

Key Matters and Escalation Report to the Trust Board

Name of Committee: Audit and Risk

Chair: John Kennedy, Non-Executive Director

Meeting Date: 11 May 2026

Key matters

The committee received and discussed the following:

Norfolk Community Health & Care Trust (NCHC)

- **Local Counter Fraud Service (LCFS) Annual Report** – an overall GREEN rating was expected to be achieved for the annual Counter Fraud Functional Standard Return (CFFSR) submission with ten out of twelve of the counter fraud standards rated green and two amber. Efforts were ongoing to resolve the amber areas, particularly around gifts and hospitality and staff survey engagement.
- **Internal Audit Progress Report/Annual Report**
 - All audits for 2025/26 were now completed, including:
 - Locality Compliance Visits (**substantial assurance**)
 - Waiting Well (**reasonable assurance**)
 - Physical Asset Recording (**reasonable assurance**)
 - IT Programme Management (**reasonable assurance**)
 - The draft Head of Internal Audit Opinion for 2025-26 confirms that the Trust has reasonable and effective risk management, control and governance processes in place.
- **Update on External Audit activities** – confirmation was provided that the audit process for 2025-26 was on track and progressing well. No issues to report.
- **Waivers and Special Payments, quarters 3 & 4 (2025-26)**
- **Draft Annual Report & Accounts 2025-26**

Cambridgeshire Community Services NHS Trust (CCS)

- **Local Counter Fraud Service (LCFS) Annual Report** – an overall GREEN rating was expected to be achieved for the annual Counter Fraud Functional Standard Return (CFFSR) submission with eleven out of twelve of the counter fraud standards rated green and one amber (linked to declarations of interest).
- **Internal Audit Progress Report/Annual Report**
 - All audits for 2025/26 were now completed, including:
 - Bank & Agency Spend (**reasonable assurance**)
 - Key Financial Controls – Cash & Car payments (**partial assurance**)

- The draft Head of Internal Audit Opinion for 2025-26 remains unchanged and confirms that the Trust has an adequate and effective framework for risk management, governance and internal control.
- **Update on External Audit activities** – confirmation was provided that the audit process for 2025-26 was on track and progressing well. No issues to report.
- **Waivers & Special Payments, quarters 3 & 4 (2025-26)**
- **Draft Annual Report & Accounts for 2025-26**

East of England Community Health & Care NHS Trust (EEC)

- **Fraud** – the Counter Fraud Outcome Metrics for 26-27, Annual LCFS Work Plan for 26-27 and new Anti-Fraud, Bribery and Corruption policy were **approved**.
- **Annual Internal Audit Plan for 26-27** – *approved*.
- **Board Assurance Framework (BAF)** - *reasonable assurance*.

Key escalation

None

Key risks and issues

The committee received a first edition of the 2026-27 Board Assurance Framework (BAF) for the new Trust. New risks linked to financial sustainability and stakeholder relationships were included. It was noted that additional workforce-related risks, discussed by the board in April 2026, would be added to the BAF before being presented to the Trust Board On 20th May 2026.

Escalation Framework - assurance rating definitions

Substantial:

- Demonstrates effective system of control and mitigations to address risks supported by information and evidence in the report.
- Evidence that controls are consistently applied.
- Very unlikely to negatively impact the achievement of the Trust ambitions and strategic objectives.
- Supported by subject matter expert opinion in the rationale for assurance rating.

Reasonable:

- Does not raise any concerns that are material weaknesses of internal control with information and evidence in the report.
- Highlights further action or development work underway to improve assurance.
- Supported by subject matter expert opinion in the rationale for assurance rating.

Action: **ongoing monitoring** by Committee.

Partial:

- Demonstrates some material weaknesses of internal control in the information and evidence in the report.
- Highlights further development work necessary to improve assurance.
- May negatively impact the achievement of Trust ambitions and strategic objectives.
- Some level of risk to improvement highlighted by subject matter expert opinion in the rationale for assurance rating.

Action: **increase** Committee scrutiny and **escalate** to the Trust Board for awareness.

Minimal:

- Demonstrates significant material weaknesses of internal control supported by information and evidence in the report.
- Actions that have been taken are not improving assurance.
- Will impair achievement of strategic aims and objectives.
- Significant risks to improvement highlighted by subject matter expert opinion in the rationale for assurance rating.

Action: **immediate escalation** to agree action at Trust Board level.