

<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> 16 December 2021	<b>Membership Numbers:</b> No member apologies received. Internal Audit and Counter Fraud (MIAA), External Audit (KPMG), Director of Governance and Communications, and Director of Finance in attendance. Deputy Chief Executive and Co-Medical Director also in attendance for parts of the meeting.
1	<p><b>Agenda</b></p> <p>The Committee considered an extensive agenda which included the following:</p> <ul style="list-style-type: none"> <li>• Internal Audit Progress Report (27 August to 7 December 2021)</li> <li>• Internal Audit: Medical Devices (revised) final report (limited assurance)</li> <li>• Internal Audit: Medical Rota final report (limited assurance)</li> <li>• Internal Audit: Safeguarding Review final report (limited assurance)</li> <li>• Internal Audit: Follow up reviews (Fit and Proper Persons Review, Recruitment and Retention Review, Bank and Agency Review)</li> <li>• Internal Audit Recommendations Tracker</li> <li>• External Audit: Progress Report</li> <li>• MIAA Anti-Fraud Progress Report</li> <li>• Counter-Fraud, Bribery and Corruption Policy</li> <li>• (Board) Assurance re financial governance processes</li> <li>• (Board) Potential breach of SFI's re lack of 'H2' budget setting</li> <li>• Losses and Special Payments Report</li> <li>• Procurement Waiver Review</li> <li>• Approval Limits</li> <li>• Board Assurance Framework 2021/22</li> <li>• Assurance Board Committees Review – progress report</li> <li>• Cycle of Business</li> </ul>
2a	<p><b>Alert</b></p> <ul style="list-style-type: none"> <li>• The Committee noted that the three completed internal audit reports brought before the meeting, each had an assurance rating of only 'limited'. It was agreed that these audits would be tracked for progress through the Internal Audit Recommendations Tracker.</li> <li>• The Committee heard that little progress had been made regarding the implementation of Criteria Led Discharge, with Committee members reminding the Executive that this matter had been ongoing for some years – Committee member Dr Lee cited QSAC minutes dated 19 July 2017 which had requested an update on this matter. The Committee agreed to bring the item back to each meeting until clear progress was made.</li> <li>• Regarding the implementation of Waiting List Initiatives, the Committee were provided with a detailed account of issues affecting slow progress. However, it was noted that an important meeting was to be held the following day, with an appropriate policy to be drawn up thereafter. The Committee agreed to bring the item back to future meetings to monitor progress.</li> <li>• As part of a discussion regarding outstanding internal audit recommendations relating to cyber / digital, the Committee were concerned that the issue of cloud-based back-ups had still not been</li> </ul>

		resolved at the time of the meeting.
2b	<b>Assurance</b>	<ul style="list-style-type: none"> <li>• Of the three follow-up internal audit reviews carried out, it was reported that all recommendations had been completed for both the 'Fit and Proper Persons Review' and 'Bank and Agency Review'. The majority (4 out of 5) recommendations relating to the 'Recruitment and Retention Review' had been completed or partially completed – work was being undertaken to complete the remaining recommendations.</li> <li>• The Committee received the BAF for Q3. Generally, feedback was positive – a detailed report appears separately on the agenda for the 10 February 2022 board meeting, which includes recommendations from the Committee.</li> </ul>
2c	<b>Advise</b>	<ul style="list-style-type: none"> <li>• A report, updating the Committee on the number of outstanding audit recommendations, was received and it was noted that whilst the overall number of recommendations had increased, the outstanding figure had decreased from 59 to 39. The Committee will continue to receive an updated position at each meeting until the number of outstanding recommendations decreases substantially.</li> <li>• The Committee members were asked to recommend to the Board a minor change to the Trust's delegation approval limits, increasing the revenue expenditure approval limit from £50,000 to £100,000 for 'executive directors and other directors as designated by the chief executive'. Additional information was provided, further to this request being presented at an earlier meeting, and the Committee was assured that this was an appropriate process. <b>The Committee indicated their recommendation to the Board for this matter to be approved.</b></li> <li>• The Committee received the Anti-Fraud Progress Report and noted progress made against the Trust's annual fraud plan.</li> <li>• The outcome of the review into the board assurance committee structure and workings, was received. It was agreed that more work needed to take place in this area and that this would be tracked by the Board.</li> </ul>

3	<b>Actions to be considered by the Board</b>	<ul style="list-style-type: none"> <li>• As above, the Committee is recommending to the Board that the Trust's delegation approval limits increase the revenue expenditure approval limit from £50,000 to £100,000 for 'executive directors and other directors as designated by the chief executive', <b>BE APPROVED.</b></li> </ul>		
4	<b>Report compiled by</b>	<i>Anna Milanec, Director of Governance and Communications</i>	<b>Minutes available from</b>	<i>Jo Wells, Executive Support Supervisor and Committee Secretary</i>