

TRUST BOARD – 29 March 2022

AUDIT AND ASSURANCE COMMITTEE - 4 March 2022

HIGHLIGHT REPORT

The key headlines/issues and levels of assurance are set out below, and are graded as follows:

Strength of Assurance	Colour to use in 'Strength of Assurance' column below
Low	Red - there are significant gaps in assurance and/or not properly assured as to the adequacy of action plans/controls
Medium	Amber - there is reasonable level of assurance but some issues identified to be addressed.
High	Green – there are no gaps in assurance and there are adequate action plans/controls

Report	Assurance level*	Committee escalation	ORR Risk Ref
<p>Internal Audit</p> <p>Progress Report</p> <p>2022/23 Plan</p> <p>2022/23 Charter</p>	High	<p>Four reports had been issued since the last meeting, three with significant assurance opinion and one with split significant / limited assurance. The HoIAO stage 2 work had been issued.</p> <p>The implementation rate in 2021/22 for follow ups was currently 92%.</p> <p>The Committee approved the assurance element of the Violence and Aggression Review being undertaken in Q1 2022/23 due to issues around capacity.</p> <p>The Committee approved the Internal Audit Plan for 2022/23.</p> <p>The charter was presented for information, there had been no changes made from the previous year.</p>	62, 70 71*
<p>External Audit</p> <p>Progress Report</p> <p>2021/22 Plan</p>	High	<p>The Committee received the External Audit Progress Report and technical update. Areas of importance for the Trust related to the 2022/23 priorities and operational planning guidance issued by NHSE/I, in particular the revised contract arrangements, collaborative working and plans to deliver more elective care. Also to note were updates issued by the DoH&SC around changes to fair pay disclosures and IFRS16 implementation.</p> <p>An overview of KPMG's risk assessment and planned audit approach was received. The Committee noted the positive change in materiality which reflected the good work carried out by finance teams over previous years.</p>	62, 70 71*

Report	Assurance level*	Committee escalation	ORR Risk Ref
Counter Fraud Progress Report 2022/23 Plan	High	The Committee received the Counter Fraud Progress Report and noted progress made since the previous meeting. LPT was currently in a very good position in terms of the Functional Standard score which had improved to green across the board. The Committee approved the Counter Fraud Plan for the financial year 2022/23 which was based on the same number of days being delivered as the previous year. The only difference was the requirement to provide assurance against the Functional Standard based on broader risks and the work carried out to address them.	62, 70 71*
Clinical Audit Policy	High	The Committee received and supported the policy.	62*
Risk Management Update	High	<ul style="list-style-type: none"> A number of changes had been made to the ORR with the addition of three new risks since the last meeting in December 21. A risk assessment functionality had been introduced into the Ulysses system for counter fraud risks. Risk training was currently facilitated by the Risk Team via a one hour video overview session and three hour risk management session. 	62*
Legal and Regulatory Issues	High	The implementation of the Liberty Protection Safeguards had been pushed back from April, to July 2022. The Coronavirus Act 2020 was due to expire on 24 March 2022, some elements of it would be confirmed through secondary legislation and some would expire. The Risk Team was closely monitoring this and the implications to the Trust.	62*
Internal and External Audit Follow up of Actions	High	The Pentana system was now up and running and had been relatively well received by key users within the Trust. There were no specific concerns to raise.	62*
Financial Waivers	High	Thirteen waivers with a total value of c£547k had been raised during quarter 3 of 2021/22, all had been approved. The Committee noted there would be a lot fewer waivers when the Trust moved to new reporting processes.	62, 70 71*
Accounting Policies/Year End Update	High	A summary of the 2021/22 annual accounts process was presented including updates since December's progress report. Discussion focused on the proposal for AAC to approve the audited accounts at its meeting in June.	62, 70 71*
Chairs of QAC/FPC - updates on key issues	High	The Committee was fully assured by updates provided by QAC and FPC chairs. No specific areas of concern were raised.	62, 70 71*

Chair	Darren Hickman
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*principal risk(s) shown but will also cover other risk on ORR