

## CONFIRMED AUDIT COMMITTEE MEETING MINUTES

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| <b>Date</b>  | Tuesday, 26 July 2022 | <b>Time</b>  | 14:00-17:00                           |
| <b>Venue</b> | Virtual Meeting       | <b>Chair</b> | Barrie Senior, Non-Executive Director |

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| <b>Present</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 Julie Lawreniuk, Non-Executive Director (JL)</li> <li>Ms Sughra Nazir, Non-Executive Director (SN)</li> </ul>   |
| <b>In Attendance</b> | <ul style="list-style-type: none"> <li>Mr Matthew Horner, Director of Finance (MH)</li> <li>Mr Michael Quinlan, Deputy Director of Finance (MQ)</li> <li>Ms Helen Higgs, Audit Yorkshire (HH)</li> <li>Mr Richard Maw, Counter Fraud, Audit Yorkshire (RM)</li> <li>Mr Nick Rayner, Deloitte (NR)</li> <li>Ms Laura Parsons, Associate Director of Corporate Governance/Board Secretary (LP)</li> <li>Ms Jacqui Maurice, Head of Corporate Governance (JM)</li> <li>Dr Paul Rice, Chief Digital &amp; Information Officer (PR) - agenda item A.7.22.25 &amp; A.7.22.26</li> <li>Sue Franklin, Associate Chief Nurse for Quality Improvement/Freedom to Speak Up Guardian(SF) - for agenda item A.7.22.27</li> </ul> |

| No.             | Agenda Item  | Action |
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| <b>A.7.22.1</b> | <b>Apologies for Absence</b> <ul style="list-style-type: none"> <li>Mr Jonathan Hodgson, Internal Audit</li> <li>Mr Paul Hewitson, Deloitte</li> <li>Ms Liz Tomlin, Head of Quality Improvement and Clinical Outcomes (LT) and Ms Judith Connor, Associate Director of Quality (JC) – agenda items A.7.22.23 &amp; A.7.22.24 (<i>item now deferred to the October meeting</i>)</li> </ul>  |        |
| <b>A.7.22.2</b> | <b>Declarations of Interest</b><br>There were no interests declared.   |        |
| <b>A.7.22.3</b> | <b>Minutes of the meeting held 24 May, 15 June and 21 June 2022</b><br>The minutes were accepted as a fair representation of the meeting.  |        |
| <b>A.7.22.4</b> | <b>Matters Arising</b><br>The meeting noted that the greyed out items on the action log at Appendix 1 indicated those actions closed at the previous meeting. With regard to the actions due for consideration at this meeting the following updates were provided:<br><br><b>With regard to 24 May 2022. The updates provided for the following actions were noted by the AC and the actions confirmed as closed.</b><br><u>A22024 – Audit Committee work plan – action closed</u><br><u>A22027 – Third Party Assurance – action closed</u> |        |

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|                 | <p><u>A22030 – Private meeting with external audit</u> – <b>action closed</b><br/> <u>A22025 – Matters arising Audit Committee work plan</u> – <b>action closed</b><br/> <u>A22029 - Draft annual governance statement</u> – <b>action closed</b><br/> <u>A22004 – Assurance – key IT systems</u> – <b>action closed</b><br/> <u>A22006 – Data Quality (DQ) Assurance</u> – <b>action closed</b><br/> <u>A22026 - Annual report &amp; draft HoIAO</u> - the AC noted that the audit model has changed slightly. Internal Audit would expect to continue to see some limited reports but the aim of the Trust is for continued improvement. – <b>action closed</b></p> <p><u>The AC confirmed that the following actions would remain open.</u></p> <ul style="list-style-type: none"> <li>• <u>A22021 – Policies and procedures for ensuring acceptable data quality for all key trust data</u> – HH agreed circulate an update – <b>action to remain open</b></li> <li>• <u>A22028 – Third Party Assurance</u> – Cerner report not yet received from Informatics. – <b>action to remain open</b></li> </ul> <p><b>15 June 2022</b></p> <ul style="list-style-type: none"> <li>• <u>A22(1)001 – ISA 260 Foundation Trust</u> – <b>action closed</b></li> <li>• <u>A22(1)003 – Annual reports from academies</u> – <b>action closed</b></li> <li>• <u>A22(1)002 – ISA 260 – FM report</u> – JM to liaise with NR on timescales to enable internal approval to be sought prior to laying accounts in parliament- <b>action to remain open</b></li> </ul> <p><b>21 June 2022</b><br/> <u>A22(2)001 - ISA 260 – Foundation Trust</u> – during the last financial year we did not account for the profit made in the joint venture as under the accounting standards we didn't have to account for the joint venture due to the grounds of materiality. This position was agreed with Deloitte in March. The Group Accounting Manual (GAM) now states that there is an expectation to account for the joint venture regardless of its materiality. We will be accounting for it in this financial year using the equity accounting method. There was no retrospective accounting undertaken for this error last year – <b>action closed</b></p> |                                |
| <b>A.7.22.5</b> | <p><b>Sector Update and Benchmarking report</b><br/> There was nothing to report on this item.</p>   |                                |
| <b>A.7.22.6</b> | <p><b>Annual External Audit Performance Review</b><br/> MH confirmed that a timescale has not yet been agreed for the review but two internal finance meetings have taken place to review performance. A meeting is expected to take place within the next month between the finance team and Deloitte to review the past year and any lessons learnt to improve the process for the coming year. MQ confirmed that he had already met with Deloitte to begin discussions. The final meeting with CS, MH and Deloitte will be arranged and an update will be provided at the October AC meeting.</p>   | Director of Finance<br>2022/32 |
| <b>A.7.22.7</b> | <p><b>Use of External Audit to Provide Non Audit Services (standing item)</b><br/> There was nothing to report on this item.</p>   |                                |

