

**Confirmed Minutes of the Public Health Wales  
Audit and Corporate Governance Committee Meeting  
29 January 2024 at 10:00, in 3.3 CQ2 and via Microsoft Teams**

<b>Present</b>		
Nick Elliott	(NE)	Committee Chair and Non-Executive Director
Mohammed Mehmet	(MM)	Non-Executive Director
Kate Young	(KY)	Non-Executive Director (left at 12:37)
<b>In Attendance:</b>		
Anne Beegan	(AB)	Audit Wales
Iain Bell	(IB)	National Director for Public Health Knowledge and Research
Julie Bishop	(JB)	Director of Health Improvement (for item 3.1.1)
Liz Blayney	(LB)	Deputy Board Secretary and Board Governance Manager
Andrea Calise	(AC)	Contract Principal Auditor, NHS Wales Shared Services Partnership
Paul Dalton	(PD)	Head of Internal Audit, Audit and Assurance Services, NHS Wales Shared Services Partnership
Huw George	(HG)	Acting Chief Executive
Dafydd James	(DJ)	Head of Digital Experience and Services (for item 5)
Gareth Lavington	(GL)	Lead Local Counter Fraud Specialist (for item 6)
Neil Lewis	(NL)	Acting Deputy Chief Executive and Director of People and Organisational Development (joined at 10:38, left at 11:10)
Alun Lloyd	(AL)	Independent Adviser
Jim McManus	(JMc)	National Director of Health and Well Being (for item 3.1.1)
Jane Matthews	(JM)	Head of Financial Reporting and Control
Stuart Silcox	(SS)	Assistant Director of Integrated Governance
Paul Veysey	(PV)	Board Secretary and Head of the Board Business Unit
Angela Williams	(AW)	Acting Director of Operations and Finance
The meeting commenced at 10:03		
<b>ACGC 1/2024.01.29 Welcome and Apologies for Absence</b>		
NE opened the meeting and welcomed all present, noting that the meeting was held electronically and in person at CQ2.		
The Committee <b>noted</b> 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 March 2024.		
There were no apologies for absence.		

<b>ACGC 2/2024.01.29</b>	<b>Declarations of Interest</b>
There were no declarations of interest in addition to those already declared on the Declarations of Interest Register.	
<b>ACGC 3/2024.01.29</b>	<b>Internal, External and Clinical Audit</b>
<b>ACGC 3.1/2024.01.29</b>	<b>Audit Recommendations Tracker</b>
<p>The Committee <b>considered</b> the Audit recommendations tracker and report.</p> <p>LB provided the Committee with the current position of the progress and implementation of management actions arising from Internal and External Audit recommendations. The Audit Tracker Register was reviewed on a quarterly basis by the Leadership Team who were responsible for closing actions, approving extensions and ensuring the progress of implementation. The Tracker was submitted to this Committee on a quarterly basis for Assurance.</p> <p>The Committee considered the number of actions not completed by the initial deadline. LB advised that this had been reviewed by the Leadership Team; some recommendations had been impacted by the scope and scale of the recommendation being greater than initially planned or because additional engagement activity was required which resulted in additional time needed to complete effectively.</p> <p>LB informed the Committee that the Board Business Unit was currently considering how best to ensure consistency when the management actions were agreed, to ensure the scope of the action required was measurable, realistic and achievable. This should then impact on the timeliness of the implementation of actions once they were included on the Audit Tracker.</p> <p>The Committee acknowledged the work of the Leadership Team undertaking the Deep Dive; the updated provided a clear indication of the progress with the implementation of the actions. The Committee echoed the need to improve the consistency with the recommendations to ensure they were realistic and achievable.</p> <p>The Committee took <b>assurance</b> that Audit Tracker actions were being managed effectively by the Leadership Team.</p>	
<b>ACGC 3.1.1/2024.01.29</b>	<b>Update: Health Improvement (Population Health) Limited Assurance</b>
<p>JMc and JB provided the Committee with a verbal update of the progress with the implementation of the management responses for the Health Improvement (Population Health) Internal Audit, which had been a limited assurance report.</p> <p>The written update as of December had been included within the Appendix to the report, as part of the deep dive undertaken by the Leadership Team; this verbal update was to supplement this report and update on work undertaken since December written update.</p>	

JMc confirmed work had been on track to implement the recommendations; the changes had been implemented, reviewed and audited. This had highlighted further work that needed to be undertaken to ensure that all of the processes and documentation align to the revised process. As such, Leadership Team had approved an extension to the implementation date to the end of February to allow for this further work to be completed.

