

Council of Governors

Subject:	Report of the Audit and Assurance Committee	Date: 13 th August 2019		
Prepared By:	Graham Ward, NED, Chair of Audit and Assurance Committee, 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 18 th July 2019. This paper informs members of the significant matters agreed by the Committee			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				
Board of Directors 1 st August 2019				
Executive Summary				
<p>The following report provides Council with assurance regarding the actions of the Audit and Assurance Committee, Ian Holden attended as the Governor observer, the following are items of note:</p> <ul style="list-style-type: none"> • Counter Fraud Progress Report - noted • Internal Audit Progress Report • External Audit Annual Audit Letter – noted that no changes from draft • Review of the Single Tender Waiver Process • Procurement Annual Report • Information Governance Toolkit – report noted • Bribery Act Compliance – approved • Risk Committee Annual Report • Outstanding Audit Recommendations • Register of Interests Update • Losses & Special payments - approved <p>The Audit and Assurance Committee met on 18th July 2019. 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>				

Progress reported including two reports issued on Governance (focus on action plans for quality improvement) and a Review of the Management of the PFI Contract. Both reports gave an opinion of Significant Assurance.

It was noted that follow up performance on recommendations has improved (93.3% against last year's 79.2%)

Review of the Single Tender Waiver Process

Received a report with an update on the strengthening of the Single Tender Waiver process. This report was noted and committee agreed that it showed continued improvement and tightening of the processes.

Procurement Annual Report

Report presented which summarised the enhanced responsibilities now being managed through procurement and progress being made implementing the Future Operating Model (FOM) and the Procurement Target Operating Model (PTOM).

Careful monitoring of the FOM will be required to ensure it does deliver VFM to the Trust as the 'cost' to the Trust is £900K. The removal of margin charges will recover £400K, but the remaining £500K will have to come from savings attributed to product switches / aggregation. Current confidence of the delivery of these savings is low.

Risk Committee Annual Report

The report was noted including the now implemented change going forward for attendance by the Medical Director or his Deputy and the alignment work of the Risk Management Strategy to the Trust Strategy.

Outstanding Audit Recommendations

It was noted that significant improvements in the implementation of recommendations was evident and for the first time the report also showed progress on those recommendations due to be implemented by the next Audit Committee meeting.

Register of Interests Update

As at 10th July 225 of 865 (26%) employees at band 7+ are still non-compliant. While this is an improvement on last year there is still work to be done and in particular to ensure that the doctor's appraisal process includes compliance with the Conflicts of Interest Policy