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| <b>A.7.22.8</b>  | <p><b>Internal Audit Progress Report</b></p> <p>The AC noted the report and the significant amount of activity made with regard to progress. HH highlighted the following key points:-</p> <ul style="list-style-type: none"> <li>• 12 audits in progress</li> <li>• 3 audits deferred from Q1 to later in the year</li> <li>• 4 audit timescales have moved and the co-operation of the Executive Team is required to progress these.</li> </ul> <p>HH advised that due to some audits being deferred they will ensure that their resources are used to pull other audits forward. MH stated that he had met with KR regarding progress and has asked for this to be escalated if there are further issues. He drew attention to the additional NHS Financial Sustainability audit which is a mandated internal audit from NHSE for internal audit to review our self-assessment of the HFMA document regarding 'getting back to business as usual'. This dovetails into the work relating to the Leicester NHS FT position which will in turn be reported back to the Audit Committee and the Board of Directors. This will be a sizable audit of around 15 days which will take account of the most recent HFMA comments and, if our Trust has adequate internal financial governance and reporting arrangements in place. The scope for the audit is to be agreed by the end of August but no deadline for reporting nationally has yet been determined. Guidance from the NHSE is still outstanding.</p> <p>The Committee noted the report and the assurance provided.</p> |  |
| <b>A.7.22.9</b>  | <p><b>Follow up of Internal Audit Recommendations</b></p> <p>HH advised that the report should be taken as read and asked the AC to note the 34 overdue recommendations with 17 having no revised dates. HH requested action around these elements as soon as possible.</p> <p>BAS felt that the quality and completeness of the report needed to move forwards to ensure all actions are being pursued according to deadlines and to ensure any comments are included. MH noted that he receives a monthly report from internal audit which is shared with Executive Directors for updates. MH agreed to follow up with the Executive Team to ensure the document is fully populated prior to the October Audit Committee. HH advised that only by rare exception should the agreed audit dates be changed and to keep the timescale changes to a minimum.</p> <p>The Committee noted the report.</p>  | <p>Director of Finance<br/>2022/33</p> |
| <b>A.7.22.10</b> | <p><b>Annual Internal Audit Performance Review</b></p> <p>MM reminded the AC that last year internal audit provided a questionnaire that Audit Committee members completed. He recommended that a similar process could be undertaken this year. After discussion it was suggested that a separate 30 minute meeting is</p>   |  |

