Audit and Assurance Committee – PUBLIC CONFIRMED

MINUTES, DECISIONS & ACTIONS TO BE TAKEN

09:30 – 12:25 | 07/10/2025 | MS Teams

Chair	Marian Wyn Jones

Present (Members)		Title	Organisation
Marian Wyn Jones (Chair)	MW-J	Independent Member, Chair	DHCW
Alistair Klaas Neill	AKN	Independent Member, Vice Chair of Audit and Assurance Committee	DHCW
Marilyn Bryan Jones	MB-J	Independent Member	DHCW
Attendees			
Julie Ash	JA	Head of Estates & Compliance	DHCW
Henry Bales	HB	Lead Local Counter Fraud Specialist	Cardiff and Vale
Sarah Brooks (for item 4.2ii)	SB	Head of Culture & People Strategy	DHCW
Stephen Chaney	StC	Head of Internal Audit	NWSSP Internal Audit
Nathan Couch	NC	Performance Audit Lead	Audit Wales
Mark Cox	MC	Associate Director of Finance	DHCW
Chris Darling	CD	Director of Corporate Affairs | Board Secretary	DHCW
Andrew Doughton	AD	Performance Audit Manager	Audit Wales

Paul Evans	PE	Head of Quality & Regulatory Compliance	DHCW
Julie Francis	JD	Head of Commercial Services	DHCW
Darren Lloyd (for item 4.2i)	DL	Associate Director of Information Governance & Patient Safety	DHCW
Carwyn Lloyd Jones (for item 5.7)	CLJ	Cloud Officer	DHCW
Isis Hreczuk-Hirst	IHH	Head of Organisational Performance	DHCW
Chris Moreton	CM	Deputy Director of Finance and Business Assurance	DHCW
Claire Osmundsen-Little	CO-L	Executive Director of Finance	DHCW
Julie Robinson	JR	Corporate Governance Co-Ordinator	DHCW
Marcus Sandberg (for item 4.2i)	MS	Information Governance Assurance Manager	DHCW
Laura Tolley	LT	Head of Corporate Governance | Deputy Board Secretary	DHCW
Mike Whiteley	MW	Audit Lead	Audit Wales

Apologies			
Ruth Glazzard	RG	Interim Chair	DHCW

Acronyms			
DHCW	Digital Health and Care Wales	A&A	Audit and Assurance
SHA	Special Health Authority	DPIF	Digital Priorities Investment Fund
BAF	Board Assurance Framework	NWSSP	NHS Wales Shared Services Partnership

DSPP	Digital Services for Patients and Public	PSPP	Public Sector Payment Performance
DDaT	Digital, Data and Technology		

Item No	Item	Outcome	Action
1	PRELIMINARY MATTERS		
1.1	**Welcome and Introductions** The Chair, Marian Wyn Jones, welcomed everyone to the Audit and Assurance Committee. A special welcome was given to those attending for specific agenda items. The meeting was held via Microsoft Teams and attendees were reminded that the meeting was being recorded and would be posted on DHCW's website following the meeting.	Noted	None to note
1.2	**Apologies for Absence** • Ruth Glazzard, Interim Chair	Noted	None to note
1.3	**Declarations of Interest** There were no Declarations of Interest to note.	Noted	None to note
2	CONSENT AGENDA – FOR APPROVAL		
2.1	Unconfirmed minutes of the 08 July 2025 meeting – Public and Private Abridged. The Committee meeting can be watched in full below or by following the link in the title. 	Approved	None to note

