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Bwrdd Iechyd Prifysgol
Bae Abertawe
Swansea Bay University
Health Board



Meeting Date	21 November 2019	Agenda Item	6.3
Report Title	Review of Audit Registers and status of Recommendations		
Report Author	Andrew Biston, Head of Accounting and Governance		
Report Sponsor	Pamela Wenger, Director of Corporate Governance		
Presented by	Andrew Biston, Head of Accounting and Financial Governance		
Freedom of Information	Open		
Purpose of the Report	<p>To provide summary extracts of the Audit Registers for the Health Board which have been developed to monitor:</p> <ul style="list-style-type: none"> ➤ Delivery of the Audit Plans; ➤ Receipt of draft and final reports; and ➤ Health Board management responses to audit reports <p>To monitor the status of agreed audit recommendations.</p>		
Key Issues	<p>The Audit Registers have been fully updated as at 25th October, 2019. These show when reports were expected by the Health Board, as set out in the original audit plans, the dates they were received and whether management responses were made on a timely basis.</p> <p>There has been an increase in the number of overdue recommendations during the period August 2019 to October 2019.</p>		
Specific Action Required <i>(please choose one only)</i>	Information	Discussion	Assurance
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Recommendations	<p>Members are asked to:</p> <ul style="list-style-type: none"> • Note The current position of the Audit Registers and the status of the Action Plans. 		

1.0 INTRODUCTION

1.1. This report provides the Audit Committee with summary extracts of the Audit Registers for the Health Board which have been developed to monitor: -

- Delivery of the Audit Plans;
- Receipt of draft and final reports; and
- Health Board management responses to audit reports

1.2. In addition, the status of agreed audit recommendations is monitored and included within this report.

2.0 BACKGROUND

2.1 A detailed review of the audit registers has been undertaken by the Head of Accounting & Financial Governance, Director of Corporate Governance and Head of Internal Audit focussing on the outstanding audit recommendations listed on the audit registers. This review identified outstanding actions which have been superseded by subsequent audit reports or are no longer valid and these have been removed from the audit registers. A similar review has also been undertaken with Wales Audit Office.

2.2 The reports remaining on the audit registers have been fully updated as at 25th October 2019, and these show when reports were expected by the Health Board, as set out in the original audit plans, the dates they were received and whether management responses were made on a timely basis. Updates made to the audit registers after 25th October 2019 are not reflected in this report.

2.3 Summary extracts for both internal and external audit are set out in the sections below:

External Audit Register (2018 Audit Plan) (Appendix A)

Delivery of the 2018 plan is summarised below:

- **Financial Accounts Work (2017/18):** All work is now complete.
- **Performance Work:**
 - Thematic Review – Orthopaedic Services Follow Up – Fieldwork is in progress.
 - Thematic Review – Consultant Contract Follow up Review- Drafting of the report has commenced with the report due to come to Audit Committee in January 2020.

External Audit Register (2019 Audit Plan (Appendix B))

Delivery of the 2019 plan is summarised below:

- **Financial Accounts Work (2018/19):** Main accounts work is completed and was reported to Audit Committee in May 2019. The Charitable Funds Audit work is complete. The audit of the S1/S2 Bridgend boundary change accounts is complete and is on the agenda for the November Audit Committee.

