

**Meeting Assurance Report
to the Board of Directors held on
28 January 2025**

Name of Committee / Group	Audit Committee
Date of Meeting	21 January 2025
Chair	Ann Harris, Non-Executive Director Committee Chair
Lead Officer	Sandi Carman, Assistant Chief Executive
Meeting Administrator	Claire Coles, Senior Business Manager, CEO Office

Purpose

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

Agenda items covered at the meeting

The agenda included the following items:

- Internal Audit and Counter Fraud
 - 2024/25 Counter Fraud Progress Report
 - 2024/25 Internal Audit Progress Report
- Integrated Governance, Risk and Assurance
 - Board Assurance Framework Continuous Improvement Update
 - Data Quality Steering Group Annual Report
 - Risk Management Executive Committee
- External Audit
 - External Audit Progress Report
 - Technical Update
- 2024/25 Annual Report and Accounts Preparation
 - Proposed Process and Timetable
 - Proposed Accounting Policies and Approach to Accounts Completion
 - Going Concern
- Other Activities
 - Policy Review Compliance Update
 - Approval for the write-off of debt
- To Note:
 - Single Tender Waivers

Matters to highlight

Specific areas to highlight are as follows:

- Internal Audit

The committee received three audit reports, two of which were limited assurance: Directorate research – planning and performance, and Post Project Evaluation – benefits realisation. The first of these will be deferred to the March meeting to enable an Executive lead to attend, the second generated some discussion as there was concern that there appeared to be several weaknesses in control. Mark Tuckett, Chief Strategy Officer, attended the meeting for this item and gave the committee reassurance that of the 6 recommendations (4 high, 2 medium), 5 had now been completed and action was in hand on the 6th. There was some useful discussion about how benefit tracking might be reported back to Finance and Performance Committee if above a certain financial threshold. This will be considered. Mark will also look at whether the PROUD improvement work is specific enough in relation to benefits realisation. Julie Wright, Deputy Chief Finance Officer, confirmed that cash releasing savings are reflected in reduced allocations to the relevant Directorate.

Two audits were proposed for deferral to 2025/26 which prompted a discussion about how committee chairs are made aware in advance of Audit Committee with a clear rationale for the delay. We also had a broader discussion about the audit plan process and engagement with Non-Executive Directors (NEDs), and the number of audits that are slipping from one year to the next. 360 Assurance gave us assurance that they will be able to complete most of the audits in year, although the reports may come to the first committee in the next Audit Committee year.

- Data Quality

The committee had an updated report on the challenging amount of work being considered by the Data Quality Steering Group. One risk - 'Inaccurate or incomplete data impacting on operational performance and reporting accuracy' currently has a risk score of 12. Given the work still to be completed this risk assessment is being updated and will be presented to Data Quality Steering Group on 4th February.

- Annual Report and Accounts preparation

Finance colleagues provided a clear timetable for the production of the Annual Report and Accounts to enable meeting the NHSE timetable of completion by 30th June. As ever the timetable is tight but, at this point, looks deliverable.

The external audit plan for 2024/25 will come to the March committee meeting.

- Policy Compliance Review

There is steady progress being made on updating policies. There are clearly issues in some areas causing delays. Jennifer Hill, Chief Medical Officer (Operations), attended to assure the committee why some of the clinical policies were slightly behind due date. 10 out of 15 had been updated and work was in hand on the others, much of the delay was simply backlog of work in lead clinicians or Pharmacy colleagues capacity. The oldest out of date policies had been prioritised for updates.

The March report will be nearing the target date for 90% of policies to be in date. The committee will consider at that point whether further compliance monitoring should continue.

Documents approved were:

Write off of unrecoverable debt – debt of £752.169.09 relating to AMT Coffee Limited who were the retail provider at the Trust's main hospital sites is now confirmed as unrecoverable. This has been the subject of an administration process and the final report confirms that no recoverable funds will be available to the Trust. The committee felt that there was no option but to recommend approval to the Board since there was little the Trust could have done to mitigate this level of debt.

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 Committee is asked to **NOTE** the update provided and respond to any specific points raised within the report.