

<b>Audit and Risk Assurance Committee, Key Issues Report</b>	
<b>Report Date:</b>	<b>Report of:</b> Audit and Risk Assurance Committee
<b>Date of last meeting:</b> 12 April 2021	<b>Membership Numbers:</b> No member apologies received. Internal Audit and Counter Fraud (MIAA), External Audit (KPMG), Associate Director of Finance, and Director of Governance and Communications in attendance.
1	<p><b>Agenda</b></p> <p>The Committee considered an agenda which included the following:</p> <ul style="list-style-type: none"> <li>• Internal Audit Progress Report</li> <li>• Conflicts of Interest Internal Audit Report</li> <li>• DSPT (Data Security and Protection Toolkit) interim Internal Audit Report</li> <li>• Assurance Framework Briefing Note</li> <li>• Internal Audit Recommendations, tracking report</li> <li>• Head of Internal Audit Opinion and Annual Report</li> <li>• Draft Internal Audit Plan 2021/22</li> <li>• Internal Audit Charter</li> <li>• Draft Value for Money risk assessment</li> <li>• Losses and Special Payments</li> <li>• Competition Waiver Report</li> <li>• Committee Effectiveness Tracker</li> <li>• Board Assurance Framework 2020/21</li> <li>• Risk Management Update</li> <li>• Standing Financial Instructions Update</li> <li>• Internal Audit Recommendations Report</li> <li>• MIAA Anti-Fraud Progress Report</li> <li>• MIAA Anti-Fraud Work Plan 2021-22</li> <li>• Cycle of Business</li> </ul>
2a	<p><b>Alert</b></p> <p>The Committee wishes to alert members of the board of directors that:</p> <ul style="list-style-type: none"> <li>• Following last month's alert, the incidence of competition waivers (x20) and full SFI waivers (x10), totaling £2.8m for the last quarter, remain high. Forty six waivers were completed for the year;</li> <li>• The Managing Conflicts of Interest and joint Audit / Anti-Fraud Review was presented by MIAA, and it was noted that 13 recommendations were made for improvement, all of which were accepted by management;</li> <li>• The Internal Auditors presented their Head of Internal Audit Opinion for 2020/21 which was limited, the same as last year.</li> </ul>
2b	<p><b>Assurance</b></p> <p>The Committee wishes to assure members of the board of directors that:</p> <ul style="list-style-type: none"> <li>• The annual anti-fraud plan 2021/22 was approved by the Committee;</li> <li>• The Committee have asked for a review of the dissolution of the board committees, undertaken at the end of 2020, to be undertaken to ensure that all applicable items that were presented through the former committees were now being presented appropriately as previously agreed.</li> </ul>
2c	<p><b>Advise</b></p> <p>The Committee wishes to advise members of the board of directors that:</p> <ul style="list-style-type: none"> <li>• The Draft Internal Audit Plan 2021/22 was discussed in detail. It was agreed that the Freedom to Speak Up effectiveness internal audit be deferred until the following year (allowing for the process to be fully embedded, and in view of the extensive cultural work currently taking place), and that the time allocated to this audit be re-allocated to a 'learning from incidents' review which would take place during the first half of 2021/22. With the amendment, the Committee approved the Plan.</li> </ul>

		<ul style="list-style-type: none"> <li>The Committee discussed the alerts / concerns being raised through the 'Triple A' Reports that were presented to Board from its committees – and how those concerns were monitored to action / completion. It was agreed that a monitoring and assurance process be established so that the Board can be fully sighted on the appropriate outcomes for those issues.</li> </ul>		
3	<b>Actions to be considered by the Board</b>	None		
4	<b>Report compiled by</b>	<i>Anna Milanec, Director of Governance</i>	<b>Minutes available from</b>	<i>Alison Kerr-Gold, EA to Director of Governance</i>