



AUDIT COMMITTEE
Minutes of the Meeting Held in Public on 19.03.20
In the Boardroom, Carlton Court, St Asaph

Present:

Medwyn Hughes	Independent Member - Chair
Eifion Jones	Independent Member
Jacqueline Hughes	Independent Member
Lyn Meadows	Independent Member

In Attendance:

Andrew Doughton	Performance Audit Lead, Wales Audit Office (Via Skype for minute AC20/16)
Dave Harries	Head of Internal Audit, NHS Wales Shared Services Partnership (NWSSP)
Sue Hill	Acting Executive Director of Finance
Matthew Joyes	Assistant Director of Patient Safety & Experience (for minute AC20/09 and AC2020/12)
Justine Parry	Acting Board Secretary
Bethan Wassell	Statutory Compliance, Governance & Policy Manager

Agenda Item	Action
<p>AC20/01 Opening Business and Apologies for Absence.</p> <p>A private meeting with Internal and External Auditors was held at 9.00am.</p> <p>The Chair welcomed Members and attendees to the meeting and advised that due to the current situation regarding COVID-19, a review of the agenda and attendees had been undertaken. Members agreed that agenda items would be taken out of order for efficiency.</p> <p>Apologies were received from: the Deputy Chief Executive / Executive Director of Nursing & Midwifery and the Executive Medical Director.</p> <p>Members proceeded with introductions in Welsh.</p>	

<p>AC20/02: Declarations of Interest.</p> <p>AC20/02.01: The Acting Board Secretary declared an interest due to presenting the Corporate Risk & Assurance Framework which was aligned to her substantive role as the Assistant Director of Information Governance & Risk.</p> <p>AC20/02.02: The Acting Board Secretary proceeded to advise Members of the National update to the Electronic Staff Record (ESR) and the proposal to roll out an electronic Declaration of Interest module. This would duplicate the existing BCUHB provision. The Office of the Board Secretary would monitor the situation and feedback to Members whilst observing that COVID-19 work would take priority over any system assessment / evaluation.</p> <p>AC20/02.03: The Acting Board Secretary also drew Members attention to the recent email communication that was issued to all Independent Members regarding declarations of interest relating to the Betsi Cadwaldr University Health Board (BCUHB) Charitable Funds.</p>	
<p>AC20/03: Procedural Matters.</p> <ol style="list-style-type: none">1. The Minutes of the last meeting of the Committee held on 12/12/19 were reviewed and approved as a true and accurate record and;2. The Summary Action Log was noted and updated accordingly and;3. It was noted that Chair's Action has been taken on the following matters since the last meeting;<ul style="list-style-type: none">• Risk Management Strategy approval• Clinical Audit Policy approval	
<p>AC20/04: Issues Discussed in Previous Private Session.</p> <p>The Committee formally received the report in public session of those issues discussed in the private session at the meeting held on 12.12.19, which related to:</p> <ul style="list-style-type: none">• Financial Conformance report• Post Payment Verification Progress report• Primary Care Dental Contracts Assurance report• Counter Fraud Services Progress report• Welsh Risk Pool update report• Update on Internal and External Audit Actions <p>RESOLVED: That the Issues Discussed in Previous Private Session Report be noted.</p>	

<p>AC20/05: Joint Audit & Quality, Safety & Experience (JAQS) Committees Minutes</p> <p>Recommendation: The Committee is asked to note the Joint Audit and Quality, Safety & Experience (QSE) Committee minutes of the meeting held on 05/11/19.</p> <p>RESOLVED:</p> <ul style="list-style-type: none"> • That the JAQS Minutes be noted. 	
<p>AC20/06: Standing Orders Amendments (verbal update)</p> <p>The Acting Board Secretary advised that there were no updates to the Standing Orders (SOs).</p> <p>RESOLVED:</p> <ul style="list-style-type: none"> • That the verbal SO update be noted 	
<p>AC20/07: Review of Amendments to Standing Financial Instructions (verbal update)</p> <p>The Acting Executive Director of Finance advised Members of an ongoing project being led by the Finance Academy to update and reformat the model Standing Financial Instructions (SFIs) and were hoping to have final sign off from Welsh Ministers later this year, after which, the new version would be circulated to Board Secretaries.</p> <p>RESOLVED:</p> <ul style="list-style-type: none"> • That the verbal SFI update be noted 	
<p>AC20/08: Wales Audit Office Structured Assessment / Annual Final Report</p> <p>Recommendation: The Committee is asked to note the final report presented to Board in January 2020 and the management response that is now being monitored via the Audit Tracker.</p> <p>RESOLVED:</p> <ul style="list-style-type: none"> • That the Wales Audit Office Structured Assessment / Annual Final Report be noted 	
<p>AC20/09: Schedule of Financial Claims</p> <p>Recommendation: The Committee is asked to note the contents of the report and approve the Schedule of Losses and Compensation.</p> <p>AC20/09.01: The Assistant Director of Patient Safety & Experience joined the meeting and proceeded to provide an overview of the report. Members noted that this was the first instance of the report being received at Audit Committee following a query raised previously by the Vice Chair in accordance with the Standing Orders and to strengthen</p>	

