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**Confirmed Minutes of the Public Health Wales
Audit and Corporate Governance Committee Meeting
13 October 2022 at 14:30 via Microsoft Teams**

Present		
Dyfed Edwards	(DE)	Committee Chair and Non-Executive Director
Kate Young	(KY)	Non-Executive Director (left at 16:00)
Mohammed Mehmet	(MM)	Non-Executive Director and Chair of People and Organisational Development Committee
In Attendance:		
Robert Bailey	(RB)	Trade Union Representative
Rhiannon Beaumont-Wood	(RBW)	Executive Director of Quality, Nursing and Allied Health Professionals
Iain Bell	(IB)	National Director for Public Health Knowledge and Research
Liz Blayney	(LB)	Deputy Board Secretary and Board Governance Manager
Helen Bushell	(HB)	Board Secretary and Head of Board Business Unit (left at 16:00)
Tracey Cooper	(TC)	Chief Executive
Paul Dalton	(PD)	Head of Internal Audit, Audit and Assurance Services, NHS Wales Shared Services Partnership
Sian Davies	(SD)	Audit Wales
Angela Fisher	(AF)	Deputy Director of Finance
Huw George	(HG)	Deputy Chief Executive, Executive Director of Operations and Finance
Dafydd James	(DJ)	Head of Digital Experience and Services, Informatics
Lucy Jugessur	(LJ)	Financial Audit Manager, Audit and Assurance Services, NHS Wales Shared Services Partnership
Gareth Lavington	(GL)	Lead Local Counter Fraud Specialist, Counter Fraud (for Item 4.4)
John Lawson	(JL)	Chief Risk Officer, Risk and Information Governance

Martyn Lewis	(ML)	Auditor, Audit and Assurance Services
Jane Matthews	(JM)	Head of Financial Reporting and Control, Finance
Matthew Taylor	(MT)	Staffside Representative
Stephanie Wilkins	(SW)	Staffside Representative
Verity Winn	(VW)	Audit Wales

Apologies:

Tracey Cooper	(TC)	Chief Executive
Andrew Cottom	(AC)	Independent Advisor
Jan Williams	(JW)	Chair of the Board

Secretariat

Andrew Morton	(AM)	Board Support Officer
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The meeting commenced at 14:32

ACGC 1/2022.10.13 Welcome and Apologies for Absence

DE opened the meeting and welcomed all present, extending a warm welcome to DJ to his first Committee meeting at the Organisation.

The Committee **noted** that the meeting was being recorded to support accuracy of the minutes, and that this recording would be deleted once the minutes had been agreed at the next meeting in January 2023.

The apologies for absence received were **noted**.

ACGC 2/2022.10.13 Declarations of Interest

There were no further declarations of interest in addition to those already declared on the Declarations of Interest Register.

ACGC 3/2022.10.13 Cyber Security Deep Dive

HG provided an overview of the item, and introduced Dafydd James (DJ) to his first Committee meeting.

The Committee considered a Cyber Security update. The content of the presentation and subsequent discussion have been redacted from the published set of confirmed minutes due to the confidential nature of the subject matter.

ACGC 4/2022.10.13 Finance and Procurement

ACGC 4.1/2022.10.13 Finance Performance Report

HG provided a verbal Finance Performance Report, noting the current position was reporting a small surplus with estimated break-even position at year end. A detailed review had been completed with all Directorates in the last two months to ensure that the Organisation delivered its IMTP for 2022/2023.

HG explained the current All-Wales NHS position including how the Organisation had contributed: savings were identified and these had been

reported to Welsh Government. Reviews of the financial position were ongoing and would be reported to the Audit and Corporate Governance Committee regularly.

HG noted a recent request from Non-Executive Directors for a statement on what effect the energy price increase might have on the Organisation, and agreed to circulate this to the Committee.

Action: HG/AF

The Committee were informed that at the recent All Wales Committee of Chairs of Audit in the Health Sector, DE suggested a discussion was needed to assess how the current financial situation would impact partner Organisations, including Local Government and Third Sector. This includes partner's ability deliver collaborative work with Public Health Wales.

DE thanked HG for the update.

ACGC 4.2/2022.10.13

Procurement Report

The Committee considered the Procurement Report. JM explained the report was presented in a modified format following feedback received from the Committee last year: SQA and STA figures were now reported as percentages to make comparisons in peaks and troughs easier to see.

The Committee asked JM for clarification on the reasons for retrospective approval of some of the STA items. JM suggested that training had been identified to try to reduce the use of SQA payments. JM agreed to liaise with the Procurement team and report back to the next Committee meeting on this matter.

