



**MINUTES OF THE AUDIT COMMITTEE HELD ON
THURSDAY 24 JUNE 2021 AT 9AM BY ZOOM
(DUE TO COVID-19)**

PRESENT: Mr W Abraham Non-Executive Director (Chair)
Mr D Ashford Non-Executive Director

IN

ATTENDANCE: Mr M Bloomfield Chief Executive
Ms L Charlton Director of Quality, Safety & Improvement
Mr N Gray Northern Ireland Audit Office (left the meeting at 10.15am)
Ms C Hagan ASM (External Auditors)
Mr S Knox Northern Ireland Audit Office
Ms C McKeown Head of Internal Audit, BSO Internal Audit
Mrs L Mitchell Independent Adviser to Committee
Mr P Nicholson Interim Director of Finance
Mr A Phillips Assistant Director of Finance
Dr N Ruddell Medical Director
Ms F Slevin Financial Accounts Manager
Mrs C Mooney NIAS Board Secretary
Mr B McNeill Programme Director – CRM, Estates & Fleet (left the meeting at 9.20am)

APOLOGIES: Ms R Byrne Director of Operations
Ms M Lemon Interim Director of Human Resources
Ms M Paterson Director of Planning, Performance & Corporate Services
Ms R O'Hara Programme Director – Workforce Planning

Welcome, introduction and format of meeting

The Chair welcomed everyone to the meeting and thanked them for facilitating the 9am start.

1 **Apologies**

Apologies were noted from Ms Byrne, Ms Lemon, Ms Paterson and Ms O'Hara.

2 **Declaration of Potential Conflict of Interest & Confirmation of Quorum**

The Chair confirmed that the meeting was quorate and asked those present to declare any conflicts of interest now or as the meeting progressed.

The Chair also stressed the confidentiality of information presented.

3 **Previous Minutes (AC24/06/21/01)**

It was noted that the minutes of the previous meeting held on Thursday 13 May 2021 had been **APPROVED** by e-mail and would be reported to Trust Board later that afternoon.

4 **Matters Arising (AC24/06/21/02)**

Members noted the briefing note provided by Mr McNeill in respect of the heating system in Ballymena Station.

With regard to the action around assessing the potential impact of inflation on the Trust, Mr Nicholson advised that the impact of price rises and inflation was being felt acutely in HSC. He indicated that this had impacted most notably in terms of capital schemes which had resulted in a complete review of the HSC ten year capital plan. He added that this issue was being discussed by Directors of Finance on a monthly basis and was being monitored at the highest levels of HSC and DoH.

Mr Nicholson referred to the Band 8 overtime issue and reported that Covid-19 dispensations had been extended. He said that the Trust would now engage with the affected staff and he acknowledged the potential difficulty in achieving a resolution given the nature of the service.

Referring to action point 16, the Chair confirmed that he had met with Mr Bloomfield, Mr Nicholson and Ms Paterson on 23 June to discuss the progress on addressing the outstanding Internal Audit recommendations and said he would provide further detail under the next agenda item.

5 Committee Chair's Business

5.1 Audit Committee Annual Report

The Chair advised that he would finalise the draft of the report following discussions at today's meeting on a number of emergent issues relating to the accounts. He added that the report would then be presented to the In Committee Trust Board later that afternoon.

5.2 Audit Committee Self-Assessment

The Chair confirmed that the self-assessment had been issued.

5.3 Meeting to discuss outstanding IA recommendations

The Chair undertook to share the note of the meeting he had had with Mr Bloomfield, Mr Nicholson and Ms Paterson. A copy of which is attached to these minutes.

Mr Bloomfield explained that, as agreed by the Remuneration Committee at its meeting on 17 June, he and colleague Directors had included an objective within their overall objectives for 2021-22 to make substantial progress on prior-year recommendations by the end of September and to have recommendations fully implemented by the end of March. He indicated that this also related to making appropriate progress on current recommendations within the appropriate timescales and said that, subject to review by Internal Audit, an estimated 40% of outstanding recommendations were considered fully implemented.

Mr Bloomfield advised that, rather than go through individual recommendations, the first meeting had been used to give the Committee Chair an overall sense of the progress being made. He added that Trust officers would be engaging with Internal

Audit over the coming weeks to focus on addressing these issues.