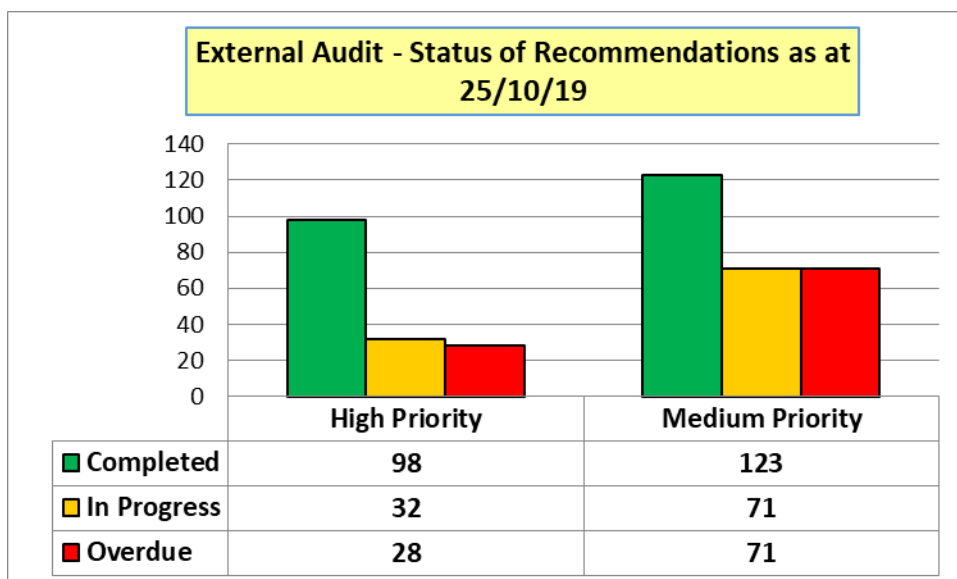
- **Performance Work:**
 - NHS Structured Assessment (2019): The drafting of the report has commenced.
 - Quality Governance – Scoping is taking place in collaboration with Healthcare Inspectorate Wales. Fieldwork is expected to commence in early 2020.
 - Implementing the Well Being of Future Generations Act – The draft report is currently being considered by health board officers.

External Audit Action Plans

Action plans are all available on the Finance Portal through SharePoint for managers and executives to access and update throughout the year. Training has been provided to executives and named managers within the action plans. The deadlines for the reporting periods to the Executive Team and then onto Audit Committee are clearly set out within the file set up.

It should also be noted that the charts and tables within this report only include Audit reports relating to the 2017/18 and 2018/19 Audit Plans, unless there are recommendations that have not yet been reported as completed from previous years, and so these continue to be monitored this year, and reported to the Committee.

The status of external audit recommendations is shown in the chart below.



At this point, the overdue recommendations for external audit reports relate to:

Row Labels	Sum of High Priority Overdue	Sum of Medium Priority Overdue	Longest Overdue (Days) as at 22/02/2019	Longest Overdue (Days) as at 21/06/2019	Longest Overdue (Days) as at 23/08/2019	Longest Overdue (Days) as at 25/10/2019
COO - Chris White	17	10				
Review of Follow-up Outpatient Appointments	1	0	1149	1268	1331	1394
A Comparative Picture of Local Orthopaedic Services	1	0	328	447	510	573
Radiology Service	0	4	479	598	661	724
Discharge Planning	0	6	359		541	543
Primary Care Services	15	0		113	176	239
DoCG - Pamela Wenger	11	0				
Structured Assessment 2017	8	0	0	0	0	543
Structured Assessment 2018	3	0	0	0	0	208
MD - Richard Evans	0	61				
NHS Consultant Contract: Follow Up of Previous Audit Reco	0	61	723	842	905	968
Grand Total	28	71				

Taking into account noted revised target implementation dates, the table above would remain the same for high priority recommendations. The medium priority recommendations would reduce to 10, the reduction relating to Medical Director – NHS Consultant Contract: Follow up of Previous Audit Recommendations. It must be noted that the consultant contract report recommendations reflect the fact that each recommendation has been replicated 6 times to reflect the 6 SDU's as requested by the former Medical Director. It must be noted that the Consultant Contract Follow Up Review is nearing completion and it is likely that the recommendations in this report will then be used going forward replacing the recommendations from 2015.

NWSSP Audit & Assurance Audit Register 2019/20 (Appendix C)

