

Betsi Cadwaladr University Health Board (BCUHB)
Confirmed minutes of the Audit Committee
held in on 17 February 2026
in the Boardroom, Carlton Court, St Asaph and via Teams

Committee Members Present	
Name	Title
Paul Lambert	Independent Member (Chair of Audit Committee)
Urtha Felda	Independent Member (Vice Chair of Audit Committee)
Dyfed Jones	Independent Member
Rhian Watcyn Jones	Independent Member (via Teams)
In Attendance	
Russell Caldicott	Executive Director of Finance
Glesni Driver	Head of Statutory Compliance & Inquiries
Dyfed Edwards	Health Board Chair (part meeting)
Jody Evans	Assistant Head of Risk Management
Debbie Eytayo	Executive Director People Services and Organisational Development (OD) (via Teams)
Dave Harries	Head of Internal Audit, NWSSP
Fflur Jones	Performance Audit Lead, Audit Wales
Nicola Jones	Deputy Head of Internal Audit, NWSSP
Michelle Phoenix	Performance Audit Lead, Audit Wales (part meeting)
Danielle Timmins	Head of Local Counter Fraud
Pam Wenger	Director Corporate Governance
Angela Wood	Executive Director of Nursing & Midwifery (part meeting)
Observing	
Cathy McHarrie	Local Counter Fraud Specialist
Lina Darras	Financial Management Graduate Trainee (part meeting)
Committee Support	
Philippa Peake Jones	Head of Corporate Governance
Diane Davies	Corporate Governance Manager

PRELIMINARY MATTERS
<p>AC26.1 – Welcome and apologies for absence</p> <p>The Chair welcomed all attendees to the meeting. No apologies were received.</p>
<p>AC26.2 – Declarations of Interest</p> <p>No declarations of interest were received.</p>
<p>AC26.3 – Unconfirmed Minutes of the meeting held on 16 December 2025</p> <p>It was agreed that the minutes of the meeting held on 16 December 2025 were a true and accurate record.</p>

AC26.4 – Matters Arising and Summary Action Log

The Committee received the action log and noted progress across multiple items. A number of actions related to operational governance, internal audit recommendations, and contracted patient services were discussed at length, and the actions updated accordingly. Members emphasised the importance of realism in timescales, clear accountability, and consistency across committees.

It was noted that the long-standing action in relation to the Centre for Mental Health Society was on the agenda in the private meeting; however, it would remain open until the report was considered in public.

ACTIONS:

AC26.4.1 Executive Director of Finance to arrange to advise the Ombudsman of delay to implementation of the Commissioning Framework.

AC26.4.2 Director of Corporate Governance to address breach issues with the Committee Advisory Group.

AC24/151.1 To remain open as Centre for Mental Health and Society draft internal audit report discussed in private session.

Actions proposed for closure were **agreed**.

GOVERNANCE

AC26.5 – Update on Outstanding Audit Recommendations

Angela Wood, Executive Director of Nursing & Midwifery presented the item.

A detailed review of outstanding internal audit recommendations was provided, including:

- Progress on limited assurance areas such as falls management, complaints handling, manual handling, and patient experience.
- Improvements had been made since previous Health and Safety Executive (HSE) notices of contravention.
- Ongoing recruitment challenges in specialist training roles.
- Assurance that new governance processes, dashboards, and oversight mechanisms were embedding improvements.

Committee discussion:

Members:

- Queried the longevity of recommendations and the cultural factors contributing to historical delays.
- Recognised significant progress in training, compliance, and assurance processes.
- Stressed the importance of embedding learning, ensuring evidence quality, and sustaining improvements long-term.
- Recognised that complaint handling had improved to being the best performing in Wales and that delivery of the new national complaints framework would be monitored via the Quality, Safety and Experience Committee from 1 April.

The Committee resolved to

NOTE the update and **SUPPORT** continued oversight measures.

AC26.6 – Statutory Compliance Report

Glesni Driver, Head of Statutory Compliance & Inquiries presented the item.

The report highlighted:

- 50 internal audit recommendations presented for closure.
- 14 Audit Wales recommendations presented for closure.
- Persistent issues linked to delayed management responses, poor evidence submission, and operational pressures.
- Significant statutory compliance risks—including water safety governance concerns—requiring strengthened attendance, accountability, and cross-team coordination.

