

NHS Ayrshire & Arran



Meeting: Ayrshire and Arran NHS Board

Meeting date: Monday 8 June 2026

Title: Audit and Risk Committee Annual Report 2025-26

Responsible Director: David Stonehouse, Interim Director of Finance

Report Author: Jean Ford, Chair of Audit & Risk Committee

1. Purpose

Please select one item in each section and delete the others.

This is presented to the Board for:

- Decision

This paper relates to:

- Government policy/directive

This aligns to the following NHSScotland quality ambition(s):

- Safe
- Effective
- Person Centred

This supports the following Corporate Objectives:

- **Better Value** – Delivering innovative and sustainable services for everyone

2. Report summary

2.1 Situation

As part of the Board's annual assurance process, the Audit & Risk Committee provides an annual report which gives assurance that the Committee has discharged its Remit and Duties as defined in the Terms of Reference (TOR).

2.2 Background

Each NHS Board Governance Committee is required to provide an annual report to Committee and the Board to provide assurance that the Committee has discharged its role as set out in the agreed Terms of Reference.

The Governance Committee annual reports are part of the overall assurance mechanism for the NHS Board to provide assurance in support of the Board's annual governance statement that the committees have fulfilled their remit.

2.3 Assessment

To evidence discharge of remit, the Audit and Risk Committee annual report details the membership of the Committee and provides information on its activities in the past year. In addition a self-assessment checklist (Appendix 1) is completed together with The Assurance Mapping Template (Appendix 2) and the Reporting to the NHS Board template (Appendix 3).

The Committee completed the annual review of its Terms of Reference on 22 January 2026 with one minor change made. These were approved by the NHS Board on 07 April 2026.

The Committee acted within its defined authority during the year.

Key Messages from 2025/26:

- The annual accounts for 2024-25 received an unmodified audit opinion, however, there were a larger than usual number of adjustments required to accounts and process issues were encountered in the production of the Performance Report element.
- In addition Financial Management issues were highlighted relating to reporting of CRES (Cash Releasing Efficiency Savings), non-delivery of 3% recurring efficiency target and receipt of a 'red' internal audit covering CRES Plan. Financial Sustainability was also considered by External Audit and the Board was not deemed financially sustainable with a lack of a recovery plan or equivalent with sufficient detail to demonstrate a return to a sustainable position.
- The accounts were approved at the June 2025 Board meeting which also received the external auditor's annual report to those charged with governance. As a result of the External Audit conclusion and recommendations a Section 22 report was subsequently prepared by the Auditor General and submitted to Scottish Government with the Board later escalated to level 4 of the Support & Intervention Framework.
- Given the position faced the ARC continued to focus on ensuring that actions were underway across the organisation to address External Audit recommendations as outlined and also ensuring that Internal Audit findings were addressed in as short a timescale as feasible.
- The Internal Auditor confirmed in their annual report in June 2025, that reasonable assurance could be given on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control for 2024/25 except in relation to aspects of financial sustainability and GP sustainability payments.
- The 2025/26 Internal Audit Plan and addressing of outstanding and new recommendations from audits has progressed well. Nine audits have completed with one rated Green (Effective), two Yellow (Minor Improvement Required), four Amber (Substantial Improvement Required) and two Red (Immediate Major Improvement Required). The Red rated audits related to Core Financial Controls

– Non-pay Expenditure and Health & Safety. In both cases short term actions to address weaknesses were identified and are being closely monitored to conclusion. All other actions are also monitored on a regular basis and good progress has been made in addressing these throughout the year.

- The Board worked well with the national Counter Fraud Service and has not experienced any significant fraud events during the last year.
- The Audit and Risk Committee reviewed all strategic risks on a quarterly basis and has been working to further refine reporting in this area. There is clear evidence of focussed risk management via RARSAG, CMT and Governance Committees.

2.3.1 Quality/patient care

An Internal Audit report on Health and Safety was received. The November 2025 meeting also received a follow up on GP Sustainability Payments.

