

Audit Committee
Minutes of the meeting held on
09 December 2020 at 09:30
virtual meeting via Microsoft Teams

Present¹:

Lucy Weston Non-Executive Director (the **Chair/LW**)
Chris Hurst Non-Executive Director (**CMH**)
Aroop Mozumder Non-Executive Director (**AM**)

RR/App 18/2021
(Agenda item: 30(a))

In attendance:

Counter Fraud – TIAA Ltd:

Dean Docherty Counter Fraud - Senior Fraud Manager, TIAA (**DD**) – *part meeting*

External Audit – Grant Thornton LLP:

Iain Murray External Audit – Engagement Lead, Grant Thornton (**IM**) – *part meeting*

Internal Audit – PwC LLP:

Sasha Lewis Internal Audit – Director and Engagement Lead, PwC (**SL**) – *part meeting*

Nika Verona Internal Audit – Manager, PwC (**NV**) – *part meeting*

Oxford Health NHS FT:

John Allison Non-Executive Director (**JA**) – *part meeting*

Nick Broughton Chief Executive (the **CEO/NB**) – *part meeting*

Paul Dodd Deputy Director of Finance (the **Deputy DoF/PD**)

Bernard Galton Non-Executive Director (**BG**) – *part meeting*

Mike McEnaney Director of Finance (the **DoF/MME**) – *part meeting*

Neil McLaughlin Trust Solicitor & Risk Manager (**NMcL**) – *part meeting*

Kerry Rogers Director of Corporate Affairs and Company Secretary (the **DoCA/CoSec/KR**)

David Walker Trust Chair (**DW**) – *part meeting*

Hannah Wright Risk Manager (**HW**) – *part meeting*

Hannah Smith Assistant Trust Secretary (the **ATS/HS**) (Minutes)

Observing:

Chris Roberts Lead Governor – *part meeting*

The meeting followed private pre-meetings between: (i) the Committee members; and (ii) the Committee members, External and Internal Auditors and Counter Fraud.

¹ The quorum is 3 members (all Non-Executive Directors) and may include deputies.

<p>1.</p> <p>a</p>	<p>Welcome and Apologies for Absence</p> <p>The Chair welcomed the Lead Governor, who was observing, to the meeting. No apologies for absence were received.</p>	
<p>2.</p> <p>a</p>	<p>Confirmation of items for Any Other Business</p> <p>The CEO reported that the Audit Committee’s oversight may be required on the latest developments relating to the Warneford redevelopment. He noted that he and the Trust Chair were supportive of the proposals but the details could benefit from Audit Committee review. The Chair noted that this could be discussed further as a matter of Any Other Business at the Board Seminar later in the day on 09 December 2020. She added that when considering the Warneford redevelopment in more detail, it would be helpful for the Board to have access to specialist independent advice on largescale property transactions and developments.</p>	
<p>3.</p> <p>a</p> <p>b</p>	<p>Minutes of the Meeting held on 16 September 2020 and Matters Arising</p> <p>The Minutes of the meeting at Paper AC 46/2020 were approved as a true and accurate record.</p> <p><i>Matters Arising</i></p> <p>Item 2(b) Budget setting – Directorate involvement</p> <p>Chris Hurst confirmed that the Finance & Investment Committee had received a helpful session from the Finance team on the approach to budget setting and had discussed aspects of budget setting and financial management including in-year escalation processes. The Finance & Investment Committee had been assured that a competent budget setting process was in place and that areas for improvement and development were being targeted. Whilst the Trust’s budget setting timescales were similar to those of most trusts, he noted that the earlier that the budget setting process commenced then the more quickly challenges or issues could be resolved with budget holders, otherwise budgets risked not being finalised until May. Nonetheless, the Trust’s budget setting was a mature process whereas the setting of the annual Productivity Improvement Programme/Cost Improvement Programme was less so and could potentially be usefully integrated with the more mature budget setting process. The Audit</p>	

