

**AUDIT COMMITTEE**

**Minutes of the Meeting of the Audit Committee of the  
Board of Directors of Sheffield Health & Social Care NHS FT  
Tuesday, 17 October 2017 in the Tudor Board Room, Fulwood House**

Open BoD 14.02.18  
Item 17i(a)

**Present:**

- 1. Mr. Mervyn Thomas            Non-Executive Director (Interim Chair)
- 2. Ms. Olivia Blake                Non-Executive Director
- 3. Mrs. Sue Rogers                Non-Executive Director

**In Attendance:**

- 4. Mr. Clive Clarke                Deputy Chief Executive
- 5. Mr. Phillip Easthope            Executive Director of Finance
- 6. Mr. James Sabin                Deputy Director of Finance
- 7. Ms. Margaret Saunders        Director of Corporate Governance/Board Secretary
- 8. Mr. Rashpal Khangura        Director, KPMG External Audit Service
- 9. Ms. Lisa Mackenzie            Client Manager, 360 Assurance
- 10. Mr. Robert Purseglove        Local Counter Fraud Specialist, 360 Assurance
- 11. Mr. Tim Thomas                Director, 360 Assurance
- 12. Mrs. Jeanine Hall              PA (Minutes)

**Apologies:**

- 13. Ms. Ann Stanley                Non-Executive Director (Chair)

Minute		Action
01/10/17	<p><b>Welcome &amp; Apologies for Absence</b> Mr. M. Thomas welcomed members to the meeting and apologies were noted.</p> <p>He advised that due to the current absence of Ms. Stanley on long term sick leave, he had been asked to act as Interim Chair of the Audit Committee. He further confirmed that presently the Non-Executive Director membership on this committee would be himself as Interim Chair, Mrs. Sue Rogers and Ms. Olivia Blake.</p>	
02/10/17	<p><b>Declarations of Interest</b> Cllr Blake declared an interest in any issues relating to the Trust's Partnership Agreement with the Local Authority, however, it was determined that these were non-pecuniary and would not require her to leave the meeting during any discussion relating to this item.</p> <p>Mr. Khangura declared an interest in agenda item 11 – Review of External Audit Services and it was subsequently agreed that this item would be taken at the end of the meeting following the departure of Audit Service colleagues.</p> <p>No further declarations of interest were noted.</p>	
03/10/17	<p><b>Minutes of the Audit Committee held on 11 July 2017</b></p> <p>1.     <u>AC14/07/17 – Internal Audit Outstanding Actions Follow Up Report (4<sup>th</sup> Paragraph)</u> ..... Mr. Clarke clarified that whilst the action has been completed, the Trust</p>	

	<p>continues to submit MHSDS EIS submissions.....</p> <p>2. <u>AC17/07/17 KPMG External Audit Progress Report (2<sup>nd</sup> Paragraph)</u>  In terms of 2017/18 KPMG are currently in the pre-planning stages and Mr. Khangura advised that <u>within the value for money conclusion</u>, financial resilience will be the key area of risk.</p> <p>Following these two amendments, the minutes of the meeting held on 11 July 2017 were approved for receipt at the Board of Directors' meeting (open session).</p>	
<p><b>04/10/17</b></p>	<p><b>Matters Arising &amp; Action Log</b></p> <p>Members reviewed the Committee Action log and actions were confirmed and/or updated accordingly. A copy of the updated action log is attached to these minutes for members' information.</p> <p>i. <u>Annual Reporting Documents – Year-End Processes (AC04/07/17i refers)</u>  Mr. Easthope confirmed that initial conversations have taken place regarding the processes for the completion of 2017/18 year-end documentation etc. A plan will be taken through the Executive Directors' Group to ensure it receives the relevant scrutiny prior to receipt by the Audit Committee.</p> <p>ii. <u>Board Assurance Framework (AC06/07/17 refers)</u>  Ms. Rogers confirmed that the workforce and staffing issues discussed at the last meeting specific to risk reference A201; 202; 203 &amp; 204 were discussed at the Workforce &amp; OD Committee as part of that committee's review of the BAF. She further noted that the issues raised are being addressed and that WODC will continue to review the relevant staffing elements of the BAF.</p> <p>iii. <u>360 Assurance Internal Audit 2017/18 Progress Report – Electronic Working Paper System (AC16/07/17 refers)</u>  Ms. Mackenzie noted that there had been some minor technical issues affecting the implementation of the system. At the present time the audit team were working to update information within their own system to ensure it all correlates with the follow up position. She anticipates that the system should be ready for demonstration/presentation within the next couple of weeks.</p>	<p>PE/MS</p> <p>LM</p>
<b>Internal Audit</b>		
<p><b>05/10/17 &amp; 06/10/17</b></p>	<p><b>Internal Audit Outstanding Actions Follow Up Report/ 360 Assurance Audit Reports – Internal Monitoring Tracker</b></p> <p>The Chair confirmed that these two agenda items would be taken together and that discussion would concentrate on the internal monitoring tracker.</p> <p>Mr. Easthope confirmed that work has continued to improve and embed the internal processes in respect of follow up of agreed internal audit report actions. He also noted that work had taken place to further develop the internal monitoring tracker.</p> <p>He confirmed that all audit reports are received by the Executive Directors' Group and the relevant Board sub-committee, together with a supporting summary from the lead Executive Director providing the appropriate assurance regarding the completion of agreed actions. Where items are noted to be outstanding, updates are being scheduled into EDG to monitor progress and regular assurance is being received from the Executive Directors that progress is on plan.</p>	

