



**CYFARFOD BWRDD IECHYD PRIFYSGOLN ANEURIN
BEVAN/ANEURIN BEVAN UNIVERSITY HEALTH BOARD
MEETING MINUTES OF THE AUDIT RISK & ASSURANCE
COMMITTEE**

DATE OF MEETING	Tuesday 16 December 2025
VENUE	Microsoft Teams

PRESENT	Iwan Jones - Committee Chair – Independent Member Dafydd Vaughan - Independent Member Neil Patrick - Independent Member Helen Sweetland – Independent Member
IN ATTENDANCE	Rani Dash - Director of Corporate Governance Robert Holcombe – Executive Director of Finance and Procurement Robert Jones - Assistant Finance Director Peter Carr – Executive Director of Allied Health Professions (AHPs) & Health Science (Item 1.5.1) Lucy Windsor – Head of Risk and Assurance, Corporate Services (Item 2.1) Stephen Chaney - Senior Auditor, Internal Audit, NWSSP Eifion Jones – Deputy Head of Internal Audit, NWSSP Audit and Assurance Services Martyn Lewis – Senior Auditor, NWSSP Audit and Assurance Services (Item 3.2) Murray Gard - Senior Auditor, Internal Audit, NWSSP (Item 3.2) Gareth Lavington – Head of Counter Fraud Sara Utley - Performance Audit Lead, Audit Wales Amanda Legge - All Wales Post Payment Verification Manager (Item 3.8) Sara Jeremiah - Post Payment Verification Location Manager (Item 3.8) Danielle Jackson - Secretariat
OBSERVING	None to note
APOLOGIES	Julie Rees - Audit Wales Finance Audit Lead, Audit Wales



Minute Reference	Preliminary Matters
ARAC 1216/01	<p>Welcome and Introductions The Chair welcomed everyone to the meeting.</p>
ARAC 1216/02	<p>Apologies for Absence Apologies were noted.</p>
ARAC 1216/03	<p>Declarations of Interest There were no declarations of interest raised to record.</p>
ARAC 1216/04	<p>Minutes of the previous meeting The minutes of the meeting held on the 21 October 2025 were agreed as a true and accurate record.</p>
ARAC 1216/05	<p>Committee Action Log The Committee reviewed the Action Log and noted actions completed, in progress, or not yet due. It was reported that updates on Discharge Planning, Job Planning, and Clinical Audit were deferred due to Executive availability and would be considered at an extraordinary meeting on 12 January 2026.</p> <p>The Committee AGREED to remove completed actions and NOTED the deferred items.</p>
ARAC 1216/06	<p>Update on the the Health and Safety governance structure and policy implementation Peter Carr (PC), Executive Director of Allied Health Professions (AHPs) & Health Science confirmed that the Health and Safety Policy had been completed and ratified, with work ongoing to update remaining policies.</p> <p>It was reported that governance arrangements had strengthened, supported by revised Terms of Reference and operational sub-groups. Workplace inspections were reported as on track, with improved divisional engagement and escalation of identified risks.</p> <p>RIDDOR compliance had increased significantly following targeted actions, and additional oversight mechanisms had been introduced. While further improvement was required, robust monitoring and reporting arrangements were confirmed to be in place.</p> <p>The Committee NOTED progress in implementing the Health and Safety Policy and strengthening governance arrangements.</p>
ITEMS FOR APPROVAL / RATIFICATION / DECISION	



ARAC 1216/07

Reviewed and Updated Financial Control Procedures.

Robert Jones (RJ), Assistant Finance Director, presented the report on Financial Control Procedures (FCPs).

It was confirmed that there were no new Financial Control Procedures requiring approval during the reporting period and that all existing procedures remained current and compliant. The forward plan indicated that scheduled reviews remained on track for the February meeting.

Two technical accounting updates issued by Welsh Government were highlighted: adjustments relating to AME impairment and DEL depreciation impact, and guidance on strategic cash requests, which the Health Board had submitted by the required deadline.

