East of England Community Health and Care NHS Trust

Key Matters and Escalation Report to the Trust Board

Name of Committee: Audit and Risk
Chair: John Kennedy, Non-Executive Director
Meeting Date: 13 July 2026

Key matters
The committee received and discussed the following:

- **Local Counter Fraud Service (LCFS) Annual Report:**
  Work is underway to align counter fraud policies and procedures across the new organisation which will streamline reporting and staff access to referral channels. It was confirmed that future reports on actions taken by the Trust in response to national counter fraud alerts would provide more detail to strengthen assurances. Proactive work to increase uptake of staff awareness training sessions continues.

- **Internal Audit Progress Report/Annual Report:**
  - Recent audit reviews completed:
    - Security and storage arrangements (**reasonable assurance**)
    - Cyber Assessment Framework (**self-assessment rated as medium with a high confidence level from auditors**)
  - Legacy management actions are now aligned and monitored monthly through the Executive Committee.
  - Upcoming Artificial Intelligence (AI) related challenges with NHS copilot licenses were highlighted.

- **Update on External Audit activities:**
  A verbal update was provided, confirming completion of work for financial year 2025-26. National Audit Office approval is expected towards the end of the calendar year.

- **Managing Conflicts of Interest** (*reasonable assurance):*
  A new joint policy is now in place, and a proactive exercise is planned for quarter two targeting all decision-making staff at Band 8C and above.

- **Digital Report - Cyber Risk** *(reasonable assurance)*:
  The committee discussed in detail what steps the Trust is taking to maintain digital security following NHS England's recent heightened risk alert. An internal review had identified that further action was needed with tier one suppliers.

- **Board Assurance Framework** (*reasonable assurance)*:
  More detail under 'key risks and issues'.

Key escalations
None identified.

Key risks and issues

The committee received and approved the latest iteration of the Trust Board Assurance Framework. No new risks or issues had been added since the last review by the Trust Board on 20th May 2026. A review of the Trust's emerging risk radar had taken place with a new risk added around the ability to recruit and retain staff with IT, digital and engineering skills.

A review of the effectiveness of reporting operational risks and issues through the Board and its sub-committees would be carried out and presented at the next meeting October 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.