	<p>It was agreed that it was early days in the audit year for the tracker to provide a full picture regarding progress on this year's audits, however, the outcome of this year's audits are starting to show some progress is being indicated on last year's actions. Mr. Easthope, however, noted that he did not want to draw too much of a positive assurance from this information at the present time and would rather reflect on the position at the end of the year once the audit plan is complete.</p> <p>Mr. Easthope also confirmed that the tracker is to be received at EDG for scrutiny and to determine what if any action needs to be taken to follow up on specific areas.</p> <p>Members welcomed the introduction of the tracker and felt that once embedded this will enable them to have the assurance that key actions are being followed up and implemented in a timely manner.</p> <p>Agreed clarity would be provided on the EDG column headings.</p> <p>Following a query from Ms. Rogers it was confirmed that any request to cancel or defer an audit review is brought to this committee for agreement prior to it being noted as such. It was confirmed that those audits noted on the tracker as deferred or cancelled had all been approved by the Audit Committee.</p> <p>Mr. Clarke confirmed that he felt the receipt of audit reports and the tracker by EDG is key to ensuring ownership</p> <p>The Committee received and were duly assured by the receipt of the internal monitoring tracker which is to be used in respect of monitoring progress against Internal Audit Report agreed actions.</p>	PE
07/10/17	<p><b>360 Assurance Internal Audit 2017/18 Progress Report</b></p> <p>Ms. Mackenzie presented the 360 Assurance progress report, noting that the report is presented in two parts; a report on progress against the 2017/18 Audit Plan and an update on the stage 1 work undertaken as part of determining the year-end Head of Internal Audit Opinion.</p> <p>She advised that the progress report covered the period up to October in which time four reviews have been completed.</p> <p>In terms of delivery, Ms. Mackenzie noted that the report proposes a change to the plan for consideration and agreement by the Committee in respect of the original intention to complete the review of "Compliance with Legislation – Mental Health &amp; Capacity Legislation in quarter 1, however, following the initial scoping meetings with relevant officers, it has been requested that this work is undertaken in two parts, one in quarter 2 and one in quarter 4, as outlined in the progress report. The Audit Committee formally approved this change to plan.</p> <p>She confirmed that planned work for quarter 2 was nearing completion or in draft stage and that achievement against plan was a little bit ahead at the present time.</p> <p>The four reviews completed and reports issued related to:</p> <p><i>Policy Management:</i> Issued with a limited assurance. Ms. Mackenzie confirmed that the audit team had worked quite closely with the governance team to review controls and ensure they are strengthened. Nine medium risk actions were identified which mainly related to policies which were post-review date and the consistency between the content of the intranet and internet policy pages. In response, Ms. Saunders confirmed that, whilst there is still work to be</p>	All to note

completed, a great deal of progress has been made since the audit to ensure consistency. She anticipated that by the time of the next meeting she will be able to report that all actions from this audit have been completed. In terms of maintaining the progress made, Ms. Saunders advised that a paper is to be received by the Executive Directors' Group, which as well as outlining the progress made, will provide the outline of a draft proposal regarding the maintenance and automation of the policy management system going forward.

