



GIG
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Ymddiriedolaeth Brifysgol GIG
Gwasanaethau Ambiwylans Cymru
Welsh Ambulance Services
University NHS Trust

AUDIT, RISK AND ASSURANCE COMMITTEE ANNUAL REPORT 2024/25

INTRODUCTION

1. The Trust's Standing Orders and Committee Terms of Reference require that Board Committees evaluate their effectiveness annually and present an annual report to the Trust Board.
2. As the factors underpinning effective governance can change, for example as people leave, organisations restructure, or strategy shifts, regular reviews of Board Committees ensure governance remains fit for purpose.
3. Standing Orders, Committee terms of reference, and Codes of Governance provide that Boards should routinely assess the effectiveness of their governance arrangements, of which the Board's Committees form an integral part.
4. The committee met on 06 March 2025 and through a facilitated discussion reviewed its effectiveness, its terms of reference, and its operating arrangements. This Annual Report reflects on the effectiveness of the committee in 2024/25 and proposes changes to terms of reference.

PURPOSE OF THE COMMITTEE

5. The purpose of the committee is to advise and assure the Board and the Accountable Officer on whether effective arrangements are in place - through the design and operation of the Trust's system of assurance - to support them in their decision taking, and in discharging their accountabilities for securing the achievement of the Trust's objectives, in accordance with the standards of good governance determined for the NHS in Wales. Where appropriate, the Committee will advise the Board and the Accountable Officer on where, and how, its system of assurance may be strengthened and developed further.

MEMBERSHIP AND ATTENDANCE

6. The committee met six times in public and four times in private session as scheduled in 2024/25 and was quorate on each occasion. Pre-meets were held with the Chair and Auditors.
7. In 2024/25 the Committee was supported by the Chair and three Non-Executive Directors (NEDs) as members, and several prescribed attendees with good attendance. In year the NED composition of the committee changed, to reflect the changed composition of the Trust Board. Professor Kevin Davies and Joga Singh left the Trust Board and therefore the committee.
8. Following her appointment in late 2024 as a NED, Rhiannon Beaumont-Wood was appointed to the committee as a member effective 01 January 2025. As at year end of the committee membership is Peter Curran, Ceri Jackson and Rhiannon Beaumont-Wood.
9. The chart below illustrates attendance of members and prescribed attendees as listed in the terms of reference for 2024/25. Audit Wales and Internal Audit were in attendance and the committee welcomed non prescribed attendees at various meetings. The Chief Executive Officer attended three meetings in 2024/25.

COMMITTEE ATTENDANCE						
Name	30 April 2024	7 June 2024 ¹	10 July 2024 ²	12 Sep 2024 ³	21 Nov 2024 ⁴	6 Mar 2025
Peter Curran						
Kevin Davies						
Joga Singh						
Ceri Jackson						
Rhiannon Beaumont-Wood						
Chris Turley						Ed Roberts
Audit Wales	Fflur Jones ⁵	Fflur Jones	Yvonne Thomas	Fflur Jones ⁶	Fflur Jones	
Julie Boalch						
Judith Bryce					Jon Sweet	
Christian Fox						
Angie Lewis						
Carl Kneeshaw						
Osian Lloyd					From Item 7	
Trish Mills						
Liam Williams					J Turnbull-Ross	Wendy Herbert

¹ Jason Killens and Jonny Sammut joined this meeting

² Jason Killens and Rachel Marsh joined this meeting

³ Jason Killens and Rachel Marsh joined this meeting

⁴ Bethan Evans, Non-Executive Director joined this meeting to ensure quoracy as new NED membership is implemented

⁵ Darren Griffiths and Amy Lord also attended

⁶ Gareth Lucy also attended

COMMITTEE VIEWS ON EFFECTIVENESS

Feedback from membership

10. In previous years, members of the committee were asked to complete the extensive NAO Audit and Risk Assurance Committee Effectiveness Toolkit questionnaire. Recognising the need for a more engaging and efficient process, the committee adopted a new approach for the current effectiveness review, commencing in April 2024.
11. This year, a smaller subgroup of ARAC members met throughout the year to proactively address the 180 questions in the toolkit by identifying and addressing any gaps in advance. This preliminary work aims to streamline the effectiveness review by allowing the committee to focus on key areas of improvement and maintain continuous oversight of their responsibilities.
12. At its 06 March 2025 meeting the responses to that questionnaire were reviewed. Members agreed that the responses to the questions were appropriate and spent time reviewing the three areas below in more detail.

