



# DIGITAL HEALTH AND CARE WALES AUDIT AND ASSURANCE COMMITTEE EFFECTIVENESS SELF ASSESSMENT REPORT

Agenda Item	2.7
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Name of Meeting	Audit and Assurance Committee
Date of Meeting	21 January 2025

Public or Private	Public
IF PRIVATE: please indicate reason	N/A

Executive Sponsor	Chris Darling, Director of Corporate Affairs   Board Secretary
Prepared By	Laura Tolley, Head of Corporate Governance   Deputy Board Secretary
Presented By	Laura Tolley, Head of Corporate Governance   Deputy Board Secretary

Purpose of the Report	For Assurance
Recommendation	The Committee is being asked to <b>RECEIVE</b> the content of the report and its findings for <b>ASSURANCE</b> .

WC:  
APP:  
TOTAL:

# 1 IMPACT ASSESSMENT

<b>STRATEGIC MISSION</b>	All missions apply
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<b>CORPORATE RISK</b> (ref if appropriate)	ALL
<b>QUALITY IMPACT ASSESSMENT</b> (ref if appropriate)	N/A

<b><u>WELL-BEING OF FUTURE GENERATIONS ACT</u></b>	A Healthier Wales
If more than one standard applies, please list below:	

<b><u>DHCW QUALITY STANDARDS</u></b>	N/A
If more than one standard applies, please list below:	

<b><u>DUTY OF QUALITY ENABLER</u></b>	N/A
<b><u>DOMAIN OF QUALITY</u></b>	N/A
If more than one enabler / domain applies, please list below:	

<b><u>EQUALITY IMPACT ASSESSMENT STATEMENT</u></b>	Date of submission: N/A
No, (detail included below as to reasoning)	Outcome: N/A
Statement: N/A	

<b>IMPACT ASSESSMENT</b>	
<b>QUALITY AND SAFETY IMPLICATIONS/IMPACT</b>	No, there are no specific quality and safety implications related to the activity outlined in this report.
<b>LEGAL IMPLICATIONS/IMPACT</b>	No, there are no specific legal implications related to the activity outlined in this report.
<b>FINANCIAL IMPLICATION/IMPACT</b>	No, there are no specific financial implications related to the activity outlined in this report
<b>WORKFORCE IMPLICATION/IMPACT</b>	No, there is no direct impact on resources as a result of the activity outlined in this report.

<b>SOCIO ECONOMIC IMPLICATION/IMPACT</b>	No, there are no specific socio-economic implications related to the activity outlined in this report.
<b>RESEARCH AND INNOVATION IMPLICATION/IMPACT</b>	No, there are no specific research and innovation implications relating to the activity outlined within this report.

## 2 APPROVAL / SCRUTINY ROUTE

Person / Committee / Group who have received or considered this paper prior to this meeting		
PERSON, COMMITTEE OR GROUP	DATE	OUTCOME
Laura Tolley, Head of Corporate Governance   Deputy Board Secretary	January 2025	Reviewed
Chris Darling, Director of Corporate Affairs   Board Secretary	January 2025	Approved

Acronyms			
DHCW	Digital Health and Care Wales	SHA	Special Health Authority
A&A	Audit and Assurance Committee	SOs	Standing Orders
PSIAS	Public Sector Internal Audit Standards		

## 3 SITUATION / BACKGROUND

3.1	The Chair of the Audit and Assurance Committee is required to present an annual report outlining the business of the Committee throughout the financial year to the DHCW SHA Board. The report is designed to provide assurance on the monitoring and scrutiny on behalf of the DHCW Board in relation to their remit. As part of this process the Committee are required to undertake an annual effectiveness self-assessment questionnaire.
3.2	Members of the Committee are asked to discuss and review the Committee effectiveness self-assessment questionnaire relating to the activities and performance of the Committee on behalf of the Board during 2024/25.
3.3	Members should note eleven responses were received. The report does not include comments in order to ensure anonymity.