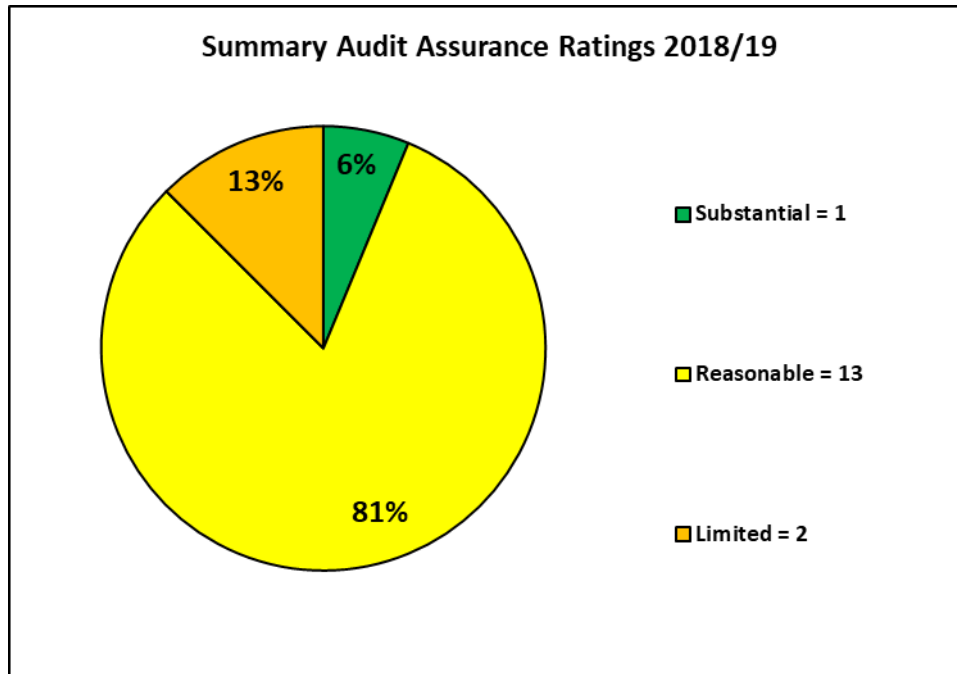
As at 25th October 2019, 19 final reports have been issued which included 3 reports without an assurance rating:

HTA – Mortuary

GP Out of Hours Services: Quality Standards Reporting

Annual Quality Statement.

The assurance ratings on the 16 reports where ratings were issued are summarised in the chart below:

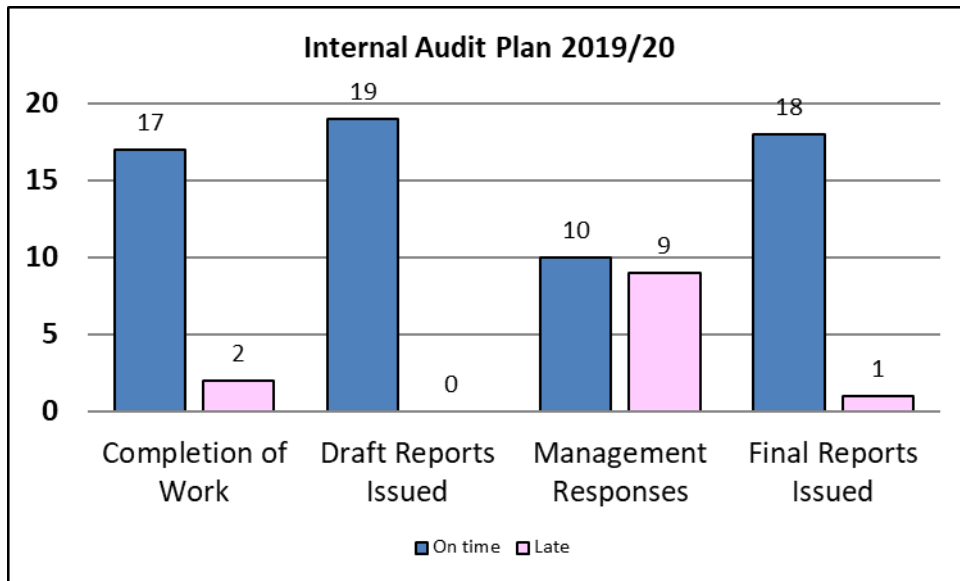


Key Performance Indicators

There are KPIs established for measuring the overall delivery of the audit plans which are set out below:

1. Completion of Work - Was the review work completed in the quarter planned?
2. Draft Reports Issued - Was the draft report received within 14 days of the review work being completed?
3. Management Responses - Were management responses received within 21 days of the draft report being issued?
4. Final Reports - Was the final report received within 14 days of management responses being received by NWSSP Internal Audit (including the completed Action Plan)?