Assurance was provided that the Finance team had reviewed the updates and was satisfied that compliance requirements could be met. It was also reported that no payments exceeding £100,000 had been made during the period and that work was underway to update procurement and grant funding policies for presentation at the next meeting.

The Committee **NOTED** the report.

ARAC 1216/08

Quarter 2 Audit Recommendation Tracking report and Approve closing position.

Lucy Windsor (LW), Head of Corporate Risk and Assurance, presented the Audit Recommendation Tracking Report for Quarter 2 (July–September).

It was reported that 74 audit recommendations had been completed during the quarter and that revised deadlines were proposed for 19 recommendations. Following approval, 88 live recommendations would remain within the agreed extension threshold, with 11 recommendations remaining outside the threshold. These primarily related to long-standing digital audits.

New graphical analysis from the Internal Audit dashboard was presented, illustrating trends and patterns in recommendation closure. It was confirmed that future reports would include expanded trend analysis to strengthen assurance.

Members raised concerns regarding overdue digital actions and queried the realism of some revised deadlines. A request was made for a deeper review of digital audit recommendations, and it was agreed that a further update would be brought to February's Committee meeting.

ACTION: Head of Corporate Risk and Assurance



	<p>It was also agreed that revised deadlines relating to discharge planning and job planning should be deferred until the extraordinary meeting in January, where these areas would be considered in detail.</p> <p>The Committee NOTED the completion of 74 recommendations and APPROVED revised deadlines for 19 recommendations, excluding those deferred to January.</p>
<p>ARAC 1216/09</p>	<p>Internal Audit Progress Report Stephen Chaney (SC), Head of Internal Audit, presented the Internal Audit Progress Report. It was reported that planning for the 2026/27 audit cycle had commenced, with a draft plan expected shortly.</p> <p>Delivery of the 2025/26 audit plan remained on track, with several audits ongoing and several nearing completion. Several reports were expected to be finalised and presented to the Committee at its February meeting.</p> <p>The Committee NOTED the Internal Audit Progress Report.</p>
<p>ARAC 1216/10</p>	<p>Internal Audit Review Reports Stephen Chaney (SC), Head of Internal Audit, presented several internal audit reports, detailed below.</p> <p>Standing Orders Compliance audit concluded with substantial assurance, confirming that appropriate arrangements were in place. A minor issue relating to legacy advisory groups was noted and was being addressed.</p> <p>Business Continuity Planning audit provided reasonable assurance. While plans were in place and aligned with statutory requirements, none of the sampled services had tested their plans. Improvements were recommended in relation to action cards and awareness training.</p> <p>The Committee expressed concern that the lack of testing might be more widespread and agreed that further assurance should be sought through the Partnerships, Population Health and Planning Committee.</p> <p>Action: Committee Secretariat</p> <p>Public Health arrangements, an advisory review, highlighted positive achievements, including leadership in addressing health inequalities, while identifying opportunities to strengthen governance, planning, and risk management.</p>



Welsh Intensive Care Information System lessons learned audit provided substantial assurance, confirming that risks had been managed appropriately following the pausing of the programme. One improvement was recommended to embed a structured approach to applying lessons learned across all programmes.

Cyber Security audit concluded with reasonable assurance. Strengths included the establishment of a dedicated cyber team and an improvement plan. Key issues were identified, and the Committee was informed that plans were in place to remediate the issues.

Dafydd Vaughn (DV), Independent Member, requested that the report be presented the Partnerships, Population Health and Planning Committee (PPHPC).

ACTION: Committee Secretariat

Royal Gwent Hospital Central Decontamination Unit audit provided reasonable assurance, recognising strong governance and financial controls, while highlighting the need for formal sign-off of derogations and improved contract strategy and advisor performance monitoring for future projects.

The Committee **NOTED** all reports and **AGREED** the associated management actions.

ARAC 1216/11

To Receive External Audit Progress Report 2025-26

Sara Utley (SU), Audit Wales, presented the External Audit Progress Report for 2025/26.

