

## AUDIT AND ASSURANCE COMMITTEE MEETING MINUTES

<b>Date</b>	Tuesday 6 April 2021	<b>Time</b>	14:00-17:00
<b>Venue</b>	Virtual Meeting	<b>Chair</b>	Barrie Senior, Non-Executive Director

<b>Present</b>	<ul style="list-style-type: none"> <li>Mr Barrie Senior, Non-Executive Director, Chair (BAS)</li> <li>Ms Julie Lawreniuk – Non-Executive Director (JL)</li> <li>Mr Jon Prashar, Non-Executive Director (JP)</li> <li>Ms Selina Ullah, Non-Executive Director (SU)</li> </ul>
<b>In Attendance</b>	<ul style="list-style-type: none"> <li>Mr Sajid Azeb, Chief Operating Officer (SA)</li> <li>Ms Judith Conner, Associate Director of Quality (JC) - agenda item A.4.21.22</li> <li>Ms Karina Rogers Audit Yorkshire (KR)</li> <li>Mr Matthew Horner, Director of Finance (MH)</li> <li>Ms Helen Kemp-Taylor, Audit Yorkshire (HKT)</li> <li>Mr Richard Maw, Counter Fraud, Audit Yorkshire (RM)</li> <li>Mr Steve Moss, Counter Fraud, Audit Yorkshire (SM)</li> <li>Ms Laura Parsons, Associate Director of Corporate Governance/Board Secretary (LP)</li> <li>Mr Michael Quinlan, Deputy Director of Finance (MQ)</li> <li>Mr Nick Rayner, Deloitte (NR)</li> </ul>
<b>Observer</b>	<ul style="list-style-type: none"> <li>Amit Bhagwat, Council of Governors</li> </ul>

No.	Agenda Item	Action
A.4.21.1	<b>Apologies for Absence</b> Mr Paul Hewitson, Deloitte	
A.4.21.2	<b>Declarations of Interest</b> There were no interests declared.	
A.4.21.3	<b>Minutes of the meeting held 2 February 2021</b> The minutes were accepted as a fair representation of the meeting.	
A.4.21.4	<b>Matters Arising</b> The meeting noted that the greyed out items on the action log indicated those actions closed at the previous meeting. With regard to the actions the following updates were agreed and/or noted. <ul style="list-style-type: none"> <li><u>2020/199 Draft Annual Assurance.</u> Reports from Committees. The AAC was directed to the academy transition plan presented at the Regulation and Assurance Committee. <u>Action closed.</u> New action raised (2021/012) regarding the review of the BAF and SRR at Board development session and the questions to be posed by AAC.</li> <li><u>2019/187 Regulatory Compliance.</u> Policy for the Development and Management of Organisation-wide Procedural Documents is scheduled for review in September 2021. LP advised the review would include clarity on how compliance will be monitored which would include testing a sample of policies with regard to their monitoring. MH advised that internal audit had a role to play where risks were identified. It was further noted that a number of policies were enacted in response to events and as such provided opportunities to learn. <u>Action to remain open and reviewed again in October 2021</u></li> <li><u>2020/205 Counter Fraud Self-Review Tool.</u> Trust benchmarking to be</li> </ul>	Chair AAC 2021/012

	<p>addressed at agenda item 13. <u>Action closed.</u></p> <ul style="list-style-type: none"> <li>• <u>2020/219 Annual External Audit Performance Review: Charitable Accounts 19/20 Audit:</u> To be addressed at item 6.</li> <li>• <u>2020/221 Internal Audit Progress Reports.</u> 'Board action' mistakenly applied to commentary. <u>Action closed at 2/2/21 meeting.</u></li> <li>• <u>2020/224 Internal Audit Report: Nursing Assessment and Care Plans.</u> Chief Digital and Information Officer attending June AAC to provide update on EPR. Item included on the agenda. <u>Action closed.</u></li> <li>• <u>2020/225 Data Quality Assurance.</u> Chief Digital and Information Officer attending June AAC to provide update on Data Quality. Session on kite mark analysis added to board development programme. <u>Action to remain open.</u></li> <li>• <u>2020/231 Internal Audit Progress Report: Claims Management audit</u> included in 2020/21 plan for Q1. <u>Action closed.</u></li> <li>• <u>2021/001 Matters Arising:</u> Minutes amended regarding action log presentation. <u>Action closed.</u></li> <li>• <u>2021/003 External Audit Plan.</u> Deficit at Leicester Hospitals to be addressed at agenda item 5. MH further referred to IA report previously shared which will be used to support internal learning. <u>Action closed.</u></li> <li>• <u>2021/004 Charitable AR and Accounts 2019/20.</u> Update on advice from KPMG regarding accounting treatment would be presented at agenda item 6. <u>Action closed.</u></li> <li>• <u>2021/005 Internal Audit Progress Report:</u> Approval received from Regulation and Assurance Committee regarding deferred IAs. The draft plan for 2021/22 to be reviewed at agenda item 8. <u>Action closed.</u></li> <li>• <u>2021/006 Internal Audit Progress Report.</u> Queries raised in relation to the Asset Utilisation limited assurance report to be addressed at agenda item 11. <u>Action closed.</u></li> <li>• <u>2021/007 Counter Fraud Progress Report Update:</u> meeting scheduled for Friday 9 April between LCFS and HR in relation to time-sheet overpayment. <u>Action to remain open.</u></li> <li>• <u>2021/008 Assessment of bank controls:</u> MQ awaiting SBS report. Will share once received. <u>Action to remain open.</u></li> <li>• <u>2021/009 Annual Accounts 2020/21 update.</u> Meeting scheduled. <u>Action closed.</u></li> <li>• <u>2021/010 Security Management Standards for Providers.</u> Item tracked through to the Quality Academy. <u>Action closed.</u></li> <li>• <u>2021/011 Attendees for subsequent Audit Committee meetings.</u> Key Executives have been scheduled as required. <u>Action closed.</u></li> <li>• <u>2020/234 Board Assurance Framework and Strategic Risk Register:</u> Action to be consolidated with 2020/199 under new action (2021/012). <u>Action closed.</u></li> </ul>	
<b>A.4.21.5</b>	<p><b>Sector update and benchmarking</b></p> <p>The AAC discussed the following items:</p> <ul style="list-style-type: none"> <li>• <u>Group Accounting Manual (GAM):</u> MQ confirmed that the GAM had been reviewed and the team was currently identifying any disclosure changes that may need to be reported in the Annual Accounts.</li> <li>• <u>Financial reporting issues.</u> NR confirmed that the Deloitte central team was still considering the issues regarding the deficit of many millions that University Hospitals of Leicester (UHL) NHS Trust were able to 'hide' from their Audit Committee and Board. NR added that Trusts were providing additional detailed information in 2020/21 with regard to VFM and as such the governance trail should provide some assurance with</li> </ul>	