## 4 SPECIFIC MATTERS FOR CONSIDERATION BY THIS MEETING (ASSESSMENT)

### 4.1 Summary report

The report is split into three areas:

- Positive assurance
- Areas requiring further assurance
- Areas requiring further action

Positive Assurance	Area: Composition, Establishment and Duties
	<p>Members were aware that:</p> <ul style="list-style-type: none"> <li>• There were approved <b>Terms of Reference</b> and there was an expectation they would be reviewed before March 2024 and would consider changes or developments throughout the year.</li> <li>• The Committee will prepare an <b>annual report</b> on its work and performance for 2024/25 to the SHA Board.</li> <li>• The Committee have established an <b>annual cycle of business</b> to be dealt with across the year.</li> </ul> <p>Members felt:</p> <ul style="list-style-type: none"> <li>• They have been <b>provided with sufficient authority</b> to perform its role effectively, however, one Member raised concern around organisational resource being sufficient to support embedding learning identified by the Committee. Executive Directors attend when specifically invited to present reports on areas for which they are accountable.</li> <li>• The Committee meet sufficiently <b>frequently to deal with planned matters</b> and there was sufficient time for questions and discussions. However, one member felt that meetings tend not to debate issues and reports as a matter of course, but comments, questions and issues of concern were openly raised by members.</li> <li>• The atmosphere is considered conducive to open and productive debate and behaviour is courteous and professional.</li> <li>• There was appropriate use of <b>private sessions of the Committee</b>, with it noted that the use of private sessions was more frequent than other NHS organisations but never inappropriately.</li> </ul>



	<p>Area: Internal Controls and Risk Management</p> <p>Finding:</p> <ul style="list-style-type: none"><li>• The Committee formally <b>considered how it integrates</b> with other Committees that are reviewing risk.</li><li>• The Committee <b>had reviewed the robustness and effectiveness of the content of the organisations internal assurance system.</b></li><li>• The Committee considered that the <b>reports received were timely and high quality to enhance discharge of its internal control and risk management responsibilities.</b></li></ul>
	<p>Area: Audit</p> <p>Finding</p> <ul style="list-style-type: none"><li>• The Committee have <b>received and approved the Internal Audit plan for 2024/25</b> and would approve any material changes as they occurred.</li><li>• The Committee felt <b>the Internal Audit plan was derived from clear processes based on risk assessment</b> and linked to the systems of assurance and receive regular updates on the progress of the audit work.</li><li>• The Committee <b>received progress reports</b> from the Head of Internal Audit at each meeting.</li><li>• The members noted there were no investigations into management refusal to accept audit recommendations, but should they occur, the Committee would investigate.</li><li>• All Committee members felt there was <b>effective monitoring of the implementation of management actions, with a focus given to any actions overdue.</b></li><li>• The Head of Internal Audit <b>provides reports directly</b> to the Committee and its Chair, including the Head of Internal Audit's Annual Report and Opinion as part of the cycle of business.</li><li>• The Committee <b>reviews the effectiveness of Internal Audit and the adequacy of staffing and resources within Internal Audit.</b></li><li>• The Committee <b>evaluated whether Internal Audit complies with the Public Sector Internal Audit Standards</b> which is done as part of the Head of Internal Audit Opinion and Annual Report. One member was unaware if this had been completed.</li><li>• The Committee agreed a <b>range of Internal Audit performance measures, the internal Audit Performance measures are included in the Internal Audit Charter.</b></li></ul>



