

## AUDIT AND ASSURANCE COMMITTEE MEETING MINUTES

<b>Date:</b>	Tuesday 3 December 2019	<b>Time:</b>	13:00-17:00
<b>Venue:</b>	Field House Meeting Room, 1 <sup>st</sup> Floor, Field House, BRI	<b>Chair:</b>	Barrie Senior, Non-Executive Director
<b>Present:</b>	<b>Non-Executive Directors:</b> <ul style="list-style-type: none"> <li>- Mr Barrie Senior, Non-Executive Director, Chair (BAS)</li> <li>- Mr Jon Prashar, Non-Executive Director (JP)</li> <li>- Ms Selina Ullah, Non-Executive Director (SU), (via conference call for items 20 and 22)</li> </ul>		
<b>In Attendance</b>	<ul style="list-style-type: none"> <li>- Mr Matthew Horner, Director of Finance (MH)</li> <li>- Ms Sandra Shannon, Chief Operating Officer (SES), for item A.12.19.8</li> <li>- Mr Michael Quinlan, Deputy Director of Finance (MQ)</li> <li>- Ms Jacqui Maurice, Head of Corporate Governance (JM)</li> <li>- Mr Paul Hewitson, Deloitte (PH) for items 1-7 then 20, 22, 23, 28</li> <li>- Mr Nick Rayner, Deloitte (NR) for items 1-7 then 20, 22, 23, 28</li> <li>- Ms Helen Kemp-Taylor, Audit Yorkshire (HKT)</li> <li>- Ms Karina Rogers, Audit Yorkshire (KR)</li> <li>- Mr Steve Blenkinsop, Interim Director of Estates &amp; Facilities (SB), for item A.12.19.8</li> <li>- Ms Nadine Boczkowski, Head of Business Intelligence (NB), for item A.12.19.29</li> </ul>		

No.	Agenda Item	Action
A.12.19.1	<b>Apologies for Absence</b> <ul style="list-style-type: none"> <li>- Ms Adele Jowett, Audit Yorkshire (Counter Fraud Team)</li> </ul>	
A.12.19.2	<b>Declarations of Interest</b> There were no declarations of interest noted.	
A.12.19.3	<b>Minutes of the Meeting Held on 30 July 2019</b> The minutes were accepted as a correct record.	
A.12.19.4	<b>Matters Arising</b> The following items from the action log were closed: <ul style="list-style-type: none"> <li>- A.8.18.13 (07/08/18) 2018/161 Audit Committee Annual Self-Assessment</li> <li>- A.5.19.5 (21/5/19) 2019/142 Benchmarking &amp; Sector Developments Report and ISA 260 BAS emailed Trudy</li> <li>- A.10.18.5 (30/10/18) 2018/70 Deloitte Annual Audit Plan</li> <li>- A.4.19.20 (16/04/19) 2019/135 Data Quality</li> <li>- A.4.19.26 Regulatory Compliance 2019/38 Regulatory compliance</li> <li>- A.5.19.7 (21/5/19) 2019/143 Internal Audit Progress Report (Benchmarking)</li> <li>- A.5.19.8 (21/5/19) 2019/145 Follow-up of Internal Audit Recommendations</li> <li>- A.5.19.20 (21/5/19) 2019/147 ISA 260 – FT</li> <li>- A.7.19.3 (30/7/19) 2019/155 Minutes of May 21 Meeting</li> <li>- A.7.19.3 (30/7/19) 2019/156 Minutes of May 21 Meeting</li> <li>- A.7.19.3 (30/7/19) 2019/157 Minutes of May 21 Meeting</li> <li>- A.7.19.3 (30/7/19) 2019/158 Minutes of May 21 Meeting</li> </ul>	Head of Corporate Governance 2019/177

No.	Agenda Item	Action
	<ul style="list-style-type: none"> <li>- A.7.19.4 (30/7/19) 2019/159 Minutes of May 23 Meeting</li> <li>- A.7.19.4 (30/7/19) 2019/160 Minutes of May 23 Meeting</li> <li>- A.7.19.8 (30/7/19) 2019/162 Internal Audit Progress Report</li> <li>- A.7.19.8 (30/7/19) 2019/163 Internal Audit Progress Report</li> <li>- A.7.19.9 (30/7/19) 2019/164 Audit Committees – Board Subcommittees</li> <li>- A.7.19.10 (30/7/19) 2019/167 Appropriateness of Single Source Tenders</li> <li>- A.7.19.20 (30/7/19) 2019/171 Board Assurance Framework and Strategic Risk Register</li> <li>- A.7.19.22 (30/7/19) 2019/172 Clinical Audit Annual Report</li> <li>- A.7.19.23 (30/7/19) 2019/173 HFMA Audit Committee Annual Self-Assessment Checklist</li> <li>- A.7.19.23 (30/7/19) 2019/174 HFMA Audit Committee Annual Self-Assessment Checklist</li> <li>- A.7.19.23 (30/7/19) 2019/175 HFMA Audit Committee Annual Self-Assessment Checklist</li> <li>- A.7.19.32 (30/7/19) 2019/176 Attendees for Subsequent Audit Committee Meetings</li> </ul>	
<b>Section 2: External Audit</b>		
<b>2a Deloitte</b>		
A.12.19.5	<p><b>External Audit Annual plan 2019/20</b></p> <p>PH presented a verbal report to the Committee on progress made with the plan for completing the end of year process. PH had been waiting for clarification about whether or not the Wholly Owned Subsidiary (WOS) was going ahead given the significant impact this would have on the Trust accounts.</p> <p>The Committee noted the comments on progress made and agreed that this report would be deferred to the 4 February 2020 Audit &amp; Assurance Committee meeting now that that the WOS was not going ahead.</p>	<p>Paul Hewitson, Deloitte 2019/178</p>
A.12.19.6	<p><b>Benchmarking &amp; Sector Developments Report</b></p> <p>PH presented a verbal report to the Committee on the progress being made with benchmarking and highlighted the following sector developments:</p> <ul style="list-style-type: none"> <li>• The Redmond Review</li> <li>• National Auditor Office consultation</li> <li>• The Brydon Review</li> <li>• The Kingman Review</li> </ul> <p>The Committee noted the verbal update and the highlighted sector developments.</p>	
A.12.19.7	<p><b>Use of External Audit to Provide Non Audit Services (standing item)</b></p> <p>There were no matters to be brought to the attention of the Committee.</p>	
<b>2b Foundation Trust responses (by Exception)</b>		
	<p>There were no matters to be brought to the attention of the Committee.</p>	

