

## CONFIRMED AUDIT COMMITTEE MEETING MINUTES

<b>Date</b>	Tuesday, 18 April 2023	<b>Time</b>	14:00-17:00
<b>Venue</b>	Virtual Meeting – MS Teams	<b>Chair</b>	Julie Lawreniuk, Non-Executive Director

<b>Present</b>	<ul style="list-style-type: none"> <li>Ms Julie Lawreniuk, Non-Executive Director (JL)</li> <li>Ms Sughra Nazir, Non-Executive Director (SN)</li> <li>Mr Jon Prashar, Non-Executive Director (JP)</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>Mr Richard Maw, Counter Fraud, Audit Yorkshire (RM)</li> <li>Mr Nick Rayner, Deloitte (NR)</li> <li>Mr Jonathan Hodgson, Internal Audit (JH)</li> <li>Mr Chris Boyne, Internal Audit (CB)</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>Mr Saj Azeb, Chief Operating Officer (SA) – ED in attendance and A.4.23.25</li> <li>Dr Ray Smith, Chief Medical Officer (RS) – A.4.23.8</li> <li>Professor Mel Pickup, Chief Executive Officer (MP) – A.4.23.29</li> <li>Ms Judith Connor, Associate Director of Quality (JC)– A.4.23.26</li> <li>Mr Paul Rice, Chief Digital &amp; Information Officer (PR)- A.4.23.9, A.4.23.22, A.4.23.23 and A.4.23.24</li> <li>Mr Ian Scott, Head of Information Technology (IS)- A.4.23.9, A.4.23.22, A.4.23.23 and A.4.23.24</li> </ul>
<b>Observer</b>	<ul style="list-style-type: none"> <li>Ms Ruth Dunlop, NED insight placement</li> </ul>

No.	Agenda Item	Action
<b>A.4.23.1</b>	<b>Apologies for Absence</b> <ul style="list-style-type: none"> <li>Mr Barrie Senior, Non-Executive Director, Chair (BAS)</li> <li>Ms Helen Higgs, Audit Yorkshire (HH)</li> </ul>	
<b>A.4.23.2</b>	<b>Declarations of Interest</b> There were no interests declared.	
<b>A.4.23.3</b>	<b>Minutes of the meeting held 7 February 2023</b> The minutes were accepted as a fair representation of the meeting.	
<b>A.4.23.4</b>	<b>Matters Arising</b> 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: <ul style="list-style-type: none"> <li>2022/28 – Third party assurance - BAS requested that once the information is received from EPR this is forwarded via email to the Chief Digital &amp; Information Officer – <u>item to remain open</u></li> </ul>	

