

**Unconfirmed Minutes of the Public Health Wales
Audit and Corporate Governance Committee Meeting
19 September 2023 at 14:00, in 3.2 CQ2 and via Microsoft Teams**

Present		
Nick Elliott	(NE)	Committee Chair and Non-Executive Director
Mohammed Mehmet	(MM)	Non-Executive Director
Kate Young	(KY)	Non-Executive Director
In Attendance:		
Anne Beegan	(AB)	Audit Wales
Iain Bell	(IB)	National Director for Public Health Knowledge and Research
Liz Blayney	(LB)	Deputy Board Secretary and Board Governance Manager
Andrea Calise	(AC)	Contract Principal Auditor, NHS Wales Shared Services Partnership
Tracey Cooper	(TC)	Chief Executive
Paul Dalton	(PD)	Head of Internal Audit, Audit and Assurance Services, NHS Wales Shared Services Partnership
Huw George	(HG)	Deputy Chief Executive, Executive Director of Operations and Finance
Sharon Hillier	(SH)	Director, Screening Division (Joined for Item 3.1)
Alun Lloyd	(AL)	Independent Adviser
Stuart Silcox	(SS)	Assistant Director of Integrated Governance
Paul Veysey	(PV)	Board Secretary and Head of the Board Business Unit
Angela Williams	(AW)	Deputy Director of Finance
Jan Williams	(JW)	Chair of the Board (Left at 15:35)
Steve Wyndham	(SW)	Audit Wales (Joined at 14:06)
Apologies:		
Jane Matthews	(JM)	Head of Financial Reporting and Control
The meeting commenced at 14:00		
ACGC 1/2023.09.19 Welcome and Apologies for Absence		
NE opened the meeting and welcomed all present, noting that the meeting was held electronically and in person at CQ2.		
The Committee noted that the meeting was being recorded to support with accuracy of the minutes, and that the recording would be deleted once the minutes had been agreed at the next meeting in January 2024.		
The apologies for absence received were noted .		

ACGC 2/2023. 09.19	Declarations of Interest
There were no declarations of interest in addition to those already declared on the Declarations of Interest Register.	
ACGC 3/2023. 09.19	Internal, External and Clinical Audit
ACGC 3.1/2023. 09.19	External Audit
<p>The Committee considered the Audit Wales update paper and received the Audit Wales Annual Audit Report.</p> <p>AB informed the Committee the Workforce Planning Report referenced on page 6 was currently with Public Health Wales management and it would be submitted to the January meeting of the Committee for formal noting, following discussion at the November meeting of the People and Organisational Development Committee. AB proposed that the Report was circulated to Audit and Corporate Governance Committee members before the next meeting.</p> <p>AB notified the Committee the work on the Structured Assessment Report 2023-2024 had commenced, with the intention to Report to the January Audit and Corporate Governance Committee meeting. She also outlined that the Deep Dive into Digital Service would be delayed to the beginning of 2024 and to allow time for an audit of the financial positions of all NHS Wales bodies.</p> <p>The Committee noted the proposed change in work plan and expressed concern that the delay may impact financially on transformation within the Organisation which was reliant on improvements to the digital network. The Committee asked that AB feedback the Committee’s concerns to Audit Wales management.</p> <p>AB asked the Committee to note a typographical error in the Report on page 9, where there were relevant consultations, not none as written in the Report.</p> <p>The Committee received and noted the Annual Audit Report for 2022.</p> <p>The Committee considered the Screening Recovery Arrangements Report and the Management Responses. The report concentrated on screening services that had not recovered post-pandemic and acknowledged the temporary reallocation of staff to support the wider response to the pandemic response.</p> <p>AB noted the Report was broadly positive, and areas for improvement were detailed in the recommendations.</p> <p>The Committee discussed the Annual Report/Screening Recovery Report which highlighted the lack of data sharing between GPs and Public Health Wales’ Screening Services Division. It was acknowledged that better coordination and consistency would be achieved by sharing demographic information already held within GP records and would also significantly improve Public Health</p>	

Wales’ understanding of the equity of its screening services. Public Health Wales was in discussion with Digital Health and Care Wales (DHCW) to explore data access/availability to the Organisation.