<p>governance.</p> <p>AC20/09.02: The Assistant Director of Patient Safety & Experience provided further background as to the rationale behind the two reports received at the Audit Committee (details of all claims settled over £50,000) and the Quality, Safety & Experience Committee (QSE) (cause of claim and action taken to minimise future occurrences). It was also highlighted to Members that the QSE Committee report had recently been revised and improved with the new version first submitted in January 2020.</p> <p>AC20/09.03: The Assistant Director of Patient Safety & Experience also brought Members attention to practical issues of reporting and the timings of Committees/Board. Further discussion was required.</p> <p>AC20/09.04: The Chair queried the practical requirement to ‘approve’ the Schedule given liability and payment had already been conceded and was thus a fait accompli. The Assistant Director of Patient Safety & Experience explained that the nature of the process, the various stages and agencies involved (NHS Wales Shared Services, Legal & Risk) necessitated that prior approval was not possible before liability was conceded. An Independent Member stressed that it was therefore important that the Audit Committee was assured that sufficient assurance processes were in place. Members agreed that further information should be captured in the report and it was suggested to include a paragraph that highlighted the controls (Internal Audit review, signatories etc.) and to include reference to whom had signed off the decision. A further discussion ensued with regards to the length of time between incident date and the date the claim was opened. The Assistant Director of Patient Safety & Experience provided an overview of the time limits to bring a claim (individuals generally have 3 years to claim from the cause of action) with longer periods permitted in cases relating to minors (for example, in Maternity). The Chair stated that the report should include a ‘date closed’ column.</p> <p>AC20/09.05: The Head of Internal Audit advised that he had reviewed the designated limits for other Health Boards and highlighted the differences whilst noting an observation that Aneurin Bevan University Health Board (ABMU) was probably the most comparable in size to BCUHB and required that everything above £100,000 required sign off by the Board. The Acting Executive Director of Finance queried whether a consistent approach across Wales was required and agreed to raise at the Directors of Finance Group.</p> <p>AC20/09.06: An Independent Member agreed with the need for consistency and queried the requirement for additional information as to lessons learnt highlighting the process they had observed at county council meetings. The Assistant Director of Patient Safety & Experience advised that this information was reported at the QSE Committee with each individual claim now being listed though acknowledged that the QSE Committee report did require strengthening. Further assurance was gained due to the requirement to complete a Learning from Event Report that included a summary of the claim, lessons learnt and actions taken. This report was then submitted to the Welsh Risk Pool and reviewed at their committee. An Independent Member raised a concern that claims under the value of £25,000 were not sighted at the QSE Committee. The Assistant Director of Patient Safety & Experience provided Members with an overview of work being underway to review the entire system (concerns, incidents, claims) and cross divisional working though advised this was currently on hold due to COVID-19 priority.</p>	<p>(JP/MJ)</p> <p>MJ</p> <p>MJ</p> <p>SH</p>
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<p>AC20/09.07: The Head of Internal Audit stressed that claims should be a fundamental driver in terms of the Clinical Audit and would expect to see reference to this in the Clinical Audit Plan.</p> <p>RESOLVED:</p> <ul style="list-style-type: none"> • That the Schedule of Financial Claims Report be noted and the Schedule of Losses and Compensation be approved. 	<p>MM</p>
<p>AC20/10: Corporate Risk & Assurance Framework / Risk Management Strategy Update</p> <p>Recommendation: The Audit Committee (AC) is hereby requested to:</p> <ul style="list-style-type: none"> • Note, approve and recommend the Corporate Risk Register (CRR) to the Board and to gain assurance that the risks articulated on it are appropriately managed in line with the Health Board`s risk management strategy and best practice. • Review, scrutinise, approve and recommend the five new risks which were approved by the Quality, Safety and Experience Committee (QSE) for inclusion onto the CRR. • Recommend to the Board for approval, changes to risks that have been requested by the various committees. <p>AC20/10.01: The Acting Board Secretary advised Members that a Paper had been received with regard to the Implementation Plan and the proposed postponement of the new Risk Management Strategy. However, COVID-19 pressures had meant that she had been unable to review for submission but would share by the end of the day.</p> <p>AC20/10.02: The Chair noted that the plan would be resubmitted to Audit Committee in September/October with the proposal being that status quo would be maintained in the interim but with reduced training delivered by the Risk Management Team. The Chair queried what communications had been sent to staff that had not received the training.</p> <p>AC20/10.03: The Head of Internal Audit stated that if the implementation was to be paused, the Board would need to provide final approval. The Audit Committee would need to recommend to the Board that the implementation be postponed and the Strategy revert back to the 5 tier with effect from 1st April.</p> <p>AC20/10.04: An Independent Member raised concerns mirrored at the QSE Committee that any postponement may have an impact on business as usual and queried what assurance there was that risks would continue to be managed appropriately whilst staff were in the interim phase (i.e. holding off from review or management in anticipation of the transfer from 5 to 3 tiers). The Acting Board Secretary assured members that the Risk Management team were still managing and supporting business as usual as much as possible given COVID-19. It was agreed that the risks in question, discussed at the QSE Committee, would be forwarded to the Acting Board Secretary.</p> <p>AC20/10.05: The Head of Internal Audit advised that it would still be useful to review the current plan. As it stood, there were in excess of a thousand risks that would be re categorised from '5' and '4' to a tier '3' and the Committee had not been sighted on the quality assurance process. Members had been assured in the October workshop that a plan was in place and that all tier 3, 4 and 5 risks scoring above 15 had been reviewed</p>	<p>JP</p> <p>JP</p> <p>BW</p> <p>JP</p> <p>JP</p>

