




Audit and Assurance Committee – Confirmed PUBLIC

MINUTES, DECISIONS & ACTIONS TO BE TAKEN

 09:00 – 11:30

 06/07/2021

 Teams Call

Chair	Marian Wyn Jones
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Present (Members)		Title	Organisation
Marian Wyn Jones	MW -J	Independent Member, Chair of the Audit and Assurance Committee	DHCW
Grace Quantock	GQ	Independent Member, Vice Chair of the Audit and Assurance Committee	DHCW
David Selway	DS	Independent Member	DHCW
Ruth Glazzard	RG	Independent Member, Vice Chair of the Board	DHCW
Attendees			
Claire Osmundsen-Little	COL	Executive Director of Finance	DHCW
Chris Darling	CD	Board Secretary	DHCW
Mark Cox	MC	Deputy Director of Finance	DHCW
Julie Ash	JA	Head of Corporate Services	DHCW
Michelle Sell	MS	Chief Operating Officer	DHCW
Amanda Murray	AM	Secretariat	DHCW
Dave Thomas	DT	Audit Director	Audit Wales
James Quance	JQ	Head of Internal Audit	NWSSP Internal Audit

Martyn Lewis	ML	IT Audit Manager	NWSSP Internal Audit
Simon Cookson	SC	Director of Audit & Assurance	NWSSP Internal Audit
Emily Thompson	ET	Local Counter Fraud Specialist	Cardiff and Vale University Health Board
Konrad Kujawinski	KK	Head of QA and Regulatory Compliance	DHCW
Sophie Fuller	SF	Governance and Assurance Manager	DHCW
Amanda Murray	AM	Secretariat	DHCW
Julie Robinson	JR	Corporate Governance Co-Ordinator	DHCW
Laura Tolley	LT	Corporate Governance Co-Ordinator	DHCW
Apologies			

Acronyms			
DHCW	Digital Health and Care Wales	NWIS	NHS Wales Informatics Service
SHA	Special Health Authority	A&A	Audit and Assurance
KPI	Key Performance Indicator	PAC	Public Accounts Committee
SO's	Standing Orders	SFI's	Standing Financial Instructions
HEIW	Health Education and Improvement Wales	FCP	Financial Control Procedures

Item No	Item	Outcome	Action
1	PRELIMINARY MATTERS		
1.1	<p>Welcome and introductions</p> <p>The Chair asked the Independent members to introduce themselves and that those in attendance introduce themselves as part of items they were presenting.</p> <p>The Chair noted that in future there would be opportunity for</p>	Noted	None

	<p>Committee members to meet in a closed session with colleagues from Internal and External Audit and Counter Fraud to prepare for meetings.</p> <p>In line with current advice and guidance in relation to Covid-19 with respect to public gatherings, DHCW have agreed that Public Committee meetings would continue to be held through Teams and the position will be monitored on an ongoing basis as restrictions ease.</p> <p>The Committee included a short private session.</p>		
1.2	<p>Apologies for Absence</p> <p>There were no apologies for noting.</p>	Noted	None
1.3	<p>Declarations of Interest</p> <p>There were no declarations of Interest received.</p>	Noted	None
2	MEETING BUSINESS	-	
2.1	<p>Approval of Minutes from the Last Public Committee</p> <p>The Chair noted that no comments had been received on the accuracy of the minutes.</p> <p>The Committee resolved to:</p> <p>Approve the minutes as a true record of discussion and would be made publicly available.</p>	Approved	None
2.2	<p>Approval of Summarised Minutes from the last Private Committee</p> <p>The Chair noted that no comments had been received on the accuracy of the minutes.</p> <p>The Committee resolved to:</p> <p>Approve the minutes as a true record of discussion and publish on the Special Health Board website.</p>	Approved	None
2.3	<p>Action log</p> <p>The Committee noted there were 9 actions captured from the last committee meeting, 7 of which were completed with the action taken documented in the Action Log. The Chair invited Chris Darling, Board Secretary to provide an update on the 2 outstanding actions: -</p> <p>20210511-A01 - A meeting to be arranged with GQ, COL, SC, CD and JA to share approaches and learnings on RAG ratings.</p> <p>Grace Quantock (GQ) had sent through several papers and articles which were shared with Internal Audit and a further meeting was to be arranged to discuss the approach. The</p>	Discussed	None