The chart below summarises the position against the KPIs as at 25th October 2019:



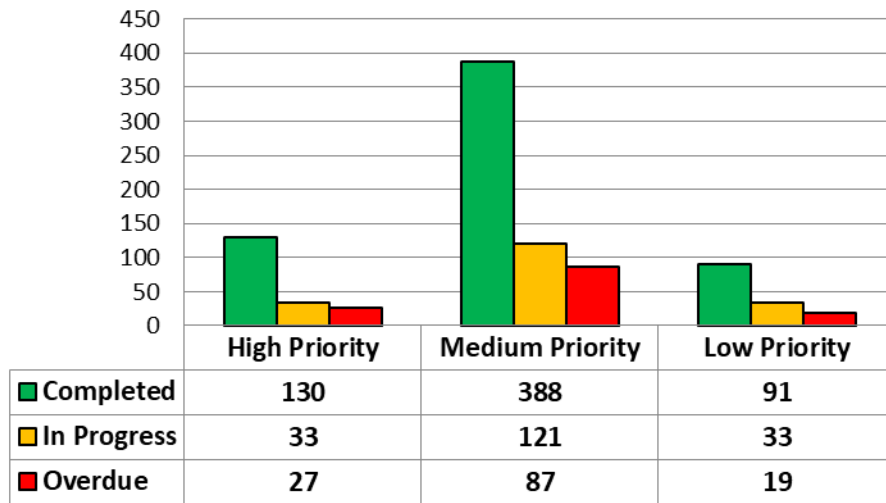
NWSSP Audit & Assurance Action Plans

The action plans for all reports are available on the Finance Portal through SharePoint for managers and executives to access and update throughout the year. Training has been provided to executives and named managers within the action plans. The deadlines for the reporting periods to the Executive Team and then onto Audit Committee are clearly set out within the file set up.

It should also be noted that the charts and tables within this report only include Audit reports relating to the 2018/19 and 2019/20 Audit Plans, unless there are recommendations that have not yet been reported as completed from previous years, and so these continue to be monitored this year, and reported to the Committee.

The status of internal audit recommendations is shown in the chart below, this being based on the original date agreed for implementation of the agreed recommendation.

Internal Audit - Status of Recommendations as at 25/10/19



At this point, the overdue recommendations for internal audit reports relate to:

Row Labels	Sum of High Priority Overdue	Sum of Medium Priority Overdue	Sum of Low Priority Overdue	Audit Rating	Longest Overdue (Days) as at 22/02/19	Longest Overdue (Days) as at 21/06/19	Longest Overdue (Days) as at 23/08/19	Longest Overdue (Days) as at 25/10/19
Director of Strategy	1	8	0					
Strategy & Planning Directorate	1	2	0	Reasonable	84	203	266	329
Systems: Declarations of Interest & Risk Management	0	6	0	Reasonable	0	52	115	178
Director of Corporate Governance	0	2	0					
IT Cyber-Security	0	2	0	Limited	114	81	81	25
Medical Director	3	1	2					
Mortality Reviews follow up	0	0	2	Limited	328	447	510	573
Mortality Review (Follow Up)	2	0	0	Limited	394	291	235	298
Clinical Audit & Assurance	1	0	0	Limited				54
Medical Locum Cover (Follow Up)	0	1	0	Limited			54	117
Chief Operating Officer	6	45	12					
Disability Discrimination	0	1	0	Reasonable	175	294	357	420
Dignity & Respect (Follow Up)	0	1	0	Reasonable	663	811	874	908
Security Framework (Follow Up)	0	1	0	Limited	418	537	600	663
Neath Port Talbot Operational PFI	0	2	0	Reasonable	449	568	631	694
Backlog Maintenance	1	1	1	Limited	206	325	388	451
MH&LD Governance	0	0	2	Reasonable	387	506	569	632
Data Quality: Mental Health Measures (Follow Up)	0	2	0	Reasonable	386	505	568	631
Primary Care: Core Quality & Delivery Measures	0	1	0	Reasonable	114	233	296	359
GP Managed Practice	1	2	0	Reasonable	161	280	343	406
Morrison Delivery Unit Governance Review	1	8	0	Limited	114	233	296	359
Delayed Follow Ups	3	3	0	Limited	114	233	296	359
Digital Strategy	0	2	0	Reasonable				25
IT Planet FM System	0	7	4	Reasonable	0	21	84	147
Unit Governance: Mental Health & Learning Disabilities	0	7	1	Reasonable				54
Morrison Hospital Cardiac Services	0	2	2	Reasonable				25
HSDU	0	5	2	Reasonable				42
Director of Human Resources	5	5	0					
Statutory & Mandatory Training Progress	0	2	0	Limited	448	567	630	693
Staff Performance Mgt & Appraisals	0	1	0	Limited	417	536	599	662
European Working Time Directive	2	1	0	Limited	174	293	356	419
Junior Doctor Bandings (follow up)	0	1	0	Limited	0	20	83	117
Staff Performance Management and Appraisals	3	0	0	Reasonable	0	52	52	117
Director of Public Health	0	1	0					
Vaccination & Immunisation	0	1	0	Limited	171	290	353	416
Director of Nursing	12	23	4					
Health & Safety - Primary Care Estates	0	2	0	Reasonable	206	325	325	
Funded Placements in Non-NHS Settings Follow Up Review	2	0	0	Limited	540	659	722	785
DoLS Follow Up	1	0	0	Limited	145	233	296	359
Pressure Ulcers (Follow Up)	0	1	0	Reasonable	22	140	203	266
Fire Safety (Follow Up)	1	1	0	Limited	84	113	176	239
Health and Safety: Follow Up	0	1	2	Reasonable	0	112	175	238
Nursing Quality Assurance	1	0	0	Limited	0	52	23	86
Risk Management & Assurance II	0	8	1	Limited	0	21	56	119
COSHH	3	5	1	Limited			84	147
Safe Water Management (including Legionella)	4	1	0	Limited			23	86
AQS	0	3	0	n/a			53	116
Infection Prevention Control	0	1	0	Reasonable				55
Director of Performance	0	2	1					
Performance Management & Reporting 18/19	0	1	1	Reasonable	198	317	380	443
Performance Management & Reporting 17/18	0	1	0	n/a			56	119
Grand Total	27	87	19					

