Annexes

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Annex A

QSC Update Appendices

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Infection Prevention & Control Annual Report – 2022-2023

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Executive Summary

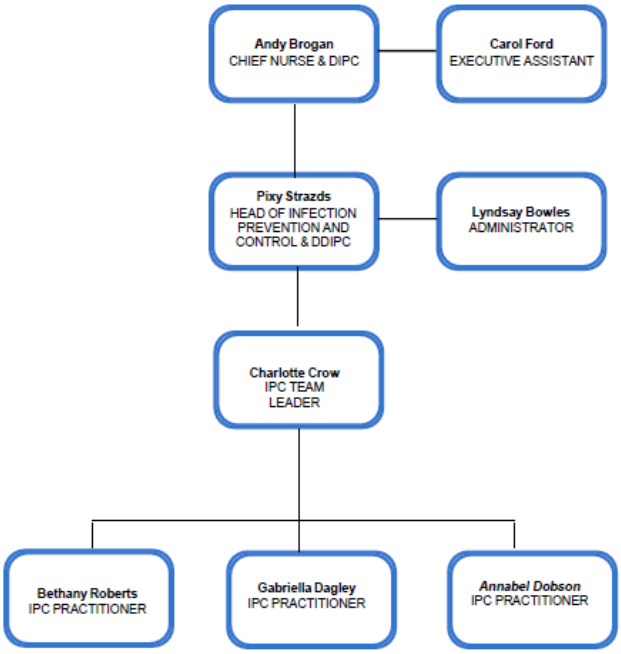
Andy Brogan – Chief Nurse & DIPC

This year the Infection Prevention and Control Annual Report continues to follow the format of the Health & Social Care Act 2008 (updated 2015) to demonstrate our progress with the requirements associated with the criteria of the Act.

The report demonstrates that St Andrew's Healthcare, assisted by the IPC service, continued to make substantial progress throughout the year in providing assurances to the Board

Introduction

St Andrew's Healthcare recognises the obligation placed upon it by the Health & Social Care Act 2008 (updated 2015). The Charity continued to invest in the Infection Prevention and Control (IPC) service leading to the appointment of an IPC team leader and an additional IPC Practitioner in July 2022.



This annual report will reflect the changes following the creation of the new IPC service and seeks to assure the Charity Executive Committee (CEC) and Board of Trustees of the progress made to ensure compliance with the Health & Social Care Act 2008 (updated 2015). This report will also identify key priorities for 2023/2024 to continue improvements identified in the Annual Work Plan and provide the Charity with a Board Assurance Framework.

This Annual Report fulfils the legal requirements of section 1.1 and 1.3 of the Health & Social Care Act 2008 (updated 2015) and complies with the Care Quality Commission (CQC) Code of Practice.

1. Systems to manage and monitor the prevention and control of infection. These systems use risk assessments and consider the susceptibility of service users and any risks that their environment and other users may pose to them

As part of this years' annual work plan, the IPC team adapted the HCAI section of the Physical health check to provide a more succinct and easily accessible tool for use on admission for the medical team. This improved format also allows the IPC team greater scope for future screening and surveillance within the Charity.

The IPC team reinstated the infection control Champion education sessions (previously known as Link Nurse training) where we asked nurse managers to identify a member of staff with an interest in IPC who would like to take on the role for their ward/area. In February and March 2023, we held the first two-hour sessions of IPC & ME, a programme which covers many areas of infection control including the science of IPC, risks associated with in IPC and transmission-based precautions. These sessions utilise guidance from the globally recognised World Health Organisation (WHO), nationally recognised bodies such as the United Kingdom Health & Security Agency (UKHSA) and National Health Service England (NHSE) alongside local agencies such as Northamptonshire Hospitals Foundation Trust (NHFT).

To comply with and disseminate information appropriate to the Infection Control agenda, these sessions have continued monthly with positive feedback;

I find the IPC sessions really useful. They provide much needed clarity around IPC policy and procedures. They also provide much needed updates with new policy or procedures in the charity. I also found it really helpful to learn about new IPC related products the charity will be using (the hand sanitiser and the clinell spill kits.) Of course, I then disseminate what I've learned throughout the rest of my team. I really hope the sessions continue; I feel much more informed. Thanks, Champion

1. **Systems to manage and monitor the prevention and control of infection. These systems use risk assessments and consider the susceptibility of service users and any risks that their environment and other users may pose to them**

This has enabled us to provide the Champions with information and knowledge on various aspects of IPC to equip them within their role on the wards. Additionally, we have used this as an opportunity to notify the Champions of changes throughout the Charity that appear not to have been reached through comms such as; spill kits and hand sanitiser. The IPC team have been able to engage with ward Champions around subjects that wards and divisions appeared to be struggling with for key messaging and better understanding around audits, waste, hand hygiene and outbreaks. The Champions are, and hopefully will continue to be an asset to their ward areas, Divisions, and the Charity;

I wanted to thank yourself and the IPC team for providing the monthly IPC group. I have found them extremely helpful, allowing me to feedback and support the whole ward in matters relating to IPC. This has resulted in a far greater understanding and compliance with IPC on my ward and enabled staff to actively promote IPC throughout the hospital. Many thanks, Champion

I have attended several IPC and me sessions over the last few months and have been impressed by the knowledgeable nursing staff who provide a vital service in raising awareness of IPC issues and best practice amongst our teams. The roles of these specialist nurses are a vital aspect of ensuring the quality of care, health and safety of our patients and staff and ensure the best standards are maintained across the charity. Such specialist nursing roles are vital to ensure the charity remains at the fore front of innovation and becomes a leading organisation for quality healthcare as described in the Thrive initiative for St Andrews Healthcare. Champion

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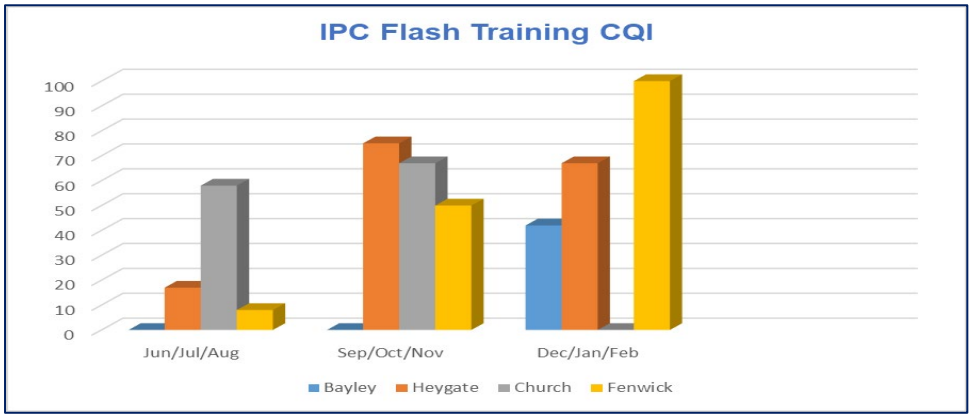
1. **Systems to manage and monitor the prevention and control of infection. These systems use risk assessments and consider the susceptibility of service users and any risks that their environment and other users may pose to them**

As part of our annual work plan 2022-2023 the IPC team commenced a 'Flash Training' CQI in December in Malcolm Arnold House. The premise was that IPC audits were not being undertaken adequately and as such we needed to train staff in how to do this. As staff were unable to leave the ward to complete training due to staffing issues, we would bring the training to the ward. Not only this but as staff learn in a variety of ways, we needed to ensure we were able to educate staff via several methods, visual, auditory, and kinaesthetic to allow them the greatest chance to understand the process. In total forty-seven staff in a variety of roles from HCA to CNL completed the training available between ten and eleven-thirty in the morning for ten days.



Over the three months that the data was sampled across the four wards of Malcolm Arnold House prior to the CQI in September/October/November (MAH) 23 audits were completed, 48%, of the forty-eight audits that should have been completed, in comparison after the CQI was completed 25 audits were completed, 53%, of the forty-eight audits that should have been completed, an incremental increase of 5.75%. The CQI flash training also improved staff uptake in completion. The value of face-to-face subject learning within the ward building certainly appeared to garner interest with members of staff returning to discuss IPC issues and having a better understanding of Infection Prevention and Control and engaging with the team in a positive and professional manner. The IPC team will complete a second PDSA cycle of this CQI next year when the new IPC audit tool comes into use, a new area will be engaged, and hopefully the results will mean that 'Flash Training' can be used for a variety of subjects throughout the Charity on completion.

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2. Provide and maintain a clean and appropriate environment in managed premises that facilitates the prevention and control of infections

The National Cleanliness Standards 2021 was introduced across St Andrew's in 2022. Each area was assessed for its functional risk rating and an audit schedule was set up accordingly. Wards are audited monthly with office areas on a six-monthly audit schedule. Additionally, efficacy audits have been introduced which audits compliance and ways of working. Star posters and cleanliness charters have been rolled out to both wards and communal areas. In 2022 we also carried out a full Patient Led Audit of the Care Environment across all three sites.

IPC have worked collaboratively with Estates and Facilities to introduce three new disinfection systems to provide and maintain a clean environment across the Charity. **AquaTeck**, an all-purpose cleaning and sanitising solution, is currently being trialled at our Essex site. **Hydra Disinfection Misting System** has been approved and will be in use for deep cleans shortly. Six **Rediair** air purifiers are being purchased for use in poorly ventilated spaces to reduce airborne pathogens and the risk of infection transmission.

AquaTeck technology uses the naturally powerful sterilisation and odour-destroying properties of Hypochlorous acid (HOCl). Combining ordinary tap water with food-grade salt and vinegar, *AquaTeck* uses a diamond electrode flow-cell to make HOCl; an all-purpose cleaning and sanitising solution. Easy to make, safe to use, and proven to kill 99.99% of viruses and bacteria, this versatile liquid cleans, disinfects, degreases and deodorises. When the cleaning has been completed the solution will naturally revert to its constituent parts, making it safe to tip away.

A wall-mountable unit producing two litres of multipurpose cleaning and sanitising solution on demand.

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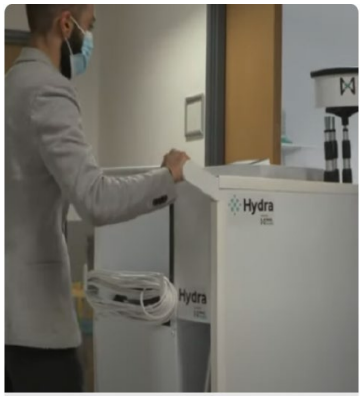
2. Provide and maintain a clean and appropriate environment in managed premises that facilitates the prevention and control of infections

Metis Health - Hydra Disinfection Misting System



This solution enables faster, simpler disinfection at a significantly reduced cost. The Hydra misting system uses stabilised aqueous Hypochlorous acid (HOCl) misting solution. It is a portable all-in-one misting machine. The benefits are:

- Can be used for 'in-house' deep cleans cutting out the need for an external contractor.
- Faster cycle - as little as 15 minutes start to finish.
- Simple to use - all-in-one portable solution, easy for a single user to operate with no need for PPE.
- Reduced waiting times - wards and rooms can be used in minutes rather than hours or days.

Rediair

Aerosols can remain in the air for prolonged periods of time in poorly ventilated areas, increasing the risk of spreading infections.

Rediair is an instant air purification device, providing clean air where and when it's needed. Capturing particulates, odours and 99.995% of airborne pathogens.

Rediair has dual HEPA 14 and carbon filters which capture particles and odours in poorly ventilated spaces. Adaptable to most situations, Rediair has 4 different operating modes that begin to decontaminate the surrounding air, within seconds. Rediair was designed to capture airborne pathogens like bacteria, fungi & viral aerosols.

3. Ensure appropriate antimicrobial use to optimise patient outcomes and to reduce the risk of adverse events and antimicrobial resistance

Information on antimicrobial use is supplied in chart form to the Medicines Management Operational Group (MMOG) and is available to be shared with pharmacists in their divisions to highlight any particular concerns such as type of antibiotics in use, areas with high use etc. Antimicrobial use follows a similar pattern each month, but any unusual patterns are discussed and looked into.

The Head of Pharmacy is a member of the Northants Antimicrobial Group so has opportunity to have access to secondary and primary care related antimicrobial initiatives and priorities.

4. Provide suitable accurate information on infections to service users, their visitors and any person concerned with providing further support or nursing/medical care in a timely fashion

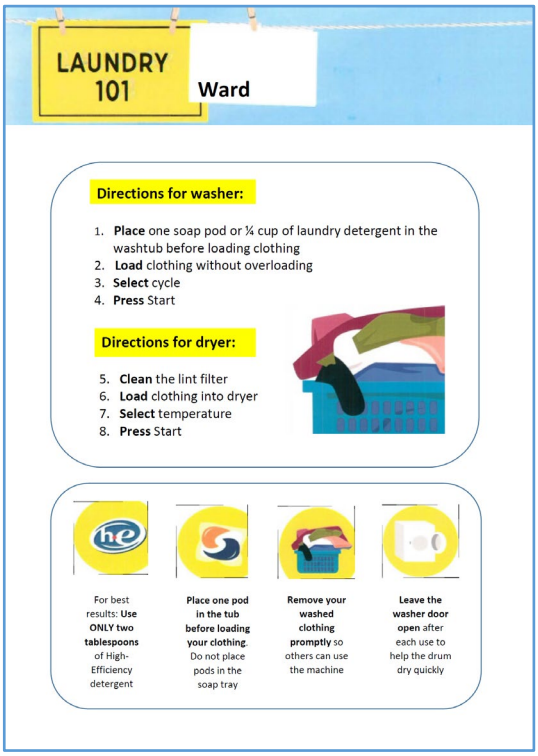
The IPC team have supported Soft FM with the annual PLACE audits with our patients and service users.

The DDIPC attends BENNS meetings and discusses IPC issues with patients and service users across the Charity. The IPC team have requested invites to community forums and are awaiting dates for the upcoming year.

The Carer Engagement Team continue to be supported by the IPC team regarding the Carers Centre and advice for family and friends of patients and service users.

The IPC team worked with the Patient Engagement Team to seek patient and service user feedback on new cleaning products including self-care wipes and with the air purifiers discussed in criterion 2.

The IPC team have worked collaboratively with the Speech and Language team and Soft FM to devise a poster showing how to use the washing machine and dryers on the wards to assist patients.



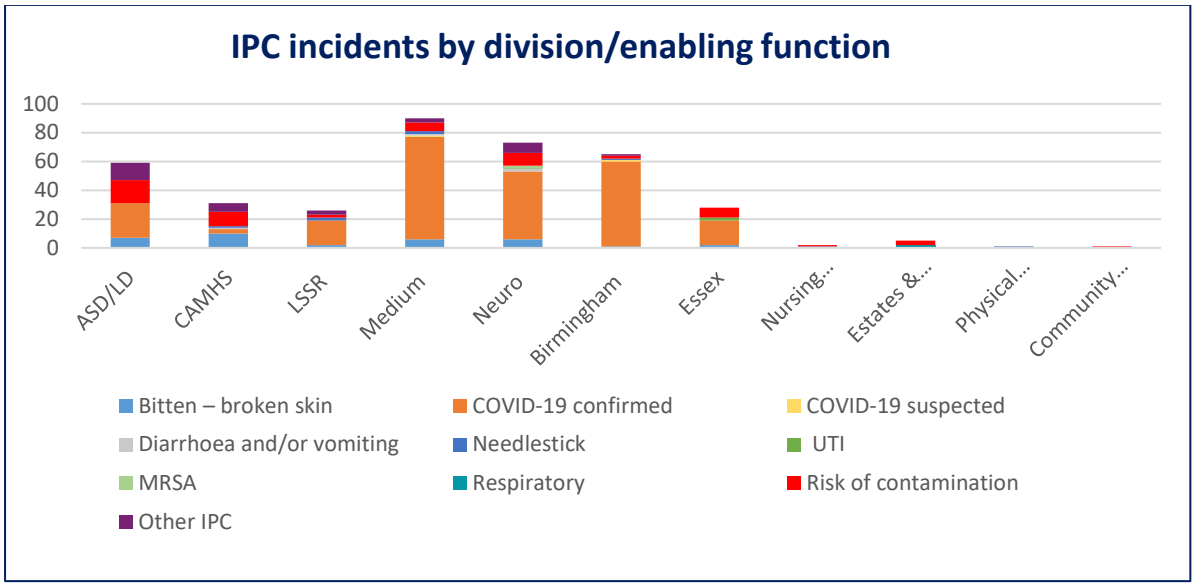
5. Ensure prompt identification of people who have or are at risk of developing an infection so that they receive timely and appropriate treatment to reduce the risk of transmitting infection to other people

Overall IPC Datix for St Andrew's April 2022 – March 2023

Type of incident	Number of incidents recorded
Bitten – broken skin	35
COVID-19 confirmed	238
COVID-19 suspected	2
Diarrhoea and/or vomiting	4
Needlestick	8
UTI	3
MRSA	1
Respiratory	1
Risk of contamination	57
Other IPC	32

Incidents by Division/Enabling Function

The chart below shows the incidents recorded by division/enabling function throughout the year.



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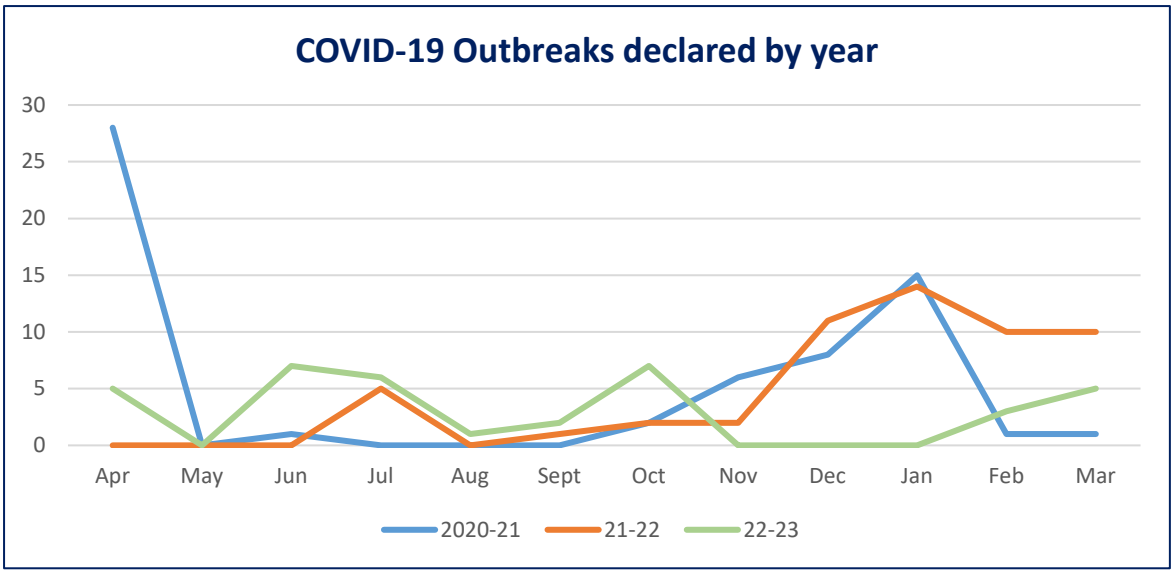
5. Ensure prompt identification of people who have or are at risk of developing an infection so that they receive timely and appropriate treatment to reduce the risk of transmitting infection to other people

Number of COVID-19 outbreaks – April 2022 - March 2023: 36

Over the period 1st April 2022 to 31st March 2023 we have managed 36 COVID-19 outbreaks across the charity.

The chart below shows a comparison of COVID-19 outbreaks by year.



The IPC Team are working with Physical Healthcare colleagues on the use of LFTs for flu diagnosis.

6. Systems to ensure that all care workers (including contractors and volunteers) are aware of and discharge their responsibilities in the process of preventing and controlling infection

Training

The IPC team have continued to deliver training within the Charity through blended traditional formats such as face to face and further reaching e-learning platforms. E-learning training on induction of new employees has historically been mandatory, however, this is now mandatory as an update annually for all staff. We have reviewed the mandatory IPC e-Learning this year to ensure it continues to be in line with best practice, stipulating roles and responsibilities throughout the Charity.

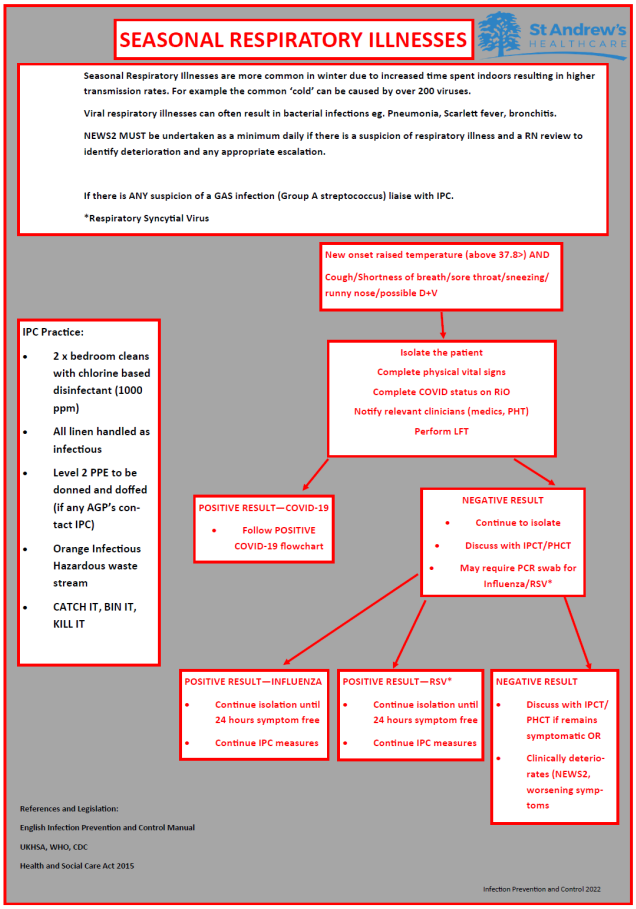
At 31st March 2023 compliance with IPC e-learning is good.

