

ANEURIN BEVAN UNIVERSITY HEALTH BOARD

**Minutes of the Finance, Audit & Risk Committee held on
Thursday, 7th October 2021 at 9.30 am via Teams**

Present:

Shelley Bosson	Independent Member (Chair)
Richard Clarke	Independent Member (Vice-Chair)
Paul Dineen	Independent Member
Katija Dew	Independent Member

In attendance:

James Calvert	Medical Director
Stephen Chaney	Deputy Head of Internal Audit
Julie Chappelle	Assistant Workforce Director – Workforce Planning, Clinical Futures
Darren Griffiths	Audit Manager (Performance), Audit Wales
Richard Howells	Interim Board Secretary
Sara Jeremiah	Post Payment Verification Location Manager
Glyn Jones	Director of Finance and Performance
Gwen Kohler	Assistant Finance Director (Financial Systems & Services)
Amanda Legg	All Wales Post Payment Verification Manager
Caroline Mills	Consultant Dermatologist, Outpatient Clinical Lead
Julie Poole	Outpatient Transformation Lead
James Quance	Head of Internal Audit
Tracy Veale	Audit Manager (Finance), Audit Wales
Leanne Watkins	Director of Operations
Suzanne Webb	Committee Secretariat

Apologies:

Richard Harries	Audit Wales
Danielle O’Leary	Head of Corporate Services, Risk and Assurance
Judith Paget	Chief Executive

AC 0710/01	Preliminary Matters	
	1.1	Apologies for Absence The Chair welcomed everyone to the meeting. Apologies for absence were noted.
	1.2	Declarations of Interest There were no Declarations of Interest to record.
	1.3	Draft Minutes of the Meeting held on 12th August 2021

		<p>The Committee approved the minutes of 12th August 2021 but requested for following amendments- change outlined in italics:</p> <p>(Page 5 Chair to question James Quance)</p> <p>Item 4.3: The Chair questioned whether a Direct Engagement update had been shared with the Executive Team. This update had not yet been presented to the Executive Team but would be added to the forward planner and email to be distributed to Independent Members with date. Action: Secretariat/Julie Chappelle</p> <p>Item 6.2: The Chair queried if the action (page 12) had been completed and/or if it was included in the tracker. The Director of Finance and Performance stated that the financial risk assessment would be ongoing and included in the tracker, however the broader assessment of risk implications was discussed in a recent Board development session.</p>
	<p>1.4</p>	<p>Action Sheet</p> <p>The Committee received a copy of the action sheet, and the following updates were recorded:</p> <p>AC 0402/05- Counter Fraud Update Audit Wales had requested further update from NFI colleagues. Audit Wales updated the Committee that Shared Services had agreed to take forward the matches for creditor payments for the Health Board. The ABUHB dashboard indicated that some progress had been made. Timescale for reporting yet to be agreed. The Committee was satisfied that this would be picked up under Audit Wales general reporting. To be marked as complete. Action: Committee Secretariat</p> <p>AC 1208/05- Update on Governance, Financial Control Procedures and Technical Accounting Meetings to be arranged.</p>
	<p>1.5</p>	<p>Committee Work Plan</p> <p>The Committee received a copy of the work plan.</p> <p>The Committee requested:</p> <ul style="list-style-type: none"> • Amendments to work plan listed as follows: <ol style="list-style-type: none"> 1. Inclusion of Risk and BAF. 2. Action log items to be transposed into regular reporting. 3. Plan to provide clear visibility for the whole year.