No.	Agenda Item	Action
<b>Section 3: Internal Audit and Counter Fraud</b>		
<b>3a Audit Yorkshire</b>		
A.12.19.8	<p><b>Internal Audit Progress Report</b></p> <p>SES and SB attended for the first part of this item to report on Waste Management, an area identified by internal audit as having limited assurance. BAS asked what more can the Trust do to address the challenge of meeting waste management requirements.</p> <p>SES stated that, like other Trusts around the country, waste management has been a challenge for BTHFT. There has been little external support or guidance to deal with what has been a national issue. Locally there has been a huge amount of work done to deal with changes in contractors and implementing new processes to manage waste. In addition the E&amp;F staff have had to cope with industrial strike action. BTHFT is part of a regional consortium where Trusts share ideas. There has been significant improvement since the first report two years ago and the Trust continues to improve its management of waste. Training all staff to recognise and comply with the policies and procedures will not be a quick process. In order to continue improving, SES suggested that training compliance be reported quarterly to care group cabinet meetings and involve the matrons.</p> <p>BAS asked why it can be such a lengthy process to ask staff to close sluice doors. SES responded that it is not the asking that takes time, but checking that behaviour change is sustained does. BAS summarised that good progress has been made and that ongoing efforts need to be sustained.</p> <p>KR presented on the 17 Internal Audits report. The three reports that did not provide significant assurance were:</p> <ul style="list-style-type: none"> <li>- The Follow Up report does not provide an audit opinion</li> <li>- The Information Asset Register report will come to the Audit Committee in February.</li> <li>- The Waste Management report was rated as Limited Assurance and was discussed in detail above.</li> </ul> <p>The remaining 14 Internal reports provided Significant Assurance:</p> <ul style="list-style-type: none"> <li>- Absence Management (BH/04/2020) had two moderate and three minor recommendations which were discussed with the Director of HR.</li> <li>- Analysis, Categorisation and Reporting of Litigation Costs (BH/05/2020) had one minor recommendation which was agreed with Director of Governance and Corporate Affairs (DGCA).</li> <li>- Incident Reporting, Learning from Incidents and Serious Incidents (BH/06/2020) had two moderate and three minor recommendations which were all discussed with the DGCA or the Chief Operating Officer (COO).</li> <li>- Estates and Equipment Maintenance (BH/07/2020) had 4 moderate recommendations which were discussed with the COO.</li> <li>- Vehicle Safety Follow Up (BH/08/2020) demonstrates much improvement from last year with one moderate and five minor recommendations that have been discussed with the COO.</li> </ul>	

No.	Agenda Item	Action
	<ul style="list-style-type: none"> <li>- Provider to Provider Contracts Follow Up (BH/09/2020) had one minor recommendation which was discussed with the COO.</li> <li>- Business Continuity of Mission Critical Information Technology Systems (BH/10/2020) had five moderate and two minor recommendations that were agreed with the Chief Digital and Informatics Officer.</li> <li>- Safeguarding, Mental Health Act (BH/11/2020) had six recommendations that were agreed with the Chief nurse</li> <li>- Non Pay Expenditure (BH/13/2020) had two minor recommendations agreed with Director of Finance</li> <li>- Organisation Governance Deep Dives (BH/14/2020) had four minor recommendations that were agreed with the DGCA.</li> <li>- Medical Devices (BH/15/2020) had four moderate recommendations that were agreed with the DGCA. Refresher training for the use of medical equipment was identified as a particular action needed.</li> <li>- Regulatory Compliance Provider Licence (BH/16/2020) had one moderate and seven minor recommendations that were agreed with the DGCA.</li> <li>- Infection Control (BH/17/2020) had one moderate and ten minor recommendations that were agreed with the Chief Nurse.</li> <li>- Statutory Regulation Identification and Compliance Management (BH/18/2020) had two moderate and one minor recommendation agreed with COO.</li> </ul> <p>KR highlighted the four reports on the 2019/20 plan where changes were now proposed to either the timescale or scope. These were:</p> <ul style="list-style-type: none"> <li>- Performance Management Framework</li> <li>- Consultant Job Planning</li> <li>- Estates Strategy i.e. Sale of land, Project Management</li> <li>- NICE Guidance, including safety alerts</li> </ul> <p>The Committee approved the changes to the Plan.</p> <p>KR explained that the periods of industrial action had caused delays with some teams' capacity to support audit processes. Some departments also had changes to staffing that caused further delays.</p> <p>The Committee discussed whether other Committees are seeing the internal audit reports that relate to them, such as the Workforce Committee receiving the Absence Management (BH/04/2020) report. BAS suggested that other Committee chairs may wish to be sighted on the reports and be given access to them if they wish.</p> <p>The Committee noted the contents of the report and confirmed that they were assured.</p>	
A.12.19.9	<p><b>Internal Audit follow up Reports</b></p> <p>The Committee reviewed the Follow Up Recommendations report and questioned the relevancy of the older actions from 2016/17.</p> <p>KR reported on the following older recommendations:</p> <ul style="list-style-type: none"> <li>- Carbon Reduction (BH/21/2017) work paused while progress with the Wholly Owned Subsidiary took priority. This work stream is likely to be</li> </ul>	

