

# TIAN News

May 2023



## Introduction

As organisations continue to face unprecedented challenges both operationally and financially, the provision of independent and objective assurance regarding governance, risk and internal control is particularly important. The TIAN network is happy to support you.

I am delighted to welcome you to our fourth edition of TIAN News as we wave goodbye to 2022/23 and begin the new financial year. This edition spans another wide range of articles on important risk and governance issues, including:

- Good practice in using your Assurance Framework, as well as opportunities to improve and develop this key tool;
- The fundamental importance of effective governance over data quality within the NHS;
- Learnings identified from the recent HFMA Financial Sustainability self-assessments; and
- Guidance about the Data Security & Protection Toolkit and its audit and assurance regime.

**Helen Higgs, Director of Audit Yorkshire**

## Assurance Frameworks - Are they being used effectively?

An efficient and effective Assurance Framework (AF) is a fundamental component of good governance, providing a tool for the Board to identify and ensure that there is sufficient, continuous and reliable assurance, organisational stewardship and the management of the major risks to organisational success. The principles of assurance frameworks have been in place for many years, and there has been a continued focus on ensuring the embeddedness of these processes and the extent they are used by the Board.

In January MIAA issued an Insight briefing on the use of Assurance Frameworks by NHS provider trusts. The briefing summarises the anonymised results from a survey of NHS Foundation Trust/Trust Board members and other relevant personnel across MIAA's client base. The survey sought views on the utilisation and effectiveness of the AF within their organisations, including the following areas:

- Alignment of the organisation's strategic objectives and key risks;
- Utilisation and consideration of risk appetite;
- Board engagement with and scrutiny of the AF; and
- System related risks.

Whilst traditionally the AF has focused on risks, controls and assurances within the organisation, we are starting to see a wider focus across organisation boundaries and an increase in external risks to reflect the environment within which organisations are operating. With the creation of Integrated Care Boards (ICBs) and the emphasis on local system working we see this trend continuing with the need for System risks to be considered and as appropriate reflected in AFs. The fundamental principles of good risk management, of which the AF is an integral part, are the same for both

organisational and System level risks, but System risks will tend to be more complex and be impacted by multiple factors.

Particular areas of good practice identified included:

- Most respondents felt that their organisation's strategic objectives were clear and well defined. Objectives were also viewed as being current and relevant within the changing landscape/integrated working arrangements.
- 96% of respondents felt that the AF aligns the organisation's strategic objectives to the key risks and were either in full or partial agreement with this statement.
- Half of the respondents agreed that risk appetite is set at an appropriate level and reflective of the organisation's current circumstances and environment, 38% partially agreed.
- The majority of respondents felt that the governance and reporting structures around the AF were clear and that there is effective engagement with the AF in terms of frequency in presentation, sufficient time on agendas and discussions being suitably strategic.
- 62% of respondents were in full or partial agreement that controls, assurances and gaps for all risks were reflective of System working arrangements. 29% were not sure and 9% selected no.

Specific areas for enhancement/review were:

- Risk appetite is an area for ongoing focus both in terms of how organisations define their appetite and the extent to which this reflects the current circumstances and environment. Also, respondents highlighted concerns in how well risk appetite was utilised in the management of the AF. 20% of respondents felt that the risk appetite was not duly considered and effectively utilised in the management of the organisation's AF, 42% of respondents were in partial agreement with this statement.
- 42% respondents either answered partially agreed or no when asked if they felt adequately assured over the management and mitigation of risks on the AF.
- A greater percentage of respondents answered no or partially agreed (67%) in response to questions relating to risks around System/partnership working being clearly articulated and reviewed at the correct frequency with the pace of change.
- In response to the question relating to the consistency of System risks in the organisation's AF and those of other Trusts/Foundation Trusts within provider collaboratives and the wider system, the majority of respondents selected not sure (63%), 15% answered yes, 20% partially agreed with this statement and 2% selected no.

This work provided information to support NHS organisations in understanding current Board level views of the AF, and was designed to prompt and inform discussion. Key challenge questions to consider are:

1. If strategic objectives and key risks are not aligned on the AF what is being done to rectify this?
2. Is risk appetite regularly discussed at Board level?
3. Is risk appetite discussed when reviewing the AF? Are risk scores challenged/viewed in line with risk appetite?
4. Is the Board agenda led by strategic objectives and AF risks? If not, why?
5. What are the mechanisms by which the Board receives assurances on the management of AF risks? Is this sufficient?
6. Is there enough focus on System related risks and mitigations in place and are these sufficiently reviewed in line with the pace of change?

