

 <p>lechyd Cyhoeddus Cymru Public Health Wales</p>	<p>Name of Meeting Audit and Corporate Governance Committee Date of Meeting 30 September 2025 Agenda item: 3</p>
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<p>NHS Wales Performance and Improvement - Audit and Corporate Governance Committee Assurance Report For period 1 April 2025 – 31 July 2025</p>	
<p>Report Sponsors:</p>	<p>Claire Green, National Director of Financial Planning & Delivery and Responsible Officer Iain Hardcastle, Interim National Director of Networks and Planning</p>
<p>Report Author:</p>	<p>Sophie Fuller, Assistant Director of Corporate Governance, NHS Wales Performance and Improvement</p>
<p>Approval/Scrutiny route:</p>	<p>Approval/scrutiny route for NHS Wales Performance and Improvement is via the Senior Leadership Team (SLT). Report presented for approval at the SLT Monthly Business Meeting on 11 September 2025.</p>

<p>Purpose</p> <p>The purpose of this report is to provide an assurance report to the Audit and Corporate Governance Committee (ACGC), on the relevant governance compliance areas as outlined in the NHS Wales Performance and Improvement Assurance Schedule.</p> <p>This report provides assurance on the following areas:</p> <p>For the period 1 April 2025 to 31 July 2025:</p> <ul style="list-style-type: none"> • Risk management • Audit activity • Counter fraud compliance • Information governance compliance <p>For the period 1 April 2025 to 31 July 2025:</p> <ul style="list-style-type: none"> • NHS Wales Performance and Improvement Agreements Register (Bi Annual) • Declarations of Interest Register (Bi Annual)

Recommendation:

APPROVE <input type="checkbox"/>	CONSIDER <input type="checkbox"/>	RECOMMEND <input type="checkbox"/>	ADOPT <input type="checkbox"/>	ASSURANCE <input checked="" type="checkbox"/>
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The Committee is asked to:
Note the contents of this report and receive assurance that effective arrangements are in place for related processes.

For the period 1 April 2025 to 31 July 2025

Risk Management (Quarterly)

- Take **assurance** that there is an effective risk management process within NHS Wales Performance and Improvement.
- Take **assurance** that any risk identified by NHS Wales Performance and Improvement in this report is relevant to Public Health Wales and has been appropriately escalated.

Audit and Procurement Activity (Quarterly)

- **Note** that the NHS Wales Performance and Improvement audit plan for 2025/26 was reported separately.
- **Note** that no new audit activity has been initiated during the reporting period.
- **Note** three audit breaches are being reported for the period.
- **Note** the closure statement for Institute of Clinical Science and Technology (ICST) outstanding invoice.

Counter Fraud Compliance (Quarterly)

- **Note** that there has been no Counter Fraud activity reported to the NHS Wales Performance and Improvement during the reporting period.

Information Governance Compliance (Quarterly)

- Take **assurance** that the NHS Wales Performance and Improvement has complied with Public Health Wales Information Governance Policy and processes.
- Take **assurance that** any non-compliance which represents a regulatory risk to Public Health Wales is being appropriately managed.

NHS Wales Performance and Improvement Agreements Register (Bi Annual)

- Take **assurance** that there is now a live central agreements register which will be maintained, in line with the Joint Working Framework requirements.

Declarations of Interest (Bi Annual)

- Take **assurance** that NHS Wales Performance and Improvement maintains a register of declarations of interests of relevant senior roles in accordance with the Public Health Standards of Behaviour Policy.

Link to Public Health Wales [Strategic Plan](#)

Public Health Wales is the Host Organisation for the NHS Wales Executive ('the Hosted Unit'). The *Hosting Agreement ('the Agreement')* between Public Health Wales (PHW) NHS Trust and The Welsh Ministers was approved by the PHW Board on 26th January 2023 and took effect from the launch of the NHS Wales Executive on 1st April 2023.

The Agreement remains extant and, to take account of variations to the Agreement, an Addendum was approved by the PHW Board on 28th March 2024.

Public Health Wales is not responsible or accountable for setting the direction for, or the work programme of, the Hosted Unit or for the delivery/quality or management of work undertaken by the Hosted Unit on behalf of Welsh Government.