	<p>Committee noted that the action could be considered complete and that it would be for the Finance & Investment Committee to receive further updates on the refinement of financial management processes from the Director of Finance.</p> <p>Item 2(d) Audit Committee and the Quality Committee oversight of Clinical Audit</p> <p>c Further to the update in the Summary of Actions document, which set out the roles of both committees in relation to Clinical Audit and consistent with guidance from the HFMA (Healthcare Financial Management Association) and the Good Governance Institute, the meeting noted that there was further work to do on the different functions of both committees in relation to Clinical Audit. Aroop Mozumder noted that work to refine oversight from the Quality Committee may benefit from discussion in due course between himself, the Chair, the Chief Nurse and the Chief Medical Officer. The Chair added that it would also link into work which had started from the DoCA/CoSec on Board and Board Committee mapping to ensure that there was no unnecessary duplication in reporting or oversight between committees and the Board (as per action 14(a)).</p> <p>Item 3(c)&(d) Overdue/outstanding Internal Audit actions</p> <p>d Further to the update and improved position reported in the Summary of Actions document, the Chair asked whether any managers would be attending the meeting to report against their actions. The DoF replied that managers had not been required to attend especially given improved focus on achieving actions and providing progress updates. If revised implementation dates slipped then managers would be put on notice to attend the Audit Committee. The Chair requested that the action be maintained on the Summary of Actions tracker for the time being.</p> <p>Item 14(a) Board and Board Committee mapping exercise</p> <p>e The DoCA/CoSec reported that the outcome of the Risk Workshop (on the agenda for this meeting at item 11 below) would inform this work. She added that in early 2021, there would also be an update meeting with the Chair, Sue Dopson (Non-Executive Director) and the DoF on the Board Governance Framework and Board development.</p>	<p>KR</p>
--	--	-----------

	<p>Item 4(l) from 22 April 2020 - COVID-19 impact – post-balance-sheet note</p> <p>f The Deputy DoF reported that, especially in the absence of further national guidance in relation to financial accounting for COVID-19, the Trust had applied IAS (International Accounting Standard) 10 on Events After The Reporting Period. IAS 10 required the reporting entity to consider whether financial statements required adjustment as a result of events occurring after the reporting date. In accordance with IAS 10, the Trust had therefore considered whether any events had occurred or were likely to occur which would bring into question the appropriateness of accounting policies used in the financial statements (e.g. the validity of the Going Concern concept); whether there had been any developments regarding risk areas and contingencies; and whether any events had occurred that should be treated as adjusting or non-adjusting events and disclosed under IAS 10. Based on this interpretation of IAS 10, there had been no events after the reporting period, commitments or contingencies, other than those already disclosed in the accounts for the period ended 31 March 2020. No further guidance had been issued by NHS Improvement in relation to financial accounting for COVID-19 and FY20 since the Annual Accounts had prepared and submitted. Given the funding arrangements in place for FY21, the Trust remained a Going Concern.</p> <p>g The Committee noted that the following action had been progressed but was yet to be completed: 13(g) Cyber Security training/awareness.</p> <p>h The Committee confirmed the following actions had been completed and/or were on the agenda:</p> <ul style="list-style-type: none"> • 5(a) Clinical Audit annual report – on the agenda; • 8(b) Counter Fraud case involving duplicate timesheets – on the agenda as part of the Counter Fraud progress report at paper AC 49/2020; and • 11(c) Single Action Tender/Quotation Waivers report. 	
<p>4.</p> <p>a</p>	<p>Internal Audit progress report and action tracker</p> <p>Sasha Lewis presented the progress report at paper AC 47(ii)/2020 and confirmed that work on the first three Internal Audit reviews for FY21 had commenced, having been delayed due to the impact of COVID-19: key financial systems; IT; and COVID-19 reviews. The potential scope of the</p>	