Committee discussion:

Members raised concerns regarding:

- Inadequate attendance at key statutory compliance meetings.
- Cultural issues within departments where repeated failures occur.
- Reputational risks arising from governance failures and overdue actions.

The Director of Corporate Governance stated that governance education needed to be promoted within the organisation to strengthen operational grip on processes and ensure appropriate ownership, highlighting the journey that she and her team were on to make these improvements now that governance on a corporate level had embedded effective structures and processes e.g. through delivering governance masterclasses open to all BCU employees. In response to the Health Board Chair's concerns regarding the lack of responses at Executive level she gave assurance that discussion with Executive Directors would be held to ensure appropriate facilitation was in place to provide timely supporting evidence.

ACTION:

AC26.6.1: Share with members updates for Ysbyty Gwynedd Emergency Department (ED) actions and Ombudsman deadlines.

The Committee resolved to

APPROVE the closure of Internal Audit and Audit Wales recommendations as set out in Annex A.

AC26.7 – Corporate Governance Report

Pam Wenger, Director of Corporate Governance presented the item.

The report included:

- Summary of business considered in private session for reporting in public.
- Forward workplan updates.
- Progress on Learning From Events Report (LFER) and strengthening evidence of embedded learning.

Committee discussion:

Members supported:

- Improvements to governance capability across the organisation.
- Need for improved evidence of sustained learning from historic incidents.
- The role of Internal Audit in future assurance of embedded learning.

The Committee resolved to

NOTE the report.

AC26.8 – Director’s Accountability Statement 2026/27

Pam Wenger, Director of Corporate Governance presented the item.

The Committee received the proposed Directors’ Accountability process for 2026/27, aligning accountability, assurance, and annual performance frameworks. The Director of Corporate Governance emphasised the importance of establishing the arrangements in order to strengthen accountability across the organisation and this process would align to the Performance Management Framework and support the Chief Executive Officer as part of her responsibilities in relation to the systems of internal control. Members were invited to submit any further comments following the meeting.

Committee Discussion:

Members welcomed the clarity and structure the new process provided and emphasised:

- Importance of directors understanding their statutory and governance responsibilities.
- Need to cascade accountability deeper into operational levels.

The Committee resolved to

SUPPORT implementation of the Accountability Statements for 2026/27.

AC26.9 – Annual Report 2025/26 Arrangements

Pam Wenger, Director of Corporate Governance presented the item.

A timeline for preparing the Annual Report and Accounts for 2025/26 was shared, consistent with Welsh Government Manual for Accounts requirements. Dependencies between Audit Wales, Finance, and governance teams were noted. The Committee Chair emphasised the importance of the avoidance of slippage in the timelines outlined.

The Committee resolved to

NOTE the arrangements.



AC26.10 – Corporate Risk Register (CRR)

Pam Wenger, Director of Corporate Governance presented the item.

The Committee received an update on organisational progress around risk management. Significant improvements had been made over the past year in risk assessment processes and governance mechanics. The key focus for the coming months was shifting from process improvement to active risk reduction.

Progress was reported in respect of

- The organisation had strengthened the processes and mechanics of risk assessment, reporting and committee oversight.
- Internal Audit's draft report on risk was awaited.
- Current risk papers highlighted that ten risks remain outside the Board approved risk appetite.
- A paper had been presented to the Executive Committee outlining plans to conduct deep dives on each individual risk over the next six months. The Committee commended this approach.
- These deep dives would identify specific actions required to reduce risk levels, with clear accountability.
- Priority focus: identifying actions that would move risks into the risk appetite range, even if not fully reaching the long term target risk score.
- The Quality Management System would be the subject of the next Board Development session.

ACTION

AC26.10.1 Staff stress related sickness should also capture and report on 'work related' sickness within future reporting.

The Committee resolved to

- **ENDORSE** the Corporate Risk Register (January 2026) as the current consolidated position.
- **NOTE** that ten risks remain above appetite
- **NOTE** the incorporation of **BAF2401** actions within **CRR2508** and monitoring arrangements.

AC26.11 Governance and Accountability Framework

Pam Wenger, Director of Corporate Governance presented the item.

The Committee received an update on the annual review of the Standing Orders (SOs) and Standing Financial Instructions (SFIs), as required under governance best practice.

