

Key Issues Report

Issues for referral to reporting Committee/Group

Originating Committee/Group and meeting date:	Audit and Risk Committee, 13 January 2026
Chair:	David Eagles, Non-Executive Director
Lead Executive Director (as appropriate):	James Rowe, Interim Director of Finance

Subject	Details of Issue	Action*
Chairman's Business and meeting the Terms of Reference	<p>The full Board Assurance Framework (BAF) was presented. Changes made since the previous report were noted. The additional questions relating to when target completion dates will be met for each risk were now incorporated into the template, and had been populated for the majority of risks – supporting discussion regarding the effectiveness of planned actions and assisting revisiting of current ultimate risk target levels. Risks where responses had not yet been provided should focus on expected position by the end of 2026/27 given limited value now on focusing on 2025/26. The possibility of a separate, shorter-term, in-year financial balance risk was raised. BAF10 Digital Resilience would be reviewed before the next Committee in March.</p> <p>Recommendations from the relevant committees to amend risk ratings had been approved by the Board; BAF4 regarding quality and safety had increased in rating from 8 to 12, mainly drive by recent CQC inspections, and BAF7, relating to estates and capital equipment had reduced in rating from 16 to 12 following approve of the property and estates strategy and other high impact actions. The Committee agreed that BAF1, regarding partnership working would be updated to reflect changes to local ICBs and the future direction articulated in the developing Medium Term Plan. CKIs from Board committees provided assurance the appropriate discussion was taking place at committee level. Regarding the Corporate Risk Register, the Committee noted this is reviewed in detail at the Risk Oversight Committee, and further noted that feedback following the MACNEE and MACIES joint risk summit – with respect to the variation in the number of risks documented – would be provided to the March Committee meeting.</p> <p>The Clinical Coding six monthly review report was presented, providing an outline of the Trust's Clinical Coding function, with a specific focus on trends of coded episodes per annum, un-coded episodes, the audit scores from the annual audit. It also provided a reflection following the Epic implementation. The function is key for assessing productivity measures and will be increasingly important as areas of income move away from block contracting towards activity-based income.</p>	Assurance

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	<p>Nationally, the Trust performs strongly on depth of coding in elective care, with non-elective coding in line with national averages. Epic has brought substantial benefits, including remote coding, fewer delays associated with paper notes, and more opportunities for cross-site working. It has also enabled coding for community beds and virtual ward beds for the first time, potentially improving HSMR data completeness and improving insight into these pathways.</p> <p>The Committee noted that coding is an area of concern from a resourcing point of view across the East of England and wider coding has always been a relatively hard to recruit area. The team is not currently fully established but is expecting that benefits such as remote coding will support this in future.</p> <p>The Quality Improvement and Clinical Outcome Report was presented. It provided the most recent report on Clinical Outcomes and Quality Improvement (QI) provided to the Quality and Patient Safety Committee in December. The report detailed activity from April to September; completed audits had increased from 55 to 78% and many strong QI initiatives have emerged from this. The “case study” examples were considered useful.</p> <p>One outstanding area of the internal audit plan is the requirement for audit leads to be identified within job plans. Not all services currently have named audit leads; although the role is multidisciplinary, it is often held by a doctor. Divisions are reviewing these arrangements through the business planning process. Clarification of the progress summary table, including reconciliation of proposed audits to status, would be brought back to the March Committee meeting.</p>	
Internal Audit	<p>One internal audit report had been finalised since the last meeting: Nurse Rostering which received reasonable assurance. The audit highlighted the Trust had a clear policy and supporting guidance that set out the required processes, as well as a structured training programme supported by roster clinics and easily accessible resources. The C&D Divisional Governance review had still not been finalised. Thematic analysis of issues identified continued to be led by record-keeping.</p> <p>Regarding actions to address previous audit report findings, 17 actions have been progressed, 3 were not yet due and 10 actions were overdue in relation to their original agreed implementation date. Disappointment and concern was expressed regarding the number of overdue actions, given the previous good position, and agreed actions to follow up audits would be taken. It was recognised that a number of actions were reported as being completed but evidence had not yet been provided to or reviewed and approved by Internal Audit.</p> <p>There was a request to extend the completion date for two actions arising from the safeguarding audit, up until March 2026. The Committee was unable to agree the requested extensions based on the information provided, but agreed that this would be followed up with the relevant team outside of the meeting and, if insufficient assurance regarding completion by March was available, representatives would need to attend the March Committee meeting.</p> <p>The Draft Head of Internal Audit Opinion was presented. It was noted that this year, the proposal is an amber-green opinion, consistent with previous years. This reflects that the organisation has an effective risk management</p>	Assurance