A. Does the length of the meetings – and the volume of papers – feel onerous, or does it feel pitched correctly for the business of ARAC?

Members agreed that the Chair is consistently recognised for enabling inclusive, respectful, and well-engaged discussions, allowing all members and attendees time to raise issues. Meetings are considered appropriately timed, supported by evidence from monitoring reports and annual reviews. There is also a strong focus on scrutiny, particularly around internal audit findings and follow-up on recommended actions.

B. On ARAC specific committee induction for new members, what would you like to see included?

Committee-specific induction for new ARAC members is recognised as a current priority. While NED and Trade Union members have already received general board induction and drop-in governance sessions, there is consensus on the need for a more tailored ARAC induction, and more widely for that to be offered on all committees. It was felt the ARAC induction should focus on:

- Governance and risk, reflecting ARAC's ongoing priorities.
- Insight into audit tracker outcomes and the risk transformation programme, as part of a culture of continuous improvement.
- Use of materials like the Audit Wales update reports, which offer useful NHS-specific horizon scanning and sector insights.

- Opportunities for learning through 1:1s with the Chair and the Executive Director of Finance, both qualified accountants, to deepen understanding of financial and governance matters.

C. Do we have the right mix of skills on ARAC?

Members felt overall that the right mix of skills was present on the committee. The board has a skills matrix for members, but not individual committees. However prescribed attendees who are not part of that skills mix are selected for their skills and experience including that of governance, risk and control. It was felt that more development on the three lines of defence model and how it applies in WAST would be welcomed.

13. Changes to operating arrangements as a result of the above and further discussions as part of this review include:
 - 13.1. Discussions ensued on the timing of internal audit reports coming to committees before ARAC, however it was agreed that this was appropriate given the frequency of meetings. The Corporate Governance Team will ensure that ARAC is aware of the discussion on these internal audit reports from the committee and vice versa when they come to ARAC first.
 - 13.2. Trending on risk scores will be added to the risk management report. ARAC continues its oversight of the risk management transformation programme into 2025/26 and the introduction of risk appetite statements and the strategic BAF.
 - 13.3. The changes overall in committee arrangements (both for ARAC and other committees) would be tracked in ARAC bi-annually, rather than annually to ensure they are on track.
 - 13.4. The committee discussed the length of meetings, noting that while the current length is generally sufficient, it is important to ensure meetings do not become too long, which could impact the quality of discussion.
 - 13.5. A paper setting out a more focused understanding of where the three lines of defence sit within the organisation and their importance will be cycled in to the work programme
 - 13.6. The committee induction programme for ARAC and other committees will be rolled out as new members join.

- 13.7. Members were encouraged to use Ibabs pre-committee to add comments/feedback.

