

## **Audit and Risk Assurance Committee Minutes 10 December 2025 Microsoft Teams and Llandrindod Wells**

### **Members**

Karen Lewis	Chair of the Committee
Jason Smith	Non-Executive member
Jack Evershed	Non-Executive member
Mair Gwynant	Non-Executive member
Anthony Pritchard	Independent member

### **Attendees**

Alyson Thomas	Chief Executive
Richard Bevan	Corporate Director of Governance and Board Secretary
Katie Holliday	Director of Finance
Paul Dalton	Head of Internal Audit
Andrea Calise	Audit Manager
Ben Eaton	Strategic Director of Organisational Strategy and Engagement
Karla Williams	Governance and Risk Manager (minute taker)
Joe Dall	Digital & IT Advisor (until item 6)
Keith Chung	Digital Infrastructure Manager (until item 4)
Helen Goddard	Audit Wales

### **Apologies**

David Williams	Audit Wales
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## **1.0 Welcome and introductions, declarations of interest, apologies**

- 1.1 The Chair opened the meeting and welcomed all members and attendees. A special welcome was extended to Mair Gwynant, Non-Executive Member, attending her first Audit and Risk Assurance Committee meeting.

- 1.2 The Committee noted the sad and sudden passing of John Baker, Independent Member. This meeting would have been his last, alongside Anthony Pritchard. A card of condolence has been sent to his family on behalf of the Committee and Board. The Chair expressed gratitude for both of their valuable contributions.
- 1.3 Apologies were noted, as above.
- 1.4 There were no additional declarations of interest received.

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

- 2.1 The committee reviewed the minutes of the previous meetings which were held on 10 September 2025 and 30 September 2025 and approved the minutes as accurate records of the proceedings.

## **3.0 Action and decisions of the last meeting**

- 3.1 The Corporate Director of Governance and Board Secretary provided an update on the status of open actions and decisions recorded in the committee's action log.
- 3.2 7 actions were assessed by the Executive Team as completed, with all changes highlighted in red for ease of reference.
- 3.3 All remaining actions were included on the agenda, and updates were provided within the agreed timescales. These actions would be marked as closed following the updates.
- 3.4 Members approved the completed actions and agreed that they should be moved to the completed section of the log.

## **4.0 Assurance update report on digital, cyber/ IT action plan**

- 4.1 The Digital and IT Advisor provided an update on cyber security, noting that phishing remained the main threat and that work toward Cyber Essentials Plus accreditation was progressing. A dedicated cyber security lead had been appointed, and this year's cyber health check had been completed. Cyber assurance

responsibilities had transferred from Centerprise to Llais, improving oversight and allowing quicker progress. The role did not currently justify a full-time post, though an extension to the current arrangement was being considered. It was confirmed that bringing cyber assurance in-house was both practical and cost-effective, as Centerprise had previously subcontracted this work.

- 4.2 Engagement with Purecyber was underway to secure Cyber Essentials Plus and IASME Level 2. Monthly phishing simulations continued, with improved staff compliance, and further Cyber Essentials training was planned for January 2026. Work was also ongoing to strengthen access controls. Of the 29 items identified in the July 2025 IT health check, 19 were complete, 7 were in progress and 3 remained on hold. Members requested the health check report and updated spreadsheet, which was agreed to be shared.
- 4.3 The Committee asked for clearer ongoing reporting on cyber assurance, and a routine update would be added to the work programme. Key next steps included completing Cyber Essentials by January 2026, developing an IT and digital strategy, and updating and testing the incident response plan. Llais currently had no specialist incident-recovery contract, and it was recommended that minimum external support be secured. An annual IT health check would also be implemented.
- 4.4 Members welcomed the progress made and asked about timelines and the planned cyber exercise. Interim incident-response arrangements were in place, supported by external providers, and planning for a cyber exercise was underway. Backup processes formed part of the plan, although full testing was still outstanding. Service providers would be required to hold Cyber Essentials Plus certification. Business continuity arrangements were confirmed as robust, with remote access to systems available.
- 4.5 Timelines had now been tightened, and a confirmed schedule would be provided at the next meeting. The Interim Strategic Lead's tenure had been extended to March 2026, and the Committee welcomed the progress and support provided.

