

POWYS TEACHING HEALTH BOARD

SUMMARY OF THE AUDIT, RISK & ASSURANCE COMMITTEE MEETING HELD ON TUESDAY 3 NOVEMBER 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)
Professor Vivienne Harpwood	Independent Member – PTHB chair
Mark Taylor	Independent Member – Capital and Estates
Ian Phillips	Independent Member – ICT
Mel Davies	Independent Member – Vice Chair
Matthew Dorrance	Independent Member – Local Authority

In Attendance:

Carol Shillabeer	Chief Executive
Pete Hopgood	Director of Finance, Information and IT
Rani Mallison	Board Secretary
Sarah Pritchard	Head of Financial Services
Helen Higgs	Head of Internal Audit
Osian Lloyd	Internal Audit
Felicity Quance	Internal Audit
Melanie Goodman	Internal Audit
Elaine Matthews	External Audit (Audit Wales)

Committee Support

Caroline Evans	Head of Risk and Assurance
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APPLICATION OF SINGLE TENDER WAIVERS (STWs)

STW requests made between 1 August 2020 and 30 September 2020 and signed by the Chief Executive, detailing one 'Prospective' STW as follows: -

1. Construction Works (Urgency of Work due to Pandemic requirements [£30,000]).

The Committee RATIFIED the approval of the STW.

ANALYSIS OF SINGLE TENDER WAIVERS 2017-2020

At the September 2020 Audit Risk and Assurance Committee it was requested that a summary of STWs over a period of time is presented to the next meeting, to identify trends and themes where there is a greater use of STWs in a particular area.

An analysis of approved Single Tender documents covering the period 1st April 2017 to 30th September 2020 has been undertaken by the Head of Financial Services. It should be noted that the 2020/21 financial year metrics only includes 6 months data. Detail of Usage per Directorate is as follows with the majority being undertaken by the Directorate of Primary and Community Care and Mental Health and the Directorate of Planning and Performance (includes Estates and Commissioning):

Financial Year Approved	Directorate of Finance & ICT	Directorate of Nursing and Therapies	Directorate of Planning and Performance	Directorate of Primary Care, Community Services and Mental Health	Directorate of Public Health	Directorate of Workforce and Facilities	Grand Total
2017/18	1	3	4	7		2	17
2018/19			2	9		2	13
2019/20			3	8	1	1	13
2020/21			2	3			5
Grand Total	1	3	11	27	1	5	48

The Committee RECEIVED and NOTED the Analysis of Single Tender Waivers 2017-2020.

COVID-19 Governance Arrangements: Key Learning Areas and Management Response

At its meeting on 08 September 2020, the Audit, Risk and Assurance Committee received a report of Internal Audit which outlined the findings of a review of the health board's governance arrangements during the COVID-19 pandemic. The review was undertaken in an advisory capacity and therefore no assurance rating applied.

The review assessed the adequacy and effectiveness of internal controls in operation during the COVID-19 outbreak, with particular regard to the principles set out by the Welsh Government regarding maintaining financial governance. This review therefore focused on: governance and risk management; delegation and escalation; and departures from existing policies and processes.

The Committee RECEIVED and NOTED the COVID-19 Governance Arrangements: Key Learning Areas.

RE-PRIORITISED APPROACH TO THE IMPLEMENTATION OF AUDIT RECOMMENDATIONS

The report sought approval from the Committee of a re-prioritised approach to implementation of audit recommendations due for implementation during the COVID-19 pandemic, which supports delivery of the health board’s Winter Protection Plan. Executive Directors will be asked to reprioritise their remaining outstanding audit recommendations. Prioritisation should be based upon the following category ratings:

Priority level 1	<ul style="list-style-type: none"> • Action(s) within the Winter Protection Plan are dependent on implementation of this recommendation • Delivery of the Board’s agreed Strategic Priorities are dependent on implementation of this recommendation • High risk to patient or staff safety / wellbeing identified • Prioritised Compliance with legal requirement / statutory duty identified
Priority level 2	<ul style="list-style-type: none"> • Action(s) within the Winter Protection Plan are not supported by implementation of this recommendation • Low risk to patient or staff safety / wellbeing identified • Compliance with legal requirement / statutory duty identified
Priority level 3	<ul style="list-style-type: none"> • Action(s) within the Winter Protection Plan are not supported by implementation of this recommendation • No risk to patient or staff safety / wellbeing identified • No legal / compliance issues identified

The Committee RECEIVED and APPROVED the re-prioritised approach to the implementation of audit recommendations.

