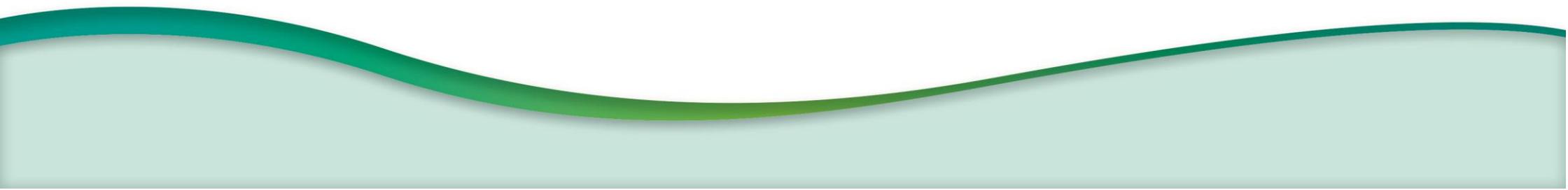


Torbay and South Devon NHS Foundation Trust

Statement of Assurance for 2023/24





Introduction

The following statement of assurance is provided by the Director of Audit and Assurance Services at ASW Assurance; the provider of Internal Audit, Counter Fraud and Consultancy services to Torbay and South Devon NHS Foundation Trust; in relation to services provided to the Trust for 2023/24.

This assurance statement consists of the following elements:

-  Internal Audit Assurance Statement.
-  Counter Fraud Service Assurance Statement.

Internal Audit Assurance Statement

In conformance with the ASW Assurance Internal Audit Charter, Public Sector Internal Audit Standards and the Core Principles for the Professional Practice of Internal Auditing, the Head of Internal Audit is required to provide an annual opinion, based upon and limited to the work performed on the overall adequacy and effectiveness of an organisation's risk management, control and governance processes (i.e. the organisation's system of internal control). ASW Assurance is externally assessed as compliant with Public Sector Internal Audit Standards.

The Opinion provided to Torbay and South Devon NHS Foundation Trust for 2023/24 was substantially derived from the risk-based plan generated from the Trust-led Assurance Framework that took into consideration the strategies, objectives and risks of the organisation, the expectations of senior management, the Trust Board and other stakeholders, agreed by management and approved by the Audit and Risk Committee.

The basis for forming the opinion takes into consideration the context and oversight of the Trust as set out above, and the following:

1. An assessment of the design and operation of the underpinning Assurance Framework and supporting processes.
2. An assessment of individual opinions arising from risk-based audit assignments from the Audit and Assurance Plan that have been reported during the period 1 April 2023 and 31 March 2024. This assessment takes account of the relative scope and materiality of the areas reviewed and management's progress in respect of addressing control weaknesses.
3. Any reliance placed upon third party assurances are provided as part of this opinion.

My overall opinion is that:

Satisfactory assurance can be given that there is a generally sound system of internal control, designed to meet the organisation's objectives, and controls are generally being applied consistently. Weaknesses in the design and/or inconsistent application of controls in some key areas put the achievement of particular objectives at risk.



The assurances provided from the work undertaken, which together support this opinion, are set out below.

Corporate Governance		Financial Governance	
Audit	Assurance Rating	Audit	Assurance Rating
Board Assurance Framework & Risk Management	Design: Significant Application: Satisfactory	Core Finance Systems	Limited
		Cost Improvement Programme	Satisfactory
		Payroll	Satisfactory
		Use of Single Tender Waivers	Satisfactory

Corporate Assurance	
Audit	Assurance Rating
Governance of Planned Maintenance and Backlog Works	Satisfactory
Freedom to Speak Up and Whistleblowing (Limited by scope)	Significant
Care Quality Commission – Governance	Satisfactory
Clinical Quality: Patient Safety and Incident Response Framework	Satisfactory
Adult Social Care: Progress of Actions from the Local Government Association Review	Satisfactory
Adult Social Care: Financial Assessment and Benefits Team	Satisfactory
Maternity Governance	Satisfactory
Cyber Security	Significant
Information Governance (Data Security and Protection Toolkit)	Substantial
Job Evaluation	Satisfactory
Management of Controlled Drugs	Satisfactory
Electronic Patient Record (EPR) Programme Governance	Satisfactory

Throughout the year, we proactively provided critique on the development and subsequent transition to the revised governance and risk reporting, escalation, and oversight arrangements, led by the Director of Corporate Governance and Trust Secretary. All feedback provided as part of this process was received



positively, with the Trust actively seeking the dissemination of good practice observed elsewhere. This, coupled with my observations of Board, Executive and Operational Management discussions, provides a reasonable level of assurance that the fundamental redesign of the Trusts governance and reporting processes was conducted in a robust and transparent manner, and whilst these new arrangements will require time to fully embed, the structured approach taken by the Trust provides a positive and stable footing, on which to build future service improvements.

