Audit and Risk Assurance Committee Minutes
09 June 2026
Llais Board Room, Cathays Park / Teams Meeting

Members

Karen Lewis	Chair of the Committee
Mair Gwynant	Non-Executive member
Jack Evershed	Non-Executive member

Attendees

Alyson Thomas	Chief Executive
Richard Bevan	Corporate Director of Governance and Board Secretary
Keith Chung	Digital Infrastructure Manager
Joe Dall	Digital and IT Adviser
Paul Dalton	Head of Internal Audit
Gillian Gillet	Financial Audit Manager, Audit Wales
Katie Holliday	Director of Finance
Martyn Lewis	IT Audit Manager, Internal Audit (up to item 5)
Karla Lee	Governance and Risk Manager (minute taker)
Jason Smith	Corporate Director of People and Resources

Observer

Israa Mohammed	Aspiring Board Member

1.0 Welcome and introductions, declarations of interest, apologies

1.1 The Chair opened the meeting and welcomed all members and attendees and introductions were made.

1.2 There were no apologies or additional declarations of interest received.

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2.0 Minutes and actions and decisions of the last meeting

2.1 The Committee reviewed the minutes of the meeting held on 04 March 2026 and approved them as an accurate record.

3.0 Action and decisions of the last meeting

3.1 The Corporate Director of Governance and Board Secretary presented an update on the action log.

3.2 Of the 15 actions recorded, 13 actions were confirmed as complete following Executive Team consideration and were proposed for closure.

3.3 2 actions remained open:

- Information Governance Framework – the original action had been completed, with remaining elements planned to be progressed further now that the Corporate Director of People and Resources was in post.

- IT Backup Systems – a further update was scheduled to be given under the Digital and IT agenda item.

3.4 The Committee noted the update and agreed that completed actions would be transferred to the closed section of the log.

4.0 Internal Audit update

4.1 **Cyber resilience audit:** The IT Audit Manager presented the Cyber Resilience audit report, which focused on governance, risk management and oversight arrangements for cyber digital and IT rather than covering technical testing. The audit provided reasonable assurance and the following was noted:

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- Cyber risks were recorded on the Corporate Risk Register and supported by operational risk registers.

- Governance, reporting and monitoring arrangements were in place.

- All high-priority actions had been completed.

4.2 2 key matters were highlighted:

- The corporate cyber risk score had been reduced to a target level before all actions were fully completed. It was suggested that this might have been premature. It was agreed that the Corporate Director of People and Resources and Digital and IT Adviser would revisit the risk scoring.

- Capacity and resilience risks arising from the small size of the digital team was noted as an area for further consideration.

4.3 The Committee discussed resourcing, third-party support arrangements, including CymruSOC, and escalation of IT risks to the Corporate Risk Register. Assurance was provided regarding contingency arrangements and oversight mechanisms.

4.4 **Values and culture audit:** The Head of Internal Audit presented the Values and culture audit report, which also provided reasonable assurance. The audit recognised the progress that had been made following a major organisational transition. There were no limited or unsatisfactory findings.

4.5 The Committee discussed the following themes:

- Workforce and organisational development planning.
- The volunteer strategy.

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- Staff wellbeing survey results, including engagement levels.
- The Regional Ambassador review. Members discussed next steps and communication of the outputs from the Board development session. The Chief Executive confirmed that Tîm Arwain had received an update at its meeting in June 2026, suggesting that Regional Directors contact their respective Board level champions.

4.6 It was agreed that the Chair of the Workforce, Remuneration and Terms of Service Committee, who had been asked to be the Board level contact for this work, and Corporate Director of Governance and Board Secretary would hold further conversations to confirm next steps regarding the Ambassador role.

4.7 It was agreed that, although not formally recommended in the report, that the items relating to organisational development planning and the volunteer strategy would be added to the Audit Recommendations Tracker for monitoring. It was recognised that these areas would be monitored by the Workforce, Remuneration and Terms of Service Committee and that the internal audit report would also be considered there.

4.8 **Head of Internal Audit Opinion 2025/2026:** The Head of Internal Audit also presented his annual opinion for 2025/2026 which provided reasonable assurance overall on the governance, risk management and internal control arrangements.

