

Board of Directors Meeting in Public

Subject:	Report of the Audit and Assurance Committee	Date: 6 th August 2020		
Prepared By:	Graham Ward, NED, Chair of Audit and Assurance Committee,			
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 16th July 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 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 Plan • Appointment of New External Auditor • Procurement Annual Report • Board Assurance Framework <p>The Audit and Assurance Committee met on 16th July 2020. 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 Plan</u></p> <p>Following consultation with their clients 360 Assurance has advised the Trust that there will be a 25% reduction in the 2020/21 internal audit plans. The impact of this will be discussed at the Risk Committee Meeting on 10th August (which will be attended by 360 Assurance and the Chair of Audit Committee) from which a revised audit plan will be drafted for approval by the Audit Committee in September.</p>				

It was noted that it was important that the resulting audit plan delivered all of those elements required for the Head of Internal Audit Opinion and that prioritisation should also be given to the requests for reviews of the Financial Cut Off Procedures and Obtaining Informed Consent.

Appointment of New External Auditor

The committee received a verbal update on the process which in summary was that after going out to tender via a framework agreement for audit services no responses had been received, however follow up conversations had been held and KPMG had expressed interest in providing a tender against the specification and the terms of the framework contract.

It was agreed that this was encouraging and that the committee would recommend to Governors that KPMG be formally asked to submit their proposal which will be subject to review, evaluation and potentially a presentation according to a process to be agreed by the Governors.

Procurement Annual Report

Committee received and noted the report, in particular the concern that the Supply Chain specialist procurement team was not delivering either the service or savings expected and that has been a key factor in the Trust benchmarking poorly against other trusts as part of the Use of Resources assessment. This issue has been escalated to NHSI and will continue to be closely monitored.

The committee commended the department on being awarded the National Standards of Procurement Level 1 and thanked for the exemplary support given to the Trust in securing the necessary PPE for staff during the pandemic.

Board Assurance Framework

The committee received and took assurance from the BAF review and update process.