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|                  | <p>arranged to use the Mentimeter system to review internal audit performance. MH agreed to action.</p> <p>The Committee noted the verbal update.</p>   | <p>Director of Finance<br/>2022/34</p>  |
| <b>A.7.22.11</b> | <p><b>Annual Internal Audit Charter</b><br/>HH advised that minor changes were approved by the Audit Yorkshire Board at its meeting in July 2022 which have subsequently been reflected in the Charter. HH agreed to circulate the minor changes to the Committee via email.</p> <p>BAS queried if the list on page 4 (A-I) had been cross referenced to the internal audit plan to see if it highlighted any absences from the plan that we may need to consider. HH confirmed that it hadn't been formally checked. BAS suggested that a cross reference is undertaken and HH agreed to action and report back to MH if anything arose.</p> <p>The Committee noted the paper and the assurance provided</p>   | <p>Head of Internal<br/>Audit<br/>2022/35</p> <p>Head of Internal<br/>Audit<br/>2022/36</p> |
| <b>A.7.22.12</b> | <p><b>Counter Fraud progress report update</b><br/>The report was taken as read. RM discussed with the Audit Committee the following key items.</p> <p><b>[REDACTED]</b></p> <p>The Committee noted the report.</p>   |   |
| <b>A.7.22.13</b> | <p><b>Counter Fraud Annual Report</b><br/>The Committee took the report as read.</p> <p>SN queried if there is a mechanism to identify and monitor potential misappropriation of stock inventory. RM confirmed that these types of issues fall under the theft legislation rather than fraud and as such this would sit with the Estates &amp; Facilities (security) team.</p> <p>MQ advised that SFIs and policies are in place for lost, damaged or missing stock which is widely shared throughout the Trust. MH noted that as part of the implementation of Scan for Safety there will be an inventory management system which is being implemented from a patient safety perspective which will enable us to be more effective in managing our stock and aligning items of stock to patients. This will aid us in better managing our stock and highlighting any concerns. At present we do not have the appropriate technology however this should be available within the next 6-12 months.</p> <p>JP queried whether RM had a view on the future change in reporting due to potential pressures on staff to look for an additional or extra income due to the cost of living pressures and if so will more stringent measures have to be put in place to combat this? RM confirmed that we will be raising the profile of fraud prevention in terms of counter fraud work over the next year via the counter fraud newsletter. RM felt it was likely that we will see a rise in fraud cases and, dependent on numbers reported,</p> |   |

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|                  | <p>may need more stringent interventions. Counter fraud updates will be included in the quarterly reports as scheduled to the Audit Committee. HH assured the Committee that internal audit and counter fraud work closely to highlight any issues where there are lack of controls that need tightening.</p> <p>The Committee approved the report</p>  |   |
| <b>A.7.22.14</b> | <p><b>Exception reports: Schedules of losses and special payments</b><br/>The Committee took the paper as read. BAS queried the increasing figures for overseas debt which is now averaging £42,000 against £2,728 in the last two years. MH felt that this could be in part due to the overseas debt team being re-deployed during the pandemic and work ceasing but are now back in situ and recouping the outstanding debts. MQ agreed to investigate and bring an update back to the October meeting.</p> <p>SN highlighted the high figures relating to loss of personal effects last year and queried what procedures are in place to reduce the numbers and keep patients belongings safe. MQ advised that there is a process in place to record each item lost and the lessons learnt to mitigate the risk and minimise any future loss. It was felt that these losses have not only monetary value but huge sentimental and cultural value to the patient. There are procedures in place for personal effects when attending as a planned admission but this isn't always followed when a patient is admitted as an emergency. SN suggested taking photos of personal belongings which could be included as part of the process. MH gave an update on a recent loss of high value jewellery and the ongoing investigation. The outcome of which was a report commissioned by the Chief Nurse to investigate the incident, outcomes and lessons learnt.</p> <p>The Committee noted the paper.</p> | <p>Deputy Director of Finance<br/>2022/38</p> |
| <b>A.7.22.15</b> | <p><b>Appropriateness of single source tenders</b><br/>The Committee took the paper as read. BAS drew attention to the enabling works to fit the MRI scanner and the increased cost implications. MQ gave an overview noting that the costs had increased by 30% from the original costings due to the work required to fit the MRI. A waiver process was undertaken to get the enabler work done by Phillips.</p> <p>The Committee noted the paper</p>   |   |
| <b>A.7.22.16</b> | <p><b>Policy Review – Use of external audit for non-audit purposes</b><br/>Work is ongoing with external audit to determine if there are any issues, regulations or policies that may have changed nationally that we need to build into our internal policy. MH will provide an update to the October Audit Committee.</p>   | <p>Director of Finance<br/>2022/39</p>        |
| <b>A.7.22.17</b> | <p><b>Proposed changes to Scheme of Delegation/Standing Financial Instructions (standing item)</b><br/>There was nothing to report on this item.</p>  |   |