CHARITABLE FUNDS ANNUAL REPORT AND ACCOUNTS 2019-20

The Powys Teaching Health Board (PTHB) as Corporate Trustee must provide to the Charity Commission by 31st January 2021, an Annual Report and Accounts that have

been subject to Independent Examination by Grant Thornton on behalf of Audit Wales and approved by the PTHB Board.

The Charity has not exceeded the Charity Commission thresholds for statutory audit for the financial year to 31st March 2020 therefore an Independent Examination is currently being undertaken by Grant Thornton on behalf of Wales Audit Office.

The Committee RECEIVED and NOTED the Charitable Funds Annual Report and Accounts 2019-20.

INTERNAL AUDIT PROGRESS UPDATE

Progress against the Internal Audit Plan is as follows:

Number of audits finalised	7
Number of audits issued at draft	0
Number of audits in progress	8
Number of audits not started	3
Year-end reporting	2
Total number of audits in 2020/21 plan	20

The Committee RECEIVED and NOTED the Internal Audit Update.

INTERNAL AUDIT REPORTS, 2020-21:

a) FIRE SAFETY (LIMITED ASSURANCE)

The review identified three high and four medium priority findings.

b) HEALTH AND SAFETY FOLLOW-UP (REASONABLE ASSURANCE)

The review identified three medium and two low priority findings.

c) ANNUAL QUALITY STATEMENT (NOT RATED)

The review identified one medium priority finding.

d) ADVANCED PRACTICE FRAMEWORK (NOT RATED)

It was agreed with the Director of WOD and Support Services and the Chief Executive Officer that a full audit of the Advanced Practice Framework would be premature and so fieldwork was not progressed further. It is proposed to defer the full review to the 2021/22 Internal Audit Plan.

A number of points have been identified for the health board to consider as a starting point for developing the arrangements for advanced practice.

The Committee RECEIVED and NOTED the update.

EXTERNAL AUDIT UPDATE

The following audit work that is currently underway: -

Topic	Executive Lead	Focus of the work	Current status	Audit Committee consideration
Orthopaedic services – follow up	Medical Director	This review will examine the progress made in response to our 2015 recommendations. The findings from this work will inform the recovery planning discussions that are starting to take place locally and help identify where there are opportunities to do things differently as the service looks to tackle the significant elective backlog challenges.	Report being drafted	TBC
Review of the Welsh Health Specialised Services Committee (WHSSC)	Chief Executive Officer	WHSSC is responsible for the joint planning of Specialised and Tertiary Services on behalf of Local Health Boards in Wales. This work will use aspects of our structured assessment methodology to examine the governance arrangements of WHSSC. Our findings will be summarised into a single national report.	Fieldwork underway	TBC
Test, Track and Protect	Director of Public Health	In response to the Covid-19 pandemic, this work will take the form of an overview of the whole system governance arrangements for Test, Track and Protect, and of the Local Covid-19 Prevention and Response Plans for each part of Wales.	Report being drafted	

The Committee RECEIVED and NOTED the External Audit Update.

a) AUDIT WALES STRUCTURED ASSESSMENT 2020

The work has been undertaken to help discharge the Auditor General's statutory requirement, under section 61 of the Public Audit (Wales) Act 2014, to be satisfied that NHS bodies have made proper arrangements to secure economy, efficiency and effectiveness in their use of resources.

The health board has maintained good governance arrangements during the pandemic. The Board adapted its governance arrangements to maintain openness and transparency, support agile decision-making and ensure effective scrutiny and leadership during the pandemic. The Board is committed to using learning to help shape future arrangements.

b) PTHB MANAGEMENT RESPONSE

Ongoing oversight of the delivery of recommendations will be provided by the Audit, Risk and Assurance Committee via the Audit Recommendations Tracking System. Management oversight of progress will be monitored by the Executive Committee.

The Committee RECEIVED and NOTED the Audit Wales Structured Assessment 2020.

COMMITTEE WORK PROGRAMME 2020-21

The Committee RECEIVED and NOTED the Committee Work Programme.

DATE OF NEXT MEETING

26 January 2021, 10:00 am, Microsoft Teams