	<p>COVID-19 review could be broad (potentially encompassing changes which had needed to be put in place as a result of COVID-19 as well as governance and risk management) and scoping had taken longer than usual given the greater number of people who had needed to be involved; however, scoping meetings were nearing completion and the scoping was anticipated to be finalised by early in 2021. The Chair noted that although the delay to the Internal Audit programme had been understandable in the context of COVID-19, it had been noted that the Trust was slightly behind on progress compared to other trusts serviced by the Internal Audit team; she asked that Internal Audit alert the Committee if at any point it appeared that delivery of the Internal Audit Plan might be compromised.</p> <p>b The Chair referred to Appendix B (Thought Leadership) in the report, on how NHS trusts should restart after the pandemic and re-evaluate their assurance frameworks, risk appetite, organisational culture and past decision-making. She noted that the three stages set out for this (taking stock, being prepared and looking ahead) were not areas on which the Audit Committee was currently well sighted and therefore if they could be covered as part of the Internal Audit review on COVID-19, this could be useful. The Trust Chair cautioned that the content of Appendix B (Thought Leadership) should not be presented as a technical recommendation as it was driven by ideological values which may be generically useful but were not necessarily the same as the Trust's or the wider NHS's values; ultimately an ideological position should not be confused with a technical observation or recommendation. Whilst he was not opposed to Internal Audit volunteering its thoughts and opinions, he suggested that the difference between those and formal advice should be recognised. The Chair agreed but noted that the opinions volunteered could still sometimes be useful to influence the thinking of the Committee and the Trust.</p> <p>c Sasha Lewis presented the action tracker at paper AC 47(iii)/2020 and highlighted that there had been significant progress, since the last meeting, by management to complete actions. 45% of actions had been completed, 52% were in progress and 3% had been superseded; action updates had been provided by all action owners whose actions had been overdue or were in progress. 17 actions remained open and those 8 which had been overdue had all had agreed revised completion dates set for 2021. The DoF added that the position on progressing Internal Audit actions had significantly improved, with proper engagement from management. He noted that managers would be held to the revised completion dates and monthly</p>	
--	--	--

<p>d</p>	<p>progress updates would be provided to the Executive. The Chair acknowledged the significant progress which had been made and the Executive support, noting the robust responses in the action tracker. However, she remained concerned that formerly high priority actions had been given revised completion dates. The DoF replied that, as with risks, the rating given to actions needed to be tested against the current mitigations in place as this may mean that the net rating may not be as high as previously thought. The CEO added that performance to complete Internal Audit actions needed to continue to improve.</p> <p>The Committee noted the report. <i>The DoF left the meeting.</i></p>	
<p>5.</p> <p>a</p> <p>b</p>	<p>External Audit progress report</p> <p>Iain Murray presented the report at paper AC 48/2020 and noted that independent examination of the Trust Charity's accounts had been completed and the Charity's Annual Report & Accounts were pending formal sign-off by the Charity Corporate Trustee. Planning processes for the Trust's FY21 External Audit had started and timescales were being discussed with the Finance team, with a view to issuing an External Audit Plan early in 2021. The statutory deadline for FY21 accounts had not yet been published and it was anticipated that some milestones may inevitably be impacted due to COVID-19. He noted that External Audit had previously highlighted to the Committee that nationally there would be changes to the Value For Money conclusion; these could be discussed in more detail at the meeting in February 2021.</p> <p>Aroop Mozumder referred to the Trust Chair's comments on private sector opinion, at item 4(b) above, and noted that those comments could also apply to the sector update included in this report; comments upon the future of external clinical experts and how the role of a clinician could morph into one of data analyst and population health adviser may be less pertinent than commentary upon what was actually happening. The Chair added that the wider sector updates in both the Internal and External Audit progress reports did sometimes provide helpful insights, especially if considered as wider reading and horizon scanning; whilst they may not be appropriate in the main body of a report to the Committee, they could still usefully be provided as appendices, especially on the understanding that the Committee and the Trust did not necessarily need to agree with the opinions provided. Aroop Mozumder replied that he would be satisfied with this as an approach, as</p>	