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| <b>A.7.22.18</b> | <b>Trust compliance with Standing Orders, Standing Financial Instructions, Scheme of Delegation (standing item)</b><br>There was nothing to report on this item.   |  |
| <b>A.7.22.19</b> | <b>Suspension of Standing Orders/Standing Financial Instructions (standing item)</b><br>There was nothing to report on this item.  |  |
| <b>A.7.22.20</b> | <b>Other assurance functions (standing item)</b><br>There was nothing to report on this item.  |  |
| <b>A.7.22.21</b> | <b>Position statement: Board Assurance Framework</b><br>The Committee took the paper as read. The Committee discussed the Terms of Reference which will be approved at the September Board of Directors.<br><br>The Committee noted the paper and approved the revised Terms of Reference  |  |
| <b>A.7.22.22</b> | <b>Audit Committee Annual Self-Assessment</b><br>The Committee discussed the proposed procedure going forward for the annual self-assessment. JL suggested using the Mentimeter system by using approximately 10 pertinent questions from the HFMA checklist for a more in-depth discussion. BAS agreed to discuss with LP and produce an outline proposal to circulate to the Committee. It may be that the AC holds an additional session with a view to formally reporting back to the October Audit Committee.<br><br>BAS queried if LP could provide the Committee with some early insight into the implications for both BTHFT and the Audit Committee on the new ICS, ICB and place structure. LP agreed to provide the Committee with an update at the October meeting. JL noted that the paper provided at the recent Board meeting was helpful in explaining the collaboration and partnership work.<br><br>The Committee noted the update | Chair<br>2022/40<br><br>Board Secretary<br>2022/41 |
| <b>A.7.22.23</b> | <b>Clinical Audit High Priority Work plan 2022/23</b><br>Item deferred to October Audit Committee meeting  |  |
| <b>A.7.22.24</b> | <b>Clinical Audit Annual Report 2021/22</b><br>Item deferred to October Audit Committee meeting  |  |
| <b>A.7.22.25</b> | <b>Data Quality (DQ) Assurance</b><br>PR joined the meeting and provided a verbal update to the Committee on the journey towards assurance relating to Key IT systems and data quality assurance. Nautilus had been commissioned to carry out a review of our data quality and key IT systems. The report had been received from Nautilus and PR discussed the contents with the Committee. PR felt that the report does not fully cover what was anticipated and is not precise enough on the questions posed by the Committee. BAS agreed to have a further discussion with PR off line to   |  |



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|                  | <p>discuss further. PR agreed to provide information relating to the companion piece of work that is ongoing with Clinical and Administrative staff relating to date input accuracy. It was agreed that a progress report will be provided to the October Audit Committee meeting.</p> <p>PR agreed to chase up with KPMG for an update on the Cerner Service Auditor report as this is a valuable detailed source of assurance about the EPR system which could be used as a template for the Nautilus report.</p> <p>SN referred to the dashboards mentioned in the Board Assurance Framework. PR confirmed that updates are ongoing with the Academies and the best current versions will be available at the Academy meetings. There are limitations within the systems with regard to being able to generate the information that is required in the correct format due to the regularity of the changes to the metrics. Regular updates to the metrics will take place to incorporate any further internal or external updates.</p> <p>The Committee noted the verbal update and the assurance provided</p>   | <p>Chief Digital &amp; Information Officer<br/>2022/42</p> <p>Chief Digital &amp; Information Officer<br/>2022/43</p> |
| <b>A.7.22.26</b> | <p><b>Assurance: Key IT Systems</b><br/>Item discussed within A.7.22.25</p>   |   |
| <b>A.7.22.27</b> | <p><b>Effectiveness of Whistleblowing/FTSU Arrangements</b><br/>SF joined the meeting and provided an overview of the Freedom to Speak Up (FTSU) Annual Report for 2021/22 (which has previously been considered at the People Academy, Quality &amp; Patient Safety Academy and Board of Directors). The Committee took the paper as read.</p> <p>SN questioned if any learning had been taken from the feedback from a member of staff who had raised a concern and had subsequently been identified by other team members and felt they had experienced repercussions. She noted that the CQC include as part of their 'share your experience' process a disclaimer on their enquiry form which states that although you might choose to want to remain confidential by virtue of the detail that you may share you may be identified. JP noted a previous discussion that had taken place with the governors about the rising numbers and the debate about whether this mechanism was being used instead of others. SF confirmed that these points are discussed regularly at the Regional Freedom to Speak Up meetings. She confirmed that staff are given the option to use the anonymous/confidential route for reporting and are also informed that due to the nature of the information they may be identified. The main role of the FTSU guardian is to offer support and to guide staff through the process.</p> <p>SF advised that the numbers reported are slowly increasing and staff are advised to go through their usual departmental processes prior to raising a formal concern.</p> <p>The Committee noted the report</p> |   |
| <b>A.7.22.28</b> | <p><b>Conflicts of Interest/Declarations Annual Report 2021/22</b><br/>LP advised that some of the information contained within the report was incorrect and she requested that she update the report and bring this</p>  | <p>Board Secretary<br/>2022/44</p>  |

