

Audit and Risk Committee – 8 September 2023

Highlight Report

Strength of Assurance	Colour to use in Assurance Level columns below:
Low	Red - there are significant gaps in assurance and/or not properly assured as to the adequacy of action plans/controls
Medium	Amber - there is reasonable level of assurance, but some issues identified to be addressed.
High	Green – there are no gaps in assurance and there are adequate action plans/controls

Agenda Item:	Assurance level:		Committee escalation:	ORR Risk Ref:
	Current Performance	Delivery plan / Management process		
Attending:	Hetal Parmar, Alexander Carpenter, Josie Spencer, Sharon Murphy, Matt White, Kate Dyer, Leanne Hawkes (360 Assurance), Jenny Robinson (360 Assurance), Matt Curtis (360 Assurance Counter Fraud), Mike Ryan, Emergency Planning Manager (EPRR Annual Report)			
Apologies:	Andrew Cardoza (KPMG), Debbie Stokes (KPMG)			
Internal Audit Progress Report	High	High	<p>One final report had been issued since the previous meeting which was the Data Security and Protection Toolkit with a substantial assurance opinion. In terms of action tracking, the overall follow up implementation rate for 2023/24 at the time of the meeting was 96% which gave significant assurance.</p> <p>ARC agreed the following;</p> <ul style="list-style-type: none"> To remove the Facilities Management Review from the 2023/24 plan as a post project evaluation of the transfer of FM services had already been completed and it was felt an audit of FM services at this time would not add any further value. The Waiting List Management Audit would be replaced with a review of how performance data was used within directorates. The deadline for completion of 1 outstanding action for the Recruitment Review was extended to 31st January 2024 in view of the significant increase in volume of recruitment and proposed procurement of a new system this year. 	N/A
HFMA Financial Sustainability	High	High	Good progress was being made on the actions that had arisen from the HFMA Checklist exercise, the Trust had moved from 8 to 17 completed actions and 15 actions not started to 5	91

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Checklist			actions not started. ARC agreed the approach to focus on the higher impact areas and acknowledged it would take some time to achieve them all. The committee would continue to monitor progress.	
Counter Fraud, Progress Report	High	High	An update was received on 3 specific risk areas currently within the counter fraud community which were agency fraud, mandate fraud and working from home, specifically for multiple employers. Detection work was also taking place to seek out fraud on a number of elements including purchasing card transactions and on working whilst sick.	N/A
Governance and Risk Report	High	High	The Committee received a high level of assurance on the systems and processes in place to secure an effective governance and risk framework.	N/A
ARC Annual Review 2022/23	High	High	ARC agreed it had been an effective committee during 2022/23 but acknowledged Trust Board agreement on this was required.	N/A
CE Waivers and Awarded Tenders Q1 2023/24	High	High	During quarter 1 of 2023/24 a total of 34 waivers with a total value of c£3,750m had been raised. 11 of these waivers were directly related to the insourcing of the estates and facilities function and 5 were related to adult eating disorder inpatient costs, together these made up 82% of the value of the waivers approved in Q1. Specific focus would be given to the remaining 18 small waivers to ensure appropriate procurement processes were in place and that the Trust complied with all legal and health and safety aspects.	91
8 Year Rolling Average Location Factor	High	High	An action arose from the 2022/23 annual accounts review around how the buildings the Trust operated from were valued at year end. The Trust's external auditors and district valuer had previously agreed the use of the 8 year rolling average location factor but were now not comfortable with this approach. Following discussions with a local Trust and district valuer, the team was looking at various options. Discussions would continue with external auditors to ensure they supported the approach the Trust was taking. The proposed approach would be included in the accounting policies paper due at the next ARC.	91
Level 1 Committee Highlight Report	N/A	N/A	A summary of the assurance ratings for items raised at the level 1 committees was received. Discussion focused on the purpose of the report and whether it provided the right level of detail and assurance. ARC agreed to resolve this matter outside of the meeting and an update be provided to the next committee.	N/A
EPRR Annual Update	High	High	In 2023/24 LPT was required to report against 58 standards that were grouped across 10 domains. This was supplemented with a deep dive section containing 10 standards applicable to training. The self-assessment window closed on the 31 st August for this year and LPT met all the obligations and was currently on track to report a substantially compliant position.	N/A

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Chair of Committee:	Hetal Parmar, Non Executive Director
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