During outbreaks of COVID-19 throughout this period we found that staff have continued to require access to key information on IPC Practice at the point of care. To address this the IPC team have made early contact with the Nurse Manager/CNL/NiC, providing resources such as a printable version of the 'super training', relevant posters and key messaging that can be accessed by all staff including non-permanent staff, especially considering the rapidly changing landscape of COVID-19 and associated guidance from NHSE and UKHSA.

Members of the IPC team are currently exploring the possibilities of undertaking the Level 3 Award in Education & Training (AET) RQF. As we are now entering an era where we are spending a large proportion of our time, not only training and coaching staff face to face, but presenting work electronically and preparing learning packages for the Charity in a range of evidence-based learning formats. This course will hopefully provide the foundation skills required to provide assurance in imparting appropriate IPC information accordingly, mindfully, and, with a greater toolkit to capitalise on, which will allow us to ensure our service education continues to be delivered efficaciously.

7. Provide or secure adequate isolation facilities

The IPC team continue to adapt COVID-19 isolation guidance in line with UKHSA and NHSE recommendations. The team have adapted the previous COVID-19 flowchart into seasonal respiratory illnesses guidance in preparation of post pandemic working practices.



The IPC team continue to advise on isolation requirements for all infections not only COVID-19.

7. Provide or secure adequate isolation facilities

The IPC team have advised with the Clinical and Professional Advisory Committee (CPAC) the reducing of PPE required for staff in line with current guidance. Masks are now worn for caring for positive cases and outbreak management. One division maintains mask wearing for all staff due to local risk assessment and the vulnerability of the patient group.

The IPC team are currently working with hard FM to purchase air purification units for the purpose of assisting the ventilation on wards during outbreaks of infection. Following a trial of several units across the Charity the preferred model is the Rediair. These are due for delivery early 2023. See Rediair information under criterion 2.

8. Secure adequate access to laboratory support as appropriate

Laboratory support for St Andrew's is provided by the local acute NHS hospitals in the respective area. The hospitals used are Northampton General Hospital (NGH), Birmingham – Queen Elizabeth (QE), and Essex – Mid & South Essex Hospital. The Infection Control Lead liaises with them to discuss microbiological sample results and antibiotic sensitivities.

The Charity receive support from all the acute laboratories and the Consultant Microbiologist from NGH is a member of the IPCG.

Physical Healthcare are currently reviewing all SLAs for pathology and microbiology and the DDIPC is part of the review panel.

9. Have and adhere to policies, designed for the individual's care and provider organisations that will help to prevent and control infections

This has been another challenging year for healthcare due to the ongoing COVID-19 pandemic. The IPC team have kept open communications with UKHSA and NHSE to ensure the Charity is working to the latest guidance. The IPC team work with CPAC to ensure all changes to our local policies and procedures are discussed and recorded.

The IPC team have worked with the Communications team to ensure all the latest information is available on the Hub.

The IPC team continued to review all the Policies and Procedures this year, cross referencing against NICE Quality Statements, current Clinical Evidence and Systematic Reviews to ensure these reflect best practice. This has included the first major review and update of Norovirus infection, of which Pixy Strazds our DDIPC, was part of the review national working party.

The IPC team have introduced the C. diff policy to reflect current guidance.

The Charity has now adopted the NHSE National IPC Manual Chapter 1 and 2 and has ensured this document is available via a desktop link on all computers within the Charity as well as on the Hub.

The IPC team await further chapters of the National IPC Manual from NHSE in 2023/24.

10. Providers have a system in place to manage the occupational health needs and obligations of staff in relation to infection

Occupational Health Flu & Covid Campaign 2022/23

Throughout the winter, all staff were encouraged to have their flu and COVID booster vaccines with drop-in sessions offered across the St Andrew's sites. The IPC team assisted as vaccinators at the Northampton site during this period. By getting a flu/COVID vaccine staff can help protect patients, colleagues, families and friends alike.

The table below shows the uptake figure for flu and COVID vaccinations across the Charity. From October to December 24% of staff where vaccinated. This figure does not include those staff that received a vaccination outside of St Andrew's. However, the overall figure of those staff taking up the opportunity to get vaccinated through the Charity's vaccination programme is still relatively low. The IPC team will continue to work with Occupational Health, Pharmacy and external stakeholders for the 2023/24 vaccination programme.

October - December

Site	Total Staff	Covid+Flu Vaccination	Flu Vaccination	Covid 4th Vaccination	Total Staff Vaccinated	% Staff Vac.	% of Covid+Flu Vac.
Northampton	3,375	700	131	97	928	27%	21%
Birmingham	438	24	14	9	47	11%	5%
Essex	302	20	12	3	35	12%	7%
Bestwood	64	-	5	-	5	8%	0%
Alfreton	7	-	-	-	-	0%	0%
	4,186	744	162	109	1,015	24%	18%

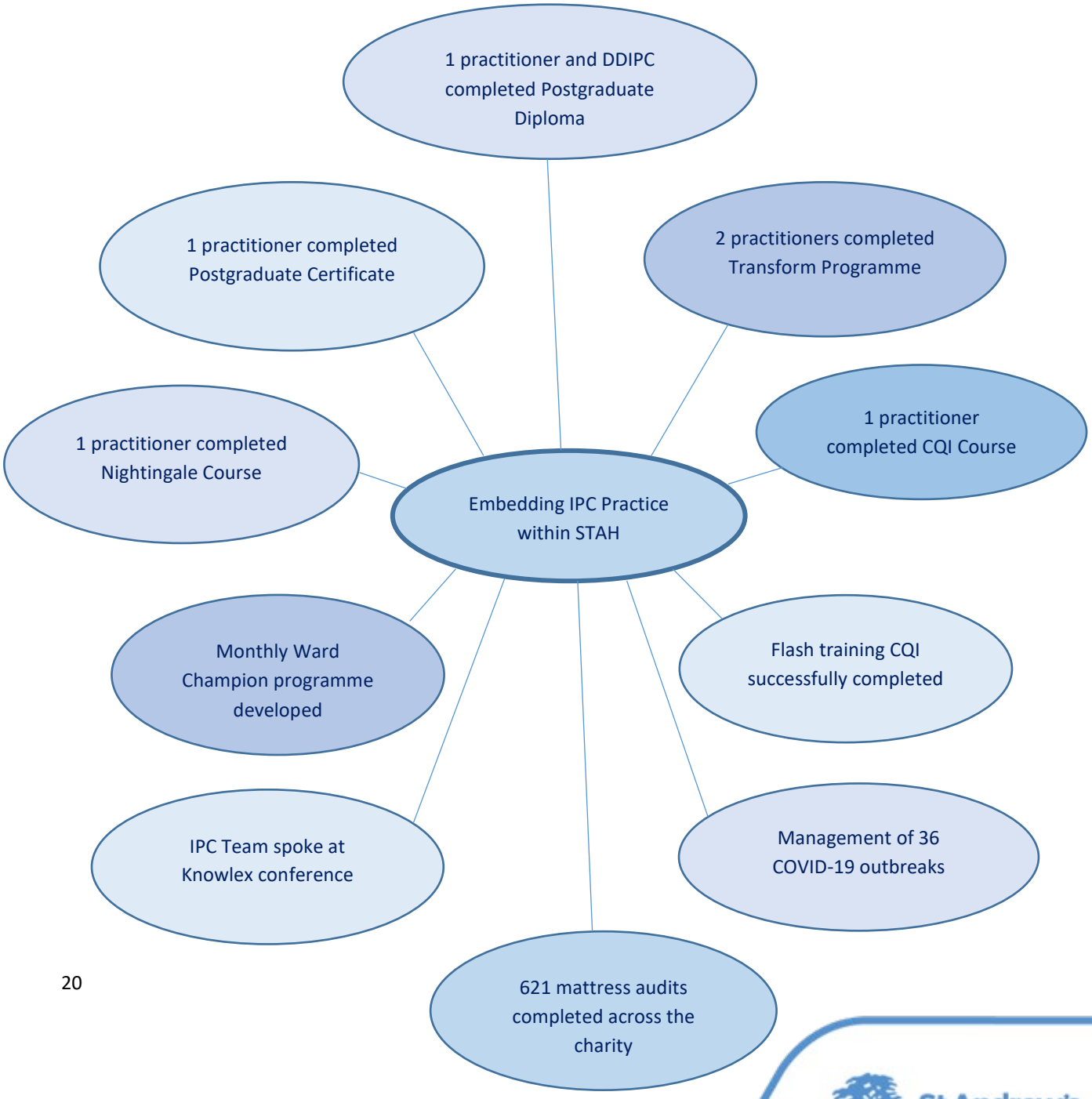
10. Providers have a system in place to manage the occupational health needs and obligations of staff in relation to infection

One needle stick injury was reported to Occupational Health in the last year. When a sharps injury occurs the Occupational Health and IPC teams are notified by the Datix. IPC identified through auditing that wall brackets needed to be installed in ward clinic rooms to comply with sharps handling and disposal guidance.

The IPC team continue to work with Occupational Health, Health and Safety and Datix team to address the issues around under reporting through Datix.

Achievements 2022/2023

Some of the achievements by the IPC team during the year.



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Priorities and Future Developments for 2023/2024

- **Auditing –** Developing audits on the Infection Control Audit Technology (ICAT) system for use across the charity.
- **Continue working with Quality Matrons and ward-based staff**
- **Maintaining relations with external stakeholders -** ICB, IMPACT, UKHSA, NHS England.
- **Developing a robust surveillance system –** Working with IT department to provide systems in RIO and EPMA.

Any outstanding objectives from 2022/23 are incorporated into the IPC work plan for 2023/24.

Annual PALS (Patient Advice and Liaison Service) & Complaints Report:

Learning from Feedback

APR 2022 – MAR 2023

Contents

1. An Overview of Our Year

This report summarises the PALS and Complaints activity and performance at St Andrew's Healthcare for the year 01 April 2022 – 31 March 2023.

Between 01 April 2022 and 31 March 2023, 159 complaints were logged with PALS (Patient Advice and Liaison Service) and Complaints. This is noted to be significantly fewer complaints than last year (72% reduction). This year focused on aligning complaints processes to the NHS Complaints Standards. The transition of which may have caused a delay in response times, as active complaints timeframes were adapted to meet the needs of the investigations. Staff capacity and resources, within divisions, during this period also resulted in delaying complaint responses.

People continued to contact PALS and Complaints via email, telephone, in person, via advocacy, and post. Patients can call PALS and Complaints and the advocacy service directly, via 'hot keys' on their ward telephone.

We recognise that our patients, service users, families, carers and external professionals have a range of experiences of working with and using the PALS and Complaints services. It is their feedback that is vital in ensuring that the Charity continuously improves, promotes best practice and learns from lessons where the Charity may have fallen short of expectations.

2023-2024 will see changes being implemented to operational structures. New roles and responsibilities for PALS and Complaints will be added at a divisional level rather than this service being entirely centralised. This structural change will aim to improve response times and strengthen patient and carer relationships and experiences going forward. In conjunction with these changes, the new Patient and Carer Experience Strategy will be drafted with a view to be implemented in 2023-2024.

This year (April 2022-March 2023), the feedback from complaints highlighted that there is a need to ensure improvements in regards to staff behaviour and attitude as well as maintaining and improving communication. This was followed by issues relating to staff availability and the impact this had on/for patients. In addition to ensuring divisional accountability for complaints and patient and carer experience, the following have been actioned in response to feedback:

- ✓ Increased staffing and capacity at ward/divisional level
- ✓ Targeted safeguarding training
- ✓ Improvements to other specific staff training in relation to patient need(s)
- ✓ Increased activity levels on the wards
- ✓ Building/estates improvements
- ✓ Development of menu options, including dietary intolerances
- ✓ Involvement in system wide forums to share good practice and discuss common issues
- ✓ Tailoring complaints response times to align with the needs of the complaint
- ✓ Specific family/carers support

Where feedback has been positive, continuity of this care and good practice is shared and exampled across the Charity. Patients and carers continue to provide feedback at various Charity-wide patient groups (where patients meet and share experiences with senior and executive staff), internal and external Service User Reference Groups (SURG) and divisional specific groups, such as Carers forums and community meetings.

2. Abbreviations

PALS	Patient Advice and Liaison Service
PHSO	Parliamentary Health Service Ombudsman
SG	Safeguarding
SI	Serious Investigation
BENS	Birmingham Essex and Northampton Services
HR	Human Resources
ASD/Learning Disability	Autism Spectrum Disorder/Learning Disability
LSSR	Low Secure and Specialist Rehab
CQC	Care Quality Commission
CQI	Continuous Quality Improvement
IT	Information Technology

*Definitions of complaints, concerns, compliments, comments and enquiries (which are all recorded by the PALS and Complaints team can be found in St Andrew's Complaints Policy Procedure).

3. Staffing and Responsibilities

Staff roles and responsibilities for PALS and Complaints are outlined in St Andrew's Complaints Policy and Procedure.

During this year the PALS and Complaints team were at full capacity, with three PALS and Complaints Officers and one Patient and Carer Experience Manager. This area was overseen by the Deputy Director of Nursing.

Throughout the year the team's training needs were identified and met. New ways of working were also established to ensure complaints were progressed and inboxes were monitored throughout the working week.

4. Activity and Performance

This section provides an overview and breakdown of PALS and Complaints activity for 2022-2023. It includes the number of complaints and concerns received and closed, the response rates, the most common themes complained about, lessons learnt, and the actions taken in response.

Table 1: Overview of PALS & Complaints activity comparison

	2021-2022	2022-2023
Number of complaints received	218	159
Number of complaints raised as a Safeguarding (SG)*	25	43

Number of complaints closed	231	100
Number of concerns received	198	296
Number of compliments received	370	232
Number of comments received	56	14
Complaints referred to the PHSO	9	0

*Number of complaints flagged as safeguarding upon receipt, may not be actuals.

Table 2: Total number of PALS and Complaints received

Overall number of complaints received APR 2023 – MAR 2023	**159**
Percentage of complaints responded to within 30 days	26%
Percentage of complaints responded to within 60 days (but over 30 days)	32%
Collective percentage within 60 days	58%
Percentage of complaints responded to after 60 days	42%
Number of complaints received via PHSO	0
Most common theme of complaints this year	Poor staff attitude and behaviour
Most common theme of lesson learnt this year	Issues with communication
Most common complainant and source this year	Patient direct to PALS and complaints
Most common theme of compliments this year	Overall quality of care

Table 3: Breakdown of complaints that were reported as outstanding at the end of the 2022/2023 financial year

Number of complaints outstanding (59 in total)	**Breakdown**
23	Are still active and overdue 10 of which are active and the response is due for the year 2023/2024 13 of which are active and the response was due for 2022/2023
34	Were responded to after April 2023 and the responses overdue
2	Were responded to after April 2023 and the responses were within the agreed timeframes

The number of complaints received this year has dropped significantly (by 72%) in comparison to 2021-2022, however the table indicates that our response rates have decelerated and the number of safeguarding concerns have increased. This was identified for the following reasons:

1. PALS and Complaints transitioned (during the year 2022-2023) to align with NHS Complaints Standards where response timeframes were individualised to reflect the needs of the complaint.
2. During the year complainants added to existing complaints, which meant investigations and responses took longer.
3. Divisional responsibility needed to be better established when complaints were delayed or overdue.
4. Staff capacity within divisions meant that responses to investigations took longer.
5. Additional safeguarding training may have impacted the number of potential safeguarding concerns flagged with staffs' increased awareness.

Staff attitude and behaviour was the most common theme of complaints this year and communication was the most common lesson learnt. Complaints within these themes ranged from patients and/or families and carers not understanding reasons for decisions made, patients reporting alleged staff 'aggression' and/or 'rudeness', how staff have responded to issues generally, and patients being unhappy with how they have been approached/treated by staff.

All complaints or concerns that were reported to relate to staff attitude or behaviour were referred and flagged with the internal safeguarding and HR team for investigation.

Parliamentary and Health Service Ombudsman (PHSO):

There was only one enquiry referred via the PHSO this year (where there were nine last year 2021-2022). This enquiry was to clarify information regarding a patient when they were under the care of St Andrew's and was part of a multi-organisational investigation.

Number of group complaints received:

Period	Number of group complaints
Quarter 1 (APR, MAY, JUN 2022)	**0**
Quarter 2 (JUL, AUG, SEPT 2022)	**4**
Quarter 3 (OCT, NOV DEC 2022)	**3**
Quarter 4 (JAN, FEB, MAR 2023)	**0**

Group complaints consisted of the following:

- Concerns about reduced staffing numbers on the ward and how this impacted patients' care and wellbeing, including opportunities for leave and activities.
- Patients expressing they were unhappy with the variety and taste of the food they receive.
- Concerns of peers' attitude and behaviour on the wards and how this disrupts and unsettles the wards and/or other patients.
- Concerns about staff members' attitude and behaviour towards them.

Number of complaints, concerns, and compliments received for each division 2022-2023:

	Complaints	Concerns	Compliments
ASD/LD	31	68	30
CAMHS	4	10	10
LSSR	29	47	64
Medium Secure	41	91	24
Neuro	13	17	52
Community Partnerships	1	0	22
Birmingham	20	17	5
Essex	20	46	25
Total	**159**	**296**	**232**

All concerns, complaints, and compliments are reported to each division on a monthly basis to ensure continuous oversight, communication and support. Specific training in complaints was delivered in Quarter 4 as divisional responsibility began to be established. The PALS and Complaints and Patient Engagement Lead will continue supporting with this.

Complaints and concerns are distinguished based on a grading matrix (please see Complaints Policy and Procedure). The majority of concerns were raised by patients directly to PALS and Complaints. Concerns were generally ward based and ranged from, requiring support to contact certain staff members, locating post or belongings and issues with leave and activities. The majority of compliments received were about the overall quality of care.

Examples of complaints received within the most common theme:

'Deaf patient reports that they do not feel well supported by staff and would like staff to provide them with more reassurance. Patient would like to know when incidents happen so they are aware of what is going on around them. Some staff encourage the patient to talk but would prefer to communicate using BSL.' **– Patient, via Advocacy.**

'Patient reported that certain staff are rude and they feel that they are being laughed at.' **– Patient, direct to PALS and Complaints**

'Patient's raised a complaint about the poor care and lack of communication in regards to their daughter. They report that the lead social worker is not being proactive enough.' **– Carer, Relative or Friend, direct to PALS and Complaints team**

Examples of compliments received within the most common theme:

'Thank you so much for all your compassion and dedication and expertise, trying everything to make sure X has made the best recovery possible. X has been difficult in many respects, but you never gave up and kept trying and we have achieved success greater than we thought possible. Thank you for being so approachable and being so kind. I am so very glad

X was under your care during this horrendous time. You will always be in our thoughts and prayers.' **– Carer, Relative or Friend OCT 2022**

'Now that I have finished the work with X I just wanted to say how impressed I was by the staff who support X on a day to day basis. It has been both fantastic and refreshing to see the excellent relationships X has with her staff team (HCA's), in particular Sylvia, Debbie and Vanessa (who I met). I really hope that X's new provider is able to find staff with as much spark, commitment and belief in X's ability to live a different life.' **– External Professional, DEC 2022**

'Hello my name is X and I am a patient near the end of my rehabilitation at St Andrews and I really would like to highlight how everything is, it's just so lovely of an establishment to be fixing yourself in after a serious head injury in my case, it's so family orientated and such a caring and friendly place to live, I will never forget the time I spent and rehabilitation I achieved here along with the caring and loving people that run it. I have never been a very religious person growing up but this has been a blessing for me. In my own kind words x' **– Patient, JAN 2023**

Learning from complaints

Throughout 2022 – 2023, the Charity continued (from Quarter 1) to aim to provide a response to complaints within 30 working days. The majority of complaints however, were responded to within 60 working days. The remaining open complaints were either overdue with the service, required lengthier investigations, or required a response within the next financial year.

During Quarter 2 the Charity began its transition to align complaints processes and procedures with the NHS Complaints Standards and therefore, may have contributed to the delayed response times recorded at the end of the year, as many required further time to investigate. Where extensions were required to meet the needs of the investigation, complainants were contacted and provided with a holding letter to confirm this. It was identified that complainants generally preferred to be updated via telephone with formal correspondence to be received via email. Preferred methods of contact were then noted for each complainant.

As well as aligning to the NHS Complaints Standards, areas for improvement were also highlighted to attribute to overdue complaints (as outlined within the Activity and Performance section).