	<ul style="list-style-type: none"> <li>• <u>2022/58 – Progress report on compliance with the ‘policy for the development and management of Trust policies’</u> LP suggested including within the imminent policy management audit a section relating to the steps that are taken to understand whether colleagues have read the policies relevant to their role. This would be included as part of the brief. A policy audit planning meeting has been arranged for early May – <u>item to remain open</u></li> <li>• <u>2022/59 – Data Quality and Assurance: Key IT systems progress</u> Paul Rice, Chief Digital and information Officer to be invited to the February meeting to provide an update regarding ‘Data Quality (DQ) Assurance and, Assurance on key IT systems’. Item added to April agenda – <u>action closed</u></li> <li>• <u>2023/001 – Internal Audit 2023/24 planning process</u> –A draft programme of work will be provided at the April 2023 Audit Committee meeting for consideration which will include a three year assessment and the rational for what will be included as part of the year one programme. Item added to April agenda - <u>action closed</u></li> <li>• <u>2023/004 – Internal Audit recommendations benchmarking report</u> – MH gave an overview of the results contained within the paper which had previously been discussed with the executive team and he agreed to circulate the comparison paper which had been omitted from this meetings papers – <u>action closed</u></li> <li>• <u>2023/005 – Counter Fraud progress report update</u> – SN questioned if the QR code mentioned within the report includes functionality for staff to report suspected fraud anonymously. Information to be included in the next progress report in April - <u>action closed</u></li> <li>• <u>2023/006 – Counter Fraud progress report update</u> – RM agreed to include within the outcome section of his report an update on each case so that this can be monitored until closure. Information to be included in each progress report going forward - <u>action closed</u></li> <li>• <u>2023/007 – 2022/23 annual accounts update</u> – BAS suggested an informal meeting is arranged to discuss the accounts and the date included within the timetable. Meeting arrange for 1 June 2023 – <u>action closed</u></li> <li>• <u>2023/008 – Proposed changes to Scheme of Delegation/Standing Financial Instructions</u> – BAS noted that he had several queries that he would discuss further with MH off line. Item discussed – <u>action closed</u></li> <li>• <u>2023/010 – Assurance regarding compliance with Risk Management Strategy</u> JH suggested comparing our assurance map with other organisations to see if there are any gaps and what level of details they have gone into. Added to April agenda – <u>action closed</u></li> <li>• <u>2023/011 – Assurance regarding compliance with Risk Management Strategy</u> Further discussion took place around the requirements for additional columns and details of the latest assurance and LP agreed to update the map as discussed which could then be mapped across to the BAF. Added to April agenda – <u>action closed</u></li> <li>• <u>2023/012 - Assurance regarding compliance with Risk Management Strategy</u> JH agreed to discuss further with internal audit and to perhaps incorporate into the work around the risk management framework and the BAF in terms of best practice. Added to April agenda – <u>action closed</u></li> <li>• <u>2023/013 – Audit Committee Annual Self-Assessment</u> – BAS suggested that a discussion with internal audit, MH and Paul Rice, Chief Digital &amp; Information Officer (PR) takes place to glean the assurance that we need in relation to data and information quality and key IT systems. Off line discussion took place – <u>action closed</u></li> <li>• <u>2023/014 - Audit Committee Annual Self-Assessment</u> - As a result of our self-assessment discussions BAS suggested PR is invited to the April Audit Committee to present a summary on progress to date, the perceived gaps in assurance and that the data and information relevant to achieving our strategic objectives is accurate, complete and timely. Added to April agenda</li> </ul>	
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	<p>– <u>action closed</u></p> <ul style="list-style-type: none"> <li>• <u>2023/015 – Review of meeting</u> – JP agreed to provide BAS with some notes as a review of the meeting to circulate to other members as he sees fit. Feedback circulated – <u>action closed</u></li> <li>•</li> </ul>	
<b>A.4.23.5</b>	<p><b>Sector Update and Benchmarking report</b></p> <p>This item is covered under item A.4.23.6</p>	
<b>A.4.23.6</b>	<p><b>External Audit Annual Plan 2022/23</b></p> <p>PH gave an overview of the external audit annual plan which sets out the assessment of the significant risks for the forthcoming audit of the accounts ended 31 March 2023.</p> <p>PH a drew attention to the following key items within the paper:-</p> <ul style="list-style-type: none"> <li>• Materiality – this has been estimated at £10.7m and this is expected to increase once the final accounts have been received due to a slightly higher outturn.</li> <li>• Reporting threshold – all misstatements found in excess of £300k will be reported and this is the threshold for reporting to the National Audit Office. It is at the Trusts discretion to lower the threshold but this would mean there would be more items included within the report. Any items below that threshold will be reported if considered to be material by nature. The Trust is asked to approve this threshold. The Committee agreed the £300k reporting threshold.</li> <li>• Significant risk dashboard – three items on the dashboard being: <ul style="list-style-type: none"> <li>○ Property Valuation</li> <li>○ Capital Expenditure</li> <li>○ Management of override of controls</li> </ul> </li> <li>• The Value for Money narrative report is required to conclude the financial statement audit, which will identify any significant weaknesses and with particular attention focussed on the cost improvement programme. The Trusts management plans, setting out the process will be used together with the key checks, controls, balance and scrutiny mechanisms will be provided to external audit.</li> <li>• IFRS 16 is effective for NHS bodies from 1 April 2022. IFRS 16 disclosures will need to be updated to capture any new leases entered into this year and to include PFI arrangements which were not covered in previous disclosures. A paper on the judgements around this will be discussed later in the agenda.</li> <li>• ISA (UK) 240 is the Auditor's responsibilities relating to fraud in an Audit of Financial Statements. The revisions from the regulators are to provide increased clarity as to the auditor's obligations and codify existing expectations or best practice.</li> <li>• Sector benchmarking information is provided for information as a point of comparison and triangulation for committee members.</li> </ul>	

	<ul style="list-style-type: none"> <li>Audit adjustments identify uncorrected misstatements which were identified as part of our prior year review. There were a number of uncorrected misstatements last year which places more emphasis on this year's results.</li> <li>Independence and fees which highlight the obligations of external audit to provide an independent service to the Trust and the fees associated with that. Additional work required by the regulator has incurred an additional £25,000 fee which still needs to be agreed. In prior years a proposal for overall numbers was submitted but this still needs to be agreed.</li> </ul> <p>JL queried if our significant risk dashboard was consistent with other clients that they audit. PH confirmed that similar clients will have the same generic risks as ours. However we have a bespoke significant risk around the capital programme and the risks raised in previous year. Other Trusts that have had a full property valuation, rather than a desktop evaluation, may have a similar risk on their dashboard. MH confirmed that the three risks were expected and were not a surprise to the finance team.</p> <p>In BAS's absence LP asked if Deloitte were satisfied with the Trust's implementation of IFRS 16. NR confirmed that the piece of work has not commenced yet but an independent assessment will be undertaken shortly. MH noted that the internal audit review received high assurance for IFRS 16.</p> <p>The Committee approved the plan and agreed the £300k reporting threshold.</p>	
<b>A.4.23.7</b>	<p><b>Use of External Audit to Provide Non-Audit Services (standing item)</b></p> <p>There was nothing to report on this item.</p>	
<b>A.4.23.8</b>	<p><b>BH262023 - Safer Procedures; National Safety Standards for Invasive Procedures (NatSSIPs) –limited assurance</b></p> <p>RS joined the meeting and provided an overview of the findings from the Safer Procedures; National Safety Standards for Invasive Procedures (NatSSIPs) Internal Audit which aims to reduce the risk of surgical never events. He felt that that audit was timely and raised the gap in assurance that required further focus. He noted that the five steps to safer surgery are being undertaken but there is a lack of assurance to demonstrate this.</p> <p>Seven recommendations were proposed, two of which are already complete and there is an improvement plan in place developed to address both the recommendations and areas for improvement identified in the report to ensure an improved future position and level of assurance. The Safer Procedures Group has been rekindled which is a sub-committee of the Clinical Outcomes Group. The Local Safety Standards for Invasive Procedures (LocSSIPs) is being updated moving away from our previously named BradSSIPs to avoid confusion. There are five recommendations that remain open which are detailed within the</p>	