	The Committee **resolved** to: **APPROVE** the minutes as a true record of discussion which would be made publicly available.		
2.2	**NHS Wales Shared Services Partnership Committee Assurance Report** The Committee **resolved** to: **NOTE** the NHS Wales Shared Services Partnership Committee Assurance Report.	Noted	None to note
2.3	**Forward Work Plan** The Committee **resolved** to: **NOTE** the contents of the Committee Forward Work Plan.	Noted	None to note
2.4	**Standards of Behaviour Report** The Committee **resolved** to: **NOTE** the Standards of Behaviour Report.	Noted	None to note
2.5	**Estates, Decarbonisation and Compliance Report** The Committee **resolved** to: **NOTE** the Estates, Decarbonisation and Compliance Report	Noted	None to note
2.6	**Quality and Regulatory Compliance Update Report** The Committee **resolved** to: **NOTE** the Quality and Regulatory Compliance Update Report.	Noted	None to note
2.7	**Legislative Assurance Register** The Committee **resolved** to: **NOTE** the Legislative Assurance Register	Noted	None to note
2.8	**Quality Framework** The Committee **resolved** to: **APPROVE** the Quality Framework	Approved	None to note
2.9	**Raising Concerns** The Committee **resolved** to: **NOTE** the Raising Concerns Report	Noted	None to note
2.10	**Consultation and Document Approval Report** • POD-POL-17 Equality Diversity & Inclusion	Approved	None to note

	• DHCW-POL-19 Policy on Policies, Strategies and Frameworks • CLS-POL-1 DHCW Joiners, Movers and Leaver's ICT Policy The Committee **resolved** to: **APPROVE** the three policies		
PART 3 – MEETING BUSINESS			
3.1	**Action Log** The Committee noted there were two actions captured from the last meeting which were both complete and documented in the Action Log. The Committee **resolved** to: **NOTE** the status of the Action Log.	Noted	None to note
PART 4	AUDIT AND COUNTER FRAUD		
4.1	**Internal Audit Progress Report** Stephen Chaney, Deputy Head of Internal Audit (StC), NHS Wales Shared Services Partnership presented the Internal Audit Progress Report. The Committee noted the progress to date with two reviews being presented. • Multiple audits were underway, with the aim to complete as many as possible by quarter 4. Currently, three reports have been finalised, another is nearing the draft report stages and will be completed shortly. • Several audits had moved from the planning stage to fieldwork. • There was good engagement from stakeholders, and audits were being closed efficiently with no significant problems raised. • The aim was to enter quarter 4 with only a small number of audits left to complete which should help ease workload. The Committee **resolved** to: **NOTE** the Internal Audit update for **ASSURANCE**.	For Assurance	None to note
4.2	**Internal Audit Review Report** StC, provided a high-level overview of the two audit reviews:	For Assurance	

Information Governance Framework

The review received a *Substantial* Assurance rating, confirming a robust structure aligned with legal, regulatory and industry standards.

- There is effective oversight, resources and clearly defined roles are in place.
- Policies, procedures and training programmes consistently exceed compliance targets.
- Monitoring mechanisms (incident reporting, regular reviews) ensure ongoing adherence to requirements.
- The Welsh IG Toolkit was completed annually, informing action plans and continuous improvement.

Darren Lloyd, Associate Associate Director of Information Governance & Patient Safety (DL) welcomed the positive outcome of the review, noting DHCW's statutory compliance and leadership in IG across NHS Wales. The IG team is responsible for both internal compliance and Toolkit management for other statutory organisations. There were, however, two areas for improvement recognised and recorded via two medium-priority findings:-

- There was a lack of SMART objectives or targets in the IG Strategy.
- There was scope to improve the IG Toolkit process and set implementation timelines.

The Committee discussed the two key risks and their impact on DHCW making progress and having continued improvement in this space. DL confirmed that these areas were being tracked and monitored through the Digital Governance and Safety Committee and were acknowledged as long-standing risks. There was a recent Deep Dive into the risks which looked at the timeline for mitigation actions. Additionally, it was noted that both risks were not the sole responsibility of DHCW and were also reliant on stakeholders and Welsh Government.

The Committee agreed to track all audit recommendations, schedule deep dives on keys areas and review progress at future meetings.

