

Audit and Risk Assurance Committee (ARAC)

Audit Tracker

**Audit and Risk Assurance (ARAC) meeting**

**Date:** 8 June 2023 **Paper reference:** AUD 21/23 **Agenda item:** 7

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**Protective Marking:** OFFICIAL

# Audit Tracker Summary

## Purpose of paper

1. To provide the Committee with an update on the outstanding recommendations in HTA’s Audit Tracker.

## Decision making to date

1. The Audit Tracker was reviewed by the SMT on 23 May 2023.

## Action required

1. ARAC Members are requested to comment and note progress made.

## Update

1. The Audit Tracker was last presented to the Committee at its January 2023 meeting. At that time there were 12 audit recommendations outstanding.
2. Since then 4 new audits have been completed. As of 30 May 2023, a further 9 recommendations have been agreed as completed by GIAA, leaving a total of 26 recommendations outstanding.
3. Of the 26 outstanding, 20 are not due with a further 6 being overdue.

# Updates – by exception

1. At the January meeting we highlighted one recommendation that had missed its due date, this was the Effectiveness of Inspections recommendation no. 2.3 (table of sector standards). This recommendation was closed in February.
2. There is a one further recommendation from the Effectiveness of Inspection (1.1) where the Committee are requested to agree revision of the due date from May 23 to December 23. The reasoning behind the request is that phase 1 of the project is not due to complete until Q3 of the 23/24 business year and is also dependent on the availability of funds for completion. Pushing the date back allows time to ensure funding is in place.
3. The Record to Report recommendations (3) are still outstanding. We have submitted evidence for recommendations 2 and 7 which has not been accepted and we will liaise with GIAA further. The third recommendation requires clarification which will be sought.
4. At Annex A is a summary of those recommendations that are currently outstanding with comments for the Committee’s review.
5. The Committee are requested to note and comment and agree the summary at Annex A.

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| **Financial Year of Report** | **Audit** | **RAG** | **Rec No.** | **Recommendations** | **Actionee** | **Audit due date** | **HTA****revised date** | **Complete per HTA (Y/N)** | **Agreed complete GIAA (Y/N)** | **Comments** |
| **2019/20** | Utilisation of capabilities | **Medium** | **6** | Consideration should be given to the development of a key roles register which would identify key posts and the contingency arrangements in place should an emergency arise including a nominated deputy and comprehensive job instructions. | **Head of HR** | **Nov-19** | **Mar-23** | **N** | **N** | It was agreed that provision of contingencyarrangementts refers to a matrix of key posts and deputies which needs to be created.**May update:**This is in train and with the variousDirectors for approval |
| Business Continuity | **Medium** | **1.6** | HTA to document any BCP training carried out by staff, including dates when refresher training is needed. | **Head of HR** | **Jun-20** | **Sep-23** | **N** | **N** | **May update:** BCP training will be rolled out to all staff following the test day which is planned for 2 June. We are currently looking into options for BCP trainingthrough our learning platform Astute. |
| **2020/21** | Cyber Security | **Medium** | **1.5** | To produce incident response plans to aid the restoration of IT service in the event of disruption or service outage. | **Head of IT** | **Dec-20** | **Mar-23** | **N** | **N** | **May update;:**Submission made to GIAA, however further evidence has been offered stemming from the work around DSPT and feedback is awaited. |
| Payables and Receivables | **Low** | **2** | Authorisation limits should be built into the finance system. This will ensure thatwhere approvers attempt to approve transactions over and above their limits, there are system controls in place to prevent this. | **Head of Finance** | **Sep-21** | **Mar-25** | **N** | **N** | This recommendation will be satisfied if and when newsystems are sourced.**Not due** |
|  | Effectiveness of Inspection | **Medium** | **1.1** | HTA should undertake an exercise (delivery time study) to more fully understand the delivery landscape in terms of types of activity (routine and non-routine), time they require, and volumes | **Director of Regulation** | **Mar-23** | **Dec-23** | **N** | **N** | **May update:** The delivery time study is scheduled tobe delivered through Workstream 3 of the Review of Inspections Project. That workstream is now scheduled to be delivered during Quarter 3, 2023/24, with contracts agreed and starting during Quarter 1 2023/24.As this workstream is only due to start in September 2023, and that is subject to suitable additional funds being available, a revised due date is proposed of 31December 2023. |
| **Medium** | **1.2** | Planning Assumptions should be revisited in light of the MI gathered from the delivery time study. Plans should be updated to provide a more detailed picture of expected / achievable delivery including both routine and non-routine work. | **Director of Regulation** | **Jul-22** | **Mar-24** | **N** | **N** | This recommendation is dependent on the work atrecommendation 1.1 and will impact the due date.**Not due** |
|  | Record to Report | **Medium** | **2** | Roles and responsibilities - All R2R roles and responsibilities for allmembers of the Finance team should be appropriately defined and kept up to date within policies and procedures. | **Head of Finance** | **May-23** | **N/a** | **Y** | **N** | **May update:Auditor's response to evidence****provided:**These recs (2&7) both reference system controls however from the evidence provided the auditor is unable to see any evidence of changes to these |
| **Medium** | **3** | Assurance framework - 1st and 2nd line assurance requirements should be documented into relevant SOPs. These defined assurance activities should be formally implemented to strengthen the control environment. | **Director of Resources** |  |  | **N** |  | **May update:** Clarification is required of this recommendation |
| **Medium** | **7** | Close period processes - The following should be implemented to strengthen the controls around period end procedures:-the DoF should be given limited access to GP to allow them to carry out checks of key processes in the event of team members being absent during close period deadlines. Checks to ensure segregation of duties have been applied should be included within the second line assurance activities (see Assurance recommendation).-System controls should be updated to prevent two accounting periods frombeing open at the same time within GP. | **Director of Resources** | **May-23** | **N/a** | **Y** | **N** | **May update:** Auditor's response to evidence provided:These recs (2&7) both reference system controls however from the evidence provided the auditor is unable to see any evidence of changes to these controls.**HTA response:** providing the DoF with limited access will not mitigate this risk as processes are manual.Demonstrating that the system controls preventing dualperiods unfortunately is not possible. We will liaise with GIAA to find an acceptable solution. |
|  | **Medium** | **1.1** | HTA should revisit key Policy, SOPs and stakeholder templates (to includePolicy 102) and update to include strengthened direction on risk indicators and inclusion of additional checks as recommended in this audit. | **Director of Regulation** | **Dec-23** |  | **N** | **N** | **May update:** Revised Policy 102 being taken to theBoard meeting on 29 June 2023 for their approval. Remaining SOPs will be updated after that.**Not due** |