Mr Ashford said he welcomed the progress being made and looked forward to further updates.

6 Standing Item

6.1 Direct Award Contract (DACs) (AC24/06/21/05)

Mr Nicholson drew the Committee's attention to the Direct Award Contracts (DAC) Register up to 15 June and reminded the meeting that this had been discussed in some detail at the May meeting.

He acknowledged that, in previous years, there had only been a small number of DACs. However, there had been 38 approved in total in the 2021-22 financial year. Mr Nicholson explained that a significant proportion of these had been as a result of Covid-19 and the need for the Trust to move rapidly.

Mr Ashford noted that the briefing provided a context for the number of DACs. He referred in particular to the entry relating to the Association of Ambulance Chief Executives (AACE) and sought further clarification.

The Chair commented that his understanding was that this was the only organisation providing such support and that, by definition, it would be included on the DAC.

Mr Nicholson confirmed that this was the case. He explained that AACE had provided significant support to the Trust over the last number of years and said that Board members would receive a specific update at the Trust Board later that afternoon.

Mr Bloomfield said that the Trust had recently taken the opportunity to review the support provided by AACE in the 2020-21 year with a view to finalising the support required in the 2021-22 year at a cost of the order of £250,000 which was less than each of the previous years. He said that the Trust considered this to be the last year of the programme as the Trust's capacity continued to increase and it became more self-

sufficient. Mr Bloomfield clarified that AACE would continue to provide support to the Trust as it did to all Ambulance Services across the UK.

He alluded to the significant support provided by AACE over the last number of years, particularly in relation to the introduction of the new Clinical Response Model, and said their advice and input had been invaluable.

The Chair stated that, from his perspective as a Non-Executive Director, the input and methodologies used by AACE and made available to the Trust's Senior Management Team had been critical when determining the strategic direction for the Trust.

Mr Knox referred to the £2,000 which had been retained in respect of the heating system at Ballymena station and asked whether the Trust intended to pay this.

Mr Nicholson was of the view that this would not be paid in light of the issues. Mr McNeill confirmed that this would be the case.

The Chair said that he understood the decision not to pursue recovery in relation to the heating issues any further given the time that had elapsed and the costs involved. He also welcomed the confirmation that the retention had not and would not be paid.

6.2 Fraud Update – verbal update

Mr Phillips confirmed that no further fraud cases had been identified. He advised that he was working on preliminary enquiries with regard to two ongoing cases and would provide a report to the Directors of Finance and Human Resources recommending how best to proceed.

Referring to the National Fraud Initiative, Mr Phillips advised that significant work was ongoing between the Trust and Shared Services in relation to matching. He indicated that, of the 548 matches, 86 had been cleared with no issues flagged. Mr Phillips added that 471 matches had related to payroll with 50 of those still to be reviewed. He said that the Trust was liaising with payroll in relation to access to the system. He

confirmed that one of the matches reviewed had related to a fraud allegation. Mr Phillips said that he hoped that the matching exercise would conclude before the next Audit Committee meeting.

Mr Phillips advised of work ongoing across the region in relation to fraud risk assessment. He reported that he had met with the Counter Fraud Service and the Regional Fraud Liaison Officer Group and hoped to be able to progress this work to review actions in September. Mr Phillips undertook to provide an update at the October meeting.

7 Internal Audit

7.1 **Internal Audit Charter (AC24/06/21/06)**

Drawing the Committee's attention to the Internal Audit Charter, Ms McKeown explained that the Charter was reviewed and presented to Audit Committee for approval every two years. She advised that the document was largely unchanged since it had last been approved by Audit Committee in 2019.

However she pointed out that additional narrative had been included under the Quality Assurance and Improvement Programme section in respect of 'Supervision of Staff' and 'Management meetings' including maintenance of the Internal Audit Risk Register.

Responding to a question from the Chair, Ms McKeown explained that every Internal Audit service was required to have a Charter outlining the purpose, authority and responsibility of the Internal Audit activity.

The Committee **APPROVED** the Internal Audit Charter.

8 External Audit

8.1 **External Audit Draft Report To Those Charged With Governance 2020-21 (AC24/06/21/07)**

Mr Gray offered his thanks to Ms Hagan and her colleagues and to the Trust's Finance team for their assistance in drafting this report.