*Further information on this, including a copy of the full Insight briefing, is available at [www.miaa.nhs.uk/category/blog/briefings/](http://www.miaa.nhs.uk/category/blog/briefings/)*

### Governance of Data Quality (DQ)

Barts Assurance recently completed work supporting an NHS provider trust develop its arrangements for ensuring the quality of its clinical RTT data. Every board relies on the information being reported to ensure effective decision-making and support robust monitoring and assurance of performance. The public, commissioners and regulators also expect to be able to rely on the completeness and accuracy of figures provided by Trusts regarding their waiting lists and the number/cost of treatments delivered. NHSE has previously written to all Trust CEOs making clear that they expect all NHS organisations to put in place effective measures to ensure data quality, and highlighting that this should include regular auditing to provide assurance that controls are adequate and operating effectively<sup>1</sup>.

#### Case Study: Governance over Referral To Treatment (RTT) Waiting List Data

**Background:** RTT performance reporting is a complex area, with an inherently high risk of data error. Effective staff training on administration systems, as well as RTT rules and processes, are key to enhance the chances of ‘getting it right first time’. Data quality errors can arise through systems interfaces, referral and patient administration systems, electronic logic issues in extracting PTLs, administrative errors, particularly around complex patient pathways, and the misinterpretation of national RTT rules.

First line (service-level) RTT validation should correct patient pathway errors, but this process may also introduce errors through contestable clock stops. Second and/or third line assurance processes through teams independent of services, including internal audit, should be established to minimise risks of data error. Data errors identified through such assurance processes should feed into corrective training. A ‘business as usual’ aspiration should be a reliable waiting list with minimal error correction required, assured by necessary validation and regular audits.

**Work Completed:** Barts Assurance were commissioned to audit the Trust’s governance over quality of its reported waiting list/waiting time data. Specific focus of the work was to:

- Consider the robustness and fitness for purpose of the Trust’s committee structure, including accountability and reporting lines; and
- Assess the level of assurance available over the completeness, accuracy and timeliness of the performance data produced and how this is used.

#### Key Learning Points:

- **Policy Management** – Ensure your RTT (Access) Policy is subject to regular review. NHSE/I’s elective care model access policy issued in 2019 established best practice as being at least annual review and ratification, or more frequently if there are changes to national elective access rules or locally agreed principles. The policy should include key data quality measures, and arrangements for their assurance through validation and audit.
- **Transparency** - The policy should be available on the Trust’s website in line with national guidance on writing an access policy from the NHS Elective Care Intensive Support Team which sets out expectations on publishing, including making paper copies available as well as other accessibility options. Latest guidance on RTT can be found on NHSE’s website at

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<sup>1</sup> NHSE/I letter on 3rd December 2021 to acute trust chief executives and medical directors on waiting list management required “*all providers to review current waiting list policies in line with corporate governance guidelines, which will include an Internal Audit review.*” This was followed on 2nd March 2022 by a letter from NHSE/I’s National Director of Elective Recovery (addressed to all acute trust chairs, chief executives and chief operating officers) regarding the re-statement of existing consultant-led RTT waiting time rules. This included a requirement that “*Current waiting list policies are reviewed in line with current RTT rules and best practice guidance, which will include an internal audit review annually.*”

[www.england.nhs.uk/rtt/](http://www.england.nhs.uk/rtt/) and on the future NHS collaboration platform <https://future.nhs.uk/>

- **Data Quality and Assurance Policy** - The audit looked for best practice examples of a Data Quality policy across the sector, but was unable to identify any which were considered to comprehensively cover the full range of data quality elements. Some notable elements of good practice were identified however at [Portsmouth Hospitals](#) (which demonstrates good data quality ownership principles by including data quality as part of appraisals, and requiring divisions to submit data quality assurance reports); and at the [Isle of Wight](#) (which also demonstrates operational ownership through a range of data quality metrics).
- **DQ Monitoring and Assurance Framework** – The current NHS Audit Committee Handbook clearly identifies the Audit Committee’s role in relation to examining data quality:
  - *“Another key role for the audit committee is to consider whether it has appropriate assurances that the data (including both that received directly and that used to provide assurances on activities and service provision) has undergone quality checks to ensure that it is robust. This involves the committee in looking beyond the messages it receives to critically reviewing the underlying data and specifically, assessing whether the sources are reliable. The system(s) used to collect and record the data should also be reviewed to determine that there are sufficient controls to ensure accuracy. This can be particularly challenging in relation to non-financial performance reporting. It is also important to bear in mind that even when another committee or organisation has day-to-day responsibility for a particular risk area, the audit committee is ultimately responsible for confirming that it is being managed effectively and that any gaps in assurance are picked up and addressed.”*

Clear roles and responsibilities should be established within the organisation to report assurance on DQ into the Audit Committee. e.g. A formally constituted ‘Data Validation & Data Quality’ management group responsible for reporting its work at least annually to Audit Committee (either directly or through a clear route within wider Information Governance reporting.) Such a management group must have suitable remit, membership and resources in order for it to ensure ‘ownership’ of data quality across the Trust including accountability for any adverse trend in data quality errors.

