

BOARD SUBCOMMITTEE ASSURANCE REPORT

Presented for:	Information and Escalation
Committee Name:	Audit Committee
Presented by:	Gareth Tipton, Non-Executive Director (Committee Chair)
Date of Committee Meeting:	15 October 2021

Items received by the committee for assurance:

Agenda Item	Level of Assurance	Board Action Required? <small>(double click to select)</small>
Losses & Special Payments	Substantial Assurance	<input checked="" type="checkbox"/>
Waivers of Standing Orders	Substantial Assurance	<input checked="" type="checkbox"/>
Corporate Governance / Compliance Risks	Reasonable Assurance	<input checked="" type="checkbox"/>
Annual Gifts and Hospitality Report	Reasonable Assurance	<input checked="" type="checkbox"/>
Declarations of Interest Update	Substantial Assurance	<input checked="" type="checkbox"/>
Terms of Reference	Reasonable Assurance	<input checked="" type="checkbox"/>
Thematic Risk Report	Reasonable Assurance	<input checked="" type="checkbox"/>
Internal Audit Report (RSM)	Partial Assurance	<input checked="" type="checkbox"/>
Local Counter Fraud Report (RSM)	Reasonable Assurance	<input checked="" type="checkbox"/>
External Audit Update (KPMG)	Substantial Assurance	<input checked="" type="checkbox"/>

POINTS OF ESCALATION

- Three 'partial assurance' (all negative opinions) reports have been finalised in respect of the 2021/22 Internal Audit Plan since the last meeting; these are: PFI Contract Management, Data Quality and Waiting List Management. Given the Trust now has four 'partial assurance' reports, RSM have been instructed undertake additional follow-up work so that progress can be tracked and evidenced regarding the implementation of recommendations. An interim report will be presented by RSM to the January 2022 Committee and a final follow-up report in April 2022

KEY ISSUES

- Losses & Special Payments and Waivers of Standing Orders were presented and discussed. The Committee was assured that these activities are well managed and key controls are operating effectively.
- The Annual Gifts and Hospitality Report was presented to the Committee. Of the 41 declarations during the period April 2020 to March 2021, 2 were monetary gifts of over £2000 which were left to 2 individual staff members in a patient's will. The Committee noted that the Trusts G&H policy states that gifts from patients and families should always be declined and donations of cash can only be accepted on behalf of the Trust and paid into the relevant department charitable fund or Trust general fund. The Committee asked for additional clarity regarding gifts left in patients wills, including the approach taken by other Trusts, plus also a split of registrations made retrospectively. The Committee will review again at the January 2022 meeting.
- Declarations of Interest are now 100% compliant with both decision-making and delegated decision-making staff.
- The Committee Terms of Reference were reviewed and it was noted that certain changes were required. An updated Terms of Reference will be presented to the January 2022 meeting for approval.

BOARD ASSURANCE FRAMEWORK & RISKS	<ul style="list-style-type: none"> The Committee discussed the Local Counter Fraud Progress Report, noting the low number of investigations. The Committee challenged the 'time to close' on a number of the investigations and asked for this to be improved going forward, noting that the expectation is for this to be in the region of 45 days to 90 days depending on the complexity of the specific case and any external input required. KMPG provided an external audit update; there were no issues noted.
	<ul style="list-style-type: none"> 87% of non-clinical policies are in date which is the highest level of compliance since March 2022. The deadline for 100% compliance has been moved by the Corporate Governance team from September 2021 to March 2021. The Committee will revisit Corporate Governance and Compliance Risks, along with the Thematic Risk Report at the January 2022 meeting.
CELEBRATING OUTSTANDING PRACTICE & INNOVATION	<ul style="list-style-type: none"> Steve Davies notified the Committee of his planned retirement and introduced Helen Mason who will replace him as head of procurement. The Committee thanked Steve Davis for his many years of service to this Committee, other committees and the Trust. The Trust have appointed two counter fraud champions.

LEVELS OF ASSURANCE

Level	Description of Level of Assurance
Substantial Assurance	The report highlighted a sound system of control, designed to address the relevant risks with controls being consistently applied. Highly unlikely to impair the achievement of both system and strategic objectives.
Reasonable Assurance	The report did not highlight any material weaknesses in the system of internal control that would present material risks to the achievement of both system and strategic objectives.
Partial Assurance	The report highlighted some material weaknesses in the system of internal control that would present material risks to the achievement of system objectives. May also impair achievement of strategic objectives.
Limited Assurance	The report highlighted significant material weaknesses in the system of internal control that would present material risks to the achievement of both system and strategic objectives.