He drew members' attention to page 1 of the report, in particular the holiday pay accrual, and External Audit's request that this should be disclosed as a provision. Mr Gray indicated that the Committee would need to consider whether this item needed to be adjusted. He clarified that, in his opinion, this constituted a material error and, if not adjusted, could potentially lead to a qualified audit opinion from the Comptroller and Auditor General.

The Chair said he appreciated the points made by Mr Gray and invited Mr Bloomfield to comment on this issue.

Mr Bloomfield thanked Ms Hagan and Mr Gray for the report and agreed that the focal point of today's discussion would undoubtedly be around the holiday pay accrual issue. He said it was worth noting that, other than this one issue, the Draft Report To Those Charged With Governance had been positive and had focussed on the significant work taken forward by the Trust, in particular by Mr Nicholson and the Finance team.

Continuing, Mr Bloomfield acknowledged that, while he very much respected the position of the NIAO on this matter, he found the NIAO's recommendation to adjust this item very challenging.

Mr Bloomfield said that members would be familiar with the background to the ongoing legal case. He explained that, as consistent with other HSC Trusts and ALBs, NIAS had been allocated funding during the year to pay the likely settlement arising from the legal case. He clarified that this settlement would cover a number of financial years.

Mr Bloomfield advised that the DoH had allocated funding in respect of the settlement to HSC Trusts and ALBs and DoH/HSC had collectively agreed on the accounting treatment to be adopted and that DoH had determined that it would be treated as an accrual. He said that all HSC Trusts had treated the funding in this way. Mr Bloomfield said that he fully understood the point being made by Mr Gray in terms of the materiality that applied to NIAS and added that this was partly due to the scale of the Trust's budget in comparison to other Trusts.

Mr Bloomfield explained that the reason the Trust had been put into this materiality was its reliance on overtime to ensure service delivery. He added that this had never been the case more so than in the past year when 25% of Trust staff had been unavailable for work. Mr Bloomfield indicated that service delivery had been assured through the willingness of staff to work overtime. He was of the view that it was for this reason that the Trust had been significantly impacted by this issue. Mr Bloomfield reiterated that NIAS had acted consistently with other HSC Trusts in how it had treated the allocation in line with the determination of the DoH. He said he would have significant concerns in diverting from the DoH determination and not acting consistently with other Trusts.

Mr Nicholson thanked all involved in the production of the Draft Report To Those Charged With Governance and was of the view that it had been a positive and clean report. He described the accrual issue as a technical accounting matter.

Mr Nicholson said that, while he very much appreciated the NIAO's position on this matter, the Trust's position recommended to the Committee was consistent with the rest of the HSC. He referred to correspondence between the Trust's Chief Executive and the Permanent Secretary, DoH, on the issue and the subsequent response from the Permanent Secretary.

The Chair drew the meeting's attention to the correspondence and reminded those present of the DoH's determination to HSC on how to treat the allocation. He indicated that, should the Trust implement the NIAO's recommendation, it would result in the Trust contravening the DoH's determination and not maintaining a consistent position with the rest of the HSC. The Chair said it was his understanding that NIAS had been the only Trust to receive such a recommendation from the NIAO and queried this point.

Mr Nicholson explained that a consistent approach had been taken across the HSC in terms of adhering to the DoH's determination on how to treat the allocation. He clarified that it was the NIAS materiality level which had resulted in the Trust finding itself in this unique position in terms of the potential

qualification of its accounts. He said that he would expect it to be an unadjusted error in other HSC organisations' accounts.

Mr Gray confirmed this was the position.

The Chair said that, as a Non-Executive Director, he was concerned at the ramifications for the Trust should it contravene DoH's determination and advice. He expressed uncertainty as to the Trust's position should it accept the NIAO's recommendation. However, he referred to the exchange of correspondence between the Trust and the DoH and said that this had provided him with reassurance.

Mr Bloomfield acknowledged that he too shared the Chair's concerns. He reiterated the fact that the Trust had found itself in this position due to the materiality level. Mr Bloomfield further advised the Committee that he was of the view that it would be unhelpful for the Trust to adopt a different approach to other Trusts and agreed that applying a consistent approach across the HSC would be important. He pointed out that, should the Trust implement the NIAO's recommendation and on the basis of liability being determined, the Trust would be unable to identify the necessary funding when it was required.