c	<p>long as it was open for the Committee to disagree. Iain Murray agreed and noted that the sector updates were there for the Committee to take or leave, or could be omitted.</p> <p>The Committee noted the report.</p>	
6.	<p>Counter Fraud progress report</p> <p>a Dean Docherty presented the report AC 49/2020 on proactive Counter Fraud work for September-December 2020. Further to page 3 of the report and the publication of the Counter Fraud Functional Standard (GovS 013), he noted that the Trust’s Counter Fraud policy would need to be updated accordingly but further guidance on the GovS 013 Assessment Framework was still awaiting publication; he confirmed that in the interim the policy remained fit for purpose. The Committee agreed that the revision of the Counter Fraud policy could await final publication of all applicable guidance. He summarised that the new Counter Fraud Functional Standard, which would replace the current NHS Standards for Providers, was a positive step towards the public sector working to a common Counter Fraud Standard and a more aligned approach. The Chair asked whether the Trust was likely to be fully compliant with the incoming new Standard and whether there were any concerns. Dean Docherty confirmed that the Trust was aligned with the new Standard and he had no concerns about its implementation.</p> <p>b He also summarised the work which had been taking place as set out in the report under the sections on: Inform and Involve; Prevent and Deter; and Hold to Account. The Chair referred to page 4 of the report and the COVID-19 Fraud Risk Thematic Review; she asked when this would be published. Dean Docherty confirmed that it could be issued later today as the completed action plan to accompany it had now been received. The Chair referred to page 5 of the report and the Fraud Alert (CBN 20013 – Fraud, Bribery & Corruption Risk Management) which placed increased emphasis on risk-based proactive work. She asked whether the Trust was already meeting this expectation or whether it would change Counter Fraud’s approach to reporting. Dean Docherty confirmed that the Trust was meeting the expectation and that it would not alter the approach to reporting.</p> <p>c In relation to item 3(h) above and the action relating to the Counter Fraud case involving duplicate timesheets, Dean Docherty referred to page 6 of the report and provided an update that both individuals had been interviewed;</p>	<p>DD (TIAA)</p>

	<p>potentially there had been no fraud but there may be learning for internal processes. He noted that the DoF and the Deputy DoF were aware and considering potential internal system weaknesses. The Deputy DoF added that the HR team was leading on the system review.</p> <p>d The meeting discussed the coverage of Counter Fraud and related matters as part of Trust induction. Chris Hurst suggested that, whilst not necessarily a direct request from this Committee, it might be useful if the Counter Fraud slot at induction also covered Cyber Security and IT Fraud, especially given the potential risks to business interruption; Dean Docherty replied that he could consider including this as part of his Cyber Security slot. The CEO added that, having recently undergone induction, he had been struck by the significant focus upon Counter Fraud and whilst this was an important matter it may not merit as much time as it received as part of induction and the emphasis upon consequences and punishment may not be in keeping with the current values-driven culture of the organisation. He noted that there were not many current cases listed in the report and asked whether the Trust was an outlier compared to other organisations and a particularly low referrer of cases. Dean Docherty replied that the Trust was consistent amongst TIAA's other clients and leaning towards being a higher referrer of cases. He noted that he could review the content of the induction material.</p> <p>e Aroop Mozumder referred to page 9 of the report and asked whether the updates on cyber threats and risks associated with cloud computing were relevant for this Committee. The Chair asked whether these were passed on to the Director of Strategy & Chief Information Officer. The Deputy DoF confirmed that as soon as Counter Fraud issued alerts, these were passed on to the appropriate teams to ensure that appropriate actions were taken.</p> <p>f The Committee noted the report and that the Counter Fraud policy would be updated in due course once all Counter Fraud Functional Standard (GovS 013) guidance had been published.</p>	
<p>7.</p> <p>a</p>	<p>Whistleblowing arrangements report</p> <p>The Chair noted that the opportunity for the DoF to present the report at paper AC 50/2020 before he had had to leave the meeting had been missed but that the report could be taken as read and opened up to questions. Chris Hurst confirmed that he was the lead Non-Executive Director for Whistleblowing.</p>	