	<p>paper in the form of an action plan.</p> <p>LP raised some queries on behalf of BAS which had mainly been answered in the briefing from RS. LP further queried whether the shortcomings found in this report were common across other services. RS confirmed that the audit looked at different areas including radiology and the lessons learnt are probably the same across all clinical areas that undertaken invasive procedures. He re-iterated that the five steps to safer surgery are being undertaken but there is a lack of assurance to demonstrate that and this was highlighted in the recent audit. A regular plan of audit, for all the clinical areas that the NatSSIPs principles apply to, will be monitored through the Safer Procedures Group</p> <p>The Committee noted the report and the assurance provided.</p>	
<b>A.4.23.9</b>	<p><b>BH252023 – IT systems and software management – limited assurance</b></p> <p>PR joined the meeting and provided an overview of the findings from the IT systems and software management internal audit report. PR advised that a piece of work was undertaken by an independent third party, Nautilus Consulting, which was aimed at identifying some of the outstanding Audit Committee concerns around data quality and a range of core IT systems. This benchmarking report was shared with internal audit which was used as the basis of the internal audit which then produced a limited assurance report. PR felt that there was some confusion over the initial assurance rating of the report which then caused a delay in the Trust responding appropriately. He felt that a limited assurance rating was a somewhat critical conclusion to arrive at. IS provided an update on the progress relating to the issues raised within the internal audit report particularly the cardiology work. This is ongoing and will be completed in 2023/24 which recommends that we have a local version of all contracts within IT which have historically sat with procurement. He confirmed that we have support and maintenance contracts for all key critical systems that are renewed annually or cover multi-years.</p> <p>The report notes that all recommendations are due to be completed by April 2023 and IS confirmed that apart from the Cardiology and the PACS upgrade the remaining recommendations are on track for completion.</p> <p>In BAS's absence LP asked for assurance on the worrying shortfalls in one narrow aspect of IT- general controls and do the shortfalls identify general control shortcomings? PR noted that at a recent meeting with BAS there was a desire to see triangulation on the most critical 8-10 key systems out of approximately 350-400 in the organisation. He noted that through the rolling programme of work the smaller priority system reliability is tracked through wider system controls.</p> <p>The Committee noted the report and the assurance provided.</p>	

<p><b>A.4.23.10</b></p>	<p><b>Draft Internal Audit Plan 2023/24 and planning process</b> JH provided an overview of the paper and highlighted the following key points and headlines:-</p> <ul style="list-style-type: none"> <li>• JH gave his thanks to the executive team for their support in the planning exercise undertaken. The proposed plan will be reviewed at a future Executive Team Meetings (ETM) and has been reviewed at the Academies.</li> <li>• A three year audit needs assessment, in terms of what is a priority and what we need to focus on in future years, will be undertaken although we are moving away from a three year programme to an annual programme. Those discussions are ongoing throughout the year with executives.</li> <li>• An objective, which has been agreed with the executive leads, has been added to the plan which highlights the areas that will be looked at which link to the strategic risk assessments and any alternative assurance.</li> <li>• A reserve list of potential internal audits has been included within the plan to be added if the agreed audits are cancelled or deferred.</li> </ul> <p>LP asked for the proposed plan to be updated, in relation to the Risk Management Audit, to include Ray Smith and Judith Connor.</p> <p>The Committee approved the Internal Audit Plan subject to ETM approval.</p>	<p>Internal Audit A23016</p>
<p><b>A.4.23.11</b></p>	<p><b>Internal Audit Progress Report</b> The AC noted the report and the significant amount of activity made with regard to progress. JH highlighted the following key points:</p> <ul style="list-style-type: none"> <li>• Seven reports have been issued in final since the last meeting. As can be seen in the report provided two have high assurance, three have significant assurance and two have a limited assurance opinion. The two limited assurance reports have been discussed at A.4.23.8 (BH262023) and A.4.23.9 (BH252023). There have been two advisory nature reviews which will be presented to ETM. The AC concurred that this suite of reports represented an excellent outcome for the Trust with the exception of the two limited assurance reports.</li> <li>• JH sought approval from the AC in relation to the additional work he has been asked to do on the PBSU advisory review – requested by the executive team. This is an addition to the 22/23 programme. The Committee approved the additional work.</li> <li>• The KPIs (Key Performance Indicators) are showing 100% delivery and this is reflective of the continued positive engagement with the executive team.</li> <li>• 451 out of 580 audit days have been delivered with 129 days remaining. JH noted that some resources have been deployed elsewhere to be able to deliver other audits so there will be a flurry of activity right through to year-end reporting. It was hoped that the</li> </ul>	