		<p>Revised work plan to be sent to all members once amendments completed. Action: Board Secretary/Secretariat</p> <ul style="list-style-type: none"> • A review of December’s meeting items to be undertaken and deferred to January if appropriate. To be discussed further at agenda setting meeting. Committee members requested that items rolled over to the next meeting be kept to a minimum. Action: Board Secretary/Secretariat • Head of Internal Audit stated that several items should be consolidated into one. Communication to take place outside of meeting. Action: Head of Internal Audit • The Chair requested that the Committee Work Plan should be shared with both internal and external Auditors. Action: Board Secretary/Secretariat • Committee members requested that reports presented at other Committees to be fed back to Finance, Risk and Audit for assurance only. It was agreed that a standardised form to be produced for the Chairs of each Committee to capture any risks or assurances that need reporting to this Committee. Action: Board Secretary/Secretariat <p>The Committee noted the update.</p>
AC 0710/02	Best Use of Resources	
	2.1	<p>Follow-up Outpatient Transformation</p> <p>The Director of Operations, the Outpatient Transformation Lead and the Outpatient Clinical Lead provided an update on the progress on Outpatient Transformation, supported by a detailed report. It was noted that the COVID pandemic had driven adjustments to previous ways of working.</p> <p>It was reported that the reviewed vision for outpatients would include:</p> <ul style="list-style-type: none"> • An Outpatient Steering Group which would drive strategic delivery, with a membership aligned to delivery. • A focus on delayed follow-ups. • A weekly Divisional focus meeting to review targets. • The opportunity for cost effective Virtual Assessments to support pathways. <p>The Committee noted:</p> <ul style="list-style-type: none"> • The review aligned with the Health Boards Recovery Agenda, intending to address the current waiting list backlog. • Current system constraints may impact delivery, such as social distancing measures. The Health Board had undertaken a detailed risk assessment and implemented

		<p>a one metre social distancing rule mitigating risks with screening.</p> <ul style="list-style-type: none">• A draft Outpatient Transformation plan would be discussed at the Outpatient Transformation Group on 19th October 2021.• Regular meetings were taking place with the Finance teams to outline efficiencies and costings which would be measured against benchmarking data.• Revised terms of reference for the Outpatient Steering Group include a requirement for community representatives and representatives from the Community Health Council (CHC) to be included on the group.• Quality impact assessments and age profiling would be included in the transformation. <p>The Committee questioned what blocks may slow down progress going forward. The following was noted;</p> <ul style="list-style-type: none">• The lack of Outpatient Coding had hindered data collection requiring labour intensive manual auditing, which was less efficient, could lead to issues with record compliance and was time consuming.• Clinical engagement was a challenge, alongside engagement with Directorate teams.• Clinical variation was noted by the Medical Director as a challenge and linked to ongoing revisions to the job planning process• There needed to be a change in risk attitude/appetite to allow transformation to move faster• There was a need to be more robust in being clear what was required from the workforce to enable change to occur. <p>The Committee was assured that National Planned Care Programmes enabled an All-Wales approach with the aspiration of standardisation of pathways and consistent methodologies. The Committee noted that by demonstrating through the Outpatient transformation programme, the type of changes which would lead to improved patient outcomes by delivering care in a different way would require a shift in resources. Work had been done in tele dermatology services at a cost of £34-£44 per visit, by utilising different services and doing things differently, the Health Board could improve outcomes while freeing up resources elsewhere. This will need to be part of a broader financial strategy to free up and reinvest resources. The Committee welcomed the roll out of the overall methodologies outlined in the report across all specialities and Health Board transformation programmes.</p> <p>The Committee queried if e-rostering systems, in relation to consultant job planning, would be effective in improving clinical engagement. The Outpatient Clinical Lead indicated</p>
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	<p>2.2</p>	<p>Agile Working</p> <p>The Assistant Workforce Director (Workforce Planning, Clinical Futures) provided an update on the Health Boards Agile Working offer, supported by a detailed report.</p> <p>Developments in the Agile Framework were reported as:</p> <ul style="list-style-type: none"> • Several surveys had been undertaken to influence next steps, including an Agile Working electronic framework, highlighting the principles and benefits, to support Health Board staff. • An Agile Working map had been developed, alongside the Health Board' Estates Strategy. A series of departmental meetings had taken place for clarification. • Conversations had taken place with Local Authority partners to learn from best practice elsewhere. <p>The Committee noted the next steps as:</p> <ul style="list-style-type: none"> • Complete the update of the Agile Working Framework, influenced by recently collated data. • Updating workforce policies to reflect changes outlined in the framework. • The Health board has an offer for disciplinary meetings to take place either face to face or virtually. • Estates mapping changes. Workforce Division was linking with the planning teams to reconfigure workspaces. • Continuation of decreasing annually allocated financial spends for travel expenses. The Committee requested an environmental impact assessment take place, linking with the Green Health Group. Action: Assistant Workforce Director • A 'hot desk' pilot was taking place with IT teams in Mamhilad, where desks could be electronically booked and reserved. <p>The Committee was assured that any workforce changes are equality assessed to ensure minimum impact for staff.</p>

