

Board of Directors - Public

Subject:	Report of the Audit and Assurance Committee	Date: 13 th July 2017		
Prepared By:	Shirley A Clarke, Head of Corporate Affairs and Company Secretary			
Approved By:	Ray Dawson, NED, Chair of Audit and Assurance Committee			
Presented By:	Ray Dawson, NED, Chair of Audit and Assurance Committee			
Purpose				
The Audit and Assurance Committee met on 13 th July 2017. This paper informs members of the significant matters agreed by the Committee for reporting to the Board of Directors:			Decision	
			Approval	
			Assurance	X
Strategic Objectives				
To provide outstanding care to our patients	To support each other to do a great job	To inspire excellence	To get the most from our resources	To play a leading role in transforming health and care services
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 Audit and Assurance Committee received and approved the following reports:</p> <p>Counter Fraud Annual Report Internal Audit Annual Report Internal Audit plan 2017/18 amendment Procurement Annual Report Committee Annual Report to Board of Directors</p> <p>The following items are standing items on the agenda and were discussed and actions noted as appropriate:</p> <p>Counter Fraud – Progress report received which identified the continued success of e-learning with 611 staff members having completed training since April 2017. Four new investigations have been opened in the month and the committee were informed cases can take up to 6 months to complete.</p> <p>External Audit – the audit of the Charity is due to commence and will report to committee in September.</p> <p>Information Governance – There have been no level 2 incidents reported in the period. FOI requests have been received in the period the main themes being cyber-attacks, cladding and the</p>				

number of EU staff leaving posts.

The ICO audit has been completed, no immediate concerns have been raised and a number of areas of good practice have been noted. The draft report is due by the end of July.

The GDPR will come into force in May 2018 and committee were provided with assurance via a detailed action plan regarding the Trusts preparedness for this.

Conflicts of Interest – Committee were informed of the new guidance and revised policy in order to ensure compliance. An electronic system of recording conflicts of interest has been implemented, supported by detailed guidance and FAQ's. A comprehensive launch and communication messages continue to promote the requirement for all those band 7 and above to declare conflicts of interest including nil returns. The committee asked for clarity regarding NEDs declarations and also regular updates regarding number of staff and staff groups compliant.

Internal Audit Limited Assurance Reports – Three reports were received and discussed. There was a specific discussion with regard to issues raised with quality indicators and assurance was provided to the chair outside of the meeting. Actions were identified to mitigate the risks and progress will be reported back to committee through the audit recommendations standing agenda item report

Outstanding Audit Recommendations – No recommendations were reported as outstanding 50% were on time and 50% ongoing. Committee agreed for all ongoing actions to be pursued to ensure the outcomes were achieved.

Board Assurance Framework – Committee were assured of the BAF process, in particular the scrutiny of the BAF at the Risk Committee. It was agreed the BAF be reviewed to potentially include external risks to the organisation.

Losses and Special Payments – Assurance was provided from the external audit representative that the Trust wasn't an outlier in terms of losses and special payments. In order to mitigate losses of equipment MEMD are reviewing ways of tagging equipment and there are communications with staff to educate and inform in order to raised awareness and vigilance.

Single Tender Waivers – None of the single tender waivers were extraordinary however work is ongoing to reduce the number and move to contract were possible. The committee requested a trend analysis including values of single tender waivers be provided at the next meeting to gain assurance regarding reductions.

Going Concern Statement – received and noted