	<p>additional work on the PBSU will bring the reporting days up to 580 very soon.</p> <p>The Committee noted the report and the assurance provided and approved the additional work in relation to the PBSU advisory review.</p>	
<b>A.4.23.12</b>	<p><b>Follow up of Internal Audit Recommendations</b></p> <p>JH drew attention to the following, contained within the report. :</p> <p>The outstanding recommendations had increased slightly from the 41 reported in February to 44 for this quarter. The latest update position within the report has been populated and this is due in part to MH engaging with his executive colleagues requesting updates.</p> <p>The Committee noted the report and the assurance provided.</p>	
<b>A.4.23.13</b>	<p><b>Counter Fraud Progress Report</b></p> <p>RM drew attention to the following key points within the report:</p> <ul style="list-style-type: none"> <li>• <u>Hold to Account</u> – Forged certificates, forged sick notes, forged qualifications and working whilst sick are included within the report. The forged sick note review is currently underway with the relevant GP surgery which now stands at 7 rather than 5 as listed.</li> <li>• <u>QR code functionality</u> – further to an action raised at the last meeting RM confirmed that the QR code functionality has been updated and there is now a link to a form that can be completed by anyone wishing to report a fraud anonymously.</li> <li>• <u>Fraud Survey</u> – the results have been received but have yet to be analysed but they will feed into the annual plan and the counter fraud functional standards return which is due at the end of May. The draft functional standards return and the annual plan are scheduled to be brought to the May AC meeting.</li> <li>• <u>Functional standards return</u> – in the draft stage at the moment but confident that the Trust will be a green overall rag rating score with one amber score relating to standard 3. A prototype document which includes the 124 risks identified by the CFA, not all of which are relevant to the Trust, has been shared with MQ to allocate groups of risks with risk owners. The aim is to manage the different risks and hopefully deliver a green rating, if not next year then within the next couple of years. The highest scoring risks will be included within the annual plan in terms of focus for the coming year.</li> </ul> <p>The Committee noted the report and the assurance provided.</p>	
<b>A.4.23.14</b>	<p><b>Exception reports: Schedules of Losses and Special Payments</b></p> <p>MQ drew attention to the following key points within the report:</p> <ul style="list-style-type: none"> <li>• <u>Losses and Special Payments</u> – a payment of £377,000 was made in Q4 which relates to the VAT refund for lease cars. We have been guided by the Department of Health and NHSE to use the losses and</li> </ul>	

	<p>special payments protocol. The income has been received from Fleet Solutions in Northumbria and payment to staff has been made in Q4 of the financial year. Payments will continue into the new financial year for staff who have left the Trust or who have changed their lease cars.</p> <ul style="list-style-type: none"> <li>• <u>Waivers and exceptions report</u> – there has been an increase in waivers in Q4 in estates and procurement due to the completion of the procurement exercise in terms of assuring we get the goods and services for the financial year.</li> </ul> <p>The Committee noted the report and the assurance provided.</p>	
<b>A.4.23.15</b>	<p><b>Appropriateness of Single Source Tenders</b> This item is covered under agenda item A.4.23.14</p>	
<b>A.4.23.16</b>	<p><b>IFRS 16 Accounting for Leases – Deemed Lives</b> MQ gave an overview of the paper which details the new accounting standard that began in April 2022. As part of Deloitte’s audit plan there will be a focus audit taking place on IFRS 16. A paper has been shared with the Capital Operational Group and the Executive Team Meeting setting out the implications of the Trust adopting a new accounting standard for leases. At present there are 11 leases out of 24 that do not have a formal contract in place which can impact the value of the lease liability. The paper highlights the estimation of a 10 year deemed life for those 11 leases of around £10.8m at the end of this financial year which will go through the audit process.</p> <p>The Committee noted the report and the assurance provided.</p>	
<b>A.4.23.17</b>	<p><b>Proposed changes to Scheme of Delegation/Standing Financial Instructions (standing item)</b> There was nothing to report on this item.</p>	
<b>A.4.23.18</b>	<p><b>Trust compliance with Standing Orders, Standing Financial Instructions, Scheme of Delegation (standing item)</b> There was nothing to report on this item.</p>	
<b>A.4.23.19</b>	<p><b>Suspension of Standing Orders/Standing Financial Instructions (standing item)</b> There was nothing to report on this item.</p>	
<b>A.4.23.20</b>	<p><b>Other assurance functions (standing item)</b> There was nothing to report on this item.</p>	
<b>A.4.23.21</b>	<p><b>Partnership arrangements: implications for the Audit Committee</b> LP noted that under the Provider Licence paper at A.4.23.30 an assessment has been undertaken against the guidance on good governance and collaboration which provides assurance that we are meeting our duties to collaborate.</p> <p>The Committee noted the verbal update and assurance provided.</p>	