*IT (Digital) Strategy:* Noted that this review was deferred from last year and has now been completed as an advisory piece of work to support the development of the Trust's draft IT (Digital) Strategy.

*Conflicts of Interest:* Issued with the significant assurance. Ms. Mackenzie confirmed that their opinion was based in where the Trust is in terms of preparedness for the new requirements and actually having the appropriate policy in place.

*Patient Experience:* Issued with a limited assurance. Ms. Mackenzie stressed that when reviewing this report, the distinction needs to be made between patient experience and user engagement and how the outcome of experience is triangulated and taken forward. She acknowledged that, whilst this report was specific to patient experience, there is a high level of user engagement taking place within the Trust.

The Chair noted and welcomed the clarity provided in this distinction within the report and its findings. He confirmed that the Board of Directors have been and continue to be very enthusiastic about engagement with service users, however, it is apparent that their interest and enthusiasm for user experience hasn't always been as obvious.

In terms of this report, the Chair advised of a factual inaccuracy in the report where it states that the Service User Engagement Group report bi-annually into the Quality Assurance Committee. He noted that the Quality Assurance Committee decided that the Service User Engagement Group to report into them on a quarterly basis and that, to date, no request has been received from the Service User Engagement Group to change reporting frequency. He also confirmed that he had shared this view with the Trust's Medical Director who is in agreement with this view.

In light of this statement, Ms. Mackenzie agreed to make the appropriate amendment to the report.

It was noted that no further follow up work had been completed since the last progress report, therefore, the level of completed actions still stood at 71%. There are, however, eight follow up reviews due.

Mr. T. Thomas then went on to outline the work undertaken as part of the phase approach to the completion of the Head of Internal Audit Opinion Statement. He confirmed that this programme of work will be undertaken in four stages phased throughout the year to enable the provision of earlier feedback to the Trust on their work and any pertinent areas for key action.

He confirmed that the stages will involve:

Stage 1 – a programme of work to provide a level of on-going assurance regarding the effectiveness of the organisation's Board Assurance Framework; he expressed the opinion that he felt the Trust was in a better position now than last year although there are some areas still to be tested.

Stage 2 – A survey to Board members considering the wider governance,

LM

	<p>organisational culture and transparency and use of the Assurance Framework; which this year will include questions regarding the use of Board sub-committees; as well as culture and transparency. Whilst it is acknowledged that it is a difficult process to compare survey results when based on opinion, there are some measurable indicators included and it is anticipated that this survey will go some way to providing an indication of how other Trusts are using their Board sub-committees and how other Audit Committees ensure they receive the appropriate assurances. It will also facilitate the sharing of good practice. The survey will be sent to all Board members shortly and it was agreed that whilst Mr. T. Thomas will work with Ms. Saunders to facilitate the distribution, committee members would make Board members aware of this step to ensure full participation.</p> <p>Stage 3 – A review of the use of the Board Assurance Framework as a strategic management tool both by the Board of Directors and its sub-committees; and a review to ensure actions identified from stages 1 and 2 have been addressed.</p> <p>Stage 4 – Confirm arrangements for review in line with expectations including Board engagement and review of the level of discussions held in key meetings. Also, to review the effectiveness of the implementation of audit recommendations and to consider any wider assurances that may impact on the Head of Internal Audit Opinion.</p> <p>The Committee welcomed this staged approach.</p>	
<p><b>08/10/17</b></p>	<p><b>Counter Fraud, Bribery &amp; Corruption Progress Report</b></p> <p>Mr. Purseglove presented the LCFS progress report on work completed to date in respect of the 2017/18 plan.</p> <p>He confirmed that there were currently five live investigations and that these were being managed in liaison with Mr. Sabin, Deputy Director of Finance.</p> <p>It was noted that November is Fraud Awareness Month and that there would be a heightened communication/awareness campaign throughout the Trust during the month.</p> <p>Mr. Purseglove confirmed that he is now a member of the Trust's Policy Governance Group and was closely involved in the review of policies from the counter fraud perspective. His membership of this group supports compliance with Provider Standard 3.1 which requires the CFS to review new and existing policies and procedures and to evaluate the success of the measures in reducing fraud, bribery and corruption, where risks have been identified.</p> <p>By way of assurance to the Committee, Mr. Sabin confirmed that in terms of forecasting the financial position, a realistic assumption is being made regarding the over-utilisation of "hold to account days", which is currently running at 60 days for the period to September against an annual plan of 25.</p> <p>Mr. Easthope questioned whether the high volume of counter fraud activity at the present time indicated a high risk and the need for further work, or whether this was indicative of a good fraud culture within the organisation. Mr. Purseglove noted that his personal view is that counter fraud is very well embedded within the fabric of the organisation and staff are aware and know what action to take should they suspect fraud. In terms of comparison to similar sized organisations, the Trust is slightly over-activity in terms of the number of potential fraud investigations, however, this is seen as a positive result of the level of counter fraud awareness work undertaken within the Trust and a reflection of a culture where staff are able to report such issues.</p> <p>Members noted the report and were duly assured that staff awareness of fraud is</p>	

