

Summary of HEIW's Audit and Assurance Committee held on 21 July 2021

Due to restrictions imposed during the current public health emergency, we held our July meeting of the Audit and Assurance Committee in public through live streaming. In addition, we have produced this summary of the meeting and will publish the unconfirmed minutes of the meeting within 14 days of the meeting. The papers discussed can be found in the [Board meetings, agendas and standing orders - HEIW \(nhs.wales\)](https://heiw.nhs.wales/) section of our website <https://heiw.nhs.wales/>.

Although held virtually via a videoconferencing platform, the meeting was carried out as normal in line with due process, with the necessary number of committee members in attendance for decisions to be made and formally agreed.

Welcome and Minutes.

The Chair, Gill Lewis, welcomed everybody to the meeting.

The Committee approved the minutes from the previous meeting of HEIW's Audit and Assurance Committee, held on 9 June.

1. Information Governance (IG) Toolkit Submission and IG Delivery and Implementation Plan 2021/2022 (the Plan)

The Committee received an update on the Plan. It was confirmed that the 2021 assessments were submitted voluntarily to baseline assess areas for improvement. The aim is to improve compliance against the Plan ready for when the assessment becomes mandatory in 2022/23.

The update was noted by the Committee.

2. HEIW Procurement Process Improvement Report

A presentation was received providing an update on the action plan in response to the recommendations of the procurement process review.

The Committee noted the good progress made in respect of the action plan.

3. Procurement Compliance Reporting

The report, providing an update in relation to procurement activity, was received and noted by the Committee.

4. Internal Audit – progress report

The Internal Audit Progress Report was considered and noted by the Committee.

Three internal audit reports were received and noted by the Committee. Two of the reports, on pre-registration pharmacy and governance arrangements (internal groups), had been assessed as providing 'reasonable' assurance. This means the Committee could be confident that, as an organisation, HEIW has the right levels of controls in place to manage and monitor these areas.

The report on the information governance toolkit received a 'substantial' assurance assessment. This is the highest level of assurance that can be reported by Internal Audit.

5. Audit Wales

The Audit Wales Progress Report was considered and noted by the Committee.

The Committee also received the outcome of the structured assessment phase 1, which focussed on the operational planning arrangements within HEIW. The Committee noted that the report was positive and assessed that HEIW's arrangements in this area were robust. There were no recommendations arising from the report.

6. Counter Fraud

The Committee received two updates from counter fraud in respect of the work undertaken by the team against the work-plan. The first report was a quarterly report, covering the period from 1 April to 30 June, while the second was an annual report covering the annual financial year 2020-21.

The reports were noted by the Committee.

7. Update to Standing Financial Instructions (SFIs)

It was confirmed that following a review, Welsh Government had issued HEIW with updated model SFIs. The Committee was asked to consider the updated SFIs and recommend they be adopted by the Board.

The Committee recommended that the updated SFIs be approved by the July Board.

8. Updated Standing Orders (SOs)

It was confirmed that, following a review, Welsh Government had issued HEIW with updated model SOs. It was confirmed that HEIW's local SOs had been updated to reflect the amendments within the model SOs. The Committee was asked to consider the updated SOs and recommend they be adopted by the Board.

The Committee recommended that the updated SOs be approved by the July Board.

9. Proposed amendments to delegated financial limits

A report was received requesting the following amendments to HEIW's delegated financial limits:

- to increase the limit for the approval of payments relating to the Single Lead Employer;
- separately identifying 'capital' expenditure and specifying individual limits for such expenditure.

The Committee recommended that the amendments to the delegated financial limits be approved by the July Board.

10. Review of Audit Committee Terms of Reference

The Committee noted the review of its terms of reference.

11. Information Governance and Information Management Report

The Information Governance and Information Management update report was noted by the Committee.

12. Board Assurance Framework (Mitigation of Strategic Risk)

A report was received on the development of the Strategic Risks Control Framework.

The report was noted by the Committee for assurance.

13. Corporate Risk Register (CRR)

It was confirmed there was a total of 11 risks on the CCR. Of these, one was assessed as a red risk which related to Cyber Security. Eight risks were assessed as an amber risk, and two were assessed as green risks.

The Committee noted the CRR and agreed that the risks assessed as green be removed from the register.

14. Audit Recommendation Tracker

The Audit Tracker, providing an update of HEIW's progress on implementing recommendations from the reports of both Internal Audit and Audit Wales, was received by the Committee.

The Committee agreed to remove recommendations assessed as green (meaning completed) from the Audit Tracker and noted the report.

15. Ministry of Defence Memorandum of Understanding

The Committee noted the Memorandum of Understanding.

16. Education Commissioning and Quality Committee Annual Report

The Annual Report was noted by the Committee.