

Board of Directors Meeting in Public

Subject:	Report of the Audit and Assurance Committee	Date: 1 st April 2021		
Prepared By:	Shirley A Higginbotham, Director of Corporate Affairs			
Approved By:	Graham Ward, NED, Chair of Audit and Assurance Committee			
Presented By:	Graham Ward, NED, Chair of Audit and Assurance Committee			
Purpose				
The Audit and Assurance Committee met on 16 th March 2021. This paper informs members of the significant matters agreed by the Committee for reporting to the Board of Directors:			Approval	
			Assurance	x
			Update	
			Consider	
Strategic Objectives				
To provide outstanding care	To promote and support health and wellbeing	To maximise the potential of our workforce	To continuously learn and improve	To achieve better value
x	x	x	x	x
Overall Level of Assurance				
	Significant	Sufficient	Limited	None
		x		
Risks/Issues				
Financial	The Audit and Assurance Committee is responsible for ensuring the system of internal control is robust and effective in order to provide high quality, value for money services to patients and provide a safe environment for staff. Safeguarding the reputation of the Trust			
Patient Impact				
Staff Impact				
Services				
Reputational				
Committees/groups where this item has been presented before				
N/A				
Executive Summary				
<p>The Board of Directors is asked to accept the content of the Report and note the items highlighted below:</p> <ul style="list-style-type: none"> • Counter Fraud • Internal Audit • External Audit • Register of Interests - Approved • Going Concern Assessment- Approved • Data Security Protection Toolkit - Approved • Annual Report to Board – Approved • Terms of Reference and Workplan - Approved <p>The Audit and Assurance Committee met on 16th March 2021. The meeting was quorate, the Minutes approved, and all outstanding actions are progressing, were covered by the agenda or agreed as closed. There were no declarations of interest pertaining to any items on the agenda.</p> <p>The following items were presented and discussed:</p>				

Counter Fraud

Counter Fraud presented their proactive review into the systems and processes for changing supplier bank account details, which concluded the Trust does have a robust system for mitigating the risk of fraud in these circumstances.

The progress report was received and noted, particularly the update regarding the revised framework for counter fraud which will be implemented from April 2021, though the assessment for 2020/21 will be against the new standards. The draft counter fraud plan for 2021/22 was discussed and approved.

Internal Audit

The draft internal audit plan for 2021/22 was presented and discussed, it was noted there were further discussions to be undertaken with the executive team to agree the final plan which would be presented to the April Committee for approval.

The progress report against the 2020/2021 plan was presented which included the two reports that had been completed since the last committee and a number of other reports which were being finalised. It was noted that there was one key core audit review that was outstanding, namely the Data Quality Framework and that this needed to be completed prior to the Head of Internal Audit Opinion stage 3 was completed. The committee were assured that this was being actioned by the Trust, though it was agreed that this should be escalated to the Board.

All other Head of Internal Audit Opinion stage 3 work is progressing and will be reported to committee as part of the year end process.

It was pleasing to note the implementation of actions at first follow up now stands at 88%

External Audit

External Audit presented the Value for Money Plan which was the outcome of the VFM self-assessment which had been completed by the Trust. The paper presented will inform the areas of focus for the remainder of the external audit process. The main risk area identified was that of financial sustainability, due to the ongoing deficit position and the unknown 2021-22 planning process at a national level.

Register of Interests

Committee received and noted the report, noting the number of non-compliant band 7+ has increased to 88 employees from 61 in January, it was discussed whether this was a result of the number of new starters due to the vaccination programme.

Committee also received a report highlighting any individuals that were non-compliant in previous years and this year. Committee agreed, due to the current situation regarding the pandemic and pressure within the hospitals, that although the usual reminder emails would be issued, individuals who had not declared would not be invited to committee. However, from April there would be a proactive focus on those individuals who had not declared over more than one year.

The Conflicts of Interest Register was approved for submission to the Board of Directors.

Going Concern Assessment

The committee received and agreed the current Going Concern Assessment, that there are circumstances that indicate the existence of a material uncertainty that may cast doubt about the

Trust's ability to continue as a going concern due to the recurrent underlying deficit, as was the case for 2019/20. It was noted that the position was improved from last year with the conversion of capital loans to Public Dividend Capital and that the final Going Concern Assessment would be reconsidered as part of the 2020/21 approval process.

Data Security Protection Toolkit

Committee received and approved the report of the Senior Information Risk Owner, for submission to the Board.

Annual Report to Board

Committee approved its Annual Report for submission to the Board.

Terms of Reference and Workplan

Committee approved the Terms of Reference, within which there were no changes and the workplan for the next year.