2.3.2 Workforce

Internal audit reports on Information Governance and Staff Performance Management were received and considered.

2.3.3 Financial

An Internal Audit report was carried out on Core Financial Controls – Non-Pay Expenditure in January 2026. A follow up to the CRES internal audit actions was carried out in March 2026.

2.3.4 Risk assessment/management

The full Strategic Risk Register was received at various meetings throughout the year and work is ongoing to refine reporting.

2.3.5 Equality and diversity, including health inequalities

An impact assessment has not been completed because it is not relevant for an annual report.

2.3.6 Best value

This paper support Best Value across the following themes.

- Governance and accountability

2.3.7 Other impacts

N/A

2.3.8 Communication, involvement, engagement and consultation

The Audit & Risk Committee has carried out its duties to involve and engage external stakeholders where appropriate:

- Internal Auditor attends all meetings of the Audit & Risk Committee
- External Auditor attends all meetings of the Audit & Risk Committee
- Head of Counter Fraud services attends the Committee annually
- Chief Internal Auditors of the three IJBs receive all committee papers and attend the committee annually
- Members of the Board's management team attend the Committee to inform aspects of the Committee's business as appropriate.

2.3.9 Route to the meeting

The Annual Report was approved by Audit and Risk Committee at meeting of 19 May 2026.

2.4 Recommendation

For awareness. Board Members are asked to receive the report and note the progress of the Audit and Risk Committee in 2025-26.

3. List of appendices

The following appendices are included with this report:

- Appendix No 1, Audit & Risk Committee Annual Report and Self-assessment Checklist 2025-26
- Appendix 2, Assurance Mapping Template
- Appendix 3, Reporting to NHSAA Board Template

NHS Ayrshire & Arran

Annual Report of Audit and Risk Committee 2025-26

1. Summary

- 1.1 This Annual Report together with the Committee Self-assessment Checklist, Assurance Mapping and Reporting to NHS Board Templates provides information on the activities of the Audit and Risk Committee (ARC), the membership and attendance and gives assurance that the Committee has discharged its remit and duties as defined in the Terms of Reference (TOR).
- 1.2 In line with the Board's Code of Corporate Governance, the functions and main topics covered by the Audit and Risk Committee during the year are as follows:
- Responsibility for overall audit arrangements- Internal & External
 - Recommending approval to the Board of all audit plans
 - Keeping under review the role, function and performance of the Board's Internal Audit service
 - Keeping under review the Board's External Audit arrangements
 - Overseeing the Board's Internal Control Systems including Counter Fraud measures
 - Gaining assurance that all strategic risks and change in strategic risks is being appropriately responded to by management.

1.3 Key Messages

- The annual accounts for 2024-25 received an unmodified audit opinion, however, there were a larger than usual number of adjustments required to accounts and process issues were encountered in the production of the Performance Report element.
- In addition Financial Management issues were highlighted relating to reporting of CRES (Cash Releasing Efficiency Savings), non-delivery of 3% recurring efficiency target and receipt of a 'red' internal audit covering CRES Plan. Financial Sustainability was also considered by External Audit and the Board was not deemed financially sustainable with a lack of a recovery plan or equivalent with sufficient detail to demonstrate a return to a sustainable position.

