

CHAIR'S KEY ISSUES

ISSUES FOR REFERRING / ESCALATING TO BOARD / COMMITTEE / TASK & FINISH GROUP

ORIGINATING BOARD / COMMITTEE / TASK & FINISH GROUP:	Audit and Risk Committee, 16 March 2023	
CHAIR:	Mark Millar, Non-Executive Director	
LEAD EXECUTIVE DIRECTOR:	Adrian Marr, Director of Finance	

Agenda Item	Details of issue	Approval Escalation Alert Assurance Information
Matters Arising: EDI plan timetable	The plan was requested following a previous internal audit. Questions were raised about the resources to deliver, raising concerns, pharmacy capacity and appraisals/staff engagement. The challenge and extent of this work was recognised and that the approach and the plan was considered at the People and Organisational Development Committee. Further discussion was required with the POD Chair to ensure that this was embedded and could then be removed from this Committee's remit to avoid duplication.	Assurance
Procedural Document Register Update	Further work had been undertaken to ensure a more accurate position regarding corporate policies and steady compliance was reported at just over 95%. Support is being provided to divisions in relation to the significant number of policies due for review in the next period. Questions were raised regarding the approval process and those that are overdue with insufficient information provided to identify when these will be resolved. The opportunity to merge policies as part of the review process would lessen the burden. There was specific discussion regarding Women's and Children's and maternity, the additional scrutiny in place, and the importance of taking a risk-based approach across all areas.	Assurance
Internal Audit updates	Three reviews were presented and three have been issued in draft with management actions being finalised. All work for this year's audit plan is underway and the Head of Internal Audit opinion is being drafted, which currently looks positive. The mandatory training and workforce KPI report has been delayed to May at the request of management:	Alert

Agenda Item	Details of issue	Approval Escalation Alert Assurance Information
	<ul style="list-style-type: none"> • Divisional governance re-audit, Estates and Facilities, partial assurance – the trajectory is positive, and this demonstrates a much improved position. The areas of challenge were detailed, and the five medium and two low priority actions agreed. The Committee understood that some issues had been raised within the team about the recommendations put forward by the external auditors but all were committed to achieving the outcomes needed. The significant progress made and the work that remains to be done was acknowledged. The degree of confidence to achieve the recommendations was questioned. • Nursing allocation and acuity, reasonable assurance. The Quality and Patient Safety Committee would be asked to consider whether there were any clinical issues regarding timeliness of rosters. • Risk management, reasonable assurance. <p>The final financial sustainability audit report as required by NHS England was received.</p> <p>The Data Security and Protection Toolkit benchmarking report compared the 2021/22 ESNEFT self-assessment with others. There was significant discussion on the low confidence level linked to the outstanding management actions. The Associate Director of ICT attended to provide additional context and information regarding work on the strategy and the significant number of outstanding management actions. Questions were raised regarding average assertion ratings and the status of actions with insufficient information included to provide assurance on completion. The significant progress made was accepted, but this area is of particular concern to the Committee and the Board and more detail was required in regard to the risk exposure, the resource required and timescale to resolve. The Committee requested a more detailed report to be presented to the May meeting.</p> <p>The draft internal audit strategy for 2023-26 and the audit plan for 2023/24 were considered. The Committee questioned whether staff safety and mental health should be included, with a different avenue for review more likely recognising the policy/compliance focus of internal auditors. The Quality and Patient Safety Committee would be asked for a view. This was debated and questions were raised regarding how divisional reviews are planned, how clinical efficiency discussions could be progressed and assessed and the potential for any elements of the Well-led review to be included. The Chief Executive would discuss through the Executive Management Committee. The Committee confirmed its provisional agreement pending review of the comments made, for final approval at the next meeting.</p>	
Counter Fraud Progress Report	Five new referrals received indicating that staff have continued to remain vigilant to fraud and bribery risks. An update was provided on the National Fraud Initiative (NFI) bi-annual exercise run by the Cabinet Office, emerging risks and alerts. Regarding a recent case at another trust, an assessment will be presented once completed. The Local Counter Fraud Specialist was questioned regarding the NFI report, potential risk and	Assurance

Agenda Item	Details of issue	Approval Escalation Alert Assurance Information
	timeframe to resolve, with a report likely to the next meeting. Communications on the result of investigations would be prepared. The plan for next year was approved.	
Draft External Audit Plan 2023	The draft plan for the 2022/23 audit was received reflecting new audit standard ISA (UK) 315 and the significant change and additional work that this represents. The potential to accelerate the Value for Money work to enable full submission by the end of June was under discussion. Receipt of the overall opinion would enable submission to Parliament as required and an earlier Annual Members' Meeting. Additional assurance was requested from BDO that they were able to mitigate the risk of single points of failure leading to an inability to achieve prescribed submission timescales and whether resource is in place to meet the enhanced audit requirements. The plan was accepted.	Alert
Charitable Fund draft audit plan	Ensors, the new auditors, presented the plan with sign off anticipated in September. With no Audit Committee scheduled in August, members would be invited to the Charitable Funds Committee to enable review prior to September Board approval. The plan was accepted.	Assurance
Standards of Conduct and Fit and Proper Person Policies	A review of both policies had been undertaken with minor changes to be made. Questions were raised regarding monitoring of declarations register and where Non-Executive Directors appeared in the line management responsibility. The register would be presented as a report by consent in future and a final decision was required on the ESNEFT equivalent decision-making administrative staff to ensure that this was proportionate.	Assurance
Declarations of Interest Report	Compliance had increased by over 30% with the additional actions to be taken prior to year-end described. This would include an Executive focus on those decision makers that had not yet made a declaration. If the Trust can demonstrate that appropriate action has been taken prior to the Counter Fraud Agency return in May, a reduction from red to amber or green for functional standard 12 could be achieved. The Committee recognised the significant work undertaken to improve compliance.	Assurance
Board Assurance Framework	An update on Committees' consideration of their risks was provided and the processes agreed by Committees and Board review in May. Risk 9 – workshop held with the Board to be add to the minutes	Assurance
SFIs (Standing Financial Instructions and Scheme of Delegation)	Now aligned to financial year. Approved.	Assurance
Reports by consent	Special payments and tender waiver reports received.	Assurance