	<p>regard to practices. He further confirmed that NHSE/I had not issued any guidance with regard to the issue. The AAC agreed that action 2021/003 would remain open and reviewed at the next meeting. MH added that BTHFT would also provide assurance through the key lines of enquiry work being undertaken by Audit Yorkshire - at present colleagues are reviewing and commenting on various domains. BAS requested sight of the document once complete. MH agreed to confirm the date the report would be available as the exercise covered the whole organisation.</p> <ul style="list-style-type: none"> <li>• <u>ICS</u>: The AAC noted the good news that BTHFT was outperforming other Trusts.</li> </ul>	Director of Finance 2021/013
<b>A.4.21.6</b>	<p><b>Charitable Funds Annual Report and Accounts 2019/20</b></p> <p>NR confirmed that Deloitte was in receipt of the updated accounts however they were still reviewing the accounting treatment regarding the investment in question as they considered it to be 'a complex financial instrument'. MQ stated that this conflicted with his view that it was 'an investment' as the Trust's Charity received a fixed amount of income. A call has been arranged with Deloitte and members of the finance team, this week, to attempt to resolve the issue.</p> <p>BAS expressed frustration at the amount of time taken to finalise the accounts. MH stated that he was hopeful that there would be a conclusion from the discussion later in the week. MQ asked the AAC to note that the Charity Commission had not yet confirmed the deferred date for submission of the accounts.</p> <p>JL informed the AAC that the Charity Committee has concerns that the materiality of the investment in question is relatively small and yet driving all the work. As such it feels disproportionate. NR stated that the Charity was not large enough to require that it is audited however the Charity Committee had agreed to have an audit and as such Deloitte was bound to undertake all the work it was required to do. BAS asked if there is no solution would the Charity go down the route of having qualified accounts, and allowing the reader to take a position. NR stated that he would not advise as this as the problem would exist every year if there was no resolution. As such it would be beneficial to reach an agreement at this stage on the accounting treatment to be applied.</p> <p>MQ stated that informal advice had been received from KPMG which agreed with the BTHFT approach. KPMG has written informally to the Trust to confirm this. The AAC was asked to note that if the Trust required the provision of 'formal advice' then costs of £20,000 would be incurred with an additional £30,000 charged for measurement valuation. Taking into account the size of the Charity, the cost of the advice would exceed the investment return.</p> <p>MH agreed to report back to BAS on the outcome of the meeting. The AAC agreed that action 2021/004 would remain open.</p>	Director of Finance 2021/014
<b>A.4.21.7</b>	<p><b>Use of External Audit to Provide Non Audit Services (<i>standing item</i>)</b></p> <p>MH confirmed that there had been no use of the External Auditor for non-audit services.</p>	

<p><b>A.4.21.8</b></p>	<p><b>Internal Audit operational plan 2021/22 - draft</b></p> <p>Agreement had been reached at the Regulation and Assurance Committee to cancel, defer, delay and postpone identified internal audits from the 2021 plan and establish a one year plan for 2021/22. BAS commented that the mood for a one year plan rather than seeking to set a three year plan in the midst of what was happening with Covid is the right thing to do. KR confirmed that Audit Yorkshire had adopted the same position across all their client organisations. For the BTHFT plan for 2021/22 Audit Yorkshire will look at reviews brought forward from last year. The AAC noted that;</p> <ul style="list-style-type: none"> <li>• Assessments have been made against the BAF and SRR.</li> <li>• Meetings have taken place with each Executive to see if the assumptions are correct or if efforts needed to be focussed elsewhere in terms of the recovery from the Covid environment.</li> <li>• The developed plan has gone through EMT and is now presented to the AAC for comments and approval.</li> </ul> <p>HKT confirmed the discussion held with MH regarding the plan which took account of the resource envelope and building in some flexibility for any as yet unidentified areas for review. She would like to assure the AAC that IA have been reprioritising throughout the year and have reprioritised again as part of the planning. More audit areas are included for review which include those high risk areas where assurance is needed. MH added that the actual contract envelope equates to 520 days. HKT further referred to the work undertaken with MH to roll forward 60 days unused from this year to allow for a few more days being brought into the overall contract value.</p> <p>The AAC noted the following key points in response to questions and comments:</p> <ul style="list-style-type: none"> <li>• With regard to page five showing 'movement in days'; the rationale for changes related primarily to changes in executive portfolios or, where additional or less assurance has been requested.</li> <li>• The AAC discussed if the Academies should be in receipt of the audit plan to provide them with the opportunity of determining audits. KR suggested it might be more appropriate to share the progress update quarterly with the academies to gain any input they might have and to support their awareness of the plan.</li> <li>• All finalised IA reports are shared with the Board Secretary and added to the agendas of the relevant academies, in line with the Academy terms of reference.</li> </ul> <p>BAS queried if there were any deferrals or cancellations for a second time for the 2021/22 audit plan. KR referred to the 'Management of Volunteers' which had been stood down this year as Volunteers had not been on site for 12 months. As such this was not seen as a priority audit for 2021. BAS sought assurance that any of the audits that had not 'survived' were not required. KR confirmed this was the case adding that when it was time to consider the strategic three year plan they would seek to include the 'Management of Volunteers' and any others that had been stood down. It was further noted that HKT approved the plan on behalf of Audit Yorkshire.</p> <p>The AAC approved the plan for 2021/22. BAS added that it provided a good basis for moving into the new year.</p>	
<p><b>A.4.21.9</b></p>	<p><b>Internal Audit Progress Report</b></p> <p>BAS stated that overall the document provided good results. Six audits had been undertaken, four of which received significant assurance and two high</p>	

