

POWYS TEACHING HEALTH BOARD

SUMMARY OF THE AUDIT, RISK & ASSURANCE COMMITTEE MEETING HELD ON TUESDAY 9 MARCH 2021

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 26 January 2021 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
Matthew Dorrance	Independent Member – Local Authority

In Attendance:

Rani Mallison	Board Secretary
Pete Hopgood	Director of Finance, Information and IT
Osian Lloyd	Internal Audit
Sarah Pritchard	Head of Financial Services
Alison Butler	Audit Wales
Elaine Matthews	External Audit (Audit Wales)
Matthew Evans	Head of Local Counter Fraud Services

Committee Support

Caroline Evans	Head of Risk and Assurance
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Apologies

Carol Shillabeer	Chief Executive
Helen Higgs	Head of Internal Audit

APPLICATION OF SINGLE TENDER WAIVERS (STWs)

There were six STW requests made between 1 January 2021 and 28 February 2021 and signed by the Chief Executive, as follows: -

Single Tender Reference	Request to waive QUOTE or TENDER threshold?	Name of Supplier	Item	Reason for Waiver	Date of Approval	Value £	Length of Contract	Prospective/Retrospective	Appendix Ref
POW2021011	Tender	Parkway Clinic	Dental Surgical Interventions for Children and Young Adults	No NHS Provision available and clinical need	20/01/2021	£30,000	1 year	Prospective	A1
POW2021012	Quote	Nanosonics	Equipment Maintenance	Sole Supplier	03/02/2021	£8,448	1 year	Prospective	A2
POW2021013	Tender	My Dentist	Out of Hours Emergency Dental Service Llandrindod and Newtown	Service continuation in advance of tender	03/02/2021	£74,382	1 year	Prospective	A3
POW2021015	Quote	Consultation Institute	Expert Support advice and Learning to develop service change	Assessed on individual case basis due to Covid pandemic in line with PPN 01/20	10/02/2021	£12,500	1 year	Prospective	A4
POW2021017	Quote	Tlchim Llanfyllin Dental Practice	Emergency and New Dental patient access for North Powys	Service continuation in advance of tender	10/02/2021	£16,163	1 year	Prospective	A5
POW2021018	Tender	E G Davies Machynlleth	Personal Dental Service Contract with focus on vulnerable high needs children	Service continuation in advance of tender	10/02/2021	£28,615	1 year	Prospective	A6

The Committee RATIFIED the approval of the STW.

APPROACH TO 2020-21 ANNUAL ACCOUNTS

The report outlines the approach and principles to be adopted for completion of the 2020-21 Annual Accounts together with the planned approach to key financial areas. The Health Board has a statutory duty to complete and submit Annual Audited Accounts to Welsh Government. This paper is to inform the Audit, Risk and Assurance Committee of the work completed to date and the further steps required plus the key methodology to be adopted in completing the Annual Accounts process.

The Committee APPROVED Update #5 of the Interim FCP.

AUDIT RECOMMENDATION TRACKING

Future updates on progress of the re-prioritised recommendations will be presented to the Audit, Risk and Assurance Committee on the basis outlined in the re-prioritised approach, as follows: -

Priority level 1	<ul style="list-style-type: none"> Action(s) within the Q3/4 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 	All outstanding recommendations to be implemented by 31 st March 2021, except for recommendations with original agreed deadlines that exceed this date.
Priority level 2	<ul style="list-style-type: none"> Action(s) within the Q3/4 Winter Protection are not supported by implementation of this recommendation Low risk to patient or staff safety / wellbeing identified Compliance with legal requirement / statutory duty identified 	All outstanding recommendations to be implemented during quarters 1 and 2, and by 30 th September 2021, with the exception of recommendations with original agreed deadlines that exceed this date.
Priority level 3	<ul style="list-style-type: none"> Action(s) within the Q3/4 Winter Protection are not supported by implementation of this recommendation No risk to patient or staff safety / wellbeing identified No legal / compliance issues identified 	All outstanding recommendations to be implemented during quarters 2 and 3, and by 31 st December 2021, with the exception of recommendations with original agreed deadlines that exceed this date.

