points were raised:</p>	

	<p>Nuria Zolle highlighted the need to monitor variable pay. Tom Crick queried whether the context was appropriate surrounding establishment in light of the upcoming service redesign. Darren Griffiths advised that a substantive amount of the Health Board would be redesigned in October, which would provide an opportunity for establishment to be refreshed. He noted that savings would be harder to realise and the Chief Executive had tasked him with holding workshops from a transformational aspect to review clinical and workforce models.</p> <p>Tom Crick queried whether future electronic staff record systems would better manage workforce. Darren Griffiths advised that a cultural and OD piece of work was needed with a holistic aspect that needed to begin now. Nuria Zolle welcomed the development of changes.</p>	
<p>Resolved:</p>	<p>The finance update was noted.</p>	
<p>95/22</p>	<p>NWSSP PROCUREMENT: SINGLE TENDER ACTIONS AND QUOTATIONS</p>	
	<p>The NWSSP Procurement: single tender actions and quotations report was received.</p> <p>In introducing the report, Keir Warner highlighted the following points:</p> <ul style="list-style-type: none"> - There has been an increase in the volume of Single Quotation Actions (SQAs) and Single Tender Actions (STAs) which is typical due to the financial year end; - The number of retrospective action requests remains similar to the previous reporting period, however values have increased; - Support has been provided to the oncology department to strengthen education around procurement processes; - Procurement training was rolled out across the Health Board, which included virtual and face-to-face. The procurement SharePoint has been updated; - The business partner model is ongoing and the team are encouraged by results to date. <p>In discussing the item, the following points were raised:</p> <p>Nuria Zolle highlighted the need to have assurance of challenge surrounding the procurement processes. Keir Warner advised capacity in the market and the pace of movement can affect the processes and highlight challenges. There have been elements of urgency to complete actions, and processes have been adapted to ensure pace.</p>	

	<p>Nuria Zolle requested the next iteration of the report include consultancy. Keir Warner undertook to include this within July's report governance section for clarity and assurance.</p> <p>Nuria Zolle requested that the GP Cluster training outcomes and feedback be included in the next iteration of the report.</p> <p>Hazel Lloyd informed committee members that the SBUHB bed poverty process had been flagged by Welsh Government for other Health Boards to follow. She thanked Keir Warner and team for their good work. Nuria Zolle found the work inspiring and supported Hazel Lloyd's comments. Keir Warner highlighted the importance of working together for good outcomes, and noted that the power had been in the engagement with third sector charities to drive processes forward as thousands of people would benefit from the project.</p>	<p>KW</p> <p>KW</p>
<p>Resolved:</p>	<ul style="list-style-type: none"> - Consultancy to be included within the governance section in July's report for clarity and assurance. - GP Cluster training outcomes and feedback to be included in July's report. - The NWSSP Procurement: single tender actions and quotations report was noted. 	<p>KW</p> <p>KW</p>
<p>96/22</p>	<p>COUNTER FRAUD ANNUAL REPORT 2021/22</p>	
	<p>The counter fraud annual report 2021/22 was received.</p> <p>In introducing the report, Matt Evans highlighted the following points:</p> <ul style="list-style-type: none"> - The report was received highlighting performance throughout 2021/22 and incorporated the self-review against the NHS Counter Fraud Standards; - Outcomes had been captured, including a comparison of 2021 ratings. <p>In discussing the item, the following points were raised:</p> <p>Nuria Zolle highlighted the good progress made and queried whether more ratings would be scored green in 2022/23. Matt Evans advised that work was ongoing to increase green ratings, and he would provide a comparison report at a future meeting.</p> <p>Darren Griffiths commented that Matt Evans oversees other Health Boards for counter fraud, and the management of the service was effortless. He noted that the majority of impact was the delay of activity and that could not</p>	