	<p>assurance. Whilst there was a long list of deferred or cancelled 2021 audits, the KPIs were looking excellent at 100%. KR provided a summary of the report and highlighted and discussed with the AAC the following:</p> <ul style="list-style-type: none"> <li>• Page 5: the additional column added against the 'summary of performance against 2020/21 plan' to reflect the revised 2021 plan and its reduction down to 292 days. At the time of producing the report Audit Yorkshire had completed 248 days which put BTHFT in a good position and supported the production of a meaningful Head of Audit Opinion.</li> <li>• Page 57: The 'work which must be completed' was progressing well and it was anticipated these would be completed in time to support the Head of Internal Audit Opinion.</li> </ul> <p>With regard to the Audit Reports presented;</p> <ul style="list-style-type: none"> <li>• <u>BH/10/2021 – Security Management: Significant Assurance.</u> There was one minor recommendation. The steering group will review and update the terms of reference to establish meeting quoracy.</li> <li>• <u>BH/11/2021 – Sustainability; Green Plan: Significant Assurance.</u> There were a lot of areas that had attracted high assurance. There was one moderate recommendation in relation to strategy which was owned by the Director of Strategy and Integration. The draft new strategy will feed into other strategies in the Trust hence the long time scale for its completion as it is reliant on other work to align all strategies.</li> <li>• <u>BH/12/2021 – Information Asset Register Follow Up: Significant Assurance.</u> The original report provided limited assurance. A lot of progress has been made. There is some work to finish and embed actions however these are moving in the right direction. There is one moderate recommendation outstanding. Over the last 12 months there has been a change in the CBUs and work has taken place to identify the correct asset owners.</li> <li>• <u>BH/13/2021 – COSHH Follow Up: Significant Assurance.</u> The original report provided limited assurance. IA has reviewed and there are many partially implemented recommendations that just require a little bit more work to get them over the line. Two recommendations have not been implemented due to limited progress. There is nothing outstanding that presents a high risk and no major concerns have been identified.</li> <li>• <u>BH/14/2021 – Concerns and Complaints Management: High Assurance.</u> This was a really positive review with no recommendations raised.</li> <li>• <u>BH/15/2021 – Premise Assurance Model: High Assurance.</u> Another positive review with no recommendations raised.</li> </ul> <p>JL commented on this good set of results. BAS confirmed with the AAC that it notes and gains assurance from the report. He thanked the IA team and the BTHFT staff who had participated within the audit processes.</p>	
<b>A.4.21.10</b>	<p><b>Follow up of Internal Audit Recommendations</b></p> <p>KR reported that there were 31 recommendations outstanding as at 31 March 2021. The AAC noted that the software utilised issues auto-reminders on day 3 of each month; as such of the 31 recommendations, 25 fell due by 31 March. Once reminders had been issued and people had updated the system then the 31 previously recorded may have reduced quite considerably by today's date and some of those recommendations would be complete.</p> <p>BAS requested from MH some flavour of the accountability of the Executives with regard to audit recommendations being completed. MH</p>	

	<p>described in detail the process whereby he presented limited assurance reports and flagged recommendations to his Executive colleagues. MH commented that whilst these are exceptional times, if we look back 12 months there were significantly more outstanding actions than there are at present. With regard to the recommendations presented in the report today, these had been highlighted to his colleagues with anything identified as exceptional drawn out.</p> <p>BAS acknowledged the good progress that had been made over the last year in completing recommendations. KR stated, and it was confirmed by HKT, that the Trust was in a healthy position. In response to a query for an update on Waste Management KR reported that a follow up review was currently underway. The final report is expected to have significant assurance and is scheduled to be presented to the AAC in June. There is one major recommendation outstanding in terms of the stock management system which the Chief Operating Officer is sighted on.</p> <p>SU raised a query with regard to pharmacy stocks. BAS stated that he believed the AAC had received a significant assurance report on Pharmacy. HKT and KR agreed to pick up with SU outside of the meeting.</p> <p>BAS stated that this was a good progress report reflecting the good processes in place. It was pleasing to note that the Trust was in a good position in terms of the number of outstanding recommendations.</p>	<p>HKT/KR Audit Yorkshire 2021/015</p>
<b>A.4.21.11</b>	<p><b>Limited Assurance Report – Endoscopy</b></p> <p>BAS stated that the Audit had given rise to three major recommendations which all point to the clinical operational aspect of endoscopy and the management monitoring of endoscopy equipment. BAS invited SA to provide assurance on how these issues would be resolved. SA stated that the Audit had been focussed on the ability to understand if the equipment within endoscopy that is of a high value is utilised in the most optimum and effective manner. There were three key areas of focus.</p> <ul style="list-style-type: none"> <li>• Its visibility as an asset on the register</li> <li>• Where the kit is located</li> <li>• Reporting on utilisation</li> </ul> <p>The report from Internal Audit provided a fair representation of the current position. With regard to the recommendations SA advised that;</p> <ul style="list-style-type: none"> <li>• The Trust has a capital asset register. We know which kit we have that is over the £5,000 mark. We don't have a robust system in place to provide an analysis of how often the kit is utilised. We believe that we can get that information from Scan4Safety. We are in the process of getting a contract signed for RFID to provide radiofrequency tracking to identify where the kit is at any given point in time. That will provide visibility. We are expecting contracts to be signed by year end with a roll out required to get the bar codes on the machines.</li> <li>• Regarding utilisation. This is a longer piece of work to enable the recording of where the kit is being used or has been used. There are systems that allow us to do that but we are somewhat off being able to produce viable reporting. We expect it would take approximately 6 months following the roll out of the bar codes to get the reporting on the utilisation of assets. We believe that other Trusts are in a similar</li> </ul>	

	<p>position in trying to correlate usage back to the users of the kits.</p> <p>BAS commented that one of the key challenges is that this does have to be automatic. Anything that requires clinicians to manually keep records will not achieve full compliance. SA concurred and stated that Scan4Safety would provide the best functionality and support staff in building it into processes. Further benefits are had with regard to tracking individual products that are used in treating individual patients, as a result providing improved tracking and visibility. MH added that there is monitoring of asset utilisation at a high level and prior to Covid there was monitoring of the usage of rooms. BAS commented that it sounds as though the Trust was making good progress and noted that it would take time to achieve the recommendations from the report.</p> <p>The AAC confirmed that it could not approve the recommendations presented in the paper as they related to operational decisions. The AAC did however confirm that it was assured with regard to the report provided by SA.</p>	
<b>A.4.21.12</b>	<p><b>Counter Fraud Plan (draft) 2021/22</b></p> <p>The AAC agreed to take this item and item A.4.21.13 Counter Fraud progress report April 2021 jointly. He invited SM and RM to present key points. SM reminded the AAC that the Counter Fraud Standards had been scrapped in the previous year and replaced by new standards. The Counter Fraud Service had looked at the new standards and aligned with work done previously and considered new things to incorporate. One key area is the introduction of metrics and the plan includes metrics tailored to BTHFT which have been discussed with MH.</p> <p>SM commented that the CFA appears to be fixed on aspirational savings and sanctions however, in terms of the number of referrals received from across their client base it seems sensible to focus on quality with regard to:</p> <ul style="list-style-type: none"> <li>• Making sure things are reported on a timely basis</li> <li>• Information is circulated on a timely basis</li> <li>• The counter fraud team is in touch and sharing information with all employees within 30 days of their starting</li> </ul> <p>Regarding the level of resource required, MH has agreed to the same level of resource as in the previous year. This is focussed on prevention, deterrence and awareness and from work undertaken by RM will build on that this year and include mandatory exercises from the CFA and Cabinet Office that are now required. A small amount of time has been allocated for investigations however if this is exceeded it will escalate to MH. A small amount of time has been attributed to investigations however if it looks as though we will exceed this we will escalate to MH. Both areas are linked to professional standards and we will have something akin to the new self-review tool available by the end of May. We don't have all the information as yet. When we undertake the self review exercise for 2021 there will be a number of standards that become non-compliant and not as a result of the organisation or counter fraud being at fault. This is as a consequence of the timing of the CFA and all Trusts are in the same position.</p> <p>BAS asked MQ if he had been involved in crafting the plan, in his capacity as the Trust's Fraud Champion. MQ advised that he was still in the early stages of the training course. SM stated that the new standards had created more of a role for the Fraud Champion adding that there was something in the plan that talked of the creation of a network for champions</p>	