<b>A.4.23.22</b>	<p><b>Assurance: Key IT systems progress report update</b> This item was discussed at agenda item A.4.23.9. JL suggested a meeting outside of the formal audit committee meeting to agree a way forward on what assurance the Audit Committee is seeking.</p>	Board Secretary A23017
<b>A.4.23.23</b>	<p><b>Policies and procedures for ensuring acceptable data quality for all key Trust data</b> JL noted that discussions are taking place with Internal Audit and the Trust to ensure we have the appropriate assurance in place for the Annual Governance Statement (AGS). PR noted that there is a form of words within the draft AGS that describes where we are in relation to data quality and what processes and mechanisms we have in place. A suggestion from Audit Yorkshire was the example of a sub-committee of the Audit Committee, in relation to data quality, similar to the one at York Trust and whether this would serve a purpose at Bradford. It was noted that other colleagues use similar approaches regarding data quality but there are a couple of tools available that we will look at as options to further enhance and deepen our understanding and relationship with data quality. This work will be completed within the next 4 ½ weeks to ensure that the final AGS narrative is accurate and comprehensive.</p> <p>JH noted that as part of the Internal Audit plan they are currently looking at data quality and the waiting list management aspects of that. An internal audit report will be available at the May meeting which will cover the element of data quality.</p> <p>JL suggested PR is invited to the May meeting to provide an update on progress.</p> <p>The Committee noted the assurance provided</p>	Board Secretary A23018
<b>A.4.23.24</b>	<p><b>Cyber security</b> IS provided an overview of cyber security within the Trust. We have 650 virtual servers in the data centre and these are backed up on an incremental basis every night. A full backup takes place every weekend and a disaster recovery test is undertaken every month to ensure we can recover the data if required. The Trust has now been re-awarded the ISO27001 accreditation, and has gained the ISB1596 accreditation from NHS Digital to enable encrypted secure email be default. He highlighted the improvements that have taken place this year and the improvements planned for next year which are highlighted within the paper.</p> <p>Over the last 12 months we have not had a cyber-attack although we have had some threats which have been blocked. IS referred to the Datix risk, ID 3103, which is currently scoring a 12. He confirmed that as cyber security will continue to be a risk this will remain on the register indefinitely.</p> <p>In BAS's absence LP asked for assurance on the amber/red areas in the self-assessment around education and awareness and the plans and timescale in place. IS confirmed that there will be a screensaver campaign, relating to IT mandatory training, in three week to ensure staff</p>	

	<p>are compliant with their mandatory training which includes cyber security as part of the IG annual training. Further mock emails will be sent to staff to increase awareness of phishing emails. PR further assured that there is a significant level of contact with the former NHS Digital and a weekly set of contacts across the partners at PLACE. A weekly cyber meeting takes place with the Trust, Bradford Care Trust and Airedale which is a good example of partnership working.</p> <p>JH confirmed that cyber security benchmarking, as a thematic review across all of their clients, will take place so they can utilise some best practice, learning and development to share with other organisations in their client base.</p> <p>The Committee noted the assurance provided.</p>	
<b>A.4.23.25</b>	<p><b>Update on delivery of the Emergency Preparedness Resilience &amp; Response (EPRR) 21/22 workplan and NHSE core standards</b></p> <p>SA took the paper as read and highlighted the following key points contained in the paper:-</p> <ul style="list-style-type: none"> <li>• In 2021 compliance was measured against 48 of the 64 core standards and that was in recognition of the Covid pressures that we were under.</li> <li>• In 2022 the requirement was to assess yourself against the full 64 core standards although there have been some changes in the expectations. There is an expectation that not just one executive leads on EPRR but the whole board.</li> <li>• Due to national scrutiny of the Grenfell and the Manchester attack changes were identified and updated in relation to relevant training, emergency domain and duty to maintain plans.</li> <li>• The NHS was seeking assurance that we are able to respond to an emergency and have the resilience so that we are able to continue to deliver safe patient care.</li> <li>• Based on our own self-assessment we are able to report a substantially compliance position as at 28<sup>th</sup> October 2022.</li> <li>• There were 5 areas of partial compliance which are referred to in appendix 2 of the paper.</li> <li>• There is a requirement that we undertake a deep dive review and this was undertaken in evacuation and shelter and we were able to declare full compliance with 7 out of the 13 standards. As this is a deep dive it does not impact our overall substantially compliant position.</li> <li>• In addition to our submission an evidence folder was submitted which highlights good practice from our emergency planning team.</li> <li>• Listed within the report are incidents and responses the team has dealt with over the last 12 months.</li> <li>• All gold commander staff have undertaken the principles of health command training with the NHSE. This will be further rolled out to the 1<sup>st</sup> on call managers.</li> <li>• There have been 3 joint decision training sessions hosted by the Yorkshire Ambulance Service for 27 of our on call staff. This JDM is</li> </ul>	