	<p>Area: Audit continued</p> <ul style="list-style-type: none"><li>• Members were aware the Committee will receive the <b>Head of Internal Audit's Annual Report and Opinion</b> within the annual reporting cycle.</li><li>• Members were aware of the Auditor General's representatives (Audit Wales) audit plan and strategy for DHCW.</li><li>• Members were clear the Committee <b>receive and monitor actions taken in respect of prior years' reviews</b>.</li><li>• Members were aware the <b>Committee assesses the quality and effectiveness</b> of External Audit work.</li><li>• Most Members were aware of the <b>nature and value of non-statutory work commissions</b> by DHCW from the Auditor General.</li></ul>
	<p>Area: Counter Fraud</p> <p>Findings:</p> <ul style="list-style-type: none"><li>• The Committee were <b>aware the annual counter fraud plan</b> was reviewed and approved and were satisfied that the Work Plan adequately covers the areas within the NHS Counter Fraud Policy.</li><li>• Members were all <b>aware that any material changes to the planned counter fraud work plan</b> would be reviewed and approved by the Committee.</li><li>• All but one of the members were aware the Counter Fraud Plans were derived from clear processes based on risk assessment.</li><li>• All were aware <b>the Committee received regular reporting</b> and should any management actions arise, the Committee would monitor their implementation.</li><li>• Most of the Committee members were aware of the effectiveness of the Local Counter Fraud services and the adequacy of its staffing is reviewed.</li><li>• Members agreed the Local Counter Fraud Specialist had opportunity for direct access to the Committee and its Chair.</li><li>• Most of the Committee members were aware the effectiveness of the Local Counter Fraud Service and the adequacy of its staffing is reviewed.</li><li>• The Committee expected to <b>review the Local Counter Fraud Specialist's Annual Report</b> and Qualitative assessment.</li><li>• All Members were aware the <b>Committee receive and discuss reports arising to quality inspections</b> by the NHS Counter Fraud Authority.</li></ul>

	<p>Area: Compliance with Legislation and Regulations Governing NHS Wales</p> <p>Findings:</p> <ul style="list-style-type: none"> <li>• All Members were aware <b>the Committee review assurance and regulatory/legislative compliance reporting</b>, processes.</li> <li>• All Members were aware the Committee have a mechanism to ensure awareness of topical, legal and regulatory issues.</li> </ul>
	<p>Area: Committee Leadership and Support</p> <ul style="list-style-type: none"> <li>• All Members were unified that meetings are <b>chaired effectively, with clarity of purpose and outcome</b>.</li> <li>• <b>Members agreed</b> that each agenda item is 'closed off' appropriately so it was clear what <b>the conclusion</b> is.</li> <li>• Members felt the Committee Chair <b>provided clear and concise information to the Board on the activities</b> of the Committee.</li> <li>• All Members felt the committee was <b>adequately supported by Executive Directors in terms of attendance, quality and length of papers</b>. One Member noted that attendance had much improved this financial year in terms of Executive Directors with wider officers attending only for their specific items.</li> <li>• <b>Members agreed</b> that reports had improved in terms of quality and length.</li> <li>• All Members agreed the Committee <b>was adequately supported by the meeting secretariat</b>, with the Chair being comprehensively briefed and the papers all published in line with DHCW standing orders.</li> <li>• Whilst most Members considered they did not require any further training to fulfill their roles in the Committee, where answers had been selected as 'do not know' the Corporate Governance team will work with Members on enhancing knowledge and understanding in these areas.</li> </ul>
	<p>Area: General Feedback</p> <ul style="list-style-type: none"> <li>• Members provided positive comments outlining the <b>effectiveness of the committee</b> in the last year.</li> <li>• The Committee <b>had strengthened</b> its areas of focus, using the Board Assurance Framework to help shape agenda items and introduced the addition of 'Deep Dives' where appropriate.</li> <li>• The Committee was <b>well chaired</b>, with good challenge from members.</li> </ul>
Appendices	<p><a href="#">Audit and Assurance Effectiveness Self-Assessment Survey</a></p>

## 5 KEY RISKS / MATTERS FOR ESCALATION TO BOARD / COMMITTEE

- 5.1 The outcome of the Audit and Assurance Committee Effectiveness Survey will input to the Committee Annual Report to the SHA Board to include addressing areas where further improvements can be made to the operating of the Committee.

## 6 RECOMMENDATION

Recommendation	The Committee is being asked to
RECEIVE the content of the report and its findings for <b>ASSURANCE</b> .	