	<p>to liaise with peers and share good practice.</p> <p>BAS commented that it was unfortunate that the new standards were released so late in the year however it provided a good framework for the assessment of activities. MH confirmed the discussions that had taken place in arriving at the plan and added that discussions had also focussed around the different elements and making these relevant and tailored to BTHFT. The AAC approved the action plan.</p>	
<b>A.4.21.13</b>	<p><b>Counter Fraud progress report April 2021</b></p> <p>This item as dealt with under the previous item, however RM asked the AAC to note that the progress report provided;</p> <ul style="list-style-type: none"> <li>• A useful summary recent alerts</li> <li>• Descriptions of the new standards</li> <li>• Update on current investigations</li> </ul> <p>The AAC was content to note the report. BAS expressed thanks on behalf of the AAC to the Local Counter Fraud Service for the work they continued to do for the Trust.</p>	
<b>A.4.21.14</b>	<p><b>Exception reports: Schedules of losses and special payments</b></p> <p>BAS commented on the increases in overseas debt and asked what actions the Trust had in place to contain this and recover sums outstanding. MQ asked the AAC to note that where overseas debt increases, it might be due to the Trust being more successful in locating overseas patients in hospital and raising invoices. The Trust had increased capacity within the team to recover funds. It was also working with the CCGs, other hospitals across the patch and, the UK Border Force to recover debt. In the final analysis the Trust was able to choose the legal route however chasing debt would usually be transferred to a debt recovery agency to exhaust other avenues that the Trust is unable to do itself. The overseas manager is also required to work within the national protocols and we do all we can to recover the debt. BAS concurred that there was a need to strike a balance and recognised that there was only a certain amount that the Trust was able to recover. The AAC noted the report.</p>	
<b>A.4.21.15</b>	<p><b>Appropriateness of single source tenders</b></p> <p>BAS noted the higher volume of SSTs than usually reported and had also concluded that we appear to be using them as we should. He asked for confirmation that this was the case. MH advised that historically more are seen in March. The Head of Procurement ensures that appropriate approvals are in place and will push back where these are not. Covid has had impact and across West Yorkshire there has been a step increase in SSTs raised and a piece of work is being undertaken by WYAAT to understand comparisons.</p> <p>MH added that staffing resource of suppliers has been reduced which has impacted the formal tender route with regard to receiving responses within timeframes. Similarly funds have been made available from the centre at a late stage to procure equipment. The Trust has gone through the compliance route to market however we have also completed SSTs to ensure that a full audit trail is in place. MQ reiterated that again this is common across all Trusts reacting to the unusual finance regime applicable to both capital and revenue resulting in Trusts receiving external funding on the basis of "use it or lose it". This has increased the pressure to purchase</p>	



	<p>at a faster pace than usual. Trusts have therefore had to respond at pace to ensure the revenue spend in line with funding prior to 31 March 2021.</p> <p>MH added that he had escalated to the ICS and NHSI that whilst we are using compliant routes to market; given the pace we are working at are we genuinely achieving value for money.</p> <p>BAS commented that there was a balance to be struck. He further commented that the report alongside the evident level of senior management involvement provides assurance that due process is being applied even with the impact of Covid.</p> <p>The AAC was content to note the report.</p>	
<b>A.4.21.16</b>	<p><b>Trust Compliance with Standing Orders, Standing Financial Instruction, Scheme of Delegation</b></p> <p>MH stated that no breaches had been reported.</p>	
<b>A.4.21.17</b>	<p><b>Standing Orders proposed changes (standing item)</b></p> <p>There were not changes to report.</p>	
<b>A.4.21.18</b>	<p><b>Suspension of Standing Orders/Standing Financial Instructions (standing item)</b></p> <p>MH confirmed there was nothing to note.</p>	
<b>A.4.21.19</b>	<p><b>Other Assurance Functions (standing item)</b></p> <p>BAS noted that the Cerner report regarding EPR would be considered by the AAC in June and presented by the Chief Digital and Information Officer.</p>	Chief Digital and Information Officer 2021/016
<b>A.4.21.20</b>	<p><b>Board Assurance Framework and Strategic Risk Register</b></p> <p>BAS stated that the cover report provided a useful and succinct summary of the Trusts position and further noted the actions undertaken to improve the BAF and SRR which is scrutinised at the Regulation and Assurance Committee and at Board. The AAC members had been privy to the information presented in other roles and noted the references to previous discussions that have taken place. The AAC noted and confirmed that it derived assurance from the report.</p>	
<b>A.4.21.21</b>	<p><b>Effective Management of Clinical Risks arising from Financial Pressures</b></p> <p>BAS reminded the AAC that this was an annual item for consideration by the committee. The committee's interest was focussed on the challenge to all Health Care providers to do all they can to keep patients safe and consistently provide good care. Whilst it is accepted that there are finite funds, patient safety cannot be compromised. The key question for the AAC is, do we continue to have right balance between patient safety and finances.</p> <p>MH advised that; during the previous 12 months there had not been a single point of compromise to provide care. As a result of the Covid environment this had been ensured as part of the rigorous command and control regime in place. Any decision above £5,000 was required to come through to gold command for approval. MH could 'count on one hand' the number pushed back or where a reduction was requested and as part of this on no occasion</p>	

	<p>had care been compromised. MH further advised that under the usual regime the Trust had in place improvement programmes. Where initiatives were presented to improve productivity or efficiency, decisions would only be approved if the appropriate impact assessments had been undertaken.</p> <p>The AAC confirmed it was reassured by the comments from the Director of Finance.</p>	
<b>A.4.21.22</b>	<p><b>Quality Management System</b></p> <p>BAS welcomed JC to the meeting. He advised that annually the AAC assesses if the Trust's Quality Management System (QMS) effectively and reliably protects patients and staff interests. Whilst he was conscious of the detailed reporting cycle that exists with regard to the Quality Academy (QA) it was good practice for the AAC to assess the overall governance and assurance provided. The paper, equivalent to that presented at the QA on 31 March, was helpful. BAS first invited JP to provide his comments and observations.</p> <p>JP advised that, from his personal observations, the QA was in its infancy. The Chairs of the Academy continued to tweak the membership and were keen to see how the debates would play out in the future. They were also sighted on how the meetings would be delivered effectively post-Covid given the number of people involved. With regard to strategic risk register there are a few points that JP made:</p> <ul style="list-style-type: none"> <li>• The Chairs are keen for the opportunities to learn lessons particularly in light of what happened in Maternity Services</li> <li>• Some issues they do need to get underneath and part of that involves understanding informatics and data quality issues</li> <li>• A huge positive is the change in approach to dealing with Serious Incidents. Receiving real time information is a significant improvement alongside how the information is handled and presented. The dashboard is fit for purpose. There has been significant improvement in the action plans and learning logs for SIs which fills the gap in terms of what the CQC would expect.</li> <li>• The Academy provides a strong operational focus and appears to cover the right issues. The review of trends is an important area of focus, particularly without Covid factored in, as it is crucial to get under real trends such as 'long waiters' which reflects another move in the right direction.</li> </ul> <p>JC stated that these were helpful comments from JP. With regard to SIs, the nature of the SI also dictated the application of different mechanisms for presentation to the Board, particularly for sensitive and emotive SIs. JC stated that the QMS included the aspiration to develop a psychologically safe organisation for reporting of safety incidents - this through applying the Academy ethos in relation to learning and improvement by addressing the cultural aspects at both micro and macro levels.</p> <p>JL commented on the performance report received at the Finance and Performance Academy where much of the data includes a lens through from the Quality Academy. JL enquired of JC if she was aware of the performance measurements. JC reported that discussions took place with the Chief Operating Officer on how to perceive the dashboard and this informed the discussions at the Quality Academy. A lot of work has been undertaken with the Executive Directors and the Business Intelligence unit as sections were not always previously completed with regard to the quality</p>	