	<p>regularly used for strike action planning.</p> <ul style="list-style-type: none"> <li>• Every quarter a feedback session is held with on call managers and executives to be able to input into any changes or improvements that can be made.</li> <li>• Nursing and junior doctor's strikes have been responded to using a full command and control infrastructure.</li> <li>• Next areas of work include child abduction test, critical care fire evacuation and testing our lockdown process and various training session we need to deliver.</li> <li>• Work is ongoing with wards and departments to ensure that their business continuity plans are embedded.</li> </ul> <p>The Committee noted the report and the assurance provided.</p>	
<b>A.4.23.26</b>	<p><b>Effectiveness of Quality Management System in protecting patient and staff interests</b></p> <p>JC joined the meeting and highlighted the following key points and headlines contained in the paper:-</p> <ul style="list-style-type: none"> <li>- The document is reviewed annually to ensure it is refreshed and reflective of the Trust, its working arrangements, operational management structure as well as the new governance framework as the CBU's moved into the CSU operational structure. The TOR for both the Safety Event Group and the Quality of Care Panel have been updated to reflect these changes.</li> <li>- A trust wide safety huddle takes place every day at 8.15am which is executive lead which is a really responsive way in which we manage patient safety.</li> <li>- The Safety Event Group meetings take place weekly and they are tracked and monitored through the Quality of Care Panel meeting the following Monday which is also executive lead. On a four weekly cycle the information from these meetings is collated and presented to the Quality and Patient Safety Academy as part of our assurance process.</li> <li>- In June 2021 the Trust began declaring all HSIB reportable safety events as SIs in line with national guidance which was a recommendation from the Ockenden report.</li> <li>- The Serious Incident internal audit report is in the final stages of being signed off but early feedback received is that the outcome will be positive.</li> </ul> <p>The Committee noted the assurance provided.</p>	
<b>A.4.23.27</b>	<p><b>Impact of climate change on public sector bodies</b></p> <p>MH referred to the 2 pages within the Deloitte report which relate to the expectations around reporting climate change, particularly in terms of the Annual Report, Annual Governance Statement (AGS) and the Financial Statements. The AGS does include the standard expected paragraph already but highlights what the disclosures need to be around our financial statements.</p> <p>The Committee noted the verbal update provided.</p>	

<b>A.4.23.28</b>	<p><b>Assurance regarding compliance with Risk Management Strategy – update</b></p> <p>LP noted that the first draft of the assurance map which would support our Board Assurance Framework (BAF) was discussed at the February AC meeting. This document has been updated in line with the feedback received and additional columns have been added to link those to the BAF risks and the lead executive directors and the date when the assurance would be expected. Before this is populated LP sought the assurance of the AC in the changes made. Examples from other Trust have also been appended for information. LP agreed to speak separately with BAS for his comments on the assurance map.</p> <p>The Committee noted the assurance provided.</p>	Board Secretary A23019
<b>A.4.23.29</b>	<p><b>Draft Annual Governance Statement 2022/23</b></p> <p>MP joined the meeting to provide an overview of the paper. LP confirmed the paper was in draft format at present as some third party challenge reports were still awaited. She confirmed that all areas have been covered as prescribed within the annual reporting manual guidance and there are no significant control issues reported for this year as in previous years. She drew attention to the information governance section where there had been a couple of data breaches, which have been reported to the ICO, but no further action was taken. The final Annual Governance Statement will be presented to the 23 May Audit Committee meeting.</p> <p>JH noted that based upon the findings today and the result of managements response to recommendations that internal audit would be in a position to provide a positive Head of Internal Audit Opinion.</p> <p>MH noted that a meeting took place with BAS, PR, MH, CB and JH to discuss some of the data quality issues that BAS had previously alluded to over a number of audit meetings. A way forward was agreed and it was hoped that the work in relation to the annual governance statement can be concluded before the final annual governance statement is published.</p> <p>The Committee noted the Annual Governance Statement.</p>	
<b>A.4.23.30</b>	<p><b>Compliance with NHS Provider Licence and FT Code of Governance</b></p> <p>LP gave an overview of the paper which was reviewed by the executive team in April 2023. The licence now includes an assessment of our compliance with the guidance on good governance and collaboration which was published last year. We have no areas of non-compliance so the proposal is to declare full compliance against the provider licence. The Board is required to confirm some other declarations which relate to continuity of services for the following 12 months and providing suitable training for governors. We may have to report that we do have the required resources for continuity of service but we may need to include some caveats as part of that dependent on the outcome of the planning process. We will also be declaring we have suitable training for governors. The declaration relating to our corporate governance arrangements will be brought back to the June AC because of the</p>	Board Secretary

