

**Meeting Assurance Report
to the Board of Directors
held on 25 July 2023**

Name of Committee / Group	Audit Committee
Date of Meeting	20 June 2023 and 11 July 2023
Chair	John O’Kane, Non-Executive Director
Lead Officer	Sandi Carman, Assistant Chief Executive
Meeting Administrator	Claire Coles, Business Manager

Purpose

The purpose of this report is to provide in summary an update on the key discussions and outcomes of the above meetings.

Agenda items covered at the meeting

The 20 June 2023 agenda focussed on the Annual Report and Accounts process with the following items:

- Annual Report and Accounts
 - 2022/23 Annual Report and Accounts including the Annual Governance Statement
- Internal Audit and Counter Fraud
 - Internal Audit Annual Report 2022/23 including Head of Internal Audit Opinion Statement
 - Counter Fraud Annual Report for 2022/23 and Counter Fraud Functional Standards Return
- External Audit
 - 2022/23 External Audit Year End Report (ISA 260) including Management Representation Letter and Auditor’s Value for Money Risk Assessment
 - Draft Auditor’s Annual Report 2022/23
- Integrated Governance, Risk and Assurance
 - Board Committees Annual Reports, Terms of Reference and Proposed Workplans
 - Losses and Compensations Report

The 11 July 2023 agenda included the following items:

- Internal Audit and Counter Fraud
 - 2023/24 Counter Fraud Progress Report
 - 2023/24 Internal Audit Progress Report
- Integrated Governance, Risk and Assurance
 - Review of Delivery of the Committee’s Objective 3: Undertake specific actions focused on Committee Effectiveness
 - Register of Interests Annual Report
 - Insurance Arrangements Annual Report
 - Single Tender Waivers

On 11 July 2023 the Audit Committee also met in private to review:

- Internal Audit Services including Counter Fraud
- External Audit Services

Matters to highlight

At the meeting on 20 June 2023 it was agreed to highlight the following items from the discussions:

External Audit - presented their year-end reports. The Committee noted the reports in respect of the financial statements, and the Trust's value for money arrangements and financial statements risks. In relation to their year-end audit External Audit issued;

- An unqualified opinion on the Trust's financial accounts, meaning the accounts gave a true fair view of the financial performance and position of the Trust.
- No significant inconsistencies between the Annual Report content and the auditor's knowledge of the Trust had been identified and it had been prepared in line with the Department of Health and Social Care requirements.
- No in-year significant weaknesses in the Trust's value for money arrangements had been identified.

Annual Report and Accounts - In relation to the 2022/23 Statutory Financial Statements and Annual Report, the Audit Committee:

- Reviewed and satisfied itself with the content of the Statutory Financial Statements and Annual Report, and recommended to Board of Directors that these were adopted and submitted to NHS England by the 30 June 2023 deadline.

The 27 June 2023 Board of Directors subsequently approved the Annual Report and Accounts for submitted to NHS England by the deadline.

Committee Annual Reports, Terms of Reference and Workplans - The Committee also:

- Agreed the Audit Committee Annual Report, 2023/24 workplan and updated Terms of Reference and recommended these to the Board of Directors for approval.
- Received the Annual Reports (including workplans and Terms of Reference) of the other Board Committees and satisfied itself that these reports provide assurance that the Committees of the Board have discharged their responsibilities in 2022/23, and recommended these to Board of Directors for approval.

Losses and special payments - The Committee also reviewed and noted the level of losses and special payments incurred during 2022/23 and supported the future action for potential further reductions.

At the meeting on 11 July 2023 it was agreed to highlight the following points from the discussions:

Internal Audit - The Committee agreed to highlight two internal audit reports discussed related to eRostering (limited assurance) and Outpatients: 2019/20 activity versus 2022/23 (Advisory). These were thorough reports with useful information coming out. One recommendation from the eRostering audit had been accepted to look at governance structures to oversee a number of areas coming together. An operational steering group was being re-established to do this and the Audit Committee was seeking clarity once the steering group was fully established on how it reported back.

The Outpatients review highlighted two medium risks related to having detailed bottom-up capacity planning and that rigorous local outpatient activity monitoring at clinical level was required across all Outpatient services, and the Committee was interested to hear other Board members views on the review.

The Committee approved one change to the internal audit plan for 2023/24; to move the tissue viability audit to quarter 4 to enable greater assurance on progress and implementation of the new risk assessment.

Declarations of Interest - The Committee was pleased to see the improvement in declarations of interest compliance reported at 95% for decision makers in the organisation against an internal target of 90%. There was further work to do to embed awareness and it was agreed to maintain the target at 90% for 2023/24 but aim for a stretch target of 95% as it was recognised it took a huge effort to manage the process and achieve this level of compliance.

Committee Chair - This was the John O’Kane’s last meeting as Chair of the Audit Committee and he was thanked for his valuable contribution and steer of the Committee during his time on the Committee.

New significant issues / concerns escalated including proposals on the next steps to address this

New areas which the Committee / Group wishes to escalate as potential areas of non-compliance, that need addressing urgently or escalating:

None.

Implications

Aim of the STHFT Corporate Strategy		✓ Tick as appropriate
1	Deliver the Best Clinical Outcomes	✓
2	Provide Patient Centred Services	✓
3	Employ Caring and Cared for Staff	✓
4	Spend Public Money Wisely	✓
5	Create a Sustainable Organisation	✓
6	Deliver Excellent Research, Education and Innovation	✓

Recommendations

The Board of Directors is asked to **NOTE** the update provided and respond to any specific points raised within the report.