	continually being addressed and that there is a rigorous process in place for investigating fraud.	
<b>09/10/17</b>	<p><b>360 Assurance Internal Audit Plan 2018/19 – Determine Process for Agreement</b></p> <p>Mr. Easthope advised that, building on the process from previous years in terms of determining the forthcoming audit plan, this paper presents a proposed process for the development of an internal audit plan which is clear, fit for purpose and provides an opportunity for Audit Committee members to influence the processes and receive the relevant assurances.</p> <p>It was confirmed that the process for 2018/19 will be developed in line with previous years, taking into account the Public Sector Internal Audit Standards which requires the development of a three year strategic plan (2018/19 is the second year of last year's approved strategic plan).</p> <p>Noted that the January and April dates in the planning timetable should read 2018, rather than 2017. Ms. Rogers questioned the length of time between receipt of the draft plan for review and comment in January and then the presentation of the final plan for approval in April 2018 and queried whether approval of the final plan could be done under Chair's approval following consideration of the draft plan by the Committee in January. Mr. Easthope confirmed that the dates indicated are built around the proposed Committee meeting dates for 2018, and he noted that he expected little change being made to the draft plan presented in January given the involvement of key officers in the planning process. Ms. Mackenzie also confirmed that whilst this year's draft plan was received in January, it was in fact agreed in principle at that stage and did not require further consideration at the April meeting.</p> <p>Ms. Rogers also questioned the absence of any planned work around Cyber Security in 2018/19 or 2019/20. Mr. Easthope assured her that a Cyber Security audit had been undertaken this year and that this would be subject to follow up. He further assured the Committee that this area is kept under continual review by the Director of IMST and the relevant officers within the IMST Department and if there is a significant heightened risk then the need for additional work can be considered as necessary.</p> <p>Mr. T. Thomas also advised that the 360 Assurance audit planning process commences shortly and one of the areas for discussion is the recognition of a changing landscape and the potential to review frequency as appropriate.</p> <p>It was agreed that the timing of the approval of the 2018/19 plan would be kept under review and determined following receipt of the draft plan in January.</p>	
<b>External Audit</b>		
<b>10/10/17</b>	<p><b>KPMG External Audit Progress Report</b></p> <p>Mr. Khangura provided a verbal update on the planning phase of their work to date and confirmed that their audit plan would be received at the next meeting of the Audit Committee in January.</p> <p>A debrief meeting has taken place regarding last year's audit involving officers from KPMG and the Trust, as well as discussing the arrangements to be put in place for this year's audit. Further meetings are planned with both Mr. Easthope and the finance team regarding processes for this year's audit.</p> <p>He confirmed a change to the current external audit team due to Ms. Wharton's forthcoming maternity leave. Ms. Harriet Fisher will be picking up the role of lead in Ms. Wharton's absence.</p>	