IB informed the Committee he was currently leading a research programme on behalf of Welsh Government working with DHCW to ensure full, accurate data collection from patients. This would lead to an improvement in equity of all its Screening Services.

The Committee was reminded that there was a societal epidemic of type II diabetes in Wales, and the Diabetic Eye Screening Service, whilst trying to recover after the pandemic was also trying to accommodate the additional new referrals being received.

The Committee asked for clarification regarding paragraphs 36 and 37 on page 17 of the Report which noted the restriction of onward referrals. SH addressed the concerns and explained they referred to a specific point in time where staff vacancies had occurred and Screening Services were able to refer patients to other Health Boards for onward progress through the system once patients were initially diagnosed, and this was not a cause for concern.

The Screening Services team acknowledged the reports findings, noting a number of improvements had already been made and responded as detailed in the management responses and recovery was well in hand. The Committee heard that data modelling in Screening Service provision was a highly technical and critical part of the process and would ensure the appropriate demand and capacity data was available to the service planners.

NE thanked SH for the progress she and her team had made to recover the Screening Services and noted the need to work in a coordinated way between Health Boards to deliver an effective and synchronous service to the population of Wales.

The Committee **noted** the reports.

**ACGC 3.2/
2023. 09.19**

Internal Audit

The Committee **considered** the Internal Audit Progress Report.

The Committee considered the report, which detailed ongoing work had progressed, one review was delayed because of an increased amount of work requested in the IT Infrastructure review. This would have a consequential knock-on effect with more reports than usual coming to the Committee in the January and March meetings.

The Committee asked for clarification regarding the standards against which the IT Infrastructure Audit would be undertaken, PD informed the Committee

they would be using a COBIT (Control Objectives for Information Technologies) framework. The Committee thanked PD for the response, but noted other Health Authorities recognise wider international standards which also focused on behaviours and processes, not just technology.

In relation to the Internal Audit Work Plan for 2023/24, the Committee asked for clarification on the purpose and scope for the planned internal Audit review of the Board Assurance Framework report. PD informed the Committee the review had been suggested by Executives as part of the review of the draft work plan meetings. The report had initially been planned to look at the assurance process around risk management, and been expanded to review the assurance processes more generally and would potentially consider the Board Assurance Framework being developed.

The Committee asked for clarification on the notes for the Returning to Business as Usual Report which stated that no further work was planned. PD explained that initial meetings had taken place and the brief was being finalised with the Executive Lead. The Committee asked that the timing for responses be reviewed to ensure timely responses to ensure good progress with the plan.

Action: PV / PD

The Committee **noted** the Audit Progress Report.

**ACGC 3.2.1/
2023. 09.19**

Update: Health Improvement (Population Health) Limited Assurance

The Committee **considered** an update on the Health Improvement (Population Health) Report.

IB informed the Committee:

- a system was underway to streamline the lengthy monitoring process and to instil indicators to allow tracking and provide assurance on the management of the process.
- a process was developed to allow a forward look at finances which would be reviewed with members of the Finance Team and Welsh Government.

It was recognised the amber RAG rating in the report indicated that progress on work of this complexity, which was reliant on many people outside the Organisation

The Committee commented that the original report had two key findings and were disappointed not to see the second finding referenced in this report. They did not see any reference in the update to the lack of management control over some grants and found the action unsatisfactory over the effectiveness of management control. IB advised the Committee that monthly senior management meetings were held which checked the positions and management of grants on a monthly basis. The Committee asked the Working

Group set up to manage the Grants to present assurance on the progress of their work at the next Committee meeting.

Many of the grants would end at the end of this financial year and the team was currently working with Welsh Government to assess continuity of grants in these areas.

