

**Audit and Risk Assurance Committee**  
**18 September 2024**  
**Sport Wales National Centre, Cardiff**

**Members**

Karen Lewis	Chair
Barbara Harrington	Non-Executive member
Jack Evershed	Non-Executive member
Jason Smith	Non-Executive member
John Baker	Independent member
Anthony Pritchard	Independent member

**Attendees**

Alan Williams	Head of Finance
Alun Lloyd	Financial Governance Lead
Ben Eaton	Strategic Director of Organisational Strategy and Engagement
Helen Goddard	Audit Wales
Joanne Bolton	Strategic Director of Operations & Corporate Services
Katie Holliday	Director of Finance (Observer)
Paul Dalton	Head of Internal Audit
Richard Bevan	Interim Board Secretary
Kirsty Contreras-Stacey	Governance Officer (minute taker)

**Welcome and introductions, declarations of interest, apologies,**

- 1.1 The Chair welcomed everyone to the meeting. A warm welcome was extended to Katie Holliday, the new Director of Finance who was attending in an observer capacity, and introductions were made by all attending.

- 1.2 Apologies received and noted from Alyson Thomas and Andrea Calise.
- 1.3 No conflicts of interest declared.

### **Minutes and actions and decisions of the last meeting**

- 2.1 The minutes of the last committee meeting were agreed. It was agreed that the minutes would be reviewed to ensure that there was consistency in the descriptions used for committee members.
- 3.1 Actions and decisions of the last meeting were discussed and agreed.

**A24-09-01: Minutes** - Minutes to be reviewed by the Interim Board Secretary on naming conventions.

**Action: Richard Bevan**

### **Items for Discussion, Assurance and Information**

- 4.1 **Draft Assurance Framework** - The Interim Board Secretary confirmed that further governance development work was continuing to be undertaken to update governance systems, processes and documentation. It was explained that the draft framework had been developed to provide a mechanism through which the Board could be clear about the information and sources of assurance it would receive on implementation work against its agreed strategic objectives and the potential risk of non-delivery of the agreed strategic objectives. It was confirmed that the draft was being aligned to the new Objectives and Key Results System (OKR) and linked to Llais's overall Risk Management strategy, policy and arrangements and had been reviewed by Tîm Arwain.

The Strategic Director of Organisational Strategy and Engagement provided an overview of the OKR system and the types of reports that would be generated by the system. These would be further developed over the coming weeks and would provide information to the Board and committees in reports and dashboards to assist with reporting and assurance arrangements.

The committee welcomed and supported the direction of travel in the development of the assurance framework and the developing OKR. The committee reinforced the importance of having an assurance framework to clearly outline the roles and responsibilities, legal obligations and requirements of Llais. However, further information was requested on understanding how performance assessments were determined and what data and information contributed to the OKR assessments i.e. the percentage completion statements and the position with objectives and priorities and if they were on track or completed.

The committee agreed that the draft board assurance framework should be discussed further with the full Board and that additional information should be provided on the OKR system in relation to the ways in which the assessments were determined. It was agreed that the Interim Board Secretary and the Strategic Director of Organisational Strategy and Engagement would provide additional information and lead further discussion at the October 2024 Board Development Session.

**A24-09-02: Board Development discussion:** The interim Board Secretary and Strategic Director of Organisational Strategy and Engagement to lead a further discussion at the October Board Development session. **Action: Richard Bevan and Ben Eaton**

- 5.1 **Draft risk management strategy and policy approach** – The Interim Board Secretary presented a draft Risk Management Strategy, which had reviewed and updated the current strategy. The report provided a suggested transition over time from the current traditional system to a more strength based and positive

action orientated approach, which had previously been discussed and endorsed by the Board. The draft strategy had been discussed with Tîm Arwain and there had been support for the revised approach and the direction of travel. However, members of Tîm Arwain emphasised that their teams were currently embedding the existing model following the review and development work that had been undertaken over recent months. Therefore, it was requested that the transition took the time necessary to enable teams across Llais to orientate themselves regarding risk approaches and then gradually move to the new opportunities provided by the strength-based and positive action-based system.