In certain circumstances, factors beyond the control of the implementing officer may mean that the agreed date for implementation of the recommendation cannot be agreed and a revised target implementation date is agreed. Taking into account noted revised target implementation dates, the table above would reduce to 18 high, 73 medium and 15 low priority as shown on the table below:

Row Labels	Sum of High Priority Overdue2	Sum of Medium Priority Overdue2	Sum of Low Priority Overdue2
Director of Strategy	1	8	0
Medical Director	3	1	2
Chief Operating Officer	5	45	11
Director of Finance	0	0	0
Director of Human Resources	5	4	0
Director of Public Health	0	1	0
Director of Performance	0	2	1
Director of Corporate Governance	0	2	0
Director of Nursing	4	10	1
Grand Total	18	73	15

It should be noted that the lead Executive Director named on each report is reflective of the current Executive Director Portfolio of responsibilities at the date of update of the audit registers (25th October 2019). It must be noted that a small number of reports have now been moved under the portfolio of the Director of Performance.

Since the September 2019 Audit Committee there has been a deterioration in the progress in implementing the outstanding internal audit recommendations with the number of overdue recommendations increasing from 61 to 106. The table below shows a comparison of outstanding recommendations as at 25th October 2019 as compared to the status as at 23rd August 2019.

Director	Overdue at 25th October	Overdue at 23rd August	Change
Director of Strategy	9	6	3
Medical Director	6	5	1
Director of Therapies	0	0	0
Chief Operating Officer	61	34	27
Director of Finance	0	0	0
Director of Human Resources	9	12	-3
Director of Public Health	1	1	0
Director of Nursing	15	0	15
Director of Performance	3	3	0
Director of Corporate Governance	2	0	2
Total	106	61	45

The main reasons for the increases in the outstanding recommendations can be summarised below:

Director of Strategy

There are 3 “new” outstanding recommendations relating to the Systems, declarations of interest and risk management report issued in April 2019.

Medical Director

There is 1 “new” outstanding recommendation relating to the Clinical Audit and assurance report issued in April 2019.

Chief Operating Officer

There are 29 “new” outstanding recommendations relating to the reports on:

Digital Strategy issued in May 2018 - 2

IT Planet EM System issued in May 2019 - 8

Unit Governance MH and LD issued in August 2019 - 8

Morrison Hospital Cardiac Services issued in August 2019 - 4

HSDU issued in September 2019 - 7

Director of Nursing

There are 15 “new” outstanding recommendations relating to the reports on:

Risk Management + Assurance II issued in March 2019 - 6

Safe Water Management (Incl. Legionella) issued in May 2019 - 1

AQS issued in June 2019 - 3

Infection Prevention Control issued in July 2019 - 1

Pressure Ulcers follow up issued in November 2018 - 1

Nursing Quality Assurance issued in March 2019 - 1

Funding Placements in non NHS settings follow up review issued in August 2019 - 2