Throughout the year specific work began in response to the lessons learned, please see section, 'Improving and Embedding' for details of the actions taken in response.

Outcomes of complaint investigations

With each outcome of complaint investigations, the division/ward must identify lessons learned; this field is mandatory when logging and closing a complaint on the Datix system. This year, it has been identified that although lessons learnt were established, the actions in response are not always completed. Conversations began with the business intelligence team during Quarter 4 to see how IT systems and/or processes can support in ensuring this is being monitored effectively entering 2023-2024.

5. Improving and Embedding

Lesson learned during 2022-2023	Actions taken in response
The PALS and Complaints team found that complainants can be waiting similar times for responses whether they have submitted a low level or high level complaint.	**The team has begun to individualise complaint response times and now aligns with the NHS Complaints Standards, this supports realistic times for both the team and complainants.**
Recognised the need for responsibility and accountability for overdue complaints and patient and carer experience at a divisional/local level.	**The new 'Thrive Programme' implements two levels of staffing locally (Quality Matrons and General Managers) to ensure assurance and accountability. This ensures that ward staff have capacity to complete daily responsibilities and that accountability does not sit entirely with a centralised service.**
PALS and Complaints team needed to work more efficiently during the year. Ways of working needed improving to ensure complaints were progressed and monitored each day.	**A new way of working ensured PALS and Complaints Officers monitored the inbox, telephone and progressed a complaint and/or concern each day. Previously the three officers would all work on the inbox until it was complete, with no/little time allocated for complaints progression.**
Concerns and complaints needed reviewing to see if there was potential to close (appropriate) complaints; for example, ward based complaints where the patient had since moved on.	**Other methods such as telephone calls and ward visits were conducted to help resolve concerns and complaints swiftly and utilising the complainants preferred method of contact.**
Some patients and carers identified that they would prefer to speak to someone in PALS and Complaints (face to face) without advocacy.	**The PALS and Complaints team utilised the Patient Experience Advisor where complaints or concerns had been raised directly by a patient. The team offered the patient an in-person meeting (that day). This concept has been the same for the Carer Engagement team. Where a complaint has been raised by a family member, friend or carer, the Carer Engagement team has provided support in person should they require it. The 'Thrive Programme' now ensures responsibility for this engagement divisionally.**
Carer fed back concerns that visitor rooms are 'too clinical' and 'uninviting'.	**Carer Engagement staff conducted '15 steps' audits to visiting rooms and found similar results to the carers. The Carers' Centre now accommodates appropriate family visits where the environment is more inviting.**
Increased number of complaints that potentially involved safeguarding concerns.	**Targeted safeguarding training, included how to complete referrals appropriately. Increased the number of staff with safeguarding responsibility.**
Reduced staff availability, attitude and behaviour which negatively affected patients' wellbeing.	**Charity wide staffing review, specific staff training and divisional responsibilities assigned for patient and carer experience.**

	Patient activities/timetable were also reviewed in response.
Need to work more closely with external partners to share good practice and discuss common issues.	**Supported the establishment of a 'System Wide Forum'. The group includes, Northamptonshire Healthcare NHS Foundation Trust (NHFT), Northampton General Hospital (NGH) and Kettering General Hospital (KGH), Healthwatch (HWNW), Northamptonshire Carers and the local authorities.**
Carers felt that they are not always well informed about the support that St Andrew's offers.	**The Carer Engagement team were notified of all new admissions to offer support at the point of admission.**
Decisions need to better involve those that they effect.	**The Co-production Framework was developed with patients to ensure that all processes and decisions involve patients, families and carers. This will be included in the Patient and Carer Experience strategy.**
General concerns relating to food, building improvements, advocacy, and IT access for example, needed to be quickly resolved to prevent escalating to a complaint.	**Staff have regularly attended the wards (including senior and executive staff). Patients feedback directly (face to face) to senior staff and executives on a bi monthly basis. Improvements with training, activity levels, building improvements, menu options and staff training have all been completed in response to feedback.**

6. Complaints monitoring, assurance and quality

Throughout the year the following assurances were in place to monitor the progress and quality of complaints processes, investigations, responses and lessons learned.

1. Reports were reviewed and actioned at the following meetings:

    - Quality Safety Group
    - Court of Governors
    - Contract monitoring meetings
    - Restrictive Practices Monitoring Group
    - Executive meetings

2. Monthly complaints updates on progress (from Quarter 2 onwards) were submitted to the Care Quality Commission (CQC) (for complaints raised via the CQC).

3. Complaints risk register (reviewed monthly) to monitor staffing levels and other risks that surround the team's responsibilities.

4. Monthly reports of concerns, complaints and compliments distributed to each division to ensure oversight.

5. Potential and overdue complaints were monitored and chased by the PALS and Complaints team.

6. New complaints processes were mapped during Quarter 4 to support the transition to divisional responsibility.

7. Working in co-production

As the co-production framework developed during 2022-2023, the PALS and Complaints team began to work more closely with others to learn, improve and embed best practice.

External collaboration

The System Wide Forum was established to share good practice and discuss common issues. The group consists of Heads of Patient and Carer Experience for St Andrew's, Northamptonshire Healthcare NHS Foundation Trust, Northampton General Hospital and Kettering General Hospital, Healthwatch, Northamptonshire Carers and the local authorities.

Continuous Quality Improvement (CQI)

CQI have supported the PALS and Complaints team to map new processes for the Charity, as well as training tools to ensure the quality of complaints as the transition to divisional responsibility began.

Co-production framework development

Patient and Carer Experience teams, which include PALS and Complaints, support the development of the co-production framework. This framework ensures that everyone is involved in decisions across the Charity and will play a main part in how the Patient and Carer strategy is developed and is delivered.

Patient and carer experience strategy

By utilising the co-production framework, the Patient and Carer Experience strategy began to be drafted during 2022-2023. Patient and carer feedback will continue to feed into this during 2023-2024.

8. Priorities for 2023-2024

The areas identified in response to patient and carer needs have informed the priorities for next year. These include:

1. Patient and Carer Experience Strategy
2. Complaints process mapping and training of additional Quality Matrons and General Managers in divisions that will improve timeliness and quality of responses
3. Embedding co-production
4. Establishing an Expert by Experience advisory group
5. Reviewing the Complaints Policy and Procedure to reflect divisional responsibilities.

Learning from Deaths Report April 2022 - March 2023

1) Introduction

This document is presented to the Board of Directors, to provide assurance regarding the efficacy of the Learning from Deaths (LFD) process, in line with the National Quality Board (NQB) guidance on learning from deaths (March 2017). The expectation from the NQB guidance is for the Charity to collect and publish information on deaths to generate learning.

All expected deaths were subject to the mortality review process, using a structured judgement review tool. Serious Incident (SI) investigations, using root cause analysis methodology, were undertaken where the death was unexpected or where it was felt that it was possible to gain more in depth organisational learning. As per policy and procedure, the CQC and relevant commissioning bodies are notified in the case of all deaths. Specific learning from SI investigations of deaths is disseminated from the Serious Incident Group.

All structured judgement reviews are considered for learning at the Mortality Surveillance Group (MSG) which reports into the Quality and Safety Group, which in turn reports to the Quality and Safety Committee. The MSG is a multidisciplinary forum of clinicians and includes an independent expert with a background in palliative care.

2) Deaths in the Charity in 2022-23

This report considers the data from 1 April 2022 to 31 March 2023 inclusive. There have been a total of 17 deaths within the Charity during this period. Of these, 10 were reviewed only through the mortality review process using a structured judgement tool and seven were reviewed through both the mortality review process and the Serious Incident process to identify learning. None of these deaths were associated with Covid 19.

The number of patients who were on End of Life care for whom Do Not Attempt Resuscitation plans were in place was 11. This includes one patient placed on End of Life care by the General Hospital clinicians. Of these 11 patients, nine were patients in our Neuropsychiatry Division, one was on Cranford Ward and another on Lifford Ward (both secure wards for adults who are older and/or frail). Seven patients had progressive neurodegenerative conditions such as dementia or Huntington's Disease.

The number of patients who were for resuscitation was six. This includes one patient who had serious and significant physical health comorbidities who died of left ventricular failure, one patient with coronary vascular disease, one patient with metastatic pancreatic cancer, one patient with vascular dementia and one patient with a ruptured abdominal aortic aneurysm.

3) Findings

a) Overall Findings

- There was an increase in number of deaths this year (17) compared to the previous year (10). It is to be noted that in the year before that (ie 2020-21) there were 27 deaths, 13 of which were associated with Covid 19 and which affected the frail and clinically vulnerable patient population in the organisation likely accounting for the fewer deaths seen in 2021-22.

- The structured judgement reviews evidenced good ongoing integrated care and active relationships with advocacy services and external experts including the Palliative Care Team. There was evidence of supportive relationships with families, supported by positive feedback in the majority of the reviews.

- A need for End of Life care training has been identified particularly in those areas in the Charity where patient deaths associated with terminal illnesses, significant frailty or multiple serious physical comorbidities is unusual. Dr AyeMa Lwin, Consultant Psychiatrist, and Dr Parul Shah, Consultant Geriatrician, from the Neuropsychiatry Division have presented on End of Life care and Frailty at the Charity's Grand Rounds. An online e-learning module on End of Life care is being developed and will be made available to all staff by Autumn 2023.

- There remains an ongoing challenge in uploading the death certificate and cause of death onto RiO, particularly in instances where the cause of death is not immediately clear or where further investigations require to be undertaken in the general hospital. A reminder to all Responsible Clinicians to upload the relevant documents to the RiO patient record has been sent.

- The End of Life procedure has been updated to include flowcharts of actions for staff to implement in instances of deaths of patients on different legal frameworks.

b) Case specific findings

- There has been specific learning identified in the case of the unexpected death of a patient in our Birmingham hospital. The cause of death was deemed to be intestinal pseudo obstruction and constipation. The Executive Medical Director

requested a further review in addition to the structured judgement tool. This was completed by Dr Parul Shah (Consultant Geriatrician) and Martin O'Dowd (Head of Physical Healthcare). This highlighted the challenges of relying on self-reports while monitoring bowels in patients who are self-caring and with variable degrees of cooperation. In this specific instance the patient was suffering from severe constipation and was documented to have intermittently refused treatment for this, but his capacity to refuse treatment was not documented. There was evidence that the team made efforts to monitor the patient and escalated appropriately to secondary care. However further recommendations and actions were as follows:

- The Physical Healthcare Policy has been reviewed and updated to explicitly instruct staff that all patients taking Clozapine must have daily bowel monitoring.

- A new 'Bowel Monitoring' form has been developed and available on RiO and on e-observation tablets; all other forms of recording have been removed to ensure consistency of practice across the Charity.

- The electronic bowel monitoring form now alerts staff via the 'ward board' and email if a patient has not has a normal bowel movement recorded in 48 hours.

- Learning disseminated regarding having robust care plans for identification and management of patients with constipation and capacity assessments have been mandated for all patients who regularly refuse physical health input.

4) Summary of report

There were 17 deaths during the period 1 April 2022 to 31 March 2023. There were no deaths attributed to Covid 19 infection during this period. All deaths were subject to a mortality review, a Serious Investigation process or both. Areas of good practice noted are related to integrated care, communication and liaison with families and external agencies. Key learning from deaths this year was related to improvements needed in the recording of capacity assessments associated with physical health monitoring and an improvement of bowel monitoring in patients at risk of constipation who self-report. Other learning included a broader understanding of End of Life care in areas where providing this is unusual. Actions related to these have been completed or initiated with review and monitoring processes put in place to provide ongoing assurance.

5) Recommendation

The Quality and Safety Committee is asked to consider and approve this report.

Terms of Reference
Quality and Safety Committee
St Andrews Healthcare

1.0 Authority

The Quality and Safety Committee (QSC) is constituted as a Standing Committee of St Andrews Healthcare Board ("the Charity"). Its constitution and terms of reference shall be as set out below, subject to amendment by the Board.

The QSC is authorised by the Board to request the attendance of individuals and authorities from within or outside of the Charity with relevant experience and expertise is it considers this necessary at the cost of the Charity. The QSC is also authorised to investigate any activity within its duties under these terms of reference. It is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any request by the Committee.

The QSC maintains a primarily assurance and advisory based role and is responsible for making recommendations to the Board for Board approval unless otherwise stipulated by these Terms of Reference.

2.0 Purpose

The principal functions of the Committee are:

2.1 Responsibility for seeking assurance on behalf of the Board on all aspects of quality and clinical safety, including standards of quality, safety and effectiveness for clinical care, on the quality and effectiveness of the patient experience and on the effectiveness of clinical governance and risk management systems. Note: Assurance is obtained via monitoring, reviewing and assessing the relevant processes and mechanisms in place, as well as assessing and understanding the impact and implementation of them.

2.2 Seeking assurance on behalf of the Board on all matters relating to compliance within the Charity of statutory requirements relating to mental health legislation. These include the Mental Health Act (1983 and 2007 amended) and the Mental Capacity Act (2005).

2.3 Responsibility for seeking assurance on behalf of the Board on the application of strategies and processes to ensure compliance with relevant Health & Safety requirements, including, where applicable, improvement plans.

2.4 To promote learning and sharing for all areas of Quality and Safety activity, both from within and outside the Charity, including benchmarking with areas of recognised best practice where appropriate.

The Committee's responsibilities cover the Charity and its subsidiaries.

3.0 Duties

3.1 Quality

In line with on-going review and assessment of risks the Committee shall:

3.1.1 Monitor and review the Charity's Quality Strategy, and Quality Priorities, implementation thereof, and review and recommend the Charity's Annual Quality Account, providing assurance to the Board prior to final Board approval, publication and submission.

3.1.2 Monitor ongoing compliance with the CQC compliance framework and how patient care is delivered in line with each of the CQC Quality Domains (Caring, Responsive, Effective, Well led, Safe) by way of reports and to ensure the implementation of agreed actions following CQC inspections/visits.

3.1.3 Monitor, review and assess the level of assurance received on the implementation of the Charity's Quality Improvement Plan/s, including where appropriate the actions escalated from Divisional QIPs.

3.1.4 Monitor, review and assess the level of assurance received in relation to the Charity's Quality Impact Assessments.

3.1.5 Monitor, review and assess the level of assurance received in relation to the Charity's strategies, policies and procedures associated with Complaints, Compliments, Comments and Concerns.

3.1.6 Receive, review and assess relevant internal and external reports relating to appropriate activity in-line with these terms of reference, seeking assurance as required. Note: Consideration to be given to Commissioner Quality Reviews, Governor and NED visits, internal surveillance reports etc

3.1.7 Review and recommend to the Board the clinical audit plan and clinical audit strategy, monitoring delivery of both on a regular basis.

3.1.8 Consider the major findings of clinical audit work (and management's response), requesting copies of reports where needed.

3.1.9 Receive, review and assess any reports in relation to the use of mechanical restraint, seeking assurance on the approval and appropriateness of its use.

3.2 Safety

In line with on-going review and assessment of risks the Committee shall:

3.2.1 Monitor, review and assess the adequacy and effectiveness of the Charity's clinical governance systems and processes to promote safety and excellence in delivering patient outcomes.

3.2.2 Monitor, review and assess the level of assurance received in relation to the Charity's Safer Staffing report.

3.2.3 Periodically monitor, review and assess the level of assurance received in relation to the nursing establishment review process.

3.2.4 Monitor, review and assess the level of assurance received in relation to the Charity's strategies, policies and procedures associated with Health and Safety legislation and requirements.

3.2.5 Periodically monitor, review and assess the level of assurance received in relation to the Charity's strategies, policies and procedures associated with Safeguarding.

3.2.6 Periodically monitor, review and assess the level of assurance received relating to Serious Incident reporting, action plans and lessons learned.

3.2.7 Periodically monitor, review and assess the level of assurance received in relation to the Charity's strategies, policies and procedures associated with Physical Healthcare,

3.2.8 Periodically monitor, review and assess the level of assurance received in relation to the Charity's strategies, policies and procedures associated with Infection Prevention and Control.

3.3 General

In line with on-going review and assessment of risks the Committee shall:

3.3.1 Advise the Board on the appropriate quality and safety indicators and benchmarks for inclusion in the Charity's key performance indicators, including appropriate supporting data quality for these measures.

3.3.2 Periodically receive and review the Integrated Quality & Performance report, to provide assurance to the Board on the performance against agreed Key Indicators for quality and safety.

3.3.3 Maintain an ongoing review of Quality related risks (and associated mitigating controls) included in the Charity's Strategic and Material Risk Register for which the Committee has designated oversight responsibility, in keeping with the Board Assurance Framework process.

3.3.4 Direct Divisions, Functions or Groups to undertake deep dive reviews of specific Quality and Safety issues, or areas of concern highlighted via CQC Inspection Reports in order to gain appropriate assurance, and to receive reports of the deep dives in accordance with agreed timescales.

3.3.5 Monitor, review and assess the Charity's implementation and compliance with both the Mental Health Act (1983 and 2007 amended) and the Mental Capacity Act (2005), considering any proposed changes for the Charity.

3.3.6 Promote learning and sharing for all areas of Quality and Safety activity, both from within and outside the Charity, including benchmarking with areas of recognised best practice.

3.3.7 Monitor, review and recommend for approval any material changes in registrations for example, the Charity Quality Commission Registration.

3.3.8 Recommend for approval the Responsible Officer Regulations (Appraisal and Validation) Report.

3.3.9 Consider the work of other Committees and Groups in conjunction with their own work in order to provide assurance regarding the Committee's own scope of work.

4.0 Membership

4.1 All members of the QSC will be appointed by the Board upon the recommendation of the Nominations and Remunerations Committee. The Board will appoint the Chair of the Committee from among its Non-Executive Director members. The Chair will have a clinical background.

4.2 The Committee membership shall consist of no fewer than 3 Non-Executive Directors, including the designated Non-Executive for Safeguarding, along with the following Executive roles:

- Executive Medical Director
- Chief Operating Officer
- Chief Quality Officer

4.3 In attendance:

- Company Secretary
- Director of Nursing for Quality

4.4 Attendance as required:

- Director of Performance
- Director of Estates and Facilities
- Chair of Mental Health Law Steering Group (or Deputy Chair)
- Governor from Lead Governor Group (or nominated Governor)

- Head of Safeguarding
- Head of Health & Safety

4.5 Subject Matter Experts will attend the meeting to support specific agenda items as and when required.

4.6 Appointment to the QSC shall be for a period of up to three years, (other than for Executive members) which may be extended for further periods of up to three years, provided that the relevant criteria are met.

4.7 The Chair of the Board and the CEO have the right to attend all assurance committee meetings of the Charity.

5.0 Quoracy

The quorum for the Committee will be three members which must include the following:

- Chair or Deputy Chair
- Executive Medical Director or Chief Operating Officer

6.0 Declaration of Interest

All members and attendees of the QSC must declare any relevant personal, non-personal, pecuniary or potential interests at the commencement of any meeting. These must be recorded in the minutes. Members must exclude themselves from any part of the meeting where a potential or actual conflict of interest may occur.

7.0 Meetings

7.1 Meetings shall be held bi-monthly or a minimum of 6 times per year.

7.2 Meetings dates will be agreed annually in advance by members of the QSC, and agreed by the Board.

7.3 Notice of the meeting confirming venue, time and date, together with the standing agenda will be circulated by email at least 4 weeks in advance of the meeting.

7.4 The Final Agenda which the Chair will decide the order of, and the supporting papers will be circulated by email 1 week prior to the date of the meeting.

7.5 Meetings of the QSC may be conducted when the members are physically present together, or virtually in whichever form is deemed fit for purpose at that time.

7.6 Extra-Ordinary meetings may be convened at the Chair's request, giving wherever possible, 4 weeks' notice.

7.7 The Committee reserves the right in response to challenges, to focus on those topics which require closer scrutiny, which may result in standing items being deferred to later meetings. Any adjustments will be shared with the Board accordingly.

8.0 Administration

8.1 The office of the Company Secretary will ensure there is appropriate administrative support to the Committee.

8.2 All papers will be with the Company Secretary's office or nominated person at least two weeks before the date of the next meeting in line with clause 7.4 above.

8.3 An Action List and Minutes will be compiled during the meeting and circulated to the Chair within ten working days of the meeting. Actions will be shared with appropriate management within three weeks of the meeting.

8.4 Any issues with the Action List or Minutes will be raised within seven calendar days of issue.

8.5 Draft minutes will be circulated to the members once approved by the Committee Chair and with the papers one week prior to the date of the next meeting.

9.0 Reporting and Relationships with Other Committees and Groups

9.1 The QSC Chair will provide an escalation and assurance report to the Board for the next meeting of the Board and also formally report annually to the Board on how it has discharged its responsibilities. This will describe the major issues that were discussed by the Committee, and the level of assurance that was received through papers and oral testimony.

9.2 The QSC shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action, improvement or decision is needed.

9.3 The QSC will review its effectiveness on an annual basis, reporting the outcome of the review to the Board. Once every three years, the review may be externally facilitated.

9.4 The QSC will receive assurance from other groups within the clinical quality governance structure as necessary.

9.5 The QSC will work with the People Committee on areas of common interest, such as safer staffing or Health & Safety, ensuring that relevant reports are shared. Committee members from either committee may be invited to attend meetings of the other committee.

