

Annual Report 2021/22



1 Chair's Introduction

2021/22 has proved to be a year of considerable challenge and change for Audit Yorkshire. Beginning the year in the midst of a global pandemic which had already significantly affected established ways of working, the organisation faced the prospect of major statutory change in the NHS, which would significantly affect our membership and client base, and also key personnel changes in Audit Yorkshire itself. I am delighted to be able to say that Audit Yorkshire and its Board have met these challenges head on during 2021/22, and emerged in excellent shape for what awaits us in 2022/23 and beyond.

Notably, this last year saw the retirement of Helen Kemp-Taylor as our Managing Director, a departure which left a significant gap at the heart of our organisation. Helen left with our gratitude for a job well done, our best wishes for a long and happy retirement, and our feeling that these would be very difficult shoes to fill. We were therefore delighted to be able to appoint Helen Higgs as our new Managing Director, and I am confident that Helen will prove to be an excellent leader for Audit Yorkshire as the organisation continues to adapt to the challenges ahead. Not least among these is the departure of a number of our members brought about by the statutory demise of Clinical Commissioning Groups and their replacement by Integrated Care Boards. Audit Yorkshire has worked closely with both Clinical Commissioning Groups and shadow Integrated Care Boards during 2021/22 to continue to provide its customary high levels of service and professionalism, while at the same time ensuring that it is well placed to meet the needs of its changing client base moving forward.

As outgoing Audit Yorkshire chair I am proud of the organisation's achievements in 2021/22, and confident of its future success. As ever, I am grateful to York and Scarborough NHS Foundation Trust (our host organisation) for their support, and to the staff of Audit Yorkshire and my fellow board members for making the role of chair such a pleasurable and rewarding one for the last two years.



*Bryan Millar
Chair of Audit
Yorkshire Board*



2 Executive Summary

Welcome to Audit Yorkshire's Annual Report for 2021/22.

2021/22 was another exceptional year, and as organisations continued to face disruption, we responded with flexible service provision. We have worked in partnership with our Members and clients to ensure the best possible delivery. We are grateful to all of you for your continued engagement in difficult times which has enabled us to complete plans and deliver Head of Internal Audit Opinions to you all.

We have adopted an agile working model following significant engagement with team members. This has followed successful remote working during the pandemic and will continue to enable us to embrace technology and respond to client needs in the most efficient and effective ways.

I am pleased to be able to report a number of key achievements during the year as detailed at part 4. We, like other organisations have faced financial challenges during the year and while we are a non-profit organisation, we need to ensure sufficient surplus to enable an optimal and competitive service. We are of course dedicated to continuous improvement.

None of us could have imagined the course of the last two years, and as we return to a state of normality, we are mindful that organisations are dealing with a fresh set of challenges. Health organisations are not only be responding to unmet patient need and treatment backlogs, but also to the knock-on effects of the pandemic, such as financial constraints and the further impact on health inequalities.

The disestablishment of the Clinical Commissioning Groups and development of Integrated Care Boards further added to challenges faced by our clients during year. We have worked alongside our partners at the Clinical Commissioning Groups to provide support through closedown and with North Yorkshire and Humber, and West Yorkshire Integrated Care Boards as these organisations establish. We have continued to attend key transition meetings and this has supported development of 2022/23 audit plans.

We end the year on a positive note and with a great sense of achievement and this is thanks to each and every team member who has worked tirelessly, particularly considering client priorities, demanding timescales and organisational changes. I have inherited a professional, dedicated, capable and enthusiastic team and I am grateful for their support. I am confident that we will continue to provide you with high quality, professional internal audit and counter fraud services that you can rely on.

We look forward to working with you all in 2022/23.



*Helen Higgs
Head of Internal Audit
Audit Yorkshire*



3 Members and Clients

In 2021/22 Audit Yorkshire had 19 Members (plus four subsidiaries) and eight clients. Membership is open to NHS statutory and associated Bodies and non-NHS organisations, which are prepared to adhere to the rules, laid down in our Constitution. Membership provides benefits and incurs risks, in direct proportion to the size of contract with Audit Yorkshire regarding the deployment of the resources of Audit Yorkshire.

Members

- Airedale NHS Foundation Trust*
- Airedale General Hospital Solutions*
- Bradford District Care NHS Foundation Trust
- Bradford Teaching Hospital NHS Foundation Trust
- Calderdale & Huddersfield NHS Foundation Trust
- Calderdale and Huddersfield Solutions Ltd
- Harrogate and District NHS Foundation Trust
- Harrogate Integrated Facilities
- Humber Teaching Hospital NHS Foundation Trust
- Leeds & York Partnership NHS Foundation Trust
- Mid Yorkshire Hospitals NHS Trust
- NHS Bradford Districts and Craven Clinical Commissioning Group
- NHS Calderdale Clinical Commissioning Group
- NHS East Riding of Yorkshire Clinical Commissioning Group
- NHS Hull Clinical Commissioning Group
- NHS Kirklees Clinical Commissioning Group
- NHS North East Lincolnshire Clinical Commissioning Group
- NHS North Lincolnshire Clinical Commissioning Group
- NHS North Yorkshire Clinical Commissioning Group
- NHS Vale of York Clinical Commissioning Group
- NHS Wakefield Clinical Commissioning Group
- York and Scarborough Teaching Hospitals NHS Foundation Trust
- York Teaching Hospital Facilities Management LLP

Clients

- Collaborative Procurement Partnership
- Local Care Direct
- National Coal Mining Museum for England
- NHS Professionals
- NHS Leeds Clinical Commissioning Group
- Northern Lincolnshire and Goole NHS Foundation Trust (Internal Audit)
- South West Yorkshire Partnership NHS Foundation Trust (Counter Fraud)
- Spectrum Community Health CIC

