

Betsi Cadwaladr University Health Board

**Minutes of the Audit Committee held
on 15 May 2023, Meeting Room 1, Wrexham Medical Institute**

Present	
Name	Title
Karen Balmer	Independent Member, Chair
Gareth Williams	Independent Member
In attendance	
Andrew Doughton	Audit Wales
Matt Edwards	Audit Wales
Dave Harries	Head of Internal Audit
Nicola Jones	Deputy Head of Internal Audit
Marty Mcauley	Deputy Board Secretary (minutes)
Phil Meakin	Interim Board Secretary
Tony Utley	Interim Director of Finance
Steve Webster	Interim Executive Director of Finance

Agenda item	Action
AC23.17 OPENING BUSINESS	
AC23.18 Welcome introductions and apologies	
<p>AC23.18.1 Karen Balmer, Independent Member (Chair) welcomed everybody to the meeting.</p> <p>AC23.18.2 There were apologies from counter fraud team. The chair set expectations for the meeting in terms of attendance, contribution preparation, workflow, paper production and conduct at meetings.</p>	
AC23.19 Declarations of interest on current agenda	
<p>AC2319.1 Marty Mcauley (MM), Deputy Board Secretary confirmed that there were no declarations to be made for the agenda today but a further piece of work would be completed with the board to strengthen its assurance.</p>	
AC23.20 Minutes of Previous Meeting	
<p>AC23.20.1 The Chair noted that there were no independent members in attendance at this meeting that had been present at the previous meeting.</p> <p>AC23.20.2 The minutes were noted as an accurate summary of the previous meeting by the officers present. As such the minutes were noted as accurate but were not formally approved by the committee.</p>	



<p>AC23.20.3 The minutes were noted but not approved.</p>	
<p>AC23.21 Action Point Register</p> <p>AC23.21.1 MM presented the action point register explaining the presentation and format that we would be taking. He explained all actions would be updated prior to the meeting by the Executive and would be presented to the committee as either an action that had been completed and therefore the committee could close it or as a progress update. MM reiterated that only the Committee can agree that an action is closed.</p> <p>AC23.21.2 The committee closed the requested actions and noted progress with the others.</p>	
INTERNAL AUDIT ASSURANCE REPORTS	
<p>AC23.22 Internal Audit Progress Report</p> <p>AC23.22.1 There were four items taken under the internal audit suite of papers which were led by Dave Harries (DH) from the internal Audit team.</p> <p>AC23.22.2 The Internal Audit Progress Report which covered the 1 January to 30 April 2023. The progress report summarised:</p> <ul style="list-style-type: none">• Seven reviews which had been completed since the last committee in January 2023.• Seven reviews remain in progress.• The internal audit team highlighted the 20- day turn around challenging service level agreement for management to respond to draft reports.• The current compliance level is 58%. The audit chair reminded officers present of the importance of achieving the timescales that and expects a higher compliance rate in future reports.	
<p>AC23.23 Internal Audit Plan</p> <p>AC23.23.1 The internal audit team noted the trend that the health board was ahead of in moving to a six-month plan not a 12- month plan as this allows the Committee Chair, Accountable Officer and Board Secretary to identify any emerging risks and allow sufficient flexibility to respond accordingly.</p> <p>AC23.23.2 In year risks are based at a point in time and this approach will enable us to influence the plan accordingly. Phil Meakin (PM), Interim Board Secretary confirmed this plan had been shared with the executives and agreed by them. The Chair reminded everyone the importance of culture and how this links to the plan.</p> <p>AC23.23.3 The internal audit team presented the six-month internal audit plan which covered the period of April to September 2023 and detailed the audits to be undertaken. Contained within the internal audit plan is also the internal audit charter which defines the overarching purpose, authority and</p>	