The Committee **received** partial assurance that implementation of the recommendations was progressing and that new systems were being implemented for the management of population health grants, and asked IB and the Working Group to return to the Committee providing further assurance at a future meeting.

Action point: IB

ACGC 4/2023.09.19	Finance and Procurement
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ACGC 4.1/ 2023. 09.19	Procurement Report
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The Committee considered the Procurement Report for 1 May to 31 August 2023, submitted using a new format devised by Wyn Owens, Head of Procurement at Betsi Cadwallader University Health Board.

The Committee asked for assurance that the use of Single Tender Actions was justified when procurement approached only one provider. AW informed the Committee that Procurement would have examined frameworks and tested the market before deciding to use the single tender approach to justify the award of the contract. The Committee were assured that the finance team exercised due diligence at all times to ensure the Organisation get the best value for money.

The Committee:

- **Noted** the new format of the Report
- **Noted** the inclusion of retrospective orders within the Report for the first time
- **Noted** the recommendations included within the report and
- Received **assurance** that procurement activity was undertaken in line with the requirements of the Standing Financial Instructions (SFIs).

ACGC 4.2/ 2023. 09.19	Losses and Special Payments
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The Committee considered the Losses and Special Payments Report.

AW asked the Committee to note that one case in the 2023/24 period included one payment of £455,000, if this case was removed, the figures were comparable to previous years.

The Committee:



- **Noted** and took **assurance** that all losses and special payments had been made in accordance with the requirements of the Standing Financial Instructions (SFIs)

**ACGC 5/
2023. 09.19**

Managing Risk

**ACGC 5.1/
2023. 09.19**

Risk Development Plan Update

SS introduced the updated Risk Management Development Plan and the two appendices A and B, which were approved in February 2022 and planned to take the Risk Management of the Organisation through to 2025. He outlined the development work which had been undertaken and highlighted future key stages:

- Recruitment to Head of Risk role.
- The development of work to be sent to consultants to move the development plan forward (using Grant Thornton specifications and recommendations from the Risk Development Plan)
- Development of reporting to maintain an up to date Strategic Risk Register and Corporate Risk Register and the risk elements which sit on the two Registers.

The Committee asked how the Risk Appetite was reflected in the decision making process at Board level, and if it was happening how this could be communicated to the Organisation and beyond.

SS advised the Committee that all Risks should be recorded on the DATIX system. Migration to the new DATIX cloud system has been planned and was due for implementation in April 2024.

The Committee suggested the development of an internal training course which showed how to relate/translate Risk appetite to decision making. The Committee noted there was a known capacity and capability issue in many Organisations and felt that staff training, such as suggested, would be an important way to develop the Organisation if recruitment of new staff was not possible.

The Committee observed that tracking Risk Appetite was approved before the IMTP was approved for 2023-24. They asked that strategic priorities were to be considered by the planning team for discussions with Executives as planning for 2023-24 was developed.

Action: HG

The Committee noted the importance of needing to understand the context involved in decision making when risk aversion might stop the preventative agenda being followed and the calculated risk option was needed longer term.

The Committee **noted** Executive oversight for the delivery of Risk Management Development Plan incorporating the external recommendations has been delegated to the Leadership Team and took **assurance** on the development of the Risk Management Development Plan, and **noted** the revised plan.

The Committee were informed that due to the timings of the meeting, the update to the Strategic Risk Register was currently in progress and was due to be reported to the Business Executive Team on 20 September. LB agreed to circulate this to the Committee once approved.

Action: LB

**ACGC 5.2/
2023. 09.19**

Risk Protocol

The Committee **considered** the Risk Protocol paper which included a revised timetable for updating and reporting the Strategic Risk Register at Executive Level.

The Committee **considered** the amendments to the timetable for updating and reporting on the revised Strategic Risk Register and **approved** the revised Risk Protocol.