		<p>The Committee was assured that the Agile Working Framework was regularly discussed at the People & Culture Committee. A further update to come back to the Finance Audit and risk Committee, alongside the Estates Strategy.</p> <p>Action: Assistant Workforce Director/secretariat</p> <p>The Committee noted the update and thanked the Assistant Workforce Director and the teams.</p>
AC 0710/03	Governance and Assurance	
	3.1	<p>Consultant Job Planning Update</p> <p>The Medical Director provided an update based on previous recommendations from the Committee; supported by a detailed action plan.</p> <p>The Committee was advised that there was slow and steady progress being made, but a recent key challenge which was likely to slow progress was the requirement for an 'All Wales' centralised Electronic Roster system. . As part of the consultation on the 'All Wales' approach, Allocate was the recommended system that was being used by other Health Boards. On investigation it was noted that the software was not cost effective, in comparison to other packages; feedback from other Health Boards indicated that it was not fit for purpose as it did not link with other Health Board systems mainly when mapping with current Rota software. A report on the procurement of the new system would be brought to the Executive team in the coming months.</p> <p>It was reported:</p> <ul style="list-style-type: none"> • Job planning across most Divisions had been successful in MH and LD, Child Health and families, with frontline areas such as Emergency Surgery and Obstetrics and Gynaecology needing further work. • Job planning exercises are being undertaken and the workforce escalation is in place, which is working well • The Medical Director is now signing off on any 12 + SPAs <p>The Committee welcomed the update and was content for future detailed reports to be reported to the People & Culture Committee for assurance. Job Planning would remain on the Audit Tracker until all Internal Audit recommendations had been discharged. Action: Medical Director/Secretariat</p>
	3.2	Update on Governance, Financial Control Procedures and Technical Accounting

		<p>The Assistant Finance Director (Financial Systems & Services) provided an update on the governance, financial control procedures and technical accounting.</p> <p>The committee noted the following:</p> <ul style="list-style-type: none"> • A positive meeting had taken place with Audit Wales and a full report would be presented to the Committee in December. Action: Assistant Finance Director/Secretariat • Public Sector payment targets were being achieved. • An Oracle system upgrade was due to take place between the 14th and 19th of October. This will take place over a weekend period to minimise disruption. In terms of Risk, a series of validation checks will take place before the system is re-enabled. <p>To aid knowledge and understanding, the Chair queried the Health Board' procurement processes in relation to single tender awards. The Director of Finance stated that 'Once for Wales' commands a requirement for a set of standards across Wales, however, does not state that all Health Boards are required to tender with the same providers or systems. It was recommended that the procurement process is always followed and where possible to enter arrangements with local businesses, adhering to the Welsh Government recommendation of Foundation Economy Objectives.</p> <p>The committee noted and received assurance on the updates provided.</p>
AC 0710/04	Finance Update	
	4.1	<p>Finance Update</p> <p>The Director of Finance & Performance provided an update on the Health Boards financial position at Month 5 (end of August 2021).</p> <p>The following was reported:</p> <ul style="list-style-type: none"> • Month 5 (end of August 2021) reporting a break-even position for the year to date, forecasting a balanced position for the end of the financial year. • Over the previous week, the Welsh Government had confirmed an additional £56m non recurrent COVID stability funding to support delivery of local COVID response plans. This funding will support the Health Board to open additional capacity and staff beds in line with the plans it submitted to Welsh Government in June. It was noted that mass vaccination and test, trace and protect services were funded nationally. • In addition to the £17m tranche 1 recovery funding, the Health Board had received Tranche 2 funding of £9.9m to support further recovery plans including Primary