	<p>status of the tracker remained unchanged.</p> <p>The action remained open.</p> <p>20210511-A04 - Corporate risk register work had commenced and would be updated today.</p> <p>Work around the Corporate Risk Register had commenced and would be updated in item 4.1. More work was required, and it should be closed by the next meeting in October 2021.</p> <p>The action remained open.</p> <p>The Committee resolved to:</p> <p>Discuss the action log, note the completed actions and remaining open actions.</p>		
2.4	<p>Committee Forward Work Plan</p> <p>CD was invited to present the Committee Forward Work Plan. Colleagues were asked to note the IM&T advisory Report from internal Audit which was an addition following discussions with Internal Audit and Audit Wales and was tabled for today's meeting.</p> <p>The Welsh Language Standards Advisory Report Audit and the Audit Wales Structured Assessment would be brought to the October meeting with assistance from Internal Audit and Audit Wales respectively.</p> <p>The Committee resolved to:</p> <p>Note the Committee Forward Work Plan.</p>	Noted	None
3	AUDIT AND COUNTER FRAUD		
3.1	<p>Internal Audit Update</p> <p>Led by Simon Cookson, James Quance and Martyn Lewis</p> <p>JQ advised the Committee that the paper followed the standard format and at this early stage there was not much to report. If required by the Committee further information/controls could be added throughout the year. Audits were progressing in line with the agreed plan.</p> <p>Ruth Glazzard (RG) commented it was helpful to have the plan and more input could be provided once the audits were added. Concern was expressed that given the early stage of DCHWs development, some of the Governance pieces needed to come at the right time in the plan, with clarity around what would be covered within the Data Centre plan.</p> <p>At present the plan was end loaded to quarter 3 and 4 however, it was confirmed that there would be flexibility to request further audit items as the year progressed and more was known of requirements.</p>	Noted for Assurance	None

	<p>The plan had been discussed in detail with the Executive Teams, Claire Osmundsen-Little (COL) advised the timing/content and phasing was agreed and built into the internal plan.</p> <p>The Committee resolved to:</p> <p>Note the Internal Audit update for assurance.</p>		
3.2	<p>IM&T Advisory Internal Audit Report</p> <p>Led by Martyn Lewis</p> <p>Internal Audit had undertaken a number of IT and Digital related Audits which would form part of the Audit within each Health Board and Trust with a baseline assessment carried out. Each organization's paper had been scored and set out a list of areas of good practice, highlighting areas of focus.</p> <p>Martyn Lewis (ML) highlighted where reports differ, this reflected each Board's funding decisions in targeting priorities. Key weaknesses were noted in Finance due to a lack of money.</p> <p>David Selway (DS) raised a question surrounding the small number of Health Boards' inconsistencies around Digital Strategy. This was attributed to it being out of date or work in progress rather than there being no strategy.</p> <p>RG asked why not having enough money would reflect in a low score and ML stated that finance is linked to the needs and are driven by requirements.</p> <p>MWJ requested the views of SC around the role of DHCW as a Strategic Partner for digital activity and how the findings might be used to strengthen collaboration with Health Boards. SC stated a two-way sharing of information and outcomes had been commenced. There had been a Programme of work at NHS Wales Informatics Service (NWIS) which was used to provide assurance.</p> <p>CD queried whether there was a plan to undertake a follow up to see whether the scores would change. Nothing has been timetabled at this stage, however Internal Audit would be happy, if required, to look at specific areas of work, with Committee agreement.</p> <p>This would be taken as a learning action rather than a formal action to validate whether best practice was being met.</p> <p>ACTION 20210706-A01 Review of all areas of good practice and take some learning outcomes from the report.</p> <p>DS suggested that DHCW work with partner organisations to help them to develop their Digital Strategy. This would be fed-back into the next Board meeting to be incorporated into the Engagement Strategy.</p>	Discussed	<p>Action – JA –</p> <p>Review of all areas of good practice and take some learning outcomes from the report.</p>

	<p>In response to a question, Internal audit said it would consider changing the title of IM&T Advisory Internal Audit Report for the future.</p> <p>The Committee resolved to:</p> <p>Discuss the report and note the contents.</p>		
3.3	<p>Audit Wales Update</p> <p>Led by Dave Thomas (DT)</p> <p>The Audit and Assurance Committee received the update paper from Audit Wales. DT confirmed it was early stages of planning on the account's work which would become substantial further in the year. The plan would be flexible, and Audit Wales would work with Internal Audit to ensure there were not gaps or duplications.</p> <p>DS asked for clarity on "Working in partnership with others" in section 3 of the report. DT advised that this would be with immediate stakeholders within the NHS.</p> <p>The Committee resolved to:</p> <p>Receive the report for assurance.</p>	Assurance	None
3.4	<p>DHCW Audit Action log</p> <p>Led by Julie Ash.</p> <p>JA confirmed good progress had been made with the 11 open actions, 4 actions were agreed to be closed with a further 3 recommendations added following the recent inclusion of 2 Audit reports which in total left 10 open actions.</p> <p>JA advised that 6 of these actions had been completed with the remaining 4 showing as yellow (on target) although there had been some further movement since completion of the reports.</p> <p>The committee was asked to note the updated open actions and agree to sign off the 6 completed actions.</p> <p>The Committee resolved to:</p> <p>Discuss the Audit action log and approve the closure of the 6 completed actions.</p>	Discussed	None
3.5	<p>Counter Fraud Update</p> <p>Led by Emily Thompson Cardiff & Vale University Health Board.</p> <p>Emily Thompson (ET) advised that 4.5 days had been completed for DHCW with no investigations undertaken. The appointment of Rachel Powell, Deputy Director of Information at the Counter Fraud Champion for DHCW was noted.</p>	Noted	None