The Chair acknowledged that, in normal circumstances, the potential of having Trust accounts qualified would be alarming. However, he was of the view that the Permanent Secretary's correspondence had addressed this point directly by advising that it would 'in no way be viewed by the Department as a reflection on the financial management of the Trust.'

The Chair said, for these reasons, he would propose the Committee approve the accounts without reclassifying the holiday pay accrual as a provision and accept the potential consequences. He said that he very much appreciated and respected the views already expressed by all. He suggested that it would be helpful for Mr Bloomfield to follow-up with the Permanent Secretary pending the outcome of the Committee's discussions.

Mr Bloomfield assured the Committee that, as Accounting Officer, the prospect of having the Trust accounts qualified was one that he took extremely seriously. He referred to the fact

that the Trust currently had a limited overall Internal Audit opinion and acknowledged that this, combined with the potential of qualified accounts, was concerning. Mr Bloomfield added that, from a public perspective, these two issues would normally not reflect well on the Trust.

Mr Bloomfield said that, for the reasons already outlined, it was his view that, while respecting the position of the NIAS, the Trust recommended maintaining the accrual position while remaining cognisant of the potential consequences this may have.

The Chair invited Ms Mitchell to comment.

Ms Mitchell said that she respected the NIAO perspective and its recommendation to the Audit Committee. However, she was of the view that the correspondence from the Permanent Secretary was determinative and clarified that it was the DoH's preference for the Trust not to make the adjustment on the basis of consistency with the rest of the HSC. Ms Mitchell advised that, in view of this correspondence, she supported the Chair's proposal to follow DoH advice.

Mr Ashford expressed his disappointment that, although the Draft Report To Those Charged With Governance was a very positive report and demonstrated improvement, the focus had now transferred to a technical accounting issue. He said that he too would share the Chief Executive's concern that, if the Trust decided to adjust to a provision, the Trust would be unable to identify the necessary funding to settle any liability. Mr Ashford said that it would be likely that such funding would have to be identified from services elsewhere.

Continuing, Mr Ashford reminded the meeting that, at the outset, Mr Gray had indicated that failure to comply with the NIAO's recommendation could potentially result in the Trust's accounts being qualified. However he said he hoped the Comptroller and Auditor General would appreciate the Trust's position. Mr Ashford said that, given the comments made as well as the correspondence from the Permanent Secretary, he would agree that the Trust would not accept the NIAO recommendation to adjust the holiday pay accrual to a provision.

The Chair thanked Mr Ashford for his comments and said that, when the Committee came to consider the accounts, he and Mr Ashford had delegated authority to make the determination to accept the accounts as presented without implementing the recommendation from External Audit. He suggested that the meeting should move forward on this basis subject to the Committee reviewing the accounts.

The Chair commended all involved for the manner in which they had approached this issue despite the differences in opinion.

Ms Hagan conveyed her thanks to Mr Bloomfield, Mr Nicholson and Mr Phillips for their support during the audit. She added that this was the second year that the audit had been carried out remotely and acknowledged the challenges this had presented in terms of information flow. Ms Hagan highlighted those matters which had arisen by exception during the audit and acknowledged that the report did not allude to the operational and service delivery challenges experienced by the Trust in-year due to Covid-19. She added that these had been referred to within the Trust's annual report.

Ms Hagan advised that the External Audit opinion would be to propose the qualification of the Trust accounts and said that it would be necessary to revise the draft audit certificate to take account of this. She highlighted that no irregularities had been identified in the course of the audit.

Turning to the Charitable Trust Funds, Ms Hagan reported an unqualified audit opinion without qualification.

Ms Hagan referred to the overall Draft Report To Those Charged With Governance and advised that certain elements would need to be revised to reflect the discussion at today's meeting.

The Chair referred to the finding identified within the report in relation to the need to maintain a contracts register and invited Mr Nicholson to comment.

Mr Nicholson explained that this had been a prior-year Internal Audit Recommendation. He said progress had been impacted by Covid-19 but recognised the need for the Trust to strengthen its controls in this area. Mr Nicholson said that it was hoped that significant progress would be made including planned changes in structures in order to address this recommendation.

The Chair agreed with views expressed earlier in the meeting that, apart from the holiday pay accrual issue, the report had been 'clean' and he thanked everyone for their input.