<p>with identified leads and handlers. An Independent Member raised further concerns as to the operational capacity to review the re categorised risks and stressed that it was important that the plan provided for this.</p> <p>AC20/10.06: (The Assistant Director of Patient Safety & Experience joined the meeting at a later point and provided further assurance that Members would receive the Implementation Plan that day and that a system was in place ready for launch)</p> <p>RESOLVED:</p> <ul style="list-style-type: none"> • That CRR be approved and recommend to the Board. • The five new risks approved by QSE are included on the CRR. • Recommend to the Board for Approval, changes to risks that have been requested by other Committees. • That the Audit Committee recommend to the Board, the deferment of the revised Risk Management Strategy (awaiting final paper) 	<p>JP</p>
<p>AC20/11: Risk Management Group Chair's Assurance Report</p> <p>Recommendation: The Committee is asked to note the report.</p> <p>AC20/11.01: The Acting Board Secretary presented the report and advised that the purpose was to strengthen the arrangement and formalise reporting. This was to be a standard report that would come to each Audit Committee.</p> <p>AC20/11.02: An Independent Member highlighted concerns as to improvements required on the communication between the Quality & Safety Group (QSG) and the QSE Committee. The QSE Committee now received the QSG minutes and Cycle of Business (CoB). Another Independent member conferred highlighting similar communication issues as to the Strategic Occupational Health & Safety Group and the information feeding up to the QSE Committee. It was agreed to implement the same process for the Risk Management Group – minutes and CoB would be provided to the Audit Committee.</p> <p>RESOLVED:</p> <ul style="list-style-type: none"> • That the Risk Management Group Chair’s Assurance Report be noted. • Risk Management Group Minutes and CoB be provided to Audit Committee Members 	<p>JP</p>
<p>AC20/12: Governance Review Update (verbal update)</p> <p>Recommendation: The Committee is asked to note the update</p> <p>AC20/12.01: The Assistant Director of Patient Safety & Experience provided and overview of the work undertaken to date though advised that work was on hold due to COVID-19. The review was split into three strands; the mapping of all governance meetings and reporting arrangements; the Quality and Safety reporting line, in particular the remit of the QSG, which was currently stood down; and working with individual divisions to look at their structures.</p>	

AC20/12.02: The Chair asked for clarification on the status of the QSG as it was a concern that the group was not meeting. The Assistant Director of Patient Safety & Experience clarified that this was just the last meeting with future meetings to be reviewed. Members were provided assurance that the Command Structure for COVID-19 programme included clinical work streams.