**A25-12-01: Cyber, Digital and IT report** – Submit to the Committee the health check report alongside the new developed spreadsheet. **Action:** Joe Dall.

**A25-12-02: Assurance update report on digital, cyber/ IT** – Add a routine report to the work programme and provide an updated report to every meeting. **Action:** Joe Dall / Richard Bevan.

## 5.0 Information governance assurance update and next stage plans

- 5.1 The Corporate Director of Governance and Board Secretary presented an update on information governance, outlining current work and key actions planned over the coming months. It was explained that responsibility for this area had previously sat with the Strategic Director of Corporate Services and Operations, supported by specialist advice; however, following a review, several areas of work were found to require further completion work..
- 5.2 As a result, the Corporate Director of Governance assumed responsibility in October and initiated a structured programme to finalise the outstanding work. The Corporate Director of Governance had also been appointed as the Senior Information Risk Owner (SIRO), and the Corporate Director of Operations had agreed to act as Interim Data Protection Officer, with relevant training underway.
- 5.3 The Committee was assured that while the foundations of the information governance framework were established at organisational launch, the needs of Llais had evolved, requiring updates to ensure fitness for purpose. Recent review work had been prioritised through the Corporate Services Group, with representatives from across the organisation. An update paper summarised the current position of key framework components and outlined timelines for future review and implementation. Additional short-term external support had been secured until March 2026 to help address capacity pressures. The Chief Executive noted that specialist legal advice from Hugh James would continue to be available.

- 5.4 Members discussed the information asset register and the sequencing of priorities. It was confirmed that work was progressing in parallel, including updates to the Records of Processing Activities, further development of the information asset register, and revisions to the Records Management Framework. Concerns were raised about earlier specialist support that had not delivered outcomes; the Chief Executive confirmed that lessons had been learned and that reporting and oversight arrangements had since been strengthened.
- 5.5 The Corporate Director of Governance confirmed that all key policies were in place but required updates to reflect organisational changes, with revised versions due for approval in the coming months. Updates were also provided on the development of an AI policy, with a draft in progress and interim safeguards in place, including approved application lists and required consultation before using certain tools. Copilot had been introduced on an interim basis to ensure appropriate data management.
- 5.6 Further discussion covered compliance with data retention requirements and incident reporting. Work was ongoing through the Corporate Services Group to clarify responsibilities, and although increases in reported breaches were anticipated as awareness improved, routine reporting arrangements were in place. Members emphasised the need for improvements to extend beyond internal processes and suggested measures such as automated data deletion and enhanced exception reporting. These recommendations were welcomed and would be incorporated into future planning.

## **6.0 Board governance assurance framework**

- 6.1 The Corporate Director of Governance and Board Secretary reported that Llais' Standing Orders, last updated and approved by the Board in July 2024, were not due for formal review until 2026. However, an interim review had been undertaken with the Chief Executive to assess compliance. The organisation was found to be performing well and exceeded several requirements. Some wording updates were needed to reflect structural changes made

in the previous year, and one provision, allowing the Chair to meet with Non-Executive Members only had not been used, though it remained available. All other aspects of the Standing Orders were assessed as compliant.

- 6.2 Updates were also required to the Scheme of Delegation following the departure of the Strategic Director of Corporate Services and Operations and the subsequent senior management restructuring approved by the Board in September 2025. A revised version was developed by the Chief Executive and the Corporate Director of Governance and Board Secretary and had been supported by the Executive Team. The Director of Finance also presented updates to the Standing Financial Instructions as part of the wider governance framework, noting that several changes required the Committee's approval before being submitted to the Board.
- 6.3 A Non-Executive Member raised detailed procurement queries and agreed to meet with the Director of Finance in January 2026 to discuss these further, with outcomes to be fed back to the Executive Team and the Committee. The Chair suggested additional discussions take place outside the meeting. It was noted that any revisions would need to be finalised by 21 January 2026 ahead of the Board meeting on 28 January, and Members agreed that final approval could be confirmed via email following Executive Team engagement.