Key Points

- Annual review of SOs and SFIs had been completed, in line with governance requirements.
- Updates were largely technical and clarificatory, not substantive.
- No changes had been made to financial delegation limits.
- Revisions included:

- Updated job titles and terminology.
- Clearer descriptions of approval pathways.
- Corrections to missing or ambiguous sections.
- Clarified processes for income flowing into the organisation.
- General formatting improvements for consistency.
- Work had been completed jointly by Governance and Finance teams.
- SOs and SFIs were intended to be endorsed annually as good practice.

Committee discussion:

- Confirmation was provided that Committee membership could include external (non-LHB) members if specialist expertise is required.
- A request was made to improve document accessibility, including large print options.

The Committee resolved to

APPROVE the proposed changes to the Scheme of Reservation and Delegation (SoRD) for onward approval at the Board in March 2026.

FINANCE

AC26.12 – Finance Conformance Report

Russell Caldicott, Executive Director of Finance presented the item.

The report covered:

- Improvements in No PO No Pay compliance, though terminology refinement is needed.
- Single tender waivers reducing year-on-year.
- £8m in outstanding invoices, largely within 30-day norms.
- Concerns regarding overpayments to staff due to untimely termination forms.
- Public Sector Payment Policy compliance at 97%.

Committee discussion:

Members

- sought assurance that BCU ensured robust processes were in place to avoid the potential for salary overpayments and associated reputational risk.
- raised concern with the volume of invoices awaiting payment which exceeded the 30 day deadline.

The Committee resolved to

NOTE the report and **APPROVE** losses and special payments.

AC26.13 – Counter Fraud Report

Danielle Timmins, Head of Counter Fraud presented the item.

Key points:

- Increased reporting of suspected fraud, particularly related to working while sick and phishing-based mandate fraud.
- Resource limitations due to staff sickness within the Counter fraud team.
- Significant cases involving prescription theft, restrictions on clinical practice, and fraud identified within a GP practice.

- Preventative work ongoing across GP practices and pharmacy claims.

Committee discussion:

Members emphasised:

- The need to address cultural issues where fraud is normalised.
- Importance of documenting mandatory fraud education.
- Need for HR engagement where repeated or systemic issues were identified.

The Committee resolved to

NOTE the report and **APPROVE** case closures.

INTERNAL AUDIT

AC26.14 – Internal Audit Progress Report

Dave Harries, Head of Internal Audit presented the item.

Internal Audit reported:

- Three reports issued in the period: one Reasonable, two Limited Assurance.
- Significant deterioration in timely management responses.
- Concerns regarding statutory compliance (e.g. water safety governance).
- Forward indicators suggest a challenging year-end opinion.

Committee discussion:

Members highlighted:

- Concern with gaps in primary and community reporting at Board level, albeit was acknowledged that BCU operated a Primary Care Board and the Planning, Population Health and Partnerships Committee received updates in these areas.
- Concern with gaps in Estates governance and compliance however, the Director of Corporate Governance provided assurance that the Executive Committee was in the process of addressing this area through the establishment of a Regulatory Group.

The Committee resolved to

NOTE WITH CONCERN the deterioration in assurance levels and emphasised the need for executive focus.

AC26.15 External Audit Progress report

Fflur Jones, Auditor - Audit Wales presented the item.

Audit Wales reported:

- Planning work underway for the 2025/26 financial audit.
- Structured Assessment near completion.
- Ongoing performance audit work: digital services, estates, strategic financial systems.

The Committee resolved to

NOTE the update.

CLOSING BUSINESS



AC26.16 – Items for referral to the Board / other Committees

The Committee **AGREED** to refer:

- Risks linked to statutory compliance governance.
- Declining Internal Audit assurance and management response performance.
- Progress and risks relating to outstanding audit recommendations.

AC26.17 – Review of meeting effectiveness

Members agreed the agenda enabled meaningful discussion on key governance risks and that the agenda had been well planned and effectively chaired.

Opportunities were noted to:

- Avoid agenda overload.
- Maintain structured forward planning.
- Ensure adequate time for substantial items.

AC26.18 – Date of next meeting

21 April 2026

Resolution to exclude the Press and Public

The Committee **resolved** 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."