



TRUST BOARD

Title: KEY ISSUES AND ESCALATION POINTS
Name of Committee: Audit Committee
Committee Chair: Catherine Dugmore
Meeting Date: 16th January 2023

Summary of key messages:

The meeting was structured into 2 parts:

Part 1

- Resignation letter from BDO together with the Trust's response to that letter for noting by the Committee.
- Ratify the decision to appoint new auditors that was taken by the Committee through email.
- Introduction of new auditors (Craig Sullivan)
- Lessons learnt from 21/22 audit of annual accounts and action plan.

Part 2

- Local Counter Fraud Service (LCFS) progress report
- Internal Audit Progress and Follow-up reports
- Annual Review of Terms of Reference
- Review of the Board Assurance Framework
- External Audit update – Final Accounts Progress report
- Waivers and Special payments
- Key issues from other Committees

Regarding Part 1 – the Committee were presented with the papers and discussed, and the Committee confirmed they had been kept up to date regarding audit arrangements and were satisfied with the approach taken by the Trust to address BDO's resignation.

It was acknowledged the work being undertaken by the Trust on 'lessons learnt' provided assurance to the Committee that audit recommendations were taken onboard, and actions were being taken to address the issues identified during 2021-22 audit and the Committee would continue to monitor those processes.

Part 2 (key points) -

The BAF indicated there were 11 strategic risks identified, which was the same number as previously reported and the details and mitigation for each strategic risk were provided on risk-on-page. In addition, the Committee agreed that the current Cyber risk which is currently reported to the Infrastructure Committee, should become a Strategic Risk on the BAF.

The Committee received a verbal update on the Trust progress in implementing previous internal audit management actions and key headlines:

- To circulate after the meeting the following reports:
 - The agreed follow up process to allow internal audit to manage the flow of actions.
 - Internal audit tracker report.
- 6 actions were open of which 2 were overdue. The two actions related to DSPT; this was due to reporting time.
- 37 actions had been completed and closed since previous reported

Escalation Points:

The Committee would escalate the following:

- BDO's resignation, Trust acceptance letter and the appointment of Bishop Fleming.
- Lessons learnt from 2021/22 audit of annual accounts.
- Agreed to schedule Extraordinary Audit Committee meeting to agree internal and external audit plans before the end of the financial year.
- Executive Team to consider adding a BAF risk relating to cyber security.

Recommendation to revise the wording for Risk 3164 (staffing capacity).

Emerging Risks/Issues:

None

Examples of Outstanding Practice or Innovation:

None

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