Based on the re-prioritised approach, the overall summary position in respect of overdue audit recommendations is: -

Overdue Internal Audit Recommendations					
	2017/1	2018/1	2019/2	2020/21	TOTAL OUTSTANDING
	8	9	0		
	Number	Number	Number	Number	Number
Priority 1	0	0	0	3	3
Priority 2	5	2	19	0	26
Priority 3	1	0	13	0	14
Not Yet Prioritised	0	0	3	2	5
TOTAL	6	2	35	5	48

Overdue External Audit Recommendations				
	2018/19	2019/20	2020/21	TOTAL OUTSTANDING

	Number	Number	Number	Number
Priority 1	0	0	0	0
Priority 2	2	1	4	7
Priority 3	1	1	2	4
Not Yet Prioritised	1	0	7	8
TOTAL	4	2	13	19

The Committee RECEIVED and NOTED the Audit Recommendation Tracking update.

INTERNAL AUDIT PROGRESS UPDATE

Progress against the Plan is as follows:

Number of audits finalised	11
Number of audits issued at draft	0
Number of audits in progress	9
Number of audits not started	0
Year-end reporting	2
Total number of audits in 2020/21 plan	22

The Committee RECEIVED and NOTED the Internal Audit Update.

INTERNAL AUDIT REPORTS, 2020-21:

a) IM&T CONTROL AND RISK ASSESSMENT (NOT RATED)

The review sought to establish the processes and mechanisms in place for management of IG/ICT within the organisation. The review sought to provide a baseline picture of the organisation's status and provides suggestions for areas of improvement or future development, therefore an assurance rating has not been allocated.

The review identified a total of fourteen observations / recommendations.

The Committee RECEIVED and NOTED the update.

INTERNAL AUDIT PLAN 2021-22

The report sets out the Internal Audit Plan for 2021/22 detailing the audits to be undertaken and an analysis of the corresponding resources.

The Plan has been developed in accordance with Public Sector Internal Audit Standard 2010.

The Committee RECEIVED and NOTED the Internal Audit Plan.

EXTERNAL AUDIT UPDATE

The following audit work that is currently underway: -

Topic	Executive Lead	Focus of the work	Current status
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
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.	Report in clearance
Test, Trace 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 in clearance and due for national publication on 18 March
Quality Governance	Director of Nursing	This work will allow us to undertake a more detailed examination of factors underpinning quality governance such as strategy, structures and processes, information flows, and reporting. This work follows our joint review of Cwm Taf Morgannwg UHB and as a result of findings of previous structured assessment work across Wales which has pointed to various challenges with quality governance arrangements.	Set-up underway
Structured Assessment	Chief Executive	This work will continue to reflect the ongoing arrangements of NHS bodies in response to the COVID-19 emergency. The work will be undertaken in two phases. Phase 1 will review the effectiveness of operational planning arrangements to help NHS bodies continue to respond to the challenges of the pandemic and to recover and restart services. Phase 2 will examine how well NHS bodies are embedding sound arrangements for corporate governance and financial management, drawing on lessons learnt from the initial response to the pandemic.	Fieldwork underway – Phase 1 Phase 2 due to start in May 2021
Vaccination rollout		This fact-based review will provide a high-level overview on key aspects relating to the administration, planning and approach for the rollout of vaccinations in Wales. This review will not seek to investigate detailed arrangements within health bodies.	Fieldwork underway

The Committee RECEIVED and NOTED the External Audit Update.

EXTERNAL AUDIT PLAN 2021-22

The audit plan sets out an initial timetable for the completion of audit work. However, given the on-going uncertainties around the impact of COVID-19 on the sector, some timings may need to be revisited.

The Committee RECEIVED and NOTED the External Audit Plan 2021/22.

COUNTER FRAUD WORKPLAN 2021-22

The Work Plan is drafted on the basis that the new Government Functional Standards are to be adopted from 1st April 2021 replacing former NHS Counter Fraud Standards, this is almost certainly the case but formal announcement of adoption of new Standards is awaited. The resource allocation within the Work Plan is based on an increase in deliverable days for 2020/21. A proposal for this increase has been drafted and is awaiting approval via the relevant processes. The Work Plan is presented as a final draft awaiting confirmation of these 2 points.

The Committee RECEIVED and NOTED the Counter Fraud Work Plan 2021-22.

DATE OF NEXT MEETING

29 April 2021, 2:00 pm, Microsoft Teams