Action: JM

The Committee **considered** the recommendations included within the report and took **assurance** that procurement activity was undertaken in line with the requirements of the Standing Financial Instructions (SFIs)

ACGC 4.3/2022.10.13

Losses and Special Payments

The Committee considered the Losses and Special Payments Report. JM highlighted the payment relating to an Otoport (new-born baby screening equipment); the equipment had been lost during August costing approximately £3,000. The loss was reported to the Police and a crime number had been obtained, and the Service Area had confirmed that equipment monitoring procedures had been strengthened and were subject to routine audit.

The Committee asked for clarification on the amounts paid for clinical negligence. The Committee were advised that the total in the report covered a greater than normal number of cases, however the value of these remained at normal levels individually.

The Committee asked for a clarification on the term 'fruitless payment.' JM explained that this was defined as a payment made where the intended service was not received, for example if a contract had been signed but the work could not be undertaken.

The Committee took **assurance** that all losses and special payments had been made in accordance with the requirements of the Standing Financial Instructions.

ACGC 4.4/2022.10.13**Counter Fraud**

The Committee considered the following reports from Counter Fraud:

- Public Health Wales Annual Counter Fraud Report 2021-22;
- Counter Fraud Public Health Wales Annual Plan 2022-23;
- Counter Fraud Progress Report Period 1 2022-23.

DE welcomed GL to his first Committee meeting. GL presented the Annual Report for 2021/22 noting that it was scored as amber and green. At present, there were no current investigations concerning criminal or fraudulent financial activity at Public Health Wales.

The Committee discussed

- The Counter Fraud posters to raise awareness amongst staff, and the Committee suggested that posters should be produced bilingually.
- The cost effectiveness of the Counter Fraud service, and GL explained that his team's responsibility and role was to raise awareness of the reporting service to encourage reporting.
- GL informed the Committee of recent engagement with the Counter Fraud Authority suggesting a risk based assessment approach, to move towards preventative measures and associated disruption to fraudulent activity.

The Committee suggested further discussions on cost effectiveness and adopting a risk based approach to the Counter Fraud service be included at a future meeting.

Action: HG

The Committee took **assurance** from the Counter Fraud Annual Report, Counter Fraud Annual Plan and Counter Fraud Progress Report.

ACGC 5/2022.10.13**Managing Risk****ACGC 5.1/2022.10.13****Strategic and Corporate Risk Registers**

RBW introduced the item, and explained that as the Audit and Corporate Governance Committee was the overarching Committee to seek assurance on the effective management of the overall system of risk, with specific risks subsequently delegated to other Board Committees to scrutinise in greater detail.

The Committee discussed the Public Inquiry preparedness and whether this should be included within the Strategic Risk Register.

The Committee:

- **Considered** the Strategic and Corporate Risk Register entries relevant to the Committee's remit
- Took **assurance** that the organisation's Strategic and Corporate risks were being managed appropriately

ACGC 5.2/2022.10.13	Risk Management Development Plan Update
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The Committee considered the Risk Development Plan Update on progress in the implementation of the plan. The high level objectives had been achieved with the exception of one, which was delayed due to the delayed delivery of the Datix Cloud Risk Module.

The Committee took **assurance** that the implementation of the Risk Management Development Plan was progressing and was on track against expected timelines.

ACGC 5.3/2022.10.13	Risk Protocol
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The Committee considered the draft Risk Protocol. RBW explained that the purpose of this document was to clarify the role of the Committee, the other Committees and the Business Executive Team within the management and assurance on risk.

The Committee **approved** the Risk Protocol.

ACGC 6/2022.10.13	Information Governance
ACGC 6.1/2022.10.13	Information Governance Quarterly Performance Report (Quarter 4, and Quarter 1)

The Committee considered the Information Governance Performance Report for Quarter 4 2021-2022, and Quarter 1 2022-2023. JL explained that proactive work had continued regarding responding to Freedom of Information requests, and reiterated that the team direct requests to information already available in the first instance.

The Committee took **assurance** from the Information Governance Performance Reports.

ACGC 6.2/2022.10.13	Learning from Data Breaches
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The Committee considered a report outlining the assurance of progress Data Breaches and Learning from data breaches October 2022:

RBW provided a summary of the report:

- The Organisation had adopted a strategic approach to reduce the number of data breaches reported.

- Systems had been designed which lowered the risk, greater interoperability between systems has reduced manual entry work which was identified as a potential cause of data breaches.
- The newly established Business Design Authority had been engaged at an early stage and employed enhanced security through professional security advice.

The Committee discussed breaches in areas of Contract management, use of e-mail document control and records management.

The Committee expressed concern about the time which it was taking to come to a conclusion regarding some of the breaches. RBW was explained that the investigation had been conducted following the agreed process and that each data breach was being progressed as quickly as possible.

