

Minutes of the Audit Committee

Held on: Tuesday 13 July 2021

Location: MTeams

Start time: 14:00 hours

Finish time:

Present

Mark Tattersall (MT)
 Geoff Broadhead (GB)
 Anna Rothery (AR)

Non-Executive Director (Chair)
 Non-Executive Director
 Non-Executive Director

In attendance

James Thomson (JT)
 Joanne Bowden (JB)
 Angela Wendzicha (AW)
 Jane Wilkinson (JW)
 Christopher Whittingham (CW)
 Simon Davies (SD)
 Roger Causer (RC)
 Suzanne Critchley (SC)
 Peter Case-Upton (PC-U)

Director of Finance
 Deputy Director of Finance
 Associate Director of Corporate Governance
 Governor Representative
 External Audit Representative (GT)
 MIAA Internal Audit
 Anti-Fraud (MIAA)
 Interim DPO (MIAA) (for item AUD-54-21)
 Interim IG Manager (MIAA) (for item AUD-54-21)

Item no.	Agenda item	Action
AUD-043-21	<p>Welcome & Apologies</p> <p>MT welcomed all to the meeting and noted apologies received from Joan Spencer and Anne-Marie Harrop.</p> <p>MT further informed the Committee that he had agreed with AW that the following papers would be circulated post meeting:</p> <p>AUD-053-21 Key Finance Assurance Indicators AUD-058-21 Corporate Governance Manual AUD-061-21 Audit Committee Annual Work plan</p> <p>AW clarified that the Corporate Governance Manual will have tracked changes to enable the Committee to easily review the changes.</p>	

AUD-044-21	<p>Declarations of Interests</p> <p>Declarations of Interests of Committee Members and other attendees' interests concerning agenda items were noted as follows:</p> <ul style="list-style-type: none"> • Mark Tattersall as CCC designated Non-Executive Director for PropCare. • Geoff Broadhead as CCC designated Non-Executive Director for CPL. • James Thomson as CCC Executive Lead for PropCare and CPL • Angela Wendzicha as Company Secretary for PropCare and CPL. • Jo Bowden as Director for CPL 	
AUD-045-21	<p>Minutes of the Audit Committee held on 22 April and 23 June 2021</p> <p>22 April 2021</p> <p>The minutes of the meeting held on 22 April 2021 were approved as an accurate record of the meeting.</p> <p>23 June 2021</p> <p>The minutes of the meeting held on 23 June 2021 were approved subject to the following amendments:</p> <p>AUD-10-21 ...CW added that GT were on every going "add to" provide... "process not processes" and</p> <p>CW further informed the NAO had convened 'an' not 'and'.</p> <p>AUD-14-21..."MT noted that "add 'as previously requested.</p>	
AUD-046-21	<p>Matters Arising and Action Log</p> <p>The Committee discussed the action log, noting the actions were either in progress, complete or on the agenda or updated as follows:</p> <p>AUD-004-21: Conflicts of Interest Training: AW provided an overview of the current position informing the Committee that some training has been delivered through the procurement route in addition to AW delivering the first session on 19 July 2021.</p>	
Internal Audit		
AUD-47-21	Internal Audit Progress Report	

	<p>SD provided an overview of the progress made against the 2021/22 Internal Audit Plan highlighting that two reviews are in progress relating to conflicts of interest and claims management with planning underway for the health roster and research and innovation reviews.</p> <p>SD further confirmed that there are no proposals to amend the current audit plan.</p> <p>JT made reference to the IT Resilience and Data Security and Protection Toolkit reviews currently in draft; JT further explained that Sarah Barr is working with MIAA and suggesting some form of words within sections of the IT Resilience report, not to alter the findings of the review but to ensure the correct actions flow from the findings. GB added that we need to be careful that we do not agree actions that we cannot implement.</p> <p>JT sought an indication on the final outcome of the DSPT Review with SD confirming he would rather wait until the report has been finalised.</p> <p>The Audit Committee:</p> <ul style="list-style-type: none"> • Discussed and noted the content of the report. 	
<p>AUD-48-21</p>	<p>Anti- Fraud Anti-fraud Annual Report</p> <p>RC introduced the Annual Report as a summary of the work completed over the last financial year highlighting the following:</p> <ol style="list-style-type: none"> The nominated Anti-Fraud Specialist changed in September from Anne Gregory to RC who has continued to liaise with key stakeholders within the Trust. One fraud investigation was carried out, resulting in a disciplinary sanction. <p>GB noted that overall the report is positive with MT adding that he has been aware of the issues highlighted and furthermore the report illustrates that the scope of work being carried out is good.</p> <p>Baseline Assessment: Government Functional Standard GovS 013: Counter Fraud (NHS Requirements) May 2021 Return</p> <p>RC provided an overview of the report informing the Committee that from April 2021 we are required to provide assurance against the above Standards.</p>	

