

POWYS TEACHING HEALTH BOARD

SUMMARY OF THE AUDIT, RISK & ASSURANCE COMMITTEE MEETING HELD ON MONDAY 20 JULY 2020

Committee Meetings of Powys Teaching Health Board are meetings held in public under the Public Bodies (Admission to Meetings) Act 1960. However, the COVID-19 Public Health emergency and the associated instruction to Stay At Home has meant that Board resolved to hold the Audit, Risk & Assurance Committee on 18 May 2020 virtually and in private with a summary of the proceedings made available within a week of the meeting.

Present:

Tony Thomas	Independent Member – Finance (Committee Chair)
Mark Taylor	Independent Member – Capital and Estates
Ian Phillips	Independent Member – ICT

In Attendance:

Carol Shillabeer	Chief Executive
Pete Hopgood	Director of Finance, Information and IT
Sarah Pritchard	Head of Financial Services
Helen Higgs	Head of Internal Audit
Rani Mallison	Board Secretary
Elaine Matthews	External Audit (Audit Wales)
Rebecca Collier	Healthcare Inspectorate Wales
Len Cozens	Head of Local Counter Fraud Services (Outgoing)
Matthew Evans	Head of Local Counter Fraud Services (Incoming)
Wayne Tannahill	Assistant Director, Estates & Property (for item 3.5)

Committee Support

Caroline Evans	Head of Risk and Assurance
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Apologies for absence:

Matthew Dorrance	Independent Member – Local Authority
Anthea Wilson	CHC

APPLICATION OF SINGLE TENDER WAIVERS (STWs)

STW requests made between 1 June 2020 and 30 June 2020 and signed by the Chief Executive, detailing two 'Prospective' STWs as follows: -

1. Equipment Maintenance (Sole supplier of maintenance of Dental Equipment [£6,182]);
2. Daycase and Outpatient Pain Management Services (Continuation of Service [£23,129]).

The Committee RATIFIED the approval of the two STWs.

COVID-19: DECISION MAKING & FINANCIAL GOVERNANCE

a) INTERIM FCP

Following the publication of the WG guidance on 30th March an initial draft of the FCP was submitted for approval at Gold (version #1).

The pace of the pandemic has resulted in updated guidance and direction being published on a regular basis. To ensure the Interim FCP remains 'live' and relevant it was agreed the FCP would be updated as required.

Currently PTHB is on version #4 of the interim FCP.

b) DEBIT AND CREDIT CARD PAYMENTS

As a consequence of Covid-19 the Health Board now accepts payment by Credit and Debit Card at a number of locations as an alternative to cash and Cheques. To support this change a new FCP has been developed. The purpose of the FCP is to ensure that:

- Members of staff have access to clear guidance on the processes to be followed when accepting debit and credit card payments.
- A clearly documented and authorized audit trail is maintained for all card payments.

The Committee APPROVED version (#4) of the Interim FCP and the Debit and Credit Card Payment Policy.

INTERNAL AUDIT UPDATE:

The Head of Internal Audit provided a verbal update to the Committee, stating there is currently six reviews started in various stages of progress. One of which is the COVID-19 Governance Review, with the final report expected to be presented to the Committee in September. Four audit briefs are with the Capital and Estates team, and awaiting approval to start the work.

The Committee RECEIVED and NOTED the Internal Audit update.

COUNTER FRAUD ANNUAL REPORT, 2019/20

The Fraud, Bribery and Corruption Standards for NHS Wales Bodies require Local Counter Fraud Specialists to provide a written annual report reflecting the counter fraud, bribery and corruption (economic crime) work undertaken during the financial year.

The self-review for 2020 was completed by the Head of Local Counter Fraud Services and reviewed by both the Director of Finance & IT and Audit, Risk & Assurance Committee Chair, before being submitted to NHSCFA. This year's submission rates the Health Board as a 'Green' organisation overall.

As part of the self-review process, the following have been highlighted as areas to be addressed during the coming year:

- Further work to ensure that that economic crime risks are recorded and managed in line with the Health Board's risk management policy and strategy.
- Whilst the Health Board participated fully in NHSCFA-led national procurement fraud exercise, further work is required in order to gain fuller assurance in respect of locally led purchasing and invoice processing.
- Similarly further assurance should be gained in respect of locally-led pre-employment checks, as well as checks being undertaken within medical staffing agencies
- Implementation of the new case management system, CLUE 3.

The Committee RECEIVED and NOTED the Counter Fraud Annual Report, 2019/20.

COUNTER FRAUD UPDATE

The Head of Local Counter Fraud Services updated the Committee on key areas of work undertaken by the Local Counter Fraud Specialist during Quarter 1 of 2020/21, under the Key Principles specified within the Fraud, Bribery and Corruption Standards for NHS Bodies (Wales).

The Committee RECEIVED and NOTED the External Audit update.

EXTERNAL AUDIT UPDATE

Audit Wales provided a verbal update to the Committee, highlighting key developments which include: -

- Structured Assessment – fieldwork is underway and Audit Wals is working closely with Internal Audit (COVID-19 Governance Review). Draft report is due early September.
- Counter Fraud – the Auditor General has undertaken a public sector-wide review of Counter Fraud Services. The report is due to be published end of July. The report for Powys should be available alongside the national report, and will be scheduled to be presented to the Committee in the Autumn.

The Committee RECEIVED and NOTED the update.

REPORT ON RETROSPECTIVE SINGLE TENDER WAIVERS: -

- 1. Winter Gritting Services (£22,800)**
- 2. Engineering Inspections (£6,500)**

At the Audit, Risk & Assurance Committee in June, two STWs were submitted in respect of 'Engineering Inspections' and 'Winter Gritting Services'. The Committee expressed concern that both STWs were retrospective, and have requested this report to be presented providing a rationale outlining the reasons why the Single Tender Waivers were both retrospective.

Following recruitment into the two new roles of Head of Estates, and Estates Business Manager earlier this year, and the recent appointment of a new Estates Manager, new processes are already being put in place to mitigate any future need for STWs:

- Maintenance Contracts are now being allocated to a specific member of the Estates team, to ensure 100% accountability and monitoring
- All maintenance Contracts are being reviewed, and processed in conjunction with by NWSSP- Procurement Services, to ensure compliance
- A new Contract Template has been drafted, and will shortly be issued for all new contracts, to ensure improved monitoring and management of contracts
- Five contracts have already been issued to tender since business as usual processes commenced again several weeks ago

The Committee RECEIVED and NOTED the report.

COMMITTEE ANNUAL REPORT 2019/20

The Committee Annual Report provides an overview of the work of the Committee and the steps taken to strengthen audit, risk and assurance arrangements in the last 12 months.

The Committee RECEIVED and NOTED the Committee Annual Report.

COMMITTEE WORK PROGRAMME 2020-21

Good governance practice dictates that Boards and Committees should be supported by an annual programme of business that sets out a coherent overall programme for meetings. The forward plan is a key mechanism by which appropriately timed governance oversight, scrutiny and transparency can be maintained in a way that doesn't place an onerous burden on those in executive roles and create unnecessary or bureaucratic governance processes.

The work programme has been developed in-line with respective terms of reference, the Board's Assurance Framework and Corporate Risk Register. The work programme will be reviewed routinely at each meeting.

The Committee RECEIVED and NOTED the Committee Work Programme.

DATE OF NEXT MEETING

08 September 2020, 10:00 am, Microsoft Teams