**A25-12-03: Scheme of Delegation** – A Non-Executive Member and the Director of Finance to meet to discuss the changes. An updated report would be considered by the Executive Team and agreed changes would be submitted to the Committee for endorsement prior to the Board meeting on 28 January 2026.

**Action:** Director of Finance/All.

## 7.0 Internal Audit Services progress report and finalised reports

- 7.1 The Head of Internal Audit provided a progress update, confirming that the audit programme included four planned audits. The risk management report had been delayed but a draft would be issued within the coming weeks. In response to questions, assurance was given that all audit work would be completed by year-end,

supported by improved programme management and coordination compared to the previous year.

- 7.2 The Audit Manager presented the external partnerships report, which provided reasonable overall assurance and identified three management actions (one high, two medium). Limited assurance was given regarding governance and oversight of external partnerships, particularly in relation to Service Level Agreements (SLAs) and escalation processes with key partners such as NHS Wales Shared Services Partnership and Centerprise.
- 7.3 A Non-Executive Member queried Llais' internal capacity to manage SLAs. The Chief Executive acknowledged a capacity gap but confirmed that interim arrangements were in place and progress was being made on contract management. Draft SLAs were being updated to address identified issues, though further work remained. Capacity to manage contracts and timescales for review were also discussed; the Chief Executive confirmed these matters were being addressed through interim support and would form part of the remit of the new Director of People and Resources.
- 7.4 The Chief Executive noted that while some contracted services could operate more efficiently, NHS Shared Services had provided valuable stability during organisational transition. Members emphasised the importance of robust SLAs to ensure required deliverables and highlighted the need for specialist expertise when drafting them. The Chief Executive agreed, underscoring the need for clear specification of required services and alignment with Llais' remit. Initial delays in finalising SLAs reflected the need for joint work across stakeholders to ensure agreements were comprehensive and effective.

## 8.0 Audit Wales Update

- 8.1 Helen Goddard, Audit Wales noted that the approved accounts for 2024-2025 were presented to Board on 5 November 2025. Following this, further conversations were undertaken at a post project learning session on 3 December 2025 where further learning and improvements were identified, but it had been

recognised that the arrangements had worked well during the last year. Discussions would start soon to begin planning the processes for 2025-2026.

## 8.2 Key Audit Wales publications were noted:

- A series of podcasts from the Auditor General had been produced as he approached the final stage of his tenure.
- A letter was sent to all auditor bodies all audited bodies to inform the result of the 2026-27 fee scheme consultation.
- The audit plan 2025-2026 would be presented to Audit Risk and Assurance Committee in Spring 2026.
- The quality objectives plan had been released and available online.
- NHS finance data tool was also available.

## 9.0 Audit recommendations tracker update

- 9.1 The Corporate Director of Governance and Board Secretary reported that the audit tracker currently included 18 internal actions and 2 external audit actions, with 7 new actions added from the external partnerships audit and 2 from the Audit Wales annual accounts process.
- 9.2 Of the 18 remaining internal actions, 8 had been completed and 4 were on track to be delivered within the agreed deadlines. Five actions were overdue but progressing, and revised timelines had been proposed for each. One overdue action had limited progress, though a plan was now in place to move it forward. The Committee agreed that the 8 completed actions could be transferred to the completed section.
- 9.3 The Head of Internal Audit confirmed that closed actions would be subject to a quarter-4 verification process. In response to questions about whether the revised timelines were realistic, the Chief Executive advised that they reflected the Executive Team's

best judgement based on current information, noting that capacity and requirements had been carefully considered. Further assurance was provided that long-standing actions had been prioritised and were expected to be completed within the revised dates, with continued focus on ensuring their delivery.

## 10.0 Draft budget report 2026-2027

- 10.1 The Director of Finance provided a verbal update on the draft 2026–2027 budget, noting that although Llais is not legally required to submit an estimate, work was underway alongside ongoing discussions with Welsh Government. Llais had established a two-year budget for the first time, which would be presented to the Board for approval in March 2026. Budgets had been issued to budget holders, and once returned, the finance team would finalise the workplan and confirm the final budget position.
- 10.2 A presentation outlined key planning assumptions, including staffing, fixed and variable costs, and contingencies. Based on the medium-term financial plan, Llais currently had a 2% uplift surplus, equating to an estimated £140k surplus for 2026–2027 and approximately £100k for 2027–2028. To mitigate the risk of underspend, structural changes were being considered, including potential recruitment, subject to Board and Committee consideration.
- 10.3 A Non-Executive Member queried contingencies and how they would be presented to Welsh Government. The Director of Finance confirmed that Welsh Government received the full budget overview, with contingencies shown separately as non-fixed costs that were unlikely to be utilised.