AC20/12.03: The Assistant Director of Patient Safety & Experience concluded by highlighting the progress made with the Mental Health & Learning Disabilities Division (MHLD) that included a review of all meeting Terms of Reference (ToRs) and CoBs as well as structures. The paper was due for review and approval in March though expected to be delayed due to COVID-19.

RESOLVED:

- **That the verbal update on the Governance Review be noted.**

AC20/13: Legislation Assurance Framework (LAF)

Recommendation: The Audit Committee is asked to:

1. Note the contents of this report and the current position in respect of the LAF development; and
2. Note the further work required to liaise with Divisional Leads to include legislation allocation agreement and assurance criteria completion; and
3. Approve items of previous 'no' or 'limited' assurance in Appendix 2, now reporting as reasonable or substantial assurance, to be removed from next report.

AC20/13.01: The Statutory Compliance, Governance & Policy Manager presented the revised report that had addressed the previous comments by Members in September Committee. Members agreed that the revised format was preferable. The Statutory Compliance, Governance & Policy Manager advised members that progress in the development of the Legislation Assurance Framework (LAF) had been limited due to staff absence and Divisional capacity. However, there had been significant progress made to review the legislation assigned to Estates & Facilities. This represented a significant portion of the total legislation identified as applicable to the Health Board.

AC20/13.02: Members proceeded to review each item on Appendix 2:

- **National Health Service Finance (Wales) Act 2014:** The Statutory Compliance, Governance & Policy Manager drew Members attention to an administrative error with the report, the Corporate Risk reference should be CRR06 and not CRR07.
- **Reporting of Injuries Diseases and Dangerous Occurrences Regulations (RIDDOR) 2013:** Members queried whether the assurance provided was adequate. An Independent Member (also a Member of the Strategic Occupational Health & Safety Group (SOHSG)) provided Members with an overview of some of the work undertaken by the Corporate Health & Safety team. This included support to managers in conducting Root Cause Analysis. Furthermore, the Executive Director of Workforce & Organisational Development was sighted on every RIDDOR. Members agreed the item was reporting as sufficient assurance and agreed to remove from the next iteration of

<p>the report.</p> <ul style="list-style-type: none"> • The Information and Consultation with Employees Regulations 1996 / 2004: An Independent member queried the Assurance provided. There was ambiguity as to whether the requirements of the legislation were met. Though members noted that as part of the previous work undertaken by the Corporate H&S team (Divisional Self-Assessment), H&S leads within each Division had been identified, further clarification as to the wording of the Act was to be provided. The Statutory Compliance, Governance & Policy Manager agreed to review with the Associate Director of Occupation Health, Safety and Equality and provide an update within the next iteration of the LAF report. Members agreed for the item to remain on the list until this was completed. <p>RESOLVED:</p> <ul style="list-style-type: none"> • The LAF report be noted as well as the additional work required to collate and report on assurances in place. • The Safety Representatives and Safety Committees Regulations 1977 now reporting as Reasonable Assurance to be removed from the next report noting that a bi-annual review is in place (or sooner should further information, for example an Audit, come to light) and should the assurance level decline, it will be added back on to Appendix 2 	<p>BW</p>
<p>AC20/14: Clinical Audit Plan</p> <p>Recommendation: The Audit Committee is asked to approve the draft 2020/21 Clinical Audit Plan</p> <p>AC20/14.01: Members noted correspondence from the QSE Committee to confirm that the Clinical Audit Plan had been deferred to September to enable national audit updates and additional Tier 2 audits to be included.</p> <p>RESOLVED:</p> <ul style="list-style-type: none"> • That the Clinical Audit plan be deferred to September 2020. 	
<p>AC20/15: Internal Audit Progress Report and Plan</p> <p>Recommendation: The Audit Committee is asked to:</p> <ul style="list-style-type: none"> • Receive the progress report; and • Receive and discuss the limited assurance reports; Partnership Governance - Section 33 Agreements and the Quality Improvement Strategy; and • Approve the deferment of the Ysbyty Wrexham Maelor Hospital – Backlog maintenance risk management capital review; and • Approve the draft plan for 2020/21 and internal audit Charter 2020. 	