No.	Agenda Item	Action
	<p>picked up again, particularly with the use of the E-Expenses system.</p> <ul style="list-style-type: none"> <li>- Asset Utilisation (BH/44/2017) has one recommendation. SES had recommended that this action be closed as the information available on the dashboard has superseded the initial recommendation.</li> <li>- Implementation of IR35 (BH/19/2018) was recently discussed with MQ who advised that recent advice from NHSI needed to go through SLT and Workforce to be adopted in to policy and should be complete before the end of March.</li> <li>- Payroll (BH/31/2018) is receiving further attention and should have some progress to report on in the New Year.</li> </ul> <p>BAS confirmed that KR's report provided underlying assurance that progress was being made and invited the comments of others.</p> <p>The Committee discussed Private Patients Follow Up (BH/16/2019) that MH stated was now small enough to be considered no financial risk to the Trust but would remain an outstanding recommendation until the Trust decides what its approach will be to Private Patients. He also stated that it is likely that this recommendation will be closed at its next review.</p> <p>The Committee noted the contents of the report and confirmed that they were assured by the work being done to follow up recommendations from the Internal Audit reports.</p>	
A.12.19.10	<p><b>Internal Audit Charter</b></p> <p>BAS suggested that the Internal Audit Charter (A.12.19.10) and the Working Together Protocol (A.12.19.11) were related and could be discussed together. He asked what the trigger was for the two papers.</p> <p>KR reported to the committee that the Charter is produced on an annual basis to confirm the standards that are being worked to and what has been agreed between senior managers of BTHFT and Audit Yorkshire. The Working Together Protocol is a more detailed definition of how the Charter will be complied with.</p> <p>BAS queried whether a fourth KPI was missing on page five of the protocol. HKT confirmed that they would look into that.</p> <p>HKT informed the Committee that KR would soon be going on maternity leave and Mr Jonathan Hodgson, Internal Audit Manager, would be covering.</p> <p>She further advised that Audit Yorkshire and 360 Assurance were shortlisted for a Governance Award; HKT thanked the Committee and the Trust for its support in the work it has done.</p> <p>The Committee noted the contents of the Internal Audit Charter and the Working Together Protocol.</p>	HKT Audit Yorkshire 2019/179
A.12.19.11	<p><b>Working Together Protocol</b></p> <p>This item was discussed at agenda item A.12.19.10</p>	
<b>3b Counter Fraud</b>		

No.	Agenda Item	Action
A.12.19.12	<p><b>Counter Fraud Progress Report</b></p> <p>The report was taken as read. BAS praised the thoroughness of the report and questioned whether the Trust does enough to assess fraud prevention and detection from the point of view of Procurement and Payroll.</p> <p>MH stated that the Trust has external third party assurance in place for both SBS and Payroll.</p> <p>The Committee confirmed that they were reassured by the report.</p>	
<b>3c Foundation Trust responses (by Exception)</b>		
<b>Section 4: Foundation Trust</b>		
<b>4a Is Financial Governance and its associated controls effective?</b>		
A.12.19.13	<p><b>Exception reports: Schedules of Losses and Special Payments</b></p> <p>The Committee reviewed the reports and highlighted a few points for further discussion:</p> <ul style="list-style-type: none"> <li>- £3.1m National Lottery funding (relating to Bradford institute for Health Research) followed another Procurement Process.</li> <li>- The services of a cleaning company were engaged at very short notice during strike action to procure deep cleaning services that were essential.</li> <li>- WT44-19 wasn't clear what it related to. MH said he would find out and follow up. BAS asked that more description go into the items to make clearer sense of each item.</li> </ul> <p>The Committee noted the contents of the report.</p>	Deputy Director of Finance, 2019/180
A.12.19.14	<p><b>Appropriateness of Single Source Tenders (13:22)</b></p> <p>The Committee took the paper as read and noted its contents.</p>	
A.12.19.15	<p><b>Annual Security Report</b></p> <p>MH presented the report to the Committee. The Committee were assured that the report had been submitted to the Quality Committee in June 2019 and noted the contents of the report.</p>	
A.12.19.16	<p><b>Standing Orders proposed changes</b> (standing item)</p> <p>There were no proposed changes to standing orders.</p>	
A.12.19.17	<p><b>Suspension of Standing Orders/Standing Financial Instructions</b> (standing item)</p> <p>There have been no suspensions of standing orders or standing financial instructions since the Committee's July meeting.</p>	
A.12.19.18	<p><b>Standing Financial Instructions</b></p> <p>MH presented the draft Standing Financial Instructions that are due for review by 31 March 2020.</p> <p>BAS asked what had prompted the proposed changes. MQ responded that</p>	



No.	Agenda Item	Action
	<p>he had been working with procurement and the wider finance team to look at the Standing Financial Instructions and Scheme of Delegation. Further, a comparison with those documents from other Trusts had led to a number of recommended changes. MQ advised that further work to ensure consistency will be undertaken between now and February.</p> <p>The Committee noted the proposed changes.</p> <p>The Committee noted that the SFIs would be back for review and approval in February 2020 and include all tracked changes.</p>	<p>Deputy Director of Finance, 2019/181</p>
A.12.19.19	<p><b>Reservation of Powers to the Board and Scheme of Delegation</b></p> <p>MH presented the Reservation of Powers to the Board and the Scheme of Delegation highlighting the importance of aligning the budgetary management framework to the Scheme of Delegation and detailing what does and what does not need to go to the Board of Directors.</p> <p>The Committee noted the report and that the Reservation of Powers to the Board and the Scheme of Delegation would be presented to the Committee for review and approval in February 2020.</p>	
A.12.19.20	<p><b>Accounting Standards (latest developments): IFRS 16</b></p> <p>MQ presented the report and requested that the Committee note the plan and timetable for implementing the International Financial Reporting Standard 16. MQ stated that BTHFT is working closely with other Trusts to compare BTHFT's preparations with other Trusts. MH highlighted the difficulty of acquiring affordable specialist resources with regard to IFRS16 and that recruitment has been managed through agencies.</p> <p>BAS shared his view that the Trust is taking the correct approach to a complex and time consuming exercise that needs to be mostly fulfilled by the end of March 2020.</p> <p>The Committee noted the contents of the report, was satisfied that the plan and the timetable are appropriate for the implementation of IFRS 16 and that satisfactory progress is being made.</p>	
A.12.19.21	<p><b>Other Assurance Functions</b> (standing item)</p> <p>No matters were raised</p>	
A.12.19.22	<p><b>ISA 260 – Charitable Funds</b></p> <p>The report was taken as read. NR stated that often legacies are seen as one of the larger risks in charitable funds due to complications such as probate etc. The audit process ran relatively smoothly with a minor error in extrapolating sample data across an untested population size having been corrected.</p> <p>The Committee confirmed that it was assured by the information provided.</p>	
A.12.19.23	<p><b>Charitable Funds Annual Report and Accounts</b></p> <p>The report was taken as read. MQ stated that the higher spend on staff education and welfare in 2018 compared with 2019 had been related to the</p>	