Staff Culture / Wellbeing (advisory)

SC provided a high level overview of the audit, advising that it was an advisory review, not an assurance piece

	and therefore an assurance rating was not provided. However, this allowed for broader exploration and more detailed recommendations to add value to the organisation. The recommendations were categorised by priority using a RAG rating system. Sarah Brooks Head of Culture and People Strategy, welcomed the findings and observations on the organisation's staff, culture and wellbeing approach which emphasised the value of moving from reactive to proactive, evidence-based well-being strategies. A 'culture road map' had been developed, outlining actions for the next 12 months. The plan was currently being communicated within the organisation. SB continued that since the audit, a compassionate culture pulse survey had been conducted and the results were being analysed. Claire Osmundsen-Little, Executive Director of Finance (CO-L) requested support in understanding and embedding proactive measures into business reviews and raised concerns about confidentiality and stress management. Laura Tolley, Head of Corporate Governance/Deputy Board Secretary (LT) confirmed that the report recommendations will be included on the DHCW audit action log due to the importance of the work and the committee will have oversight of progress, with deep dives on selected areas for further assurance. SC offered to provide further information on proactive measures and highlighted the opportunity for shared learning across organisations. Additionally, it was stressed the importance of making support tools easily accessible to staff. ACTION: 20251007-A01 An action plan with clear timelines to be brought back to the January Committee. The Committee resolved to: RECEIVE the two audit reviews for ASSURANCE.		ACTION: 20251007-A01
4.3	Audit Wales Committee Update Nathan Couch, Audit Wales (NC) presented the Audit Wales update and provided the following highlights: • The audit of the 2024/25 financial statements had been completed. • Planning for the 2025/26 financial statements	For Assurance	

	audit will begin early next year. • A review of Digital Transformation at DHCW was underway, with the report planned for presentation at the January Committee. • The second phase of the digital transformation review, will now be expanded to examine national arrangements as part of a broader national value for money work programme. The change leaves a gap in DHCW's audit pan, which will be filled by a new local review examining DHCW's arrangements to support delivery of the 2025/26 Remit letter. • A deep dive review on estates remains in the scoping stage. Andrew Doughton, Audit Wales (AD) informed the Committee that the central team responsible for the National Fraud Initiative had provided an update too late to be included in the Committee's papers. As a result, the update paper will be circulated to Committee members outside of the formal meeting. ACTION: 20251007 – A02 the updated paper on NFI to be circulated outside of the Committee. Structured Assessment Andrew Doughton gave a brief overview of the Structured Assessment outlining its purpose and what was reviewed. The reporting style had changed and the aim was to be shorter, sharper and crisper in reporting style and reduce technical language. Nathan Couch, Audit Performance Lead, Audit Wales, presented the Structured Assessment with the following highlights:- Board and Committee Effectiveness • DHCW operates openly and transparently with clear governance arrangements reviewed annually. Assurance Systems • DHCW has strong strategic and corporate risk management, and improvement performance management. Strategy and Planning • DHCW has a clear long-term strategy and medium-term plan, but needs better assurance on delivery outcomes and impact.		ACTION: 20251007-A02

	Financial Management • DHCW manages finances well, meeting financial targets for 2024/25 and forecasting break-even for 2025/26. The Committee welcomed the positive findings and clarity of recommendations with assurance provided that an action plan for positive practice areas was being developed and would be brought back to the next Committee. The Committee **resolved** to: **RECEIVE** the Audit Wales Update for **ASSURANCE,** and **NOTE** the Structured Assessment.		
4.4	**Audit Action Tracker** Laura Tolley, (LT) Head of Corporate Governance presented the Audit Action Tracker. The Audit Action Log contained a total of 27 open actions following the receipt of three reviews at the last Committee meeting. It was noted seven of these were considered complete and 20 were on target for completion. Four of these actions were private actions and a report paper outlining the position would be discussed in the private meeting. There will be a number of new actions added to the tracker for the next quarter. The Committee **resolved** to: **NOTE** the status of the Audit Action Tracker	Noted	None to note
4.5	**Local Counter Fraud Update Report** The Committee received the Local Counter Fraud Update Report for Quarter 2. Henry Bales, Head of Counter Fraud, highlighted the work undertaken during the period: • There was continued high engagement within the organisation regarding fraud awareness and completion of E-learning modules. • A new newsletter was available on SharePoint (replacing the June edition) • Increased vigilance was advised, due to a rise in CEO impersonation fraud, which targets staff via email and WhatsApp. • An upcoming meeting was scheduled to discuss	Noted	None to note