Director of Corporate Governance

There are 2 “new” outstanding recommendations relating to the IT Cyber-Security issued in March 2019

The increase in outstanding recommendations can be analysed by priority as follows:

Priority	Overdue at 25th October	Overdue at 23rd August	Change
High	18	14	4
Medium	73	39	34
Low	15	8	7
Total	106	61	45

3.0 GOVERNANCE AND RISK ISSUES

- 3.1 There are significant governance risks arising from delays in implementing management responses to both Internal and External Audit reports particularly in areas where reports highlight limited assurance. It is concerning to note the increase in the number of outstanding and overdue audit recommendations since September. It should be noted that a number of outstanding actions relate to recently issued reports and it is unclear as to whether this is due to unrealistic dates being agreed for implementation of the recommendations arising from the audit reports.

4.0 FINANCIAL IMPLICATIONS

- 4.1 Whilst there are no direct financial implications which need to be highlighted in this report, there may be issues arising from individual audit reports which have financial implications, where cost may need to be incurred in order to implement audit recommendations or where areas of limited assurance may have financial implications for the health board.

5.0 RECOMMENDATIONS

- 5.1 The Audit Committee is asked to note the current position of the Audit Registers, the status of the Action Plans and the increase since September in the number of overdue recommendations.

Governance and Assurance		
Link to Enabling Objectives <i>(please choose)</i>	Supporting better health and wellbeing by actively promoting and empowering people to live well in resilient communities	
	Partnerships for Improving Health and Wellbeing	<input type="checkbox"/>
	Co-Production and Health Literacy	<input type="checkbox"/>
	Digitally Enabled Health and Wellbeing	<input type="checkbox"/>
	Deliver better care through excellent health and care services achieving the outcomes that matter most to people	
	Best Value Outcomes and High Quality Care	<input checked="" type="checkbox"/>
	Partnerships for Care	<input type="checkbox"/>
	Excellent Staff	<input checked="" type="checkbox"/>
	Digitally Enabled Care	<input type="checkbox"/>
	Outstanding Research, Innovation, Education and Learning	<input type="checkbox"/>
Health and Care Standards		
<i>(please choose)</i>	Staying Healthy	<input type="checkbox"/>
	Safe Care	<input checked="" type="checkbox"/>
	Effective Care	<input checked="" type="checkbox"/>
	Dignified Care	<input checked="" type="checkbox"/>
	Timely Care	<input checked="" type="checkbox"/>
	Individual Care	<input type="checkbox"/>
	Staff and Resources	<input checked="" type="checkbox"/>
Quality, Safety and Patient Experience		
<p>A number of the audit reports have outstanding recommendations impacting on quality, safety and patient experience. It is therefore essential that where audit recommendations are made in these reports that they are acted upon with leadership from the relevant Executive Director. Reports addressing quality and safety issues are discussed in more detail in the Quality & Safety Committee.</p>		
Financial Implications		
<p>Whilst there are no direct financial implications which need to be highlighted in this report, there may be issues arising from individual audit reports which have financial implications, where cost may need to be incurred in order to implement audit recommendations or where areas of limited assurance may have financial implications for the health board.</p>		
Legal Implications (including equality and diversity assessment)		
<p>Issues raised in the internal audit reports particularly in the areas of health and safety need to be addressed as failure to do so may lead to legal action being taken against the health board where statutory and health and safety issues are not addressed through implementation of audit report recommendations.</p>		
Staffing Implications		
<p>There are no staffing implications associated with this paper.</p>		
Long Term Implications (including the impact of the Well-being of Future Generations (Wales) Act 2015)		

Depending on the issues raised in the audit reports and the recommendations required to address the issues raised there may be implications under the Well-being of Future Generations (Wales) Act 2015, 5 ways of working. Measures to be put in place to address the recommendations arising from the reports will need to ensure that the following issues are addressed

- The balancing short-term needs to address the recommendation with the need to safeguard the ability to also meet the long-term needs.
- Ensuring that the actions taken to implement the agreed recommendations is done in a way that prevents the issues raised re-occurring or getting worse
- Ensuring that where it is recommended that the health board acts in collaboration with other organisations to ensure compliance with its' well-being objectives.

Report History

This report is a regular report to each meeting of the Audit Committee.

Appendices

Appendices A, B and C