## 11.0 Risk update report

- 11.1 The Committee received the narrative risk report, which built on the recent report to the Board. The Corporate Director of Governance and Board Secretary confirmed that further review work had taken place with regional teams and national functions to refine their registers, alongside updates to the corporate risk register.

- 11.2 Development work on the new reporting dashboards had progressed. The corporate dashboard continued to be updated, and a new dashboard summarising regional and national risks was nearing completion. Work was ongoing to integrate these into a single reporting format. Planning for the March 2026 risk workshop was underway, with further details to follow.
- 11.3 A Non-Executive Member sought clarification on the format of the narrative report. It was noted that while the original intention was to support members' understanding of the organisation's risk profile, future reports could now be streamlined to focus on changes, new risks and withdrawn risks. Another Non-Executive Member asked whether traditional risk registers could be used more prominently. The Corporate Director proposed a three-part approach: an exception-based narrative report, the new dashboard to track risk movement, and access to the full risk register for those wishing to review underlying detail.
- 11.4 The upcoming risk workshop would also provide an opportunity to consider and refine future reporting approaches.

**A25-12-04: Risk update report** – A new format report to be designed to reflect the suggestions made for a three stranded report.  
**Action:** Richard Bevan / Karla Lee.

## 12.0 To receive the routine reports

- 12.1 The Committee received the information reports for the period April to November 2025.
- 12.2 **Concerns, complaints and compliments** - most complaints related to the complaints advocacy service across regions. The Executive Team had reviewed the issues and taken remedial action, including staff and organisational training, to reduce similar complaints in future.
- 12.3 **Gifts, rewards and hospitality** - 44 submissions had been recorded, covering conference attendance, low-value gifts and refreshments. All entries had been verified by line managers.

- 12.4 **Declarations of Interest** - A full review of Board members' declarations of interest had been completed for the 2024–2025 annual report and accounts, with verification undertaken as at 31 March 2025. Audit Wales had recommended that future verifications be dated precisely on 31 March, which would be implemented for March 2026.
- 12.5 A Non-Executive Member queried regional complaint trends and whether statistics could be monitored. The Chief Executive explained that the current increase was unusual, as previous numbers had been in single figures, and no regional patterns had been identified. The rise reflected a specific set of circumstances in the reporting period.
- 12.6 It was noted that partners were improving in signposting individuals to Llais; however, some referrals remained inappropriate. Ongoing work with partners aimed to improve understanding and ensure accurate signposting to avoid user frustration.
- 12.7 Members also discussed the possibility of underreporting. The Chief Executive acknowledged that compliments had been underreported due to reliance on manual recording and confirmed that greater use of the CRM system would support more accurate and consistent reporting across all categories.

## **13.0 Committee forward work plan**

- 13.1 The forward work plan was presented and the Corporate Director of Governance and Board Secretary. The programme would be further updated following discussions and new suggestions agreed at the meeting.
- 13.2 An initial assessment would be done to the Terms of Reference, and the update would be discussed alongside the development of an effectiveness review approach which would need to be completed.

**A25-12-05: Terms of Reference** – Submit a reviewed set of Terms of Reference, design a committee effectiveness review approach and liaise with the committee chair. **Action:** Richard Bevan.

## 14.0 Any other urgent business

14.1 The Chair and members thanked Anthony Pritchard, the Independent Member, for all the work he had done and wished him well as his term came to an end. The Chair also thanked John Baker, as highlighted that both were hugely valuable to Llais and had made important contributions in Llais's established phase.

14.2 There was no other business to discuss.

## 15.0 To confirm the date of the next meeting

15.1 The next meeting would take place on 04 March 2026 at 13:00 and the risk workshop would be in the morning 09:00am until 12 noon.

15.2 The meeting concluded at 17:00.