9.6 The Chair of the Committee shall provide to the Chair of the Annual General Meeting, an Assurance Report on how the Committee has discharged its duties in the preceding year.

10.0 Working Groups

- Quality Safety Group
- Mental Health Law Steering Group
- Health & Safety Steering Group

11.0 Standing Agenda Items

2023-24 Quality & Safety Committee – Work Plan, Standing Agenda items and key items for discussion

QSC Duty	Agenda Topic	Frequency / Month
Quality	Quality Improvement Plan	Each Meeting
	Quality Risk Management update (including Material Risk reviews)	Each Meeting
	Charity Quality Strategy Review	Annually - December
	CQC Inspection Reports – Review and update	Meetings as required
	Divisional and Function Deep Dive Reviews	Meetings as required
	Quality Impact Assessment Report	Annually – June
	Complaints and Compliments Update	Bi-Annually - April & October
	Infection Prevention and Control Update	Bi-Annually - April & October
	Clinical Audit Plan approval	Annually - February
	Clinical Audit Progress Update	Every second meeting (Feb / Jun / Oct)
Safety	Safer Staffing report and update	Each Meeting
	Annual Nursing Establishment Review	Annually – February
	Safeguarding Update	Bi-Annually - June & December
	Serious Incident Updates	Bi-Annually - June & December
	Health & Safety Updates	Bi-Annually - April & October
	Physical Healthcare Update	Annually – October
	Mechanical Restraint Report	Each Meeting

	Use of Force Data Review	Bi-Annually – April & October
General	Quality & Safety Group update and escalation report	Each Meeting
	Mental Health Law Steering Group update and escalation report	Each Meeting
	Health & Safety Steering Group update and escalation report	Each Meeting
	Integrated Quality and Performance Report review	Bi-Annually - April & October
	My Voice and Patient Feedback Update	Bi-annually – February & August
	Visit updates – themes and emerging issues	Bi-annually – February & August
Annual Reports	Quality Account Priorities	Annually – February
	Draft Quality Account First Review	Annually – April
	Draft Quality Account Page Turning Session	Annually – May
	Complaints and Compliments Annual Report	Annually – June
	Safeguarding Annual Report	Annually – June
	Infection Prevention and Control Annual Report	Annually – June
	Mortality Surveillance Annual Report	Annually – June
	Health & Safety Annual Report	Annually – August
	Responsible Officer Re-Validation Report	Annually – August
Governance / Assurance	Approval of Committee Annual Work Plan	Annually – April
	Review of Terms of Reference	Annually – April
	Committee Effectiveness Review	Annually – February

Document Control

Document Description

Document Title	Terms of Reference for the Quality and Safety Committee of the Board of St Andrews Healthcare
Draft	1.15
Issuance/ Revision	1.1 to 1.15 drafts
Date of Board approval	21 July 2023
Owner	Company Secretariat
Author	D Long

The Board of Directors may recommend changes to their Terms of Reference provided that any such modification does not violate any application of laws, rules or the Charity's Articles of Association and further provided that any such modification is appropriately disclosed to concerned parties.

Approvals

Name	Role	Date
Quality and Safety Committee	Review	27 June 2023
Chair of Quality and Safety Committee	Recommend	27 June 2023
Board of Directors	Approve	21 July 2023

Document Change History

Date	Issuance/Revision	Author	Description of Change
16 March 2022	Draft v 0.1	Mel Duncan Alex Owen	Draft for circulation and review
05 October 2022	Draft v1.3	Mel Duncan	Revision amendments for further review.
07 Nov 2022	Draft v1.4	Mel Duncan D Long	2nd Draft for review.
Nov 2022	Drafts v1.5 – v1.9	Mel Duncan D Long	Further amends to draft following Committee member discussions
March 2023	Drafts v1.10 – v1.12	D Long	Further amends pre QSC ToR Workshop
May 2023	Draft v1.13	D Long	Further amends following updates to other Committee ToR to ensure alignment and consistency
22 May 2023	Draft v1.14	D Long	Further amends following QSC ToR review workshop
27 June 2023	Draft v1.15	D Long	Final revisions following QSC approval

Annex B

ARC Update Appendices

- Grant Thornton Charity Sector Update
- Strategic Risks
- Information Governance Annual Report
- Counter Fraud Functional Standards Return

Grant Thornton

Charity sector developments

Spring 2023

Contents

Foreword

2022 saw the end of Covid-19 restrictions in the UK and, for a short time, a return to normality. But as one crisis replaced another – the effects of rising utility bills, cost of living increases and supply chain shortages to name a few – we stumbled into another difficult reporting period, expected to reach far into 2023 and possibly beyond.

Consequently, the charity sector is facing unprecedented demand: families and individuals are increasingly likely to turn to the third sector for support during these difficult times. Whilst still recovering from some of the longer-term effects of the pandemic, charities are facing a myriad of complex challenges.

This year's publication considers sector risks, financial reporting and audit changes, as well as the broader not-for-profit (NFP) environment.

The Charities Aid Foundation report from 2022 showed that 1 in 8 donors are considering cutting back on, or reducing, donations to charities.[1] Increasing day-to-day costs means that individuals are not able to give in the same volumes as previous years and this, combined with elevated levels of inflation, means that charities have fewer financial resources in real terms. Inflation peaked at 11.1% in October 2022[2] and reduced only slightly to 10.3% by March 2023. With interest rates increasing in a bid to keep inflation at lower levels, there are implications for loan balances, leases and mortgages. Whilst there is some good news in that the Bank of England expects inflation to reduce to 5% by the end of 2023[3], the damage has already been done.

Away from charity finances, the operational environment is under threat. Cyber-attacks on not-for-profit organisations are more and more frequent and increasingly severe – charities must be able to respond reactively and proactively. As many as 1 in 8 charities are subject to cyber-attacks.[4] 2020 was a turning point for the wider NFP sector with a series of serious attacks on education institutions, resulting in data theft and significant rectification costs. Charities must ensure that insurance policies are up to date and that basic security measures such as back-ups and multi-factor authentication are robust. With estimated costs of single ransomware breaches rising into millions of pounds, this is a real threat to the function of charities.

Whilst the majority of climate reporting requirements apply to entities registered under the Companies Act 2006, charities are considered to be at the forefront of the race to net zero. Ethical and environmentally conscious investment strategies are permitted (by legal ruling and updated Charity Commission guidance) and reporting on environmental matters is considered best practice. As the UK moves closer to mandatory environmental reporting, the charity sector should be prepared to include more detail in their annual report on 'green' initiatives and understanding their emissions, as well as reviewing policies and procedures for environmental impact.

Financial reporting is undergoing a reformatory phase. The Financial Reporting Exposure Draft (FRED) 82 proposes a number of amendments, most significantly in relation to the way that leases and revenues are reported. Whilst the final, revised FRS 102 is yet to be released, we expect to see the standard in place from 1 January 2025 with an updated Charities SORP to coincide and provide practical application guidance for the sector. In addition, plans continue with International Non-Profit Accounting Guidance, which would align all reporting by NFP organisations and enhance comparability across the sector.

We hope you find this publication informative and if there are any matters that you would like to discuss further, please do not hesitate to get in touch with your Grant Thornton contacts.

Stephen Dean
Director

1 Charities Aid Foundation UK Giving Report 2022 CAF report 2022
2 The Office for National Statistics summarized key inflation figures in March 2023 Consumer price inflation, UK - Office for National Statistics
3 The Bank of England clarified their expectations on inflation decreases in May 2023 When will inflation in the UK come down?
4 The Charity Commission published their findings on cyber-attacks in October 2022 Report from the Charities Commission

Sector risks

Cost of living crisis

The UK is suffering a cost-of-living crisis which has led to strikes in many sectors including the NHS, transport and education. Insufficient pay and working conditions are the main causes of these strikes. Many people are working skilled jobs full time yet still struggling to afford heating and food, and increasing changes in the workplace, in part from digitalization, are affecting employees job satisfaction.

The difficulties across society are affecting the mental health of many including the young. In last year's 'charity sector developments' we noted a "large part of the impact of Covid-19 has been on the mental health and resilience of individuals, as many have had to endure periods of isolation and being unable to see loved ones." The pressures on mental health have only increased, even though the source of the pressure has changed. The challenges individuals and organisations are facing are equally falling on charities. Additionally, charities are a major source of support to communities and individuals who are turning to them in the current emerging crisis. This means that there is increased demand for services across certain parts of the sector because of the impact of the cost of living crisis. At the same time, there is less funding available to charities from reductions in giving and grant funding availability. These increased demands and funding pressures can increase charities' going concern risks.

How will charities respond to the cost-of-living crisis?

There are a variety of emerging pressures: the cost of services; retaining staff and volunteers; increasing regulation (particularly in the housing sector), and demand for services. In determining a strategic response, charities are assessing whether the pressures are short term, with a possible response to spend reserves which can then be replenished, or whether the challenges will remain longer term.

With higher energy costs and higher inflation driving up all areas of expense more generally, charities will feel the pressure on their budgets and reserves. With greater need for charitable services in society as a result of the cost-of-living crisis, increasing demand and decreasing donations and funding availability, the risk to charities increases. In particular, the ability to meet budgets is uncertain and the likelihood of annual financial deficits increases, which in turn affects their ability to continue as a going concern.

UK annual inflation in April 2023 was 8.7% per the Office for National Statistics (ONS) while food prices had risen 16.8% over the 12 months[5] to February 2023. These are significant price rises sorely felt by not just the poor, but many working full time. Part of the high inflation has been the soaring energy prices resulting from the Russian invasion of Ukraine, where, according to the Office for National Statistics (ONS), in the year to February 2023 electricity prices rose by 66.7% and gas prices by 129.4%[6]. The UK government has said it will halve inflation in 2023 but with inflation being the result of numerous factors including price and wage expectations and global political events, the outlook is uncertain. However, in May 2023, the International Monetary Fund (IMF) upgraded its growth forecast for the UK, projecting that the economy will grow by 0.4%.[7]

Ways in which charities may respond in the current situation could come under three headings:

Strategy

Trustees and the senior leadership of charities need to have a clear vision and strategy for the immediate future and longer term. The objectives of the organisation are essential to this, along with how they can be met with the current demands and pressures. Where trustees intend for the charity to survive, they must strategize with going concern as a key factor, assessing how long they see the cost-of-living crisis enduring and making plans accordingly. Many people are turning to charities for the first time in this economic environment, making use of foodbanks, debt support and mental health charities. Charities should therefore recognise and communicate their value and necessity at this time, to motivate staff, encourage users, and seek donations and funding.

Information and forecasting

With great pressure on funds, due to the increasing costs, increasing demand and often reducing funding, charities need to have accurate, usable, timely information and maintain regular forecasting. The board should regularly be provided with information on income, expenditure, and funds that they can trust and understand to enable them to make informed decisions. Cashflow forecasts with prudent assumptions will be a core part of this work.

5 https://www.ons.gov.uk/economy/inflationandpriceindices/bulletins/consumerpriceinflation/april2023
6 https://www.ons.gov.uk/economy/inflationandpriceindices/articles/costoflivinginsights/energy
7 https://www.bbc.co.uk/news/business-65669399

The Charity SORP, section 3.14, states that trustees must annually make an assessment of their charity's ability to continue as a going concern, and in section 3.38 provides the details on the disclosures required in the financial statements which includes "a clear disclosure of any uncertainties". The FRC thematic review also highlights the need for organisations to understand and disclose the going concern risks and uncertainties. It says of the Viability Statement which is required for listed companies, but is best practise for all organisations including charities in their trustees report, that it "is about the company's ability to manage realistic 'what if' scenarios, not whether it can avoid liquidation in a given time-frame. The viability statement should express the directors' views about the longer-term viability of the company with reference to the company's current position and the longer term risks that could threaten the business model, future performance, solvency or liquidity rather than explaining that the company is able to meets its liabilities as they fall due in the short term".

It is therefore recommended that organisations, including charities, should have a good understanding of the Going Concern uncertainties, which itself helps to mitigate the risks. When preparing and maintaining their budgets, charities should also prepare cash flow forecasts to keep in view the future cash position and liquidity. Then with the Going Concern forecasts, charities can model different 'what if' scenarios. This means using stress or reverse stress testing techniques on the forecasts. Stress tests would involve for instance taking the base assumptions on inflation or pay rises or income received then modelling with more unfavourable assumptions. Reverse stress testing identifies the worst-case scenario, that is the conditions that would need to arise for the organisation to fail.

Charities can then consider the likelihood of the different scenarios occurring. With the understanding of the risks and likelihood of their occurring, charities can plan in advance how to respond if more unfavourable 'what if' scenarios do seem more likely, such as ongoing inflation. Forecasting software could be used, making the modelling easier and outputs to review easier to understand.

Staff and volunteers

A difficulty for all organisations now is recruiting and retaining the right staff, and for charities, their volunteers. Brexit has reduced the number of EU workers in the UK, which is having a large impact in many sectors. People are also moving between jobs to get higher wages or better working conditions. Many charities are also greatly resourced by volunteers, who may now seek salaried work to meet the cost-of-living challenges. Charities therefore need to compete with other organisations for staff and volunteers. Wages may need to be increased and expenses reimbursed for volunteers. Staff working conditions should be reviewed, including consideration of hybrid working practices. Charities do hold an advantage with their ethos of support, wellbeing and community, and by clearly communicating these, may find staff and volunteers stay loyal to the organisation.

The road through the cost-of-living crisis is uncertain, but the vital role of charities is unquestioned. Prioritisation, focussed strategies and strength of leadership will help charities navigate the challenges posed by the current situation and to be the support in Society they aim to be.

Political change

The last 12 months have seen a large number of challenges and changes both in respect of the current geopolitical climate and in respect of core and secondary legislation impacting upon businesses and charities alike. The current situation with the Russia-Ukraine conflict has had a wide-reaching impact, increasing the level of demand for various outreach programmes in areas most affected by the conflict, as well as increased support needed for the refugee effort. In addition to this, with the sanctions placed on Russia and certain organisations and individuals associated with Russia, there is an increased level of scrutiny and care required by charities when sourcing and accepting funding.

More locally, the current political situation within the UK has also continued to create uncertainty and challenge. With the UK's exit from the EU and several new pieces of legislation working their way through Parliamentary review, the legal landscape is going through its own changes and transition. Here's a quick run-down of some of the key legal changes on the horizon and their potential impact upon charitable organisations.

Charities Act 2022

In February 2022, the Charities Act 2022 received Royal Assent and its various provisions will come into force in phases up until Autumn 2023. This new piece of legislation is an amendment to the Charities Act 2011 and has no real impact upon reporting requirements, financial or otherwise, but is instead designed to give trustees more flexibility in managing their charities more effectively. The first phase of implementation took effect from 31 October 2022, including introduction of the following provisions:

1 **Treatment of ex-gratia payments** – These new provisions give a statutory power to larger charities to make ex-gratia payments of up to a threshold of £20k per payment. This threshold is on a sliding scale for smaller charities, and any payments in excess of the threshold will still require the permission of the Charity Commission.

2 **Payments to be made to Trustees** – These provisions provide further structure and guidance for the remuneration of Trustees for the provision of goods or services. There must be a written agreement in place and that agreement must set out a specific amount, which must be reasonable in respect of the goods/services provided. The trustee due to receive payment cannot be involved in the decision (and this must be minuted), and the remaining trustees are responsible for satisfying themselves that the payment is in the best interest of the charity.

3 **Administration of Fundraising Appeals** – These provisions seek to reduce the administrative burden that has previously been placed on charities where appeals have either not raised enough, there are excess funds leftover, or where circumstances have changed and donations need to be reapplied. In doing this, charities will be able to reapply small (less than £1,000) donations without the Commission's involvement and obtaining authority to make use of excess funds will become much simpler without the need for the Commission to make a scheme. In addition, donors will no longer need to wait for six months in order to request a refund.

The second phase of implementation sees the following provisions expected to come into force by June 2023:

1 **Selling, leasing or otherwise disposing of land** – The current legislation sets out certain legal requirements that charities must meet prior to being able to dispose of charity land. These requirements will be simplified by the changes in the Act, which will provide charities with more flexibility over who can provide advice (ie this will no longer have to be a chartered surveyor), as well as loosening the requirements over the advice required. In addition, the Trustees will have greater flexibility over the manner in which the proposed land disposal is advertised.

2 **Increased flexibility in making use of permanent endowments** – Currently the legislation prevents a charity from spending any permanent endowments which it holds. The changes to the legislation will introduce new statutory powers, which will allow charities to spend from smaller permanent endowment funds (funds of £25,000 or lower) without Commission authority. In addition, these powers will also allow certain charities to borrow up 25% of the value of their permanent endowment fund without the need for Commission authority.

The final phase is due to be implemented in Autumn 2023 will see the introduction of the last provisions in respect of mergers and changes to a charity's constitution, which are expected to be as follows:

1 **Amendment of charitable purposes** – These changes are expected to provide a greater level of alignment between the regime for charitable companies, charitable incorporated organisations (CIOs) and charitable trusts when amending their charitable purposes. However, it is noted that these changes are still subject to the consent of the Charity Commission and that any proposed amendments must have due regard to the nature of the new purposes being in line with the original purposes.

2 **Amendment of charitable constitutions** – A new statutory power will simplify the process for charitable trusts and unincorporated associations wishing to amend their constitutions, providing greater clarity and removing uncertainties over the process. In respect of CIOs, again the process will be simplified, allowing changes to take effect after the passing of a valid resolution, rather than seeking the consent of the Charity Commission (although it is noted that, in certain circumstances, consent will still be required).

3 **Mergers and acquisitions** – It is expected that the provisions of the new Act will make the transfer of charity assets easier via a vesting declaration, which can remove the need for "shell charities" to catch any legacies received post-merger.

Full details and guidance on the changes and implementation plan can be found on the Gov.uk site[8].

Charity Annual Return

The requirement to submit an Annual Return to the Charity Commission each year is not new. However, with effect from 1 January 2023 the reporting requirements have been increased meaning that there is now a more comprehensive (and therefore extensive) list of questions in respect of the breakdown of income and spend. A full list of questions for the 2023 return and associated guidance can be obtained from the Gov.uk site[9].

Upcoming bills in parliament

There are a number of other bills and legislative pieces that have not yet been passed but are anticipated to come into law in the next 12 months. Not all of these will have a significant impact upon charities and their operations, but it is worth keeping in mind the following:

- **Worker Protection (Amendment of Equality Act 2010) Bill** – this bill will place new legal obligations on employers that make use of third parties (including service users and volunteers). Should employers fail to prevent or fail to take reasonable steps to prevent harassment of their employees, they will be liable to pay a fine. The bill is currently going through a second reading with the House of Lords.
- **Online Safety Bill** – the full impact of this bill is as yet unclear while it is currently at the Committee stage within the House of Lords. Whilst the bill is ostensibly aimed at larger tech companies and platforms such as Twitter, the impact of the revisions to areas in respect of Transparency, Accountability and Freedom of Expression Measures should be considered by charities that operate online discussion forums. The Government have issued their guidance and overview of the expected impact and changes on the Gov.uk site[10].
- **Retained EU Law (Revocation and Reform Bill)** – currently, amendments are being considered. The Bill seeks to "sunset" all EU-derived legislation that has not already been removed, revised, or otherwise adapted into UK Law. Due to some recent amendments to the Bill, there are now 600 pieces of legislation to be scrapped before the end of the year, and as many as 3,400 other pieces of legislation which will still need to be addressed[11]. Dr Joelle Grogan and Professor Catherine Barnard of "UK in a Changing Europe" recently published an article setting out the potential reach of this bill and the concerns that are raised as a result[12].

8 Charities Act 2022: implementation plan - GOV.UK (www.gov.uk)
9 Charity Annual Return 2023: question guide - GOV.UK (www.gov.uk)
10 Overview of expected impact of changes to the Online Safety Bill - GOV.UK (www.gov.uk)
11 The Retained EU Law (Revocation and Reform) Bill 2022 (hansard.parliament.uk)
12 The Retained EU Law (Revocation and Reform) Bill - UK in a changing Europe (ukandeu.ac.uk)

Charity Commission and cybersecurity

In an ever-increasingly digital world, the convenience and improved accessibility that we associate with being able to work, live and connect remotely around the globe unfortunately comes with a price. The words "cybersecurity" and "cyber risk" are all the more relevant as hackers become more sophisticated, putting electronic data increasingly at risk.

But what is meant by cybersecurity and cyber risk, and why is it relevant to charities? Cyber risk is defined as the risk that information and communication systems are exposed to dangerous actors, elements or circumstances that are capable of causing loss or damage. In other words, it is the risk of data and other sensitive information being damaged, lost or otherwise compromised because of technological interference or attack. Conversely, cybersecurity relates to the systems and controls in place that are designed to prevent data and electronic information from such attacks, as well as to detect attacks should they occur.