	<p>RC further informed the Committee that the baseline assessment had been carried out and agreed with JT with two areas showing as 'amber' namely Fraud, bribery and corruption risk assessment and Policies and registers for gifts and hospitality and conflicts of interests.</p> <p>AW added that the Trust does have a Managing Conflicts of Interests policy that aligns with the national policy; in addition, the Trust has a register of gifts and hospitality in place.</p> <p>The Audit Committee:</p> <ul style="list-style-type: none"> • Discussed and noted the content of the report. 	
<p>AUD-49-21</p>	<p>Audit Tracker</p> <p>AW provided an overview of the current position in relation to the Audit Tracker, highlighting the following:</p> <ol style="list-style-type: none"> Risk Management: The new Associate Director of Clinical Governance has reviewed the outstanding action and is minded to keep the Strategy with policies aligned to it. The request to extend the completion date to September 2021 was approved by the Committee. Service Review: AW informed the Committee that following discussions with the current management team, the original actions are now out of date given the context of the revised structure within the Trust. Discussion ensued and the Committee approved the request for the Trust to discuss with MIAA and further re-define the actions. Serious Untoward Incidents: AW advised the Committee that the outstanding action has now been overtaken by the new Patient Safety Syllabus which introduced Incident Investigation Training. The Committee discussed the proposal from the new Associate Director of Clinical Governance to implement this by a revised deadline of December 2021 and approved the same. CQC Action Plan: AW informed the Committee that as deep dives had been received by the Performance Committee in relation to ILS and BLS training compliance, the Committee agreed to close this action and remit monitoring via the Integrated Performance Report. IPR: AW informed the Committee that the development of the online dashboards will mitigate the risks relating to data quality but this is not due for 	

	<p>completion until Quarter 4. The Committee discussed and approved an extension of the deadline to March 2022.</p> <p>Further discussion ensued in relation to the need to alter actions when it becomes apparent that the original actions are not relevant with SD confirming the Trust is not restricted to the original actions as long as any amendments address the identified risk.</p> <p>The Audit Committee:</p> <ul style="list-style-type: none"> • Discussed the content of the update provided and • Approved the extension for completion of the Risk Management Strategy to September 2021; approved the re-defining of actions relating to the service review; approved the revised deadline for incident Investigation Training to December 2021; agreed to close the action relating to ILS and BLS and remit to the IPR and approved the extension to March 2022 for the development of the online dashboard. 	
<p>AUD-50-21</p>	<p>Review of the External Audit Process 2020/21</p> <p>CW provided a verbal update to the Committee highlighting that the formal review of the audit has not been completed and work remains outstanding on identifying issues between the Trust and Grant Thornton.</p> <p>MT noted the extension of time to complete the Value for Money work until September and agreement needs to be reached between GT and the Finance team when the findings of the post audit review will be presented to the Audit Committee.</p> <p>The Audit Committee:</p> <ul style="list-style-type: none"> • Noted the content of the update provided. <p><i>CW left the meeting at this point due to an interest in the following agenda item.</i></p>	
<p>AUD-51-21</p>	<p>External Audit: Tender Process</p> <p>JB provided a verbal update to the Committee highlighting that the draft Invitation to Tender document had previously been shared with Committee members.</p> <p>Discussion ensued in relation to the ongoing process and the importance of having a number of firms interested.</p>	

	<p>Further discussion ensued in relation to the experiences of staff during the audit process and how this has adversely impacted on business as usual for the Trust.</p> <p>AW confirmed that an extra ordinary Council of Governors can be arranged for September to enable the Governors to approve appointment of the External Auditors.</p> <p>The Audit Committee:</p> <ul style="list-style-type: none"> • Discussed and noted the current progress in relation to the tender process. 	
<p>AUD-52-21</p>	<p>Director of Finance Report</p> <p><i>CW re-joined the meeting at this point.</i></p> <p>JT provided an overview of the report highlighting the following:</p> <ol style="list-style-type: none"> Financial planning update: The Trust has a balanced financial target for the end of H1; the financial plans assume a level of non-recurrent income through the Elective Recovery Fund (ERF). We continue to evaluate what will happen to the system if Cheshire and Merseyside do not achieve the defined recovery targets and whether the ERF will be at risk. MT requested that the Performance Committee keep this under review. Strategic Outcomes Framework Review: JT highlighted that NHSE/I published a revised Strategic Outcomes Framework in June which will be relevant for the Audit Committee as it identifies how the Regulator will view and support NHS Trusts in relation to the risk based segments. <p>Discussion ensued in relation to the Strategic Outcomes Framework concluding that this will need come back to the Audit Committee for further review and discussion in due course.</p> <p>The Audit Committee:</p> <ul style="list-style-type: none"> • Noted the update provided. 	