The Trust took the opportunity through the Audit and Assurance Plan for 2023/2024 to focus a proportion of resource on areas where Internal Audit could add the most value, in its drive to provide the best services to its patients. The Trust has responded positively to a wide range of audit findings and continues to take action to mitigate any risks identified.

In support of the Head of Internal Audit Opinion work we reviewed the Trust's self-assessed position of its compliance with the requirements of the Data Security and Protection Toolkit (DSPT) using NHS Digital's Auditing guidance.

Internal Audit Recommendations

In respect of the audits undertaken during the year, recommendations were agreed with management to address gaps in control and assurance. We monitored the status of these recommendations throughout the year, reporting directly to the Risk Group and the Audit and Risk Committee on recommendations which remained outstanding.

No significant matters were reported to the Audit and Risk Committee in the year, in respect of the follow-up of recommendations.

Third Party Assurance

The following Third Party assurance report was included within the Head of Internal Audit Opinion:

ISAE 3000 Third Party Assurance Report in respect of NHS Business Service Authority – Electronic Staff Record (ESR) System

The 2023/2024 Independent Service Auditor's report provided by Grant Thornton, dated 23 April 2024, examines NHS Business Services Authority's (NHSBSA) and IBM United Kingdom Limited's description, design and operation of controls supporting the provision and maintenance of the Electronic Staff Record (ESR System).

In all material respects, the key messages in the Independent Service Auditor's section of the report are as follows:

- The accompanying description in the report **fairly presents** NHSBSA's provision and maintenance of ESR, as well as services made available by IBM to NHSBSA as designed and implemented for the period 1 April 2023 to 31 March 2024.



- The controls related to the control objectives stated in the description were **suitably designed to provide reasonable assurance that the control objectives would be achieved** if the controls operated effectively throughout the period 1 April 2023 to 31 March 2024 and the subservice organisations and the user entities applied complementary controls.
- The controls **operated effectively** to provide reasonable assurance that the control objectives were achieved for the period 1 April 2023 to 31 March 2024.

Counter Fraud Assurance Statement

The NHS Counter Fraud Authority (NHSCFA) requires the Trust to have sound counter fraud arrangements in place that meet NHSCFA standards.

The Counter Fraud function of Torbay and South Devon NHS Foundation Trust is overseen by the Chief Finance Officer and the NHSCFA. An annual work plan was prepared and approved by the Audit and Risk Committee and delivery was reported to the Audit and Risk Committee at each of its meetings. As part of the Strategic Governance of the Counter fraud function, the Audit and Risk Committee are able to question all submissions made by the LCFS and challenge the progress of investigations or any element of their work plan to ensure delivery. Resourcing for delivery of the work plan is agreed through the organisation's Audit and Risk Committee.

The annual Counter Fraud work plan covered the 13 components of the Government Functional Standard 013: Counter Fraud:

- Accountable Individual (Parts 1A and 1B)
- Counter Fraud Bribery and Corruption Strategy
- Fraud bribery and corruption risk assessment
- Policy and response plan
- Annual Action Plan
- Outcome-based metrics
- Reporting routes for staff, contractors and members of the public
- Report identified loss
- Access to trained investigators
- Undertake detection activity
- Access to and completion of training
- Policies and registers of gifts and hospitality and Conflicts of Interest

A risk assessment in compliance with Government Counter Fraud Profession Risk Assessment Methodology (GCFP) is in place. This is a live document, reviewed on a regular basis. During the year, additional staff were sourced to assist with the delivery of planned work.



The Trust's counter fraud arrangements are assessed annually through the submission of an annual report covering the Government Counter Fraud Functional Standard and the Government Counter Fraud Functional Standard Return (CFFSR). This was approved by both the Chief Finance Officer and the Chair of the Audit and Risk Committee before submission to the NHSCFA. The Trust scored an overall 'Green' rating in the CFFSR.

During the year, we opened three new investigations, following receipt of an allegation of fraud. Some of these investigations have been carried over into 2024/25. Referrals fell into the following areas:

- Simultaneous working
- Abuse of sick leave
- Employee declaration (relating to a secondment opportunity)

Two cases are ongoing. These relate to:

- Agency nurse allegedly falsifying timesheets
- Alleged false overtime claims.

In addition, we conducted four Local Proactive Exercises (LPEs).

- Bank mandate fraud
- Impersonation of medical professionals
- Procurement due diligence (commenced Feb 2024 and included in the 2024/25 Counter Fraud work plan)
- Procurement contract management (commenced Feb 2024 and included in the 2024/25 Counter Fraud work plan)

We also identified system weaknesses in respect of Personal Health Budget claims. A joint Proactive Exercise with Devon Council was commissioned, resulting in 11 recommendations being raised which look to further strengthen control arrangements within this area.

Amanda Lowe, Director of Audit and Assurance Services



Get in touch

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