The current statistics on cyber risk and the volume of cyber attacks are a sobering read. In October 2022, the Charity Commission released a report[13] stating that at least one in eight charities had been subject to some form of cyber crime in the last 12 months, and that less than a quarter of charities had implemented a formal policy to address and manage the risk of cyber-attacks. The most common attacks experienced are those relating to "phishing" attacks (ie, attacks that are aimed at collecting sensitive information from the victim), but charities have also reported being victims of other types of cyber-crime such as ransomware attacks according to the Cyber Security Breaches Survey conducted by the Department of Digital, Culture, Media and Sport (DCMS) and issued in July 2022[14]. The potential cost to an organisation can be significant and will usually extend beyond data recovery, including the costs to subsequently design and implement more stringent IT systems and controls, losses due to business interruption, the impact of potential reputational damage and, in more severe cases, possible fines relating to breach of data protection legislation. The Grant Thornton UK Cyber Defence Centre calculates that the average cost of a breach is £2.7 million.

Case study: ransomware attacks

In August 2020 a number of education providers were victims of ransomware attacks. In one case, a university had data stolen by a group known as 'DoppelPaymer', who had a reputation for launching ransomware attacks on numerous organisations. The group stole data and files containing student and staff information, which were posted to the Dark Web. DoppelPaymer subsequently posted on Twitter to claim responsibility for the attack, holding the data 'to ransom' in exchange for payment in the form of a crypto currency.

The University responded by reporting the breach to local police forces, the National Crime Agency and the Information Commissioner's Office (ICO). In addition, it was also a reportable event to the Office for Students. Where possible, IT systems were taken offline to avoid further attacks but this in turn resulted in operational disruption lasting several weeks, which included cancelling classes and restricting access to systems. New students could not be registered using usual systems at the start of the term meaning that alternative processes had to be designed.

Various forensic investigations took place in order to close down the attack and normal services could not fully resume for a number of weeks, but eventually all of the systems were recovered. Microsoft, Jisc and other external experts were engaged to resolve the attack and the University did not pay the ransom. However, the cost of the using the various experts to resolve the attack is unknown.

13 Report from the Charities Commission in October 2022
14 Cyber Security Breaches Survey 2022

Cybersecurity – the "must have" basics

It can be overwhelming trying to get to grips with all of the possible risks arising from cyber and putting in procedures and systems to reduce those risks. Here are a few simple, yet important basics for enhancing the cybersecurity of your organisation:

1 **Engagement and training** – invest in regular training for your staff on the importance of cybersecurity and how to prevent and detect potential cyber-attacks. Keeping your staff aware and up to date of the risks significantly reduces the risk of a breach as a result of human error.

2 **Immutable backups** – Ensure that you perform regular backups of your data and keep these backups offline, restricting access to them as necessary.

3 **Email security** – This can be a first line of defence against many forms of cyber-attack. Making use of cybersecurity products to scan, quarantine or remove suspicious emails (and keeping these products up to date) can add an extra layer of security and protection.

4 **Anti-virus and endpoint eetection and response sensors** – It might sound complex, but investing in up to date virus scanning software is a simple way to stop malware and similar malicious products getting into your systems and causing a breach.

5 **Event logging** – Make sure that you have a means of reporting, managing and monitoring any attempted or actual attacks when they occur. This will enable you to not only respond to issues should they arise, but also identify any points of weakness within your system.

Useful resources and guidance

There are a number of resources and guidance available for all organisations looking to improve their awareness and their approach to cybersecurity. The below links may prove useful:

- National Cyber Security Centre's "10 Steps to Cyber Security" - 10 Steps to Cyber Security - NCSC.GOV.UK
- Charity Commissions guidance to addressing the risk of fraud (updated for cyber risk) - Protect your charity from fraud and cyber crime - GOV.UK (www.gov.uk)
- National Cyber Security Centre's response to ransomware attacks on educational institutions - More ransomware attacks on UK education - NCSC.GOV.UK
- Shoosmiths LLP's article on managing ransomware risk in charities, including a series of videos from their Cybersecurity event - STAND OR DELIVER: Managing the risk of ransomware attacks on charities (shoosmiths.co.uk)

Financial reporting and audit

ISA 315 Revised

For all accounting periods starting on or after 15 December 2021; ISA 315 Revised will apply. This is a revision of an existing standard dealing with the identification and assessment of the risks of material misstatement. This is an audit requirement which will have noticeable impacts on Charities and other organisations for December 2022 year ends and beyond. The following key areas apply:

1 The introduction of five new inherent risk factors to aid risk assessment. These risk factors include an assessment of subjectivity, complexity and uncertainty of balances and estimates made by management as well as consideration of any changes year on year and the susceptibility of misstatement as a result of management bias or fraud

2 A more nuanced spectrum of risk beyond "Low", "Medium" and "High"

3 Increased requirements in respect of the "sufficient and appropriate" evidence obtained by auditors

4 Significant increase in focus on understanding and assessing the risks within IT environments, including specific and general IT controls in place

5 Increased requirements placed on auditors to assess design and implementation, and restrictions on the level of reliance that can be placed on these procedures.

These revisions now place a greater focus and emphasis on the need to understand the core business processes and the associated systems and controls that form part of those processes, including a more in-depth consideration of the part played by IT systems and applications. Auditors will also need to perform increased procedures at the planning stages over these systems and controls to be able to conclude on the sufficiency of the control environment. An example of the enhanced level of procedures that could be required for a typical donation income stream is included below.

This will obviously have an impact upon auditors and their approach to audit engagements going forward, but what does this mean for your organisation? Firstly, you will likely notice that there will be more questions about how you operate as an organisation and more information required from you at the initial stages of the audit in respect of how your organisation collates, records and maintains information both in respect of the financial data but also in terms of information relating to narrative disclosures in the front end of the financial statements (such as assessment of metrics and non-financial KPIs).

Secondly, it is likely that there will be an increased level of time and expertise required from non-financial staff within your organisation, such as those within the Human Resource and IT departments, as they will have more in-depth knowledge of the technology and the systems used in their day-to-day roles. Auditors will also likely bring their own IT experts into the core audit team to assist in understanding the more technical aspects and jargon that comes with the territory.

Finally, an increase in questions, work and scrutiny from auditors will inevitably result in an increase in time spent by both auditors and their clients alike. There is no hard and fast rule on how much extra time and effort will be involved as each organisation and their control environment will be different. Given the uncertainty surrounding the additional time investment from both parties that will be required as a result of the above changes, it is always recommended that discussions are opened up with your auditor sooner rather than later in order to clarify what additional information and time will be needed, and how this may impact upon the audit timetable.

Understanding your systems under ISA315 Revised – Income from Donations

Let's look at a practical example of how this might come into effect. Auditors have always been interested in revenue, particularly as a result of its assumed (albeit rebuttable) risk of fraud in ISA 240. However, even where your auditor has been able to rebut this risk, they are required under ISA 315 Revised to perform specific procedures in order to gain a full understanding of that business process, the associated systems and IT applications involved within those processes, the inherent risks present and, finally, any mitigating actions taken by the charity to reduce that inherent risk (ie controls).

Taking a stereotypical revenue stream for a charity (donation income) we can see the difference in the level of scrutiny that auditors will be required to apply. A typical process for recognising donations might include the use of a fundraising platform such as Raiser's Edge to collect donations. This platform might then feed directly into the accounting system to automatically record income received on, say, a weekly basis. Receipts expected would likely be reconciled to actual receipts within the bank accounts as part of the bank reconciliation procedures.

Previously, auditors would hold a discussion with the finance team members that are responsible for the recording of donations received in order to understand how they capture all of the information in order to recognise donation income within the accounting system. This might extend to identifying the system used to capture donations made by individuals or raised from campaigns (for example, through Raiser's Edge or from a fundraising campaign run through JustGiving.org), as well as understanding how your finance team are satisfied that all donations made are banked and reconciled through your banking system. The last step would be for your auditor would then walk through that process, evidencing that the processes are occurring as expected.

Under the Revised ISA, your auditor will still need to perform these tasks and have these discussions. However, they will need to extend their work and request further evidence from your finance and IT teams. Examples of additional procedures could include:

- understanding the wider IT environment, including understanding how data is stored, backed up and kept secure
- understanding change management in respect of IT systems, including the process for keeping IT applications up to date
- requesting and reviewing user access lists to identify who has administrative access/super user rights
- obtaining and reviewing change logs for any amendments to individual users and their access rights
- testing the provision/removal of access to various applications in an IT starters and leavers test
- testing the direct feed from the funding platform into the accounting system and gaining assurance that the automatic update process is operating effectively.

Most of these additional procedures would likely require the involvement of both your own IT team and the use of your auditor's own IT experts in order to obtain the understanding and evidence needed. These procedures would then need to be replicated across all business processes subject to scrutiny by your auditors, such as payroll, expenditure cycles and other revenue streams that you may generate as an organisation.

Preparing for the changes:

Here are some top tips for how best to prepare for the impact of these changes:

- **Review and update your business process notes.** Where your organisation maintains internal process notes, instructions and flowcharts it is recommended that these are revisited and brought up to date. Where appropriate, ensure that these have been updated to refer to the IT applications involved at each stage of the process.
- **Prepare your non-financial teams.** For example, ensuring that you have your own IT department available to support and engage with the auditors during the key planning stages will enable auditors to assess and address any IT related risks efficiently before engaging with the fieldwork.
- **Actively engage with your auditors early.** Your auditors should be having open conversations with you about the impacts of ISA 315 Revised before beginning to embark on the planning stages, but it never hurts to start asking the questions sooner rather than later. The earlier you and your auditors start to talk and plan for ISA 315 Revised, the more prepared you will be for the rest of the engagement.

Climate change and Net Zero disclosures

In October 2022, the Financial Reporting Council (FRC) Lab released their findings following discussions with investors, companies and other stakeholders, whereby they sought to understand:

- how investors use disclosures on net zero or other Green House Gases (GHG) reduction commitments
- investor perspectives on current reporting, including good practice and areas for improvement
- reporting challenges and successes for companies with these types of commitments.

One of the findings noted that there was sometimes confusion between the terms such as 'net zero' and 'carbon neutral'. At a high level the differences are:

Net zero: when a company first reduces all its GHG emissions as much as possible, and only then offsets the remaining residual emissions with removals.

Carbon neutral: when a company's CO2 emissions are fully balanced by a combination of CO2 reductions and/or offset by removals without necessarily reducing any of its GHG emissions.

In summary there were three main elements that investors wanted to understand from the disclosures made in the financial statements.

1 Commitments – the level of ambition, scope, nature and timing of the commitment, and what is included and excluded.

2 Impacts – how the commitment impacts strategy and the business model, including information on transition plans, assumptions, uncertainties and risks and opportunities.

3 Performance – how performance is being measured in the short, medium and long term.

When preparing net zero disclosures in the financial statements, preparers should consider these points, to ensure that the annual report provides all the necessary information for all stakeholders.

Guidance on Investments following Butler-Sloss

In April 2022 the High Court judgment for Butler-Sloss and others concluded that the Trustees of the Ashden Trust and the Mark Leonard Trust were authorised to prioritise climate change mitigation over financial returns when investing. In this legal case, both Trusts have charitable purposes to promote environmental protection or improvement. The Trustees in this case deemed that climate change causes a serious threat to humanity and therefore in line with their charitable aims, the trustees amended their investment policy to exclude investments which did not align with the Paris agreement, thus prioritising their charitable objectives over the financial returns on the investments.

Subsequently, in November 2022, the Charity Commission confirmed that charities can continue to rely on the legal position in the published guidance 'Charities and investment matters: a guide for trustees (CC14)' when making investment decisions. The recent judgment confirms that trustees have wide discretion where appropriate, to exclude certain investments based on non-financial considerations when making financial investment decisions. These principles are described as ethical investment in CC14 guidance and have also been described as responsible investment. However, the Charity Commission has published new draft guidance in April 2023 which streamlines the existing CC14 document and reflects the outcome of the Butler-Sloss ruling. The final guidance is expected to be released in summer 2023.

ISA 240 Revised

ISA 240 (Revised) requirements are applicable for financial statements for years ended 31 December 2022 and beyond. ISA 240 (Revised) has an emphasis on fraud in the financial statements and an auditor's responsibility relating to fraud in financial statements. The standard also includes clarification regarding the auditor's obligations with respect to fraud and enhancing the quality of the audit work performed in this area.

The key changes in the revised ISA are:

1 Increased focus on applying professional scepticism:

   - The need for auditors to remain unbiased and to not bias their approach towards obtaining evidence that is collaborative in nature or excluding contradictory evidence
   - Remaining alert for indication of inauthenticity in documents and records. Auditors will need to remain alert for conditions that indicate documents provided are not authentic
   - Investigating inconsistent or implausible responses to inquiries performed

2 Requirements to perform inquiries with individuals at the entity are expanded to include those who deal with allegations of fraud. Auditors will investigate inconsistent responses to queries from management, those charged with governance or any others within the entity where responses appear inconsistent or implausible.

3 Every audit now requires a specific determination as to whether to involve specialists (including forensics) to aid in identifying and responding to risks of material misstatement due to fraud.

Charities will notice that audit engagement teams are asking additional questions and performing additional procedures this year to gain comfort with the accuracy and completeness of documentation and records provided by clients as audit evidence. Such procedures include:

- utilising OpenBanking to ensure the validity of bank statements used to support audit procedures
- liaising with key individuals outside of the core finance function who are responsible for developing the key judgements and estimates in the financial statements. The revised standard also requires that the audit team have additional discussions with management and those charged with governance to assess the risk of fraud. In the past, while we may have asked these questions on are the beginning of the audit and again before completion, we will now be considering the need for additional meetings to consider findings from all stages and what impact this has on our audit procedures going forward, if required
- liaising with individuals outside of the core finance function and performing inquiry procedures to determine whether their responses align with inquiries performed with key management personnel
- reaching out to third parties to confirm balances included in the financial statements
- considering whether increased scope is required due to the assessed risk level of significant transactions and balances and concluding whether our engagement teams should engage the use of an internal or external expert to assess management's judgements or estimates.

Management and those charged with governance will notice new requirements with how auditors are communicating matters relating to fraud. These will be communicated within audit plans issued to management and those charged with governance, audit findings reports and the final audit opinion.

The FRC announced its areas of supervisory focus for 2023, which includes an area of focus for audit quality inspections on fraud risks. The FRC's guidance is often good practice for charities, and they should consider the guidance that is released form the FRC. Charities should consider implementing this guidance, even though it has not been released from the Charity Commission, as it is often applicable to the wider organisations within the UK. Coming a month before this announcement was the FRC's publication on what makes a good environment for auditor scepticism and challenge. With the implementation of ISA 240 (revised), our charity clients should expect to face a consistent application of processional scepticism and challenge from their auditors in order to demonstrate stronger application of professional judgement. This includes:

1 **Learning environment** – Our teams will be considering the internal environment of our clients and whether their environment is one that fosters learning. Evidence of ongoing learning and development helps us understand whether our clients are committed to accurate information and ensures that they will be well-equipped to respond to us on any of our questions to management or those charged with governance as we exhibit our professional scepticism.

2 **Audit firm operating model** – Our clients can expect our engagement teams to identify inconsistent or non-corroborative evidence. Our teams will be standing back to think about the consequences of such information and how it affects our initial risk assessment. In these instances, our clients, including management and those charged with governance, should be prepared for additional challenge from a in such circumstances. Where our teams identify information that does not align, our procedures to address our professional scepticism and challenge could involve the effective use of specialists, experts and technical teams to support our engagement teams.

3 **Ecosystem** – We will be assessing our client's ecosystems to identify whether management and those charged with governance promote similar values and culture by providing our audit teams with timely information and engaging with the auditors when they are asking questions. Prompt delivery of key audit information and engagement with personal on the audit teams will be the expectation from our clients.

Review of Annual Reports

The Financial Reporting Council (FRC) has issued a report which details their findings following the review of corporate reporting for 2021/22. They have also released a report 'What Makes a Good Annual Report and Accounts'. Although not directly aimed at charitable entities, the points raised in these reports can be applied to charity reporting and offer helpful tips and guidance.

The findings highlighted below are applicable for charitable entities:

1 **Cash flow statements**

- Classification of funding from and to subsidiaries (usually included as operating cash flows, when technically this is an investing or financing cash flow)
- Inconsistent application of accounting policies, for example interest on leases classified as financing cash flows, whereas interest on borrowings classified as operating cash flows
- Reported cash flows are consistent with the amounts reported elsewhere in the financial statements
- Non-cash items should be excluded from the statement and adjustments for material non-cash transactions are disclosed

2 **Financial instruments**

- Information about the impairment assessment of financial assets, other than trade receivables, should be disclosed
- The maturity analysis for lease liabilities must include the gross contractual cash flows
- Information about the terms and conditions of bank loans and borrowings was either missing or inconsistent with information reported elsewhere in the annual report and accounts
- A breach, and subsequent waiver of the breach, of certain loan covenants was disclosed but the terms of the covenants, including quantification of the thresholds, was not provided

3 **Income taxes (relevant to trading subsidiaries)**

- Tax related disclosures should be consistent throughout the financial statements, with adequate explanation of any material reconciling items

4 **Strategic report**

- The financial review focussed on the financial performance of the entity, with limited or no information on significant movements in the statement of financial position or cash flow statement
- The section 172 statement was omitted from the strategic report
- Energy and carbon reporting was either omitted or was missing disclosures in relation to energy consumption, separate emission figures and the methodology used to calculate the annual emissions

5 **Revenue**

- Fuller explanations could be provided in relation to judgements made in identifying separate performance obligations in multi-element arrangements
- Accounting policies did not adequately explain the nature of variable consideration – more likely to be seen in the trading subsidiaries

6 **Provisions and contingencies**

- The accounting policy for dilapidations provision was unclear or there was an apparent inconsistency in its application across the entity's portfolio of leased properties
- The descriptions of the nature and uncertainties are not clearly disclosed for each material exposure for which a provision is recognised or a contingent liability is disclosed, as well as the timeframe over which it is expected to crystallise and the basis for determining the best estimate of the probable or possible outflow

7 **Alternative performance measures (APMs) – more likely to be seen in trading subsidiaries (where the small company exemptions are not or cannot be taken)**

- Reconciliations to the most directly reconcilable line item, subtotal or total presented in the financial statements were omitted for some APMs
- Explanations or calculations for certain APMs were not provided

8 **Judgements and estimates**

- Disclosure of key assumptions used in the measurement of assets and liabilities subject to significant estimation uncertainty must always be provided
- It was unclear whether the estimation uncertainty had been disclosed because there was a significant risk of material adjustment in the following year or for another reason
- Disclosure of sensitivities or ranges of potential outcomes were missing in some cases or it was not clear whether the sensitivities performed represented reasonably possible changes within the next financial year
- Apparent inconsistencies between a significant judgement or a significant estimation uncertainty disclosure and information elsewhere in the annual accounts

9 **Impairment of assets**

- Explanations about the sensitivity of recoverable amounts to changes in assumptions, particularly where the range of reasonably possible outcomes has widened under a more uncertain outlook were missing/could be enhanced

10 **Presentation of financial statements and related disclosures**

- Challenged the netting off of items of income and expenditure
- Challenged the classification of assets and liabilities as current or non current
- Accounting policies were missing for material transactions balances
- Inconsistencies in presentation from the prior year with no explanation

A high-quality annual report and accounts should:

- comply with relevant accounting standards, laws and regulations, and codes
- be responsive to the needs of stakeholders in an accessible way
- demonstrate the corporate reporting principles and effective communication characteristics as below:

  The mnemonic '**ACCOUNT**' helps trustees to produce a good quality annual report:

  - **A**ccurate – free from material misstatement and error
  - **C**onnected and consistent – tells the story of the business which should be connected and consistent with remainder of the financial statements
  - **C**omplete – includes all the positive and negative material
  - **O**n-time – submitted to appropriate regulator in advance of deadline
  - **U**nbiased – balanced review of the entity
  - **N**avigable – accessible and easy to navigate
  - **T**ransparent – faithfully represent the economic substance of the transactions that the company has entered into

  The FRC report also highlights the '**4Cs of effective communication**':

  - **C**ompany specific – Boilerplate disclosures and generic statements are unlikely to hold the interest of users or help them understand the company's business.
  - **C**lear, concise and understandable
  - **C**lutter free and relevant – avoids duplication, using a cross reference where relevant
  - **C**omparable – present updated information on matters that are relevant to user decisions year on year

FRED 82 – Draft amendments to FRS 102

FRED 82 proposes a number of changes resulting from the second periodic review of FRS 102 and other Financial Reporting Standards. The principal revisions, currently under consultation are:

- the accounting requirements for revenue in FRS 102 propose an inclusion of the five-step model for revenue recognition from IFRS 15 Revenue from Contracts with Customers, with appropriate simplifications. The extent to which this may change an entity's revenue recognition in practice will depend on the form of its contracts with customers
- the lease accounting requirements propose an inclusion of the on-balance sheet model from IFRS 16 Leases, with appropriate simplifications. This may result in an impact on the financial statements of most entities that are lessees under one or more operating leases.

Other proposed incremental improvements and clarifications to FRS 102, although not all may apply to charities, include:

- greater clarity for small entities in the UK applying Section 1A Small Entities regarding which disclosures may be provided in order to give a true and fair view
- a revised Section 2 Concepts and Pervasive Principles, updated to reflect the IASB's Conceptual Framework for Financial Reporting, issued in 2018
- a new Section 2A Fair Value Measurement, replacing the Appendix Fair Value Measurement to Section 2 and updated to reflect the principles of IFRS 13 Fair Value Measurement
- removal of the option to newly adopt the recognition and measurement requirements of IAS 39 Financial Instruments: Recognition and Measurement under paragraphs 11.2(b) and 12.2(b), in preparation for the possible removal of this option, but permitting entities already applying the option to continue to do so in the meantime.