AC20/15.01: The Head of Internal Audit presented the Progress Report, drawing members attention to the Draft Reports issued on page 8. The Deprivation of Liberty Safeguards (DoLs) report had now been issued as final. The Welsh Risk Pool report was waiting on Executive clearance and the Staff Survey report had been issued as formal draft. The Conwy County Borough Council report had gone to the QSE Committee but the joint meeting with Social Services scheduled for 23rd March had been cancelled. The Head of Internal Audit stressed there was a need to formalise the current arrangement with a section 33 agreement (under the National Health Service (Wales) Act 2006). The Acting Executive Director of Finance provided assurance that Finance had identified the need and was being progressed by the Assistant Director of Finance.

AC20/15.02: The Head of Internal Audit then drew members attention to page 9 (Fieldwork) and the Roster Management review. This review represented a significant governance and financial risk as to paying agency staff who were scheduled to work yet did not fulfil the shift allocation. Auditors had planned to physically attend wards to obtain timesheets (there were 30 hospital wards identified). However, given the current situation as to COVID-19, auditors needed to refrain from going to hospital sites. The Chair queried whether there were any indicators as to estimated figures. The Head of Internal Audit responded that this was currently unknown though advised that the Associate Director of Workforce, Performance & Improvement may be able to provide further information. A discussion ensued as to alternative methods of obtaining the timesheets. The Chair stated that given the current additional operational issues faced by frontline staff, it was not appropriate to request Managers/individuals to collate and send on individual timesheets to Internal Audit. The Acting Executive Director of Finance queried whether it would be feasible to request each agency to send timesheets and the Chair queried how many individual agencies were contracted, again this information was not available to hand but would be followed up with the Associate Director of Workforce, Performance & Improvement. The Head of Internal Audit stated that the fundamental issue was that there was insufficient controls in place. The Acting Executive Director of Finance queried whether this should be managed through Workforce rather than the Nursing Division. An Independent Member concurred that other agency staff were utilised outside of the Nursing division. The Chair highlighted that COVID-19 may result in a higher use of agency staff in the event that permanent members of staff were required to self isolate and/or not be fit for frontline duties. The Acting Executive Director of Finance recommended that the Agency Contract be revised to include an agreement of random sampling of time sheets to promote agency self declarations of discrepancies. An Independent Member queried why there was no IT solution available, the Chair stated that these were proactive payments, rather than payment being issued post shift completion. The Head of Internal Audit confirmed that this was due to the Prompt Payment requirements and the decision last summer to move to prospective payments.

AC20/15.04: The Head of Internal Audit concluded the Field Work update by advising Members that the North Denbighshire report was expected to be sent by the end of the week. The Head of Internal Audit stated that he wanted to bring Members attention to two reviews - the Ysbyty Glan Clwyd (YGC) open book and pain gain reviews had been delayed due to delays in receiving information from the cost advisors and supply chain partner. In addition the Final Accounts were yet to be finalised.