It was reported that external audit work was ongoing across several areas, including Digital GP Managed Contracts, an Estates Deep Dive which had recently commenced, and a Cancer Services review which was currently in the scoping phase.

The Committee was informed that the external audit programme was progressing in line with plan and that Audit Wales continued to engage regularly with the Health Board to discuss emerging risks, priorities, and areas of focus.

The Committee **NOTED** the External Audit Progress Report.



To Receive the 2025 Structured Assessment

Sara Utley (SU), Audit Wales, presented the 2025 Structured Assessment report.

It was confirmed that the assessment had considered the Health Board's governance arrangements, risk management, performance oversight, financial management, and progress in implementing previous audit recommendations.

The overall position was reported as positive. The Health Board was described as continuing to demonstrate effective governance and strong financial oversight. Improvements were noted in risk management arrangements, with the corporate risk register nearing completion, and the recent approval of a long-term strategy was highlighted as providing clear organisational direction.

The Committee was advised that the Health Board had maintained a good track record in delivering savings, although the ongoing deficit position continued to present a challenge. The report included six recommendations, all of which had been accepted by management. These related to:

- Improving reporting on declarations of interest and compliance
- Increasing the use of staff stories at Board level
- Formalising reporting of actions arising from patient safety leadership walkarounds
- Strengthening oversight of local clinical audit
- Enhancing Committee reporting arrangements
- Improving the tracking of recommendations from external bodies, including Healthcare Inspectorate Wales

It was confirmed that a management response had been agreed and that the Structured Assessment would be presented to the Board in January 2026 alongside the Annual Audit Summary.

The Committee **NOTED** the 2025 Structured Assessment report.



ARAC 1216/13

Audit Wales 2026-27 Audit Fees Consultation

Sara Utley (SU), Audit Wales, presented the Audit Wales 2026–27 Audit Fees Consultation outcome.

The Committee was informed that following the consultation the proposed increase for 2026–27 had reduced to 5.3%, which was lower than initially anticipated.

It was reported that responses received during the consultation process had been considered and summarised within the report. The Committee was advised that the proposed fee would be referred to the Health Board’s Finance Committee for further consideration and confirmation.

The Committee was also informed that Audit Wales continued to explore opportunities for efficiency and innovation, including the potential use of artificial intelligence tools to support audit processes. A query was raised regarding collaboration with other public sector audit bodies on AI developments, and it was agreed that an update would be provided outside the meeting.

The Committee **NOTED** the Audit Wales 2026–27 Audit Fees Consultation.

ARAC 1216/14

Report of the use of Single Tender Action

Robert Jones (RJ), Assistant Finance Director, presented the report on the use of Single Tender Actions (STAs) during the reporting period.

It was confirmed that one STA request had been submitted and approved. The request related to goods and services, including maintenance, associated with the upgrade of CCTV, door access, and control systems. The annual value of the contract was reported as £89,589.90 excluding VAT.

The Committee was advised that the report included a new graphical representation showing the volume of STAs from November 2024 to the current period. This had been introduced in response to an internal audit recommendation to improve transparency and oversight.

It was noted that the overall volume of STAs remained low, with a slight increase typically observed toward the end of the financial year.

The Committee **NOTED** the report.



ARAC 1216/15

To Receive a Quarterly Report on Counter Fraud Activity

Gareth Lavington (GL), Head of Counter Fraud, presented the quarterly report on counter fraud activity covering the period from 01 September to 14 November 2025.

It was reported that all targets set by the Counter Fraud Authority had been met during the period and that the Health Board continued to strengthen its fraud risk assessment arrangements. Risk assessments had been rolled out to relevant stakeholders, and the approved process was now embedded across the organisation.

The report included a summary of completed and ongoing risk assessments, alongside benchmarking data from the Counter Fraud Service Wales national report. The Committee was advised that the Health Board compared favourably with other health boards in relation to performance and compliance.