**ACGC 5.3/
2023. 09.19**

Cyber Security (Strategic Risk 7)

The Committee considered a verbal update from HG on Strategic Risk 7. Internal, External and National reviews had been undertaken and a review and action plan would be submitted to the next Committee meeting. Recruitment for the Cyber Security team had continued and the NIC review was progressing and the report would be presented at the January Committee meeting.

The Committee took **assurance** on the management of Strategic Risk 7 within the organisation.

ACGC 6/2023. 09.19

Governance and Accountability

**ACGC 6.1/
2023. 09.19**

**Minutes (10 May 2023 and 12 July 2023),
Action Log and Matters Arising**

The Committee considered the Minutes and Action Log of the meetings held on 16 March 2023 and 12 July 2023.

The Committee:

- **Approved** the minutes of the meeting on 10 May 2023, as an accurate record of the meeting, subject to a correction to the wording on page 6 to read: '... which confirmed the Internal Audit complied with all required standards.'
- **Approved** the minutes of the meeting on and 12 July 2023 and as an accurate record;
- **Approved** the closure of six completed actions and the extension to the target date on Action ACGC 2023/3 on the Action Log.

ACGC 6.2/ 2023. 09.19	Information Governance Quarterly Performance Report Q4 (2022-23)
<p>The Committee received the Quarter 4 Information Governance Quarterly Performance Report, the Quarter 1 Report would be presented at the January meeting.</p> <p>SS summarised the report and noted an increase in Freedom of Information requests which were all dealt with within statutory time scale. Subject Access requests numbers remained stable, two responses fell outside the deadline because of complexity and staff absence. Where possible, the requester was kept informed of the delay and the reasons for the delay in responding to their request.</p> <p>Information Governance training compliance at 90% exceeds the NHS Wales target of 85%.</p> <p>SS informed the Committee he had been working with the Data and Knowledge Directorate to develop a new format for the Performance Report, and to develop a Dashboard to view live data.</p> <p>The Committee discussed the use of a Publication Scheme to manage the work involved with Freedom of Information Requests and Subject Access Requests.</p> <p>The Committee considered the Information Governance Performance Report.</p>	
ACGC 6.3/ 2023. 09.19	Data Breaches Update
<p>The Committee considered a paper which updated the Committee on actions arising from the data breaches which occurred between April 2020 and September 2023. SS identified an error on page 3 of the report and noted the time frame in the document was incorrectly stated as April 2020 to September 2022. In that period there were 14 reportable data breaches and none required the action of the Information Commissioner’s Office.</p> <p>The data breaches were reported to Business Executive Team and summarised in the appendices. Common themes were identified as reasons for the breaches and were summarised in the paper.</p> <p>The appendices show the progress made on the action plans for the two data breaches; CDSC and Hepatitis B and regular updates were obtained by Information Governance regarding progress of actions undertaken to address recommendations in the reports.</p> <p>The Committee noted the fast response of the Organisation following every data breach to investigate and undertake remedial action which has meant</p>	

that the Information Commissioner’s Office had not needed to take any action, as they were satisfied with the Organisation’s prompt actions.

The Committee asked if the newly introduced policy in NHS England where all e-mails were held for a specified short period before release to send was in place in Wales. It was introduced as it was found that most people quickly noticed they had made an error either with autofill or attaching the wrong file to an e-mail and this new policy allowed the recall of the e-mail and avoided a data breach.

The Committee asked whether sufficient staff were available within the Organisation to properly investigate data breaches. SS informed the Committee that most of these investigations were of a specialist nature and it was imperative that investigations were undertaken by people with sufficient knowledge and training. The team were always quick to interview the person responsible and assure them that the team were involved to investigate and learn to prevent further incidents, and blame would not be apportioned.

If an incident was designated serious, an incident management team was appointed, chaired by SS and comprising a member of the Information Governance team and representatives from the part of the Organisation involved with the data breach. A rigorous investigation was assured.

In relation to contract Management, the Committee asked for clarification in the report concerning the procurement responsibilities for ensuring the appropriate processes were in place and adhered to.