	<p>Mr. Khangura advised that in terms of expectations of the process for this year, two key markers will be financial resilience in terms of the context of the NHS in general and the value for money conclusion. In terms of the accounts, the level of journal scrutiny expected of them as the financial position becomes tighter increases.</p> <p>It was confirmed that the Council of Governors, as well as the Annual Members' Meeting have now received a presentation regarding last year's accounts.</p> <p>Technical Updates continue to be received from KPMG and distributed to Audit Committee members as appropriate.</p> <p>The committee acknowledged this brief update.</p>	
<b>11/10/17</b>	<p><b>Review of External Audit Services</b></p> <p>It was agreed that this item would be taken at the end of the meeting following the departure of Audit Service colleagues.</p>	
<b>Internal Control &amp; Risk Management</b>		
<b>12/10/17</b>	<p><b>Board Assurance Framework (BAF)</b></p> <p>The Chair advised that there were two elements to the paper received by the Committee at today's meeting. The Committee are firstly asked to review and recommend to Board the proposed model of BAF to be used going forward and then secondly to review and comment on the content of the current BAF.</p> <p>Ms. Saunders confirmed that over the last few months a great detail of work has been undertaken to improving the BAF to its current state. She advised that training sessions have also been arranged during November with Directorate nominees to enable the BAF to be updated at an operational level and with Executive Leads to enable them to quality assure the content of their respective items.</p> <p>The Committee noted the intention to fully automate the population of the BAF, thereby enabling owners to take greater accountability of their risks.</p> <p>With respect to the proposed model BAFs received by members, Ms. Saunders confirmed that the recommendation from the Executive Directors' Group was to propose the use of Model 1 BAF to the Board of Directors. She has also taken the opportunity to speak with Ms. Stanley, Audit Committee Chair, to garner her comments and Ms. Stanley has also confirmed that Model 1 BAF would be her preferred option.</p> <p>Following due consideration it was agreed that Model 1 would be recommended to the Board.</p> <p>Members then went on to consider the content of the current BAF and the following issues were noted.</p> <p>Risk Ref A203 v.1 – Ms. Rogers raised the issue of exit interviews and whether these should be included as a control in respect of the risk of disconnect between Trust values and operational delivery. Ms. Saunders agreed to follow up with the relevant Executive Lead.</p> <p>The Chair noted that there was a lack of cross reference from the list of agreed actions to the appropriate identified gap on the BAF, which he felt leads to a lack of clarity in respect of which action is being referred to. Ms. Saunders confirmed that this issue has already been identified by the Governance Team and discussions are taking place with the software provider to ensure there is clarity in this section of the BAF, together with a clear evidentiary trail of completed</p>	MS

	<p>actions and what gap has been addressed.</p> <p>NED members provided challenge in respect of the relevance and appropriateness of controls and assurances provided within the BAF. Mr. T. Thomas advised that it isn't unusual for there to be confusion and/or uncertainty regarding the identification of control gaps; or residual and target scores. He offered to review what the other 360 Assurance clients do in terms of the interpretation of these areas and advise Ms. Saunders accordingly. He also suggested that it may be helpful to develop and include a glossary for the benefit of all those who are required to interpret the information contained in the BAF.</p> <p>It was agreed that it is important to provide clear, meaningful narrative, without the need to include complete action plans within the BAF itself. Ms. Saunders also noted that a further development stage of the BAF is to include hyperlinks to key documents, which will hopefully provide some of the background information to aid understanding.</p> <p>Mr. Easthope was keen to reiterate that any identified action should, when complete, result in a reduction in the risk or change in control gap etc., and if this is not the outcome, then questions need to be asked about whether the correct actions are being identified.</p> <p>It was noted that there were no controls identified for Aim 3 Future Services; Risk Ref A302 v.1 "Lack of a Trust framework and a lack of understanding of the Trust's model for collaborative working". Ms. Saunders to follow this up.</p> <p>It was agreed that the rating of BAF item A404 v.1 would be reviewed in light of the outcome of the recent IT Strategy Audit Report which provided a limited opinion statement and comments received in the meeting regarding cyber security. A404 v.1 is currently rated as providing significant assurance.</p> <p>Members acknowledged the amount of effort that is being put into improving and developing the BAF and thanked all those involved for their efforts. It was accepted that whilst time may be spent over the next couple of meetings refining the BAF content, members were agreed that the development of the BAF was going in the right direction.</p> <p>The committee formally recommended the BAF for receipt at the November Board of Directors meeting for approval, noting the comments made and the further work to be undertaken.</p>	<p>TT</p> <p>MS</p> <p>MS</p> <p>PE</p>
<p><b>13/10/17</b></p>	<p><b>Corporate Risk Register</b></p> <p>Ms. Saunders presented the Trust's Corporate Risk Register for review. She confirmed that in respect of actions identified from the last meeting of the Audit Committee, risk 3659 in respect of cyber security (residual rate 16) and risk 3768 (residual rate 12) have been reviewed and updated. She also noted that the summary paper received by members also now included an indication of escalating and reducing risks as requested.</p> <p>Mr. Easthope noted the revision of risk 3659 (cyber security) and commented that the risk had not purely been escalated due to national guidance, as noted in the summary paper, but was also the result of the Trust reviewing its own arrangements internally.</p> <p>Ms. Rogers noted that risk 2206 (staff working excessive hours) had been de-escalated and whilst she acknowledged the work completed and arrangements put in place by the Trust to address this risk, she asked the Committee to consider requesting the Chief Executive to put out a clear statement that there will be no expectation of any staff working beyond 48 hours in the new calendar year and that any staff working beyond those hours will be in exceptional</p>	