	<p>RG highlighted the need for counter fraud to be continuous learning to ensure implementation of 'Best Practice' and be embedded into the organisation.</p> <p>The Committee resolved to:</p> <p>Note the Counter Fraud report.</p>		
3.6	<p>Public Accounts Committee Review of NWIS Report</p> <p>Led by Michelle Sell</p> <p>Members noted the content of the update report in relation to the historic Public Accounts Committee and Audit Wales Reports (2018) into NWIS and noted the status including the one action that remained open. It was important to note that one of the recommendations from the Public Accounts Committee led to the establishment of DCHW.</p> <p>MS provided an update on the work being undertaken to address the one outstanding action (out of 18 original recommendations) which related to Workforce and which proposed a Strategic Workforce Review. A Strategic Workforce Review would take place, but the caveat was the appointment of the Chief Digital Officer who would take this review forward. Additional funding had been made available to DCHW as a result of the review which had helped from a workforce perspective.</p> <p>The main workforce risks had been identified on the Risk register and mitigating measures put in place to manage the risks: -</p> <ul style="list-style-type: none"> • There was focus on recruitment in the plan and a specific Taskforce had been created to look at coordination of recruitment activity and focusing on a wide range of areas that would be targeted for recruitment purposes. • A number of recruitment agencies had been taken on to work with DCHW. • Third party resources would be engaged and brought in to work on several areas. <p>GQ suggested when looking at expanding the networks that a review of recruitment practices for inclusion could be undertaken.</p> <p>ACTION 20210706-A01 - When looking at the expansion of networks, review the recruitment practices for inclusion.</p> <p>The Committee sought clarification of the mention of 'spare capacity' in other NHS bodies within the report and if this was a possibility and if there was a target date for the completion of the outstanding action.</p>	Noted	<p>Action – MS</p> <p>When looking at the expansion of networks, review the recruitment practices for inclusion.</p>

	<p>MS confirmed that the review had included the whole of NHS Wales and was not limited to DCHW and whilst there had been co-production on some applications with other Health bodies, they all had their own strategic objectives to achieve and would not necessarily have the resources to transfer to DCHW.</p> <p>MS confirmed she would follow up with the digital colleagues at WG the target date or completion.</p> <p>The Committee resolved to:</p> <p>Note the one outstanding action and the proposed work in place to close the action.</p>		
3.7	Comfort Break		
4	CORPORATE REPORTS		
4.1	<p>Risk and Board Assurance Framework Strategy Update Report</p> <p>Led by Chris Darling</p> <p>CD advised the Committee on the update of the milestones.</p> <p>As there were 717 live corporate risks it had been agreed that new risks would be articulated to ensure consistency. Positive work had taken place within the area of risk and further work in understanding risk appetite would continue.</p> <p>The Committee resolved to:</p> <p>Discuss the report and note the update.</p>	Discussed	None
4.2	<p>Corporate Risk Register</p> <p>Led by Julie Ash</p> <p>Responsibility for Risk was transferred on July 1st from COL to CD.</p> <p>There were 16 Corporate Public risks with 3 being removed.</p> <ul style="list-style-type: none"> • First risk - it was agreed that Medical Devices could be managed at Director level. • Second risk -Biztalk was used within Canisc application and it was agreed that there would be one overarching risk as DHCW04. • Third Risk – The lift at Ty Glan yr Afon was now in full working order. <p>Two further risks have been added which related to the Data Centre Migrations and the switching service to be added to NDR.</p> <p>COL thanked JA on behalf of the Committee.</p> <p>DS questioned if there was a budget for the BCD project. COL</p>	Noted	None