Mr Ashford agreed with these comments and acknowledged that, while a number of issues of a minor nature had been identified, the report had generally been positive.

The Chair referred to a difference in the respective views expressed by Mr Gray and Ms Hagan and asked for clarification. Mr Gray had previously expressed the view that there was potential for the accounts to be qualified while Ms Hagan had stated that they would be qualified.

Mr Gray clarified the position, noting that the decision to qualify the Trust accounts ultimately lay with the Comptroller and Auditor General. He said that External Audit would provide the Comptroller and Auditor General with a detailed briefing on the circumstances which had led to the External Audit recommendation and include the fact that the Trust was adhering to DoH determination.

Mr Ashford clarified that the situation had only arisen due to the materiality level of the Trust's budget and he hoped that the Comptroller and Auditor General would take this into consideration during his deliberations.

Following this discussion, members **NOTED** the Report To Those Charged With Governance.

9 Annual Report and Accounts

9.1 **Draft, Audited, Uncertified Annual Report & Accounts for the year ended 31 March 2021 (AC24/06/21/08)**

At the Chair's invitation, Mr Nicholson advised that the Annual Report and Accounts were an updated, audited version of those brought to Audit Committee on 13 May 2021. He expressed his gratitude to everyone involved in providing comments and making changes that had improved the document. Mr Nicholson expressed particular thanks to External Audit and ASM for their vigorous reviews of the documentation and for their suggestions which had improved presentation and completeness.

Continuing, Mr Nicholson advised that, subject to the Audit Committee and Trust Board meetings, it remained the case that the Trust had achieved the three financial duties required of it, namely:

- revenue surplus of £12,000
- capital underspend of £3,000
- 96.5% of invoices by number paid within 30 days

Mr Nicholson believed that the annual report and accounts very much reflected a unique year in the Trust. He thanked all those involved, not just in bringing this report and accounts to this point, but in the individual and team efforts and actions throughout the year that had resulted in this position.

Continuing Mr Nicholson pointed out that some small areas of outstanding audit matters remained to be clarified as well as a number of minor amendments. He noted that there would also be some changes such as additional disclosures in the notes to the accounts on contingent liabilities and discount rates as well as potential additional narrative in the Governance Statement in relation to the holiday pay position and the opinion of the NIAO and Comptroller and Auditor General. Mr Nicholson reminded the meeting that the letter of representation and audit certificates would also be revised.

He said that, subject to the completion of this work and the work of Audit Committee today, the annual report and accounts

would be presented to the In Committee meeting of the Trust Board for consideration with a view to seeking approval and application of electronic signatures due to Covid-19.

The Chair indicated that he wished to place on record his thanks to all involved. He described the target of paying invoices within 30 days as 'elusive' and acknowledged that this was a significant achievement.

Mr Nicholson said that he would ensure the Chair's thanks were passed on. He said that it was of great personal disappointment that the focus of the 2020-21 year which had been an exceptional year for the Trust would be on the limited audit opinion and potentially qualified accounts.

On a proposal from the Chair, which was seconded by Mr Ashford, the Committee agreed to recommend for approval by the Trust Board:

- The Draft, Audited, Uncertified Annual report and Accounts for the year ended 31 March 2021 as prepared by NIAS and not to adopt the recommendation of External Audit that the holiday pay accrual be changed to a provision.
- It was noted that the Annual Report and Accounts would be electronically signed.

The Committee confirmed its understanding that this may result in a qualification in relation to the public fund accounts.

The Committee noted its reasons for this decision as follows:

- The accounting treatment of this matter by NIAS was done in accordance with the treatment determined by the DoH to be followed by all bodies in HSC.
- If the External Audit position was adopted, this would mean that NIAS would not be following the requirement of DoH and would not be consistent with other HSC organisations.
- The parties concurred that this was a technical accounting matter which was being addressed differently by the parties and the impact of qualified accounts, although not desired, was acceptable to NIAS and the HSC in this context.
- The letter from the Permanent Secretary and NIAS Chief Executive made it clear that, while respecting the NIAO view,

consistency of treatment across HSC is a key point and maintaining the centrally determined view and not adopting the External Audit recommendation was 'strongly supported' with a clear understanding of the consequences.