	the approach to NFI and provide updates. • Seven referrals had been received. One investigation was closed, with no fraud identified and another was ongoing. One investigation was being handed by the Counter Fraud Service Wales. • No significant salary overpayments (over £5,000) were identified in this period. The Committee **resolved** to: **NOTE** the Counter Fraud Progress Report		
PART 5	GOVERNANCE REPORTS		
5.1	**DHCW Escalation Approach** Chris Darling, Director of Corporate Affairs / Board Secretary provided an update to the DHCW Escalation Approach. CD provided a detailed outline of work undertaken since the last meeting highlighting a number of areas: • Welsh Government had provided a co-produced escalation framework in mid-April, outlining the expectations for both DHCW and the government. This framework established monthly performance management meetings (IQPD) and joint executive team meetings to monitor progress. • The framework specified roles and responsibilities, including appointing a specialist digital advisor and an SRO (Senior Responsible Owner) and emphasised the use of new national governance arrangements for data, digital and technology. • DHCW developed an enhanced monitoring improvement plan, with milestones for several digital programmes. The plan also included de-escalation criteria and actions based on stakeholder engagement and independent survey results. • Regular meetings and updates with Welsh Government ensure continued oversight and progress tracking against the improvement plan. The Committee discussed how DHCW could develop	For Noting	None to note

	beyond the end of escalation. CD agreed that collaboration should be the foundation for future work and there was a need for deeper organisational development (OD) with Welsh Government to better understand their pressures. Strengthening relationships would be beneficial. Discussions continued on the external expertise provided to Welsh Government and Board commissioned digital support. This support had brought additional technical insight and knowledge via constructive challenge which was welcomed. The Committee **resolved** to: **NOTE** the DHCW Escalation Approach.		
5.2	**DHCW Response to Welsh Government Requirements** Isis Hreczuk-Hirst, Head of Organisational Performance (IHH) presented slides on the DHCW response to Welsh Government Requirements:- • The organisation manages changing priorities through the year, responding to Welsh Government requests and supporting health and care services across Wales. • Multiple teams report on performance and accountability, sharing information both internally and with external oversight bodies. The organisation tracks all requirements to ensure timely responses to government and executive needs. The Committee were pleased to receive the information which brought all strands of work into one place, providing quick oversight. The Committee resolved to: **NOTE** the DHCW Response to Welsh Government Requirements for **ASSURANCE**.	For Assurance	None to note
5.3	**Digital, Data and Technology National Governance Update** CD provided a verbal update on Digital, Data and Technology National Governance providing the following highlights:- • Between June 2024 and October last year, Welsh Government commissioned a DDaT system governance review • Findings were published in December 2024,	Noted	None to note

	focusing on improving system-wide governance arrangements for digital. • The review confirmed a baseline position of governance across the systems. • The review resulted in 16 recommendations for Welsh Government to address and take forward. • One of the main recommendations was the establishment of the DDaT Governance Board: progress has been made, with the first meeting held in May and three subsequent meetings since. • The substructure for governance was being developed and consulted on, with hopes it would be available shortly and brough to the Committee once agreed. The Committee resolved to: NOTE the verbal update on Digital, Data and Technology National Governance for ASSURANCE.		
5.4	Finance & Procurement Update Claire Osmundsen-Little, Executive Director of Finance (COL) provided a brief summary of the finance update before inviting Mark Cox, Associate Director of Finance to present the highlights from slides:- • NHS Wales was significantly overspent at month 4 and with further challenges to reach a balanced position at the end of the year. DHCW was forecasting a balanced position for this year. • Over 90% of DHCW's savings target had been achieved, mainly through non-pay savings like operational efficiencies and licencing. The organisation was focused on long-term savings via cloud migration, integration hub work and bringing more services in-house. • Service Level Agreements (SLAs) were being reviewed for better transparency and alignment with current service models. • Financial controls were strong, with a mid-year review underway and ongoing efforts to secure additional capital funding. • There were risks around digital inflation and VAT recovery, but these were being actively		