- **3 Lines**
  - **First Line Assurance – Operational Validation:** There should be clarity and consistency across all Hospitals/Sites around who is responsible for conducting detailed checks on Waiting List records. i.e. What and when validation must be conducted locally, avoiding overlap with work undertaken by the Trust’s second line (central Data/BI team.)
  - **Second Line Assurance – Monitoring:** Detailed assurance, independent of local units, should be routinely established over RTT Waiting List by the Trust’s Data/BI team. As well as investigating and addressing errors and exceptions (whether arising from NHSE/IT’s monthly central validation checks on submitted RTT data, SUS data quality queries or commissioner challenges) this team’s remit should include routine sampling of completed RTT pathways to ensure correct clock stops, and reporting on DQ KPIs including error rates. Such KPIs may include scheduled waiting list encounters with a past “To Come In” (TCI) date, active waitlist on an RTT clock stop, and past TCI with same day emergency admission. The results of this work should be regularly reported into the Trust’s governance framework. i.e. To a ‘Data Validation & Data Quality’ Group established at Trust level.
  - **Third Line Assurance – Audit:** The Audit Committee should receive assurance regarding the quality of the Trust’s key reported data/metrics, and work being done to improve and develop in this area. This assurance should comprise both the results of work done corporately by the ‘Second Line’ as well as including the output of

agreed annual programme of internal audit work focussed on the Trust's Data Quality which meets regulators expectations.

*Please contact your local TIAN team to discuss how internal audit can support your organisation to ensure effective governance exists over data quality. Mike Townsend, MD of Barts Assurance, would also be happy to share his experience, and discuss any of the issues raised in this article. Mike can be contacted at [michael.townsend@nhs.net](mailto:michael.townsend@nhs.net) or 07523 933348.*

### **HFMA Financial Sustainability Checklist**

All NHS organisations were required to complete the self-assessment tool last autumn based on the HFMA briefing 'Improving NHS Financial Sustainability: are you getting the basics right'. NHSE also mandated an internal audit review was carried out on these self-assessments to:

- Confirm that the self-assessment was fully completed
- Confirm the self-assessment had been approved in line with guidance
- Review a sample of 12 areas covered by the checklist (as identified by NHSE)

TIAN have worked together throughout this process, from supporting NHSE with design of the process, through to delivery of the work programme, benchmarking scores for clients, and delivering a post-review 'Insight' briefing. This Insight provides analysis of the anonymised results from the NHSE directed internal audit review undertaken against the HFMA's checklist, with the results based on final reports issued across MIAA and 360 Assurance's clients. 360 Assurance's Managing Director, Leanne Hawkes, and MIAA's Assurance Director, Louise Cobain, discussed the findings of this work at the HFMA's Audit Conference on 16th March.

The briefing can be [viewed here](#) and considers good practice, areas for enhancement in the overall process and good practice against each of the 12 areas included for the internal audit review.

### **Data Security Protection Toolkit (DSPT) – a guide for Audit Committees**

MIAA have issued a briefing note to support audit committees in respect of the Data Security Protection Toolkit (DSPT). The DSPT is a mandatory annual self-assessment for organisations processing, storing, or transferring health and care data and / or accessing NHS systems. Its requirements are based upon the National Data Guardian 10 Data Security Standards, and the toolkit provides a roadmap for organisations towards continuous improvement of their security posture.

Organisations should use the toolkit to ensure they align with security best practice guidelines in order to mitigate the risk of a data breach or security incident. The DSPT also helps demonstrates to partner organisations that you are handling data safely and legally. Key aspects include:

- An independent audit is part of the evidence required by the DSP Toolkit.
- The submission deadline for the next toolkit is the 30th June 2023.
- The DSPT has 3 levels of attainment – "Approaching Standards", "Standards Met" and "Standards Exceeded".
- Organisations who obtain 'Standards Met' and have Cyber Essentials PLUS certification can achieve 'Standards Exceeded'.
- National Data Guardian security standards include 3 "leadership obligations" - People, Process and Data Security and Technology.

Key drivers for organisations to maintain compliance are:

- The DSP Toolkit is a continuous risk assessment. The toolkit may form part of a CQC "Well Led" assessment.

- Organisations need to risk assess their security position on an ongoing basis, and should continue to assess their position in terms of controls and processes against the mandatory requirements, and identify any gaps in their framework.
- Continuous monitoring and improvement is a critical part of an organisation's security management processes.
- Buy-in and action from the entire organisation is crucial to achieving and maintaining a successful outcome for the organisation.

