

## Board of Directors Meeting in Public

<b>Subject:</b>	Report of the Audit and Assurance Committee	<b>Date:</b> 26 <sup>th</sup> July 2018		
<b>Prepared By:</b>	Graham Ward, NED, Chair of Audit and Assurance Committee			
<b>Approved By:</b>	Graham Ward, NED, Chair of Audit and Assurance Committee			
<b>Presented By:</b>	Graham Ward, NED, Chair of Audit and Assurance Committee			
<b>Purpose</b>				
The Audit and Assurance Committee met on 26 <sup>th</sup> July 2018. This paper informs members of the significant matters agreed by the Committee for reporting to the Board of Directors:			<b>Approval</b>	
			<b>Assurance</b>	<b>x</b>
			<b>Update</b>	
			<b>Consider</b>	
<b>Strategic Objectives</b>				
<b>To provide outstanding care to our patients</b>	<b>To support each other to do a great job</b>	<b>To inspire excellence</b>	<b>To get the most from our resources</b>	<b>To play a leading role in transforming health and care services</b>
<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>
<b>Overall Level of Assurance</b>				
	<b>Significant</b>	<b>Sufficient</b>	<b>Limited</b>	<b>None</b>
		<b>x</b>		
<b>Risks/Issues</b>				
<b>Financial</b>	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			
<b>Patient Impact</b>				
<b>Staff Impact</b>				
<b>Services</b>				
<b>Reputational</b>				
<b>Committees/groups where this item has been presented before</b>				
N/A				
<b>Executive Summary</b>				
<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"> <li>Internal Audit Report – Significant Assurance on both reports presented and full implementation of recommendations for the Transfer Handling follow up.</li> <li>Annual Audit Letter – extension of the outstanding audit tracking report to include external audit recommendations made as part of their work towards the Annual Audit Letter.</li> <li>Recommendation that Board should consider all options to materially improve the response rate to the register of interests.</li> </ul> <p>The Audit and Assurance Committee met on 19<sup>th</sup> July 2018. The meeting was quorate, the Minutes approved and there were no outstanding actions. There were no declarations of interest.</p> <p>The following items were presented and discussed:</p> <p><u>Internal Audit Progress Report</u></p> <p>Committee received the report and were informed that three reports had been issued since the last meeting. Significant assurance was provided for both the Review of Outpatient Demand &amp; Capacity Planning and Charitable Funds. The review of Generic Controls was in an advisory capacity only with the results presented to the July Risk Committee. No high risk issues were identified during these reviews.</p>				

Follow up review of Transfer Handover (originally Limited Assurance, with follow up review showing all recommendations had been implemented). It was agreed that this report should also be presented to Risk Committee and considered in the wider context of patient transfers.

Committee noted progress in relation to the completion of the 2017/18 Internal Audit Plan and in the delivery of the 2018/19 Internal Audit Plan.

#### External Audit – Progress Report and Annual Audit Letter

Committee received the progress report and the final annual audit letter. The contents of the reports were briefly discussed (detail was covered at the previous meeting); however, discussion was held on how the recommendations made by PwC within the Annual Audit Report should be taken forward as these do not form part of the normal outstanding audit recommendations tracking used for internal audit recommendations.

It was agreed that the outstanding audit recommendations tracking should be extended to include external audit recommendations and that Quality Committee should track their progress (management response and implementation).

#### BAF

Committee received the redesigned BAF which was agreed as a positive and clear step forward, which included a positive endorsement from the external auditor who thought its was clear and well constructed.

#### Risk Summary

Committee received a report on the activities of the Risk Committee from 1<sup>st</sup> April 2017 to 31<sup>st</sup> March 2018 to show that it has carried out its obligations in accordance with the terms of reference and the work plan for the year. The Report was discussed and noted.

#### Procurement

Committee received the report and noted the strong progress against the achievement of the aims and objectives across People & Organisation, Process Policies & Systems and Partnerships.

#### Register of Interests

Committee received an update report on the Conflicts of Interest Report and was asked to consider and approve the decision to refuse a request for anonymity from a consultant who undertakes private expert witness work. The refusal was agreed as the correct approach.

Further discussion then followed at the improved but still very poor level of registration, which is still below 50%. It was agreed that this issue should be escalated to the Board to consider options to not only encourage but consider disciplinary measures for non-registration.