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| **2022/23** | Living Organ Donation | **High** | **1.2** | HTA to consider ways to triangulate ID checks between the IA, Donor and Clinical Teams, and implement if viable. IA guidance should be updated to reflect any changes made. | **Director of Regulation** | **Dec-23** |  | **N** | **N** | **Not due** |
| **High** | **1.3** | HTA to no longer accept an affidavit as standalone evidence of relationship,and amend all guidance including referral letter to reflect this. | **Director of Regulation** | **Dec-23** |  | **N** | **N** | **Not due** |
| **Medium** | **1.6** | HTA to utilise high-risk flagging functionality within the CRM to identify highrisk donor applications to direct the Panel to reference ALL relevant paperwork pertinent to decision making, in addition to the Summary Sheet. | **Director of Regulation** | **Jun-23** |  | **N** | **N** | Changes to CRM have been made in draft (testenvironment) and will be published by 30 June**Not due** |
| **Low** | **1.7** | HTA should introduce a formal checklist and/or plan to support the training provision for LOD members and completion of the probationary period | **Director of Regulation** | **Jun-23** |  | **N** | **N** | This is on track to be completed by 30 June.**Not due** |
| **Medium** | **1.8** | HTA to deliver targeted refresher training to all IA's on the subject of organ trafficking and the signs to look out for. A record of attendance / completion should be held to provide assurance the training has been undertaken. | **Director of Regulation** | **Mar-24** |  | **N** | **N** | **Not due** |
| **Medium** | **1.9** | HTA to provide additional training to the LOD and LDAT teams, focusing specifically on key flags / indications of Human Trafficking and appropriateactions to take. | **Director of Regulation** | **Dec-23** |  | **N** | **N** | **Not due** |
| **Medium** | **1.10** | HTA to provide additional training to Panel, focusing specifically on keyflags/indications of Human Trafficking and to ensure wider knowledge of the process (such as use of CRM) and associated risks. This should be supported through re-introduction of structured panel discussions to includehuman trafficking, as a minimum twice a year. | **Director of Regulation** | **Dec-23** |  | **N** | **N** | **May update:** Training to be provided to the Board on29 June 2023.**Not due** |
| Performance Measurement | **Medium** | **1.1** | Management should develop a performance measurement methodology which details all the steps to be taken when calculating performance against KPIs and translating the results into the reportable graphics. A suitable methodology may include a swim lanes process map, detailing the explicit responsibilities of each member of staff, accompanied by a process narrative. This methodology will help to remove the single point of failure around the Data Analyst as anyone should be able to use the methodologyto complete the performance measurement tasks | **Deputy- Director of Peformance and Corporate Governance** | **Dec-23** |  | **Y** | **N** | **May update:** A performance Management SOP hasbeen created, approved and published. The SOP has been circulated to the Project Manager for DSPT requirements and the HoF.**Not due** |
| **Medium** | **1.2** | Management should ensure that the conversations being had at the portfolio performance review meetings are managed in a way that allows for a reasonable split between business as usual and project KPIs. There may be merits in defining a structured agenda for SMT meetings with timings which will encourage more balanced conversation between project and BAUperformance. | **Deputy- Director of Peformance and Corporate Governance** | **Aug-23** |  | **N** | **N** | **May update:** The May Portfolio SMT agenda has beendesigned to allow for sufficient time to review the KPIS/piS. The data was received in a timely manner and the outputs produced to be included in the reporting pack.**Not due** |
|  | **High** | **1,1** | Management should ensure that the HTA Records Management andRetention Policy is updated to incorporate the following or reference them to another policy document which might contain them.Roles and responsibilities of both the Board Level Champion.* Guidance on data sharing and management of paper/physical records.
* Guidance on management and disposal of sensitive data/records.
 | **Director of Data, Technology and Development** | **Oct-23** |  | **N** | **N** | **Not due** |