No.	Agenda Item	Action
	<p>introduction of EPR and the associated training.</p> <p>BAS queried whether Mr Andrew McConnell, as an Associate NED, needed to be on page 1 of the report or whether he should have an end date as well as a start date. MH agreed to amend the entry.</p> <p>The Committee noted the contents of the report and recommended that the Trustees approve the accounts.</p>	<p>Director of Finance, 2019/182</p>
<b>4b Are specific governance control systems effective? (workplan items)</b>		
A.12.19.24	<p><b>Board Assurance Framework and Strategic Risk Register</b></p> <p>The Committee noted that the BAF and the SRR had already been to Board. BAS reiterated his view that the way in which BTHFT uses and scrutinises the BAF and SRR has markedly improved during 2019.</p> <p>BAS noted that nine out of the ten risks are currently higher than their target and that all have previously been reviewed at Board.</p>	
A.12.19.25	<p><b>Oversight Of Board Committees</b></p> <p>BAS stated that Board Committees' Terms of Reference were revised in January/March to better align the scrutiny of BTHFT's governance and risk management control processes. The Audit and Assurance Committee was provided with this report ahead of the February meeting in preparation.</p> <p>The Committee noted the contents of the report and the work required to ensure an accurate reflection of gaps in controls and assurance.</p>	<p>Director of Governance and Corporate Affairs, 2019/183</p>
A.12.19.26	<p><b>CQC Compliance</b></p> <p>Further information from TC is required to support the Committee in understanding the link with CQC Compliance and the Progress reports as well as to understand the comments that were provided.</p> <p>The Committee agreed to note the report.</p>	<p>Director of Governance and Corporate Affairs, 2019/184</p>
A.12.19.27	<p><b>Draft Audit Committee Annual Report to Board</b></p> <p>BAS presented the draft report to the Committee for approval to be submitted to the January 2020 Board meeting. The Committee agreed that the report would be circulated for virtual review by JP and SU.</p> <p>Subject to the virtual review by JP and SU, the Committee approved the draft report to be submitted to January 2020 Board meeting.</p>	<p>Head of Corporate Governance, 2019/185</p>
A.12.19.28	<p><b>Annual Report and Quality Report Production Schedule</b></p> <p>The Committee noted the schedule</p>	
A.12.19.29	<p><b>Data Quality (DQ) Assurance</b></p> <p>NB attended for this item to present her report on Data Quality to the Committee and highlighted the two key mechanisms the Trust is using to provide maturity and performance improvement:</p> <ul style="list-style-type: none"> <li>- The Data Quality Framework provides visibility on the controls associated with the five key domains through to decision making.</li> </ul>	



No.	Agenda Item	Action
	<p>- The Improvement Plan is based upon assessed gaps in the controls and is monitored by a Data Governance Board that escalates areas where further strategic support is needed.</p> <p>BAS asked where NB felt the trust was in relation to knowing what Data it had, where it was and how 'clean' that data was. NB stated that in her opinion, the Trust has a better handle on where there are problems and how it is dealing with those problems.</p> <p>JP asked how NB thought the Trust was doing at balancing the need to get Data Quality right first time against the competing pressures of caring for patients and secondly how are staff doing at taking responsibility for mistakes and putting them right. NB stated that there were known gaps and measures in place to put them right through knowledge building, training and hierarchies of escalation. She also talked about systems such as EPR that have been around for around 2 years and the difficulty for some staff to ask for help after such a long time.</p> <p>NB stated the importance of striving for excellence in Data Quality as a continually moving goal as it can have a direct impact on patient care.</p> <p>The Committee thanked NB for the report and noted its comments. BAS asked that TC consider whether the Finance &amp; Performance Committee, in addition to the Quality Committee, should also have insight into the maturity model demonstrated in the Data Quality Assurance Report.</p>	<p>Director of Governance and Corporate Affairs 2019/186</p>
A.12.19.30	<p><b>Audit Committee Annual Self-Assessment</b></p> <p>BAS presented a verbal report to the Committee on the completion of the Self-Assessment using the 4<sup>th</sup> edition of the HMFA Audit Committee Handbook checklists. BAS, SU and JP all completed the checklist then met to discuss the results.</p> <p>BAS stated that at the time they met, they felt that in all areas other than Data Quality, they were confident that the Committee was performing well against those benchmarked standards. The Committee had resolved to exercise increased scrutiny of data quality.</p>	
A.12.19.31	<p><b>Regulatory Compliance</b></p> <p>The Committee noted that this paper assesses whether Policies are compliant rather than are staff complying with Policies but required further clarification from TC. They noted that the paper provides a quarter end position. MH stated that there was a procedure in place, backed up by a policy, whereby the Lead Director is reminded when a BTHFT policy is due for renewal and a Red, Amber or Green rating is given if the policy is nearing expiry or expired. It is then up to the Lead Director to ensure that the policy in question reflects latest guidance</p>	<p>Director of Governance and Corporate Affairs 2019/187</p>
A.12.19.32	<p><b>Internal Audit progress report (benchmarking report)</b></p> <p>The Committee noted that this item had already been discussed in dealing with matters arising 2019/143 and 2019/155.</p>	