- In the event NIAS would disregard the DoH determined treatment, it was unclear to Non-Executive Directors what the impact might be in relation to the underlying obligations for which the funds were accrued.

As a result, a possible consequence might be that the Comptroller and Auditor General would certify the 2020-21 financial statements as follows:

- a) In relation to Public Funds, with a qualified audit opinion.
- b) In relation to Charitable Funds, with an unqualified audit opinion.

9.2 Letter of Representation: NIAS for the year ended 31 March 2021 (AC24/06/21/09)

The Committee noted that the letter of representation would be amended following the earlier discussion.

9.3 Draft, Audited, Uncertified, Charitable Trust Funds Trustee's Annual Report for the year ended 31 March 2021 (AC24/06/21/10)

The Chair asked Mr Nicholson to present the Charitable Trust Funds accounts and asked members to then pose any questions they may have.

Mr Nicholson advised that the Charitable Trust Funds Annual Report and Accounts were also now audited versions of those brought to the Committee on 13 May 2021. He expressed his thanks for the reviews and comments which had improved the document.

Mr Nicholson reported that the accounts showed the figures while the Trustee's annual report provided background and context to the year. He indicated his wish to place on record again the Trust's appreciation of the wave of generosity

throughout the year, financial and non-financial, by individuals, groups and businesses.

Mr Nicholson advised that, as with public funds annual report and accounts, the documentation would be presented to the In Committee meeting of the Trust Board for consideration with a view to approval.

Mr Nicholson reminded the meeting that, as was detailed in the Trustee's Annual Report and in line with the Standing Orders the Chair of the Audit Committee would assume the position of Trust Chair when the Charitable Trust Funds were discussed and that his electronic signature would be applied to the documents. Mr Nicholson explained that this was due to the NIAS Chair's position of Chief Charity Commissioner of the Board of the Charity Commission for Northern Ireland.

Mr Ashford referred to discussions at the May Committee meeting when members had the opportunity to consider the draft annual report and accounts in detail and said that he had no further questions.

The Chair acknowledged the challenges presented by undertaking audits remotely and he thanked External Audit for their assistance and perseverance in this regard and said he had noted this in the draft Chair of NIAS Audit Committee's Annual Report.

Mr Bloomfield said it was inevitable that the Committee would focus on areas of concern and believed that this was appropriate. He referred to the accounts and said that, whilst these remained a focal point of the meeting today, cognisance should also be taken of the annual report which highlighted an exceptional year for the Trust in terms of performance. Mr Bloomfield said that the commitment and dedication shown by staff across the organisation had been extraordinary. He expressed his thanks to members of the Senior Management Team for their support over the last year. Mr Bloomfield said he was extremely proud of the work of the Trust over the last year and added that this was reflected within the report.

9.4 Letter of Representation: NIAS Charitable Trust Funds for the year ended 31 March 2021 (AC24/06/21/11)

The Committee indicated that it was content with the letter of representation.

On a proposal from the Chair, which was seconded by Mr Ashford, the Committee agreed to recommend for approval by the Trust Board:

- the Draft, Audited, Uncertified, Charitable Trust Funds Trustee's Annual Report for the year ended 31 March 2021. It was noted that the Charitable Trust Fund accounts would be electronically signed by the Audit Committee Chair and the Chief Executive and
- the Letter of Representation (Charitable Funds) for the year ended 31 March 2021 which would be signed by the Chief Executive.

10 ICT Policy Standardisation and IT Governance (AC24/06/21/12)

Introducing this agenda item in Ms Paterson's absence, Mr Nicholson explained that the approval of these policies would support the implementation of a number of areas of work and address some outstanding Internal Audit recommendations. He said that, if approved, there would be a programme to ensure the roll out and implementation of the policies.

Mr Nicholson believed that the policies highlighted the level of work being undertaken regionally and said that Trust officers continued to work closely with DoH and Digital Health Care colleagues in this regard. He said that members would be aware of the importance of ICT and Information Governance.

There was some discussion in relation to the revised Committee structure and the fact that ICT and Information Governance issues would now fall within the remit of the Audit Committee.

Mr Ashford said that, while he appreciated the need for the policies, he would be more concerned at ensuring the implementation of the policies and ensuring staff were aware of their content.