	<p>sections of the dashboard. There is more active acknowledgement that there are cross overs and a need for triangulation to understand any impacts on quality and safety that need to be addressed.</p> <p>SU commented on SIs and how to embed learning and further provide assurance of this to ensure the loops are closed, a question which she had also raised at the Quality Academy. JC confirmed this was a key concern, that it was a 'hard nut to crack'. Some might say the absence of incidents is a measure however that can only provide low assurance. JC confirmed that she is working with teams to identify mechanisms for assurance. There is a need to make more use of IA reports and ward and leadership programmes which entails changing the discussions at leadership level. It is not good enough to look back three years following an incident as immediate learning is transferable learning. Work in progress includes, revisiting the implementation of action plans on a regular basis and triangulating data.</p> <p>Regarding other actions to improve quality management, the AAC noted:</p> <ul style="list-style-type: none"> <li>• The development with the Executives and the Performance team the balanced scorecard view in relation to the accountability framework. Testing is underway with the CBUs to bring together key parameters for the Trusts strategic objectives into one overview document to provide oversight at the point of receiving the data.</li> <li>• Focus on national audits and mandated audits to determine if we are an outlier and where improvements can be made</li> <li>• Learning from other organisations in partnership with WYAAT to consider the wider patient safety agenda.</li> <li>• Rebuilding our Quality Profile in terms of metrics and KPIs by Specialty and from both the bottom and the top, meeting in the middle. This would include metrics and KPIs pertinent to different specialties which will support ownership.</li> </ul> <p>In response to a question raised JC confirmed that actions originated from outside the Trust were addressed in the first instance through the Quality of Care Panel which meets on a weekly basis. They were not at the point where things were constantly green. Reporting takes place by exception to the Executives weekly and collated into a monthly report to Quality Academy.</p> <p>BAS commented on the useful discussion and stated that from the AAC perspective this provides assurance when reviewed in line with the reporting cycle to the Quality Academy as the AAC had done March 2021. BAS thanked JC for her report which had proved helpful.</p> <p>JC left meeting.</p>	
<b>A.4.21.23</b>	<p><b>Business Continuity Planning</b></p> <p>BAS stated that the AAC had considered this item a year ago. At that time there were three strands referred to which were at various stages of completion. The AAC was keen to understand, on behalf of the Board, the move forward to full assurance as to the completeness and effectiveness of business continuity plans.</p> <p>SA stated that, as a result of the pandemic, the Trust had never had an opportunity such as that currently presented to test the business continuity and emergency responses which has been applied to the way in which</p>	

	<p>Covid has been managed. Different command structures have been put in place. The Trust has been able to prioritise and deliver services. Systems and processes have been tested. As a result of the 2018 audit; there were three recommendations outstanding. All have been completed in terms of the Business Continuity Framework, EPR and the Business Continuity Plan. Two are currently under review and the other is due for review in 2022. The AAC noted the following:</p> <ul style="list-style-type: none"> <li>• Work undertaken on processes to support for clinical teams. Generic business continuity proformas had been created to support the development of localised plans and also provide flexibility for teams to tailor plans to meet their specific needs.</li> <li>• In terms of testing, SA cited a first-hand example which related to the fire experienced in a switch panel at BRI and how the teams had responded in unison to the emergency and also relied upon the implementation of business continuity plans. The incident was declared an SI and will be reported on as such. This was further used as a learning opportunity having undertaken a full review of what worked well, what did not work so well and what could have been done differently?</li> </ul> <p>SA discussed with the AAC the further work underway which involves;</p> <ul style="list-style-type: none"> <li>• Updating all business continuity plans which will be presented to the HSRC on 11 June for review and approval.</li> <li>• Generic plans have been created for wards and clinics which include action cards.</li> <li>• A planned, 'go dark IT event' will take place to test plans.</li> </ul> <p>The AAC was asked to note that the Executive Team had transferred Business Continuity planning into the COO portfolio as the CEO recognised the connection with EPRR.</p> <p>BAS commented on the good and robust processes presented whilst recognising the further work underway. SA added that, whilst the plan provided full oversight, the dates for completion would be added once the assessment was undertaken. SU commented that it was reassuring to hear from SA. BAS commented that it had also been useful to hear of the live example providing additional assurance of the working of the plan. He thanked SA for his report and the AAC confirmed that it derived assurance.</p>	
<b>A.4.21.24</b>	<p><b>Emergency Preparedness, Resilience and Response</b></p> <p>SA stated that the EPRR covers the Trust response where emergencies occur outside of the hospital and a response is required from the Trust. In the previous year the Trust had produced a good assurance map. The Trust had considered various aspects of EPRR and provided assurance where we were required to be prepared.</p> <p>SA stated that in October 2020 the Trust was advised that a full EPRR submission was not required, Instead Trusts were required to complete an Executive self-assessment. This was completed by the previous COO which covered off the three key areas and is listed in the paper presented for this item.</p> <p>The current position is similar to that reported. We were able to declare substantial compliance with 2019/20 standards. Of the four outstanding actions two more have been delivered. The areas where we are not compliant relate to:</p> <ul style="list-style-type: none"> <li>• Command and Control Training</li> </ul>	