	<p>confirmed that there was a contingency within the budget, however it was thought that the costs were not material as most is internally resourced.</p> <p>The Committee resolved to:</p> <p>Note the Corporate Risk Register.</p>		
4.3	Finance Update	Noted	None
4.3.1	<p>Financial Losses and Special Payment</p> <p>Led by Claire Osmundsen-Little</p> <p>There were no losses or special payments to report this month.</p>	Noted	None
4.3.2	<p>Audit of 20-21 Velindre Accounts</p> <p>Led by Claire Osmundsen-Little</p> <p>Members noted the content of the 2020/2021 Audit of Accounts Report which related to Velindre University NHS Trust but incorporated NWIS. Committee members were assured to note that no issues had been identified relating to NWIS/DHCW.</p> <p>COL commented on the hard work from the Finance team on not only handling the Covid pandemic but also the transition to a Special Health Authority.</p> <p>MWJ echoed her thanks on behalf of the Committee.</p>	Noted	None
4.3.3	<p>Banking Financial Control Procedure Report</p> <p>Led by Mark Cox</p> <p>MC outlined the requirement to bring additional or new Financial Control procedures to the Committee for approval. Section 4.1.4 of the report related to the Bank Line Audit Report which would be reported quarterly to the Committee.</p> <p>RG queried if the controls helped or hindered with the governance required. MC confirmed that whilst they currently work, they would need to be reviewed and amended as required.</p> <p>The Committee resolved to:</p> <p>Approve the Banking Financial Control Procedure.</p>	Approved	None
4.3.4	<p>High Value Purchase Order Report</p> <p>For transparency, four high value orders went through DHCW which related to previously let contracts when previously hosted by Velindre. Engagement had taken place with Counter Fraud to assist with articulation and to ensure the correct details were recorded.</p>	Noted	Action: Horizon scanning - explore issues that could be brought to

	<p>A question was raised by RG as to how multiple smaller contracts were tracked to the same supplier and where this came into the Committee's oversight? Assurance was provided that key controls are in place to ensure there are no collective breaches.</p> <p>The Committee resolved to:</p> <p>Note the report.</p>		the Committee.
4.4	<p>Procurement and Scheme of Delegation Compliance Report</p> <p>Led by Michelle Sell</p> <p>The Committee noted the update in relation to procurement activity since the last Committee meeting which included the reporting of 1 Single Quotation Action, 1 Single Tender and 3 Tender extensions which had been included in the report for April & May period.</p> <p>The Committee resolved to:</p> <p>Note the report.</p>	Noted	None
4.5	<p>Declaration of Gifts and Hospitality</p> <p>Led by Julie Ash</p> <p>The Committee noted that since the Standards of Behaviour had been approved at Board, the next step was to roll out the process to staff at band 8a and this information would be presented at the next Committee.</p> <p>The Committee resolved to:</p> <p>Note the report.</p>	Noted	None
4.6	<p>Estates Compliance Report</p> <p>Led by Julie Ash</p> <p>The Report was noted by Committee members in the context of the Green Health Wales report and the Government's commitment to launch a new 10-year Wales Infrastructure Investment Plan for a zero-carbon economy. Committee members were pleased to note the reduction in DHCW energy CO2 usage levels.</p> <p>The Committee resolved to:</p> <p>Note the Report.</p>	Noted	None
4.7	<p>Annual Quality & Regulatory Plan</p> <p>Led by Konrad Kujawinski</p> <p>Committee members received a detailed overview of the Annual Quality Plan which covered 6 main areas of focus.</p> <p>DS questioned what prompted the changes from project to</p>	Approved	None

	<p>products?</p> <p>From a regulations perspective, it would be process driven against the MDR Directive which required all systems to be put in place. Each product would have the initial classification which had already commenced. The aim would be to integrate the learnings and system to have a joined process rather than looking at individual sections.</p> <p>The Committee resolved to:</p> <p>Approve the Quality & Regulatory Plan and noted the key role Quality and Regulation would have within DCHW going forward.</p>		
4.8	<p>Quality and Regulatory Compliance Report</p> <p>Led by Konrad Kujawinski</p> <p>The Committee noted a new team was now in place and fully functioning to support the organisation moving forward in this area. There had been no audits in April and May, however focus was now on a Change audit, developing the team and working on the strategy and clear reporting.</p> <p>The Committee resolved to:</p> <p>Note the report.</p>	Noted	None
4.9	<p>Welsh Language Scheme Update Report</p> <p>Led by Sophie Fuller</p> <p>The Committee received an update on the Welsh Language Scheme and noted that whilst SHA's are not currently named under the measure, DHCW wanted to renew its commitment to the scheme. The timetable for finalizing the scheme was outlined to ensure compliance.</p> <p>The Committee resolved to:</p> <p>Discuss the report and note the update.</p>	Discussion	None
4.10	<p>Special Health Authority Project Closure Report</p> <p>Led by Michelle Sell</p> <p>The Committee noted the SHA Transition Project had now formally closed and been signed off by Management Board and would be taken to the Programme Board.</p> <p>The Committee resolved to:</p> <p>Note the report.</p>	Noted	None
5	CLOSING MATTERS		
5.1	<p>Items for Chair's Report to Board</p> <p>The Chair noted the approved, endorsed and discussed items</p>	Discussed	None

	to be included in the Chair's report for Board.		
5.2	Any other Urgent Business None to note.	Noted	None
5.3	Date and Time of Next Meeting: 5 th October 2021	Noted	None