4.9 The following key points were highlighted:

- That there had been 4 reasonable assurance opinions issued during the year, with no limited or unsatisfactory opinions.

- There had been full conformance with Global Internal Audit Standards.

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- The arrangements for management of the audit plan and individual audits had improved from the previous year, with all performance measures/indicators reported as green. This was due to regular liaison between Llais and Internal Audit and enhanced co-ordination arrangements.

4.10 The Committee noted the report and thanks were extended to all involved in achieving a positive position for the year.

4.11 **Internal Audit Plan for 2026/2027:** The Internal Audit Plan for 2026/2027 was presented following development with the Executive Team and consultation with the Chair of the committee. The committee approved the plan. It was confirmed that the plan would remain flexible to respond to changes in the organisation.

A26-06-01 Corporate cyber risk: Revisit the score as it may have been prematurely reduced. **Action**: Corporate Director of People and Resources and Digital and IT Adviser would revisit the risk scoring**.**

A26-06-02 Ambassador role: Set up a meeting to have further discussions on next steps regarding the Ambassador role. **Action**: Chair of the committee and Corporate Director of Governance and Board Secretary.

A26-06-03 Recommendations tracker: Items relating to organisational development planning and the volunteer strategy would be added to the Audit Recommendations Tracker for monitoring. **Action**: Governance and Risk Manager and Corporate Director of Governance and Board Secretary.

5.0 Audit Wales update

5.1 The Financial Audit Manager presented the Audit Wales audit plan for 2026/2027 and outlined:

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- The audit scope and statutory responsibilities.

- Key risks identified the management override of controls, which is viewed as a high risk across all arm's length bodies.

- The proposed audit timetable and fee, noting a reduction from the previous year.

5.2 The Committee noted the Audit Wales plan.

6.0 Finance update report

6.1 The Chair noted there was a finance session immediately before the committee meeting, where the Director of Finance had framed an in-depth discussion on the proposed review work of financial procedures and financial systems.

6.2 The Director of Finance noted that no formal paper had been produced due to reporting timelines. Key points on the 2026/2027 budget included:

- Budget pressures arising from long-term sickness on key roles and reliance on agency cover, with an estimated £70k impact.

- Emerging financial risks associated with CRM remediation work.

- Ongoing discussions with Welsh Government regarding funding classifications.

6.3 The Committee discussed the implications for the finance risks and requested continued close monitoring, which included reviewing the finance risk register.

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A26-06-04 Finance risk: Continue to closely monitor the finance risks, and an overall review of the finance risk register. **Action**: Director of Finance.

7.0 Draft Terms of Reference for the proposed finance review

7.1 The Director of Finance presented the draft Terms of Reference for a review of the finance system and functions, which had been discussed in detail in the pre-meeting session.

7.2 It was noted that it had been scrutinised and discussed in detail with the Executive Team.

7.3 Members supported the proposed Terms of Reference to enable the planned next stage work to start.

8.0 Digital, cyber and IT matters

8.1 The Digital Infrastructure Manager and the Digital and IT Adviser provided a comprehensive update on the following:

- Progress against IT health check remediation actions where 3 remained out of 28.
- Cyber incident response planning and assurance certifications which included IASME level 2 where 115 out of 117 questions had been completed with the aim to close any remaining policy gaps by the end of June 2026.
- Phishing awareness campaign results showed that positive engagement and behaviour remained strong and the proportion of people reporting had continued to improve.
- CymruSOC onboarding and incident response arrangements were ongoing with the Memorandum of Understanding being signed with the aim of going live in August 2026.

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8.2 **Digital Strategy:** The Committee considered the draft 3-year Digital Strategy. Members welcomed the strategy and commended the clarity and ambition of the approach. The following key points were raised:

- Alignment with Welsh Government digital standards and Llais' people's principles.

- Capacity, resourcing and delivery risks which included commissioning an external company to look at the configuration of the Customer Relationship Management system due to the concerns raised. This health check had identified 26 items, which were being responded to and taken forward.