The Committee took **assurance** that thematic learning from data breaches has been identified and actions are being taken to further strengthen systems and processes.

ACGC 7/2022.10.13

Governance and Accountability

ACGC 7.1/2022.10.13

Declaration of Interests - Bi Annual Update

The Committee considered the bi-annual Declaration of Interest update.

The Committee:

- **Took assurance** on the implementation of the Declarations of Interest, Gifts, Hospitality and Sponsorship Policy and the Declarations of Interest, Gifts, Hospitality and Sponsorship Procedure.
- **Noted** the Board and Committee Register would be published on the website following review by the Audit and Corporate Governance Committee.

ACGC 7.2/2022.10.13

Welsh Health Circulars

The Committee considered the Welsh Health Circulars bi-annual update, proving an update on the organisations compliance with WHCs in line with the agreed process.

The Committee **took assurance** on the process for recording and monitoring the Organisation's compliance with Welsh Health Circulars.

ACGC 7.3/2022.10.13

Summary of Policies Bi-Annual Update

The Committee considered the summary of policies bi-annual update on the status of all policies within the remit of the Committee.

The Committee **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 7.4/2022.10.13	Minutes (5 May 2022 and 14 June 2022), Action Log and matters arising
<p>The Committee received the minutes of the meetings on 5 May 2022 and 14 June 2022.</p> <p>The minutes of the meetings held on 5 May 2022 and 14 June 2022 were approved as true and accurate records of the meetings.</p> <p>The Committee approved the closure of three actions on the Action Log.</p>	
ACGC 8/2022.10.13	Internal, External and Clinical Audit
ACGC 8.1/2022.10.13	External Audit Progress Report and External Audit Final Report
<p>The Committee considered the update from Audit Wales. VW advised the Committee that the Structured Assessment would be presented to Committee in January 2023.</p> <p>The Committee noted the update.</p>	
ACGC 8.2/2022.10.13	Internal Audit Progress Update and Internal Audit Reports
<p>The Committee considered an update from Internal Audit, including the following final Internal Audit reports:</p> <ul style="list-style-type: none"> • Local Public Health Teams (Substantial Assurance) • Network and Information Systems Directive (Cyber security) (Substantial Assurance) • Information Governance Toolkit (Reasonable Assurance) • Risk Management (Reasonable Assurance) • Workforce – Sickness monitoring (Reasonable Assurance) <p>The Committee queried how the reports were reported when they fall under the remit of another Committee. DE reminded the Committee that the recommendations would be added to the Audit Tracker, and would be referred relevant Committee for consideration.</p> <p>The Committee considered the Internal Audit update report and accepted the Internal Audit final reports.</p>	
ACGC 8.3/2022.10.13	Audit Action Log (External and Internal Audit)
<p>The Committee considered the Audit Action Log. LB explained that the update summarised the progress with Audit Actions since the last meeting. LB reminded the Committee of the Audit Protocol which had been approved at the last Committee meeting, that amended the role for the Audit and Corporate Governance Committee to one of assurance on the progress of implementation</p>	

of actions, with the management of the actions at Business Executive Team level.

The Committee:

- **Considered** the progress updates and proposed amendments to the Audit Action Log, and **took assurance** on the progress with the implementation of actions from Audit activity.
- **Noted** the amendments and the completion of the actions to the Log, approved by the Business Executive Team.

ACGC 9/2022.10.13	For Information and to Note
ACGC 9.1/2022.10.13	Finance, Procurement and Counter Fraud
None.	
ACGC 9.2/2022.10.13	Internal, External and Clinical Audit
The Committee noted the Annual Quality and Clinical Audit Plan 2021/22 and the Quality Governance (Audit Wales) Report issued in August 2022.	
ACGC 9.3/2022.10.13	Managing Risk
None	
ACGC 9.4/2022.10.13	Governance and Accountability
None	
ACGC 9.5/2022.10.13	Committee Work Plan
The Committee noted the 2022/23 Committee Work Plan.	
ACGC 10/2022.9.506.14	Closing Administration
The next meeting would be held on 19 January 2023	
Publication of Papers – all papers would be published except for: <ul style="list-style-type: none"> • Losses and Special Payments Report • Procurement Report • Cybersecurity including the risk report on cybersecurity • Data breaches – to be confirmed post meeting. 	
Committee Feedback	
The Committee provided the following feedback: <ul style="list-style-type: none"> • Agenda was too large with a number of substantial items including Data Breach and the Cyber Security Deep dive. • Suggested the increased use of for information items • Suggested the increased use of circulating documents outside of meetings. 	
The Meeting concluded at 16:50	