		<p>Care, Secondary Care and Mental Health Services. The Committee noted a further bid was to be submitted to Welsh Government on Health Board plans for Cancer services, Ophthalmology and options for alternative offers to support patients on waiting lists. If the bid was successful, this would equate to an extra £1.5m and a total of c£27 to £28m recovery funding during this year.</p> <p>The Committee noted:</p> <ul style="list-style-type: none"> • Welsh Government has given early notice of an extra £170m recurrent funding from 2022/23 financial year. Allocated on a capitation formula share this would mean the Health Board will receive £32m recurrent funding. This funding provides the Health Board with some certainty in addressing its underlying financial position and prioritising commitments as part of the IMTP 2022/23. • The Health Board can no longer just rely on transactional efficiency savings and future plans also need to focus on shifting resources to improve health outcomes, support reinvestment and deliver recurrent savings. This will require transformational change in the way the Health board delivers services so that it is more effective for patients and more financially sustainable. This in part linked to the earlier discussion on the Outpatient Transformation Programme. <p>The Committee queried the Health Boards predicted financial position for the end of the financial year. The Director of Finance & Performance reaffirmed that the financial forecast for the Health Board was a breakeven position for the end of the financial year 2021-2022.</p> <p>The Committee agreed that a collective response across Health and Social Care, working alongside 3rd sector partners, was required to support patients at home, which could reduce the burden on Emergency and Urgent care, leading to improved patient care and savings going forward.</p> <p>The Chair queried if the Enhanced Care model of nursing improved outcomes for patients. The Director of Finance & Performance suggested that a clinical nursing view would be required to look at the impact on outcomes as a result of Enhanced Care staffing. For assurance, the chair requested further discussion on this issue at the Patient Quality, Safety and Outcomes Committee. Action: Secretariat</p> <p>The Committee thanked the Director of Finance & Performance for the report and noted the outlined risks, alongside the encouraging and positive financial forecast.</p>
AC 0710/05	Post Payment Verification	

	<p>5.1</p>	<p>Post Payment Verification (PPV) Mid-Year Review</p> <p>The All-Wales Post Payment Verification (PPV) Manager provided an update on PPV.</p> <p>The following was reported:</p> <ul style="list-style-type: none"> • Successful training pilots had been undertaken on an All-Wales bases around the use of teams for remote access visits in General Medicine Services (GMS), with the intention to roll out to Pharmacy and Ophthalmology disciplines when possible. • Utilising Primary Care data, trials were to commence for remote Quality and Safety checks in Pharmaceutical Services. • Quarterly training roadshow events were being provided across Wales. • On Welsh Government recommendations, work was being undertaken around an audit of bonus payment verification across all Health Boards in Primary and Secondary Care sectors. • GMS statistics indicate that Aneurin Bevan Health Board was performing well against All Wales data. No Health Board revisits were required or undertaken. <p>It was agreed that an SBAR was to be circulated to the Committee outside of the meeting. Action: All Wales PPV Manager/Secretariat</p> <p>Further updates would come back to the Committee at the end of the year.</p> <p>The Committee thanked the All-Wales Post Payment Verification (PPV) Manager for the clear and positive report.</p>
<p>AC 0710/06</p>	<p>Risk and Assurance</p>	
	<p>6.1</p>	<p>Audit Tracker</p> <p>The Interim Board Secretary gave an update on the status of the Audit Tracker; providing an overview of the Audit recommendations and the tracking mechanism for assurance.</p> <p>The following proposals were agreed:</p> <ul style="list-style-type: none"> • To include a surveillance period following completion of each recommendation. This allows for increased monitoring of changes and potential reinstatement where necessary. • Exception reporting to the AFR Committee, in line with completion timeframes. <p>The Committee noted the following:</p>

		<ul style="list-style-type: none"> • On sign-off of each recommendation, the Board Secretary would liaise with Audit Wales and Internal Audit to ensure sufficient evidence was in place. • The Chair requested that when items come to the Audit Committee for sign-off, sufficient information on service improvement, patient safety and efficiencies be included (reference the practice note adopted by the HB). <p>Action: Interim Board Secretary</p> <p>For Assurance, the Committee requested the following:</p> <ul style="list-style-type: none"> • Future reports to include a short paragraph on the management of low and medium level risks that were reported at corporate level. Action: Interim Board Secretary • Evidence of monitoring external reports and to what Committee they are reported. Action: Interim Board Secretary • Full tracker to come back with all high-level recommendations to the next Committee meeting taking place December 2021. Action: Interim Board Secretary
	<p>6.2</p>	<p>Board Assurance Framework Update</p> <p>The Interim Board Secretary gave an overview of the mid-year review of the Board Assurance Framework (BAF).</p> <p>The following amendments were noted:</p> <ul style="list-style-type: none"> • Cover report states that there were 25 risks and 12 scoring 15 or higher. Page 12 of the BAF had incorrect information and numbers needed aligning with the cover report numbers. Action: Interim Board Secretary • Page 6 showed a previous governance infrastructure; this required amendment to reflect the Health Boards current structure. Action: Interim Board Secretary <p>The following was reported:</p> <ul style="list-style-type: none"> • The mid-year review provided an outline of the progress made to the revised Risk Management Strategy. • Included in the BAF was a 'Proof of Concept' reporting template relating to the risk relating to Patient Falls; enabling mitigation of risks to be linked with planning, performance and risk and providing assurance to Committees. <p>The Committee discussed the complexity of risk, reporting risks when working alongside partnership organisations and integrated services, and controlling the responsibility of such risks. The Interim Board Secretary informed the Committee that the Health Board's approach is to link risks with its strategic objectives and integrated service provision. The</p>