- The accounts were approved at the June 2025 Board meeting which also received the external auditor’s annual report to those charged with governance. As a result of the External Audit conclusion and recommendations a Section 22 report was subsequently prepared by the Auditor General and submitted to Scottish Government with the Board later escalated to level 4 of the Support & Intervention Framework.
- Given the position faced the ARC continued to focus on ensuring that actions were underway across the organisation to address External Audit recommendations as outlined and also ensuring that Internal Audit findings were addressed in as short a timescale as feasible.
- The Internal Auditor confirmed in their annual report in June 2025, that reasonable assurance could be given on the overall adequacy and effectiveness of the organisation’s framework of governance, risk management and control for 2024/25 except in relation to aspects of financial sustainability and GP sustainability payments.
- The 2025/26 Internal Audit Plan and addressing of outstanding and new recommendations from audits has progressed well. Nine audits have completed with 1 rated Green (Effective), 2 Yellow (Minor Improvement Required), 4 Amber (Substantial Improvement Required) and 2 Red (Immediate Major Improvement Required). The Red rated audits related to Core Financial Controls – Non-pay Expenditure and Health & Safety. In both cases short term actions to address weaknesses were identified and are being closely monitored to conclusion. All other actions are also monitored on a regular basis and good progress has been made in addressing these throughout the year.
- The Board worked well with the national Counter Fraud Service and has not experienced any significant fraud events during the last year.
- The Audit and Risk Committee reviewed all strategic risks on a quarterly basis and has been working to further refine reporting in this area. There is clear evidence of focussed risk management via RARSAG, CMT and Governance Committees.

2. Remit, Duties & Authority

- 2.1 The Committee reviewed its Terms of Reference on 22 January 2026 for onward submission to Board for approval on 07 April 2026.

2.2 The Committee remit is defined in the TOR as *“To support the Accountable Officer and Board by reviewing the comprehensiveness and reliability of assurance on governance, risk management, control environment and the integrity of financial statements and annual report”*.

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2.3 Duties and evidence of reporting and information used to discharge this remit and onward reporting to NHS Board are contained in Appendices 2 and 3 with the Committee having acted within its defined authority during the year.

3. Membership

3.1 Members of the Audit and Risk Committee during 2025-26 were:-

- Mrs Jean Ford – Non-Executive Director (Chair)
- Dr Sukhomoy Das – Non-Executive Director (Vice Chair)
- Councillor Marie Burns – Non-Executive Director
- Mr Marc Mazzucco – Non-Executive Director
- Mr Neil McAleese – Non-Executive Director
- Ms Joyce White – Non-Executive Director

Ex Officio members

- Mrs Lesley Bowie, Board Chair
- Ms Claire Burden, Chief Executive (until 31 July 2025)
- Mr Gordon James, Interim Chief Executive (from 01 August 2025)
- Mr Derek Lindsay, Director of Finance (until 13th February 2026)
- Mr David Stonehouse, Interim Director of Finance (from 13th February 2026)
- Dr Crawford McGuffie, Executive Medical Director
- Ms Jennifer Wilson, Executive Director of Nursing
- Ms Roisin Kavanagh, Executive Director of Pharmacy

4. Meetings

4.1 The Committee met on seven occasions between 1 April 2025 and 31 March 2026. All meetings took place virtually via Microsoft Teams.

4.2 The NHS Board has previously agreed that attendance at Committee meetings should be recorded in the relevant Annual Report. The attendance record of each member is shown below (x indicates attended).

	15 May	19 Jun	24 Jun	18 Sep	20 Nov	22 Jan	19 Mar
Jean Ford	X	X	X	X	X	X	X (part)
Marie Burns	X	X	X	X	-	X	X
Sukhomoy Das	X	X	X	X	-	X	X
Marc Mazzucco	X	X	X	X	-	X	X
Neil McAleese	X	X	X	X	X	X	X
Joyce White	X	X	X	X	X	X	X

5. Committee Activities

As evidenced in Appendix 2 – Assurance Mapping, Committee activity and assurance is delivered through receipt of completed Audit Reports and other regular updates which are submitted throughout the year. These enable ongoing review of the internal control system with actions put in place where improvement is necessary.