The Committee asked if the Directorate felt that the changes made following the Audit report had made a difference in the process of grant allocation. JB advised the Committee that developing the new processes ensured that all parties fully understood the grants process as it highlighted the purposes behind the process.

The Committee sought assurance that reporting outcomes would be effectively demonstrated within the Organisation’s performance systems. JB advised the Committee that work was underway to develop appropriate dashboards and to publish them on the Directorate website pages. JMc acknowledged reporting was being developed and asked for comments and suggestions to improve this aspect of their work.

The Committee were advised by JMc that as there was an annual cycle for grants, and the benefits of the improved process would be visible from the next cycle of grant application and award, this would result in positive outcomes.

JB assured the Committee processes had improved and the teams operating the grants were aware of the need to ensure that output data was visible, and going forward with the new processes in place improvements would be visible to the Committee.

The Committee took **assurance** that the Audit Tracker Health and Well Being actions were being managed effectively by the Leadership Team.

**ACGC 3.2/  
 2024.01.29**

**Internal Audit**

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

PD advised the Committee that work had progressed well since the last meeting in September, in addition to the two reports on the agenda today, and three reports were in progress. He drew the Committee’s attention to the management response at the end of the report which requested a deferral to 2024/25 as the Microbiology Division was going through accreditation and responding to winter pressures.

The Committee asked for clarification regarding the publication of the IT Infrastructure report, noting they had expressed concern at deferring this work at the September meeting, and the potential pressure of the number of reports being completed in the last quarter. PD informed the Committee that work on this report had begun and he was optimistic that the completed report would be presented at the Committee meeting in March.

The Committee asked about Internal Audit work on Memorandums of Understanding in respect of hosted bodies; PD explained that whilst the work had originally been planned

for 2023/24 it had been deferred to 2024/25. The reporting route for a report would be through the Audit and Corporate Governance Committee of Public Health Wales as the Hosting Body.

The Committee sought clarification on how the performance elements of Internal Audit of hosted bodies would be monitored.

PV explained the Hosted Body agreement ensured the NHS Executive operated independently from, whilst adhering to, all the governance criteria of the Hosting Body's Organisation. The assurance provided confirmed their adherence to common law requirements by not putting the Hosting Body at risk by contravention of any rules and legislation. The assurance a Hosted Body provided to the Hosting Organisation was fundamentally different to the assurance this Committee required from its staff internally and a proposal under consideration from the beginning of the new financial year (2024-25) was to have a Part A Audit and Corporate Governance Committee Meeting relating to all work of Public Health Wales followed by a Part B meeting of the Committee for the work of the Hosted Bodies. This would also apply to the other Committees where there were relevant assurances to report from the Hosted Organisation.

The Committee discussed the assurance mechanisms for Hosted Organisations. PD advised assurance would be sought through the Audit Committee of the hosted body. He further advised that where a hosted body also used Shared Services, a process existed whereby Lead Auditors shared concerns, and he would be informed of those concerns to bring to this Committee.

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

The Committee **considered** the Business Continuity and Technical Resilience report (reasonable assurance).

PD highlighted Objective 3 to the Committee, which had high priority recommendation. Management had responded and had planned fire suppression equipment for installation in those areas.

The Committee raised concerns about the use of quarter dates in reports; as these were not specific, the use of defined dates was preferred.

The Committee asked that the action concerning mandating Business Continuity Planning Training be referred to the People and Organisational Development Committee for action.

**Action: PV/MM**

The Committee **noted** the Business Continuity Report.

The Committee **considered** the Finance - use of Procurement Cards report (reasonable assurance).

AC drew attention to Matter Arising 4, which concerned raising credit limit temporarily and the final sign off of the increase. The Committee noted that this had been closed



off, as had many of the other actions relating to the development of procedures AW commented that she had raised with the Auditors whether the report should be a substantial assurance, given the level of the actions. AC explained the rating given was reasonable but was very close to being substantial, and was graded as reasonable because of a number of minor issues raised in the report.

The Committee asked for clarification of the term ‘minor inaccuracies’ which was used several times in the report in respect of credit limits exceeding an authorised amount. AC noted these referred to the omission of a signature or lack of documentation.

PD suggested that a review of the report would be undertaken and would be circulated if necessary. NE agreed to the suggestion.

**Action: PD/AC**

The Committee **noted** the Finance – use of Procurement Cards Report.

NE thanked PD and AC.

**ACGC 3.3/  
2024.01.29**

**External Audit**

The Committee **considered** the Audit Wales Update.