AUD-53-21	<p>Key Finance Assurance Indicators</p> <p>To be circulated post Committee.</p>	
AUD-54-21	<p>Data Security Toolkit: Update</p> <p>SC and PC-U attended the Committee, confirming that SC is currently the dedicated Data Protection Officer and PC-U is carrying out the role and function of the Information Governance Manager.</p> <p>PC-U confirmed that the Trust had submitted the Toolkit on a 'standards met' basis with all mandatory items satisfied. The Committee were further informed that version 4 of the Toolkit is due to be published at the end July.</p> <p>GB sought clarity from PC-U that although we are in a good position, how do we compare with other NHS Trusts? PC-U confirmed whilst it varied between NHS Trusts, Clatterbridge is up with the leading organisations and there is no reason we cannot achieve a 'standards exceeded' position in the future.</p> <p>MT acknowledged the positive report and thanked all who had been involved in the delivery of the toolkit.</p> <p>The Audit Committee:</p> <ul style="list-style-type: none"> • Discussed and noted the content of the report. 	
AUD-55-21	<p>Annual Report to the Audit Committee</p> <p>AW reminded the Committee of the requirements under its Terms of Reference to receive annual reports from the Board Committees.</p> <p>AW provided an overview of the annual reports from the Performance Committee and the Quality Committee highlighting that both reports had been discussed and approved by the respective Committees and that both have concluded they have fulfilled the requirements under their own Terms of Reference.</p> <p>MT added that from an Audit Committee perspective, acknowledgement must be given to the scope of work and the detail reviewed and considered by both Committees. In addition, the evidence of the deep dive reviews clearly demonstrates that the Committees are doing their jobs in</p>	

	<p>seeking further assurances when required and it is also evident the Committees are working together.</p> <p>MT further added that over the last 12 months, the Chair reports have improved greatly enabling good feedback to the Board.</p> <p>GB highlighted the added value of having Non-Executive Directors sitting across Committees which ensures the cross relationship works well.</p> <p>MT sought clarity on the next steps with AW confirming an Annual Report will be drafted relating to the Audit Committee and presented to Trust Board in July.</p> <p>The Audit Committee:</p> <ul style="list-style-type: none"> • Discussed and noted the content of the reports. 	
AUD-56-21	<p>Legal Annual Report</p> <p>Aw provided an overview of the report highlighting the progress made over the last year. AW further highlighted the overview of ongoing Trust litigation cases and the learning that has developed from litigation.</p> <p>Discussion ensued in relation to the confidential nature of the report with MT confirming it is good to see the visibility of the cases detailed within the report which provides assurance around the processes that have been put in place.</p> <p>The Audit Committee:</p> <ul style="list-style-type: none"> • Discussed and noted the content of the report. 	
AUD-57-21	<p>Board Assurance Framework</p> <p>AW provided an overview of the revised Board Assurance Framework informing the Committee that any assurance and control gaps will be addressed following discussions with the Executive team week commencing 12 July 2021.</p> <p>AW also highlighted that the Committees will start to see the BAF risks aligned to them presented as stand-alone agenda items.</p> <p>The Audit Committee:</p> <ul style="list-style-type: none"> • Noted the update provided. 	

AUD-58-21	<p>Corporate Governance Manual</p> <p>To be circulated post meeting.</p>	
AUD-59-21	<p>Tender Waiver Register</p> <p>AW presented the tender waiver register relating to Quarter 1 with MT noting the ongoing reduction in waivers being presented.</p> <p>The Audit Committee:</p> <ul style="list-style-type: none"> • Noted the content of the report. 	
AUD-60-21	<p>Register of Interests: Annual Review</p> <p>AW presented the current register of interests highlighting the process is being reviewed to ensure all relevant staff return their declaration.</p> <p>SD sought clarity on whether Consultants are completing the declaration forms; AW stated that she has been informed that they are completing them during the job planning process but the forms are not being provided to AW and that we need to work out how this information can be more effectively captured.</p> <p>The Audit Committee:</p> <ul style="list-style-type: none"> • Noted the register of interests. 	
AUD-61-21	<p>Audit Committee Annual Work plan</p> <p>To be circulated post meeting.</p>	
AUD-62-21	<p>Chair's Report to Trust Board</p> <p>The Committee discussed and agreed the following items for the Chair's report:</p> <ul style="list-style-type: none"> • Data Security Toolkit submission • Audit Tender discussion • Anti-Fraud baseline assessment • Annual reports received from the Committees • Legal Annual Report 	

MEETING NOTES

	Any Other Business None raised. MT thanked all for their attendance and contribution and closed the meeting.	
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Next meeting:

Date: 14 October 2021

Location: MTeams

Start time: 09:30

Finish time:

Signature:

Date:

Chair

(Insert date when minutes are signed)