PUBLIC

b	<p>The CEO added that now that the Executive Management Committee would more formally report into the Board, when it received reports on investigations under the Management of Concerns policy it would now be able to more formally report and escalate these to the Board if appropriate.</p>	
c	<p>The Chair referred to page 7 of the report and whether a review of staff awareness of Whistleblowing procedures was needed. She highlighted that the report had suggested that the relevant parts of the intranet may benefit from being refreshed periodically and that the Committee may wish to ask the Freedom to Speak Up Guardian and Communications team to consider how to achieve this, bearing in mind the limitations of the intranet as a communications tool. The DoCA/CoSec replied that she would follow up this action with the Freedom to Speak Up Guardian and Communications team.</p>	KR
d	<p>The meeting discussed reporting of Whistleblowing cases and whether reporting to this meeting was an example of unnecessary duplication. The DoCA/CoSec confirmed that the Audit Committee received reporting on Whistleblowing arrangements and processes in line with guidance on the remit of audit committees. This was separate to the reporting which the Board received on actual Whistleblowing cases and there was potential for development in the separate reporting to the Board on how much detail was provided on each case as well as how to report on any emerging themes. She reminded the meeting that the questions being used as headings in this report had been taken from guidance for audit committees on the questions that could be asked to determine whether arrangements were appropriate; the headings were therefore appropriate to guide the Audit Committee. The Chair agreed.</p>	
e	<p>The CEO suggested that it would be useful to have a flow diagram which outlined how staff could escalate concerns up to the Board or to Chris Hurst, in his capacity as lead Non-Executive Director for Whistleblowing; he noted that this should be readily available for staff to access across the Trust.</p>	KR
f	<p>Chris Hurst reminded the meeting that it was relevant for the Audit Committee to be satisfied that the Trust had effective arrangements and processes in place for types of audit, including Clinical Audit, as well as Whistleblowing. The more detailed findings and learning from cases may however be more appropriate for other committees to follow-up, such as the Quality Committee or the People, Leadership & Culture Committee. The reporting which the Audit Committee received needed to enable it to assess</p>	

<p>g</p>	<p>that proper processes were in place, operating effectively and in alignment with relevant risks for the organisation. He added that he supported a mapping exercise, as referred to at item 3(e) above, to set out reporting and potential duplication into Committees.</p> <p>The Committee noted the report and was assured that proper arrangements were in place with regard to Whistleblowing and Speak Up procedures, whilst noting that future reporting to the Board in particular may continue to evolve.</p>	
<p>8.</p> <p>a</p> <p>b</p>	<p>Clinical Audit annual report</p> <p>Aroop Mozumder, in his capacity as Chair of the Quality Committee, presented the report at paper AC 51/2020 and confirmed that this had been received at the Quality Committee meeting on 11 November 2020 and he had agreed to present it to this meeting on behalf of the team. He highlighted successes, as set out in section 1(a) of the report, including the use of new IT platforms in Clinical Audit and maintenance of some ongoing Clinical Audit oversight even during COVID-19. However, there were challenges, as set out in section 1(b) of the report, including the relatively low profile of Clinical Audit on the agendas of directorate governance meetings. He noted that Clinical Audit may benefit from more joint clinical leadership to drive forward the function, assist it to achieve a higher profile and link it with Quality Improvement work happening across the Trust. The CEO added that Clinical Audit needed to become more of a Quality Improvement tool and a resource to drive forwards Quality Improvement; Quality Improvement, including Clinical Audit, should be a feature on directorate governance agendas. Responsibility sat with the Executives who had Quality as part of their portfolios.</p> <p>The Chair noted that the report still raised more questions than it answered and may not be sufficient to provide assurance that appropriate Clinical Audit policies and procedures were in place and being followed. The brief bullet point list of themes requiring improvement, at section 1(c), highlighted themes which had been circulating for years. Similarly to outstanding/overdue Internal Audit actions, there appeared not to have been sustained improvement. Aroop Mozumder agreed that it was frustrating that highlighted themes had not improved with the speed that they should; however, he noted that progress was also the responsibility of Executive clinical leadership and that at this time, some of that leadership</p>	