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<p>AC20/15.05: Members noted a positive Follow Up report with all sampled recommendations being verified closed.</p> <p>AC20/15.06: The Head of Internal Audit highlighted the deferment of the Ysbyty Wrexham Maelor Hospital – Backlog maintenance risk management on page 10. An Independent Member queried the rationale for the delay. The Head of Internal Audit advised that it was felt that it would be best to wait until the funds were confirmed and the scheme in place. The Independent Member suggested that ‘approval’ needed to be inserted.</p> <p>AC20/15.07: An Independent Member raised concerns as to the Limited Assurance Report on the Quality Improvement Strategy and advised that it was important that the QSE Committee were informed of the report. A discussion ensued as to the mechanisms for cross Committee communications and ensuring sufficient oversight. The Acting Board Secretary advised that this was the purpose and role of the Committee Business Management Group. In addition, the Audit Committee could specifically refer items to other Committees. This would be noted as an action in the action log and reviewed by Members at the following meeting. Following Member’s concern with regards the Limited Assurance report, the Chair asked the Head of Internal Audit whether he was satisfied that the Management Response was sufficient and the Head of Internal Audit confirmed that he was, this was an essential requirement in order to formally issue the report as final.</p> <p>AC20/15.08: An Independent Member raised the oversight issue again with regard to the other Limited Assurance report of Partnership Governance – Section 33 Agreements, it was important that the Strategy Partnerships and Population Health (SPPH) Committee were sighted on the report and that the review/governance of Section 33 Agreements should be included in their CoB.</p> <p>AC20/15.09: The Head of Internal Audit wished to formally record thanks to the Executive Directors for their support in identifying key risks to inform the plan.</p> <p>AC20/15.10: The Head of Internal Audit directed members attention to page 8 of the Draft Internal Audit Plan and the recharge for capital audit assurance work being reduced to £12,500. However, this was predicated upon the agreement of three major elements; the North Denbigh, Ablett Unit and Wrexham Maelor Hospital redevelopment/Backlog Requirements to be funded through business case submissions. This had been discussed with Finance and Planning. Members noted that Internal Audit may need to revisit this to ensure that adequate audit provision was provided within respective integrated audit and assurance plans.</p> <p>AC20/15.11: The Head of Internal Audit then directed Members to Appendix A (from page 10) and the last point in the Corporate Governance, risk and regulatory compliance section – Engagement of interim appointments planned output, that had been added to the plan following the Interim Staffing report received from Wales Audit Office.</p> <p>AC20/15.12: An Independent Member queried whether, given COVID-19, Members needed to consider all scheduled Internal Audit actions. The Head of Internal Audit advised that there was a risk that Internal Audit may not be able to physically deliver the plan. It was agreed that this would need to be re-evaluated with Finance, the Board Secretary and the Chair. The plan included some mandatory items but these were</p>	<p>BW</p> <p>BW</p>
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subject to the Welsh Government direction on mandatory monitoring. The Acting Board Secretary updated Members that a proposal had been put forward to Welsh Government by the All Wales Board Secretary Group recommending levels of managing Boards and Committees, a response had been requested for as soon as possible.

A20/15.13: The Chair accepted that the plan was subject to changes of Internal Audit's capacity to conduct reviews. The Internal Audit team had completed the staff survey distributed by the Workforce & Organisation Development Division that sought to establish staff capabilities in the event of necessary redeployment, noting that the Head of Internal Audit was a NHS Wales Shared Services Partnership (NWSSP) staff member. The Chair queried whether the survey was BCUHB wide and it was confirmed that this had been sent to a number of staff groups. The survey was currently voluntary and sought to identify numbers of staff that could be deployed to support critical services (consummate with skills and experience). A discussion ensued as to how this piece of work was being undertaken. The Acting Executive Director of Finance explained that this was very much an evolving situation managed by the Workforce team. At present individual managers were monitoring their own respective teams and updating Workforce with details of staff that could be considered for alternative duties.

RESOLVED:

- **That the progress report be noted**
- **That the limited assurance reports be received and discussed**
- **That the deferment of the Ysbyty Wrexham Maelor Hospital – Backlog maintenance risk management capital review be approved**
- **That the draft plan for 2020/21 and internal audit Charter 2020 be approved in principle though subject to review in light of COVID-19 and subsequent developments**
- **That the two Limited Assurance report be referred to the relevant Committees.**

AC20/16: Wales Audit Office Update Report

Recommendation: The Audit Committee is requested to:

1. Note the content of the audit progress update.
2. Receive and discuss the Wales Audit Office Audit Plan
3. Receive and discuss the Review of arrangements for interim staff appointments (Welsh and English)

AC20/16.01: The Performance Audit Lead, Wales Audit Office joined the meeting via Skype video call and drew Members attention to the Structured Assessment (noted at minute: AC20/08) whilst there were some challenging recommendations, a good response had been received by the Health Board. Members acknowledged that some recommendations might not be met within the implementation date given the current situation of COVID-19. The Performance Audit Lead, Wales Audit Office agreed to revisit at a later date with the Health Board. The Recommendations had been input into the electronic TeamMate system and progress would be monitored by the Audit Committee (subject to meeting frequency and agenda reduction) whilst taking into

account competing COVID-19 pressures.

AC20/16.02: The Performance Audit Lead, Wales Audit Office provided an overview of the plan that included the mandatory items, local work and the fee, which Members noted a reduction of 5%, and set out the timescales. Members noted there would be a communication sent to all Chief Executives informing that from a performance audit perspective, all on site work would be halted. The Acting Executive Director of Finance advised Members that a revised dates for accounting had been received from Welsh Government though it was still draft.