No.	Agenda Item	Action
A.12.19.33	<p><b>EPRR Core Standards</b></p> <p>BAS confirmed that he had discussed this report with TC prior to the meeting and concluded that it does not, in its present form, support the EPRR submission to NHSI as many of the standards require further evidence. TC had advised BAS that the report will be submitted to Board in March describing the actions taken to reach full compliance. Following further discussion with Internal Audit during the meeting, it was determined that further clarity on this was needed.</p> <p>The Committee concluded that the report should go back to the January Quality Committee meeting for further review and consideration, with a report then coming to the February meeting of the Audit &amp; Assurance Committee.</p>	Director of Governance and Corporate Affairs 2019/188
<b>4c Corporate Governance</b>		
	There were no items to report under this section	
<b>Section 5: Audit and Assurance Committee Governance</b>		
A.12.19.34	<p><b>Any other Business</b></p> <p>No matters of other business were raised.</p>	
A.12.19.35	<p><b>Matters to share with other committees</b></p> <ul style="list-style-type: none"> <li>- A.12.19.33 EPRR – BAS to liaise with TC.</li> <li>- Internal Audit – Reports relevant to the Committees to be shared with those Committees (completed)</li> </ul>	
A.12.19.36	<p><b>Matters to escalate to Strategic Risk Register</b></p> <p>There were no matters to escalate to the Strategic Risk Register</p>	
A.12.19.37	<p><b>Matters to escalate to the Board of Directors</b></p> <ul style="list-style-type: none"> <li>- Charitable Funds Annual Report and Accounts and ISA 260</li> <li>- Audit Committee Annual Report 2018/19</li> </ul>	
A.12.19.38	<p><b>Items deferred to subsequent meetings</b></p> <p>There were no items deferred.</p>	
A.12.19.39	<p><b>Attendees for subsequent Audit Committee meetings</b></p> <p>Committee Chairs to present their draft Annual Reports in April 2020</p>	
A.12.19.40	<p><b>Review of meeting</b></p> <p>The conference call didn't work and it was felt that for such a long meeting it had limited use as it changes the dynamic.</p> <p>It was also felt that the Diligent system for adding comments was unhelpful particularly as the page numbers can change.</p>	
A.12.19.41	<p><b>Date and time of next meeting:</b></p> <p>Tuesday, 4 February, 2-5pm, Trust Meeting Room, Chestnut House, BRI</p> <p>The Committee discussed the need to move the April AAC meeting to avoid the Financial year end pressures, Easter and what would otherwise be a full</p>	

No.	Agenda Item	Action
	<p>week at Bradford for the Non-Executive Directors. It was suggested that a date be found later in April or the previous Thursday.</p> <p>JP gave apologies for the February meeting and noted the need to check with Selina to ensure quoracy.</p>	

**BRADFORD TEACHING HOSPITALS NHS FOUNDATION TRUST**  
**ACTIONS FROM AUDIT AND ASSURANCE COMMITTEE MEETING Held 03 December 2019**

Date of Meeting	Agenda Item	Required Action	Lead	Timescale	Comments/Progress
07.08.18	<b>A.8.18.13</b>	<b>Audit Committee Annual Self-Assessment Clinical Audit Assurance</b> - It was agreed that the Audit and Assurance Committee should review audit conduct (such as data quality), and the Quality Committee should focus on risks and areas for improvement. It was agreed that the Quality Committee should, adhering to the terms of reference, take the first step to consider the processes and outputs and confirm these in an assurance statement to the Board and the Audit and Assurance Committee on behalf of Board.	Director of Governance and Corporate Affairs 2018/161	22 October 2019	30.07.19 – To be carried forward to the October meeting. JM to clarify with TC in the meantime. Action to remain open. 03.12.19 – Now covered within the terms of reference. <u>Action Closed</u>
21.05.19	<b>A.5.19.5</b>	<b>Benchmarking &amp; Sector Developments Report and ISA 260</b> The Finance and Performance Committee to pick up assurance around the cultural shift required to deliver the Foundation Trust's Cost Improvement Plan.	Director of Finance 2019/142	30 <sup>th</sup> July 2019	30.07.19 – MH clarified that CIP progress is fed back at each F&P Committee. BAS to email Trudy Feaster-Gee re this point arising at previous AAC meetings, restating his four questions and suggesting the F&P Committee review in greater detail. Action to remain open. 03.12.19 – BAS emailed TFG. MH confirmed 2 new Business Finance Partners having an influence there is a greater focus on the CIP. SLT, F&P and Board all have sufficient focus. <u>Action Closed</u>