AB informed the Committee the Auditor General would write to the Organisation to set out the timelines for the Audit Wales response to the Organisation’s Annual Report and drew the Committee’s attention to two ongoing reports:

- Reviewing Wellbeing Objectives, and
- Refreshing Strategy, which will be considered as a separate item and not considered under the Structured Assessment as originally planned.

AB informed the Committee that the Digital Deep Dive would now be undertaken in the 2024/25 work programme and Audit Wales intended to bring the Financial Efficiencies Report to Committee at the March meeting.

The Committee noted dialogue with Audit Wales had indicated that a timeline date of 30 June had been suggested which differed from the later date which AB had mentioned.

The Committee questioned the delay to the Deep Dive into Digital Services in favour of the All-Wales Deep Dive in respect of achieving cost improvements, efficiencies, and financial sustainability. The Committee had expressed its concern at the last meeting that the delay may impact financially on transformation within the Organisation which was reliant on improvements to the digital network and had asked AB to feedback the Committee’s concerns to Audit Wales management.

AB confirmed that the Organisation’s concerns had been noted by Audit Wales; given the national financial position of the NHS in Wales, the Financial work had been prioritised. The Digital Deep Dive would be undertaken and be reported as part of the 2024/25 work plan, the delay to the start of the work she noted would be by a few months compared to the original plan.

The Committee asked that when developing workplans, Audit Wales ensured meetings proposed across the Organisation included all relevant staff to ensure high levels of financial and workforce efficiency and a fully interlinked workplan. AB noted this request and assured the Committee that Audit Wales were aware of the linkages which existed across the Organisation and would ensure they complied with this request.

The Committee **noted** the Audit Wales Update.

The Committee **considered** the Annual Audit Report.

The Committee noted at times that the Annual Audit Report did not clearly identify whether it referred to Public Health Wales or the NHS in Wales; mention was also made of staff turnover which was seen by the Organisation as a positive step with staff moving on because of promotion. AB informed the Committee that paragraphs 36 to 38 referred to the All-Wales National Workforce data, the remainder of the report referred to the Organisation itself.

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

The Committee **considered** the Structured Assessment Report which presented the findings from the Auditor General's 2023 structured assessment work at Public Health Wales. The report documents a period of time when all NHS bodies continued to respond to the legacy of the COVID-19 pandemic as they looked to recover and transform services their services to respond to the additional demand in the system which had built up during the pandemic

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Key findings from the report included:

- That the Audit and Corporate Governance Committee, in line with other NHS Bodies, should work using a public section followed by a private section.
- Consider the scheduling of meetings of the Committee to support timely reporting.
- Review the frequency of Corporate Risk reporting to Committees.
- Frequency of the oversight of the Audit Tracker.

PV highlighted the management responses at the end of the report which had been approved by the Business Executive Team.

- Discussions had already identified the restructuring of the Audit and Corporate Governance Committee beginning at its May 2024 meeting.
- The recommendation relating to the scheduling of meetings was noted; however the schedule was difficult to streamline given the number of meetings, and availability and the Board was largely content with the current arrangements.
- Corporate Risk would be reported to the Committees quarterly, and bi-annually to Board from the beginning of the new financial year.
- The Audit Tracker would be reviewed to capture the recommendations across the Organisation where it was reasonable to do so; it was noted that the organisation did not receive many reports from other organisations that this would apply to

The Committee asked for clarification regarding the classification of some actions, some were marked as complete by the Organisation and the report noted they were in progress. AB suggested this was due to the time when the field work had been undertaken and agreed to note the differences and mark the report accordingly.

**Action: AB**

The Committee **noted** the Structured Assessment Report.

The Committee **considered** the Workforce Planning Report.

AB summarised the report, which looked at how the organisation could improve the strategic approach to workforce and to improve workforce intelligence. The report would be presented to the People and Organisational Development Committee at its February meeting for consideration in the context of their remit for workforce matters.

NL informed the Committee the report had been endorsed both by his Directorate and by the Executive Team. A workforce planning manager had been appointed at the Organisation and would support and lead on the implementation of the recommendations.

The Committee asked for assurance that the timescales were achievable. NL informed the Committee that work was already underway, with systems reviews and dialogue with other Health Boards and Trusts.

The Committee **noted** the Workforce Planning Report.

NE thanked AB for the reports.

<b>ACGC 4/2024.01.29</b>	<b>Finance and Procurement</b>
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AW updated the Committee on the financial situation of the Organisation. The Month 9 Finance Report was submitted to Board on 25 January proving assurance on the revenue and capital position to month 9 and the forecast to year end. All statutory targets were on track and agency spend was within target at 1%.