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	<p>and control framework but still requires further improvements. The overall opinion is unlikely to change, although findings from the five remaining audits may need to be considered when drafting the Annual Governance Statement.</p> <p>Planning has commenced for the 2026/27 plan, this is based on the approved 3-year strategy, Board Assurance Framework entries and feedback from the Executive Team. The first draft internal audit plan for 2026/27 was presented and discussed. The Executive Team's main focus is on strengthening assurance within divisions and whether a specific Epic benefits realisation audit should be added to the plan. Other potential areas include medical rostering, succession planning, clinical strategy / medium term plan. The final decision will be taken by the Audit and Risk Committee.</p>	
External audit	<p>External Audit Appointment</p> <p>The Committee approved the extension of the External Audit appointment for a further two years (as provided for within the original tender process).</p> <p>A brief External Audit Update was provided, explaining that a two-week planning visit took place in December, during which early work was carried out with the finance team. There will be a further two week interim audit visit in February to follow up on any outstanding planning queries and to begin early testing, including journals, expenditure, income and other areas where preliminary work can be progressed.</p>	Assurance
Pharmacy feeders post Epic	<p>Ongoing progress with the pharmacy feeder work was reported. This involves joint work between the pharmacy team in the Cancer and Diagnostics Division, Epic colleagues and the Finance Team. Around 80% of the previously missing cost data has now been mapped between the systems. The remaining work includes completing the final elements of mapping and validating pricing between the old and new systems. The work is planned to complete by the end of January.</p>	Assurance
Charity	<p>The Committee approved the extension of the External Audit appointment for a further two years (as provided for within the original tender process).</p>	Assurance
Governance	<p>The Draft Annual Reporting Timetable was provided for information detailing the key milestones for preparing and submitting the 2025/26 annual report and accounts – aligned to NHS England deadlines. A more detailed timetable would be presented to the March Committee meeting.</p> <p>The Cyber Security and Controls report was presented. Although 40 operating-system-level vulnerabilities have been identified, the risk remains low because the affected servers have restricted physical access and a Trust wide firmware update is scheduled for January. Client operating system compliance had dipped temporarily due to Windows 10 reaching end of support, but this will be recovered within three months, returning compliance to the target of 98%. Migration to Windows 11 is progressing well, with over 12,500 devices</p>	Assurance

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	<p>upgraded as of November. The server operating systems remain compliant with the DSPT target of 95% and that no harm-level incidents have occurred in the past year. The Trust achieved “standards met” for its first CAF-aligned DSPT submission (version 7) in December 2025, with work already underway for the next submission (version 8), due in April.</p> <p>The Declarations of Interest Report provided the additional declarations submitted between 28 October and 2 January. There is a significant amount of work required this quarter to ensure individuals renew their declarations, as the annual cycle means many will expire within the next three months. Work to prompt and support re-declarations is about to begin to keep the register up to date. LCFS involvement referred to previously was due during February.</p>	

*Key:		Approval	Positive action required regarding an item of business or support for a decision
Escalation	Support/decision required by reporting committee to resolve an issue within its remit	Alert	Proactive notification of subject matter/risk that reporting committee is currently dealing with or mitigating which may require future action/decision
Assurance	Evidence or information to demonstrate that appropriate action is being taken within a reporting committee's remit	Information	No action required. Reporting to update on discussion within a reporting committee's remit