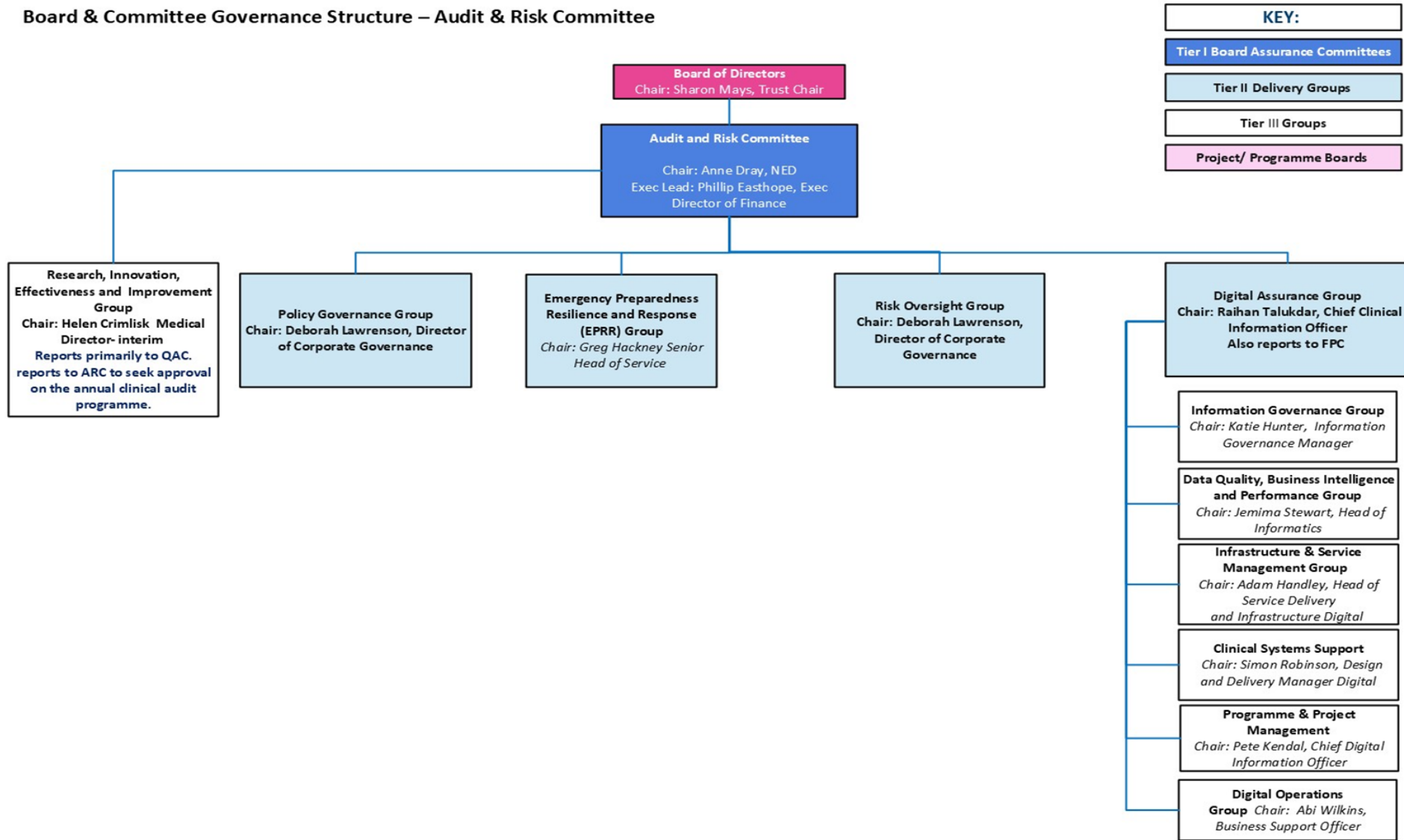# Council of Governors

Audit & Risk Committee (ARC) Background reading June 2024

Anne Dray, Chair of Audit & Risk Committee and Non-Executive Director

Sheffield Health and Social Care NHS FT Corporate Governance Structure

Board & Committee Governance Structure – Audit & Risk Committee

KEY:

Tier I Board Assurance Committees
Tier II Delivery Groups
Tier III Groups
Project/ Programme Boards

Board of Directors
Chair: Sharon Mays, Trust Chair

Audit and Risk Committee
Chair: Anne Dray, NED
Exec Lead: Phillip Easthope, Exec Director of Finance

Research, Innovation, Effectiveness and Improvement Group
Chair: Helen Crimlisk Medical Director- interim
Reports primarily to QAC. reports to ARC to seek approval on the annual clinical audit programme.