Management of the committee's work programme

14. The Committee has a cycle of business that is aligned to its terms of reference. All matters scheduled for oversight and review have been brought to the Committee and in this respect, it has discharged its responsibilities in providing assurance to the Board aligned to its terms of reference
15. The Committee's business in 2024/25 included the following, full details of which are in the Committee's AAA reports and minutes provided to the Board:
 - 15.1. In July 2024 the Committee **endorsed the 2023/24 Annual Accounts and the Annual Report and Duty of Quality Annual Report 2023/24** which were shortly after approved by the Board. The Audit Report (ISA 260) was also reviewed at that meeting as was the final Head of Internal Audit Annual Report and Opinion.
 - 15.2. The plan for development of the 2024/25 annual filings was received in March 2025 and endorsed.
 - 15.3. At each meeting other than in April, which is a meeting dedicated to the review of Committee effectiveness, members received an **update from Audit Wales and from Internal Audit** on their programmes of work and performance indicators (Internal Audit only).
 - 15.4. In April 2024 the committee received the **Audit Wales Annual Report** for the 2023/24 financial year. The report summarised the findings from the 2023 audit activity which included the audit of the 2022/23 annual report and accounts, the 2023 Structured Assessment, the national workforce review and the Trust's workforce planning arrangements. The 2024 Audit Wales Audit Plan was received in April as well.
 - 15.5. At its meeting in March the committee received the **Annual Audit Wales Report for 2024/25**, which summarised all of the pieces of work completed during the year, including the accounts audit, the Cost Savings Arrangement report, the Quality Governance Follow Up Review, and the 2024 Structured Assessment.
 - 15.6. The following **Internal Audit Reports** were presented by Internal Auditors and discussed by this committee. They were also reviewed by the committees with specific remits over the subject area. The list below

includes a mix of 2023/24 and 2024/25 Internal Audits, as the 2023/24 internal audit programme reporting was completed in year:

- Risk Management and Assurance
- Seatbelt Action Plan
- ICT Contract Management
- Volunteers Governance
- Disciplinary Case Management: Compassionate Practices
- Follow Up Action Tracker Review
- Clinical Audit
- Resourcing Policy
- Integrated Quality and Performance Management Framework
- Overtime Controls
- Data Quality
- Vehicle Accident Management
- Exposure to Fumes
- Patient Experience and Community Involvement
- Rollout of Pentrox
- 111 Digital Operations
- Energy Management

15.7. The **2025/26 Internal Audit Plan was approved** by the committee in March 2025, as was the Internal Audit Charter and fee.

15.8. In November 2024 the Audit Wales Update presented the **WAST 2024 Structured Assessment**, along with the **Review of Cost Savings** audit report. Both of these reports were positive, and members received significant assurance from the opinions given. The committee commended the Trust on the positive nature of the reports

15.9. In March the committee received the **Audit Wales Follow Review of Quality Governance Arrangements**, completed in year. The management responses to the new recommendations were considered positive and comprehensive, and the approach to revised actions for the previously closed recommendations was commended.

15.10. Two areas of **non-compliance with the standing orders** were discussed and escalated to the Board in Spring 2025. The Committee was assured that both areas were being appropriately addressed in a timely way:

- The first related to the approval of the minutes from the 2023 Annual General Meeting (AGM). Standing Order 7.2.7 requires that "A record of the meeting shall be submitted to the next ordinary meeting of the

Board for agreement". It was identified in Autumn 2024 that this had not been the case for the 2023 AGM minutes (which were taken to the 2024 AGM for approval). This oversight was corrected for the 2024 AGM, and the minutes were approved by the board in November 2024.

- The second related to non-compliance with the standing orders in regard to a procurement contract award having been made without the required sign-off by the board, as the financial limit exceeded the Chief Executive's delegated financial limit. This matter was brought to the attention of the board via the request for Chair's Action in early 2025 and the mitigating actions for strengthening internal processes to ensure future compliance with standing orders were provided.

- 15.11. Amendments to **Standing Orders, Standing Financial Instructions and the Scheme of Reservation and Delegation** were reviewed and endorsed for the Board.
- 15.12. The committee has oversight of the **Trust's Policy work plan** and in year received updates on the progress against the work programme to clear the backlog of outdated policies. In November the committee heard that a re-evaluation of the policy priorities has been undertaken with the Executive Leadership Team and a revised work programme will be established or 2025/26. In March the committee heard that 46% of the policies identified as a priority for review were now within their review date; which was a significant improvement on the 14% reported in July 2023.
- 15.13. The committee approved the **All-Wales Procedure for Recovery of Overpayments** via Chair's Action.
- 15.14. In April 2024 the committee reviewed the **self-assessment against 2017 Governance Code** and noted that there were no areas where the Trust did not comply. The committee reviewed the self-assessment against the code and were assured that the Trust complies with all elements.
- 15.15. The committee terms of reference require it to receive assurance on the **arrangements for whistleblowing** at the Trust, and it received an update in September. Assurances were received by way of a report from the Chair of the People and Culture Committee on the Speaking up Safely arrangements at the Trust.
- 15.16. The committee's terms of reference require it to receive assurance on the **arrangements for near miss reporting** at the Trust. Assurances were

