



TRUST BOARD

Title: KEY ISSUES AND ESCALATION POINTS
Name of Committee: Audit Committee
Committee Chair: Catherine Dugmore
Meeting Date: 10th October 2022

Summary of key messages:

The following key reports were covered at the last meeting:

- Local Counter Fraud Service (LCFS) progress report
- Internal Audit Progress, Follow-up and Healthcare Benchmarking reports
- Review of the Board Assurance Framework
- External Audit update – Final Accounts Progress report
- Approval of the Standing Financial Instructions and Standing Orders
- Review of the Risk Management policy
- Waivers and Special payments
- Key issues from other Committees

Counter Fraud - the Committee were made aware of the increase in mandate fraud across the sector, and the LCFS had issued alerts and warnings to the Trust which had been disseminated to staff to increase awareness. The Trust participated in a mandate phishing exercise and it was reported that due to the controls in place, the Trust did not pay the fake invoice.

The Internal Audit Progress Report and Follow up report were discussed by the Committee. A review of Clinical audit policy had been undertaken and completed and the policy had been uploaded for staff to view. It was agreed that the AC would receive where applicable updates on assurance and reports that had been reported to QISCOM. The Data Security and Protection Toolkit (DSPT) was for the first time subject to a mandatory audit. It was noted that the outcome of the audit work was an unsatisfactory opinion, there is an agreed action plan in place, and it is envisaged that there will be improvement in the next DSPT submission in June 2023. RSM noted that many providers had the same opinion this year, which is common when where a new audit requirement come into force.

The Committee reviewed the BAF and the overall the view from the Committee was that whilst the current BAF was robust, there are further areas for development. It was recommended that the Committee should consider reviewing the reporting arrangements for the BAF, for example, information for different audiences or Committees could be pulled out of the BAF rather than the whole BAF being presented. It was recommended that it would be useful for the Committee to know:

- Clarity of the BAF review process and other Committees
- Understand where there are any gaps in assurance
- Awareness of other sub-committees making a follow-up on the actions related to the management of the risks.

External Audit confirmed they had completed their work and submitted a completion report on 7th October and a final Opinion was issued on 10th October. The Chair and Committee members were concerned that all BDO reports had not been circulated before that meeting to all members and therefore it was not possible to appropriately consider the matters raised by BDO. It was therefore agreed that these reports would be presented at the Extraordinary Audit Committee meeting scheduled for 13th October. The Committee also noted a “wash-up” session would take

place with BDO and the Trust's senior Finance team (scheduled for 10th November) and findings would be presented to the next Audit Committee in January 2023.

Escalation Points:

The Committee would escalate the following:

- Clinical Audit received partial assurance. The Committee would continue to receive assurance on clinical audit processes whilst QISCOM would be taking an overview on the processes.
- An update on action plan for DSPT processes to be presented to the committee in January 2023.
- Extraordinary Audit Committee meeting scheduled to discuss External Audit reports.

Emerging Risks/Issues:

Agreed to review the escalation process to ensure that items picked up from other Committees were noted / flagged to the Committee.

Examples of Outstanding Practice or Innovation:

None

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