Report to:	Public Board of Directors	Agenda item:	13
Date of Meeting:	29 January 2020		

Title of Report:	Audit Committee Update Report
Status:	For information
Sponsor:	Jeremy Boss, Non-Executive Director & Chair of the Audit Committee
Author:	George Roberts, Executive Assistant
Appendices	None

Purpose
This report summarises the discussions, recommendations and approvals made by the Audit Committee on 5 December 2019, to provide the Board with an update of the Committee's activities.

Background
The Audit Committee holds delegated responsibility from the Board of Directors, this report provides evidence to satisfy the Board that the tasks required to meet those responsibilities are being carried out.

Business Undertaken

Debtor and Creditor Analysis as at 31 October 2019
The Committee noted the Debtor and Creditor Analysis as at 31 October 2019.

Audit Recommendations Tracker – All open actions
The Committee discussed the Audit Recommendations Tracker and closed actions 345, 346, 357, 358, 359 as recommended. An update was requested on actions 331-334 for the next meeting of the Committee.

Waivers and Breaches of Standing Orders
The Deputy Director of Finance provided an update on the Waivers and Breaches of Standing Orders and noted that an increase in the number of single tender waivers was caused in part by short notice funding being made available during the period of winter pressure.

It was confirmed that the Audit Committee had oversight for the West of England Academic Health Science Network (WEAHSN) and they would be invited to the next Committee Meeting to give a verbal update on their internal audit process and governance arrangements.

Review of Work Plan
The Committee noted the work plan.

Cyber Security and Data Protection and Security Toolkit
The Head of IT infrastructure presented a report on the trust's work to increase cyber security, with an aim to achieve certification in Cyber Essentials Plus by June 2021. Monthly technical design authority meetings provided assurance, and a review of the most recent data protection and security toolkit submission had provided significant

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assurance with some improvement required.

It was agreed that the pre-submission of the Data Protection and Security Toolkit should be presented for assurance at the Audit Committee on or before February 2020. The Information Security Policy and the Bring Your Own Device Policy would be ratified by the Clinical Informatics Board.

The Windows 10 rollout continued across the trust, and Windows 7 support had been extended until December 2020, with the aim of 99.5% Windows 10 coverage across the Trust by then.

Grant Thornton Report - Progress and Technical Updates Report
The Committee reviewed the report from Grant Thornton, which covered progress against the internal audit plan.

Grant Thornton - CQC Action Plan Review
The Committee reviewed the report, which provided significant assurance with some improvement required, and included three low risk recommendations.

Grant Thornton - Quality Innovation, Productivity & Prevention (QIPP)
The Committee reviewed the report, which provided significant assurance with some improvement required, and included three new, and two follow up recommendations, with five actions to be added to the audit tracker.

Grant Thornton - IT Data Toolkit
The Committee reviewed the report on the 2018/19 submission of the IT Data Toolkit which provided significant assurance with some improvement required. Recommendations in the action plan had been agreed and implementation dates had been agreed for between December 2019 and March 2020.

Grant Thornton - Data Quality
The Committee reviewed the report on Data Quality which provided significant assurance with some improvement required. The report included one low risk recommendation and four enhancement opportunities. The key recommendation concerning the semi manual production of SLAM information had been agreed and was expected to be actioned by April 2020.

Deloitte - Progress Report Including Annual Plan
The Committee reviewed the Deloitte progress report, which highlighted two mandatory risks concerning Revenue recognition and management override of controls, and another risk concerning property valuation. Deloitte would engage with the RUH Finance department to assess the property valuation risk.

Full Board Assurance Framework
The Committee noted that there were no significant changes to the previous submission of the framework. The Chair suggested the inclusion of a Climate change risk, to cover travel policies, parking and sustainability targets. It was noted that Climate change formed a Trust True North Objective.

Key Risks and their impact on the Organisation

- Property Valuation Risk identified by Deloitte.

Key Decisions

- The Committee agreed to close Audit tracker numbers 345, 346, 357, 358, 359. An update was requested on actions 331-334.
- The Committee agreed that the pre-submission of the Data Protection and Security Toolkit should be presented for assurance at the Audit Committee on or before February 2020
- The Bring Your Own Device and the Information Security Policy would be circulated to the Committee for information.
- 5 QIPP actions resulting from Grant Thornton's QIPP report would be added to the tracker.

Exceptions and Challenges

Nothing impacted on the Committee's ability to undertake its business.

Governance and Other Business

Audit Committee meets at least once each quarter, and the Committee's Terms of Reference are reviewed annually. The Committee's members and regular attenders undertake a self-assessment bi-annually to review the effectiveness of the Committee compared to best practice.

The Committee's membership consists of the Non-Executives, the Chair, and the Chairs of the Non-Clinical Governance Committee, and the Clinical Governance Committee.

Future Business

- WEAHSN Audit Process
- Cyber Security – Data security and protection toolkit pre-submission
- Interests, Gifts and Hospitality
- Risk Management Process Review
- Risk Management Embeddedness (W&C division)
- Reference Cost Results and Assurance
- Internal and External Audit progress reports
- Counter Fraud Reports

Recommendations

The Board of Directors is asked to note this report.