	<p>circumstances and have to be approved by an Executive Director.</p> <p>Ms. Rogers also requested that the risk should not be de-escalated and removed from the Corporate Risk Register back to the Directorate Risk Registers. However, it was confirmed that, in line with agreed arrangements and in light of the Trust policy arrangements that have been put in place regarding this matter, the risk has been scored at 9 which de-escalates it from the Corporate Risk Register.</p> <p>The Committee briefly discussed this request and felt that the Audit Committee was not the appropriate forum for this conversation. It was agreed that these issues needed to be raised elsewhere and in order to inform that discussion, supporting information would be required on current working time breaches. It was also noted that as Chair of Workforce &amp; OD Committee, Ms. Rogers could raise this issue at that Committee and discuss the potential for a piece of work to be completed to determine the level of the risk at the present time.</p> <p>Mr. Easthope noted that, whilst accepting Ms. Rogers' request that this risk not be removed from the Corporate Risk Register, the agreed scoring mechanisms in place mean that the residual score of this risk results in its de-escalation. There are alternative mechanisms in place, which can be engaged, to maintain oversight of this issue.</p> <p>The Chair requested that the scoring of risk 3322 be reviewed as the same score was being reported in respect of the residual and initial risk.</p> <p>The Chair referred to risk 3679 (risk of harm to service users via ligatures) and asked whether it would be appropriate to review the residual risk score. Mr. Clarke confirmed that this risk had been the subject of discussion at the Executive Directors' Group. Whilst it was accepted that this issue is always going to be a risk given the nature of our services, it was confirmed that mitigating controls have been put in place and a number of business case have recently been approved by the Executive Directors' Group to further address the risk. In light of all this action, it is expected to impact on the risk and, if not, then the appropriateness of the action being taken has to be questioned.</p> <p>It was confirmed that the initial risk rating of 20 should read severity 5; likelihood 4.</p> <p>The Committee noted the report and the Chair thanked members for their contribution to this discussion.</p>	<p>MS</p> <p>MS</p>
<p>14/10/17</p>	<p><b>Risk Management Strategy Review</b></p> <p>Ms. Saunders confirmed that as agreed by this Committee at the April 2017 meeting, the Risk Management Strategy has now been subject to a comprehensive review process as requested.</p> <p>Members agreed that the revised strategy presented a clear and cogent document that they were happy to recommend to the Board of Directors for approval.</p> <p>The Chair welcomed the inclusion of horizon scanning in the revised strategy.</p> <p>Mr. Khangura advised that these arrangements link into the value for money conclusion presented by External Audit and he believed the arrangements have definitely improved and that this can be demonstrated not just by the production of this revised strategy but in terms of the level of dialogue and discussion at this Committee. This is something that he will reflect upon when planning the value for money work and ultimately issuing the conclusion at year-end.</p>	