Some additional points of note:-

- ARC Members meet with Internal and External Auditors at least twice per annum without management present.
- Following presentation to the Committee, Internal Audit Reports are submitted to the appropriate Governance Committee for further consideration of impact on control/risk system and follow through of actions to completion. Outstanding actions passed their due date are also considered regularly by Corporate Management Team.
- An increased focus was applied to addressing historic internal audit recommendations with involvement from the Chief Executive Office, Azets and responsible Governance Committees. This has led to a reduction in the number of overdue actions with outstanding actions now relating to audits completed from year 2024/25 onwards and a much better success rate in completion of actions by due dates.
- The Annual Internal Audit Plan has detailed input from Corporate Management Team and Integrated Governance Committee prior to finalising and presenting to ARC for recommendation to Board.
- Throughout the year, NHS Ayrshire and Arran's internal audit plans and reports were shared with the Chief Internal Auditors for the Integration Joint Boards. The audit plans and governance reports for all three Integration Joint Boards were presented to the November 2025 meeting by their respective chief internal auditors.
- Risks are reported and monitored throughout the year and consideration is given to how the information/ updates received at each meeting impacts on risk profile with changes made as appropriate. Work has been ongoing to refine information in risk reports and increase focus on control effectiveness and improvement actions including some Internal Audit recommendations have been implemented during 2025/26.
- Enhancements to reporting have been made on an ongoing basis throughout the year e.g. internal audit action information, counter fraud report content, risk reports

6. Priorities for 2026/27

- 6.1 We will continue to ensure that all External and Internal Audit recommendations/actions are addressed by management to ensure a robust control environment, particularly those arising from the aforementioned red audits.
- 6.2 We will continue to closely monitor strategic risks and the control environment to ensure that this accurately reflects the environment we are working in e.g. progress to financial sustainability, digital environment, staff matters, climate emergency and sustainability agenda.

7. Chair's Comments

- 7.1 The Audit and Risk Committee continues to develop in the contribution that the Committee makes in ensuring the continued provision and improvement in Internal Control arrangements within the Board and, in accordance with its Terms of Reference, will seek to maintain that progress. This is particularly relevant amidst the increase in control issues identified and as we navigate to financial sustainability, improved financial management and an enhanced risk and control environment.
- 7.2 The External Audit recommendations from 2024/25 and the Internal Audit findings during 2025/26 have been a key focus during the year to ensure that control gaps are closed as quickly and effectively as possible.
- 7.3 The detail in this report coupled with the evidence detailed in Appendices 2 & 3, demonstrates that, whilst some gaps have been highlighted in the control framework during the year, the Audit and Risk Committee discharged its remit effectively taking action as appropriate to escalate and monitor matters of concern. Our role is well complemented by the dedication of the Executive to ensure effective processes and controls are in place to keep our patients, staff and the organisation safe in what is and will remain for some time a very challenging environment.
- 7.3 The work of the Committee is made easier as a result of the collaborative and cooperative approach of all those who provide input in many different ways, visible and invisible and my thanks go to all involved for their efforts during another very challenging year.

Jean Ford
Chair – Audit and Risk Committee
19 May 2026

Approved by Audit and Risk Committee
19 May 2026

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Audit Committee: Self-assessment checklist
2025/26



Role and remit	Yes/No / NA	Comments/Action
Does the committee have written terms of reference?	Yes	
Do the terms of reference cover the core functions as identified in the <i>SG Audit and Assurance Committee Handbook</i> ?	Yes	
Are the terms of reference approved by the Audit and Assurance Committee and reviewed periodically?	Yes	Annual review and approved by Board.
Has the committee been provided with sufficient membership, authority and resources to perform its role effectively and independently?	Yes	
Does the body's governance statement mention the committee's establishment and its broad purpose?	Yes	
Does the committee periodically assess its own effectiveness?	Yes	Annual review and approval of self-assessment checklist.
Membership, induction and training		
Has the membership of the committee been formally agreed by the management board and or Accountable Officer and a quorum set?	Yes	
Are members appointed for a fixed term?	Yes	
Does at least one of the committee members have a financial background?	Yes	
Are all members, including the Chair, independent of the Executive function?	Yes	
Are new committee members provided with an appropriate induction?	Yes	
Has each member formally declared his or her business interests?	Yes	
Are members sufficiently independent of the other key committees of the Board?	Yes	Non-Executives will be on various committees of the Board, but remain

