

AUDIT COMMITTEE

Annual Report 2024-25

FOREWORD

I am pleased to present the 2024-25 Annual Report of the BCUHB Audit Committee which outlines the activity for the period 1 April 2024 – 31 March 2025.

Karen Balmer
Chair of the Audit Committee

AUDIT COMMITTEE Annual Report 2024 - 2025

1. Introduction

- 1.1 This report summarises the key areas of business activity undertaken by the Committee between 1 April 2024 and 31 March 2025 and highlights some of the key issues which the Committee intend to give further consideration to over the next 12 months.
- 1.2 The Committee's Annual 'Business Cycle' was reviewed on 12 September 2024 and was a key component in ensuring that the Committee effectively carried out its role during 2024 – 25.
- 1.3 This report reflects the Committee's key role in the development and monitoring of the Governance and Assurance framework with respect to the (activity/function).

2. Role and Responsibilities

- 2.1 The primary purpose of the Committee is to act on behalf of the Board to:
 - 2.1.1 Advise and assure the Board and the Accountable Officer on whether effective arrangements are in place, through the design and operation of the Health Board's system of assurance, to support them in their decision taking and in discharging their accountabilities for securing the achievement of the Health Board's objectives, in accordance with the standards of good governance determined for the NHS in Wales.
 - 2.1.2 Independently monitor, review and report to the Board on the processes of governance, and where appropriate, facilitate and support, through its independence, the attainment of effective processes.
 - 2.1.3 Where appropriate, advise the Board and the Accountable Officer on where, and how, its system of assurance may be strengthened and developed further.
 - 2.1.4 Review the establishment and maintenance of an effective system of good governance, risk management and internal control across the whole of the organisation's activities, both clinical and non-clinical.
 - 2.1.5 Seek assurance that the systems for financial reporting to Board, including those of budgetary control, are effective, and that financial systems processes and controls are operating.
 - 2.1.6 Work with all Committees of the Board to ensure that governance and risks are part of an embedded assurance framework that is 'fit for purpose'.
 - 2.1.7 Receive assurance on delivery against relevant Planning Objectives aligned to the Committee in accordance with Board approved timescales, as set out in BCUHB's Annual Plan.

3. Agenda Planning Process

- 3.1 The Chair of the Committee, in conjunction with the Executive Lead and Meeting Secretary develops the final agenda for the Committee meetings.
- 3.2 The venue, location and other administrative arrangements are organised a year in advance where possible.
- 3.3 The secretariat for the meeting is provided by Laura Jones.

3.4 The agenda and papers are disseminated to Committee members prior to the date of the meeting. Where appropriate all papers are accompanied by a cover sheet which provides an executive summary and guidance to the Committee on the action required.

4. Operating Arrangements

4.1 Only very minor amendments were considered necessary in respect of the Terms of Reference and Operating arrangements for the Audit Committee.

4.2 The new Committee Cycle of Business for the Audit Committee is being presented for approval on 19 August 2025, however the agenda for each meeting is sufficiently flexible to allow the Committee to consider any emerging issues.

5. Membership, Frequency and Attendance

5.1 The Terms of reference of the Committee state that the Committee should consist of a minimum of three members of the Board.

5.2 During the year the Committee met on eight occasions with member attendance as follows:

Name	(XX) Committee (out of xx possible meetings)
Karen Balmer (Committee Chair)	Eight out of eight meetings
Urtha Felda	Six out of eight meetings
Rhian Watcyn Jones	Eight out of eight meetings
Dyfed Jones	Seven out of eight meetings

5.3 The Committee requires the attendance of other Health Board Officers for advice, support and information routinely at meetings. It may also co-opt additional independent 'external' members from outside the organisation to provide specialist skills, knowledge and expertise.

6. Committee Activity

6.1 The Committee fulfilled its work plan for 2024-2025 covering a wide range of activity. This work can be summarised under the following headings;

- a) Financial Annual Accounts 2023/24
- b) Annual Report 2023/24
- c) Head of Internal Audit Opinion and Annual Report 2023/24
- d) ISA 260 Audit of Financial Statements
- e) Local Counter Fraud Annual Report and Counter Fraud Functional Standard Return 2023/24
- f) Progress against Outstanding Audit Recommendations
- g) Update on Internal and External Audit Recommendations
- h) Health Board Policies and Written Control Documents
- i) Welsh Health Circulars and Ministerial Directions
- j) Declarations of Interest and Gifts and Hospitality
- k) Corporate Risks and Board Assurance Framework associated with the Committee
- l) Scheme of Delegation
- m) Standing Orders Reservations and Delegation of Powers
- n) Conformance Report
- o) External Audit Progress Report
- p) Internal Audit Progress Report
- q) Structured Assessment
- r) Local Counter Fraud Progress Report

7. Key Achievements/Benefits:

7.1 As a reader you will see from this report what a successful and varied year the Audit Committee has had during 2024-25. Although detailed more fully above and within the Committee papers, some of the key highlights were:

- Successful establishment and operation of the Committee with full engagement from members and supporting officers.
- Enhanced reporting and assurance processes, particularly around:
 - Internal and external audit recommendations.
 - Policy management and compliance monitoring.
- Focused sessions on:
 - Counter Fraud
 - Procurement
 - Welsh Risk Pool
- Conducted a self-assessment using the Audit Committee Handbook.
- Identified areas of progress and opportunities for improvement.
- Covered a wide range of governance and assurance activities including:
 - Financial accounts and audit reports.
 - Risk management and control frameworks.
 - Policy and compliance oversight.
 - Fraud prevention
- Regular 'AAA Reports' submitted to the Board.
- Transparent publication of minutes and papers on the Health Board's website.

8. Key Challenges

8.1 As indicated earlier in the report a focus for the Committee in 2025 forward into 2026, will be the work which is underway to give assurance at a strategic level.

8.2 Finally, although these challenges remain, the Committee will continue to monitor activity and develop innovative ways to support new developments and opportunities.

9. Committee Effectiveness & Performance

9.1 The Committee regularly reviews its own performance by completing this report on an annual basis, reviewing the cycle of business which provides the Committee with the basis on which it will monitor its progress during the year and also provide clarity for all of those who contribute to the agenda as to the expectations of them.

9.2 A Committee effectiveness questionnaire will be issued again circa February 2026, the outcome of which will be reported to the Committee in respect of recommendations and subsequent actions in response to areas identified for improvement.

9. Reporting the Committee's Work

9.1 The Committee Chair reports the key issues discussed at each of its meetings by way of a 'AAA Report' to the Board.

9.2 These reports are supported by the relevant and more detailed Committee minutes. Committee papers, including minutes are routinely published on the Health Board's website.

10. Conclusion and way forward

- 10.1 The Committee is very grateful to all those involved in the work of the Committee for their support over the past 12 months, and for the constructive and positive way in which they have contributed to the activity.
- 10.2 The Committee will continue to ensure that it conducts its business in accordance with legislation and best practice.
- 10.3 It will provide the assurance that the Committee has in place the appropriate governance arrangements and resources to ensure success in achieving its objectives.

11. Further Information

Please visit the Health Board's websites for further information as outlined below:

[Committees and Advisory Groups - Betsi Cadwaladr University Health Board](#)