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|                  | back to the October meeting.<br><br>The Committee agreed.   |                            |
| <b>A.7.22.20</b> | <b>Any other business</b><br>There was no other business to report.   |                            |
| <b>A.7.22.30</b> | <b>Matters to share with other committees</b><br>People Academy - Counter Fraud Report – Forged documents and the controls around recruitment and monitoring staff (A.7.22.12) to report back for information to the Audit Committee.   |                            |
| <b>A.7.22.31</b> | <b>Matters to escalate to SRR</b><br>There were no matters identified to escalate to the SRR.   |                            |
| <b>A.7.22.32</b> | <b>Matters to escalate to the Board of Directors</b><br>There were no matters identified to escalate to the Board of Directors  |                            |
| <b>A.7.22.33</b> | <b>Items deferred to subsequent meetings</b> <ul style="list-style-type: none"> <li>• Clinical Audit High Priority Work plan 2022/23 – October 2022</li> <li>• Clinical Audit Annual Report 2021/22 – October 2022</li> <li>• Conflicts of Interest/Declarations Annual Report 2021/22 – October 2011</li> </ul>  |                            |
| <b>A.7.22.34</b> | <b>Attendees for subsequent audit committee meetings</b> <ul style="list-style-type: none"> <li>• Judith Connor - Associate Director of Quality, Liz Tomlin – Head of Quality Improvement and Padhma Munjuluri – Consultant Obstetrician and Gynaecologist/AMD Clinical Outcomes</li> <li>• Paul Rice – Chief Digital &amp; Information Officer</li> </ul>  |                            |
| <b>A.7.22.35</b> | <b>Review of meeting</b><br>BAS suggested the possibility that the July meeting next year is moved to early September to benefit from more internal audit output. It was agreed to review this early next year.   | Board Secretary<br>2022/45 |
| <b>A.7.22.36</b> | <b>Date and time of next meetings:</b><br>11 October 2022 - 2pm to 5pm  |                            |
| <b>A.7.22.37</b> | <b>Audit Committee work plan update</b><br>The Committee noted the update.<br><br>BAS referred to a previous action relating to how we gain assurance regards the Trust's policies and the compliance with those policies. LP assured the Committee that we have reviewed and updated the policy on policies and that it includes a requirement for an audit to be undertaken on an annual basis to check whether a sample of policies is in line with the requirements and that this will be reported back to the October Audit Committee. This is also included within the internal audit plan to review. | Board Secretary<br>2022/46 |



**Action log from the Audit Committee Meeting held 26 July 2022**

| Meeting date | Agenda reference | Agenda item   | Lead   | Review date  | Comments/update   |
|--------------|------------------|---|--|--------------|---|
| 24.5.22      | <b>A.5.22.24</b> | <b>Third party assurance.</b> BAS requested that once the information is received from EPR this is forwarded via email to the Chief Digital & Information Officer.  | Deputy Director of Finance<br><b>2022/28</b> | October 2022 | 26.7.22 – action to remain open   |
| 12.04.22     | <b>A.4.22.20</b> | <b>Policies and procedures for ensuring acceptable data quality for all key trust data.</b> An audit is planned for data quality and BAS asked KR to provide the proposed scope of the audit at the July meeting prior to the audit commencing. | Internal Audit Manager<br><b>2022/021</b>    | October 2022 | 26.7.22 – HH agreed to circulate an update.<br><br>The audit brief to be shared with the AC members once it has been agreed with Management, which should hopefully be before the July meeting.   |
| 15.6.22      | <b>A.6.22.5</b>  | <b>ISA 260 - FM Report</b><br>The committee noted that the external auditor will write to confirm that the Auditors report on value for money will follow after the accounts have been signed rather than before.                               | External Auditor<br><b>A22(1)002</b>         | October 2022 | The report from the External Auditor has been received and signed off by the AC and the Board. It is now included within our ARA which has been submitted to Parliament - <u>action closed</u> .<br><br>26.7.22 – JM to liaise with NR on timescales to enable internal approval to be sought prior to laying accounts in parliament<br><br>Deloitte has advised that they will issue the auditors annual report once they have completed their VFM work. As indicated on the ISA 260 provided at the 21 June meeting, the VFM work is planned to conclude by mid-September. Action to remain open until the October meeting of the AC. |
| 26.7.22      | <b>A.7.22.6</b>  | <b>Annual External Audit Performance Review</b><br>Final meeting with CS, MH and Deloitte to be arranged and an update will be provided at the October meeting.   | Director of Finance<br><b>2022/32</b>        | October 2022 | Included on October agenda – <u>action closed</u>   |