managed.

- Planning for next year had commenced, with expectations of another short-term budgeting cycle and ongoing discussions with Welsh Government.

i. High Value Purchase Order and Cumulative Report

MC presented to the Committee the High Value Purchase Order and Cumulative Report for orders exceeding the threshold of £750k. The total for this period was £39.6m with £4.4m added since the last committee. The key orders were highlighted:

- Quarterly payments for service support and maintenance for GP surgeries (Optimum system).
- Orders related to the vaccine programme, particularly for text messaging and postage.
- Development work for the NHS app, focusing on prescription functionality, waiting list referrals, and hospital appointment features.
- Investment in the integration hub as part of the Kainos project, which is expected to deliver future cost savings by moving services from third-party suppliers to in-house provision.

ii. Procurement and Scheme of Delegation Compliance Report

Julie Francis, Head of Commercial Services (JF) provided the highlights from the Procurement and Scheme of Delegation Compliance Report.

- Two single tenders totaling £247,00 – these were for supporting internal services and professional accreditations.
- One contract extension outside of the original work package, valued at £13,418.
- No risks had been reported and all activity had been in accordance with procurement law and standing financial instructions.

iii. Losses and Special Payments

MC confirmed there were no losses or special payments to report.

The Committee **resolved** to:

NOTE for **ASSURANCE** the Finance & Procurement

	Update		
5.5	**Board Assurance Framework – Deep Dive- Duty of Quality** Paul Evans, Head of Quality Assurance and Regulatory Compliance presented a Deep Dive on the Duty of Quality as part of the Board Assurance Framework reporting and provided the following highlights: • DHCW operates under a statutory duty of quality, mandated by the Health and Social Care (Quality and Engagement) (Wales) Act 2020. This requires all NHS Wales organisations to continuously improve service quality. • Quality processes are integrated into routine operations, with strategic decisions evaluated through quality impact assessments. • The 2025 Annual Quality Report provides a comprehensive summary of quality-related activities across all Directorates, reflecting DHCW's commitment to excellence and alignment with international standards. • A new Quality Framework is being implemented, representing a strategic shift in how quality is managed. • Standing Operating Procedure (SOP) guides the creation of quality plans to ensure consistency and compliance. Each plan should map activities to relevant standards. • Risks include non-compliance, resource and capability gaps and the need for effective monitoring and executive support to embed and maintain quality plans. The Committee reviewed the associated risks and considered measures to ensure adequate engagement and executive support. From an Executive standpoint, quality was included as part of the Senior Leadership Team's agenda, with quality partners participating in the meetings. The organisation's quality standards vary, and independent auditors also assessed Executives in this area. Directorate reviews are conducted, and quality compliance will be incorporated. The aim is to shift from a compliance-focused approach to embedding quality as a fundamental aspect of	Noted	None to note

