

## CHAIR'S KEY ISSUES

### ISSUES FOR REFERRING / ESCALATING TO BOARD / COMMITTEE / TASK & FINISH GROUP

<b>ORIGINATING BOARD / COMMITTEE / TASK &amp; FINISH GROUP:</b>	Audit and Risk Committee, 21 September 2022
<b>CHAIR:</b>	Mark Millar, Non-Executive Director
<b>LEAD EXECUTIVE DIRECTOR:</b>	Adrian Marr, Director of Finance

Agenda Item	Details of issue	Approval Escalation Alert Assurance Information	Risk Register or BAF Reference
External Audit: Auditor's completion report and Annual Report and Accounts 2021/22 next steps	The Board approved the Annual Report and Accounts on 20 June subject to final work being completed. Re-presentation was not required unless materiality was breached. A full update was received on the adjustments made to the financial statements and the lessons to be learned, particularly regarding capital accruals, both locally and nationally. The auditors will sign off the Value for Money review and accounts at the same time to enable laying before Parliament and presentation at the Trust's Annual Members' Meeting. The Committee discussed how a delay can be avoided in future years with further debate due in the debrief meeting. A separate paper on the management responses provided will be considered at the next meeting for noting. The report, accounts and VFM reports were approved and the Chief Executive and Director of Finance were authorised to finalise the process to enable completion of the audit.	<b>Alert</b>	
Charitable Fund Audit Plan update	The external auditors updated on the current audit. The completion report was due to be issued before 30 September for presentation to the Charitable Funds Committee on 25 October and the Board on 3 November for approval, prior to the Annual Members Meeting on 10 November. Members of the Audit and Risk Committee would be invited to the meeting on 25 October.	<b>Alert</b>	

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Internal Audit progress report	<p>Seven completed reports were received in line with the approved programme for 2021/22 linked to the Trust's risk profile. The Director of Digital and Logistics attended to provide further detail and assurance in relation to the data security protection toolkit which covers both data security and information governance requirements. Changes have taken place on the methodology being used nationally and as a category one organisation compliance is required at the highest standard. The Committee was advised that completion of actions is on track to support the submission for next year. Reporting for ICT through the Board and Committee governance process is to be resolved to ensure sufficient oversight and assurance.</p> <p>Progress on implementation of all management actions was also considered. With a Head of EDI now in post this will enable progress to be made more quickly. The Chief Executive would provide an update to the Chair in the next month on a realistic timeframe for completion of actions in relation to the Equality, Diversity and Inclusion audit and an update provided to the December Committee as part of the standing item.</p>	<b>Alert</b>	
Local Counter Fraud Service update	There is one red rated item regarding conflicts of interest, effectiveness of implementation and staff awareness of the requirements. The Committee was keen to see an improvement in the percentage of declarations being received.	<b>Alert</b>	
Engagement of Additional Services from the External Auditor Policy	Three yearly policy review confirmed.	<b>Information</b>	
Standing Financial Instructions and Scheme of Delegation	Amendments were proposed including long-standing thresholds following a review of two other Trusts, ESNEFT turnover, inflationary pressures and current challenges to effective management of business. The Committee approved increases in authorised signatory limits and Board consideration of business cases/sign off of contracts and authorisation threshold from £1m to £2.5m and a whole life value of £10m or higher.	<b>Alert</b>	