

# Welsh Risk Pool claims

## Final Internal Audit Report

2024/25

Public Health Wales NHS Trust



Substantial Assurance

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### Review Reference

PHW-2425-11

### Fieldwork

January - February 2025

### Executive Sign Off

24 February 2025

### Audit Committee

March 2025

### Executive Lead

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# Executive Summary

## Purpose

The overall objective of this audit was to evaluate and determine the adequacy of the systems and controls in place within Public Health Wales NHS Trust (the 'Trust') in relation to Welsh Risk Pool compensation claims. Our review was completed in line with the 2024/25 Internal Audit Plan for the Trust.

Compensation claims usually take a number of years from the receipt of the claim to settlement and can involve a large number of payments and repayments, which means that mistakes can occur. Welsh Risk Pool Services (WRPS) requires that claims for reimbursement and repayment are made within specific timescales.

WRPS have developed a standard: The Compensation Claims Management Standard, to ensure that NHS bodies:

- Have an effective process for managing concerns raised by patients and staff.
- Have an effective process for managing legal claims for financial compensation.
- Ensure that there is good organisational learning from all events.

Reimbursement of settled claims are either under NHS indemnity, or from April 2018, redress cases.

Area for Assessment 3 of the standard requires Internal Audit to review the accuracy of a representative sample of compensation claims for reimbursement made on Welsh Risk Pool Services.

## Overview

We have issued substantial assurance on this area and have not raised any matters requiring management actions. We made one observation during our fieldwork which does not impact the overall opinion, but is highlighted here for management information:

- The Learning from Events Report (LfER) for one clinical negligence claim was submitted to Welsh Risk Pool two days after the required target date.

## Scope & Assurance Summary

Objectives	Related Findings	Assurance*
1 An appropriately completed learning from events report, case management report, case financial record and a schedule of costs has been completed for each reimbursement claim within set timescales	-	<b>Substantial</b>
2 There is appropriate evidence to support the costs incurred	-	<b>Substantial</b>
3 Forms have been appropriately authorised aligning with delegated limits within the organisation	-	<b>Substantial</b>
4 Claims submitted are accurately entered into the Datix risk management database	-	<b>Substantial</b>

\* The objectives and associated assurance ratings are not necessarily given equal weighting when formulating the overall audit opinion.

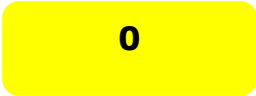
Management Actions

Themes

Risk Types



High Priority



Medium Priority

N/A

N/A

# Findings & Agreed Action Plan

**Objective 1:** An appropriately completed learning from events report, case management report, case financial record and a schedule of costs has been completed for each reimbursement claim within set timescales.

**Substantial**

## Overview

The Welsh Risk Pool Service (WRPS) published in July 2021 require that a completed Learning from Events Report (LfER) is submitted to WRP within 60 working days of the 'decision to settle' date. For claims received after September 2023, this timeframe has been revised to four calendar months.

Two claims have been settled in 2024/25, both of which are for clinical negligence. Our testing confirmed that each claim was appropriately supported by a LfER, a S21-Case Management Report (CMR), a financial case record checklist (U1), and a financial schedule. For one of the claims, the LfER was not submitted in line with the required timescales, missing the target date by two days. We have not raised this as an issue, noting that it is an improvement to last year's position where we identified two claims that had missed the LfER target date by 4 and 8 months respectively.

**Objective 2:** There is appropriate evidence to support the costs incurred.

**Substantial**

## Overview

Source documents, including those relating to the costs incurred, had been uploaded to Datix. There was evidence in place to support the claims and the related invoices had been reconciled to the finance schedule that was submitted to WRP.

**Objective 3:** Forms have been appropriately authorised aligning with delegated limits within the organisation.

**Substantial**

## Overview

Claims had an appropriate governance and case manager declaration and had been appropriately authorised prior to submitting to WRPS. The signatures were in line with the organisation's scheme of delegation.






**Overview**

Reimbursements had been appropriately approved by WRP, and the amounts received reconciled to the U1 checklist and the finance schedules that were submitted to WRP.

We identified one minor error where financial information for one of the clinical negligence claims had not been accurately recorded on Datix due to an administrative error when inputting the information. As such, the overall claim value of £36,948 was understated in Datix by £405. However, management have subsequently corrected the error. This error had no impact on the reimbursement process.

# Appendix A

## Assurance Opinion

	<b>Substantial</b>	Few matters require attention and are compliance or advisory in nature. <b>Low impact</b> on residual risk exposure.
	<b>Reasonable</b>	Some matters require management attention in control design or compliance. <b>Low to moderate impact</b> on residual risk exposure until resolved.
	<b>Limited</b>	More significant matters require management attention. <b>Moderate impact</b> on residual risk exposure until resolved.
	<b>Unsatisfactory</b>	Action is required to address the whole control framework in this area. <b>High impact</b> on residual risk exposure until resolved.
	<b>Advisory</b>	Given to reviews and support provided to management which form part of the internal audit plan, to which the assurance definitions are not appropriate. These reviews are still relevant to the evidence base upon which the overall opinion is formed.

## Prioritisation of Findings

Priority	Explanation
<b>High</b>	Significant risk to achievement of a system objective OR evidence present of material loss, error, or misstatement. Poor system design OR widespread non-compliance.
<b>Medium</b>	Some risk to achievement of a system objective. Minor weakness in system design OR limited non-compliance.

Website: [Audit & Assurance Services - NHS Wales Shared Services Partnership](#)

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Our work does not provide absolute assurance that material errors, loss or fraud do not exist. Responsibility for a sound system of internal controls and the prevention and detection of fraud and other irregularities rests with management of the NHS Trust. Work performed by internal audit should not be relied upon to identify all strengths and weaknesses in internal controls, or all circumstances of fraud or irregularity. Effective and timely implementation of recommendations is important for the development and maintenance of a reliable internal control system.

## Public Sector Internal Audit Standards

Audit work undertaken by NHS Wales Audit and Assurance Services conforms with the International Standards for the Professional Practice of Internal Auditing and associated Public Sector Internal Audit Standards as validated through the external quality assessment undertaken by the Chartered Institute of Public Finance & Accountancy in April 2023.