Date of Meeting	Agenda Item	Required Action	Lead	Timescale	Comments/Progress
30.10.18	<b>A.10.18.5</b>	<b>Deloitte Annual Audit Plan</b> “Assess the quality and capacity of the internal team, their incentives and the need for supplementary skill sets” - BAS to confer with the Chairman to determine how best to approach this as the Audit and Assurance Committee may not be the appropriate place.	Chair of the AAC 2018/70	22 October 2019	4/12/18: Action to be carried forward as Chair not yet discussed with the Chairman. 05.02.19: BAS to pick up with the new Chairman. 16.04.19 – BAS to speak to the new Chairman once in post. Action to remain open. 21.05.19 – BAS to report back the outcome of discussions in July. Action to remain open. 30.07.19 – BAS has had some outline discussions with the Trust Chairman. To pick up at next meeting. Action to remain open. 03.12.19 – The question is added as a standing item for February and July Audit meeting <u>Action Closed</u>
16.04.19	<b>A.4.19.20</b>	<b>Data Quality</b> Chief Digital and Information Officer to provide updates in April/May and October.	Chief Digital and Information Officer 2019/135	22 October 2019	03.12.19 Discussed at agenda item A.12.19.29. <u>Action Closed</u>
21.05.19	<b>A.5.19.7</b>	<b>Internal Audit Progress Report (Benchmarking Report)</b> Responses to each benchmarking report will be sought at the relevant meeting of the AAC in terms of actions, ownership and deadlines.	Chair of the AAC 2019/143	22 October 2019	30.07.19 The minute relating to this action was updated at the meeting held 30 July and is superseded by action ‘A.7.19.3 /155’. <u>Committee to confirm this action closed.</u>  Verbal item A.12.19.32 added to the agenda for 3 December

Date of Meeting	Agenda Item	Required Action	Lead	Timescale	Comments/Progress
					03/12/19 MH Shared three reports with PC, BG and MQ. MH requested that any benchmarking reports go through SLT before going to AAC for actions to be picked up. <u>Action Closed</u>
30.07.19	<b>A.7.19.3</b>	<b>Minutes of the Meeting Held on 21 May 2019</b> Page 4, and reference to the three benchmarking audit reports. The minutes to be amended to note 'opinions to be sought at the <i>next</i> meeting'. JM to inform the relevant Executive Directors that their opinion is required on their benchmarking audit reports for the October meeting and add to the next agenda.	Head of Corporate Governance 2019/155	22 October 2019	<u>3/12/19 Action closed.</u> This item was dealt with under 2019/143 above.
21.05.19	<b>A.5.19.8</b>	<b>Follow-up of Internal Audit Recommendations</b> KR to meet with each Executive Director over the summer months to review each recommendation and ensure the Directors are aware of and satisfied with the timescales for action.	Audit Yorkshire 2019/145	22 October 2019	03/12/19 KR met with Directors and discussed recommendations <u>Action Closed</u>
21.05.19	<b>A.5.19.20</b>	<b>ISA 260 – Foundation Trust</b> MQ/MH to keep the Committee updated on the impact of IRFS 16 on the Foundation Trust's accounts.	Deputy Director of Finance 2019/147	22 October 2019	Standing item added to the agenda. <u>Committee to confirm this action closed.</u> 03/12/19 Item on Agenda A.12.19.20 <u>Action Closed</u>
30.07.19	<b>A.7.19.3</b>	<b>Minutes of the Meeting Held on 21 May 2019</b> JM to check with KR if the sentence around Audit Yorkshire auditing on a cyclical basis with a self-assessment planned for 2019 should be transposed.	Head of Corporate Governance 2019/156	22 October 2019	KR has confirmed the correct wording for the minute The minute has been amended. <u>Committee to confirm this action closed.</u>



Date of Meeting	Agenda Item	Required Action	Lead	Timescale	Comments/Progress
					30/12/19 minutes were changed <u>Action Closed</u>
30.07.19	<b>A.7.19.3</b>	<b>Minutes of the Meeting Held on 21 May 2019</b> To alter the last full line on Page 6 to read “reassured” rather than “assured”.	Head of Corporate Governance 2019/157	22 October 2019	3/12/19 Minute has been amended accordingly. <u>Action Closed</u>
30.07.19	<b>A.7.19.3</b>	<b>Minutes of the Meeting Held on 21 May 2019</b> JM to amend the minutes as required and liaise with MH regarding the correct wording for the section on page 8. Virtual approval of the minutes in their final form would be sought outside of the meeting.	Head of Corporate Governance 2019/158	22 October 2019	3/12/19 Minutes have been amended accordingly following confirmation with MH and circulated for virtual approval. <u>Action Closed</u>
30.07.19	<b>A.7.19.4</b>	<b>Minutes of the Meeting Held on 23 May 2019</b> BAS requested that PH circulate an email response to the Committee regarding his two actions.	Deloitte 2019/159	22 October 2019	03/12/19 PH confirmed that the two actions from 23 May meeting were cleared by virtual meeting <u>Action Closed</u>
30.07.19	<b>A.7.19.4</b>	<b>Minutes of the Meeting Held on 23 May 2019</b> MQ to put together an email regarding the confirmed changes to the final annual accounts and share with JM. JM to circulate.	Deputy Director of Finance/Head of Corporate Governance 2019/160	22 October 2019	3.12.19 - Email provided by MQ and circulated. <u>Action Closed</u>
30.07.19	<b>A.7.19.8</b>	<b>Internal Audit Progress Report</b> BAS to email KR to seek clarification on timescales for completion and circulate.	Chair of the AAC 2019/162	22 October 2019	BAS contacted KR who advised that; “the number of finalised reports was discussed with MH prior to the AAC to highlight that the number was slightly lower than in previous years. The progress of some of the reviews has been impacted by challenges recent faced by the Trust i.e. strike action.