The committee was supportive of the revised documentation and the proposed approach. The committee agreed to endorse the move to strength-based models over time. It was agreed that given the risk strategy and approach was closely linked to the work being undertaken on the Board assurance framework and the OKR system that the draft approach would also be included in the October Board development session, to update all Board members and provide the opportunity to also comment on the proposed arrangements.

**A24-09-03: Board development discussion:** The Interim Board Secretary to include the draft risk management strategy in the programme for the October Board development session. **Action:** **Richard Bevan**

- 5.2 The interim Board Secretary also highlighted that more conversations would be required with Audit colleagues and partners in the Welsh Government on adopting this new approach and the strength-based positive action system.
- 5.3 Therefore, it was proposed to hold a Risk Management workshop early in 2025 with the Board, staff, and external stakeholders to further discuss the approach and take forward plans for implementation over time.

**A24-09-04 – Risk Management Workshop** – A Risk Management workshop would be planned for early 2025 with the Board, staff, and external stakeholders. **Action: Richard Bevan**

## Corporate risk register and report

6.1 **Corporate risk management report** – The Interim Board Secretary presented the corporate risk register and provided an update on key changes. It was recognised that a few of the identified priority areas required further work.

It was noted that there was now a formalised executive team approach, and that the risk register would be part of a monthly formal review at Executive Team business meetings as well as the existing practice of regular review at Tîm Arwain. The executive team would also be holding a dedicated session to focus on the more detailed work of revising and updating the corporate risk register.

6.2 The Strategic Director of Organisational Strategy and Engagement confirmed that work was currently being undertaken to populate a risk dashboard through the OKR system for future reporting.

Committee members considered the corporate risk register and recognised that some further developments had taken place, but welcomed the planned fuller review to revise the approach and the content of the register as there was a risk that the register would be too static over time. The committee highlighted that it required additional assurance as to whether mitigations and actions were working and were having the desired impacts. Further information would also be required particularly about when risks were closed and the process for agreeing that they should be removed from the register.

The committee discussed the content of some of the new risks reported on the register and it was agreed that further information would be provided appropriately in relation to risks that entailed sensitive and confidential data.

**A24-09-05 – Corporate risk management report** – The Executive Team to undertake further development work and add additional reporting requirements, such as the deadline for closure and provide clarity on the processes for the removal of risks. **Action: Richard Bevan**

**A24-09-06: Additional information regarding new risks:** It was agreed that additional information would be provided as and when appropriate. **Action: Ben Eaton**

### **Internal Audit Services (IAS) update report**

7.1 **Internal Audit Services update report** - The Head of Internal Audit presented an updated report. It was confirmed that the current audits were in train and that the audit reports were planned to be presented to the December 2024 meeting of the committee.

**A24-09-07: Internal Audit Reports:** The Head of Internal Audit would submit completed audits to the December meeting of the committee. **Action: Paul Dalton**

### **Audit Wales (AW) update report**

8.1 **Audit Wales update report** – The committee noted the Audit Wales Update Report outlining the current position of the work being undertaken by Audit Wales. It was confirmed that regular meetings were taking place with Llais representatives on the audit work being completed on the draft annual report and accounts.

It was confirmed that the audit was on track for the presentation of the audited annual report and accounts to the committee at the end of November in readiness for consideration and endorsement by the Board. Arrangements would be made for a recommendation of approval to be submitted to a Board meeting in December.

It was confirmed that an additional Audit and Risk Assurance Committee would be scheduled for 9am on 27 November 2024.

**A24-09-08: Additional Committee Meeting:** An additional committee meeting would be organised for the morning of the 27 November 2024. **Action: Richard Bevan and Kirsty Contreras-Stacey**

## **Audit Recommendations Tracker**

9.1 **Audit recommendations tracker** – The Interim Board Secretary presented the audit tracker that had been developed by the Finance Manager. The tracker had been considered by Tîm Arwain and would be routinely monitored by the Executive Team on a monthly basis.