		independent as they have no executive responsibilities.
Has the committee considered the arrangements for assessing the attendance and performance of each member?	Yes	Attendance of each member is shown in annual audit report. Performance is be assessed by Chair of Board.
Meetings		
Does the committee meet regularly, at least four times a year?	Yes	
Do the terms of reference set out the frequency and broad timing of meetings?	Yes	
Does the committee calendar meet the body's business and governance needs, as well as the requirements of the financial reporting calendar?	Yes	Calendar is arranged in consultation with the Head of Corporate Governance taking into account all Board Governance Committees and the timetable for the risk management process.
Are members attending meetings on a regular basis and if not, is appropriate action taken?	Yes	Attendance is recorded in the Annual report to the Board. Performance of Non-Executives is appraised annually by the Board Chair.
Does the Accountable Officer attend all meetings and, if not, is he/she provided with a record of discussions?	Yes	
Does the committee have the benefit of attendance of appropriate officials at its meetings, including representatives from internal audit, external audit and finance?	Yes	Internal Audit are in attendance at all meetings. External audit and other 'appropriate officials' attend when required.
Internal control		
Does the committee consider the findings of annual reviews by internal audit and others, on the effectiveness of the arrangements for risk management, control and governance?	Yes	Risk is part of the internal audit programme each year. The Governance statement supported by Director assurance letters outline the risk management system.
Does the committee consider the findings of reviews on the effectiveness of the system of internal control?	Yes	Internal and external audit reports refer to internal controls.
Does the committee have responsibility for review of the draft governance statement and does it consider it separately from the accounts?	Yes	Paper to June Audit Committee with draft Governance Statement and letter from each Director to Accountable Officer.
Does the committee consider how accurate and meaningful the governance statement is?	Yes	As above.

Does the committee satisfy itself that the arrangements for risk management, control and governance have operated effectively throughout the reporting period?	Yes	As above.
Has the committee considered how it should coordinate with other committees that may have responsibility for risk management and corporate governance?	Yes	Each governance committee reviews the risks it owns and considers internal audit reports in their area.
Has the committee satisfied itself that the body has adopted appropriate arrangements to counter and deal with fraud?	Yes	Counter fraud update paper received at most meetings. November meeting had presentation from Counter Fraud Services.
Has the committee been made aware of the role of risk management in the preparation of the internal audit plan?	Yes	Areas for review are linked to Board's risk register.
Does the committee's terms of reference include oversight of the risk management process?	Yes	
Does the committee consider assurances provided by senior staff?	Yes	Letters of assurance from the Director for each Directorate are provided as part of the Governance Statement on an annual basis.
Does the committee receive and consider stewardship reports from senior staff in key business areas such as Finance, HR and ICT?	Yes	As above.
Financial reporting and regulatory matters		
Is the committee's role in the consideration of the annual accounts clearly defined?	Yes	
Does the committee consider, as appropriate:		
• the suitability of accounting policies and treatments	Yes	
• major judgements made	Yes	
• large write-offs	Yes	
• changes in accounting treatment	Yes	
• the reasonableness of accounting estimates	Yes	
• the narrative aspects of reporting?	Yes	
Is a committee meeting scheduled to receive the external auditor's report to those charged with governance including a discussion of proposed	Yes	Annually at the June meeting.