<p>c</p>	<p>had heavy portfolios to attend to. The Chair noted that the Committee would need further assurance in relation to the effectiveness of Clinical Audit processes at a future meeting, subject to the impact of COVID-19. This would be separate to the work of the Quality Committee on the outcomes and clinical detail of Clinical Audit reviews, also subject to the impact of COVID-19 upon continuance of the Clinical Audit programme.</p> <p>The Committee noted the report but was not yet assured on the effectiveness of Clinical Audit processes. Subject to the impact of COVID-19, it remained for the Committee to seek assurance on:</p> <ul style="list-style-type: none"> • how the programme of Clinical Audit work had been decided upon; • whether the Clinical Audit programme was at an appropriate level and reflected the Trust’s strategic objectives; • the rigour of the processes in place for conducting clinical audits; • whether all clinical audits were reported, in what form and to whom; and • how matters arising from clinical audits were dealt with and followed up. 	<p>HS</p>
<p>9.</p> <p>a</p> <p>b</p> <p>c</p>	<p>Charity Committee annual report</p> <p>The DoCA/CoSec presented the report at paper AC 52/2020 and explained that this was the annual report for the business of the Charity Committee, separate from the Charity’s Annual Report & Accounts which would be presented to a meeting of the Charity Corporate Trustee later on 09 December 2020. She emphasised the importance of getting the right attendance at meetings in order to progress matters but highlighted that there was potential for an exciting year ahead with more resourcing available for the Charity and a higher profile for all NHS charities, especially given fundraising efforts nationally in response to COVID-19.</p> <p>Chris Hurst highlighted the key development of the Charity Strategy 2019-22 and noted that the Charity Committee was an important route to amplify and leverage benefits for the Trust including both patients and staff.</p> <p>The Committee received the Charity Committee’s annual report.</p>	

<p>10.</p> <p>a</p> <p>b</p>	<p>Single Action Tender Waivers (SATWs) and Losses & Special Payments reports</p> <p>The Deputy DoF presented the reports at paper AC 53/2020 (SATWs) and AC 54/2020 (Losses & Special Payments). The Chair noted that there was still work to do in order to extract maximum value for the Committee from the SATWs report and so as to focus on those SATWs which could represent an additional risk or to be clear that an acceptable level of risk had been taken and the SATWs were therefore appropriate. She cited waiver no. 602 as an example and noted that insufficient detail had been provided for the reason for not contacting Procurement. The Deputy DoF noted that further review of reporting on SATWs would be undertaken in 2021 to ensure that the Committee was: able to identify those SATWs which could represent an additional risk or be clear that an acceptable level of risk had been taken and the SATWs were therefore appropriate; and be assured that the Procurement function was challenging SATW requests.</p> <p>The Committee noted the reports and that more work was required to refine the reporting on SATWs.</p> <p><i>The meeting took a break from 10:58-11:05. Dean Docherty, Sasha Lewis, Nika Verona and Iain Murray left the meeting.</i></p> <p><i>John Allison, Bernard Galton and Neil McLaughlin joined the meeting.</i></p>	<p>PD/ MME</p>
<p>11.</p> <p>a</p>	<p>Risk Workshop - Board Assurance Framework (BAF) and Trust Risk Register (TRR) update</p> <p>The DoCA/CoSec presented the report at paper AC 55/2020 and noted that, further to review by the Executive Management Committee on 07 December 2020, the Audit Committee and other Non-Executive Director Committee Chairs had an opportunity to engage in the next steps for risk management, how risks could flow through committees and review the most recent versions of the BAF and TRR. The BAF had been mapped against the Trust's new Strategic Objectives and work was taking place on more detailed updates to the individual risks; this mapping exercise was ongoing for the TRR but nearly complete. The Chair noted that she had wanted to hear about the work which had been taking place and was surprised at the significant volume which had been achieved, noting that many of her concerns had been allayed although there would still be some questions to discuss. Neil McLaughlin and Hannah Wright summarised the developments to the TRR</p>	