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|  | Records Management | **High** | **1.3** | Management should work to complete their review to ensure that theInformation Asset Register (IAR) contains a definitive list of the information assets held by them as required. The IAR should be reviewed and signed-off by senior management. | **Director of Data, Technology****and** | **Sep-23** |  | **N** | **N** | **Not due** |
|  |  |  | **Development** |  |  |  |  |
| **Medium** | **1.4** | The draft Information Asset Register policy that would be used to helpmanage the register containing information assets and records should be reviewed, approved, and shared with Information Asset Owners. | **Director of Data, Technology** | **Jun-23** |  | **N** | **N** | **Not due** |
|  |  |  | **and** |  |  |  |  |
|  |  |  | **Development** |  |  |  |  |
|  |  | Management should ensure that the draft HTA Personal Data Breach Policyis approved and shared with staff as soon as possible. | **Director of Data,** |  |  |  |  |  |
| **Medium** | **2.2** |  | **Technology** | **Jun-23** | **N** | **N** | **Not due** |
|  |  |  | **and** |  |  |  |  |
|  |  |  | **Development** |  |  |  |  |
|  |  | Management should ensure that all confidential data breaches are | **Director of** |  |  |  |  |  |
|  |  | maintained in the Data Breach Log document as required. | **Data,** |  |  |  |  |
| **Medium** | **2.3** |  | **Technology** | **Jun-23** | **N** | **N** | **Not due** |
|  |  |  | **and** |  |  |  |  |
|  |  |  | **Development** |  |  |  |  |
|  |  | Management should ensure that checks on staff access rights are | **Director of** |  |  |  |  |  |
| **Medium** | **2.4** | undertaken periodically to ensure that staff only have access to the systemsand data they require to fulfil their role | **Data,****Technology** | **Oct-23** | **N** | **N** | **Not due** |
|  |  |  | **and** |  |  |  |  |
|  |  | Management should ensure that following approval from SMT the required | **Director of** |  |  |  |  |  |
|  |  | skills and capacity for records management activities are identified and | **Data,** |  |  |  |  |
| **Medium** | **3.1** | prioritised in its resource planning. | **Technology** | **Oct-23** | **N** | **N** | **Not due** |
|  |  |  | **and** |  |  |  |  |
|  |  |  | **Development** |  |  |  |  |
| **Total Recommendations** | **26** |  |  |  | **No** | **23** | **26** |  |
| **Recommendations not due** | **20** |  |  |  | **Yes** | **3** | **0** |

**Recommendations overdue 6**