	<p>interdependencies with the Annual Governance Statement and the Annual Report and we do not have the required information yet.</p> <p>There are no areas of non-compliance around the Code of Governance. New versions of both the Provider Licence and the Code of Governance have been received which we will be reporting against for next year. An assessment against the new Code of Governance has been undertaken and the Board has been informed of the areas that require further work to ensure full compliance. A final position paper will be presented to the May Board.</p> <p>The Committee noted the assurance provided.</p>	A23020
<b>A.4.23.31</b>	<p><b>Audit Committee Annual Self-Assessment</b></p> <p>LP noted that once assurance around the IT systems and data quality is received we will be compliant with the HFM Audit Committee handbook checklist. A revised version of the handbook is due to be published and a re-assessment will take place in due course. An update will be presented at a future AC meeting.</p>	Board Secretary A23021
<b>A.4.23.32</b>	<p><b>Any other business</b></p> <p>There was no other business to report.</p>	
<b>A.4.23.3</b>	<p><b>Matters to share with other committees</b></p> <p>There was no other business to report.</p>	
<b>A.4.23.34</b>	<p><b>Matters to escalate to the Risk Register</b></p> <p>There were no matters identified to escalate to the High level Risk Register.</p>	
<b>A.4.23.35</b>	<p><b>Matters to escalate to the Board of Directors</b></p> <p>There were no matters identified to escalate to the Board of Directors.</p>	
<b>A.4.23.36</b>	<p><b>Items deferred to subsequent meetings</b></p> <p>There were no items deferred to subsequent meetings.</p>	
<b>A.4.23.37</b>	<p><b>Attendees for subsequent audit committee meeting</b></p> <p>Paul Rice for data quality and IT assurance</p>	
<b>A.4.23.38</b>	<p><b>Review of meeting</b></p>	
<b>A.4.23.39</b>	<p><b>Date and time of next virtual meetings:</b></p> <p>All are scheduled from 2pm to 5pm on the following dates in 2023, except where stated:</p> <ul style="list-style-type: none"> <li>• 23 May</li> <li>• 22 June 09:30-10:30 (extraordinary meeting accounts sign off)</li> <li>• 12 September</li> <li>• 21 November</li> </ul>	

### Action log from the Audit Committee Meeting held 18 April 2023

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 <b>A22028</b>	October 2022	11.10.22 – awaiting report - <u>action to remain open</u> 26.7.22 – <u>action to remain open</u>
11.10.22	<b>A.10.22.25</b>	<b>Progress report on compliance with the ‘Policy for the development and management of Trust policies’.</b> LP suggested including within the imminent policy management audit a section relating to the steps that are taken to understand whether colleagues have read the policies relevant to their role. This would be included as part of the brief.	Board Secretary <b>A22058</b>	April 2023	To be discussed when the policy audit brief is agreed. The start of this audit has been delayed until the BAF audit is complete. A policy audit planning meeting has been arranged for early May – <u>action to remain open</u>
18.4.23	<b>A.4.23.10</b>	<b>Draft Internal Audit Plan 2023/24 and planning process</b> LP asked for the proposed plan to be updated, in relation to the Risk Management Audit, to include Ray Smith and Judith Connor.	Internal Audit <b>A23016</b>	May 2023	Plan updated – <u>action closed</u>
18.4.23	<b>A.4.23.22</b>	<b>Assurance: Key IT systems progress report update</b> JL suggested a meeting outside of the formal audit committee meeting to agree a way forward on what assurance the Audit Committee is seeking.	Board Secretary <b>A23017</b>	May 2023	Committee to decide if this meeting is still required
18.4.23	<b>A.4.23.23</b>	<b>Policies and procedures for ensuring acceptable data quality for all key Trust data</b> JL suggested PR is invited to the May meeting to provide an update on progress	Board Secretary <b>A23018</b>	May 2023	PR invited to May meeting – <u>action closed</u>
18.4.23	<b>A.4.23.28</b>	<b>Assurance regarding compliance with Risk Management Strategy</b> LP agreed to speak separately with BAS for his comments on the assurance map	Board Secretary <b>A23019</b>	May 2023	Item added to May agenda – <u>action closed</u>



Meeting date	Agenda reference	Agenda item	Lead	Review date	Comments/update
18.4.23	A.4.23.30	<b>Compliance with NHS Provider Licence and FT Code of Governance</b> The declaration relating to our corporate governance arrangements will be brought back to the June AC because of the interdependencies with the Annual Governance Statement and the Annual Report and we do not have the required information yet	<b>Board Secretary A23020</b>	June 2023	
18.4.23	A.4.23.31	<b>Audit Committee Annual Self-Assessment</b> A revised version of the handbook is due to be published and a re-assessment will take place in due course. An update will be presented at a future AC meeting.	<b>Board Secretary A23021</b>	June 2023	
7.2.23	A.2.23.18	<b>Proposed changes to Scheme of Delegation/Standing Financial Instructions (standing item)</b> MH suggested he report back to the October 2023 meeting with the schedule of approvals that have taken place at the upper end of the threshold limit for comparison and assurance.	<b>Director of Finance A23009</b>	October 2023	
7.2.23	A.2.23.10	<b>BH132023 Improving Financial Sustainability internal audit report</b> JH noted that in relation to the Financial Sustainability report we are required to follow up on the actions but are awaiting timeframes from NHSE/I. The audit will be included in the 2023/24 plan with a report to the AC in November 2023.	<b>Internal Audit A23002</b>	November 2023	
7.2.23	A.2.23.12	<b>Internal Audit Effectiveness Review</b> MH suggested re-running the questionnaire early next year to address if the issues highlighted have improved to report back to the AC in November 2024	<b>Director of Finance A23003</b>	November 2024	