AC20/16.03: The Performance Audit Lead, Wales Audit Office went on to provide an overview of the Interim Staffing report and asked Members to note that WAO had subsequently received additional information that had influenced the findings. Initially, there was a lower assurance reported but this had improved once the additional information had been received. The Performance Audit Lead, Wales Audit Office proceeded to go over the key findings that included that the Health Board had used the NHS framework to source the Interim Recovery Director but sought more preferential terms and as a result, went off framework (para 29). There was a, albeit small, legal risk of those who were not included in the full tender challenging the decision. The Chair asked for clarity on why this had occurred. The Acting Executive Director of Finance advised that in terms of risks to BCUHB, all terms and conditions applicable were still applicable to the Recovery Director and that the Health Board had tried to negotiate the fee to ensure value for money. The Acting Executive Director of Finance assured Members that the appointment of interims was now managed by herself, working with NWSSP. Furthermore, a mandate would be sent to all recruiting agencies that BCUHB will only recruit from the framework. The Acting Executive Director of Finance highlighted that the information received from various pieces of guidance could be ambiguous. Clear guidance on exactly what could and could not be done was needed. The Chair noted the mention of references within the report and the Head of Internal Audit advised that this was included in the Internal Audit Plan which would provide Members with a useful follow up on the WAO report.

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AC20/16.04: An Independent member queried why the report contained no recommendations. The Performance Audit Lead, Wales Audit Office advised that this was the nature of the report that was based on fact only, rather than an opinion type report that would provide an evaluative conclusion. The Independent Member accepted the differing natures of the reports though stressed that it would have been useful to still receive recommendations to demonstrate lessons learnt. The Performance Audit Lead, Wales Audit Office agreed to feed back into the team and Director responsible.

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AC20/16.05: The Chair concluded that the final report differed to previous draft versions received and apologised that the information required had not been provided in a timelier manner.

AC20/16.06: The Performance Audit Lead, Wales Audit Office advised that this was originally part of the National Assembly Wales, Public Accounts Committee (PAC) work that would be receiving further reports on asbestos and finance. It was understood that the scrutiny by PAC was postponed and likely to resume in the autumn.

RESOLVED:

- That the the content of the audit progress update be noted.

<ul style="list-style-type: none"> • That the Wales Audit Office Audit Plan be received and discussed • That the Review of arrangements for interim staff appointments be received and discussed 	
<p>AC20/17: Agree Audit Committee Cycle of Business</p> <p>Recommendation: The Audit Committee is asked to:</p> <p>1. Note the contents of this report and agree the 2020/21 Cycle of Business (CoB)</p> <p>AC20/17.01: Members noted the priority of ongoing COVID-19 work as well as the requirement to minimise contact/infection and discussed the frequency and agendas of planned meetings. It was preliminary agreed, subject to further direction from Welsh Government, that the May Workshop be cancelled, that the 28th May meeting be held virtually via Skype or WebEx video conference and consideration be given to postponing the September meeting until October.</p> <p>AC20/17.02: An Independent Member raised a further query as to how and where breaches of SOs or SFIs, such as late papers, were reported. These were logged by the Board Secretary and included as part of the standing item of updates to SOs/SFIs. Members agreed that a standalone agenda item was necessary to strengthen governance and improve transparency.</p> <p>RESOLVED:</p> <ul style="list-style-type: none"> • That the Audit Committee 2020/21 CoB be approved pending COVID-19 developments/impact. • Breaches of SOs and SFIs be included as a standalone item on the CoB. 	<p>BW</p>
<p>AC20/18: Issues of Significance for reporting to Board</p> <p>RESOLVED:</p> <ul style="list-style-type: none"> • No issues 	
<p>AC20/19: Date of Next Meeting - 28/05/20 (pending confirmation, subject to COVID-19 developments)</p>	
<p>AC20/20 Exclusion of Press and Public Resolution to Exclude the Press and Public - "That representatives of the press and other members of the public be excluded from the remainder of this meeting having regard to the confidential nature of the business to be transacted, publicity on which would be prejudicial to the public interest in accordance with Section 1(2) Public Bodies (Admission to Meetings) Act 1960."</p>	