	be measured. He was grateful to the team for always improving which was in line with the Health Board values.	
Resolved:	The counter fraud annual report 2021/22 was approved .	
97/22	INFORMATION GOVERNANCE GROUP UPDATES	
	<p>The information governance group (IGG) update was received.</p> <p>In introducing the report, Matt John highlighted the following points:</p> <ul style="list-style-type: none"> - Matt John is now the Senior Information Risk Owner and the Chair for IGG; - The first network and information system assessment had been completed, and an assurance score of 83% has been achieved. The average score across Wales was 50%; - An improvement plan is being developed in response; - Cyber security training is ongoing and work is underway to increase mandatory information governance training. The compliance score in March 2022 was 77% against the Welsh Government target of 95%; - There had been a continuous increase in information governance issues and there was pressure to support the increased workload and to balance the risk. A task and finish group for subject access had been set up to manage increased requests. <p>Nuria Zolle observed the importance for information governance compliance to increase, and noted that SBUHB was being active in light of the Ukraine response, but queried if anymore could be done to minimise risk. Matt John advised that cyber-attacks had been heightened in light of the position with Russia and Ukraine. The software in place fends off attacks and SBUHB has good central control. He noted that a good process nationally was ongoing.</p> <p>Tom Crick was pleased to see outcomes and 83% assurance score. He queried whether any major changes were expected to increase compliance. Matt John advised that more could be done and the initial assessment had taken place before some actions had been completed. He expected the score to increase if the assessment was completed again. The team are looking at granularity in specifics to develop the improvement plan.</p> <p>Tom Crick queried whether red teams exercise were being undertaken. Matt John advised that a planned cyber resilience response task was underway. Tom Crick supported Matt John's comments and noted that business continuity was important.</p>	

Resolved:	The information governance update was noted .	
98/22	DECLARATION OF INTEREST REGISTER, GIFTS AND HOSPITALITY REGISTERS	
	<p>The declaration of interest register, gifts and hospitality registers were received.</p> <p>In introducing the report, Hazel Lloyd highlighted that donations during COVID-19 had been included and would become a part of the Health Board's business conduct policy.</p> <p>In discussion, Nuria Zolle queried what the process was when cash donations were received. Hazel Lloyd undertook to confirm outside of the committee.</p>	HL
Resolved:	<ul style="list-style-type: none"> – Cash donations process to be confirmed to Nuria Zolle. – The declaration of interest register, gifts and hospitality registers were approved. 	HL
99/22	AUDIT COMMITTEE TERMS OF REFERENCE	
	<p>The Audit Committee Terms of Reference were received.</p> <p>In introducing the Terms of Reference, Hazel Lloyd highlighted that following an annual review, changes had been made to the format.</p> <p>In discussion, Nuria Zolle requested a discussion outside of the committee with Hazel Lloyd around fully discharge the areas within the terms of reference, including clinical audit and status of recommendations. Hazel Lloyd undertook to review items raised and the work programme with Nuria Zolle.</p>	HL/NZ
Resolved:	<ul style="list-style-type: none"> – Discussion to take place around discharging recommendations and requirements within the terms of reference, specifically clinical audit and status of recommendations. The work programme to be reviewed. <p>The Audit Committee Terms of Reference were approved.</p>	HL/NZ
100/22	ITEMS TO REFER TO OTHER COMMITTEES	
Resolved:	<ul style="list-style-type: none"> i. <u>87/22 Financial reporting and monitoring final internal audit report</u> 	

	Refer the financial reporting and monitoring final internal audit report to the Performance and Finance Committee for discussion.	
101/22	MEETING EFFECTIVENESS	
	<p>Nuria Zolle asked committee members to reflect on the meeting.</p> <p>Steve Spill found the meeting and timings good and Independent Members should be assured.</p> <p>Nuria Zolle felt that Independent Members had asked thought provoking questions and management responses were strong. She reflected that there were a large amount of papers and work was needed to minimise papers to what was needed.</p> <p>Darren Griffiths noted that minimising the papers could help committee members focus. He found exchanges honest and transparent even when challenged. Hazel Lloyd supported Darren Griffiths' comments, and noted she would review the paper process. She felt that there was strong scrutiny and presenters were good.</p>	
102/22	ANY OTHER BUSINESS	
Resolved:	There was no further business and the meeting was closed.	
103/22	DATE OF NEXT AUDIT COMMITTEE MEETING	
	The date of the next meeting was confirmed as 8 th June 2022.	