	<ul style="list-style-type: none"> <li>• <b>EPRR Training</b></li> </ul> <p>These are now priorities for the EPRR manager to resume for the Trust. Initial command and control training has been hosted by NHSE and a number of Executives are scheduled for training. This will be embedded by undertaking small group desk-top exercises. Gold command will set up the incident. The third element will involve an unannounced and out of hours training exercise to enable the link between the theory, desk-top exercise and the practical element. Once the Trust is in receipt of the 2021 core standards we will work through self- assessment. SA added that he has requested a review as scenarios are unique and there will be a need to respond differently with regard to actions. Despite having to respond to Covid, we are making good progress in some areas and outstanding in others however these are in the main training related.</p> <p>The AAC noted the report.</p>	
<b>A.4.21.25</b>	<p><b>Governance Review – Update</b></p> <p>LP referred to the report presented and asked the AAC to note that the AAC terms of reference had been added for comment prior to them being presented to the Board for approval. The new template aligns with those utilised by the Regulation and Assurance Committee and Academies. As the AAC mandated that the AAC Committee and terms of reference are aligned with the HFMA handbook there have not been too many changes. BAS asked if the AAC was content for them to be presented in this form and would the AAC approve their presentation to the Board. The AAC confirmed their approval of the AAC terms reference.</p> <p>It was further noted that the AAC was required to consider when it would assess the Regulation and Assurance Committee. LP would confirm with the AAC when this would take place.</p>	Associate Director of Corp. Governance / Board Secretary 2021/17
<b>A.4.21.26</b>	<p><b>Audit Committee Work Plan</b></p> <p>The AAC noted the updated version of the plan and its content which had been reviewed by BAS and LP. The AAC was asked to note that the work plan was designed to be adapted as and when required. With this in mind, the AAC approved the plan.</p>	
<b>A.4.21.27</b>	<p><b>Any other Business</b></p> <p>There were no items raised.</p>	
<b>A.4.21.28</b>	<p><b>Matters to share with other committees/academies</b></p> <p>There were no matters to share.</p>	
<b>A.4.21.29</b>	<p><b>Matters to escalate to Strategic Risk Register</b></p> <p>There were no matters to escalate.</p>	
<b>A.4.21.30</b>	<p><b>Matters to escalate to the Board of Directors</b></p> <p>There were no matters to escalate.</p>	
<b>A.4.21.31</b>	<p><b>Items deferred to subsequent meetings</b></p> <p>There were no items deferred to subsequent meetings.</p>	
<b>A.4.21.32</b>	<p><b>Attendees for subsequent Audit and Assurance Committee meetings</b></p>	

	<p>The AAC noted that</p> <ul style="list-style-type: none"> <li>• The Chief Executive Officer would be in attendance in June to present the Annual Governance Statement.</li> <li>• The Chief Digital and Information Officer would be in attendance at the next meeting of the AAC scheduled in June to discuss <ul style="list-style-type: none"> <li>– Availability, reliability and security of EPR</li> <li>– Assurance regarding effectiveness of cyber security</li> <li>– Policies and procedures for ensuring acceptable data quality for all key Trust data</li> </ul> </li> </ul>	
<b>A.4.21.33</b>	<p><b>Review of meeting</b></p> <p>The meeting participants had no comments to make. BAS considered the meeting schedule and impressed upon Deloitte to ensure that the AAC would be in receipt of the ISA260 prior to 3 June to support the Annual Report/Annual Accounts discussion. NR stated that any issues would be shared in good time to ensure that the ISA260 was able to be issued ultimately for approval on 8 June.</p>	
<b>A.4.21.34</b>	<p><b>Date and time of next meeting:</b></p> <ul style="list-style-type: none"> <li>• 27 May, 2pm to 3pm. Informal accounts meeting (BAS, MH, MQ, JL, JP and SU)</li> <li>• 3 June, 2021 2pm to 5pm</li> <li>• 8 June*, (accounts sign off) 2pm to 3pm</li> <li>• 27 July, 2pm to 5pm</li> <li>• 19 October, 2pm to 5pm</li> </ul>	

### Actions from Audit and Assurance Committee Meeting held 6 April 2021

(To note that actions greyed out were closed at the meeting held on 6 April and included here as a reminder)

Date of Meeting	Agenda Item	Required Action	Lead	Timescale	Comments/Progress
4.2.20	A.2.20.27	<b>Draft Annual Assurance Reports from Committees</b> BAS would liaise with SU and Jon Prashar, Non-Executive Director, to consolidate questions and comments that would be fed-back to TC for inputting into the final version of the reports.	Chair of the Audit Committee 2020/199	6 April 2020	26.1.21 - action now redundant following stepping down of committees. AC will review and assess academy assurance reporting once proposals are available from governance review. 10/06/20 – The AAC hasn't received the reports as the Committees were stood down due to Covid-19. To be discussed under agenda item A.6.20.21. Action to remain open. 28.07.20 – In terms of the assurance reports requested by the AAC, there was a request from the Chairman for these to be absorbed into the work of the Committees, but there is currently a gap in the process. To be added to the list for the governance review process. Action to remain open. 13.10.20 – The annual assurance reports were not produced for last year due to the Covid-19 pandemic. This will be looked at as part of the governance review. ACTION to remain open and consolidated with: <u>Action 2018/126</u> which refers to the organisation of training on the BAF for non-executive directors. <u>Action 2018/170</u> Audit Committee review of BAF and SRR across committees. <u>Action 2020/195</u> where account to be

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					<p>taken of the IA BAF report (significant assurance) recommendations ensuring these are incorporated into the revised governance structure of the Foundation Trust.</p> <p><u>Action 2020/198</u> Proposed review of BAF and SRR at future board development day. To be reviewed by the new Board Secretary as part of the implementation of new governance arrangements.</p> <p><u>02.02.21</u> - LP confirmed that corresponding ToR's for all committees would be completed by May 2021. <u>Action to remain open.</u></p> <p><b>Matters arising 6/4/2021:</b> Actions consolidated into new action regarding review of the BAF and SRR - see new Action 2021/02. <b><u>ACTION CLOSED</u></b></p>
10.06.20	A.6.20.11	<p><b>Counter Fraud Self-Review Tool</b></p> <p>SM to keep the Committee apprised of developments from the CFA regarding benchmarking the Foundation Trust in terms of performance against similar trusts.</p>	Counter Fraud 2020/205	6 April 2021	<p>Added to February 2021 agenda</p> <p>28.07.20 – The NHS Counter Fraud Authority don't yet have the data. Action to remain open.</p> <p>13.10.20 – Progress report to be discussed under item A.10.20.11. Further update to be provided at the December meeting.</p> <p>02.02.21 – Progress report to be discussed under item A.2.21.11. <u>Action to remain open.</u></p> <p>Trust benchmarking to be addressed at agenda item 13. <b><u>ACTION CLOSED.</u></b></p>



