

Board of Directors Meeting in Public

Subject:	Report of the Audit and Assurance Committee	Date: 6 th February 2020		
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 16 th January 2020. 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 Audit and Assurance Committee met on 16th January 2020. The meeting was quorate, the Minutes approved and there were no outstanding actions. There were no declarations of interest.</p> <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"> Internal Audit Progress Report External Audit Plan Outstanding Audit Recommendations Register of Interests Report Draft Annual Governance Statement Final Accounts Timetable and Plan Maturity Matrix Action plan Committee Effectiveness Self-Assessment Internal Control issues – Board Committees <p>The following items were presented and discussed:</p>				

Internal Audit Progress Report

Five reports had been issued since the last meeting, including the Head of Internal Audit Opinion (HOIA) work plan. The implementation rate for first follow up actions is 95.7%, the highest of all 360 Assurance clients. The Internal Audit plan is 68% complete in line with the agreed timelines. The HOIA stage two, highlights two areas for consideration from the Board Assurance Framework (BAF) survey: Risk Appetite and Effective Risk Management, these will be addressed through the Board Workshop scheduled for 23rd January 2020.

External Audit plan

External audit presented the audit plan timeline and noted the engagement team would be the same as last year which would help with consistency of approach. The de minimis limit was proposed to increase from £293,000 to £300,000, with materiality again set at 2% of forecast income (£6,539K) and these were approved by committee. The Higher Profile Client criteria was discussed, which may lead to increased costs, this will be confirmed through the Finance Committee.

Register of Interests Report

Committee received the report and noted the significant improvements in compliance, with 69 staff non-compliant compared to 107 staff non-compliant in November. The full register and list of non-compliant staff were shared with the committee. The clinical chair for the Surgery Division and the acting Divisional General Manager for the Medicine Division attended to update committee with proposed actions to improve compliance.

This has been an area of focus for the committee during the year and will continue to be so.

Draft Annual Governance Statement (AGS)

Committee were informed the guidance document from NHSi had now been received, with a slight change for the AGS, the draft was presented detailing the proposed sources of assurance for the completion of the report. It was agreed the committee would receive regular iterations of the document up to the final approval of the Annual Report and Accounts in May 2020. Internal Audit representatives suggested committee review the HFMA handbook with regard to Audit and Assurance Committee responsibilities with regard to the production of the AGS

Single Tender Waivers

Two single tender waivers were presented for approval, committee complimented the procurement team on the process and achieving the savings.

Maturity Matrix Action Plan

Committee received the action plan which had been developed to address the areas of improvement identified at the development session lead by 360 Assurance in November 2019. The plan would be monitored through regular reporting to committee.

Internal Control issues – Board Committees

The Chair of the Quality committee had previously raised an issue regarding Dementia Screening. It was noted that the Quality committee had subsequently received assurance the process was robust in the medium term and that an internal audit review would be included in the 360 Assurance work plan to hopefully provide further assurance. The chair of the committee raised a

further concern regarding staff wellbeing in respect of hours worked, board receive regular reports regarding nurse, AHP and Junior Doctor staffing levels but nothing with regard to consultants and other associated medical staff. It was agreed by the Chair of the People, OD and Culture committee this issue would be reviewed and a report provided.

The Chair of the People, OD and Culture committee raised a concern regarding the focus on the equality and diversity agenda for patients; we have staff representation but no sight of patient issues. It was agreed this would be highlighted to the Director of OD and Service Improvement.

The Chair of the Finance committee informed committee of items discussed with regard to FIP delivery and progress.