Good progress was noted against the agreed actions within the tracker, but many were behind initially assessed timelines/deadlines. It was noted that this was for a range of reasons. However, the committee asked that further information be provided in the tracker about any delays and justifications for not meeting original timelines.

The Interim Board Secretary agreed to develop a process to guide the further implementation and reporting of the tracker, and this would be considered by the Executive Team and reported to the committee in December.

**A24-09-09: Audit Recommendations Tracker Process:** A process to be developed to guide the completion and reporting of the tracker. **Action: Richard Bevan**

## Finance update report (month 5)

- 10.1 The Strategic Director of Operations and Corporate Services confirmed that at the end of August, a cumulative underspend of £194K was reported. This was due to staff vacancies and timing of non-pay expenditure. The contingency value was £94,556 at the end of August and the cumulative underspend was not expected to roll to year end, as an underspend of £1K is currently forecast at year end.
- 10.2 The Executive Team met on Tuesday 17 September to discuss/review the financial position. The aim was to review all regional and central expenditure lines and plan the 12-month forecast, incorporating the recent 5.5% pay award.

The Strategic Director of Operations and Corporate Services confirmed that under Agenda for Change the 5.5% pay uplift would be honoured. Llais was still awaiting confirmation from Welsh Government regarding the level of funding support that Llais would receive to cover the uplift. Active discussions with Welsh Government were ongoing.

There was discussion around the implications of not receiving the 5.5% uplift on the financial position for the organisation and its activities and what additional decisions might be required to cover any shortfall in funding.

## Digital, Cyber and IT arrangements and performance

- 11.1 The Strategic Director of Organisational Strategy and Engagement provided a presentation on digital, cyber and IT arrangements. It was confirmed that the Llais systems were secure, and the detailed assessment work undertaken in recent weeks had been helpful to identify areas for development and improvement. Clear actions were outlined for next steps to respond to the assessment. The committee thanked colleagues for the work undertaken and the confirmation of the 'next steps' development work that was to be undertaken in the coming



weeks. It was agreed that the committee would receive an update on progress at its next meeting.

**A24-09-10: Digital, Cyber and IT Update:** It was agreed that a further update would be provided at the December meeting of the committee. **Action: Ben Eaton**

## Regular Reports

12.1 The Committee received the regular reports on the following areas:

- Feedback concerns and complaints update – 2 complaints about Llais had been logged since April 2024 one in Cardiff and the other in the Cwm Taf Morgannwg area.
- Information requests update – It was confirmed that 7 Freedom of Information requests had been received from April 2024 to date.
- Data incidents and near misses - 3 data incidents were logged since April 2024, but were assessed as low risk.

A committee member asked for clarification on the number of FOIs and data incidents reported as they were the same figures as reported for the organisation in the draft annual report and accounts.

It was agreed that a lessons learnt log would be added to the overall report to outline the actions taken to respond to and resolve complaints and data incidents. It was agreed the figures would be checked.

**A24-09-11 – Lessons learnt** - A lessons learnt log would be developed to add to the report. **Action: Joanne Bolton.**

**A24-09-12 – Information Requests and Data Incidents**  
**Information:** It was agreed that the reported figures would be checked. **Action: Richard Bevan**

**Forward work programme 2024-2025**

13.1 The Interim Board Secretary presented the forward look and highlighted that further development work was required on the programme. This would be undertaken as part of the work of the Executive Team and aligned to the audit plans. An updated programme would be presented at December meeting of the committee.

**A24-09-13 – Forward Look Programme** – To be updated and presented to the December committee meeting. **Action:**  
**Richard Bevan**

**Date of next meetings**

**Additional meeting 27 November 2024 – 09:00am Online**  
**13 December 2024 – 13:00pm - In person meeting**