Notes

**we were pleased to welcome these organisations as Members throughout 2021/22*



4 Key Achievements

- Continued to deliver services across all sectors whilst responding flexibly to the local operational requirements and pressures
- Delivered Head of Internal Audit Opinions at all clients
- Supported organisations with work programmes designed to support post-pandemic recovery

Response to Covid-19



- Increased use of MS Teams and digital solutions to maintain audit delivery and effectiveness during the pandemic
- Embedded improved performance reporting functions
- Reviewed and refreshed our Internal Audit Recommendation status report
- Reviewed and refreshed our Digital and Data Strategy

Innovative Use of Technology



- Further promoted the use of data analytics to support testing
- Continued to work collaboratively through various User Groups with a view to increasing the use of data analytics across all clients.
- Continued to identify and develop new areas where data analytics can be used outside of finance.
- Commenced work to develop a tool to identify duplicate payments prior to the payment being made.

Data Analytics



- Issued 12 Internal Audit newsletters to keep clients up to date on hot topics.
- Produced regular Counter Fraud Newsletters
- Produced briefings focussing on;
✓ Payroll BACS Payment Error
✓ Data and Security Protection Toolkit Audits 2021-22

Communication



- Successfully delivered a series of online counter fraud masterclasses across our client base, which received over 600 bookings and excellent feedback from attendees.
- Created a Counter Fraud Champions network with the inaugural meeting held in January 2022, which was featured in an article on the NHS Counter Fraud Authority's website
- Identified over £200k in erroneous payments from participation in the National Fraud Initiative.
- From undertaking a self-assessment of counter fraud work based on the recently introduced Government Functional Counter Fraud Standard our client base was assessed as 'green' overall.
- Counter fraud referrals received by the team increased by 76% in 2021/22 from the previous year.

Anti-Crime



- Very actively supporting the development of the new Integrated Care System across Yorkshire and North Lincolnshire including:
 - Working with Transition Work Streams and Transition Boards
 - Providing proactive support and advice
 - Supporting the Due Diligence and Readiness to Operate processes
 - Taking a flexible and practical approach to support Clinical Commissioning Groups in their final year
 - Regular briefings to the Audit Yorkshire Board and our own team to maintain awareness of developments and on the impact for Audit Yorkshire
 - Collaboration across The Internal Audit Network (TIAN) to share insight and learning on developments.
 - Audit Yorkshire produced a thought piece specifically focussing on the development of 'Place'.

ICS Support



- Undertook a working from home review and adopted an agile working model
- Continued to support trainees with a further three achieving Certified Internal Auditors status and three making progress on their ACCA qualification.
- Reviewed our Learning and Development Framework with a view to enhancing wellbeing support through our 1:1 process.
- Continued to hold individual weekly team meetings to help maintain contact and networking following the shift to remote working.
- Undertaken three surveys to keep track of how the team has adapted to remote working and how this has impacted on their wellbeing.

Staff



5 Events and Benchmarking

Events

Provider and Place Arrangements - Audit Yorkshire ran a virtual event on 25th June 2021 in conjunction with 360 Assurance and Browne Jacobson focusing on Provider Collaboratives and Place arrangements. The event included speakers from Browne Jacobson, a presentation on Place perspective from the Nottingham University NHS Trust and a Q&A session.

Liberty Protection Safeguards - Audit Yorkshire as a Member of The Internal Audit Network (TIAN) partnered with Hill Dickinson solicitors to deliver webinar on 7th October 2021 to support our clients with their preparations.

Benchmarking

Internal Audit Recommendation Status – Audit Yorkshire completed a recommendation benchmarking exercise across 12 of our Provider and subsidiary clients and 11 of our Clinical Commissioning Groups. A survey was carried out which considered recommendation tracking and reporting during the past 12 months. The Recommendation Status Reports presented to Audit Committees during a set period were obtained and analysed. The reports considered the status of recommendations raised in our Internal Audit reports over the preceding 12 months plus any outstanding overdue recommendations that were raised prior to that period. Clients were issued with an individual report for further discussion at Audit Committee.

Preparation for Liberty Protection Safeguards (LPS) – Audit Yorkshire undertook a Liberty Protection Safeguards benchmarking exercise across our 11 Clinical Commissioning Group clients to ascertain the readiness for the introduction of the new Liberty Protection Safeguards. On the basis of the information provided by the Clinical Commissioning Groups to NHS England for MCA-LPS Points for Consideration in September 2021 and discussions with relevant Clinical Commissioning Group staff we were able to present information against which, the Clinical Commissioning Groups could benchmark themselves and share activities and good practice.

The benchmarking exercise involved:

- Looking at how and to what extent Clinical Commissioning Groups have prepared for implementation of the new Liberty Protection Safeguards
- Focussing on safeguarding, workforce and continuing healthcare (CHC).

6 Corporate Social Responsibility

We have delivered social value in a number of different ways – through our recruitment practices, our environmental commitments and through providing recommendations that promote our clients' and Members' social value.

During 2021/22 Audit Yorkshire developed a Corporate Social Responsibility Statement, Strategy and action plan to focus on in 2022/23.

Whilst our charitable work has been hindered this year, colleagues did support a Manager who took part in December to raise money for Bowel Cancer UK.



We Value:

- Customer Satisfaction** Respect our customers to retain their loyalty and trust and seek to exceed their expectations
- Excellence** Committed to being the best we can be
- Integrity** Maintain credibility by ensuring our actions always match our words.

Audit Yorkshire

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