Date of Meeting	Agenda Item	Required Action	Lead	Timescale	Comments/Progress
					However, the actual number of days reported to the July 2019 AAC as being delivered (68) is comparable to the 74 days reported to the AAC in August 2018. 03/12/19 <u>Action Closed</u>
30.07.19	<b>A.7.19.8</b>	<b>Internal Audit Progress Report</b> BAS requested further information on each of the three reports around the amount of time the actions will take to implement, but noted the pressures involved.	Director of Finance 2019/163	22 October 2019	3/12/19 MH Confirmed that this was completed. <u>Action Completed</u>
30.07.19	<b>A.7.19.9</b>	<b>Audit Committees – Board Subcommittees Discussion Paper</b> KR to be present for discussion. Item deferred to the October meeting.	Head of Corporate Governance 2019/164	22 October 2019	03/12/19 Came to July meeting. <u>Action Closed</u>
30.07.19	<b>A.7.19.10</b>	<b>Appropriateness of Single Source Tenders</b> From a governance perspective, staff need to be more conscious regarding whether or not they have the authority to commit the Foundation Trust to expenditure.	Director of Finance 2019/167	22 October 2019	3/12/19. MH confirmed that appropriate people were being asked for sign off. <u>Action Closed</u>
30.07.19	<b>A.7.19.20</b>	<b>Board Assurance Framework and Strategic Risk Register</b> BAS to liaise with the other Board Committee Chairs to attend their meetings in order to gain an understanding of their scrutiny of the BAF.	Chair of the AAC 2019/171	22 October 2019	3/12/19 BAS is to attend other Committees as an observer following discussion with other Chairs at Forum held 7 November. <u>Action Closed</u>
30.07.19	<b>A.7.19.22</b>	<b>Clinical Audit Annual Report</b> JM to check if the final sentence under key options, issues and risks on the front sheet should state 2019/20 rather than 2018/19.	Head of Corporate Governance 2019/172	22 October 2019	3/12/19 JM has made the changes. <u>Action Closed</u>

Date of Meeting	Agenda Item	Required Action	Lead	Timescale	Comments/Progress
30.07.19	<b>A.7.19.23</b>	<b>HFMA Audit Committee Annual Self-Assessment Checklist</b> BAS to check with KR if she has any additional self-assessment materials	Chair of the AAC 2019/173	22 October 2019	3/12/19 Discussed at agenda item A.12.19.30. <u>Action Closed</u>
30.07.19	<b>A.7.19.23</b>	<b>HFMA Audit Committee Annual Self-Assessment Checklist</b> JM agreed to arrange for any administrative support required to produce the final document. JM to circulate Word versions of the checklist to SU and JP.	Head of Corporate Governance 2019/174	22 October 2019	Checklist circulated. BAS confirmed no support required. 3/12/19 Covered at Agenda Item A.12.19.30 <u>Action Closed</u>
30.07.19	<b>A.7.19.23</b>	<b>HFMA Audit Committee Annual Self-Assessment Checklist</b> BAS to email JP and SU to agree a timescale for completion and inform JM.	Chair of the AAC 2019/175	22 October 2019	Timescale agreed. 3/12/19 BAS confirmed this had been completed. <u>Action Closed</u>
30.07.19	<b>A.7.19.32</b>	<b>Attendees for Subsequent Audit Committee Meetings</b> JM to do a cross check on the workplan for any future attendees.	Head of Corporate Governance 2019/176	22 October 2019	3/12/19 JM confirmed the Chairs of Committees had been contacted. <u>Action Closed</u>
16.04.19	<b>A.4.19.26</b>	<b>Regulatory Compliance</b> TC to do a run through of the portfolio of policies to explore the gap around audit compliance and feedback at the October Committee.	Director of Governance and Corporate Affairs 2019/138	22 October 2019	03.12.19 Discussed at agenda item A.12.19.31. <u>Action closed.</u>
16.04.19	<b>A. 4.19.15</b>	<b>Standing Orders, Standing Financial Instructions, Scheme of Delegation: Compliance</b> MH to discuss with KR what works well elsewhere in terms of assurance of compliance.	Director of Finance/Audit Yorkshire 2019/132	21 May 2019	21.05.19 - MH provided a summary of the internal control framework in relation to this issue. KR described a benchmarking project which would support this. The internal audit plan will cover

					<p>this issue. Action to remain open.</p> <p>30.07.19 – MH confirmed this to be covered in the internal audit plan. Internal Audit Plan added to the 4 Feb Agenda.</p> <p><u>Action closed</u></p> <p>MH confirmed Items captured in internal audit plan. <u>Action closed</u></p>
16.04.19	<b>A.4.19.34</b>	<p><b>Matters to Escalate to the Board of Directors</b></p> <p>BAS to submit his annual report to Board regarding the matters dealt with at the Committee.</p>	Chair of the AAC 2019/141	21 May 2019	<p>21.05.19 – Report to come to the July meeting. Action to remain open.</p> <p>30.07.19 – BAS proposed to share with JP and SU virtually, copying to others for comments, with a view to achieving Committee approval by 31.08.19. To then go to the September Board. JM to discuss timing with TC. Action to remain open.</p> <p>03.12.10 Item on agenda for AAC.</p> <p>09.01.20 - AAC Annual Report submitted to Board in January 2020. <u>Action closed.</u></p>
05.02.19	<b>A.2.19.25</b>	<p><b>Board Assurance Framework</b></p> <p>It was agreed that TC would organise training on the BAF for the Non-Executive Directors in the new financial year.</p>	Director of Governance and Corporate Affairs 2018/126	21 May 2019	<p>21.05.19 – TC to meet with the Trust Chairman to decide requirements. Action to remain open and progress reviewed at the July meeting.</p> <p>30.07.19 – This remains outstanding. To be referred to</p>

