

# Follow-Up: Decarbonisation Final Internal Audit Report 2025/26

Cardiff and Vale University Health Board

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Review Reference CVU-2526-12  
Fieldwork January - March 2026  
Executive Sign Off April 2026  
Audit Committee May 2026  
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# Executive Summary

## Purpose

We have completed a follow-up review of the implementation of the agreed management actions from our decarbonisation audit that was issued in June 2024. This follow up review was completed in line with the 2025/26 Internal Audit Plan for Cardiff and Vale University Health Board (the 'Health Board').

In our original report we identified five matters arising which led to us issuing a 'limited' assurance opinion. We made two high, four medium and one low priority recommendations. Management agreed on actions to address the matters arising and the associated recommendations.

For 2025/26 we have revised our approach to reporting our follow-up audit work to ensure that we comply with the requirements of the new Global Internal Audit standards. As such we will no longer be providing an assurance rating as part of our follow-up reports.

The purpose of this follow up review is to establish if management has taken corrective measures to fully implement the actions and address the relevant key findings from our original report.

We note that the Audit and Assurance Committee has continued to monitor progress in implementing these actions through the internal audit tracker.

## Overview

Our follow up review of the five agreed actions has identified the following:

Original Priority Rating	Number of agreed actions	Implemented / obsolete (Closed no further action required)	Action Ongoing (Further action required)	Not Implemented / Not due (Further action required)
High	2	1	0	1
Medium	4	3	0	1
Low	1	1	0	0
<b>Total</b>	<b>7</b>	<b>5</b>	<b>0</b>	<b>2</b>

Full details of the agreed actions requiring further work are provided in the table below. We have re-assessed the priority ratings for the actions and these have been adjusted where appropriate.

For the agreed actions that have been closed, management have undertaken work to address the key findings in our original report. This includes:

- 1.1 - The Terms of reference for both groups should be reviewed and updated with version control information including date of document and next review date. (AMAT ref Audit/2024/925/MD2/1)**

Our initial audit noted that both the Decarbonisation Delivery Group and a Decarbonisation Working group's Terms of Reference were both in draft. Updated governance arrangements have now been established under the Sustainability and Climate Response Programme. The revised governance structure integrates both decarbonisation and adaptation work. The sustainability and climate response Program Board and Delivery Group both have agreed terms of reference.

- **1.2 - Meetings should be held in line with the TOR and management should ensure that they are quorate. (AMAT ref Audit/2024/925/MD2/1)**

The review of attendance records confirmed that both the Programme Board and Delivery Group meetings were quorate, each achieving the required 50% membership threshold.

- **2.1 - The reasons for the likely failures to achievement of the decarbonisation reduction targets should be identified and articulated as appropriately scored risks which are then recorded on the appropriate risk registers, with a summary escalation to the board assurance framework if appropriate. (AMAT ref Audit/2024/925/MD3/1)**

Our initial audit identified that there was no specific risk on achieving the reduction targets on the corporate risk register. The risks associated with not achieving the decarbonisation reduction targets have now been captured within the Board Assurance Framework (BAF), which aligns with the Shaping Our Future Wellbeing (SOFW) Strategy. The BAF is updated by the programme lead, and relevant risks are reported through the quarterly Finance and Performance Committee, where decarbonisation and climate response matters now feature as a standing agenda item. A recent presentation to the Finance and Performance Committee demonstrates that these risks are being actively monitored and escalated through the appropriate governance routes.

- **3.1 - Management should ensure that staff complete the sustainability courses on ESR and also raise awareness of the availability of the training modules. (AMAT ref Audit/2024/925/MD4/1)**

Our initial audit highlighted that the number of staff that attended the sustainability courses were low in comparison to the total number of staff within the Health Board. Management has taken steps to promote the sustainability training available on ESR through multiple communication channels, including the Sustainability Pledge campaign, intranet features, Ask Suzanne, and CEO Connect updates. Although, the uptake of sustainability courses remains limited as the courses are not mandatory, the Health Board is awaiting national guidance and the development of a new HEIW-led ESR module aligned to the refreshed NHS Wales Decarbonisation Strategic Delivery Plan.

- **4.1 - The Health Board should consider creating and maintaining a register of potentially helpful external groups with a Health Board representative for each of them. Furthermore, those attending should provide regular feedback on the group's activity. (AMAT ref Audit/2024/925/MD5/1)**

The Environmental Sustainability Improvement Manager represents the Health Board on several local, regional, and national groups. We feel it addresses the thrust of our previous matter arising, given that it was a low priority. However, the refresh of the Strategic Delivery Plan (SDP) means that group structures and required representation are still being redesigned. This is being tracked on the delivery group's action log. We were advised that full completion may be challenging as many forums are still evolving or yet to be established.

