

<b>Audit and Risk Assurance Committee, Key Issues Report</b>		
<b>Report Date:</b>		<b>Report of:</b> Audit and Risk Assurance Committee
<b>Date of meetings:</b> 6 December 2023		All NED members present. Director of Governance, Director of Finance, with representatives from the Trust's Internal Auditors MIAA, External Auditors KPMG, and NHS Counter Fraud, also in attendance for the meeting, together with several Trust officers.
1	<b>Agendas</b>	<p>The Committee considered the following:</p> <ul style="list-style-type: none"> <li>• Additional clinical activity – Waiting List Initiatives</li> <li>• Internal Audit – Progress Report</li> <li>• Internal Audit Insight Reports</li> <li>• Internal Audit Recommendations Report</li> <li>• External Audit Progress Report and Sector Update</li> <li>• MIAA Anti-Fraud Progress Report</li> <li>• Losses and Special Payments Report</li> <li>• Procurement Waiver Report</li> <li>• Amendment of Full Waiver Title and addition of new Policy Breach Form</li> <li>• Quarterly Contract Award Report</li> <li>• Annual Review of Standing Orders, Reservation and Delegation, and Standing Financial Instructions</li> <li>• BAF report Q2 2023/24</li> <li>• Corporate Risk Register</li> <li>• Update on Conflicts of Interest, and Register of Interests</li> <li>• Cyber Security Progress Report</li> <li>• Freedom to Speak Up Report Q2 2023/24</li> </ul>
2a	<p><b>Alert</b></p> <p><i>Matters of concern, gaps in assurance or key risks to escalate to the Board.</i></p>	<ul style="list-style-type: none"> <li>• Internal Auditors advised that there had been some delay in response to their request for information to conduct their work on more than one audit. (At the time of writing, these audits had been progressed.)</li> <li>• Internal audit performance indicators highlighted that slow progress against plan may affect the deadline for delivery of the Head of Internal Audit Opinion, although it was considered, by the internal auditors, that sufficient work should have been completed by then.</li> </ul>
2b	<p><b>Assurance</b></p> <p><i>Positive assurances and highlights of note for the Board</i></p>	<ul style="list-style-type: none"> <li>• The annual review of Standing Orders, Scheme of Reservation &amp; Delegation, and SFIs, were received by the Committee with no questions, before being subsequently presented to the Board for approval.</li> <li>• The ARAC received a report regarding a new Corporate Risk Register which had been produced, and the reason and particular methodology lying behind its production.</li> <li>• The SaTH Cyber Security Strategy was being developed, with a view to completion by March 2024. In parallel, the cyber team were working through the actions and recommendations from the National Data Guardian Standards review (an area which lacked full compliance in the 2022/23 Data</li> </ul>

		Security and Protection Toolkit.)		
2c	<p><b>Advise</b></p> <p><i>Areas that continue to be reported on, and / or where some assurance has been noted / further assurance sought.</i></p>	<ul style="list-style-type: none"> <li>• With lengthy delays leading to o/s actions on the ARAC action log, and o/s audit recommendations, a report was taken to the ARAC, regarding Waiting List Initiatives. Detailed figures (costs) were provided, together with an overview of the current process in place to approve additional clinical activity, and details of actions being undertaken to improve governance. The Director of P&amp;OD, presenting the report, agreed to return to the ARAC with a further update once delivery timelines for the project had been agreed.</li> <li>• The Director of Governance advised the intention to undertake a review of the Trust's Risk Appetite in the New Year, with the support of the Board.</li> <li>• The Trust's Conflict of Interest Declaration rate stood at 66% compliance at the time of the meeting. To comply, the annual Counter Fraud Functional Standard Return needs to show 80% compliance by the end of March 2024.</li> <li>• The Q2 Freedom to Speak Up report was presented, and Committee members noted that staff attitudes and behaviours together with bullying and harassment continued to be the most prevalent themes being reported.</li> <li>• The Committee received details of a change to a Full Waiver form to "Full Breach Waiver- Public Contract Regulations" to emphasise that a breach would reflect an illegal act.</li> </ul>		
2d	<p><b>Actions</b></p> <p><i>Significant follow-up actions</i></p>	<ul style="list-style-type: none"> <li>• Internal audit recommendations, especially high-risk areas, continue to be slow to be closed – Executives to focus on these recommendations for completion.</li> <li>• More work to be undertaken to achieve the 80% compliance by the end of March 2024 for the annual Counter Fraud Functional Standard Return.</li> </ul>		
	<p><b>Report compiled by:</b></p>	<p>Anna Milanec, Director of Governance Approved by Prof. Trevor Purt, ARAC Chair</p>	<p><b>Minutes available from:</b></p>	<p>Mrs Beverley Barnes, Board Coordinator</p>