

**REPORT TO THE TRUST BOARD: PUBLIC**  
**30 January 2020**

<b>Title</b>	Audit Committee 14 January 2020 – Chair’s Report
<b>Committee Chair</b>	Anit Chandarana, Non-Executive Director and Chair of Audit Committee
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**Purpose of the report**

To bring to the Board’s attention key issues and assurances discussed at the Audit Committee meeting held on 14 January 2020.

**Issues to be brought to Board’s attention**

At its meeting on 14 January 2020, the Committee considered a range of items including reports from Internal and External Audit, a deep dive into quality and safety risk, and update reports on counter fraud, waivers and breach processes, appraisals and risk management.

The Committee wished to draw the Board’s attention to:

**Appraisals**

- A more robust recording system has been introduced with a completion rate of 74%
- The Committee requested that further consideration is given to the completion target rate of 90% for 2020/21 with a view to increasing to 100% (with certain exclusions such as long-term sick/maternity leave, etc) as the expectation is that everyone should be appraised.

**Waivers:** The Committee requested that a future report provided clarification and assurance regarding the waiver process to ensure that requests had appropriate oversight to minimise repeat requests and to ensure maximum long-term value for money.

**Internal Audit**

- Rostering Audit Report:
  - Partial assurance received; number of issues included the management of agency costs, creation of a central ‘bank’ to manage staffing, better management of annual leave
  - The Committee commented on the value of the report, and requested clarity regarding the forward governance arrangements and responsibility for report’s oversight and management of actions and that realistic deadlines are set for management actions
- Key Financial Controls Audit Report: Positive report with reasonable assurance received; actions include following up of debts and costing of bids and assessing risks
- Outstanding Management Actions: The Committee requested that the Executive Team ensures there is a focus on how these are reviewed and monitored
- Internal Audit Plan 2020/21: The Committee commented on the draft plan which reflects the Trust’s strategic objectives and risk, and noted that this will be discussed at a future Board Development Session.

### **External Audit**

- Committee noted the regulatory changes to the auditing standards, and challenged and requested further review of the proposed increase in fees which were attributed to these changes.

### **Counter Fraud:**

- NHS Counter Fraud Authority (NHS CFA) Benchmarking Report 2018/19: The Trust was in the top five (out of 489 providers and commissioners) for the number of information reports and cases created, number of sanctions imposed and the total amount recovered
- Fraud Champions: The Committee noted that consideration is being given to the nomination of a Fraud Champion as part of new Government standards for all NHS organisations and in line with best practice.
- **Board Assurance Framework (BAF):**
  - The Committee considered and discussed the deep dive review of risk 4: if essential standards of quality and safety are not maintained, this may result in the provision of sub-optimal care and increases the risk of harm which could impact on the Trust achieving the strategic objective of improving patient experience. The deep dive covered the ongoing assessment of quality, CQC rating, governance arrangements, quality review of services, networking and learning
  - The Committee reviewed the BAF for all eight strategic risks noting that although there continued to be some good progress with actions to mitigate the risks, there were no recommendations at this stage to change the current risk scores.