The guide is designed to prompt and inform discussion in this area, and sets out key questions audit committee members should be considering<sup>2</sup>, such as:

- Governance
  - Which roles are responsible for cyber from a senior management perspective and are they in post?
  - Is there an executive and non-executive lead appointed for cyber security?
  - What is the governance structure to enable the dialogue to take place and how effective are the current arrangements?
- Risk Management
  - Are critical assets / data agreed?
  - Is cyber risk part of the wider business risk framework, and how often does the board review its' cyber risks?
- Briefings
  - When was the board last briefed on cyber risks and last cyber security trained?
- Technology
  - What defences are there against phishing?
  - How do we control the use of IT privileged accounts?
  - What authentication methods are employed to control access to data / systems?
  - How do we ensure devices / software are up to date?
  - How do we ensure that our partners / suppliers protect the information we share with them?
- People
  - Do we have the right culture / capability to manage the risk?
  - When was the last cyber security awareness campaign?
  - How experienced are our cyber team and are there any gaps?
  - Resilience
  - Is there a secure offline backup?
  - Have Incident Management Plans and Business Continuity Plans been reviewed been exercised?

Further information on this, including a copy of the full guide, is available at [www.miaa.nhs.uk/category/blog/briefings/](http://www.miaa.nhs.uk/category/blog/briefings/). Louise can be contacted on [louise.cobain@miaa.nhs.uk](mailto:louise.cobain@miaa.nhs.uk) / 07795 564916.

### Events Round Up

**Recent event – Digitalisation:** On 9 March 2023 Audit Yorkshire and 360 Assurance held an event for NHS clients focused on Digitalisation. The event considered virtual wards, lessons from Derbyshire

<sup>2</sup> based on the Cyber Security Guide for NHS Non-Executive Directors: Balancing the Risk



on the design and implementation of a digital electronic project management office (ePMO) and Cyber Security. Information from the event can be [found here](#).

**Future Programme:** TIAN members organise and facilitate a number of Groups and Forums across the country to support and develop NHS governance. e.g. Regional Audit Committee Chair meetings. A wide range of other education, training and networking events are also run, with many of these sessions now held virtually and being accessible to all TIAN member's NHS clients. These include:

- [Outlook for the Public Sector 2023, 20<sup>th</sup> April 2023](#) - This event will take stock of where we are across health, social care and local government. This year it seems more important than ever to hear from our panel of experts on their analysis of the challenges facing health and social care.
- [Governors Learning and Development Event, 24<sup>th</sup> May 2023](#) - The Governors learning and development event will provide an update on the changing NHS landscape including Integrated Care Systems, Provider Collaboratives and partnership working.
- [Procurement, 11<sup>th</sup> September 2023](#) - Procurement Rules are changing and will have a significant impact on NHS procurement. In this half day virtual session we will consider the Procurement Rules, Supply Chain Sustainability and the possibility of Mandate Fraud.
- [System Working, 5<sup>th</sup> December 2023](#) - This half-day virtual event will consider the progress made in working across new partnerships to deliver health and social care in an equitable and sustainable way.

### **People news - Goodbye Jenny! Hello Amanda!**

All TIAN members would like to send their best wishes to Jenny McCall who retired on 17th March from her role as Director of Audit and Assurance Services at ASW Assurance. Jenny led the ASW team for the last 13 years, with her career being marked by her dedication to clients and to the service, to quality and to getting it right. As well as supporting NHS clients across the South West, Jenny has also been a longstanding member of the HFMA's national Governance & Audit Committee contributing to a wide range of their publications and briefings supporting the wider NHS finance and audit community. We wish her all the very best in her retirement.

We would like to give a big welcome to Amanda Lowe, who succeeds Jenny and joins ASW from NHS England. Amanda started out in internal audit back in 2006, then moved into the NHS as a Head of Governance in 2012. Since then, Amanda has extensive experience of working within a wide range of senior Corporate Governance, Risk and Assurance roles. Before joining ASW Assurance, Amanda was the Programme Lead: Legal Services Target Operating Model at NHS England, where she was accountable for development of the national direction for legal services, including design of the future operating model for legal services across the NHS in England. Amanda was the nominated Subject Matter Expert for Governance, Risk and Legal within the Corporate Services Transformation Programme (CSTP) at NHSE, and her role required her to work closely with stakeholders across the NHS, providing governance and risk advice to facilitate and drive quality, efficiency and productivity improvements across a range of corporate functions, including Finance, HR & Payroll, IM&T, Procurement and Governance, Risk and Legal.

Throughout all of Amanda's previous roles, she has led delivery of a wide host of complex audit, service improvement and transformation programmes in both operational management and advisory/consultancy capacities. On asking Amanda how she feels about joining ASW Assurance, she said *"I'm very excited to be here. I'm highly motivated, highly enthusiastic and really thrilled to have been appointed to this role."* Welcome to the team, Amanda.

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Find us at: 

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