- Project management and assurance for major IT projects such as a network refresh, laptop refresh, data storage and management of records were underway.

- Accessibility, bilingual provision and digital inclusion considerations were also being taken forward.

8.3 The Chair thanked the team on the work undertaken and highlighted the strategy's clarity and strength, as well as the clear actions. It was suggested to input a reference to the wider Welsh Government digital strategy and digital standards for public bodies to strengthen the document.

8.4 Members also agreed the following additions and amendments:

- That the strategic aim about working together should include a reference to Llais working in partnership with other organisations.

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- The time period for the finance system review should be aligned with the work being undertaken by the Director of Finance. It was agreed this would also be amended.

8.5 Concerns were raised on the bilingual and other capabilities people may have. It was suggested to include within the Strategy that Llais was aware people had issues accessing digital health and care. This would be reflected on and input within the Strategy.

8.6 Subject to the refinements and removal of any sensitive detail, the Committee agreed to recommend the strategy to the Board for approval.

8.7 **Draft Artificial Intelligence (AI) Policy:** The Committee received an update on the development of the policy, which had been refined following consideration by the Corporate Services Group and the Executive Team. The Committee noted the progress of the development on the policy.

8.8 The policy required the use of authorised tools only such as Copilot and mandated completion of training prior to use. This included safeguards and restrictions on entering personal or sensitive data. It was emphasised that AI was intended to support staff efficiency rather than reduce or replace roles.

8.9 **IT Back-ups:** The Committee received assurance on IT backup arrangements and noted that backups covered all Microsoft environments and were tested monthly. It was confirmed that the arrangements had been assessed internally as robust, with additional resilience being explored through third-party backup solutions and multi-site storage.

A26-06-05 Digital Strategy: The committee agreed to include a reference to the wider Welsh Government digital strategy and digital standards for public bodies. **Action**: Digital Infrastructure Manager and the Digital and IT Adviser

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A26-06-06 Digital Strategy: Strengthen the strategic aim reference to partnership working and efficiency as this should include working with other organisations alongside working with Llais. **Action**: Digital Infrastructure Manager and the Digital and IT Adviser.

A26-06-07 Digital Strategy: Change the dates in the strategy relating to the finance system review to align it with the work being completed. **Action**: Corporate Director of People and Resources/Director of Finance.

A26-06-08 Digital Strategy: Reflect and input narrative on digital inclusion considerations, particularly for older and disabled people. **Action**: Digital Infrastructure Manager and the Digital and IT Adviser.

9.0 Annual Report and Accounts 2025/2026

9.1 The Corporate Director of Governance and Board Secretary provided an update on the development of the Annual Report and Accounts, and noted that a coordinated approach was in place to manage inputs across the organisation.

9.2 The draft financial content was progressing well, with the majority of the document completed and final review by the Executive Team pending ahead of the submission deadline of 15 June 2026 for the financial statements.

9.3 It was proposed that the final draft of the wider annual report would be circulated to members for consideration and comment. It was noted that a short additional meeting could be arranged, if required. The submission date to Audit Wales for the wider annual report was the 29 June 2026.

9.4 The Committee noted progress with the draft, including initial submission activity and ongoing query resolution, and agreed that any detailed comments would be progressed outside of the meeting.

10. Audit recommendations tracker

10.1 The Corporate Director of Governance and Board Secretary reported that progress had been actively monitored on the 14 remaining actions on the internal log by the Executive Team. 6 actions were proposed to be complete, 6 were overdue but good progress made and 2 remained on target.

10.2 The Committee agreed that completed actions would be transferred to the closed section of the log.

10.3 Members raised concerns on the timelines and requested additional assurance on the long-standing actions that remain. The Corporate Director of Governance and Board Secretary noted that the Executive Team had sought to progress these and complete them following the departure of the former Strategic Director, alongside their own areas of work.

10.4 Due to capacity and staffing pressures, they had been unable to finalise all of them, but many had been completed in recent months. However, the new Corporate Director of People and Resources was in place and would move forward the remaining actions.

10.5 It was highlighted that the service level agreement for Shared Services action was close to completion in relation to the additional work that was required. This had been discussed with shared services in the quarterly meeting that had taken place.