Date of Meeting	Agenda Item	Required Action	Lead	Timescale	Comments/Progress
28.07.20	A.7.20.10	<b>Internal Audit Progress Reports</b> HKT to circulate full external assessment report.	Audit Yorkshire 2020/221	6 April 2021	Added to February 2021 agenda 13.10.20 – JH sent report to BAS today. BAS to circulate. Report to be presented at the December meeting for consideration by the Committee. 02.02.21 - This action is to be dealt with at Board Development. <u>Action to remain open.</u> 'Board action' mistakenly applied to commentary. <b><u>ACTION CLOSED AT 2/2/21 MEETING.</u></b>
28.07.20	A.7.20.13	<b>Internal Audit Report – Nursing Assessment and Care Plans</b> CF to provide a position statement on work carried out on Cerner to improve EPR functionality.	Chief Digital and Information Officer 2020/224	6 April 2021	22.01.21 –The Board Development programme is currently being developed for 2021 – this is noted as a requested item. 13.10.20 – JM shared update from IT Team. Covid-19 restrictions limited the planned work, but work has continued. JM to escalate to John Holden and the new Trust Secretary for inclusion on the Board Development Programme. <u>Action to remain open.</u> 6/4/21. Chief Digital and Information Officer attending June AAC to provide update on EPR. Item included on the agenda. <b><u>ACTION CLOSED.</u></b>
13.10.20	A.10.20.8	<b>Internal Audit Progress Report</b> MH to discuss the timing of the Claims Management audit with the CMO.	Director of Finance 2020/231	6 April 2021	MH contacted the CMO to confirm the request from the Chair of the AAC. 02.02.21 - The audit was deferred at the last meeting. BAS noted that there had been a lot of change with claims

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					management. The Committee had requested that the audit was completed within the current financial year, however, having seen the progress report things had moved on. <u>Action to remain open.</u> 6/4/21 Claims Management audit included in 2021/22 plan for Q1. <b><u>ACTION CLOSED.</u></b>
02.02.21	A.2.21.4	<b>Matters Arising</b> A one line prompt be added to the action log to remind members that greyed out actions had been closed at the previous meeting.	Head of Corporate Governance 2021/001	6 April 2021	Line added as required.  Minutes amended regarding action log presentation. <b><u>ACTION CLOSED.</u></b>
02.02.21	A.2.21.5	<b>External Audit Plan</b> Deloitte is discussing the case of Leicester Hospital Trust being able to hide c.£52m from their Audit Committee and Board with their Central Risk Team to determine any learning. PH to provide an update to the AAC.	Paul Hewitt Audit Director, Deloitte 2021/003	6 April 2021	Deficit at Leicester Hospitals to be addressed at agenda item 5. MH further referred to IA report previously shared which will be used to support internal learning. <b><u>ACTION CLOSED.</u></b>
02.02.21	A.2.21.6	<b>Charity Annual Report and Accounts.</b> The Trust should await advice from KPMG regarding the accounting treatment and then determine the process for how the accounts would be finalised with the Charity and AAC Committees.	Deputy Director of Finance and the Associate Director of Corporate Governance / Board Secretary 2021/004	6 April 2021	Update on advice from KPMG regarding accounting treatment would be presented at agenda item 6. <b><u>ACTION CLOSED.</u></b>
02.02.21	A.2.21.8	<b>Internal Audit Progress Report</b> BAS would be seeking to hear from those Executives allocated that they remain content for those audits to be deferred. MH would liaise	Director of Finance / Audit Yorkshire 2021/005	6 April 2021	Approval received from Regulation and Assurance Committee regarding deferred IAs and, the draft plan for 202/21 to be reviewed at agenda item 8. <b><u>ACTION</u></b>

Date of Meeting	Agenda Item	Required Action	Lead	Timescale	Comments/Progress
		with HKT on the content of the paper to be presented to the Regulation & Assurance Committee.			<b><u>CLOSED.</u></b>
02.02.21	A.2.21.8	<b>Internal Audit Progress Report</b> The report covering Asset Utilisation provided limited assurance. SU queried the likely impact on other areas of work for example Gastro and the pressures around Covid, the effect on other activity levels and the recovery and waiting times particularly. BAS queried if there would be any VFM implications. The Committee agreed that a response to these queries would be provided at the next meeting.	Director of Finance 2021/006	6 April 2021	Queries raised in relation to the Asset Utilisation limited assurance report to be addressed at agenda item 11. <b><u>ACTION CLOSED.</u></b>
02.02.21	A.2.21.15	<b>Annual Accounts 2020/21 update</b> MH advised that he and MQ had usually held a meeting with the members of the Audit Committee to run through in detail the draft accounts. JM and LP would arrange the meetings.	Associate Director of Corporate Governance / Board Secretary 2021/009	6 April 2021	Meeting scheduled for 27 May from 2pm-3pm. Meeting scheduled. <b><u>ACTION CLOSED.</u></b>
02.02.21	A.2.21.20	<b>Security Management Standards for Providers</b> BAS stated that the report referenced an annual submission to the Quality Committee and asked if it had been to the Quality Academy. KS advised it had gone through appropriate routes but would confirm this offline with LP and JM. MH advised that it was likely it had not been submitted to the Quality Academy due to the standing down of the Academies and Committees. BAS asked that it was brought to the attention of the Quality Academy in due course and LP would ensure this.	Associate Director of Corporate Governance / Board Secretary 2021/010	6 April 2021	The Quality Academy noted at its meeting on 31 March that it would be in receipt of the SM standards and Annual Report as part of its work programme.  Item tracked through to the Quality Academy. <b><u>ACTION CLOSED.</u></b>

Date of Meeting	Agenda Item	Required Action	Lead	Timescale	Comments/Progress
02.02.21	A.2.21.29	<b>Attendees for subsequent Audit Committee meetings.</b> The Committee confirmed that the Chief Operating Officer should be invited to speak to the IA limited assurance report for Asset Utilisation at the next AAC meeting.	Chief Operating Officer 2021/011	6 April 2021	The Chief Operating Officer is confirmed to attend the April meeting.  Key Executives have been scheduled as required. <b><u>ACTION CLOSED.</u></b>
28.07.20	A.7.20.6	<b>Annual External Audit Performance Review</b> MQ to speak to PH to agree a timeframe for completion of the Charity Audit.	Deputy Director of Finance/ Deloitte 2020/219	3 June 2021	<i>Deferred to March 2021 due to delay in auditing of the accounts.</i> 13.10.20 – The target for completion of the Charitable audit is November 2020. Action to remain open. 02.02.21 – An extension had been granted, target date to be confirmed. <u>Action to remain open.</u> To be addressed at item 6. Unresolved. <b><u>ACTION TO REMAIN OPEN.</u></b>
02.02.21	A.2.21.11	<b>Counter Fraud Progress Report Update</b> BAS asked if the offer from LCFS to work with Payroll, HR and Finance in relation to the timesheet overpayment had been pursued. RM responded that the offer had not yet been actively pursued and that it needed to be progressed. LCFS to pursue.	Richard Maw, Counter Fraud, Audit Yorkshire. 2021/007	3 June 2021	6/4/21. Meeting scheduled for Friday 9 April between LCFS and HR in relation to time-sheet overpayment. <b><u>ACTION TO REMAIN OPEN.</u></b>
02.02.21	A.2.21.13	<b>Assessment of bank controls</b> MQ would share the Audit Report from SBS with BAS.	Deputy Director of Finance 2021/008	3 June 2021	6/4/21. MQ awaiting SBS report. Will share once received. <b><u>ACTION TO REMAIN OPEN.</u></b>
02.02.20	A.2.21.4	<b>Matters Arising</b> BAS to liaise with Paul Rice with a view to him presenting at the April meeting to discuss the Cerner audit report and assurance gleaned and, how the Trust is assessing controls around the	Chair of the AAC 2021/002	3 June 2021	2.02.21 - BAS discussed with the Chief Digital and Information Officer who is now unable to attend the April meeting. As such items now deferred to June AAC.