received in November by way of a report from the Chair of the Quality, Patient Experience and Safety Committee on the near miss arrangements which noted that it will committee will continue to monitor this maturing area by way of the Putting Things Right Report.

- 15.17. At each meeting of the committee a report against the organisational **Audit Tracker** was received – Tracker 2.0. The committee received updates regarding development of Tracker 3.0 and improved reporting, which will continue into 2025/26. Directors whose actions were on the third and final date have appeared at the committee to provide assurances on closure plans.
- 15.18. In March 2025 the committee received an update regarding the work on the **committee specific induction programme**.
- 15.19. In November an update was received regarding the **implementation of the Quality and Performance Management Framework (QPMF)**, with the related internal audit report. The committee agreed that it was sufficiently assured of the progress of implementation of the Framework to transfer oversight of continual effectiveness to the Finance and Performance Committee.
- 15.20. Other than in April, the **losses and special payments** report is received at each meeting of the Committee. Likewise, **the Local Counter Fraud** update report and **tender and single tender waiver** reports are taken in private session.
- 15.21. In March 2025 the committee received assurance from the Chair of the Quality, Experience and Patient Safety Committee that the **2025/26 Clinical Audit Plan** had been approved and was being monitored quarterly by that committee.
- 15.22. The **Register of Interests and the Register of Gifts and Hospitality** was received in April 2024. The committee noted the next stage for the development of the Trust's register which is for the cohort of decision-makers to be held centrally and published throughout 2024, which has now been completed.
- 15.23. A **risk management and Board Assurance Framework (BAF)** report was provided to each meeting. In year the committee received detailed reports and presentations on the development of the Risk Transformation Programme, in partnership with BDO. This work is considering the development of a strategic BAF, the development of a series of strategic risks, the development of risk appetite statements, and the options

available to reposition the Trust's highest scoring risks, risks 223 and 224. The final key area of this work is the implementation of a digital solution that is needed to underpin the enterprise risk and strategic risk management arrangements. The committee heard that in December and February 2025 the Board met with partners BDO to further this work.

- 15.24. In March the committee were introduced to the **Integrated Governance Programme**. The committee heard that the aim is to replicate good governance principles from the board and committee level, throughout the entire organisation, ensuring a flow of assurance from floor to board. The mapping of governance structures was received, and this serves as the 'single source of truth' for the Trust, and a baseline for the Quality and Performance Management Framework. The programme includes tiering principles setting out the rules of establishment and operating arrangements to streamline processes. The programme is a two to three-year initiative, with the next steps including the development of a handbook and further refinement of the governance structures.
- 15.25. In March the committee received the **Impact Assessment** Signpost document for information. This document will be linked to the new front covers to ensure decisions are made following the appropriate impact assessment process.
- 15.26. Member **reflections** after each meeting were as follows:
- In June, the committee reflected that despite capacity limitations, the future goals regarding scrutiny and assurance are optimistic and supported. They appreciated the pre-meetings with the Chair and auditors, as well as the display of quality improvement during the pre-meetings involving the committee Chair and Non-Executive Director;
 - In July, the committee reflected that the spirit of collaborative with which the Trust, Audit Wales, and Internal Audit work to on the end of year reports, providing additional confidence and assurance for all parties;
 - In April, the committee reflected that the reports were succinct and recognised the collective effort of all members of the teams that supported the chairs in their review of the effectiveness of their committees. The hybrid nature of the meeting was not as effective for those in the room given the configuration of the IT, however an action was agreed to review instructions for their use in all meeting rooms. The meeting was well chaired;
 - In September, the committee reflected that the partnership working between the Trust and Internal Audit and Audit Wales was

evident. They welcomed the maturing journey with respect to risk and the lens on all areas of audit, of risk and of assurance for this meeting in line with the Committee's name change;