10.6 The Chair highlighted that progress with the actions showed a stronger position than they have been and suggested to come

back to the next meeting for further scrutiny if they still had not been able to be finalised.

10.7 The view from the Head of Internal Audit was sought. He provided assurance that although there were remaining actions, progress had been made. He also highlighted that members should also look at the overall position and other actions that had been completed alongside the actions that remained.

11.0 Risk report

11.1 The Corporate Director of Governance and Board Secretary presented the risk report as at 31 May 2026. It was highlighted that there were 18 active risks which included one new risk relating to engagement with the new Welsh Government and Senedd Members. 1 risk was reduced in relation to the Listening to People statutory requirements and 1 risk was closed relating to the Senedd elections.

11.2 Members discussed the appropriateness of several risk scores and it was highlighted that these were subject to ongoing review by the Executive Team. Emerging financial risks were also highlighted.

11.3 It was agreed that cross-committee alignment could be strengthened through regular engagement between the Chairs of the Audit and Risk Assurance Committee and the Workforce, Remuneration and Terms of Service Committee and the Corporate Director of Governance and Board Secretary.

11.4 The Committee noted the effectiveness of the risk dashboards and welcomed the upcoming appointment of a new independent member with IT expertise to strengthen capacity on the committee.

11.5 Members of the committee expressed concern regarding the capacity of the Board given recent changes to non-executive membership. The Corporate Director of Governance and Board

Secretary confirmed that there was a risk on the governance risk register and would be escalated as a new risk to June 2026 corporate risk register in relation to Board member vacancies.

A26-06-09 Cross-committee alignment: Cross-committee alignment to be strengthened through regular engagement between the Chairs of the Audit and Risk Assurance Committee and the Workforce, Remuneration and Terms of Service Committee with the Corporate Director of Governance and Board Secretary. **Action**: Corporate Director of Governance and Board Secretary.

A26-06-10 Corporate risk register: The capacity of the Board risk on the governance risk register would be escalated as a new risk to the June 2026 corporate risk register. **Action**: Corporate Director of Governance and Board Secretary.

12.0 Our committee effectiveness review and development plan

12.1 The Corporate Director of Governance and Board Secretary noted that members had engaged in a committee effectiveness review survey. The findings of that review were presented.

12.2 Members considered the proposed themes and agreed that the proposed areas would be added to the committee's annual work programme.

A26-06-11 Committee effectiveness review and development plan: The proposed themes and areas would be added to the committee's annual work programme. **Action**: Corporate Director of Governance and Board Secretary.

13.0 Routine reports

13.1 The following reports were considered by the Committee for the period from December 2025 to May 2026:

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- Gifts, rewards and hospitality
- Declarations of interest
- Feedback on compliments, concerns and complaints.

13.2 The Corporate Director of Governance and Board Secretary highlighted that compliments were now being logged in the system following previous conversations at the committee, although this was not yet being consistently recorded. The committee noted the reports.

14.0 Committee forward work plan

14.1 The committee noted the forward work plan, subject to the additions agreed earlier in the meeting.

15.0 Any other urgent business

15.1 The Chair advised the committee that, at the request of the Chair of the Board, she had now taken on the role of the Chair of the Workforce, Remuneration and Terms of Service Committee. Mair Gwynant, Non-executive member would take over the role of Chair of the Audit and Risk Assurance Committee.

15.2 The Corporate Director of Governance and Board Secretary provided thanks on behalf of committee members and the Executive Team to the Chair for her oversight, guidance and advice provided to the committee since its establishment.

15.3 The new Chair, the Corporate Director of Governance and Board Secretary and the Chief Executive would meet prior to the next committee meeting.

15.4 There was no other business to discuss.

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A26-06-12 Organise a meeting: The new Chair, the Corporate Director of Governance and Board Secretary and the Chief Executive to meet prior to the next committee meeting. **Action**: Corporate Director of Governance and Board Secretary.

16.0 To confirm the date of the next meeting

16.1 The next meeting would take place on 02 September 2026 at 13:00.

16.2 The meeting ended at 15:40.

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