The proposed effective date for these amendments is accounting periods beginning on or after 1 January 2025, with early application permitted provided all amendments are applied at the same time. Transitional provisions are also proposed. However, the consultation on proposals closes at the end of April 2023 and further revisions are likely based on the feedback received.

The Financial Reporting Council received responses on FRED 82 up to 30 April 2023. Feedback will be reviewed and we expect to see the results of the consultation outcome in late 2023/early 2024.

If these amendments are approved for FRED 82, it is anticipated that these will be reflected in the revised Charities SORP with effect from years starting on or after 1 January 2025.

Other sector developments

Legal cases

Whilst registered charities are required to follow the requirements of the Charity Commission, there are a number of different places where they can obtain guidance. Recently, there have been some hot topics which highlight key areas of for charities to consider.

Holiday pay accrual – Harpur Trust v Brazel

In July 2022, the Supreme Court issued its judgement on the issue of statutory holiday pay entitlement for employees who are employed from year to year but are contractually only required to work at certain periods in the year.

In summary, a music teacher who worked part time claimed that there had been an underpayment of her wages as her holiday had always been calculated using a percentage method (where holiday pay is worked out as 12.07% of the individuals pay pro-rated based on their working hours in the prior 12 weeks).

The Court ruled that this calculation does not comply with the Working Time Regulations 1999. All part year workers are therefore entitled to 5.6 weeks of holiday regardless of their working hours.

In short, charities should consider reviewing their existing employee arrangements, rectify any underpayments and account for any additional liabilities, where this is appropriate to do, taking legal advice as necessary.

Investments – Butler v Sloss ruling

The High Court Judgment in Spring 2022 concluded that the Trustees of the Ashden Trust and the Mark Leonard Trust were authorised to prioritise climate change mitigation over financial returns when investing. In this legal case, both Trusts have charitable purposes to promote environmental protection or improvement. The Trustees in this case deemed that climate change causes a serious threat to humanity and therefore in line with their charitable aims, the trustees amended their investment policy to exclude investments which did not align with the Paris agreement, thus prioritising their charitable objectives over the financial returns on the investments.

Subsequently, in November 2022, the Charity Commission confirmed that charities can continue to rely on the legal position in the published guidance 'Charities and investment matters: a guide for trustees (CC14)' when making investment decisions. The recent judgment confirms that trustees have wide discretion where appropriate, to exclude certain investments based on non-financial considerations when making financial investment decisions. These principles are described as ethical investment in CC14 guidance and have also been described as responsible investment.

The Charity Commission has issued a revised draft of CC14 which is currently being tested by a sample of charities with investment assets. Once this pilot has concluded, the final CC14 will be published, which is expected to be in late 2023.

Best practice developments

Remuneration

Currently, charities with income over £1 million are required to outline how many staff are paid more than £60,000, outlining the number of staff in £10,000 incremental bandings. It is also mandatory for these charities to outline the compensation of key management personnel. Both of these disclosures are required to be included in the financial statements and filed with the Charities Commission.

An analysis by Civil Society News in September 2022 found that 34 out of the 100 largest charities go beyond standard reporting requirements to publish the exact salary of their highest earner in their annual accounts and on their websites. The National Council for Voluntary Organisations (NCVO) said that charities should 'set the gold standard' by publishing this information on their websites.

Charities must ensure that they are disclosing their total employee benefits include gross pay and benefits pay (excluding employer pension costs) and have an appropriate process in place to identify their employees total gross pay and benefits to ensure that their financial statement disclosures are accurate and compliant with the Charities Commission requirements. However, as the Civil Society investigation finds, there is scope for charities to increase reporting by including additional disclosure where appropriate.

Related parties

Many of us all remember the days during COVID-19 lockdowns where we were inspired by Captain Sir Tom Moore. We were inspired by his resilience during COVID-19 and his positivity as he documented his steps from his backyard, which adorned our television screens and news headlines for months. The Captain Tom Foundation was launched to celebrate, empower and increase the opportunities for the older generations voices to be heard and their skills and knowledge to be shared. The Captain Tom Foundation was registered as a grant-making charity in 2020 with the charitable purpose to advance public health and well-being.

In March 2021, the Charity Commission opened an initial case into the Foundation and in June 2022 a full inquiry was launched after identifying concerns about the charity's management,

including independence from related parties and the businesses connected to these individuals. The inquiry focuses on whether the trustees adequately managed conflicts of interest, including with private companies, connected to the family, and whether this complied with charities law.

Trustees are responsible for adequately managing any conflicts of interest and disclosing any related party transactions or balances within the financial statements. The Charity Commission has been investigating this area throughout 2022 with a number of high-profile cases such as the Captain Tom Foundation, Muslim Aid and Beth Yusef. A charity's governing body should have procedures in place in order to manage any conflicts of interest with any trustees that arise and disclose the amount of payments made to trustees' in their annual report.

The Charity Commission has published guidance to clarify the laws and good practice where Boards intend to make payments to one or more of their trustees. Whilst trustees can be paid for the provision of goods and services, they should only receive a payment where the following criteria are in place:

- There is a written agreement between the charity and the trustee which sets out the exact amount to be paid (a board minute is not sufficient)
- The trustee cannot be part of the decision making process
- The payment must be reasonable
- Clearly in the best interests of the charity

The Charity Commission has published a new guide for trustees to raise awareness of the requirements of their role and best practice for appropriate governance for charitable organisations through their "Five Minute Guides". These guides are aimed at those charged with governance, who are responsible for overseeing their charities. The latest campaign began during Winter 2022 and serves as a reminder for all trustees over the importance of their roles.

Social media

The Charity Commission has also issued draft guidance for charities use of social media in January 2023. The consultation closed in March 2023 and is anticipated to provide some insight over how much oversight trustees have on their charities' use of social media in comparison to other aspects of their communication and engagement strategy. The guidance will ultimately aim to help trustees improve their understanding of the charity's use of social media and the risks that can align with socials. Like other software and cyber, social media poses a number of risks to charities:

- Problematic content shared by the charity on its channels
- Problematic content shared by the public or third party on the charity's social media
- Social media posted on a personal account that can be reasonably associated with the charity

As charities rely on the public's trust and overall perception, this guidance will serve as a good reminder for trustees to consider the risks around social media and ensure that there are processes in place to confirm that content being uploaded is in accordance with the charity's charitable activities and accurately reflects the views of the charity.

Social media has many benefits – including reaching large audiences with the click of a button, which is an important attribute as charities look to raise awareness for their causes and engage members, donors and other beneficiaries both current and prospective. However, instant communication is not without risks, which those charged with governance may not be used to assessing as part of their risk register.

The draft guidance includes ways in which trustees can help mitigate the risk around social media and effectively protect their organization from reckless risks. This includes:

- preparing a social media policy to ensure that processes and internal controls are in place to ensure content creators for the charity are posting appropriate messages , photos, etc on the charity's channels
- utilise social media to further charitable objectives and achieve the purpose of the charity
- ensure posts comply with relevant laws and regulations
- if posting commentary on political activity; ensure that the social media complies with the Charity Commission rules on political activity and campaigning.

This policy should be utilized by management, employees, trustees and volunteers. It should include considerations such as:

- how will the organization use social media
- what oversight will exist for posting to social media on a charity's behalf
- how will trustees ensure that social media interactions are appropriate for children, young people and/or vulnerable people.

It's likely that a social media policy will integrate with existing policies on safeguarding, whistleblowing and human resources, so it is important that charities consider the interactions between a newly implemented social media policy and existing resources.

The guidance remains in draft, but a publication from the Charity Commission of responses and the final guidance is expected to be issued during the summer of 2023.

Fundraising guidance

The Regulator

The last two years have been turbulent for charities' fundraising. Not for profit organisations have successfully navigated through COVID-19, only for additional worldwide and economic events to appear at once – the war in Ukraine and unrest in other nations; higher interest rates; higher energy costs; and a general increase in the cost of living. These challenges result in organisations thinking critically about how they can generate additional income, including innovative fundraising ideas. Although, fundraising is not always simple when guidance and regulations must be followed.

One component of fundraising is compliance with the Fundraising Regulator. The Fundraising Regulator works to ensure that there is public protection, accountability and excellence in fundraising to ensure public trust and confidence across the UK by fundraising sectors. The Fundraising Regulator issued its Annual Complaints Report in 2022, which presents insights from complaints reported by a sample of the UK's largest fundraising charities. The report analyses data for the period of 1 April 2021 to 31 March 2022. The themes that arose from the Regulator's report were:

1 **Presenting information in an open and honest way** – The fundraising method most commonly linked to this theme was digital fundraising, which includes fundraising tools such as emails, social media, online fundraising platforms and other digital channels.

2 **Protecting people in vulnerable circumstances** – The most common complaints under this circumstance was through mail, adverts, charity shops collections, events, face to face fundraising, lotteries and free draws and telephone fundraising. This affects individuals of all ages as charities must ensure that they are taking reasonable steps to avoid asking for donations from children and that they are considering any indicators of older individuals who exhibit any cognitive issues. Requesting donations from vulnerable individuals could result in reputational damage.

3 **Issues arising from working with third parties** – Many charities rely on their volunteers to fundraise on behalf of the charity. Charities must ensure that they have key information in writing outlining expectations to help manage any risks. Charities should also ensure they have performed safeguarding checks on its volunteers. Both of these items help reduce the risk of issues arising with their third party fundraisers.

Complaints about misleading information (relating to the theme of presenting information in an open and honest way) rose 17% in 2021/2022 since the 2020/2021 reporting period. Organisations should focus on the transparency of their fundraising.

Disclosures

Within their financial statements, charities with income of more than £1million are required to include fundraising disclosures, as per The Charities (Protection and Social Investment) Act 2016. This includes narrative which identifies:

- the approach taken to fundraising
- whether the charity is subject to any regulations, and any breaches of those standards
- monitoring of fundraisers
- the number of fundraising complaints
- actions taken to protect vulnerable people.

As identified by the Fundraising Regulator on 9 January 2023, "only 33% of levy-paying charities included a statement on all of the Act's requirements and 9% reported on none of them. Against levy-refusing charities, just 13% report on all requirements, whilst 32% reported on none of them". This serves as an important reminder for charities to comply with the fundraising reporting as omitting such statements means that the charity is failing to meet its legal duties.

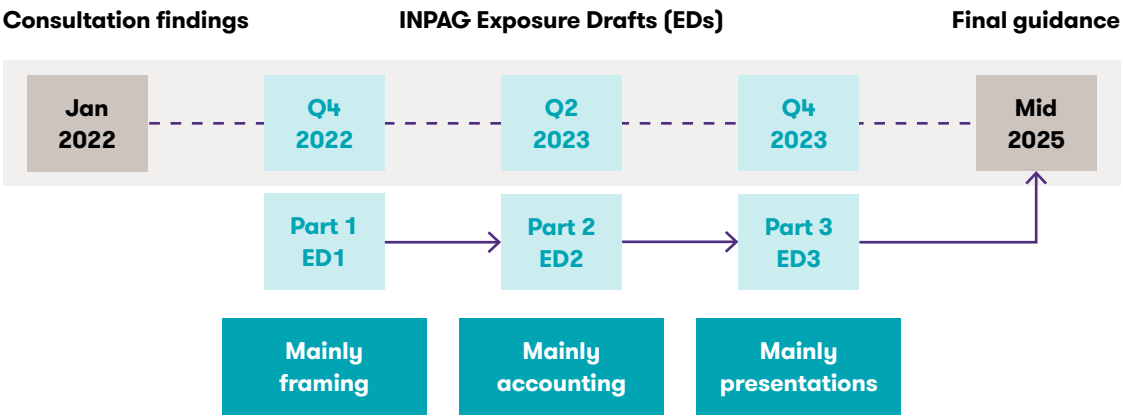
Within the financial statements expenses incurred to earn fundraising income cannot be offset again any income. Additionally, a charity must split costs between fundraising and charitable activities.

Overall, charities cannot forget the importance of complying with the Fundraising Regulator and presenting their information in a way that is easy for users to understand and does not mislead the users of the financial statements. Presenting information in an open and honest way is vital in all a charity's communication forms, which extends to the published annual reports and financial statements and the disclosures therein.

International Non-Profit Accounting Guidance (INPAG)

In many countries, Non-Profit Organisations (NPOs) have no guidance or frameworks to support the preparation of financial statements. These are crucial for transparency, accountability and decision making. Funding organisations have filled this void by developing their own reporting requirements for NPOs. While all have their merits, the variety of different requirements can create a heavy burden on the very organisations they want to support. As a result, the International Financial Reporting For Non-Profit Organisations group (IFR4NPO) has been established to develop the world's first internationally applicable financial reporting guidance for NPOs.

The timing of the exposure drafts and findings are expected to be as follows:



The first exposure draft, which is based around the IFRS accounting standards, has been released for comment to develop the first ever international financial reporting guidance for NPOs.

The first exposure draft covers:

1 Primary users and their needs of NPO general purpose financial reports
2 Which NPOs are expected to use INPAG?
3 The reporting NPO and its boundary
4 Key concepts and principals
5 Basis of information in General Purpose Financial Reports – characteristics
6 Fund accounting
7 Financial statement names and scope
8 Narrative reporting
9 Service potential
10 Additional information
11 Compliance with INPAG

There are specific matters for comment in the form of 12 main sections with sub questions. The deadline for comments on the first exposure draft was 31 March 2023 and we hope to see the results later this year. For more details please visit IFR4NPO.

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No	Title	Description	Initial score	Current score	Oversight Committee	Exec Lead	Datix Mat Risks	Risk Appetite Category	Risk Appetite	Strategic Ambitions	Comments
1	**Quality of Services**	Failure to deliver high standards of clinical care and/ or deliver services compliant to the required regulations and standards may result in poor patient care, sub-optimal quality of services, and will result in regulatory breaches, regulatory interventions, reputational damage and potential financial implications.	**Almost Certain (5) x Catastrophic (5) = 25**	**Likely (4)x Major (5) = 20**	QSC	CQO	904 - Clinical & Practice variation 906 - Reg & Compliance risk (clinical) 911 - Restrictive patient interventions 996 - Low staffing	Quality	Low (12)	1. Transforming Lives 3. Providing high-quality services 4. Pathways of Care 6. Research & Education	Links to number 2 Exec Risk Domain Was basis of previous BAF reported strategic risk Final "linked" Material Risks to be determined. High risks not within MRR to be added where appropriate - such as 986, not adhering to CQC actions
2	**Financial Objectives**	Failure to achieve agreed financial objectives, control direct costs, together with lower than expected bed occupancy, will result in potential challenges for financial sustainability (including pressures on cash flow, bank credit facility and Level of reserves) of the Charity questioning its going concern.	**Likely (4) x Catastrophic (5) = 20**	**Possible (3)x Catastrophic (5) = 15**	FinCom	CFO	908 - dec revenue / high costs 1150 - Pension scheme 1109 - Bed occupancy 1072 - Energy costs	Financial Sustainability	Moderate (12)	7. Financial sustainability 4. Pathways of Care 6. Research & Education	Links to number 1 Exec Risk Domain Was basis of previous BAF reported strategic risk Final "linked" Material Risks to be determined. High risks not within MRR to be added where appropriate - such as 1021, RCF agreement
3	**Staffing**	Failure to attract, recruit and retain the right number of qualified and skilled staff will increase the likelihood of one or more of the following implications: Unsafe staffing levels across some or all services, Breach of regulatory / contractual requirements, Avoidable and undue pressure on existing staff affecting their morale, Reduced health and wellbeing, Reputational damage, etc. all of which have the potential to impact the quality and safety of patient care and the delivery of strategic business plans.	**Likely (4) x Catastrophic (5) = 20**	**Likely (4)x Major (4) = 16**	People Committee	COO (supported by HRD)	914 - recruiting req capabilitie 915 - retention key skills 916 - Positive cultural change 996 - low staffing 920 - Violence & aggression	Workforce	Moderate (12)	5. A thriving workforce 1. Transforming Lives	Links to number 3 Exec Risk Domain Was basis of previous BAF reported strategic risk Final "linked" Material Risks to be determined.
4	**Delivery Against Strategy**	Failure to effectively monitor and report progress on the strategic initiatives will increase the likelihood of one or more of the following: (i) non-achievement of the key Charity strategic objectives, (ii) delayed / non-achievement of strategic milestones (iii) sub-optimal performance on strategic initiatives (iv) adverse publicity and reputational damage (v) insufficiency of initiatives to achieve strategic objectives, and (vi) potential deterioration of, or loss of charitable agency.	**TBD - Was previously: Likely (4) x Catastrophic (5) = 20**	**TBD - Was previously: Possible (3)x Major (4) = 12**	Executive Team	CEO (supported by DoP & BDD)	921 - Strategic Environmental Change 924 - inability to develop new products/services 916 - Positive cultural change 909 - Dated & inefficient estate	Performance and service sustainability	Moderate (12)	All 7 Ambitions: 1. Transforming Lives 2. Reaching out into communities 3. Providing high-quality services 4. Pathways of Care 5. A thriving workforce 6. Research & Education 7. Financial sustainability	Was basis of previous BAF reported strategic risk Final "linked" Material Risks to be determined. Risk and controls to be based upon milestone analysis, identifying links between milestones and ambitions, with an immediate focus on year one and two.
5	**Reputation**	A failure to proactively manage known or knowable issues, or maintaining ineffective responses to serious incidents leads to reputational harm which impacts on the strategic, financial, operational, commercial and purpose-based interests of the Charity	**TBD - Was previously: Almost Certain (5) x Catastrophic (5) = 25**	**TBD - Was previously: Likely (4)x Moderate (3) = 12**	Executive Team	CEO	923 - Reputation Management	Reputation	Cautious (12)	All 7 Ambitions: 1. Transforming Lives 2. Reaching out into communities 3. Providing high-quality services 4. Pathways of Care 5. A thriving workforce 6. Research & Education 7. Financial sustainability	Escalated to strategic risk register following initial discussions at Exec at Strategy meeting. Final "linked" Material Risks to be determined.
6	**IT & Cyber**	A balanced view of the risks exposed due to advancement in emerging potential threats in the cyber-world, classified as Known Security issues, and Unknown security issues; may adversely impact the Charity's information systems and applications vulnerable to cyber-attacks.	**TBD - Was previously: Almost Certain (5) x Major (4) = 20**	**TBD - Was previously: Almost Certain (5) x Moderate (3) = 15**	Executive Team	DIT	917 - Cyber Risk and Resilience 1060 - SAP 918 - Data Quality and Completeness 905 - EPRR	Performance and service sustainability	Moderate (12)	All 7 Ambitions: 1. Transforming Lives 2. Reaching out into communities 3. Providing high-quality services 4. Pathways of Care 5. A thriving workforce 6. Research & Education 7. Financial sustainability	Previously raised as a Strategic Risk and was basis of previous BAF reported strategic risk linked to asset management. Final "linked" Material Risks to be determined.

Information Governance Annual Report 2022-2023

Introduction

The Information Governance (IG) Team has responsibility for ensuring that the Charity satisfies the highest practical standards for handling personal identifiable data and their main concern is information relating to patients, service users and their care, but the need for confidentiality extends to other individuals, including their relatives, carers, staff and others.

The purpose of this annual report is to update the Committee on the work carried out by the IG Team on behalf of the Information Governance Group and to provide assurance on the controls in place relating to all relevant IG standards and laws including the Data Protection Act. The period this report relates to is 1 April 2022 - 31 March 2023.

Compliance with the NHS Data Security & Protection Toolkit

All NHS providers need to provide information security and protection assurances to the NHS on an annual basis. These assurances are provided through completion of an online assessment tool, the NHS Data Security and Protection Toolkit. As part of the Charity's contract with NHS England, the Charity is required to meet a minimum 'Standards Met' compliance status. This year, the charity has achieved the highest level of 'Standard's Exceeded' for its Data Security and Protection Toolkit Status. This is due to all questions, including the non-mandatory ones being answered, evidence provided where requested and the Charity achieving Cyber Security Essentials Plus Accreditation.

A notable outcome of the process this year was the need to implement a programme of data protection audits and spot checks. This helps look at how effective the information governance controls are and identify any areas that require improvement. In the last year, there has been an audit on the approach to managing CCTV requests and Subject access requests. The IG Team have also audited the use of body-worn cameras and made a number of recommendations regarding their use moving forward. An audit of historical healthcare records has also been undertaken and the recommendations will shortly be put forward to the Executive Team for consideration. The IG team regularly take the results of audits and spot checks to the Information Governance Group.

Another major improvement is that the IG team have developed a centralised list of all suppliers that process personal data on the Charity's behalf. Previously, this information was held by a number of teams and there was no standardised process in collating and holding the data processing agreement. Now, the Information Governance Team are keeping all data processing agreements and evidence items in one place which helps us in demonstrating our accountability requirements. We have developed a third party Information Governance Procedure which has gone out to all key contacts so they know what to do if they are thinking about working with a supplier or third party that will process personal data on behalf of the Charity.