Mr Nicholson agreed with this point and acknowledged that the roll-out, training of staff and implementation would be challenging. He emphasised that all staff were responsible for ICT security and Information Governance within the Trust.

The Committee **APPROVED** the ICT Policy Standardisation and IT Governance. However members suggested that it would be helpful to also seek Trust Board approval to the policies given the current overlap of delegated authority.

Members stressed the need to ensure that the policies were appropriately rolled-out and implemented as well as ensuring the necessary training was available to staff.

11 **ICT Cyber Security (AC24/06/21/13)**

Mr Nicholson drew the Committee's attention to update on ICT Cyber Security and explained that the update provided background to the ongoing work in this area. He said that the view taken was that a cyber-event was being treated as a 'when and not an 'if' event.

Mr Nicholson reminded the meeting that this area had already been included as an extreme risk in the NIAS Risk Register and advised that, subject to the Audit Committee's approval, the Register would be updated to reflect the regional position and actions to address any gaps and mitigate any impact.

Members **APPROVED** the ICT Cyber Security update.

12 **ICT Compliance with IA recommendations Update (AC24/06/21/14)**

Mr Nicholson advised that the update on compliance and delivery of ICT network security Internal Audit recommendations had been provided for members to note. He referred to the significant scope of the programme of work which had a number of regional dependencies. Mr Nicholson said that the papers considered by the Committee at its meeting today formed part of the steps to improve security and address recommendations.

Members **NOTED** the update on ICT Compliance with IA recommendations.

13 **Information Governance Compliance (AC24/06/21/15)**

Mr Nicholson drew the Committee's attention to this update which outlined the position in relation to Information Governance, setting the context and current compliance levels and status against internal audit recommendations. The update also referred to the steps being taken and the structures which had been put in place to improve assurance levels in this area.

Mr Nicholson commented that ICT Security and Information Governance were becoming increasingly more significant. He alluded to the significant programme of work ongoing across both areas and said this would become an increasing focus of the Audit Committee moving forward.

Members **NOTED** the Information Governance Compliance update.

The Chair noted that it was clear from the papers considered by the Committee that there was an increased structure and focus around the management of the ICT security and Information Governance aspects of Trust business. He welcomed the progress which had been made and agreed that such critical areas were becoming focal points not only for the Trust but more generally.

14 **Closed Meeting**

At this point in the meeting, NIAS officers withdrew from the meeting to allow the Committee Chair meet with the Internal and External Auditors in a closed session.

Following this meeting, the Committee Chair advised that a schedule of meetings between him and the Head of Internal Audit would be arranged to take place during the year.

There were no other matters or further actions required as a result of the closed meeting.

15 **Any Other Business**

There were no items of Any Other Business.

16 **Date, time and venue of next meeting**

The next meeting of the Audit Committee will take place on Thursday 7 October 2021 at 10am (venue and arrangements to be confirmed)

THIS BEING ALL THE BUSINESS, THE CHAIR CLOSED THE MEETING AT 11.30AM

SIGNED: *William Abraham*

DATE: 10 August 2021



**Audit Committee - NOTE OF MEETING TO DISCUSS OUTSTANDING
INTERNAL AUDIT RECOMMENDATIONS HELD VIA ZOOM
23 JUNE 2021**

Present: Mr William Abraham – Chair, Audit Committee
Mr Michael Bloomfield – Chief Executive
Mr Paul Nicholson – Interim Director of Finance
Ms Maxine Paterson – Director of Planning, Performance &
Corporate Services

In

Attendance: Mrs Carol Mooney - Board Secretary

1. Mr Abraham set out the expectations of the Audit Committee in relation to these extraordinary meetings which included receiving an updated list or spreadsheet of outstanding matters as well as a report on progress and issues arising.
2. Mr. Nicholson provided an overview of the approx. 68 outstanding IA recommendations and advised that there were a number of such recommendations which would be fully implemented in the coming weeks.
3. The spreadsheet detailing each recommendation will be prepared and provided prior to the next meeting where it can be presented and discussed.
4. The Chief Executive undertook to provide an update on the process to be put in place and spoke to the Trust's commitment in ensuring progress was realised.
5. It was noted that all Directors had an individual personal objective to make substantial progress on those recommendations relating to their area by the end of September with a view to ensuring full implementation by the end of March 2022.
6. It was agreed that the next meeting would be between mid to end July.