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		EPR system.			
28.07.20	A.7.20.27	<b>Review Audit Committee Terms of Reference</b> Terms of reference to be reviewed as part of the annual self-assessment and governance review.	Chair of the AAC 2020/230	3 June 2021	Added to February 2021 agenda as part of self-assessment and governance review. 02.02.21 - Updated ToR's would be discussed at the February academies and then reported to the next Regulation and Assurance Committee meeting in April. <b><u>ACTION TO REMAIN OPEN.</u></b>
13.10.20	A.10.20.18	<b>Board Assurance Framework and Strategic Risk Register</b> BAS, SU, JP and JHL to discuss further as the relevant ToR are written.	Chair of the AAC/NEDs/ Director of Strategy and Integration 2020/234	3 June 2021	Added to February 2021 agenda. 02.02.21 - Both would be enhanced once the new governance structure was in place. <b><u>ACTION TO REMAIN OPEN.</u></b>
06.04.21	A.4.21.5	<b>Sector update and benchmarking</b> MH added that BTHFT would also provide assurance through the key lines of enquiry work being undertaken by Audit Yorkshire - at present executive colleagues are reviewing and commenting on various domains. BAS requested sight of the document once complete. MH agreed to confirm the date the report would be available as the exercise covered the whole organisation.	Director of Finance 2021/013	3 June 2021	
06.04.21	A.4.21.6	<b>Charitable Funds Annual Report and Accounts 2019/20</b> MQ stated that informal advice had been received from KPMG which agreed with the BTHFT approach. KPMG has written informally to the Trust to confirm this. The AAC was asked	Director of Finance 2021/014	3 June 2021	

Date of Meeting	Agenda Item	Required Action	Lead	Timescale	Comments/Progress
		<p>to note that if the Trust required the provision of 'formal advice' then costs of £20,000 would be incurred with an additional £30,000 charged for measurement valuation. Taking into account the size of the Charity, the advice would exceed the investment return.</p> <p>MH agreed to report back to BAS on the outcome of the meeting. The AAC agreed that action 2021/004 would remain open.</p>			
06.04.21	A.4.21.10	<p><b>Follow up of Internal Audit Recommendations</b></p> <p>SU raised a query with regard to pharmacy stocks. BAS stated that he believed the AAC had received a significant assurance report on Pharmacy. HKT and KR agreed to pick up with SU outside of the meeting.</p>	HKT/KR Audit Yorkshire 2021/015	3 June 2021	Copies of the finalised reports for Pharmacy System (Significant Assurance) issued in October 2020 and the Pharmacy and Medicine Management – Theatre Stock Follow Up (Significant Assurance) issued in July 2019 were provided to SU on 6 April 2021. <b>Action closed.</b>
06.04.21	A.4.21.19	The Cerner report regarding EPR would be considered by the AAC in June and presented by the Chief Digital and Information Officer.	Chief Digital and Information Officer 2021/016	3 June 2021	To be addressed under agenda item concerning 'Availability, reliability and security of EPR'.
06.04.21	A.4.21.25	<p><b>Governance Review – Update</b></p> <p>It was further noted that the AAC was required to consider when it would assess the Regulation and Assurance Committee. LP would confirm with the AAC when this would take place.</p>	Associate Director of Corp. Governance / Board Secretary 2021/017	3 June 2021	
06.04.21	A.4.21.4	<p><b>Matters Arising</b></p> <p>New action consolidated from 2020/199. Draft Annual Assurance Reports from Committees:</p>	Chair AAC 2021/012	27 July 2021	Risk Management including strategy review, BAF, risk appetite scheduled for 10 June 2021 Board Development Session.

Date of Meeting	Agenda Item	Required Action	Lead	Timescale	Comments/Progress
		BAS would liaise with SU and Jon Prashar, Non-Executive Director, to consolidate questions and comments that would be fed-back to TC (now LP) for inputting into the final version of the reports. Action for Chair of the Audit Committee Consolidated from 2020/234. Board Assurance Framework and Strategic Risk Register BAS, SU, JP and JHL to discuss further as the relevant ToRs are written. Action for Chair of the AAC/NEDs/Director of Strategy and Integration			
03.12.19	A.12.19.31	<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	19 October 2021	26.1.21 - This will be included within the review of the "Policy for the Development and Management of Organisation-wide Procedural Documents" – this action is included on the internal audit recommendations log. 4.2.20: 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. Results of IA to be presented to the meeting in June and further action agreed. 10/06/20 – Item to remain open until final report received. 28.07.20 – A policy management audit has been done. This will be kept under review and a possible re-audit carried out under the 3 year plan. Action to remain open pending the replacement for TC. 13.10.20 – There is reporting in the dashboards to indicate which policies are reviewed and current or need work.

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					<p>Assurance is needed that there is a mechanism within the FT that ensures staff comply with policies. Trust Secretary to pick up. Action to remain open.</p> <p>02.02.21 – LP advised that the action would be picked up when the policy guidance was reviewed. <u>Action to remain open.</u></p> <p>6/4/21. Regulatory Compliance. Policy for the Development and Management of Organisation-wide Procedural Documents is scheduled for review in September 2021. LP advised the review would include clarity on how compliance will be monitored which would include testing a sample of policies with regard to their monitoring. MH advised that internal audit had a role to play where risks were identified. It was further noted that a number of policies were enacted in response to events and as such provided opportunities to learn. <b><u>ACTION TO REMAIN OPEN AND REVIEWED IN OCTOBER 2021</u></b></p>
28.07.20	A.7.20.20	<b>Data Quality (DQ) Assurance</b> BAS to speak with the Chairman/Chief Executive regarding a session on kite mark analysis at a future Board development day.	Associate Director of Corporate Governance / Board Secretary 2020/225	February 2022	<p>22.01.21 –The Board Development programme is currently being developed for 2021 – this is noted as a requested item.</p> <p>13.10.20 – BAS to inform JM of what is required. JM to escalate to John Holden and the new Trust Secretary for inclusion on the Board Development Programme.</p>



Date of Meeting	Agenda Item	Required Action	Lead	Timescale	Comments/Progress
					<p>Action to remain open. 02.02.21 - This item is on the wish list to discuss at Board Development when time permits. <u>Action to remain open.</u></p> <p>Chief Digital and Information Officer attending June AAC to provide update on Data Quality. Session on kite mark analysis added to board development programme (9/12/21). <b><u>ACTION TO REMAIN OPEN AND REVIEWED IN FEBRUARY 2022.</u></b></p>