The IG team have also worked to review and improve the Charity's register of personal data, which includes information regarding all of the personal data that the Charity holds. We have been working to ensure that divisions and departments are involved in the reviewing of the

information that they hold and process to ensure the register is up to date. This will become an annual process to ensure register is regularly reviewed and updated at the right time by the right people.

Requirements for the NHS toolkit change annually to ensure that the toolkit is up to date with information related legislation. Where any new updates are published, the DPO will perform a gap analysis against them to ensure there is an updated plan of works in place to ensure compliance with the 2023/2024 toolkit. This compliance work is overseen by the Information Governance Group which is chaired by the Senior Information Risk Owner (SIRO) who is now Sanjith Kamath.

Compliance with the Data Protection Act

The organisation processes large amounts of personal and sensitive data about our patients and our staff, and also about carers, volunteers, and others. This means that we are obliged to ensure that we uphold the privacy rights of individuals, and that we make sure we collect, handle and store personal data in accordance with Data Protection law.

The Charity has focused on a number of improvement areas over the last year which have included:

- Working with Communications colleagues to ensure that the St Andrew's Healthcare websites are all compliant with the Privacy and Electronic Communications Regulations.
- Worked to ensure that the Charity is now fully complaint with the NHS Data Opt Out rules, which applies to all health and social care organisations. This ensures that we check the NHS central opt-out database before using health records for anything other than the direct provision of that persons care.
- Updating key documentation so that they are fit for purpose, including the Information Security and Information Governance questionnaire for suppliers, the Data Processing Agreement, Information Sharing Agreement and the Data Protection Impact Assessment methodology/guidance has also been updated.
- Continued to ensure that privacy and data protection requirements are embedded into key projects across the Charity, from the early design stage through deployment, use and disposal.
- Further increasing governance controls for managing any risks related to IT software.
- Over the last two years, Multi factor authentication (MFA) (two step verification) has been implemented for all users that have been identified as being 'high risk'- those that access critical systems and data; privileged users, including security administrators; remote access to information systems; and key positions such as senior management and those that handle payment information. Over the last 6 months, IT and IT security departments are working on a project to implement MFA for all users across St Andrew's Healthcare. This will further bolster our organisations security posture, ensure a layered approach to securing St Andrew's data and systems and it helps prevent cyber attackers from gaining access to accounts.

Managing risks to information

Assurance

We continue to work with Internal and External Audit to provide assurance on our approach and services.

The IT Security and Forensics Team continue to hold the ISO27001 information security accreditation. We passed our yearly surveillance Audit at the end of March 2023 and are due for a re-certification in December 2023.

In October 2022 the Charity achieved Cyber Essentials Plus Accreditation, which is a government backed scheme that helps organisations demonstrate their commitment to cyber security and protecting data.

Complaints to the Information Commissioner's Office

The Information Commissioner's Office (ICO) is the UK's independent body set up to uphold information rights in the public interest. Under the Data Protection Act, individuals are entitled to raise a concern or complaint with the ICO if they are unhappy with how an organisation has managed their personal data or addressed their data protection rights.

For the period that this report covers, six complaints were received by the ICO relating to one incident involving a young person in our care. The six individuals had complained to the ICO as we refused to provide them each with a copy of the CCTV that they had requested, relating to the incident. The ICO agreed with the reasons why we had refused to provide the CCTV footage, which were due to safeguarding concerns for our patient, and the complaints were not upheld.

Subject Access Requests

Under data protection legislation, individuals have the right to find out if an organisation is using or storing their personal data and to request copies of that information. The Charity receives a large number of requests, which tend to come from patients and or their representatives. The Charity also has to deal with a number of third-party requests under the law (mainly regarding patients) from other third parties such as Solicitors, the Police, and other government agencies.

The Health Records Team continue to deal with a large workload due to the Tribunal Service moving to remote hearings as the medical members are requesting large volumes of information prior to conducting pre-hearing examinations and legal representatives are requesting a large volume of electronic notes.

A new Disclosure Requests Co-ordinator joined the Health Records Team in August 2022. Prior to this, a staffing risk had been escalated to the Executive Team as there was backlog of requests and an external agency was being used for support. Now that the team is fully staffed, the backlog has been cleared. On average for the period concerned, 100 requests were received and dealt with each month.

The HR Employee Relations Team have also dealt with 30 HR Subject Access Requests during the last year.

Information Governance Breaches

As part of complying with the NHS toolkit and Data Protection law, the Charity is required to have a process for identifying and managing information governance and data protection breaches. This is managed through Datix with any items marked for a potential breach going straight to the IG for triage.

Guidance on reporting requirements are issued by the Information Commissioner's Office (ICO) and the toolkit and involve assessing any adverse effect that has occurred and any risks to the rights and freedoms of individuals concerned.
There were 137 incidents reported though Datix for the period concerned.

There was one incident that was reported to NHS Digital through the toolkit, however, NHS Digital advised there was no further action and it was not reported through to the ICO. When sending a letter to a prospective service user regarding them to be unsuitable for the Charity's service, documents belonging to a different individual that is currently being treated at the Charity were attached to the letter in error. Following the incident, some recommendations were advised and implemented to avoid similar incidents happening in the future.

The other incidents were mainly low risk incidents including loss of equipment, access control issues and accidental information sharing to trusted individuals/third parties. All incidents are reported internally to the Charity's Information Governance Group.

Resources

We continue to keep IG as a key priority and we are maintaining the mandatory roles:

- The Caldicott Guardian, which is a senior person responsible for protecting the confidentiality of patient and service-user information and enabling appropriate information sharing, was Andy Brogan (Chief Nurse and Director of Quality). This role will now move to Ash Roychowdhury (Chief Quality Officer)

- The Senior Information Risk Owner (SIRO), which is a senior person who acts as an advocate for information risk on the Board, was John Clarke (CIO). This role has recently moved to Sanjith Kamath (Executive Medical Director) for 2023/24.

- The Data Protection Officer is supported by the Information Governance Co-ordinator with IG and data protection work. The Data Protection Officer now reports to Kevin Mulhearn, Chief Finance Officer.

Data Protection Risks

Part of the role of the Data Protection Officer is to identify, assess and support the organisation with managing data protection risks. Risks are now formally being taken to the Charity's Information Governance Group for oversight and recorded in the Charity risk register.

A key risk for us it that meeting the 95% training requirement of the NHS toolkit has been a challenge. HR have agreed to provide a two monthly report to the IG Team in order that non completion of training can be escalated to senior management who can help ensure that their staff are completing the required training but despite this it has been hard to reach the 95%.
It should be noted that the toolkit does say the *target* is for staff who have access to personal data. We do have a number of roles where staff will not have access to personal data.

There are two other risks that are rated as 'high' but work is in motion to mitigate. The risk of unauthorised access which is substantially reduced by rolling out Multi Factor Authentication (MFA) to all staff and is being implemented by IT. The other key risk is related to information asset management and information sharing and work has recently started to understand the issue and agree the best course of action to address.

National Data Opt-OUT

The NHS national data opt-out is a new right for NHS patients to opt out of their confidential patient information being used for anything other than the direct provision of their care. The Charity is now fully compliant with the NHS opt out requirements following some technical work that was outstanding. The Patient Privacy notices have been updated to include information about this so that patients are aware of what to do if they want to exercise their opting out rights.

Key Plans for 2023/24

- The Charity to maintain “Standards Exceeded” compliance with the updated NHS Data Security and Protection Toolkit in June 2024.
- The Data Protection Officer is to create an IG strategy which aligns to the Charity’s updated strategy and includes milestones and small packages of work which will be overseen by the Information Governance Group. It will include the re- establishment of a framework for information asset management to ensure where there are documented roles and responsibilities for information across the organisation and an information asset register which is reviewed and updated regularly. Information sharing and retention of information will also feature as work packages to ensure that appropriate information sharing is taking place with the right level of approval and that we are disposing of information at the right time and not keeping information longer than we need to.
- The Data Protection Officer is working with the Clinical Chief Information Officer on a Health Records action plan to improve the way health records are created managed and used by the Charity- this work is overseen by the Health Records Steering Group.
- Continue to resolve the issues we have with the approach to Data Security and Awareness mandatory training to meet 95% compliance and work with HR to implement the levelled approach to training which was agreed earlier in the year. This is where staff receive training on IG, depending on the extent that they work with personal data or not.
- Working with the divisions on their IG requirements to ensure they comply with the IG elements on the Integrated Assurance framework.
- To undertake work with internal and external audit, as appropriate, to provide assurance on our assertions.
- Maintaining awareness of developments with regards the newly proposed Data Protection and Digital Information Bill (No. 2) which was introduced in the House of Commons in March 2023. If it is approved there are suggestions that it could be introduced as UK law during 2024/2025.

Recommendations

The committee are asked to note the content of this report and progress made in 2022/23 and to comment on whether further assurance for 2023/24 is required and or changes to the plans set out above for 2023/24.

Sanjith Kamath **Ash Roychowdhury**
SIRO **Caldicott Guardian**

Counter Fraud Functional Standard Return (2022/2023)

ST ANDREW'S HEALTHCARE

Your Overall Rating is:

Green

Submitted By:

lcfs12504

Organisational information

Name of the organisation	ST ANDREW'S HEALTHCARE
Annual budget of the organisation	£ 50 million to £ 190 million
Staff headcount at the organisation including contracted employees	4,000 to 6,000
Organisation code	NYA
Organisation/provider type	Private sector provider
For which provider organisations are you the commissioner? ||Co-ordinating Commissioner for this provider	NHS NORTHAMPTONSHIRE INTEGRATED CARE BOARD (QPM)
Region	Midlands And East
NHS England region	East Midlands

Personnel information

Name of the member of the executive board or equivalent body responsible for overseeing and providing strategic management	Kevin Mulhearn
Name of the Local Counter Fraud Specialist	Darren Handley
Email of the Local Counter Fraud Specialist	djhandley@stah.org
Name of the counter fraud provider organisation (including in-house)	In House
Counter fraud provider type	Directly Employed
Name of the Chair of the Audit Committee / equivalent body	Rupert Perry
Email of the Chair of Audit Committee / equivalent body	rperry@stah.org
Name of the Counter Fraud Champion	Darren Handley
Email of the Counter Fraud Champion	djhandley@stah.org

Costs and days information

Proactive days used (Maximum 3 digits)	28
Reactive days used (Maximum 3 digits)	2
Total days used for counter fraud work	30
Cost of counter fraud staffing per financial year - Proactive	5600.00
Cost of counter fraud staffing per financial year - Reactive	400.00
Total costs for counter fraud work	6000

Reactive information

Number of incidents received during the most recent financial year	1
Number of investigations opened during the most recent financial year	1
Number of investigations closed during the most recent financial year	1
Number of investigations open as at 31/03/2023	0
Amount of fraud losses identified during the most recent financial year	0.00
Amount of fraud losses recovered during the most recent financial year	0.00
Amount of fraud losses prevented from reactive work during the most recent financial year	0.00
Number of criminal sanctions applied during the year	0
Number of civil sanctions applied during the year	0
Number of disciplinary sanctions applied during the year	1

Proactive information

Number of proactive exercises conducted during the most recent financial year	9
Amount of fraud losses identified from proactive exercises during the most recent financial year	0.00
Amount of fraud losses prevented from proactive exercises during the most recent financial year	0.00
Amount of fraud losses recovered from proactive exercises during the most recent financial year	0.00

1: Accountable individual

NHS Requirement 1A:

A member of the executive board or equivalent body is accountable for provision of strategic management of all counter fraud, bribery and corruption work within the organisation. The accountable board member is responsible for the provision of assurance to the executive board in relation to the quality and effectiveness of all counter fraud bribery and corruption work undertaken. The accountable board member is responsible for ensuring that nominations to the NHSCFA for the accountable board member, audit committee chair and counter fraud champion are accurate and that any changes are notified to the NHSCFA at the earliest opportunity and in accordance with the nominations process. N. B. ‘Equivalent body’ may include, but is not limited to, the board of directors, the board of trustees or the governing body. Oversight of counter fraud, bribery and corruption work should not be delegated to an individual below this level of seniority in the organisation

Your Rating is: Green

Comments:

The Chief Finance Officer is the executive board member responsible for overseeing and providing strategic management and support for all counter fraud, bribery and corruption work within the organisation. The LCFS and the Chief Finance Officer meet regularly throughout the year to discuss progress with counter fraud, bribery and corruption work. Evidence includes: 1. Counter Fraud Work Plan 2. Annual report on counter fraud, bribery and corruption work 3. Counter Fraud Update Reports provided at every Audit and Risk Committee meeting 4. Audit and Risk Committee minutes 5. Calendar entries for meetings between the LCFS and the Chief Finance Officer 6. Documentation from the nominations process.

NHS Requirement 1B:

The organisation’s non-executive directors, counter fraud champion or lay members and board /governing body level senior management are accountable for gaining assurance that sufficient control and management mechanisms in relation to counter fraud, bribery and corruption are present within the organisation. The counter fraud champion understands the threat posed and promotes awareness of fraud, bribery and corruption within the organisation. Board level evaluation of the effectiveness of counter fraud, bribery and corruption work undertaken is documented. Where recommendations have been made by NHSCFA following an engagement, it is the responsibility of the accountable board member to provide assurance to the board surrounding the progress of their implementation. The organisation reports annually on how it has met the standards set by NHSCFA in relation to counter fraud, bribery and corruption work, and details corrective action where standards have not been met.

Your Rating is: Green

Comments:

Counter Fraud update reports are submitted at each Audit & Risk Committee meeting. The Audit and Risk Committee also receive the annual Counter Fraud Work Plan and Counter Fraud Annual Report. All Audit & Risk Committee meetings are formally minuted. There is a counter fraud champion (currently the LCFS) who promotes awareness of fraud, bribery and corruption within the organisation. Evidence includes: 1. Counter Fraud Work plan 2. Annual report on counter fraud, bribery and corruption work 3. Progress reports to Audit and Risk Committee 4. Audit and Risk Committee minutes 5. Calendar entries for meetings with Chief Finance Officer 6. Documentation from the nominations process 7. Nominated Counter Fraud Champion

2: Counter fraud bribery and corruption strategy

NHS Requirement 2:

The organisation aligns counter fraud, bribery and corruption work to the NHSCFA counter fraud, bribery and corruption strategy. This is documented in the organisational counter fraud, bribery and corruption policy, and is submitted upon request. The counter fraud work plan and resource allocation are aligned to the objectives of the strategy and locally identified risks. (The organisation may have its own counter fraud, bribery and corruption strategy, however, this must be aligned to and referenced to the NHSCFA counter fraud, bribery and corruption strategy)

Your Rating is: Green

Comments:

There is a Counter Fraud Work Plan which is aligned to locally identified fraud risks and NHSCFA guidance and Strategy. The Counter Fraud Work Plan is approved by the Audit and Risk Committee. Evidence includes: 1. Counter Fraud Work Plan 2. Audit and Risk Committee Minutes 3. Counter Fraud Procedure 4. Risk assessment materials 5. Annual report on counter fraud, bribery and corruption work 6. Fully completed counter fraud functional standard return.

3: Fraud bribery and corruption risk assessment

NHS Requirement 3:

The organisation has carried out comprehensive local risk assessments to identify fraud, bribery and corruption risks, and has counter fraud, bribery and corruption provision that is proportionate to the level of risk identified. Risk analysis is undertaken in line with Government Counter Fraud Profession (GCFP) fraud risk assessment methodology and is recorded and managed in line with the organisation’s risk management policy and included on the appropriate risk registers, and the risk assessment is submitted upon request. Measures to mitigate identified risks are included in an organisational work plan, progress is monitored at a senior level within the organisation and results are fed back to the audit committee (or equivalent body). For NHS organisations the fraud risk assessments should also consider the fraud risks within any associated sub company of the NHS organisation.

Your Rating is: Green

Comments:

A Charity-wide exercise to identify fraud risks was completed in July 2021 and reported to the Audit and Risk Committee. The Fraud Risk Assessment was written in line with the GCFP methodology and the risks have been recorded on Datix in line with Charity's risk management policy. The risks are reviewed in accordance with the Charity's risk management procedures. There is a Counter Fraud Work Plan and adequate resources have been assigned to counter fraud activities. If necessary, the Charity has the option to allocate additional resources during the year to address emerging risks. Evidence includes: 1. Fraud Risk Assessment report 2. Evidence of liaison with risk management staff within the organisation 3. Audit and Risk Committee minutes 4. Counter Fraud Work Plan 5. Organisational risk register 6. Risk management policy and procedures.

4: Policy and response plan

NHS Requirement 4:

The organisation has a counter fraud, bribery and corruption policy and response plan (the policy and plan) that follows NHSCFA’s strategic guidance and has been approved by the executive body or senior management team. The plan is reviewed, evaluated and updated as required, and levels of staff awareness are measured.

Your Rating is: Green

Comments:

The organisation has a Counter Fraud Procedure, Anti-Bribery and Corruption Policy, Anti-Bribery and Corruption Procedure, Declaration of Interests Procedure and a Counter Fraud Work Plan that follow NHSCFA's strategic guidance and have been approved by the senior management team. All budget holders are required to complete an e-learning module on Fraud, Bribery and Corruption annually. Evidence includes: 1. Counter Fraud Work Plan 2. Counter Fraud Procedure 3. Anti-Bribery and Corruption Policy and Procedure 4. Declaration of Interests Procedure 5. Fraud, bribery and corruption e-learning module 6. Report showing staff that have completed the Fraud, bribery and corruption e-learning module during 2022/23.

5: Annual action plan

NHS Requirement 5:

The organisation maintains an annual work plan that is informed by national and local fraud, bribery and corruption risk assessment identifying activities to improve capability and resilience. This includes (but is not limited to) defined objectives, milestones for the delivery of each activity and measurable areas for improvement in line with strategic aims and objectives. The plan is agreed, and progress monitored by the audit committee (or equivalent body).

Your Rating is: Green

Comments:

The Charity maintains an annual Counter Fraud Work Plan which is agreed and monitored by the Audit and Risk Committee. Proportionate resources have been assigned to counter fraud activities. Evidence includes: 1. Counter Fraud Work Plan 2. Audit and Risk Committee minutes 3. Fraud Risk Assessment.

6: Outcome-based metrics

NHS Requirement 6:

The organisation identifies and reports on annual outcome-based metrics with objectives to evidence improvement in performance. This should be informed by national and local risk assessment, national benchmarking and other comparable data. Proactive and reactive outcomes and progress are recorded on the approved NHS fraud case management system. Metrics should include all reported incidents of fraud, bribery and corruption, the value of identified fraud losses, the value of fraud recoveries, the value of fraud prevented, criminal sanctions and disciplinary sanctions.

Your Rating is: Green

Comments:

Metrics are in place to monitor the Counter Fraud arrangements. These include: 1. Delivery of the annual Counter Fraud Work Plan (reported to and monitored by the Audit and Risk Committee) 2. Completion and submission of the annual Counter Fraud Functional Stand Return, with the outcome of the assessment reported to the Audit and Risk Committee each year 3. Annual counter fraud costs reported to the Audit and Risk Committee each year 4. Monitoring of completion of the Fraud, Bribery and Corruption e-learning module by budget holders Details of all fraud referrals and investigations, including the value of identified fraud losses, the value of fraud recoveries, the value of fraud prevented, criminal sanctions and disciplinary sanctions reported to the Audit and Risk Committee. Evidence includes: 1. NHS fraud case management system records 2. NHSCFA benchmarking data 3. Evidence of proactive prevention and detection exercises 4. Counter Fraud Work Plan 5. Audit and Risk Committee minutes

7: Reporting routes for staff, contractors and members of the public

NHS Requirement 7:

The organisation has well established and documented reporting routes for staff, contractors and members of the public to report incidents of fraud, bribery and corruption. Reporting routes should include NHSCFA's Fraud and Corruption Reporting Line and online reporting tool. All incidents of fraud, bribery and corruption are recorded on the approved NHS fraud case management system. The incident reporting routes are publicised, reviewed, evaluated and updated as required, and levels of staff awareness are measured.

Your Rating is: Green

Comments:

The organisation has well established and documented reporting routes for staff to report incidents of fraud, bribery and corruption, including the NHSCFA's Fraud and Corruption Reporting Line and online reporting tool. All reported incidents of fraud, bribery and corruption are recorded on the approved NHS fraud case management system. Evidence includes: 1. NHS Counter Fraud Manual 2. Counter Fraud Procedure, regular newsletters and Senior Internal Auditor and LCFS email signature all include links to the NHSCFA's Fraud and Corruption Reporting Line 3. Counter Fraud Procedure 4. Incidents reported on CLUE.

8: Report identified loss

NHS Requirement 8:

The organisation uses the approved NHS fraud case management system to record all incidents of reported suspect fraud, bribery and corruption, to inform national intelligence and NHS counter fraud functional standard return submission by the NHSCFA. The case management system is used to record all fraud, bribery and corruption investigative activity, including all outcomes, recoveries and system weaknesses identified during the course of investigations and/or proactive prevention and detection exercises

Your Rating is: Green

Comments:

The organisation ensures that CLUE are used to record all genuine fraud referrals, system weaknesses identified as a result of investigations and/or proactive Local Prevention Exercises, and FPNs. All fraud referrals, LPEs and FPNS have been recorded on CLUE during 2022/23. Evidence includes: 1. NHS Counter Fraud Manual 2. NHSCFA Investigation Case File Toolkit 3. NHSCFA instructions and guidance on the use of the approved NHS fraud case management system 4. Incident register on CLUE 5. Local Proactive Exercises on CLUE 6. Correspondence with the NHSCFA and LCFS attendance at NHSCFA training courses and webinars relating to CLUE.

