

**Sandwell and West Birmingham NHS Trust**

**Board Committee Chair's Report**

<b>Meeting:</b>	AUDIT & RISK MANAGEMENT COMMITTEE
<b>Chair:</b>	Rachel Hardy
<b>Date:</b>	21 June 2022
<b>Present:</b>	<p><u>Members:</u> Mrs R Hardy, Non-Executive Director &amp; Chair Mr M Laverty, Non-Executive Director Mr M Hallissey, Assoc Non-Executive Director Mrs J Wass, Assoc Non-Executive Director Mrs V Taylor, Assoc Non-Executive Director Dr K Thomas, Non-Executive Director Mrs L Writtle, Non-Executive Director Mr M Hoare, Non-Executive Director</p> <p><u>In attendance:</u>  Miss K Dhami, Chief Governance Officer Ms D McLannahan, Chief Finance Officer Mr D Baker, Chief Strategy Officer Mr M Stocks, Grant Thornton Mr Z Francis, Grant Thornton Mr M Gennard, RSM Mr A Hussain, RSM Mr B Vaughan, RSM Mr D Conway, Assoc Director of Corporate Governance</p> <p><u>Apologies:</u></p>

<b>Key points of discussion</b>	
<b>1.</b>	<b>Annual Report including the 2021/22 Financial Statements and Annual Governance Statement</b>
	<p><u>Chair's opinion:</u> See point 2 below both items taken together</p>
<b>2.</b>	<b>Audit Findings Report: Grant Thornton</b>

	<p><b><u>Chair's opinion:</u></b>  It was noted the positive feedback to the finance team for preparing the accounts and the committee conveyed its thanks to the team. The accounts and annual report were approved by the committee subject to the following :</p> <ul style="list-style-type: none"> <li>- The accounts would not be submitted until 2 specific items were concluded and this would mean that the accounts would be submitted late. This had been discussed with the national team who recognised this position. It was agreed to delegate responsibility for the final approval to GT, CFO and Chair of the Audit Committee. The 2 specific items were :</li> <li>- The value of the Impairment for MMUH to be concluded by Grant Thornton and their quality advisory team. This would change the draft accounts.</li> <li>- A review of the valuation of Net Nil Book assets. Information to be provided by the trust and agreed by GT. This would change the note to the accounts but not the accounts themselves.</li> </ul> <p>In addition, the following would take place:</p> <ul style="list-style-type: none"> <li>- A full disclosure note explaining the impact of the impairment and its nature as an exceptional item.</li> <li>- MMUH to be explicitly pulled out as part of the statement of comprehensive income.</li> <li>- An action plan to the September A&amp;R committee for the minor items raised as part of the accounts to include GRNI, Accounts working papers, Super User issue.</li> </ul> <p>On the basis of the above the A&amp;R Committee recommend that the Board approve the annual accounts and the annual report</p>	Assured
3.	<b>Internal Audit Plan 2021/22 - Progress Report</b>	
4.	<p><b><u>Chair's opinion:</u></b>  Noted and approved by the committee. Action plans required for both reports for the September A&amp;R Committee, particularly focussing on overpayments in the payroll report.</p>	Partial Assurance
5.	<b>Standing Financial Instructions / Standing Orders Update</b>	
	<p><b><u>Chair's opinion:</u></b>  These were reviewed and the changes approved by the committee. It is recommended that the Board sign off the revised SFIs and SOs.</p>	
<b>Positive highlights of note</b>		
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**Matters of concern or key risks to escalate to the Board**

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**Matters presented for information or noting:**

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**Decisions made:**

**Actions agreed:**

## Assurance classification

	<p>Management cannot clearly articulate the matter or issue; something has arisen at Committee for which there is little or no awareness and no action being taken to address the matter; there are a significant number of risks associated where it is not clear what is being done to control, manage or mitigate them; and the level of risk is increasing.</p>
	<p>There is partial clarity on the matter to be addressed; some progress has been made but there remain a number of outstanding actions or progress against any plans so will not be delivered within agreed timescales; independent or external assurance shows areas of concern; there are increasing risks that are only partially controlled, mitigated or managed.</p>
	<p>There is evidence of a good understanding of the matter or issue to be addressed; there are plans in place and these are being delivered against agreed timescales; those that are not yet delivered are well understood and it is clear what actions are being taken to control, manage or mitigate any risks; where required there is evidence of independent or external assurance.</p>
	<p>There is evidence of a clear understanding of the matter or issue to be addressed; there is evidence of independent or external assurance; there are plans in place and these are being actively delivered and there is triangulation from other sources (e.g. patient or staff feedback)</p>