<p>responsibility of the internal audit and the key performance indicators for the service.</p>	
<p>AC23.24 IA final report: Delivery of Health Board Savings</p> <p>AC23.24.1 The internal audit team presented the final internal audit reports on the delivery of health board savings. The internal audit outcome report issued no assurance in this area and highlighted significant matters which required management attention. It also highlighted the high impact on residual risk exposure until it is resolved.</p> <p>AC23.24.2 Four actions are noted in the final report all of which were agreed by management and all of which have a high priority status. SW gave an update on planned care. The Committee noted that utilisation was positive.</p> <p>AC23.24.3 GW stated the importance to look at what we can learn in the preparation of business plan. Steve Webster (SW) Interim Executive Director of Finance confirmed it is important that we measure what we say we can and benchmark appropriately. The Chair requested that for all future meetings individuals attend to present and speak to internal audit reports in their area of expertise.</p> <p>ACTION: MM to note the change in process to ensure all leads are present when their internal audit report is reviewed.</p> <p>AC23.24.4 SW agreed the work around urgent care perspective needs to be brought back and debated at a future point in the right time.</p>	
<p>AC23.25 IA final report: Business Case outcomes</p> <p>AC23.25.1 The internal audit team presented the final internal audit report on the urgent primary care centres business case outcomes achieved. The internal audit team issued a limited assurance on this report and noted the moderate impact on residual risk exposure until it is resolved.</p> <p>AC23.25.2 There were five recommendations were made all of which were agreed by management. This was made up of two high priority, two medium priority and one low priority. The Committee were asked to approve the draft audit plan and charter so that we were compliant with the Welsh government NHS Wales audit committee handbook. As a result of the information provided to the Committee, they confirmed that they were assured.</p> <p>AC23.25.3 The Audit Assurance Committee approved the six-month internal audit plan. The Committee noted the rolling plan when risk is entered for October to March 2024.</p> <p>AC23.25.4 The Committee noted the row gap in resource requirements to</p>	



<p>deliver the increase in assurance requested by the help all or dignity approved the internal audit charter and noted the associated internal key performance indicators.</p>	
<p>AC23.26 Internal Audit Recommendations</p> <p>AC23.26.1 MM presented the internal order actions tracker to the committee. This is a new report and sees the recommendations stripped out of the internal audit updates and managed as a separate item of audit business at the request of the new Chair of Committee. The Chair welcomed the separation and noted the report is a work in progress with further work to be undertaken.</p> <p>AC23.26.2 The Committee was pleased to see the direction of travel and requested further updates and strengthened assurance be added for the next presentation. This will enable the committee to better hold to account individuals for the timely delivery of internal audit recommendations.</p> <p>ACTION: MM to update the action tracker and share areas of non-compliance with the Committee.</p> <p>AC23.26.3 The Committee enquired about the Clinical Audit Programme SW then confirmed the internal audit will review clinical audit as part of the follow up plan. GW requested to further understand the Welsh translation and document requirements outside of the meeting and what we are signed up to and where we are falling short. PM mentioned that the Board receives a paper in this and will confirm timing,</p> <p>ACTION PM to confirm that the Welsh Language Compliance report is coming to Board.</p>	
RISK & GOVERNANCE	
<p>AC23.27 Risk Management</p> <p>AC23.27.1 MM presented the new look risk management reports to the committee. The report focuses on tier one risks which score between 15 and 25 on the corporate risk register. MM explained how the data could be cut and coordinated offering different views of risk and therefore allowing the audit committee to take assurance from the information provided.</p> <p>AC23.27.2 Next steps for the risk report will include a heat map a focus on assurance and development of risk appetite, there are currently 48 risks in tier one. GW endorsed the approach with last reporting and more quality as the focus noting some risks are very broad and some very narrow.</p> <p>AC23.27.3 The Committee agreed that was not changed to consolidate risks where appropriate. The Chair sought assurance that the escalation process was in place. It was confirmed that there is a risk management group process in place, PM confirmed there was evidence of the escalation</p>	



<p>in the register. It can be improved and this will be a focus moving forward.</p> <p>AC23.27.4 The Committee noted the report commending the presentation.</p> <p>AC23.27.5 The Committee noted the report.</p>	
<p>AC23.28 Board Assurance Framework</p> <p>AC23.28.1 MM presented the Board Assurance Framework which highlights and tracks the most significant risks that can prevent the organisation from achieving its corporate objectives. MM explained that due to the short time scale of the meeting only some of the board assurance framework had been updated – mainly the finance section.</p> <p>AC23.28.2 The Committee noted the further work required for the next meeting to enable the audit committee to take full assurance from the report</p> <p>AC23.28.3 The Committee noted the report action.</p>	
<p>AC23.29 Any other Business</p> <p>AC23.29.1 The Committee went into private session.</p>	
<p>AC23.30 Date of Next Meeting</p> <p>The date of the next meeting - TBC</p>	