Policy Governance Group
Chair: Deborah Lawrenson, Director of Corporate Governance

Emergency Preparedness Resilience and Response (EPRR) Group
Chair: Greg Hackney Senior Head of Service

Risk Oversight Group
Chair: Deborah Lawrenson, Director of Corporate Governance

Digital Assurance Group
Chair: Raihan Talukdar, Chief Clinical Information Officer
Also reports to FPC

Information Governance Group
Chair: Katie Hunter, Information Governance Manager

Data Quality, Business Intelligence and Performance Group
Chair: Jemima Stewart, Head of Informatics

Infrastructure & Service Management Group
Chair: Adam Handley, Head of Service Delivery and Infrastructure Digital

Clinical Systems Support
Chair: Simon Robinson, Design and Delivery Manager Digital

Programme & Project Management
Chair: Pete Kendal, Chief Digital Information Officer

Digital Operations Group Chair: Abi Wilkins, Business Support Officer

Audit & Risk Committee

- The committee meets quarterly with extraordinary meetings taking place when required.
- Membership:
  - Chair: Anne Dray – Non-Executive Director
  - Non-Executive Directors: Heather Smith and Owen McLellan
- Attendees:
  - Director of Corporate Governance
  - Executive Director of Finance: Phillip Easthope
  - Deputy Director of Finance
  - A representative of the external auditors
  - A representative of the internal auditors
  - A representative of the local counter fraud service

Role of the committee

- Independent and objective review of our internal controls and processes to manage risk
- Oversight of independent support from external and internal auditors and counter fraud services

Significant issues considered in 2023/24

- **External audit reports** – plan, Value for Money assessment, their annual report and associated actions
- The Governors agreed to recommendations from the Committee in terms of external audit arrangements for the next two years.
- **Internal audit reports** – plan, internal audit reports, Head of Internal Audit Opinion
- **Counter fraud** work plan, progress report and annual report
- **Accounting** policies and changes to financial reporting requirements; reports on losses and special payments, material estimates and 'going concern' position; single tender waivers and Standing Financial breaches reports
- Annual review of **Standing Orders, Scheme of Delegation and Standing Financial Instructions**
- Annual Report and Accounts prior to approval at the Board

Significant issues considered in 2023/24

- **Declarations** of Interests, gifts, hospitality and sponsorship and the Fit and Proper Persons test monitoring arrangements
- **Risk Management** Framework updated. Oversight of management of Board Assurance Framework and Corporate Risks
- **EPRR compliance** as noted – the committee has monitored delivery of the action plan
- **Annual Assurance committee reports** and their reviews of effectiveness
- **Data and Information Governance Annual Report**
- **Annual and mid-year reports on claims and litigation**
- **Annual Report on Policy Governance** and regular reporting throughout the year at assurance committees
- **Annual Report and review of effectiveness** for the Audit and Risk Committee

Alerts:

- **Going Concern Report** – Preparation of Accounts – positive

- **Value for Money** - external audit report – positive overall

- **Emergency Preparedness Resilience & Response (EPRR)** – issues during the year with compliance following introduction of new requirements. Good progress has been made on addressing these. We expect to be c60% compliant by September which is in line with our plans - negative but an improving position

- **Internal Audit Progress** – good progress has been made in year with a large number of our internal audits receiving significant assurance; our completion of internal audit actions has been very strong and our Head of Internal Audit Opinion expected to be significant overall – positive overall

- **Impact of Electronic Patient Record (EPR) migration delays** – negative but an improving position

- **Subject Access Request (SARS) and Freedom of Information Requests (FOI)** – positive given action taken

- **Information Governance risks -**   169 incidents (4 reported to the Information Commissioner) and investigated with no further action taken. Good progress has been in year on improving take up of information governance training.

Examples of NED Challenge:

- **EPRR** – and improving processes with a request for a clear trajectory (dates) for achievement of each action.

- **Risk** - the committee asked that Risk Oversight Group consider processes in place for oversight of risks at directorate level to ensure there is no re-emergence of a backlog of risks of 12 and above not yet escalated. It was agreed the Core Strategic Risk Internal audit this year will focus on directorate level oversight of risks.