- In November, the committee reflected that the hybrid meeting worked well again, with chat kept to a minimum which was appreciated. Directors attending for assurance on third revised dates and their candid comments was seen as positive, and a good discipline for the committee to receive assurance. Members felt the meeting focused on key areas and that papers and presentations were of good quality. Audit reports were positive; however, members recognise resource and capacity issues will continue to be challenging, particularly over the coming months.
- In February, the committee reflected that extensive ground had been covered during the meeting and the high quality of the reports was commended. There was robust and constructive challenge and support from internal and external audit colleagues, which aids the committee's effectiveness and provides the necessary assurances. The significant contributions and reports prepared from various colleagues were noted. Additionally, members felt that the hybrid format worked well.

15.27. The 2024/25 Committee **cycle of business** was approved.

15.28. In year, the Chair took a different approach to **committee effectiveness** and conducted quarterly discussions regarding committee effectiveness, in line with the structure of the National Audit Office Toolkit, rather than waiting under year end to hold the discussion. The output of these discussions of continual effectiveness reviews were consolidated and received at the March 2025 meeting. At the May 2025 meeting committee also reviewed the **annual reports and endorsed changes to terms of reference** for all Board Committee and Advisory Groups.

15.29. The **Committee's priorities for 2024/25** are reviewed at each meeting and a more detailed update appears later in this report. The Committee also reviews progress against its cycle of business at each meeting.

15.30. The Chair gave regular updates regarding the activity of **the All Wales Audit Committee Chairs Network**. At the September meeting the terms of reference for this group were received.

16. The Board received a highlight (AAA) report from this Committee by email circulation following each meeting which included alerts, advice, and areas of assurance. This AAA report included reporting at a high level of matters taken in private session.

17. The Committee is not serviced by any Sub-Committees or task and finish groups that this time.

PROPOSED CHANGES TO THE TERMS OF REFERENCE

18. The proposed changes to terms of reference for this committee for 2024/25 are marked up in **Annex 1** and include:

- 18.1. The purpose section has been amended to include a responsibility to take account of the Trust's wellbeing objectives.
- 18.2. The integrated governance programme has been incorporated into the terms of reference.
- 18.3. Removal of the need to approve the Annual Quality Report, which will be endorsed by the Quality, Patient Experience and Safety Committee ahead of approval by the board.
- 18.4. The ability for the committee to meet in private without management has been clarified.
- 18.5. Clarification on membership nomenclature
- 18.6. Emphasis on the need for three Non-Executive Directors over and above the quoracy requirements

COMMITTEE PRIORITIES

Priorities for 2024/25

19. The Committee received an update on progress against its priorities at each meeting. The 2023/24 priorities were:

Priority	Progress
Monitor the development of the Committee specific induction programme.	This priority has been delivered. A substantive update was received on this at the March 2025 meeting of the committee and the approach agreed. Additionally, a joint board and committee Chairs and Trade Union retrospective induction took place on 12 June and a committee

Priority	Progress
	member governance overview drop took place in August and September 2024.
Carry-over from 2023/24: Oversight of the development and implementation of the Quality & Performance Management Framework	This priority has been delivered. At the November 2024 meeting of the committee, it received a position update on the progress against the Quality and Performance Management Framework (QPMF), with the related internal audit report. The committee confirmed its assurance on the implementation of the QPMF and noted that oversight of the ongoing effectiveness of the Framework will be overseen by the Finance and Performance Committee (FPC)

Priorities for 2025/26

20. It is good practice for Committees to set priorities for the forthcoming year when they review their effectiveness. The committee will do so at its May 2025 meeting, and these will be provided to the board at its May meeting.
21. Progress on priorities will be reported to the Committee quarterly and to the Board through its highlight report.