Discussions with Welsh Government for the 2024/25 allocations continued, budget setting strategies would commence once notification had been received.

<b>ACGC 4.1/ 2024.01.29</b>	<b>Procurement Report</b>
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The Committee considered the Procurement Report for 1 September to 31 December 2023.

AW and JM highlighted gaps in the information provided in the report which would be raised with Procurement colleagues and the report would be brought back to Committee at the March meeting. The calculation of percentages in Table 2.2 and the figures for files notes in Table 3.1 would be reviewed to ensure accuracy.

The Committee asked for the revised report to be brought to the March meeting of the Committee.

**Action: AW/JM**

<p>The Committee took <b>limited assurance</b> on the Procurement Report and <b>noted</b> the amended Report would be submitted at the March meeting.</p>	
<b>ACGC 4.2/ 2024.01.29</b>	<b>Losses and Special Payments</b>
<p>The Committee considered the Losses and Special Payments Report covering the period 1 April to 31 December 2023. The report showed the figures were comparable to previous years.</p> <p>The Committee <b>noted</b> and took <b>assurance</b> that all losses and special payments had been made in accordance with the requirements of the Standing Financial Instructions (SFIs)</p>	
<b>ACGC 4.3/ 2024.01.29</b>	<b>Review of Potential Write-Offs</b>
<p>The Committee <b>considered</b> the Review of Potential Write-Offs Report for the financial year 2023 to 2024.</p> <p>JM advised that notification had been received from Health Protection and Screening Services of upcoming stock write offs. The write offs related to the legacy of mass COVID testing and one of them related to the closure of the Lighthouse Lab. The amount involved exceeded the limit for the Organisation to approve, which would require Welsh Government sign off following Public Health Wales approval.</p> <p>The Committee <b>approved</b> the writing-off of bad debts and claims abandoned included in this paper in accordance with the requirements of the Standing Financial Instructions.</p>	
<b>ACGC 4.4/ 2024.01.29</b>	<b>Annual Accounts and Accountability Report Plan for 2024/25</b>
<p>The Committee <b>considered</b> the Annual Accounts Plan 2023/24.</p> <p>JM presented the Committee with the draft timetable for the production of the report, and asked the Committee to note that the dates were marked provisional or marked to be confirmed as the Organisation awaited a confirmed dates from both Audit Wales and Welsh Government. The dates shown were the corresponding dates to the previous financial year and included as a guideline only.</p> <p>The Committee took <b>assurance</b> that the Trust had an appropriate plan in place for the production of the Financial Statements and Accountability Report for 2023/24 in line with the statutory deadlines.</p>	
<b>ACGC 5/ 2024.01.29</b>	<b>Cyber Security</b>
<p>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.</p> <p>The Committee took <b>assurance</b> on the management of Cyber Security within the organisation.</p>	



<b>ACGC 6/ 2024.01.29</b>	<b>Counter Fraud Progress Report</b>
<p>The Committee <b>received</b> the Counter Fraud Progress Report for the period 1 September to 31 December 2023 and <b>presented a report</b> on Counter Fraud.</p> <p>GL highlighted the following:</p> <ul style="list-style-type: none"> <li>• The Counter Fraud team attended Induction events and participated in Fraud Awareness week in November 2023,</li> <li>• E-learning was added as an ESR module, however completion rate was low as the training was not mandatory,</li> <li>• Three Fraud Risk Assessments had commenced and would be reported to the Committee on completion,</li> <li>• The Salary Overpayment Dashboard had gone live.</li> </ul> <p>The Committee noted that in a previous Committee meeting they had discussed the potential benefits of mandating Counter Fraud training. The Committee referred the discussion regarding mandating Counter Fraud training to the People and Organisational Development Committee.</p> <p><b>Action: PV/MM/NL</b></p> <p>The Committee took <b>assurance</b> on the management of Counter Fraud within the organisation.</p>	
<b>ACGC 7/2024.01.29</b>	<b>Governance and Accountability</b>
<b>ACGC 7.1/ 2024.01.29</b>	<b>Minutes (19 September 2023), Action Log and Matters Arising</b>
<p>The Committee considered the Minutes and Action Log of the meetings held on 19 September 2023.</p> <p>The Committee:</p> <ul style="list-style-type: none"> <li>• <b>Approved</b> the minutes of the meeting on 19 September 2023, as an accurate record of the meeting.</li> <li>• <b>Approved</b> the closure of five completed actions on the Action Log.</li> <li>• <b>Received</b> a verbal update from SS regarding ACGC 2023/15 concerning contracts under the value of £25k which were now managed by Shared Services. Discussion with the Information Governance Team to ensure compliance with data sharing agreements had taken place. SS asked the Committee to grant an extension to the next meeting to allow him to complete discussions and bring a paper to the March meeting of the Committee. The Committee <b>agreed</b> to extend the target date to 19 March 2024 for an update to be brought to the next Committee meeting.</li> </ul> <p><b>Action: SS</b></p>	
<b>ACGC 7.2/ 2024.01.29</b>	<b>Information Governance Performance Report</b>
<p>The Committee <b>received</b> the Information Governance Performance Report.</p> <p>SS presented the new format report to the Committee, providing updates on:</p>	