PUBLIC

	<p>and the BAF, as set out in the report, noting that ultimately it would be useful if risk registers could develop to a point where they could drive actions and behaviours. It was reported that Executive and management engagement had been positive throughout and a further Executive session had been scheduled for 25 January 2021 for a deep dive into the BAF and TRR as these would continue to be updated in line with the new Strategic Objectives.</p>	
b	<p>The Trust Chair led the meeting in a discussion of how risk registers may help to structure Board and Committee conversations or enhance the Audit Committee's oversight of risk so that it could be a forum to escalate risk matters to the Board.</p>	
c	<p>Aroop Mozumder praised the work which had been done and added that, in his capacity as Chair of the Quality Committee, he was keen for the Quality Committee to regularly focus upon the risks under the quality-orientated Objective to 'Deliver the possible care and outcomes'.</p>	
d	<p>Chris Hurst, in his capacity as Chair of the Finance & Investment Committee, cautioned that although the BAF and TRR were useful vehicles, especially to provide for focus on achievement against Strategic Objectives, some risks and issues would arise outside of the framework of anticipated Strategic Objectives. Therefore, meetings needed to be confident to not be constrained from looking at situations in other ways and to be prepared to think outside of the current Strategic Objectives. Therefore although the Finance & Investment Committee would focus on financial risk, it would do so in the context of considering aggregate financial risk (including aspects of contractual risk) and the organisation's capacity to manage it. He emphasised that although Strategic Objectives could be helpful to reframe risks and concerns, the Trust should not be constrained by them and staff should be able to identify risks which sat outside of the current Strategic Objectives.</p>	
e	<p>Bernard Galton, in his capacity as Chair of the People, Leadership & Culture Committee, added that it had been useful for the last meeting of the People, Leadership & Culture Committee to review relevant HR strategic risks and these had informed discussion at the meeting as well as planning for the next agenda.</p>	
f	<p>John Allison, in his capacity as Chair of the Mental Health Act Committee, cautioned that risk registers could be divorced from what was actually</p>	

	<p>happening operationally and sometimes this could be for valid reasons, especially where not all activity was amenable to this kind of framework and its controls. Whilst financial matters may be suitable for such controls, front line treatments and clinical professional judgement at an immediate point in time may not be. He noted that learning could be drawn from across Serious Incidents, inquests, claims and complaints which were less restrictive than a risk registers approach.</p> <p>g The Chair added that the Board needed to have a Risk Appetite document so that it could agree appetite by domain and use that appetite to overlay risks and inform agendas. She noted that if high-rated risks were being identified then they should be featuring on agendas. Hannah Wright suggested that a Risk Appetite Statement could be developed as part of the updated Risk Management Strategy & Policy which was due for review in 2021.</p> <p>h The CEO noted that whilst he did not disagree with the comments made, the challenge was to achieve coherence and for risk registers to add value and be a true reflection of concerns such that the Board and senior leaders could agree what the top risks to the organisation were, rather than be a tool of regulatory compliance. He noted that his concerns were around pandemic flu and the Warneford redevelopment. He added that the new Strategic Objectives should be focused on across all agendas; reworking agendas accordingly may help to make the BAF and TRR more dynamic documents to support the management and flow of business. The DoCA/CoSec noted that this would be supported by more Board ownership of the BAF in particular.</p> <p>i The Committee noted the report and that a Risk Appetite Statement would be developed.</p> <p><i>The CEO, the Trust Chair, John Allison, Bernard Galton, Neil McLaughlin, Chris Roberts (Lead Governor), and Hannah Wright left the meeting. Remaining: Lucy Weston (the Chair), Chris Hurst, Aroop Mozumder, the Deputy DoF, the DoCA/CoSec and the ATS.</i></p>	<p>KR</p>
<p>12.</p>	<p>External Audit contract</p> <p>a The Deputy DoF presented the report at paper AC 56/2020 on the External Audit contract extension.</p>	

b	The Committee ratified its previous out-of-session approval, as set out in the report.	
13.	Internal Audit and Counter Fraud contract updates	
a	The Deputy DoF presented the reports at papers AC 57-58/2020 on the contract reviews, including consideration of fees. The Committee considered management feedback as reported by the Deputy DoF. The DoCA/CoSec reminded the Committee that the Committee’s own views and experiences were also as valid, if not more valid, than that of management as it was in the organisation’s interests to be supported by robust service providers who could challenge management. The Chair supported the recommendations in the reports but suggested that the Committee take time to undertake effectiveness reviews of Audit and Counter Fraud contracts well in advance of contract end dates, so as to be able to feed into procurement processes and inform tender specifications in a timely fashion. Action to update the Audit Committee work plan to provide for effectiveness review of Audit and Counter Fraud contracts in December 2021.	HS
b	The Committee APPROVED the recommendations in the reports.	
14.	Any Other Business	
a	The meeting agreed that the Warneford redevelopment would be discussed in more detail as a matter of Any Other Business at the Board Seminar later in the day on 09 December 2020; however, it was likely that a separate extraordinary meeting would also be required.	MME
	Meeting Close: 12:05	
	Date of next meeting: 24 February 2021, 09:30-12:00	