

TRUST BOARD IN PUBLIC		Date: 25th August 2016	
		Agenda Item: 3.3	
REPORT TITLE:		Audit & Assurance Committee Chair Update	
NON EXECUTIVE SPONSOR:		Paul Biddle (Non-Executive Director and AAC Chair)	
REPORT AUTHOR (s):		Colin Pink Head of Corporate Governance	
REPORT DISCUSSED PREVIOUSLY: (name of sub-committee/group & date)		Audit & Assurance Committee – 26/05/16 & 12/07/16	
Action Required:			
Approval (√)	Discussion ()	Assurance ()	
Purpose of Report:			
This report provides the Board with an update of the Audit & Assurance Committee's Terms of Reference which requires formal Board approval.			
Summary of key issues			
<p>The Audit Committee updated its Terms of Reference in May 2016 to include responsibilities of acting as the Audit Panel which will review and make a recommendation to the Trust Board on selection of external audit provision.</p> <p>The Chief Finance Officer or the Director of Corporate Affairs should also sit as a member of the Audit Panel and provide advice and support.</p> <p>The Committee shall review the work and findings of the External Auditor appointed by the Audit Commission and consider the implications and management's responses to their work. This will be achieved by:</p> <ul style="list-style-type: none"> • Carrying out ongoing review of External Audit service provision. 			
Recommendation:			
The Board is asked to approve the report.			
Relationship to Trust Strategic Objectives & Assurance Framework:			
SO5: Well led - Become an employer of choice and deliver financial and clinical sustainability around a patient focused clinical model			
Corporate Impact Assessment:			
Legal and regulatory impact		The AAC reviews assurance in respect of all Trust systems of control which includes reporting and compliance with all statutes applied to an NHS Trust.	

	<p>Financial performance is subject to Schedule 5 of the NHS Act 2006 which provides the “breakeven duty”.</p> <p>The AAC reviews assurance in respect of all Trust systems of control which includes reporting and compliance with all regulation applied to an NHS Trust. The main regulators, however are as follows:</p> <ul style="list-style-type: none"> - External audit (the Audit Commission for this Trust) give an opinion on the Trust’s compliance with International Financial Reporting Standards and with NHS accounting conventions – this is not purely financial and deals with procurement, fraud, transparency and legal duties. It also gives a Value for Money Conclusion on the Trust’s ability to put in place arrangements to deliver economy, efficiency and effectiveness in its use of resources. <p>The Care Quality Commission registers the Trust according to its compliance with regulations concerning the safety and quality of services.</p>
Financial impact	Committee review of Trust financial position
Patient Experience/Engagement	No relevant aspects
Risk & Performance Management	<p>The committee provides assurance about internal control and risk management.</p> <p>This report discusses BAF reporting</p>
NHS Constitution/Equality & Diversity/Communication	No relevant aspects
Attachment:	
Updated Terms of Reference for the Audit & Assurance Committee	