		<p>Committee stated the requirement for clarity and responsibility. The Head of Internal Audit stated that integrated service reporting best practice was being monitored within other organisations and any feedback would be reported to the Committee.</p> <p>The Chair requested further detail about the actions to reduce perceived gaps of assurance and reporting. Action: Interim Board Secretary</p> <p>Decision: The Committee approved the changes made to the BAF, subject to completion of amendments. The Committee noted the Health Boards embedded risk management approach and endorsed the 'Proof of Concept' reporting template.</p> <p>The Committee requested a visual, colour coded front page summary, to include a table indicating risk number, risk owner and risk status (red, amber or green rag rating) to be attached to the BAF for future meetings. Action: Interim Board Secretary</p>
	6.3	<p>Freedom of Information Mid-Year Review</p> <p>The Interim Board Secretary gave an update on the report on the legislative requirements under Freedom of Information requests and compliance rates to the Committee.</p> <p>The following was noted:</p> <ul style="list-style-type: none"> • Compliance rates had improved to 97%. • The Health Boards Freedom of Information Officer can call upon the Wales Community of Practice to obtain advice. • The highest level of requests were COVID and Workforce related. • Publications scheme progress was received. <p>The Committee thanked the Interim Board Secretary for the extensive report.</p>
AC 0710/07	NWSSP Audit and Assurance - Internal Audit and Specialist Service Unit	
	7.1	<p>Internal Audit Plan Progress</p> <p>The Head of Internal Audit gave an update on the Internal Audit Assurance Progress report. Discussions had taken place on progress that can be made within the Health Board during the pandemic.</p> <p>The report covered the 'Putting Things Right' report which received "reasonable assurance".</p>

		<p>The Head of Internal Audit highlighted to the Committee the request to defer the De-Carbonisation Audit outlined in the paper. Decision: The Committee agreed the proposal to defer the De-Carbonisation Audit until early 2022.</p> <p>Further reports and updates to come back to the next Committee meeting. Action: Head of Internal Audit</p> <p>The Committee received the update and thanked the Head of Internal Audit and the team for the report.</p>
AC 0710/08	External Audit	
	8.1	Audit Wales Update
		<p>The Audit Wales Manager (Finance) provided an update on the planned audits. It was noted that the Charitable Funds Audit was to take place in November 2021, date to be confirmed. Action It was requested that the date of the next Charitable Funds Committee meeting be amended. Katija Dew/secretariat</p> <p>The Audit Wales Manager (Performance) provided an update on the current and planned work.</p> <p>In May 2021 the Health Board received and considered the report on the Governance arrangements of the Welsh Health Specialised Services Committee (WHSSC). Since then both management and Welsh Government responses had been received. These recommendations were included in the report and WHSSC tracked progress will be shared with each Health Board via the Board Secretary. There was no requirement for the Health Board to log the recommendations on the individual tracker.</p> <p>It was highlighted that the following reports were expected to be reported to the Committee in December 2021:</p> <ul style="list-style-type: none"> • Review of arrangements for securing efficiencies. • Structured Assessment Report 2021. • Radiology Report- also for consideration in the next Patient, Quality, Safety and Outcomes Committee. <p>Relevant national study reports were discussed. Audit Wales had recently published its Picture of Public Services report, the link was shared with the Committee. Sector Specific Output on Health and Social Care report had been published on the day of the meeting and was available for viewing on the website. A further Audit Wales report to on Staff Wellbeing to be published at the end of November.</p> <p>The Committee received and noted the update provided.</p>

AC 0710/09	Date of Next Meeting	
	9.1	The date of the next business meeting was noted as 2 nd December 2021 via Microsoft Teams.