- Integrated Governance,
- Risk Management,
- Quarterly Information Governance Performance,
- Records Management update

SS asked Committee members for feedback on the new format report.

SS informed the Committee he had worked with IB and JL to produce a new Information Governance Framework, which coincided with the publication of the new All-Wales Information Governance Policy.

In relation to Freedom of Information requests (FOIs), SS highlighted the response rates and that due to the complexity, some of those requested had not been provided within the target timescales. A new SharePoint site had been developed to improve the efficiency of responses.

There were two reportable data breaches; both arose with a third-party contractor, and both were reported to the Information Commissioner's Office who had subsequently informed the Organisation that it did not require any further action to be taken.

PV informed the Committee that IB discussed the levelness of the reporting on data breaches at the recent Business Executive Team Meeting and was reviewing the thresholds to ensure only the appropriate breaches were reported to the Information Commissioner's Office.

SS updated the Committee on the progress on the Records Management System; four Directorates had transitioned to the new system with further migration planned. Improvements had been noted which included improved access to resources and improved version control.

The Committee asked SS to provide an update on the Record Management control mechanisms, including how value was demonstrated and how the control mechanism provided assurance that the system was effective.

**Action: SS**

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

**ACGC 7.3/  
2024.01.29**

**Policies for Approval**

The Committee received policies for Approval:

- Disposal Procedure (an update to an existing Procedure)
- Stores Financial Control Procedure (picked up through External Audit)
- Budgetary Control Procedure (to replace an existing Framework)
- Risk Protocol (a change to timings)
- Purchasing Card Procedure (picked up through Internal Audit)

The Committee asked if the organisation had considered using Third Sector Organisations who recycle redundant technology to make it available for free to those



people who would use it for health care purposes. These Organisations had protocols and processes in place to make the recycled equipment safe and eliminate data.

In relation to the Risk Protocol, LB updated the Committee that a minor amendment was requested to reflect a recommendation within the Audit Wales Structured Assessment,. In addition, LB advised that a further change was requested to update the frequency of the reporting to the Committees of the Corporate Risk Register.

The Committee **approved**

- Disposal Procedure
- Stores Financial Control Procedure
- Budgetary Control Procedure
- Purchasing Card Procedure, and
- the Risk Protocol.

<b>ACGC 8/2024.01.29</b>	<b>For Information</b>
<b>ACGC 8.1/2024.01.29</b>	<b>Finance, Procurement and Counter Fraud</b>
None	
<b>ACGC 8.2/2024.01.29</b>	<b>Internal, External and Clinical Audit</b>
None	
<b>ACGC 8.3/2024.01.29</b>	<b>Managing Risk</b>
The Committee <b>noted</b> the full Risk Register.	
<b>ACGC 8.4/2024.01.29</b>	<b>Governance and Accountability</b>
None	
<b>ACGC 8.5/2024.01.29</b>	<b>Committee Work Plan</b>
The Committee <b>noted</b> the Committee Work Plan.	
<b>ACGC 9/2024.01.29</b>	<b>Closing Administration</b>
<b>Date of next Committee meeting:</b>	
19 March 2024	
The Committee <b>noted</b> that all Committee papers would be published, with the <b>exception</b> of:	
<ul style="list-style-type: none"> <li>• Procurement Report</li> <li>• Losses and Special Payments Report</li> <li>• Debt Write-offs</li> <li>• Reports relating to Cyber Security</li> <li>• Reports relating to Counter Fraud.</li> </ul>	
<b>Any Other Business</b>	
There was no other business.	
The Committee was asked to e-mail feedback on the meeting to LB.	



NE thanked everyone for their contributions and closed the meeting.

The meeting closed at 12:43

CONFIRMED