Summary impact analysis	
Equality and Health Impact Assessment	A specific Equality and Health Impact Assessment (EHIA) is not required to support this report.
Risk and Assurance	This report provides assurance on the implementation of the relevant policy and procedures within the NHS Wales Executive, ensuring good governance is maintained.
Health and Social Care (Quality and Engagement) (Wales) Act	This paper supports the Quality themes.
Financial implications	There are no financial implications as a result of this report.
People implications	There are no people implications as a result of this report.

1. Purpose / situation

The purpose of this report is to provide an assurance report to the Audit and Corporate Governance Committee, on the relevant governance compliance areas as outlined in the NHS Wales Performance and Improvement Hosting Assurance Schedule.

This report covers the period 1 April 2025 to 31 July 2025 and provides assurance on the following areas:

For the period 1 April 2025 to 31 July 2025:

- **Risk management**
- **Audit and procurement activity**
- **Counter fraud compliance**
- **Information governance compliance**

For the period 1 April 2025 to 31 July 2025:

- **NHS Wales Performance and Improvement Agreements Register (Bi Annual)**
- **Declarations of Interest Register (Bi Annual)**

The sections below provide a summary of the status for the areas listed above.

2. Risk Management

NHS Wales Performance and Improvement (NHSP&I) is required to report to the Committee for assurance on the risk management arrangements in place, in line with the NHSP&I Hosting Assurance Schedule.

Risk registers are maintained by each of the Directorates in the NHS Wales Executive and a corporate risk register is also maintained. The full suite of risk registers is routinely reported to the SLT Business Meeting on a quarterly basis, which is chaired by the Deputy Chief Executive, NHS Wales.

Within the corporate risk register, there remains one relevant risk to PHW as the host organisation:

There is a risk of weak internal control and a lack of coordinated business functions and support for the wider NHS Wales Performance and Improvement. The cause will be a lack of common, clear and consistent governance processes, capacity and capability to support effective operational management and accountability. The impact will be inefficient and ineffective ways of working, governance failings and non-compliance with statutory and regulatory requirements impacting on PHW as the host body and WG as the sponsor.

This risk is being mitigated through:

- A new Corporate Governance Team
- **Live products to support effective governance and oversight** - central asset register, central agreements register, Integrated document management system for controlled documents, strategic assessments register, nominated persons register, Information Asset Owners and Administrators register, Declarations of interest register
- **Live controlled documents to support effective governance and ways of working** – establishment control process, crisis management business continuity plan, enquiries, concerns and complaints processes, media enquiries process, Freedom of information process

Work continues for the risk and assurance development programme with the second hierarchy of risks now on Datix. A risk and assurance framework is in development alongside the annual planning cycle for 2026-27 which will identify the strategic aims, principal risks and appetite. Risk training continues to be rolled out with support from PHW and funding for a dedicated Datix team member was agreed as part of the hosting agreement review in 2024/25, this post is now in place.

3. Audit Activity

NHS Wales Performance and Improvement (NHSP&I) is required to report to the Committee for assurance on the Audit arrangements in place, in line with the NHS P&I Assurance Schedule.

An Internal Audit Advisory Review was completed in April 2024 on *'the management and governance of service arrangements within the Networks and Planning function in the NHS Wales Executive'*

- A representative of the NHS Executive attended ACGC on 9 May 2024 to present the management response
- The Advisory Report and management response were reported to the NHS Executive Business meeting in May 2024 and have been shared with the Deputy CEO, NHS Wales and Director of Strategic Planning (Health Social Care and Early Years Group), Welsh Government) who are supportive of the management action plan
- Progress against the action plan has been reported through the Networks and Planning Senior Management Team and through to the NHS Executive now NHS Wales Performance and Improvement Senior Leadership Team.
- Specific finance training for the Networks has been undertaken through induction meetings. Specialist finance training will be delivered with the support of the PHW Finance team across the wider NHS Wales Performance and Improvement. The new Deputy Director of Finance is redesigning the budget holder finance training to support organisational development.
- All other actions in the action plan have now been delivered.

In a previous report to the PHW Board (28 March 2024) the National Director of Networks and Planning sought approval for the Institute of Clinical Science and Technology (ICST) expenditure for 2023/24 and additional work in train for 2024/25 to the sum of c£200k. The PHW Board approved the expenditure, the 2023/24 invoices were resolved and paid. NHS Wales Performance and Improvement have been working with the Deputy Director of NHS Wales Shared Services Procurement team to resolve the final invoice c£200k. The threshold for payment has been met, the invoice will now be paid and the file closed. In line with the Board approval, financial provision has been made therefore there is no budgetary impact on NHSP&I. There are no outstanding work or invoices with ICST remaining.