| Meeting date | Agenda reference | Agenda item  | Lead                                     | Review date                      | Comments/update  |
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| 26.7.22      | <b>A.7.22.9</b>  | <b>Follow up of Internal Audit Recommendations</b><br>MH agreed to follow up with the Executive Team to ensure the document is fully populated prior to the October Audit Committee  | Director of Finance<br><b>2022/33</b>    | October 2022                     | Outstanding recommendations presented to ETM on 26 Sept with a specific request to comment on all Recommendations that require a update and not to leave fields blank (ie with no narrative) – <u>action closed</u>  |
| 26.7.22      | <b>A.7.22.10</b> | <b>Annual Internal Audit Performance Review</b><br>After discussion it was suggested that a separate 30 minute meeting is arranged to use the Mentimeter system to review internal audit performance. MH agreed to action.                         | Director of Finance<br><b>2022/34</b>    | October 2022                     | MH working with IA to establish survey on 'survey monkey' to gain exec assessment of IA. This could be rolled out to AC members.   |
| 26.7.22      | <b>A.7.22.11</b> | <b>Annual Internal Audit Charter</b><br>HH agreed to circulate the minor changes to the annual internal audit charter to the Committee via email   | Head of Internal Audit<br><b>2022/35</b> | October 2022                     | Circulated via email 5.10.22 – <u>action closed</u>  |
| 26.7.22      | <b>A.7.22.11</b> | <b>Annual Internal Audit Charter</b><br>BAS suggested that a cross reference is undertaken and HH agreed to action and report back to MH if anything arose.  | Head of Internal Audit<br><b>2022/36</b> | October 2022                     | Verbal update to be provided at October meeting.   |
| 26.7.22      | <b>A.7.22.12</b> | <b>Counter Fraud progress report update</b><br>MH agreed to discuss with Pat Campbell, Director of HR on the arrangements, procedures and controls in place for circumstances such as these which will be discussed via the People Academy meeting | Director of Finance<br><b>2022/37</b>    | People Academy<br>September 2022 | Due to its sensitive nature this was not considered appropriate for discussion at People Academy due to attendees. BTHFT complies with expected standards regarding NHS employment checks and DBS Code of Practice<br>In such instances – discussion takes place with Line Manager to determine if conditions would change the offer (Decisions are documented)<br>Recent recruitment Audit received 'High Assurance' - <u>action closed</u> |

| Meeting date | Agenda reference | Agenda item  | Lead  | Review date  | Comments/update  |
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| 26.7.22      | <b>A.7.22.14</b> | <b>Exception reports: Schedules of losses and special payments</b><br>MQ agreed to investigate and bring an update on the increasing overseas debt figures to the October meeting  | Deputy Director of Finance<br><b>2022/38</b>          | October 2022 | Added to October agenda – <u>action closed</u>                               |
| 26.7.22      | <b>A.7.22.16</b> | <b>Policy review – Use of external audit for non-audit purposes</b><br>Work is ongoing with external audit to determine if there are any issues, regulations or policies that may have changed nationally that we need to build into our internal policy. MH will provide an update to the October Audit Committee.  | Director of Finance<br><b>2022/39</b>                 | October 2022 | Added to October agenda – <u>action closed</u>                               |
| 26.7.22      | <b>A.7.22.22</b> | <b>Audit Committee Annual Self-Assessment</b><br>JL suggested using the Mentimeter system by using approximately 10 pertinent questions from the HFMA checklist for a more in-depth discussion. BAS agreed to discuss with LP to produce an outline proposal to circulate to the Committee with the aim of holding the additional session with a view to formally reporting back to the October Audit Committee. | Chair<br><b>2022/40</b>                               | October 2022 | Added to October agenda – <u>action closed</u>                               |
| 26.7.22      | <b>A.7.22.22</b> | <b>Audit Committee Annual Self-Assessment</b><br>BAS queried if LP could provide the Committee with some early insight into the implications for both BTHFT and the Audit Committee on the new ICS, ICB and place structure. LP agreed to provide the Committee with an update at the October meeting.   | Board Secretary<br><b>2022/41</b>                     | October 2022 | Added to October agenda – <u>action closed</u>                               |
| 26.7.22      | <b>A.7.22.25</b> | <b>Data Quality (DQ) Assurance</b><br>PR agreed to provide information relating to the companion piece of work that is ongoing with Clinical and Administrative staff relating to data input   | Chief Digital & Information Officer<br><b>2022/42</b> | October 2022 | Added to October agenda. Verbal update to be provided – <u>action closed</u> |

