

**Audit Committee  
Chairs Summary Report**

**Public Board  
26 March 2026**

|                               |                                                                                             |
|-------------------------------|---------------------------------------------------------------------------------------------|
| <b>Presented for:</b>         | Alert, Advice and Assurance                                                                 |
| <b>Presented by:</b>          | Gillian Taylor, Non-Executive Director Chair of Audit Committee                             |
| <b>Author(s):</b>             | Gillian Taylor, Non-Executive Director<br>and<br>Victoria Hewitt, Trust Board Administrator |
| <b>List of meeting dates:</b> | Thursday 5 March 2026                                                                       |

|                                               |                                           |
|-----------------------------------------------|-------------------------------------------|
| <b>Link to Strategic Objective</b>            | All                                       |
| <b>Link to Provider Capability Assessment</b> | Governance, risk and regulatory           |
| <b>Link to CQC Well-led Statement</b>         | Governance, Management and Sustainability |
| <b>Regulatory Impact</b>                      | Regulation 17: Good governance            |

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|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|
| <b>Key points:</b>                                                                                                                                                          |                                   |
| This report provides a summary of the key highlights from the Audit Committee meeting and seeks to alert, advice and provide assurance to the Board on the areas discussed. | Alert,<br>Advice and<br>Assurance |

| <b>Risk Appetite Framework</b> |                                                                                                                                                                                                                                      |                              |                |
|--------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|----------------|
| <b>Level 1 Risk</b>            | <b>Level 2 Risks</b>                                                                                                                                                                                                                 | <b>(Risk Appetite Scale)</b> | <b>Impact</b>  |
| Financial Risk                 | Financial Reporting Risk - We will deliver sound financial management and reporting for the Trust, with no material misstatements or variances to forecast.                                                                          | Minimal                      | Moving Towards |
| Financial Risk                 | Counter-Fraud Risk - We will adopt a zero-tolerance approach to workforce fraud through the maintenance of an anti-fraud culture, investigating all reported instances of fraud and following disciplinary and criminal proceedings. | Averse                       | Moving Towards |
| External Risk                  | Legal & Governance Risk - We will operate the Trust in compliance with the Law and UK Corporate Governance Code, where applicable.                                                                                                   | Averse                       | Moving Towards |

## 1. Introduction

Following its last meeting the Committee has considered significant issues and key areas to highlight to the Board under three key categories Alert, Advice, Assurance (AAA):

- Alert - areas which the Committee wishes to escalate as potential areas of non-compliance, that need addressing urgently, or that it is felt Board should be sighted on.
- Advice - any new areas of monitoring or existing monitoring where an update has been provided to the Committee and there are new developments.
- Assurance - specific areas of assurance received warranting mention to Board.

## 2. Alert

- The Committee noted that limited assurance had been received on the controls in place to manage and mitigate risk associated with Medical Devices, primarily due to constraints in capital availability and in maintaining a central register of devices life cycle, maintenance and replacement plans for devices not limited to a CSU. The Executive Team took away an action to scope the improvement work required and to report back to the Extra-Ordinary meeting scheduled in April, and to explore the inclusion of Medical Devices within the Internal Audit plan for the coming year and actions moving forward.
- The Research and Innovation report against the Risk Appetite Framework had not articulated the assurance mechanisms in place; feedback had been provided to the authors to support this process. A revised report was requested to be presented at the Extra-Ordinary Committee meeting in April.
- An update was received on External Visit Register, and the Committee noted it could not offer an opinion on assurance as the register was incomplete with inconsistent processes; further action and communication activity had been requested, and the Committee would report back in due course.

## 3. Advice

- The Committee reviewed the rationale for recommended amendments to the defined approval limits of Level four and Level five authorisers cited with the Standing Financial Instructions (SFI) and would be recommending Board approval at agenda item 14.2.
- The Board is asked to note that preparation for the year-end audit is progressing as per plan with no current areas for escalation.
- The Committee reviewed the draft Internal Audit Plan for 2026/27, further prioritisation on the timelines for each audit was being agreed via the Executive Team with formal approval of the plan to be sought from the Committee at the Extra-Ordinary meeting in April. Approval was granted to progress with DSPT Toolkit in Q1, and the Executive Team was authorised to approve progression against NHS Provide License in Q1 should this be agreed as a priority.
- The Committee reviewed the risk controls in place to manage and mitigate risk associated with patient experience and noted that the Trust was moving away from its risk appetite for this area. The Committee received detail on the action being taken in response and would be receiving further detail in the outcome of a planned complaints governance review at the Extra-Ordinary Committee meeting being planned. The compliance against the Trust ability to meet its internal standard for complaints responses was highlighted as an area of increasing risk and further detail will be provided directly to the Board via the Complaints Report.
- The Committee reviewed the risk controls in place to manage and mitigate risk associated with Information Governance and Security and it noted that elements of digital risk were increasingly moving to a regulatory space. The Committee also received an update on the

submission of the 2024/25 Data Security Protection Toolkit (DSPT) which had been validated by Internal Audit. The Chief Digital and Information Officer took away an action to confirm that they recommendations arising from this review had been embedded.