	<p>NED members thanked Mr. Khangura for this assurance.</p> <p>The Committee received the Risk Management Strategy and agreed to recommend it for approval by the Board of Directors at its November meeting.</p>	
15/10/17	<p><b>Policy – Managing Conflict of Interest in the NHS</b></p> <p>The Chair advised members that this policy had been received at the September Board of Directors’ meeting where it was agreed that the Audit Committee should give consideration to particular comments regarding pharmaceutical sponsorship and whether there was a need for clearer narrative regarding this element.</p> <p>Ms. Saunders advised that she had reviewed the revised policy in respect of comments made at Board regarding pharmaceutical sponsorship and assured members that in her view the new policy at section 9.3.2 sufficiently reflects the arrangements in place and what had previously been in place at section 6.6.3 in the old policy.</p> <p>Following discussion it was concluded that revised policy sufficiently reflected the current position and arrangements in place, and it would be confirmed to the Board of Directors that it was not necessary to amend the policy further in this respect.</p> <p>In response to a query from Mr. T. Thomas, Ms. Saunders confirmed that the policy had been received and reviewed by the Policy Governance Group and recommended for approval.</p> <p>Members confirmed that, as noted in the policy, it would be this Committee’s intention to ensure that arrangements are established to test compliance of actual working practices within the provision of this policy.</p>	
<b>Corporate Governance</b>		
16/10/17	<p><b>Arrangements for Assurance Compliance with the Conditions of the Trust’s Provider Licence</b></p> <p>Ms. Saunders advised that this report is presented for the Committee’s assurance on the progress being made to date against the agreed actions from the recent Internal Audit review.</p> <p>She confirmed that progress is being made and action continuing and that she anticipated being able to provide a more comprehensive report on progress to the Committee’s next meeting.</p> <p>One area of significant progress is in respect of the completion of fit and proper persons’ tests.</p> <p>The committee received and acknowledged the information provided, noting that a further update would be received at its next meeting (January).</p>	MS – Jan 18
<b>Other</b>		
17/10/17	<p><b>Review of Audit Committee Timetable/Agenda Planner</b></p> <p>The meeting reviewed the agenda planner for the coming meetings.</p> <p>Mr. Easthope advised members that, as requested at the last meeting, the planner now followed the annual meeting schedule and an additional column has been included on the planner to enable items received by the Committee to be tracked and receipt noted accordingly.</p> <p>Mr. T. Thomas requested a change to the planner in respect of May’s meeting</p>	

	and the receipt of the final Head of Internal Audit Opinion Statement. It was also noted that per earlier discussion, the receipt of the Final Internal Audit Plan was subject to the outcome of discussion regarding the draft plan in January. This would be noted on the tracker as appropriate.	JCH
18/10/17	<p><b>Any Other Business</b> None.</p> <p>Further to the declaration of interest made under item 02/10/17 and subsequent agreement reached, Audit Service colleagues left the meeting in order that remaining members could discuss agenda item 11/10/17 Review of External Audit Services.</p>	
19/10/17	<p><b>(11/10/17) Review of External Audit Services</b> Members noted receipt of the paper and duly approved its recommendation that the Council of Governors be requested to enact the External Audit Service contract provision and extend the current appointment for a further two years.</p> <p>Noted that this would be presented to the November Council of Governors' meeting (not October as noted in the paper).</p>	
	<p><b>Evaluation of Meeting</b> Members then went on to review the effectiveness of the meeting and determine what, if any, significant items should be noted as part of the committee's assurance to the Board of Directors.</p> <p>In terms of significant issues and assurances received, it was agreed that the following items would be highlighted:</p> <ul style="list-style-type: none"> <li>• Counter Fraud Instances</li> <li>• Board Assurance Framework Model 1</li> <li>• Risk Management Strategy</li> <li>• Conflicts of Interest Policy – no change</li> <li>• Head of Internal Audit Opinion – Phases.</li> </ul>	
20/10/17	<p><b>Date, Time &amp; Venue of Next Meeting</b> Now agreed as: Tuesday, 23 January 2018 1.00 p.m. Rivelin Board Room, Fulwood</p>	

MT/jch/Nov 2017 (Unconfirmed – approved PE/MT/A)  
Approved AC Jan 2018