| Meeting date | Agenda reference | Agenda item  | Lead  | Review date  | Comments/update   |
|--------------|------------------|--|---|--------------|---|
|              |                  | accuracy. It was agreed that a progress report will be provided to the October Audit Committee meeting   |   |              |   |
| 26.7.22      | A.7.22.25        | <b>Data Quality (DQ) Assurance</b><br>PR agreed to chase up with KPMG who produce the Cerner Service Auditor reports for an up to date report as this is a valuable detailed source of assurance about the EPR system which could be used as a template for the Nautilus report.   | Chief Digital & Information Officer<br><b>2022/43</b> | October 2022 | Verbal update to be provided at the October meeting – <u>action closed</u>  |
| 26.7.22      | A.7.22.28        | <b>Conflicts of Interest/Declarations Annual Report 2021/22</b><br>LP noted that some of the information contained within the report was incorrect and she requested that she update the report and bring this back to the October meeting   | Board Secretary<br><b>2022/44</b>                     | October 2022 | Added to October agenda – <u>action closed</u>  |
| 26.7.22      | A.7.22.          | <b>Review of meeting</b><br>BAS suggested the possibility that the July meeting next year is moved to early September to benefit from more internal audit output. It was agreed to review this early next year.  | Board Secretary<br><b>2022/45</b>                     | October 2022 | Meeting dates have been confirmed as:<br><ul style="list-style-type: none"> <li>• 7 February</li> <li>• 18 April</li> <li>• 23 May (including accounts sign off)</li> <li>• 12 September</li> <li>• 21 November</li> </ul> - <u>action closed</u> |
| 26.7.22      | A.7.22.37        | <b>Audit Committee work plan update</b><br>LP assured the Committee that we have reviewed and update the policy on policies and that includes a requirement for an audit to be undertaken on an annual basis to check whether a sample of policies is in line with the requirements and that will be reported back to the October Audit Committee. | Board Secretary<br><b>2022/46</b>                     | October 2022 | Added to October agenda – <u>action closed</u>  |
| 01.02.22     | A.2.22.6         | <b>Process paper; key lines of enquiry work sector update and benchmarking (Audit Yorkshire client</b>   | Director of Finance<br><b>2022/001</b>                | October 2022 | This action is superseded by the Nationally mandated HFMA self-assessment process,  |

| Meeting date | Agenda reference | Agenda item  | Lead   | Review date  | Comments/update   |
|--------------|------------------|--|--|--------------|---|
|              |                  | <b>briefing paper - Financial Management)</b><br>Wider engagement (on key lines of enquiry required).<br>MH suggested a pause on this with a view to re-visiting later in the year once the Trust has settled back into 'business as usual'.   |  |              | with the paper presented to October Committee – <u>action closed</u>  |
| 01.02.22     | <b>A.2.22.6</b>  | <b>Process paper; key lines of enquiry work sector update and benchmarking (Audit Yorkshire client briefing paper - Financial Management)</b><br>BAS requested that once this document is fully populated, our Internal and External Audit colleagues should review for their views and any challenges they wish to offer. | Internal and External Audit<br><b>2022/002</b> | October 2022 | This action is superseded by the Nationally mandated HFMA self-assessment process, with the paper presented to October Committee – <u>action closed</u> |

See Appendix 1 below for the actions closed at the meeting held 26 July 2022.