## Appendix 1

### Actions closed at the meeting of the audit committee held 18 April 2022

Meeting date	Agenda reference	Agenda item	Lead	Review date	Comments/update
11.10.22	A.10.22.28	<b>Data Quality (DQ) Assurance and Assurance: Key IT systems progress</b> PR provided an overview of the progress to date on the service auditor report. He noted that he hadn't received the responses expected from the suppliers and confirmed that he proposed to re-request the information and, once received, provide an update to the Audit Committee. Paul Rice, Chief Digital and information Officer to be invited to the February meeting to provide an update regarding 'Data Quality (DQ) Assurance and, Assurance on key IT systems'.	Chief Digital and Information Officer <b>2022/59</b>	April 2023	Deferred to April Meeting due to strike action on 7 February 2023.  Included on the agenda - <u>action closed</u> .
7.2.23	A.2.23.9b	<b>Internal Audit 2023/24 planning process</b> A draft programme of work will be provided at the April 2023 Audit Committee meeting for consideration which will include a three year assessment and the rational for what will be included as part of the year one programme.	<b>Internal Audit 2023/001</b>	April 2023	18.4.23 – given the fluidity of the NHS and the changes in risk profiles we have moved away from the three year planning cycle looking at an annual planning process reflecting the cyclical audits that need to be covered over a 3-5 year process.  Included on the agenda - <u>action closed</u> .
7.2.23	A.2.23.13	<b>Internal Audit Recommendations Benchmarking Report</b> MH gave an overview of the results contained within the paper which had previously been discussed with the executive team and he agreed to circulate the comparison paper which had been omitted from this meetings papers	<b>Director of Finance 2023/004</b>	April 2023	Paper circulated to committee – <u>action closed</u>

Meeting date	Agenda reference	Agenda item	Lead	Review date	Comments/update
7.2.23	A.2.23.14	<b>Counter Fraud progress report update</b> SN questioned if the QR code mentioned within the report includes functionality for staff to report suspected fraud anonymously. RM noted that it doesn't but he would refer back to the creators to see if this could be imbedded.	<b>Counter Fraud 2023/005</b>	April 2023	Information to be included in the next progress report in April – <u>action closed</u>
7.2.23	A.2.23.14	<b>Counter Fraud progress report update</b> RM agreed to include within the outcome section of his report an update on each case so that this can be monitored until closure.	<b>Counter Fraud 2023/006</b>	April 2023	Information to be included in each progress report going forward – <u>action closed</u>
7.2.23	A.2.23.17	<b>2022/2023 Annual Accounts update</b> BAS suggested an informal meeting is arranged to discuss the accounts and the date included within the timetable.	<b>Deputy Director of Finance 2023/007</b>	April 2023	Meeting arranged for 1 June 2023 – action closed
7.2.23	A.2.23.18	<b>Proposed changes to Scheme of Delegation/Standing Financial Instructions (standing item)</b> BAS noted that he had several queries that he would discuss further with MH off line.	<b>Director of Finance 2023/008</b>	April 2023	Items discussed – <u>action closed</u>
7.2.23	A.2.23.24	<b>Assurance regarding compliance with Risk Management Strategy</b> JH suggested comparing our assurance map with other organisations to see if there are any gaps and what level of details they have gone into. LP agreed to discuss further with the Company Secretary Network and other organisations to see they had any examples they could share	<b>Board Secretary 2023/010</b>	April 2023	Added to April agenda – <u>action closed</u>

7.2.23	<b>A.2.23.24</b>	<b>Assurance regarding compliance with Risk Management Strategy</b> Further discussion took place around the requirements for additional columns and details of the latest assurance and LP agreed to update the map as discussed which could then be mapped across to the BAF.	<b>Board Secretary</b> <b>2023/011</b>	April 2023	Added to April agenda – <u>action closed</u>
7.2.23	<b>A.2.23.24</b>	<b>Assurance regarding compliance with Risk Management Strategy</b> JH agreed to discuss further with internal audit and to perhaps incorporate into the work around the risk management framework and the BAF in terms of best practice.	<b>Internal Audit</b> <b>2023/012</b>	April 2023	Added to April agenda – <u>action closed</u>
7.2.23	<b>A.2.23.26</b>	<b>Audit Committee Annual Self-Assessment</b> BAS suggested that a discussion with internal audit, MH and Paul Rice, Chief Digital & Information Officer (PR) takes place to glean the assurance that we need in relation to data and information quality and key IT systems. An off line discussion with BAS, MH and internal audit will take place to draft a clear brief prior to the meeting with PR.	<b>Director of Finance</b> <b>2023/013</b>	April 2023	Off line discussion took place – <u>action closed</u>
7.2.23	<b>A.2.23.26</b>	<b>Audit Committee Annual Self-Assessment</b> As a result of our self-assessment discussions BAS suggested PR is invited to the April Audit Committee to present a summary on progress to date, the perceived gaps in assurance and that the data and information relevant to achieving our strategic objectives is accurate, complete and timely	<b>Board Secretary</b> <b>2023/014</b>	April 2023	Added to April agenda – <u>action closed</u>
7.2.23	<b>A.2.23.34</b>	<b>Review of meeting</b> JP agreed to provide BAS with some notes as a review of the meeting to circulate to other members as he sees fit.	<b>Jon Prashar</b> <b>NED</b> <b>2023/015</b>	April 2023	Feedback circulated – <u>action closed</u>