9: Access to trained investigators

NHS Requirement 9:

The organisation employs or contracts in an accredited, person (or persons) nominated to the NHSCFA to undertake the full range of counter fraud, bribery and corruption work, including proactive work to prevent and deter fraud, bribery and corruption and reactive work to hold those who commit fraud, bribery or corruption to account. The organisation will ensure that any changes to nominations are notified to the NHSCFA at the earliest opportunity and in accordance with the nominations process. The accredited nominated person (or persons) must demonstrate continuous professional competencies and capabilities on an annual basis by examples of practical application of skills and associated training to include (but is not limited to), obtaining witness statements, conducting interviews under caution and maintaining up to date knowledge of legal and procedural requirements.

Your Rating is: Green

Comments:

The organisation employs an accredited person nominated to the NHSCFA to undertake the full range of counter fraud, bribery and corruption work, including proactive work to prevent and deter fraud, bribery and corruption and reactive work to hold those who commit fraud, bribery or corruption to account. The Charity ensures that any changes to nominations are notified to the NHSCFA at the earliest opportunity and in accordance with the nominations process. The accredited nominated person demonstrates continuous professional competencies and capabilities on an annual basis and maintains up to date knowledge of legal and procedural requirements. Evidence includes: 1. LCFS attendance at NHSCFA webinars . 2. LCFS training and CPD records 3. LCFS accreditation 4. LCFS nomination

10: Undertake detection activity

NHS Requirement 10:

The organisation undertakes proactive work to detect fraud using relevant information and intelligence to identify anomalies that may be indicative of fraud, bribery and corruption and takes the appropriate action, including local exercises and participation or response to national exercises. Results of this work are evaluated and where appropriate feed into improvements to prevent and deter fraud, bribery and corruption. Relevant information and intelligence may include (but is not limited to) internal and external audit reports, information on outliers, recommendations in investigation reports and NHSCFA led loss measurement exercises. The findings are acted upon promptly.

Your Rating is: Green

Comments:

The LCFS for St Andrew's Healthcare is also an internal auditor for the Charity and part of the Risk Management team. Therefore the LCFS is aware of fraud, bribery and corruption risks when performing relevant internal audits alongside the Head of Internal Audit and Risk Management, and should any anomalies be identified, proactive work is carried out to address them which results in formally tracked recommendations for improvement which are reported to the Executive Committee and Audit and Risk Committee. Evidence includes: 1. Evidence of liaison with the Head of Internal Audit and Risk Management, and the Chief Finance Officer. 2. Log of NHSCFA circulars, FPNs and Intelligence Bulletins 3. Completion of internal audits in areas of fraud risk such as Pre-employment Checks.

11: Access to and completion of training

NHS Requirement 11:

The organisation has an ongoing programme of work to raise awareness of fraud, bribery and corruption and to create a counter fraud, bribery and corruption culture among all staff, across all sites, using all available media. This should cover the role of the NHSCFA, LCFS and the requirements and national implications of Government Counter Fraud Functional Standard providing a standardised approach to counter fraud work.Content may be delivered through presentations, newsletters, leaflets, posters, intranet pages, induction materials for new staff, emails and other media, making use of the NHSCFA's fraud awareness toolkit as appropriate. The effectiveness of the awareness programme is measured.

Your Rating is: Green

Comments:

The Charity has a fraud awareness programme which uses a range of methods. This includes an e-learning module which is available to all staff and mandatory for cost centre approvers, which includes a Q&A section. There is a regular newsletter and intranet page. The awareness work carried out is in line with NHSCFA's strategy, with the correct channels for reporting suspicions of fraud, bribery and corruption publicised and healthcare-related frauds highlighted used in newsletters. Evidence includes: 1. Fraud newsletters which always include a link to NHSCFA's online fraud reporting tool 2. e-learning module and training completion rates 3. Intranet page 4. Counter Fraud Work Plan.

12: Policies and registers for gifts and hospitality and COI.

NHS Requirement 12:

The organisation has a managing conflicts of interest policy and registers that include gifts and hospitality with reference to fraud, bribery and corruption, and the requirements of the Bribery Act 2010. The effectiveness of the implementation of the process and staff awareness of the requirements of the policy are regularly tested.

Your Rating is: Green

Comments:

The organisation has a managing conflicts of interest policy and registers that include gifts and hospitality that is available to all staff and includes the appropriate references to fraud, bribery and corruption and the requirements of the Bribery Act 2010. Evidence includes: 1. Code of Conduct brochure 2. Declaration of interests completed by staff in 2022/23 3. Declaration of Interests Procedure 4. Anti-bribery and Corruption Policy and Procedure. 5. Gifts and Hospitality Register 6. Audit and Risk Committee papers and minutes.

ACC Declaration

I declare that the anti-fraud, bribery and corruption work carried out during the year to date has been self reviewed against the NHS CFA requirements for anti-fraud, bribery and corruption.As the Audit Committee Chair, and in line with the audit committee's responsibility for the strategic assurance and oversight of counter fraud work as described in section 5.6 of the NHS Audit Committee Handbook, I confirm that the information contained in this self review for NYA reflects the work reported and considered by the Audit Committee.	acc14450 Sun Apr 16 21:28:59 BST 2023

DOF Declaration

I declare that the anti-fraud, bribery and corruption work carried out during the year to date has been self reviewed against the NHS CFA requirements for PROVIDER anti-fraud, bribery and corruption. As the responsible member of the executive board or equivalent body I confirm that by ticking this authorisation box the information contained in this self review for NYA is correct and complete.	dof14216 Wed Apr 12 17:25:23 BST 2023

Declaration

Overall Rating	Green
Please ensure that this Functional Standard Return has been fully completed. If your director of Finance and/ or audit committee chair have not authorised or reviewed the functional standard return you will not be able to submit it. Once you have submitted the functional standard return, no further changes are possible.	lcfs12504 Mon Apr 17 08:50: 24 BST 2023

Annex C

People Committee Update Appendices

- Modern Slavery Statement
- Terms of Reference

Paper for Board of Directors

Topic	Modern Slavery Statement
Date of Meeting	Friday, 21 July 2023
Agenda Item	**7**
Author	Rachel Brown, Legal Lara Conway, HR
Responsible Executive	Vivienne McVey
Discussed at Previous Meeting	Not previously discussed
Patient and Carer Involvement	N/A
Staff Involvement	N/A
Report Purpose	Review and comment ☐ Information ☐ Decision or Approval ☒
Key Lines Of Enquiry:	**S ☐ E ☐ C ☐ R ☐ W ☒**
Strategic Focus Area	Quality ☒ People ☒ Delivering Value ☐ New Partnerships ☐ Buildings and Information ☐ Innovation and Research ☐
Committee meetings where this item has been considered	Executive Team – 12 July 2023 People Committee – 18 July 2023

Report Summary and Key Points to Note

The Modern Slavery Act 2015 (Act) introduced into UK law a range of measures aimed at combating crimes of slavery and human trafficking. Importantly, section 54 of the Act, dedicated to transparency in supply chains, requires commercial organisations meeting certain criteria to produce an annual slavery and human trafficking statement, approved by its directors, and published appropriately.

While this does not require the organisation to guarantee that its entire supply chain is slavery-free, it does require it to describe the steps it has taken in the preceding year to ensure that no slavery or human trafficking is taking place in its supply chain or in any art of its business.

As the Charity has an annual turnover of above £36 million, the Charity is required to produce a slavery and human trafficking statement. This is expected to include information as to issues such as the organisation's structure, its policies in relation to slavery and human trafficking and its due diligence processes in relation to the same, and its provision of appropriate training to staff.

The statement has been drafted with input from legal and HR.

Appendices: None

Modern Slavery and Human Trafficking Statement

This statement is made pursuant to s54(1) of the Modern Slavery Act 2015 and sets out St Andrew's Healthcare's modern slavery and human trafficking statement in relation to actions and activities for the financial year ending 31 March 2023.

We are committed to preventing slavery and human trafficking in our business activities and to ensuring that our supply chains are free from slavery and human trafficking.

Organisational Structure
We are a charity and a unique and influential pioneer in mental health, with a reputation grown over 180 years. We have sites in Northampton, Birmingham, Essex and Nottinghamshire with over 3,300 permanent staff providing specialist and secure care and treatment in mental health and neuropsychiatry.

We have adopted the following practices, policies and approaches to help us address any potential slavery or human trafficking risks:

People
- We have robust procedures in place for recruiting our workforce. We ensure that all applicants are legally entitled to work in the UK. All staff undergo a full DBS (Disclosure & Barring Service) check.
- We continue to pay all staff at or above the Real Living Wage.
- Our directors are checked against the Fit and Proper Person Regulations to ensure they are compliant with these Regulations before they take up their position.
- Our Staff Code of Conduct helps promote a culture where transparency, honesty and fairness are the norm. Our Code forms part of our contractual terms with our staff.
- Staff training (including Director training) is continually reviewed and updated to ensure every person has awareness of our regulatory compliance responsibilities including modern slavery, safeguarding and anti-bribery. Such training is mandatory and completion is actively monitored.

Freedom to Speak Up (Whistleblowing)
- Our workforce and service users, as well as anyone we do business with, are encouraged to report and expose unethical or inappropriate activities, procedures or behaviour within our business and supply chain.
- We have a number of Freedom to Speak Up Guardians working across our charity and in 2022 we appointed our first Lead Freedom to Speak Up Guardian supporting our people to feel able to speak up. Our Freedom to Speak Up and Whistleblowing Procedure is intended to make it easy for disclosures to be made without fear of consequence. The policy encourages people to raise concerns directly with their line manager, HR, any senior executive or through the Charity's appointed Freedom to Speak Up Guardians. There is also free access to an external, independent service through which to report any concerns.
- Any modern slavery or fraud concerns raised are thoroughly investigated by us and actioned appropriately in accordance with our robust procedures and standards and outcomes reported through our Board of Directors and, where relevant, our Audit & Risk Committee.

Diversity and Equality
We are fully committed to proactively promote diversity, equality of opportunity and human rights for all and to creating a culture of inclusivity for the people who provide and use our services. The Charity's Board approves the Charity's Diversity and Inclusion report and reviews the Diversity and Inclusion Plan annually.

Procurement & Supply Chain
The Charity is committed to ensuring that its suppliers and supply chain adhere to the highest standards of ethics and integrity. We achieve this through our relationships and contractual requirements:
- Our procurement guidance for staff ensures that all new suppliers are appointed in conjunction with our Procurement Team so appropriate checks can be taken.

- Our procurement process includes (within our pre-qualification questionnaire) questions regarding the Modern Slavery Act. Any supplier unable to declare their compliance with the Act will be excluded from the procurement process.
- Our standard procurement contracts contain a requirement for the supplier to ensure ongoing compliance with the Modern Slavery Act and allow us to terminate the relationship, should compliance not be maintained.
- We have a Supplier Code of Conduct which includes a specific requirement to comply with Act.

Review of Effectiveness
Whilst we have had no modern slavery issues reported to date, we continue to enforce our current procedures and working practices designed to tackle modern slavery and human trafficking. We are committed to regularly reviewing our procedures and seek continuous improvement of our practices to prevent modern slavery and human trafficking.

We will continue to review our safeguarding strategy, policy and procedures and general training plan to ensure that modern slavery and human trafficking are adequately covered.

The Board approved this statement at its meeting on 21 July 2023.

……
Dr Vivienne McVey,
Chief Executive,
St Andrew's Healthcare
XX July 2023

Terms of Reference
People Committee
St Andrews Healthcare

1.0 Authority

The People Committee "the Committee" is constituted as a Standing Committee of St Andrews Healthcare Board. Its constitution and terms of reference shall be as set out below, subject to amendment by the Board.

The Committee is authorised by the Board to request the attendance of individuals and authorities from within or outside of the Charity with relevant experience and expertise is it considers this necessary at the cost of the Charity.

The Committee maintains a primarily assurance and advisory based role and is responsible for making recommendations to the Board for Board Approval unless otherwise stipulated by these Terms of Reference.

2.0 Purpose

The principle functions of the Committee are:

2.1 To provide the Board with assurance that the Charity's People Strategy and associated plans, structures, systems and processes are in place and operating in line with best practice to support employees in the delivery of high quality and safe patient care.

2.2 To assure the Board that processes are in place to ensure the Charity meets its legal and regulatory duties in relation to its employees.

2.3 To assure the Board that processes are in place to support optimum employee performance to enable the delivery of the Charity and People strategy.

2.4 To assure the Board on the development of staff governance in the Charity, including staff engagement processes, with the Committee acting as the oversight Committee.

3.0 Duties

The responsibilities and scope of the Committee will include the following:

3.1 Strategy

3.1.1 To develop, implement and monitor the Charity's People Strategy and associated plans.

3.1.2 To monitor, review and assess the level of assurance of the current and future direction of the overall workforce elements of the Charity Strategy.

3.1.3 To monitor, review and assess the level of assurance over the effective implementation and communication of engagement strategies and associated activities including the provision of advice and support where appropriate.

3.1.4 To monitor, review and assess the level of assurance regarding oversight of the Charity's employment related equality, diversity and inclusion strategy and related activity, and receive regular reports from the relevant groups and committees.

3.1.5 To monitor, review and assess the organisation's understanding of strategic workforce needs (including well-being, workforce planning, recruitment, retention, development of people and organisational capacity) and the quality and effectiveness of plans to deliver them.

3.1.6 To monitor, review and assess the organisation's Reward strategy.

3.2 Recruitment

3.2.1 To monitor, review and assess the effectiveness of Value Based Recruitment and working in line with the Charity's Care Values.

3.3 Reward

3.3.1 Review the ongoing appropriateness and relevance of the remuneration policy and total remuneration packages of the Charity as a whole.

3.3.3 Oversee any major changes in remuneration and employee benefits structures throughout the Charity.

3.4 Retention

3.4.1 To monitor, review and assess progress and effectiveness of the Charity's Retention Framework and associated plans.

3.5 Other – Governance, Assurance and Activities

3.5.1 To monitor, review and assess the level of assurance of all data inputs and outputs specifically relating to the agreed People KPI's and trends, to provide assurance on the adequacy of applicable processes and policies.

3.5.2 To monitor, review and assess the level of assurance regarding the oversight of the development and delivery of Charity-wide staff engagement surveys to provide assurance that they are appropriately analysed with the necessary improvement actions identified to drive employee engagement and the desired organisational culture.

3.5.3 To monitor, review and assess the effectiveness of the Charity's employee relations and engagement processes including SafeCall and Freedom To Speak Up items

3.5.4 To monitor, review and assess the effectiveness of, and the adherence to the Charity's Code of Conduct.

3.5.5 To monitor, review and assess the level of assurance provided by the Executive Team relating to:

- leadership and management,
- knowledge and skills development,
- performance development,
- reward,
- succession planning,
- talent management,
- Diversity and Inclusion.

3.5.6 To monitor, review and assess the level of the Charity's legislative and regulatory compliance as an employer, including anticipation of, and planning for, future requirements.

3.5.7 To monitor, review, assess and agree a credible process for assessing, measuring and reporting on the 'culture of the organisation' on a consistent basis over time.

3.5.8 To monitor, review and assess that the systems, processes and plans are fit for purpose in the following areas:

- Strategic approach to growing the capacity of the Charity's workforce
- Analysis and use of sound workforce, employment and demographic intelligence
- Effective recruitment and retention
- Flexible working
- Continuous development of personal and professional skills
- Talent Management

3.5.9 To monitor, review and assess the level of assurance received on workforce related risks, control and governance processes, providing reports to the Board when requested.

3.5.10 To maintain an ongoing review of those risks included in the Charity's Strategic and Material Risk Register for which the Committee has designated oversight responsibility.

3.5.11 Ensure alignment of the Board assurances and consistent use of data and intelligence by working closely with the Audit & Risk, Quality & Safety and Finance Committees.

3.5.12 Review the following formal reports to the Board of Directors as part of the Annual Scheme of Work:

- Annual Equality & Diversity Report
- Modern Slavery Statement

4.0 Membership

4.1 The members of the People Committee are:

- Non-Executive Director (Chair)
- Non-Executive Director (Vice Chair)
- Non-Executive Director (tbc)
- HR Director
- Chief Operating Officer
- Chief Nurse
- Director of Performance

4.2 In attendance:

- Governor

4.3 The following will be in attendance as required or requested:

- Deputy Director of HR Operations
- Finance Director
- Director of Strategy & Business Development
- Chief Information Officer
- Director of Estates and Facilities
- Head of Reward

4.4 Subject Matter Experts will attend the meeting to support specific agenda items as and when required.

4.5 The Chair may ask any or all of those who normally attend, but who are not members, to withdraw to facilitate open and frank discussion of particular matters.

4.6 Non-Executive membership of the Committee shall be for a period of up to three years, which may be extended for further periods of up to three years, provided that the relevant criteria are met.

4.7 The Chair of the Board and the CEO have the right to attend all assurance committee meetings of the Charity.

5.0 Quoracy

The quorum for the Committee will be three members which must include the following:

- Chair or Deputy Chair
- HR Director or Chief Operating Officer

6.0 Declaration of Interest

All members and attendees of the People Committee must declare any relevant personal, non-personal, pecuniary or potential interests at the commencement of any meeting. These must be recorded in the minutes. Members must exclude themselves from any part of the meeting where a potential or actual conflict of interest may occur.

7.0 Meetings

7.1 Meetings will be held at least four times a year in order to complete the Committee's obligations.

7.2 Meetings dates will be agreed annually in advance by members of the People Committee and agreed by the Board.

7.3 Notice of the meeting confirming venue, time and date, together with the standing agenda will be circulated by email four weeks in advance of the meeting.

7.4 The Final Agenda and the supporting papers will be circulated by email one week prior to the date of the meeting.

7.5 Meetings of the People Committee may be conducted when the members are physically present together, or virtually in whichever form is deemed fit for purpose at the time.

7.6 Extra-Ordinary meetings may be convened at the request of the Chair's giving wherever possible four weeks' notice

8.0 Administration

8.1 The office of the HR Director will ensure there is appropriate administrative support to the Committee.

8.2 All papers will be with the Executive HR Directors office or nominated person at least two weeks before the date of the next meeting in line with clause 7.4 above.

8.3 An Action List and Minutes will be compiled during the meeting and circulated to the Chair within ten working days of the meeting. Actions will be shared with appropriate management within three weeks of the meeting.

8.4 Any issues with the Action List or Minutes will be raised within seven calendar days of issue.

8.5 Draft minutes will be circulated to the members once approved by the Committee Chair and with the papers one week prior to the date of the next meeting.

9.0 Reporting and Relationships with Other Committees

9.1 The Chair of People Committee will provide an assurance report to the Board for the next meeting of the Board and also formally report annually to the Board on how it has discharged its responsibilities. This will describe the major issues that were discussed by the Committee, and the level of assurance that was received through papers and oral testimony.

9.2 The Committee will review its effectiveness on an annual basis, reporting the outcome of the review to the Board.

9.3 The Committee shall escalate and/or report to other Board sub-Committees as it deems necessary.

9.3 The Chair of the Committee shall provide to the Chair of the Annual General Meeting, an Assurance Report on how the Committee has discharged its duties in the preceding year.

10.0 Sub Groups

- Employee Forum,
- Inclusion Steering Group,
- Learning and Development Group

11.0 Annual Plan of Work

11.1 The Committee will review regularly the annual plan of work in order to ensure its relevance and the timeliness of execution for Board review and ratification if necessary.

11.2 The Annual Plan of Work is set out below:

12.0 Standing Agenda

12.1 The Committee's standing agenda is set out below:

Document Control

Document Description

Document Title	Terms of Reference for the People Committee of the Board of St Andrews Healthcare
Issuance/ Revision	0.1 to 0.7 drafts
Date of Board approval	21 July 2023
Owner	Company Secretariat
Author	M J Duncan / D Long

The Board of Directors may recommend changes to their Terms of Reference provided that any such modification does not violate any application of laws, rules or the Charity's Articles of Association and further provided that any such modification is appropriately disclosed to concerned parties.

Approvals

Name	Role	Date
People Committee	Review	18 July 2023
Chair of People Committee	Recommend	18 July 2023
Board of Directors	Approve	21 July 2023

Document Change History

Date	Issuance/Revision	Author	Description of Change
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05 Oct 2022	v0.2 Draft for Review	M J Duncan	Draft
07 Nov 2022	v0.3 Second Draft	M J Duncan	Draft
28 Nov 2022	v0.4 Third Draft	M J Duncan	Draft
Dec 2022	v0.5 Further draft	M J Duncan & D Long	Review against external ToRs
Jan 2023	v0.6 Further draft	M J Duncan & D Long	Review against external ToRs
April 2023	v0.7 Further revisions following NomRemCo format	D Long & L Conway	Review against NomRemCo and ARC ToRs
June 2023	v.0.8 Removal of 2 clauses as agreed at Nom/RemCo	D Long & L Conway	Review against Nom/RemCo TORs realigned 2 clauses