- The Committee reviewed the risk controls in place to manage and mitigate risk associated with patient safety and outcomes and confirmed it had received assurance on the controls in place to monitor patient safety and outcomes risk however noted the lack of assurance on the reduction of this risk due to the escalating operational position. It was recognised that oversight of the quality and safety position was provided via the Quality Assurance Committee (QAC) however wanted to advise that the Trust was operating outside of its risk appetite.
- The Committee reviewed progress against the 2025/26 Internal Audit Plan which remained on-track for delivery. One amendment to the plan was approved for the Waste Management review to be deferred and replaced by an Asbestos review. There were no requests for extensions to audit action deadlines which was positive, and the Committee received confirmation that the 2027 dates raised at the previous meeting had been challenged and revised.

Two Limited reports were received with the Executive Leads in attendance to provide further detail on the findings and agreed actions. The first report was in relation to the Mortality Framework review with recommendations on the quality and completeness of Structured Judgement Reviews; an escalation was made to the QAC to provide oversight and receive assurance on the delivery of the improvement plan.

The second report was in relation to the Facilities (Fire Safety) Review with recommendations regarding the completeness of the Fire Action Tracker and risk assessment schedule. The Committee noted there was a discrepancy between the Limited rating provided by the audit review versus the strength of external assurance provided by subject matter expert on regulated activity regarding fire safety. Assurance was provided from the Executive Director that all areas had an appropriate risk assessment in place with a rolling programme of for safety improvement works to address any highlighted areas of concern. Assurance was provided to the Committee that all areas of the Trust had a fire risk assessment in place that was current, and in line with Fire code and the Fire Safety Order. *(With further information supplied and recorded as a post meeting note - Fire risk assessments are carried out in accordance with HTM 05 03 Part K, introduced in 2025 and as such are reviewed every two years, but all actions have now been logged on the tracker since the PwC Audit. This updated format was more comprehensive and covered a wider range of considerations, which in turn strengthens the Trust's overall fire safety position).*

It was recognised that areas of weakness cited within the internal audit report were linked to the ambitious best practice of the team with the introduction of a data monitoring system which had not been in place for a full 12-month cycle and not a lack of assurance. It was confirmed that work was taking place to align documentation with best practice however as risk assessments were conducted on an annual cycle this work had not yet concluded. The Committee confirmed the assurance of the statutory requirements for fire safety.

#### 4. Assurance

- The Committee completed its annual review of the register of Declared Interest for Board members and can confirm the continued independence of Non-Executive Directors.
- The Committee received an update on the processes in place to support the Freedom to Speak Up (FtSU) function within the Trust with assurance structured around the self-assessment process of the key questions developed by MIAA, 2023 to support Audit

Committee assurance). The FtSU Guardian was in attendance and provided a verbal update on the Lead Champion Model that had been implemented to support the coordination of activity at CSU level, and the Committee was supportive of the agreement via the Executive Team to increase the WTE of the FtSU resource. The Trust continued to perform above average in the Staff Survey questions in relation to FtSU however there had been a decline against its own previous year's performance. Ongoing engagement was taking place with staff and the FtSU Team were identifying some positive stories to highlight the implemented learning and action from the FtSU process.

- The Committee noted the strong assurance received on the controls in place to mitigate both the Health and Safety risk and risks associated with Physical Assets. Against both of these risks examples of external assurance were provided and the Trust was demonstrating positive risk management and meeting, or exceeding, its core competencies.

## **5. Risk review**

There were no areas arising from the meeting for escalation however the Committee notes that the Trust is moving away from its risk appetite in several areas due to sustained operational and financial pressures which would be considered further with the Board at its scheduled review of the Risk Appetite Framework during its private meeting.

## **6. Recommendation**

The Board are asked to receive and note the content of this report and be assured that the Audit Committee is fulfilling its assurance function as delegated from the Board and as defined within its Terms of Reference.

The Board are asked to note that the 2025/26 Annual Accounts continue to be prepared on a Going Concern basis. Draft accounts are required to be submitted to NHSE by 27 April 2026 and final Audit Accounts by 26 June 2026.