

Audit Committee – Committee Self-Assessment January 2020

Establishment, Composition, Organisation, Resources, Duties		Strong	Adequate	Needs Improvement	Comments
1	The audit committee terms of reference clearly, adequately & realistically set out the Committee's role and nature and scope of its responsibilities in accordance with the Department of Health and Social Care guidance and have been approved by the Committee and the full Board of Directors.	X			ToR setting out scope & role of Committee approved by Committee 23/01/19 and Board 28/03/19.
2	The Board was active in its consideration of Audit Committee composition, including the designation or consideration of an "audit committee financial expert." (At least one committee member should have a financial background).	X			Membership includes qualified financial expert and experience audit committee NED as Chair
3	The Audit Committee's actions reflect independence from management, ethical behavior, adherence to good practice guidance and the best interests of the Trust and its stakeholders.	X			Considered by the Audit Committee and agreed as Strong
4	The Audit Committee reports to the Board of Directors (throughout the year and in its annual report) demonstrate compliance with its terms of reference and provides the Board of Directors with assurance on the effective operation of systems and procedures within the Trust.	X			Minutes and the Chair's report are reviewed by the Board after each meeting with key issues escalated. Annual Report & Accounts; Charity Annual Report and Accounts approved by Board.

Establishment, Composition, Organisation, Resources, Duties		Yes	No	Comments
5	Are the terms of reference reviewed annually to take into account governance developments (including integrated governance principles) and the remit of other Committees within the organisation?	X		Terms of reference are reviewed annually. Committee reporting/planning processes provide oversight and links with other committees.
6	Are changes to the Committee's current and future workload discussed and approved at Board level?	X		There was some challenge and discussion around this area but agreement this was in place as the Committee work plan was taken to Board as a part of the annual report.
7	Are Committee members independent of the management team?	X		

Agenda Management, Oversight of the Financial Reporting Process, Compliance with the Law and Regulations governing the NHS and Internal Control		Yes	No	Comments
8	Is the Committee's role in the approval of the Annual Accounts clearly defined and complementary to the Board of Directors?	X		Duties and delegated authority set out in ToR.
9	Does the Board of Directors ensure that Committee members have sufficient knowledge of the organisation to identify key risks and to	X		Selection process for NEDs includes assessment of appropriate experience/skills and NEDs are

	challenge both line management and auditors on critical and/or sensitive matters?			<p>appointed to contribute to through individual portfolios.</p> <p>Financially qualified and experienced NEDs appointed to Audit Committee.</p> <p>The Board has established a regular learning together programme to ensure there is development of knowledge across a broad range of areas including BAF, safeguarding and whistleblowing.</p> <p>The NED Buddy programme builds on knowledge of the organisation.</p>
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Oversight of Audit Processes		Strong	Adequate	Needs Improvement	Comments
10	There is appropriate consideration of independent assurance reports (from a variety of sources), management response, and improvement actions. The Board of Directors is clearly sighted on the issues that arise which require action by the organisation.	X			The Committee receives assurance reports from internal audit (RSM) and external audit (KPMG). It receives reports from management teams and counter fraud services and is able to triangulate information provided to it.

Overall Evaluation		Strong	Adequate	Needs Improvement	Comments
11	What is the overall assessment of the performance of the Audit Committee?	X			

<p>Additional Comments: The Committee discussed the following areas:</p> <p>Review of 2019/20</p> <ul style="list-style-type: none"> The assurance around clinical audit. This had been raised in year and the Committee had reviewed the requirement and arrangements that had been put in place to ensure that they were satisfied that their role was discharged through oversight of compliance with the review process undertaken through the Q&R Committee. The assessment of oversight of the oversight of audit processes (10) was discussed and the committee explored why this was rated as adequate. The Committee felt the evidence of consideration of external assurance and management reports merited a rating of strong. <p>Actions for 20/21</p> <ul style="list-style-type: none"> The change in NED membership of Trust Committees has removed the overlap between Audit and the Quality & Risk Committee (which had been in place in 2019 following SL's appointment as Chair of the Committee). It was agreed that this could be considered as a part of the overall Board self-assessment scheduled for March 2020 and considered through the NED/SID meeting scheduled for February. <i>(Update March 2020 - This has been with changes agreed to SPC and Audit membership to provide desired overlap.)</i>