adjustments to the accounts and other issues arising from the audit?		
Does the committee review management's letter of representation?	Yes	Annually at the June meeting.
Does the committee gain an understanding of management's procedures for preparing the body's annual accounts?	Yes	NHS Scotland 2024-25 end-year process letter to Directors of Finance provided to Audit & Risk Committee.
Does the committee have a mechanism to keep it aware of topical legal and regulatory issues?	Yes	Audit Scotland updates.
Internal audit		
Does the Head of Internal Audit attend meetings of the committee?	Yes	
Does the committee consider, annually and in detail, the internal audit plan including consideration of whether the scope of internal audit work addresses the body's significant risks?	Yes	
Does internal audit have a direct reporting line, if required, to the committee?	Yes	
As well as an annual report from the Head of Internal Audit, does the committee receive progress reports from internal audit?	Yes	Each meeting.
Are outputs from follow-up audits by internal audit monitored by the committee and does the committee consider the adequacy of implementation of recommendations?	Yes	Follow-up reports by internal auditors are received by the Audit Committee at most meetings. A list of overdue actions is presented to the Corporate Management Team on a quarterly basis.
If considered necessary, is the committee chair able to hold private discussions with the Head of Internal Audit?	Yes	Committee members and Auditors meet at least twice per annum.
Is there appropriate co-operation between the internal and external auditors?	Yes	
Does the committee review the adequacy of internal audit staffing and other resources?	Yes	Re-tender internal audit contract every four years. Resource allocation in line with plan is picked up on an ongoing basis
Are internal audit performance measures monitored by the committee?	Yes	Included as part of reporting

Has the committee considered the information it wishes to receive from internal audit?	Yes	
Has the committee considered formal terms of reference defining internal audit's objectives, responsibilities, authority and reporting lines?	Yes	Internal Audit Charter received by Committee on an annual basis.
External audit		
Does the external audit representative attend meetings of the committee?	Yes	
Do the external auditors present and discuss their audit plans and strategy with the committee (recognising the statutory duties of external audit)?	Yes	Report to March Audit Committee
Does the committee chair hold periodic private discussions with the external auditor?	Yes	
Does the committee review the external auditor's annual report to those charged with governance?	Yes	At June meeting.
Does the committee ensure that officials are monitoring action taken to implement external audit recommendations?	Yes	Followed up each year by external audit and at least half yearly update from DoF to ARC
Are reports on the work of external audit presented to the Audit and Assurance Committee?	Yes	Report to those charged with Governance received each June.
Does the committee assess the performance of external audit?	Yes	
Does the committee consider the external audit fee?	Yes	Within the external audit contract.
Administration		
Does the committee have a designated secretariat?	Yes	
Are agenda papers circulated in advance of meetings to allow adequate preparation by committee members and attendees?	Yes	At least a week before the meeting.
Do reports to the committee communicate relevant information at the right frequency, time, and in a format that is effective.	Yes	Ongoing continuous improvement takes place as necessary. Committee members openly challenge as necessary.
Does the committee issue guidelines and/or a pro forma concerning the format and content of the papers to be presented?	Yes	Internal and external audit reports do not require front cover. Other papers in Board Committee format.

Are minutes prepared and circulated promptly to the appropriate people, including all members of the Board?	Yes	Key issues reported to Board following committee, prior to approved minutes going to Board.
Is a report on matters arising presented or does the Chair raise them at the committee's next meeting?	Yes	A formal 'matters arising' report is received at each meeting.
Do action points indicate who is to perform what and by when?	Yes	As above
Does the committee provide an effective annual report on its own activities?	Yes	Annual report considered by Committee and presented to Board as part of the annual assurance process.
Overall		
Does the committee effectively contribute to the overall control environment of the organisation?	Yes	
Are there any areas where the committee could improve upon its current level of effectiveness?	Yes	Always looking to improve. Consideration of procurement assurance a recent example
Does the committee seek feedback on its performance from the Board and Accountable Officer?	Yes	

Assurance Mapping (Review of papers submitted against the Audit and Risk Committee Remit 2025-26)

Remit: To provide assurance to NHS Board on corporate governance and financial probity.