## Appendix 1

### Actions closed at the meeting of the audit committee held 26 July 2022

| Meeting date | Agenda reference | Agenda item  | Lead  | Review date | Comments/update   |
|--------------|------------------|--|---|-------------|---|
| 24.5.22      | A.5.22.11        | <b>Annual report &amp; draft HoIAO.</b> HH to provide more detail on how the trust can move from good to strong in relation to the system of governance and overall control philosophy.  | Head of Internal Audit<br><b>2022/026</b>       | June 2022   | 26.7.22 – The audit model has changed slightly. Internal Audit would expect to continue to see some limited reports but the aim of the Trust is for continued improvement. <u>Action closed</u> |
| 12.04.22     | <b>A.4.22.26</b> | <b>Audit Committee Work plan.</b> Other board committees – annual reports in July from Charitable funds and academies. LP confirmed that the review of the effectiveness of academies needs to take place before the annual reports are written. BAS requested these be moved to June Audit Committee. | Board Secretary<br><b>2022/024</b>              | June 2022   | Added to June agenda. <u>Action closed.</u>   |
| 24.5.22      | <b>A.5.22.24</b> | <b>Third party assurance.</b> Paper deferred to the June meeting.  | Deputy Director of Finance<br><b>2022/27</b>    | June 2022   | Added to June agenda. <u>Action closed.</u>   |
| 24.5.22      | <b>A.5.22.39</b> | <b>Private meeting with external audit.</b> To be re-scheduled to the end of the June AC meeting.  | Head of corporate governance<br><b>2022/30</b>  | June 2022   | Meeting re-scheduled to 15.6.22. <u>Action closed.</u>  |
| 24.5.22      | <b>A.5.22.5</b>  | <b>Matters arising. Audit Committee Work plan.</b> BAS asked for the work plan to be recirculated to the Committee.  | Head of Corporate Governance<br><b>2022/025</b> | July 2022   | Emailed on 4.7.22. <u>Action closed.</u>  |
| 24.5.22      | <b>A.5.22.28</b> | <b>Draft annual governance statement.</b> JP suggested reflecting the work with the Good Governance Institute within the AGS – to strengthen the development work undertaken with the Board. LP agreed to include the detail.  | Board Secretary<br><b>2022/29</b>               | July 2022   | Completed. <u>Action closed.</u>  |

| Meeting date | Agenda reference | Agenda item   | Lead   | Review date | Comments/update   |
|--------------|------------------|---|--|-------------|---|
| 01.02.22     | A.2.22.21        | <b>Assurance – key IT systems</b><br>Nautilus Consulting will complete analysis of the 11 systems and confirm if they are fit for purpose and that the key controls are in place. The work will be completed in 6 to 8 weeks and the output would come back to the Audit Committee. | Chief Digital & Information Officer<br><b>2022/004</b> | July 2022   | Added to July agenda. <u>Action closed.</u>   |
| 01.02.22     | A.2.22.22        | <b>Data Quality (DQ) Assurance</b><br>PR suggested he provide an update on replacing the underlying tooling and the educational packages to colleagues, at a future audit committee meeting.  | Chief Digital & Information Officer<br><b>2022/006</b> | July 2022   | Added to July agenda. <u>Action closed.</u>   |
| 15.6.22      | A.6.22.5         | <b>ISA 260 – Foundation Trust</b><br>It was agreed that an Extraordinary Audit Committee meeting is arranged to consider the ISA 260, final annual accounts and draft letter of representation prior to the Board meeting on 21 June 2022.  | Head of Corporate Governance<br><b>A22(1)001</b>       | June 2022   | Meeting arranged for 21.6.22. Action closed.  |
| 15.6.22      | A.6.22.9         | <b>Annual reports from Academies</b><br>BAS suggested that a paragraph be added to each report to provide assurance that the Academies have reviewed all relevant items as outlined in their terms of reference and work plan   | Board Secretary<br><b>A22(1)003</b>                    | July 2022   | Paragraph added to the academy annual reports. Action closed  |
| 21.6.22      | A.6(2).22.3      | <b>ISA 260 – Foundation Trust</b><br>MH accepted the response and requested that MQ, at the next Audit Committee meeting, provide an explanation of equity accounting so the committee was clear on its final treatment.  | Deputy Director of Finance<br><b>A22(2)001</b>         | July 2022   | During the last financial year we did not account for the profit made in the joint venture. The reason being that under the accounting standards we didn't have to account for the joint venture due to the ground of materiality. This position was agreed with Deloitte in March. The Group Accounting Manual (GAM) states that there is an expectation to account for the joint venture regardless of its materiality although this is not quite black and white. We will be accounting for it this financial year and |



| Meeting date | Agenda reference | Agenda item | Lead | Review date | Comments/update   |
|--------------|------------------|-------------|------|-------------|---|
|              |                  |             |      |             | we will have to recognise this using the equity accounting method. There was no retrospective accounting undertaken for this error last year. Action closed |