					under A.7.19.20. 03.12.19 - Action to remain open. 04.02.20 - Scheduled for April 2020. <u>Action closed.</u>
21.05.19	<b>A.5.19.20</b>	<b>ISA 260 – Foundation Trust (charities with a connection to a non-charity)</b> TC to discuss the Charity Commission advice with the Trust Chairman.	Director of Governance and Corporate Affairs 2019/148	30 July 2019	30.07.19 – MQ confirmed the Charity Committee have now had sight of this. 03.12.19 – Conversation took place at Charitables Committee. 04.02.20 – Chair present at Charitables Committee for discussion. <u>Action closed.</u>
30.07.19	<b>A.7.19.5.1</b>	<b>Business Continuity Update – Response to AAC Action Log Item 2018- 91</b> A verbal update to be provided to the next AAC.	Director of Governance and Corporate Affairs 2019/161	22 October 2019	03/12/19 Action deferred. Paper added to February agenda. <u>Action closed.</u>
30.07.19	<b>A.7.19.10</b>	<b>Annual Internal Audit Performance Review</b> MH to remind the other Executive Directors to complete their questionnaires.	Director of Finance 2019/165	22 October 2019	3/12/19 All Directors reminded. Feedback received. Update to be provided at February meeting. <u>Action complete.</u> MH confirmed there is nothing of any concern identified. BAS identified he had not completed the questionnaire. MH to circulate final report.
30.07.19	<b>A.7.19.10</b>	<b>Annual Internal Audit Performance Review</b> JM to speak to KR about the external review i.e. who will do this and by when.	Head of Corporate Governance 2019/166	22 October 2019	3/12/19 – BAS confirmed this had been dealt with but should remain open.
30.07.19	<b>A.7.19.15</b>	<b>Appropriateness of Single Source Tenders</b> In ensuring awareness of the Scheme of	Head of Corporate Governance	22 October 2019	3/12/19 JM and TC developing a corporate governance

		Delegation this may be something that the Corporate Governance team could promote.	2019/168		booklet. 04.02.20. The booklet is being developed and reference to this will be included. <u>Action closed.</u>
30.07.19	<b>A.7.19.16</b>	<b>Appropriateness of Single Source Tenders – Estates</b> MH to review and improve the Estates procurement process	Director of Finance 2019/169	22 October 2019	3/12/19 Needs a timescale for review. MH to bring the plan to the next meeting with intended implementation in the new financial year. Added to February agenda. <u>Action closed.</u>
30.07.19	<b>A.7.19.20</b>	<b>Board Assurance Framework and Strategic Risk Register</b> BAS to meet with TC, JP and SU to review use of the BAF and SRR across committees.	Director of Governance and Corporate Affairs 2019/170	22 October 2019	Committee self-assessment process now initiated and includes review of the operation of the BAF and SRR through committees. The use of BAF and SRR will be assessed through this process. <u>Action closed.</u>
03.12.19	<b>A.12.19.4</b>	<b>Matters Arising</b> A.10.18.5 (30/10/18) 2018/70 Deloitte Annual Audit Plan, JM to add a standing item to AAC agenda in February and July	Head of Corporate Governance 2019/177	4 February 2020 and 28 July 2020	Added to February Agenda. <u>Action Closed</u>
03.12.19	<b>A.12.19.5</b>	<b>External Audit Annual Plan 2019/20</b> PH would present the report to the 4 February 2020 meeting with a revised view on the Wholly Owned Subsidiary.	Paul Hewitson, Deloitte 2019/178	4 February 2020	Added to February agenda as per the above action. <u>Action closed.</u>
03.12.19	<b>A.12.19.10</b>	<b>Internal Audit Charter</b> HKT to confirm what the fourth Key Performance Indicator was on page five of the protocol.	Helen Kemp-Taylor, Audit Yorkshire 2019/179	4 February 2020	Document altered as required. <u>Action closed.</u>



03.12.19	A.12.19.13	<b>Exception reports: Schedules of Losses and Special Payments</b> MH would find out what WT44-19 referred to and add more detail into the descriptions.	Director of Finance 2019/180	4 February 2020	MQ confirmed this was a nationally funded service and there was only one supplier. <u>Action Closed</u>
03.12.19	A.12.19.18	<b>Standing Financial Instructions</b> MQ will return the revised Standing Financial Instructions for review and approval in February, keeping all tracked changes.	Deputy Director of Finance, 2019/181	4 February 2020	Added to February agenda. <u>Action closed.</u>
03.12.19	A.12.19.23	<b>Charitable Funds Annual Report and Accounts</b> MH to amend the entry of Mr Andrew McConnell's name on page 1 of the report to have an end date.	Director of Finance, 2019/182	4 February 2020	Completed. <u>Action closed.</u>
03.12.19	A.12.19.25	<b>Oversight of Board Committees</b> The Committee noted the contents of the report and the work required to ensure an accurate reflection of gaps in controls and assurance.	Director of Governance and Corporate Affairs 2019/183	4 February 2020	Work has been done to strengthen the identification and management of gaps in controls and assurance with the Executive Directors and Committees through use of the BAF. <u>Action Closed.</u>
03.12.19	A.12.19.26	<b>CQC Compliance</b> TC to provide additional information in relation to the interaction between Progress and CQC compliance.	Director of Governance and Corporate Affairs, 2019/184	4 February 2020	Progress reviews are used on a reactive and proactive basis as scheduled to explore potential non-compliance. <u>Action closed.</u>
03.12.19	A.12.19.27	<b>Draft Audit Committee Annual Report to Board</b> A virtual review by JP and SU to be completed before the draft report is submitted to the January 2020 Board meeting.	Head of Corporate Governance, 2019/185	4 February 2020	Review completed. <u>Action closed.</u>

03.12.19	<b>A.12.19.29</b>	<b>Data Quality (DQ) Assurance</b> TC to consider whether Finance & Performance should also have insight into the maturity model demonstrated in the Data Quality Assurance Report.	Director of Governance and Corporate Affairs 2019/186	4 February 2020	Paper to be shared with the Finance and Performance Committee in February 2020. <u>Action closed.</u>
03.12.19	<b>A.12.19.31</b>	<b>Regulatory Compliance</b> The Committee noted that this paper assesses whether Policies are compliant rather than are staff complying with Policies but required further clarification from TC.	Director of Governance and Corporate Affairs 2019/187	4 February 2020	AAC to await results of IA in relation to policy compliance and subsequent SLT discussion. To be added to agenda of April meeting on AAC.
03.12.19	<b>A.12.19.33</b>	<b>EPRR  Core Standards</b> The Committee concluded that the report should go back to the Quality Committee for further review	Director of Governance and Corporate Affairs 2019/188	4 February 2020	Item added to the Quality Committee In January 2020. <u>Action closed.</u>