Duties as noted in Terms of Reference	15 May 2025	19 June 2025	24 June 2025	18 Sept 2025	20 Nov 2025	23 Jan 2026	20 Mar 2026
	Committee will review the overall Internal Control arrangements of the Board and make recommendations to the Board regarding signing of the Governance Statement, having received assurance from the Healthcare Governance, Staff Governance, Information Governance and other relevant Committees. Specifically it will:						
<p>Receive a regular review of the operational effectiveness of the internal audit function.</p> <p>Monitor the internal and external audit programme, receiving reports, overseeing and reviewing action taken by the Chief Executive on audit recommendations and reporting to the Board.</p>	<p>Internal Audit Plan Progress Report</p> <p>Internal Audit Report – Promoting Attendance</p> <p>Internal Audit Follow Up report</p>	<p>Internal Audit Plan Progress Report</p> <p>Internal Audit Advisory Report – Patient Flow</p>	<p>Internal Audit Report – Patient Flow</p> <p>Internal Audit Annual Report and Opinion 2024-25</p>	<p>Internal Audit Plan Progress Report</p> <p>Internal Audit Actions Follow Up Report</p> <p>Internal Audit Report – Property Transaction Monitoring</p>	<p>Internal Audit Plan Progress Report</p> <p>Internal Audit Actions Follow Up Report</p> <p>Internal Audit Report – Information Governance</p> <p>Internal Audit Report – Staff performance Management</p>	<p>Internal Audit Plan Progress Report</p> <p>Internal Audit Report – Core Financial Controls – Non-pay Expenditure</p> <p>Draft Internal Audit Plan 2026/27</p>	<p>Internal Audit Plan 2026/27</p> <p>Internal Audit Plan progress report</p> <p>Internal Audit Report – Cyber Security</p> <p>Internal Audit Report – Health and Safety</p> <p>Internal Audit Actions Follow Up Report</p>
<p>Receive reports from the Chief Executive and/or Executive Director of Finance in relation to formal audit reports and proactive as well as reactive counter fraud work.</p>	<p>Counter Fraud Update Report</p> <p>Counter Fraud Services Quarter 4 Report</p>			<p>Presentation & Annual Report from Head of Counter Fraud Services, NSS</p> <p>Counter Fraud Update Report</p> <p>Counter Fraud Services Quarterly Report – Q1</p>	<p>Counter Fraud Services Quarterly Report - Q2</p>	<p>Counter Fraud Update Report including strategy, statement and self-assessment</p>	

Assurance Mapping (Review of papers submitted against the Audit and Risk Committee Remit 2025-26)

Remit: To provide assurance to NHS Board on corporate governance and financial probity.

Duties as noted in Terms of Reference	15 May 2025	19 June 2025	24 June 2025	18 Sept 2025	20 Nov 2025	23 Jan 2026	20 Mar 2026
				NHS Scotland Credit Card Spend			
Receive regular external audit reports, in particular any annual report or management letters relating to certification of the Board's statutory annual accounts.	National Finance System Assurance Report Audit Scotland Report – General Practice Blueprint for Good Governance Improvement Plan Update Best Value Update	National IT Services Audit Report NSS Practitioner Services Patient Exemption Checking Annual Report 2024/25	ISO 580 Audit Completion Letter External Auditor Annual Report	Section 22 Report Notification Annual Accounts Reflections 2024/25 Audit Scotland Technical Bulletin	Integration Joint Boards: Internal Audit Reports and Plans Section 22 Report Annual External Audit Report Recommendations – Progress Update	Audit Scotland Report – Delayed Discharges Audit Scotland Report – NHS in Scotland 2024 Annual External Audit Report Recommendations – Progress Update	External Audit Plan 2025-26
Hold meetings with the external and internal auditors, if necessary, to discuss their annual report, the scope of their audit examination and any matters which the External Auditor wishes to discuss, without Executive Board Directors present.	Chief Executive & DoF meet with internal auditors on a regular basis and ARC committee members meet with auditors at least twice annually. External audit have interim visits (February/March) and year-end audit (May and June) which culminates in a clearance meeting. Annual Audit reports and audited accounts go to the Audit and Risk Committee and the Board.						

Assurance Mapping (Review of papers submitted against the Audit and Risk Committee Remit 2025-26)

Remit: To provide assurance to NHS Board on corporate governance and financial probity.