	everyday work. The Committee **resolved** to: **NOTE** the Deep Dive into Duty of Quality		
5.6	**Corporate Risk Register** Chris Darling, Director of Corporate Affairs/Board Secretary provided an update on the Corporate Risk Register: The Corporate Risk Register has 17 risks on the register, four risks were assigned to the Committee:- • **DHCW0207** – Document Management Strategy – the risk had been downgraded to a Directorate risk following positive feedback from the external auditor regarding ISO 9001 non-compliances, which have now been closed. The risk remains open until full completion, but the external auditor's involvement helped to close out the remaining issues. • **DHCW0346** – DDaT Governance Review Implementation. The risk will remain on the register until the new governance substructure is in place and there is confidence in clear roles and responsibilities across the national digital landscape. • **DHCW0331** – Fixed Term Resource Funding – a resourcing subgroup (Task & Finish) is addressing the risk, focusing on future skill requirements and capability needs over the next three years. The funding profile is currently for one year, with ongoing discussions with Welsh Government about future funding. • **DHCW0337** – Sustainable Digital Services and Development Funding Model – the finance team is progressing the next phase of service level agreement (SLA) recharging to ensure a sustainable funding base. No new risks had been added to the Corporate Risk Register and several risks have been de-escalated or removed following mitigation or closure (e.g. GP Systems, Care Director funding risk). **Annual Corporate Risk Trending Analysis** CD presented slides which reviewed the movement of risks on and off the corporate risk register from October 2024 to the end of August 2025. During the	Discussed	None to note

	10 month period:- • 14 risks were escalated onto the register. • 11 risks were removed or de-escalated. • The number of risks on the register at the start (October 2024) was 14, which is considered low compared to typical levels. • The risk register was described as 'fluid' with regular changes reflecting ongoing risk management. During the period two risks have remained on register for the entire period – Fixed Term Funding and Sustainable Digital Services and Development Funding Model. The Committee noted that all risks, and particularly persistent risks are reviewed by the relevant Committee to assess whether further action was needed. The Committee resolved to: DISCUSS the Corporate Risk Register and the Annual Corporate Risk Trending Analysis.		
5.7	Management of Physical Assets Carwyn Lloyd Jones, Chief Cloud Officer (CLJ) presented Management of Physical Assets report and provided the following highlights: • The current approach to asset management was outlined. Desktop Devices Team uses the WASP Asset Management product. Data Centre Team manages assets through spreadsheets. The organisation had now purchased WASP licences for the back-end, so both teams will soon use a common tool and method for asset management. Both teams already follow the same hardware disposal processes and comply with the annual financial stocks asset process. Additionally, both teams conduct twice yearly audits to verify the physical location of assets against records in the back-end systems. The Committee resolved to: NOTE the Management of Physical Assets Report Update.	Noted	None to note
5.8	Welsh Language Report LT presented the Welsh Language Report, which	Approved	None to note

	included the Mwy na Geiriau annual report which would be submitted to Welsh Government. A number of work streams were highlighted. • 52% of staff have at least Level 1 Welsh language skills • 98% of staff have completed the Welsh Language awareness course. • A best practice sharing web page has been created to support Welsh language use. • An internal "Back to School Learning Week" focused on using Welsh in meetings, with around 200 staff participating. • Events during "Shwmae" month include sessions for staff learning Welsh and for those with children in or considering Welsh-medium education. • The organisation has received a draft Welsh language standards compliance notice, detailed in section 5.2. • The draft was developed collaboratively with the Welsh Language Commissioner's Office and is now in a three-month consultation period. • An action plan will be developed and there is confidence in delivering most aspects of the compliance notice, thanks to the existing Welsh language scheme. The Committee **resolved** to: **APPROVE** the Mwy na Geiriau annual report for submission to Welsh Government and **NOTE** the draft Welsh Language Standards Compliance Notice		
PART 6	CLOSING MATTERS		
6.1	**Committee Highlight Report to Board** Chair will work with Corporate Governance. Culture and IG reports to be summarised to Board as well as key learnings:- • Issues identified in the advisory audit on Culture and Well-Being. • Positive recommendations from the Information Governance Audit and Structured Assessment. • Key learnings from a number of reports.	Discussed	None to note
6.2	**Any other Urgent Business**	Noted	None to note

	There was no other urgent business to note.		
6.3	**Date and Time of Next Meeting:** • 20 January 2026	Noted	None to note