The Committee noted that a significant proportion of referrals related to staff working elsewhere while on sick leave. It was explained that such cases rarely met the evidential threshold for criminal fraud and were more appropriately managed through workforce and employment policies. A breakdown of these cases and outcomes would be included in future reports.

It was also confirmed that mandatory counter fraud training compliance remained high compared to other health boards, reflecting the decision to make the training mandatory.

The Committee **NOTED** the Counter Fraud Activity report.

ARAC 1216/16

Mid-Year update in respect of Post-Payment Verification Activity

Amanda Legge (AL), Post-Payment Verification Manager, presented the mid-year update on Post-Payment Verification (PPV) activity.

It was confirmed that work for the current financial year had commenced in July, following completion of outstanding visits from the previous year. The Committee was advised that the team had made a strong start and had enhanced the reporting format to provide greater detail, in response to feedback from audit committees across Wales.

Key developments were highlighted, including:



- The introduction of duplicate claim checks, which had identified high volumes in some practices and prompted discussions on system validation and potential pre-payment checks
- Additional training and support provided to practices to reduce errors and improve compliance
- Inclusion of new recovery data for dispensing practices, to be reported every six months
- Expansion of PPV activity to cover additional services, including COVID-19, RSV, and flu vaccinations claimed via the Welsh Vaccination System, as well as optometry services for glaucoma and retinal reviews and independent prescribing urgent services

It was noted that planned visits across Wales remained behind schedule due to the impact of previous years; however, recovery activity was ongoing. The Committee was advised that collaboration continued with counter fraud colleagues to share learning and address any concerns arising from PPV findings.

The Committee **NOTED** the mid-year update on Post-Payment Verification activity.

ARAC 1216/17

Committee Risk & Assurance Report

Lucy Windsor (LW), Head of Corporate Risk and Assurance, presented the Committee Risk & Assurance Report.

It was reported that the report continued to reflect the current strategic risk position and provided assurance regarding the governance arrangements in place.

The Committee was advised that, following recent announcements, a review of strategic risk assessments would be undertaken after the Christmas period. This review would ensure that risk controls and mitigating actions remained appropriate and effective and would involve engagement with Executive leads to validate risk scoring and confirm that controls were operating as intended.

The Committee **NOTED** the Committee Risk & Assurance Report and confirmed that no changes had been made since the previous submission.

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ITEMS FOR INFORMATION



ARAC 1216/18	<p>Internal Audit Briefs</p> <p>The Committee received, for information, internal audit briefs relating to audits due to commence. These covered the following areas:</p> <ul style="list-style-type: none"> • Capital Projects: Service Readiness – assessing readiness for service commencement and the adequacy of governance arrangements for major capital projects. • CAMHS Directorate Review - reviewing governance, risk management, and operational controls within the Child and Adolescent Mental Health Services Directorate. • Occupational Health – examining compliance, governance, and the effectiveness of occupational health arrangements across the Health Board. <p>The Committee NOTED the internal audit briefs.</p>
ARAC 1216/19	<p>Committee Programme of Business 2025/26</p> <p>The Committee NOTED the Programme of Business for 2025/26 for information.</p>
Other Matters	
ARAC 1216/20	<p>Items to be Brought to the Attention of the Board and Other Committees</p> <ul style="list-style-type: none"> • Business Continuity Plan Audit Report - to be presented to the Partnerships, Population Health and Planning Committee (PPHPC) to consider assurance on testing of business continuity plans across the organisation. • Cyber Security Audit Report - to be presented the Partnerships, Population Health and Planning Committee (PPHPC) to consider the testing of the Cyber Incident Response Plan, as highlighted in the audit findings. • Audit Wales 2026-27 Audit Fees Consultation – to be presented at the Finance and Performance Committee.
ARAC 1216/21	<p>Any Other Urgent Business</p> <ul style="list-style-type: none"> • Nothing reported.
ARAC 1216/22	<p>Date of the next meeting:</p> <ul style="list-style-type: none"> • Monday 22nd January 2026 11:30-12:30 (Extraordinary) • Thursday 12th February 09:30 – 12:00