Duties as noted in Terms of Reference	15 May 2025	19 June 2025	24 June 2025	18 Sept 2025	20 Nov 2025	23 Jan 2026	20 Mar 2026
Receive assurance from other governance committees on actions by management to remedy weaknesses or other criticisms of the Board's systems made by the internal or external Audit.			Governance Statement From Chief Executive and Supporting Letters from Executive	Internal Audit Report – Patient Flow Management – Follow Up	Internal Audit Report – GP Enhanced Sustainability Follow Up		Code of Corporate Governance
Review risk management arrangements, receive corporate risks related to the Audit & Risk Committee at least twice a year and receive the Risk Management Annual Report.		Strategic Risk Register		Risk Audit Advisory – Inherent Risk Score	Strategic Risk Register Risk Appetite Statement		Risk Appetite Statement Implementation Plan
Oversee the financial reporting process to ensure balance, transparency and integrity of published financial information.	Tender Waivers & Exception Report	Payment Verification Annual report	Statutory Annual Accounts for approval to submit to Board Annual audit assurance statement to Board	Tender Waivers & Exception Report	Tender Waivers & Exception Report		
Receive annual reports and quarterly updates from the sub-committees established by the NHS Audit and Risk Committee in order to provide assurance and accountability.	No Sub Committees were established by ARC during year						

Assurance Mapping (Review of papers submitted against the Audit and Risk Committee Remit 2025-26)

Remit: To provide assurance to NHS Board on corporate governance and financial probity.

Duties as noted in Terms of Reference	15 May 2025	19 June 2025	24 June 2025	18 Sept 2025	20 Nov 2025	23 Jan 2026	20 Mar 2026
Review any proposed changes to the Standing Orders, Scheme of Delegation and Standing Financial Instructions	ARC Annual Report					Annual review of TOR SFI's and Scheme of Delegation Update	ARC Workplan 2026/27

Audit and Risk Committee Reporting to NHS A&A Board 2025-26

Reporting Duties	15 May 2025	19 & 24 June 2025	18 September 2025	20 November 2025	22 January 2026	19 March 2026
Reporting action to the NHSAA Board	<ul style="list-style-type: none"> Internal Audit Progress and Follow Up reports Internal Audit Report – Promoting Attendance National Finance Systems Assurance Report for 2024/25 – ISAE3402 Best Value Progress Update Corporate Governance Blueprint Improvement Plan Update Draft Narrative for the Annual Report and Accounts 	<ul style="list-style-type: none"> IT and Practitioner Service Audits Strategic Risk Register Internal Audit Advisory Reports – Digital Strategy and Staff Rostering. Internal Audit report – patient Flow Internal Audit Annual Report and Opinion 2024/25 Governance Statement and Supporting Letters Annual accounts for 2024/25 Annual Audit Report for 2024/25 Annual audit assurance statement 	<ul style="list-style-type: none"> Update from the Head of Counter Fraud Services Internal Audit Progress, Follow Up report and completed audits into Property Transaction Monitoring External Audit Recommendations Update Azets Contract Extension 	<ul style="list-style-type: none"> Internal Audit Report – Information Governance and Staff Performance Management Internal Audit Follow Up – GP Enhanced Sustainability Internal Audit Progress and Follow-up Reports External Audit Recommendations Update IJB Internal Audit report 2024/25 and audit plans 2025/26 Strategic Risk Register 	<ul style="list-style-type: none"> Audit Scotland Presentations Internal Audit Progress Report and Internal Audit Report – Core financial Controls – Non-Pay Expenditure Draft Internal Audit Plan 2026/27 External Audit Recommendations Counter Fraud Update 	<ul style="list-style-type: none"> External Audit Plan 2025/26 Final draft Internal Audit Plan 2026/27 Internal Audit Progress Report and Follow Up Report Internal Audit Reports – Cyber Security and Health and Safety Code of Corporate Governance

Audit and Risk Committee Reporting to NHS A&A Board 2025-26

Reporting Duties	15 May 2025	19 & 24 June 2025	18 September 2025	20 November 2025	22 January 2026	19 March 2026
Confirmation these were brought to the NHSAA Board	Y	Y	Y	Y	Y	Y