## Progress of Agreed Actions Not Fully Implemented

Ref	Original Recommendation and Action	Original Responsibility, Timescale	Original Priority Rating	Status, Updated Action, Responsibility and Timescale	Revised Priority Rating
<p>AMaT ref: (Audit/2024/925/MD 6/1)</p>	<p><b>DAP Funding strategy and quantification.</b></p> <p><u>5.1 Recommendation:</u></p> <p>To aid the Health Board in identifying the commitment required to meet the WG 2030 Decarbonisation target, an assessment of those initiatives that can be quantified should take place and a costed plan developed. Initiatives that cannot be quantified should be recorded as unquantifiable, but with a brief assessment to identify if the investment could be significant or not.</p> <p><u>Agreed Action:</u></p> <p>The actions required to hit 2030 are profound and transformative to C&amp;V. We have not been in a position to develop a plan, though we now broadly know what to do. What we need to do isn't covered by a stand-alone carbon plan however, but an overall operational transformation as described by SOFW (that hits our operational efficiency, financial sustainability, prevention agenda and our estates, plus others). This will be done through the portfolio approach being led by the Dir Strategy where the delivery of the portfolio will in aggregate deliver against our commitments such as 2030.</p> <p>Also note that actions that relate to improving on our carbon emissions don't necessarily need specific money (infrastructure aside).</p>	<p>Interim Executive Director of Strategic Planning, 31/12/24</p>	<p><b>High Priority</b></p>	<p><b>Status: Not Implemented</b></p> <p>On 7 November 2025, Welsh Government published the Decarbonisation Strategic Delivery Plan (SDP) 2025 to 2030. However, the plan was incomplete, as the finalised Key Performance Indicators (KPIs) were not included. These KPIs are essential for determining the internal ownership of actions within the Health Board and ensuring compliance with reporting requirements. The Health Board has since received the KPIs and reporting requirements on 2 February 2026.</p> <p>The delay in receiving the full set of requirements has impacted the Health Board's ability to develop a fully costed and quantified decarbonisation plan. Management highlighted that producing carbon-linked cost assessments for all actions are highly complex due to evolving methodologies, the scale of the organisation, and ongoing updates to Welsh Government guidance. While high-level cost estimates may be achievable for certain Estates-related actions, accurately quantifying carbon savings across the wider clinical service redesign—such as the forthcoming 10-year Clinical Services Plan—remains challenging.</p> <p>The Health Board is now in the process of identifying internal action owners to localise the plan and progress implementation. The current governance structure, including the Sustainability and Climate Response Delivery Group and the Adaptation Task and Finish Group, provides enhanced oversight compared to previous arrangements. Work is underway to produce a Sustainability and Climate Response Plan for the Health Board.</p> <p>As a result of the above, there is currently no costed DAP in place.</p>	<p><b>Medium Priority</b></p>

Ref	Original Recommendation and Action	Original Responsibility, Timescale	Original Priority Rating	Status, Updated Action, Responsibility and Timescale	Revised Priority Rating
				<p><b>Proposed Updated Action:</b></p> <p>The SDP states 'NHS Wales organisations will create or review and update their Climate Action Plans in line with this SDP and ensure clear accountability for delivery of initiatives within their organisations'. As part of the development of the CAP, Management will ensure that, where possible, identified initiatives are supported by indicative costings and financial impact assessments, with input from Finance.</p> <p><b>Officer:</b> Environmental Sustainability Improvement Manager</p> <p><b>Target Implementation Date:</b> 31<sup>st</sup> March 2027</p>	
AMaT ref: (Audit/2024/925/MD 6/2)	<p><u>5.2 Recommendation:</u></p> <p>The amount of potential CO2e saving per action should be recorded and linked to the potential cost as per action. This could inform and support the prioritisation of delivery of the action.</p> <p><u>Agreed Action:</u></p> <p>Noted for when 5.1 is formed. Given the transformative, new and novel approaches required to reduce carbon emissions by such large amounts, it might not be possible to attribute carbon savings up front. This is why in our action plan we have stated that many actions will likely have carbon savings, but not able to be committed to up front.</p>	Interim Executive Director of Strategic Planning, 31/12/24	<b>Medium Priority</b>	<p><b>Status: Not Implemented</b></p> <p>This action is dependent on 5.1 and can only be implemented following the implementation of 5.1.</p> <p><b>Proposed Updated Action:</b></p> <p>The Health Board will consider assessing and recording the potential CO2e savings following the completion of agreed action 5.1.</p> <p><b>Officer:</b> Environmental Sustainability Improvement Manager</p> <p><b>Target Implementation Date:</b> 31<sup>st</sup> March 2027</p>	<b>Medium Priority</b>

# Appendix A

## Disclaimer

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Our work does not provide absolute assurance that material errors, loss or fraud do not exist. Responsibility for a sound system of internal controls and the prevention and detection of fraud and other irregularities rests with management of the Cardiff and Vale University Health Board. Work performed by internal audit should not be relied upon to identify all strengths and weaknesses in internal controls, or all circumstances of fraud or irregularity. Effective and timely implementation of recommendations is important for the development and maintenance of a reliable internal control system.

## Prioritisation of Findings

Priority	Explanation
<b>High</b>	Significant risk to achievement of a system objective OR evidence present of material loss, error, or misstatement. Poor system design OR widespread non-compliance.
<b>Medium</b>	Some risk to achievement of a system objective. Minor weakness in system design OR limited non-compliance.

## Public Sector Internal Audit Standards

Audit work undertaken by NHS Wales Audit and Assurance Services conforms with the International Standards for the Professional Practice of Internal Auditing and associated Public Sector Internal Audit Standards as validated through the external quality assessment undertaken by the Chartered Institute of Public Finance & Accountancy in April 2023.



Website: [Audit & Assurance Services - NHS Wales Shared Services Partnership](#)