Action: SS/AW

The Committee considered the serious data breaches in the last 12 months which had been reported in the media in the UK and all had been attributed to access via third party software and apps and this was an area the Committee felt should be kept under close scrutiny for the Organisation.

The Committee received **assurance** that thematic learning from data breaches has been identified and is being implemented.

**ACGC 6.4/
2023. 09.19**

**Standing Orders and Standing Financial
Instructions Review**

PV presented the Standing Orders and Standing Financial Instructions Review. These documents were reviewed annually according to model orders issued by Welsh Government, those documents were not produced last year and these Standing Orders were written to replace Orders which had been in place since May 2021.

The Standing Orders changes reflected the Health and Social Care Quality and Engagement Wales Act, to incorporate the Duty of Quality and Duty of Candour, the new Citizens Voice Body, Llais and to reflect the appointment of

a statutory Vice Chair as part of the Organisation’s Board constitution and changes in Executive Director numbers.

There were minor changes external hyperlinks in the Standing Financial Instructions. A change which affected all NHS Trusts in Wales was incorporated in Schedule 1, and set out clarification of thresholds and approval routes where property value exceeded £½ million.

The Committee asked how the Organisation should respond to the views of Llais. PV informed the Committee that the Quality, Nursing and Allied Health Professionals Directorate were currently working with Llais to develop reporting and consultation processes to work in partnership with them in the areas where they have jurisdiction. The Organisation had engaged with Llais and had asked them to attend Board meetings to support partnership working.

The Committee **considered** the proposed revisions to Standing Orders and Reservations and Delegations of Powers, and **recommended** the proposed changes to the Board for adoption

The Committee **recommend** the adoption the latest version of the Model Standing Financial Instructions to the Board

**ACGC 6.5/
2023. 09.19**

Governance Bi-Annual Updates

The Committee **considered** the Bi-Annual governance updates, which summarised a number of areas of governance assurance to the Committee, namely;

- Declarations of Interest
- Welsh Health Circulars
- Policy

The Committee

- took **assurance** on the implementation of the Standards of Behaviour Policy, and **noted** the updated Declarations of Interest Register would be published following the meeting.
- took **assurance** on management of the process for ensuring the Organisation’s compliance with Welsh Health Circulars.
- took **assurance** on the prioritisation and progress being made to review corporate policies, procedures and other written control documents within the remit of the Committee.

ACGC 7/2023. 09.19

For Information

**ACGC 7.1/
2023. 09.19**

Finance, Procurement and Counter Fraud



The Committee noted the Counter Fraud Progress Report (Public, Private and appendix) and the Live Risk Profile.	
ACGC 7.2/ 2023. 09.19	Internal, External and Clinical Audit
None	
ACGC 7.3/ 2023. 09.19	Managing Risk
The Committee noted the complete Strategic Risk Register.	
ACGC 7.4/ 2023. 09.19	Governance and Accountability
None	
ACGC 7.5/ 2023. 09.19	Committee Work Plan
The Committee noted the Committee Work Plan.	
ACGC 8/ 2023. 09.19	Closing Administration
<p>Date of next Committee meeting: 29 January 2024</p> <p>The Committee noted that all Committee papers would be published, with the exception of:</p> <ul style="list-style-type: none"> • Procurement Report • Losses and Special Payments Report • Reports relating to Cyber Security. <p>Any Other Business</p> <p>HG informed the Committee that following the Welsh Government’s RAAC (Reinforced Autoclaved Aerated Concrete) advice, structural engineers had been commissioned to complete inspections. No issues were reported in any site managed by the Organisation. A formal report would be submitted to the Board following receipt of the written report from the engineers.</p> <p>HG notified the Committee following a request received in July to find areas of savings, a reply had been sent to Welsh Government, but a response had not yet been received.</p> <p>The Committee was asked to e-mail feedback on the meeting to LB.</p> <p>NE thanked everyone for their contributions and closed the meeting.</p>	
The meeting closed at 14:23	



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