No new audit activity has been initiated during the reporting period, work with internal audit begins in September 2025.

NHS Wales Performance and Improvement will engage fully in all audit work where required to do so and as outlined in audit plans determined by NHS or Welsh Government Internal Audit or at the explicit involvement of the Auditor General.

The Internal Audit Plan 2025-26 was agreed by the Committee in May 2025 as an addendum to the PHW annual audit plan.

Three procurement breaches are being reported to Committee in September, based on the reporting period 1 April to 31 July 2025. The parties involved have received a breach letter detailing the breach and requesting information on how the breach occurred, detail, system weaknesses, and any measures taken to ensure that this does not occur again. Learning and management actions will

be monitored through the NHS Wales Performance and Improvement Senior Leadership Team.

4. Counter Fraud Compliance

In line with NHS Wales Performance and Improvement (NHSP&I) Hosting Assurance Schedule, NHSP&I is required to report to the Committee on a quarterly basis for assurances to any Counter Fraud Activity.

There has been no counter fraud activity reported to NHSP&I during the reporting period.

5. Information Governance compliance

The NHS Wales Performance and Improvement (NHSP&I) is required to report to the Committee for assurance on its compliance with the Public Health Wales Information Governance Policy, in line with NHSP&I Hosting Assurance Schedule.

For/during the reporting period:

- As confirmed in the previous report to ACGC, the roles of Deputy Caldicott Guardian and Deputy Senior Information Risk Officer (SIRO) within NHSP&I have been designated respectively to the Interim National Clinical Director and Deputy Director Data & Analytics. These colleagues have regular meetings with PHW to ensure consistency of approach and for any issues to be raised.
- NHSP&I has an Information Asset Register, in the format recommended by PHW, and this is available via [Information Asset Register](#). Information Asset Owners will continue to review for accuracy and completeness via the central list owned by Corporate Governance.
- Staff are advised via induction that they are required to work within relevant PHW policies and signposted to the relevant SharePoint pages.
- Staff are required to complete and maintain statutory and mandatory training and, in respect of information governance, compliance as of 31 July 2025 was:

Competence Name	Assignment Count	Required	Achieved	Compliance %
Information Governance (Wales) - 2 Years	473	473	432	91.33%

6. NHS Wales Performance and Improvement Agreements Register

In line with the NHS Wales Performance and Improvement (NHSP&I) Assurance Schedule, NHSP&I is required to report to the Committee on a Bi-Annual basis for assurance that a register of joint working agreements is maintained in line with the Joint Working Framework.

There is now a central Agreements Register in place for NHSP&I with access for each national director and local business lead to ensure accuracy.

A joint working agreements process to support the practical application of the PHW joint working framework is in development.

7. Declarations of Interest

In line with the NHS Wales Performance and Improvement (NHSP&I) Assurance Schedule, NHSP&I is required to report to the Committee on a Bi-Annual basis for assurance that a register of Declarations of Interest is maintained in line with the Standards of Behaviour Policy.

In accordance with the Hosting Agreement and PHW's policy, on an annual basis as a minimum, staff are contacted with an explanation of the requirements for Declarations of Interest and a request to complete the standard Declaration of Interest form, where applicable. The annual review was completed in March 2025, and a further review is planned for October 2025 as a reminder of the requirement, and the register is being updated as necessary. New staff are made aware of the policy through induction.

A copy of the Declarations of Interest Register for NHSP&I as at 31 August 2025 will be provided to the Board Secretary in support of this report.

8. Conclusion

The report provides assurance to the Committee that NHS Wales Performance and Improvement is meeting the requirements for each of the area reports or actions are in progress, where identified.

The Committee is asked to note that:

- The Internal Audit Plan for 2025/26 was agreed by PHW and NHS Wales Performance and Improvement and the first audit will take place at the end of quarter 2.
- Three audit breaches are being reported to ACGC in September, all three have been resolved and the wider learning is being considered by the NHSP&I SLT.
- The outstanding ICST invoice will be paid and the file closed.
- DATIX continues to be rolled out, with Directorate risk registers nearly complete. This will mean hierarchy one and two will be on DATIX.
- The central agreements register is now live with a local joint working process in development to support the PHW joint working framework.

9. Recommendation

For the period 1 April 2025 to 31 July 2025

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