| | | | | | | |
|---|---|---|---|---|---|---|
| **Meeting title:** | Public Trust Board | | | | **Public Trust Board paper G12** | |
| **Date of the meeting:** | 11 September 2026 | | | | | |
| **Title:** | **Escalation Report: Audit Committee 22 June 2026** | | | | | |
| **Report presented by:** | David Moon, Audit Committee, Non-Executive Director, Chair | | | | | |
| **Report written by:** | Matthew Reeves, Corporate and Committee Services Officer | | | | | |
| **Action – this paper is for:** | Decision/Approval | | Assurance | x | Update | |
| **Where this report has been discussed previously** | Not applicable | | | | | |

| **To your knowledge, does the report provide assurance or mitigate any significant risks? If yes, please detail which** |
|---|
| Yes, all. |
| **Impact assessment** |
| Not applicable |
| Acronyms used:<br>BAF – Board Assurance Framework<br>UHL – University Hospitals of Leicester |

## 1. Purpose of the Report

1.1 To provide assurance to the Trust Board on the work of the Audit Committee and escalate any issues as required.

## 2. Recommendation

2.1 To receive the escalation report, and to note the retrospective recommendations for the Trust Board to approve items 4.1 - 4.4 which were considered at the extraordinary Trust Board meeting which took place on 22 June 2026.

2.2 To consider the Audit Committee recommendation for approval of the Audit Committee annual report at item 4.5.

## 3. Summary

3.1 The Audit Committee met on 22 June 2026. The meeting was quorate and considered the following reports.

## 4. Recommended Items

### 4.1 2025/26 Final Accounts and Letter of Representation

The Audit Committee received and considered the 2025/26 accounts. It was noted that there were few changes from the draft version previously considered by the Committee. The Modern Equivalent Asset valuation had been a key focus of the accounts audit and some minor changes to the accounts to provide further detail had been made.

Discussion focussed on two key points, the level of detail regarding consultancy expenditure in the accounts and the increases in average worked whole time equivalent numbers which showed an increase, despite the Trust's financial challenges. It was noted that the Trust had increased service

capacity in the past year, but it was felt that this increase should be explained further in an appropriate document such as the Annual Report.

The Deputy Director of Finance, Head of Financial Accounting and the wider finance team were thanked by the Committee for preparing the accounts.

***The Audit Committee recommended the Trust Accounts 2025/26 for approval. A standalone report was approved at the 22.6.26 Trust Board meeting accordingly and this recommendation is therefore made on a retrospective basis.***

4.2 **2025/26 Annual Report and Annual Governance Statement**

The 2025/26 Annual Report and Annual Governance Statement was received and discussed. Queries had been raised by the auditors since the draft annual report and these, along with amendments arising from comments at the previous Audit Committee, for transparency were detailed, with responses in the report.

The Committee discussed the Financial Oversight section in the Annual Governance Statement where it was considered that the challenges for the Trust arising from delivering the Cost Improvement Plan and Medium-Term Financial Plan delivery should be highlighted further.

***The Audit Committee recommended the 2025/26 Annual Report and Annual Governance Statement for approval. A standalone report was approved at the 22.6.26 Trust Board meeting accordingly and this recommendation is therefore made on a retrospective basis.***

4.3 **Head of Internal Audit Opinion and Annual Report**

The final Head of Internal Audit Opinion was received and supported. It was noted that the opinion of reasonable assurance remained as per the interim opinion.

***The Audit Committee recommended the Head of Internal Audit Opinion and Annual Report. A standalone report was approved at the 22.6.26 Trust Board meeting accordingly and this recommendation is therefore made on a retrospective basis.***

4.4 **Draft Audit Findings Report (ISA 260) / Annual Auditors Report 2024/25 / Draft Audit Opinion**

The Audit Committee received the draft Audit Findings Report (ISA 260), Annual Auditors Report 2025/26 and the draft Audit Opinion from External Audit.

The External Auditor described the audit process noting the specific focus in the audit on the Modern Equivalent Asset (MEA) land and property valuation and the ongoing weaknesses in the Trust's financial position. Details were provided of the range of challenges undertaken in the audit and proposed minor amendments. Overall, there were no major issues identified in the audit. The Chief Financial Officer noted differences of opinion with the External Auditor regarding the time point for when the new valuation applied, but generally felt that the audit was an accurate reflection of the Trust's financial position.

The Audit Committee Chair sought further details outside of the meeting regarding the journal processes raised in the audit and an unadjusted intra-NHS error.

The External Auditor was thanked for the audit, and it was agreed to undertake a lesson's learnt process.

***The Audit Committee highlighted the unqualified clean audit opinion. A standalone report was approved at the 22.6.26 Trust Board meeting accordingly and this report is made on a retrospective basis.***

4.5 **Audit Committee Annual Report 2025/26**

The Committee received the Committee annual report, noting the recommendations in the report, and undertook to take these on board at future meetings, along with reviewing the Committee's objectives.

The Committee discussed the visibility of its workplan, committee workplan's more generally and agreed to receive a report on committee workplans at the next meeting.

***The Audit Committee Annual Report 2025/26 is recommended for approval, and is appended to this escalation report.***

**Discussion Items**

5.1 **Risk Committee Escalation Reports**

The Committee considered escalation reports from the 4 most recent Risk Committee meetings.

It was noted that cyber security had been a risk 'hot topic', with discussions ongoing as to how best to develop resilience. An action was agreed for a report to be provided to the next Audit Committee on the potential risks from 3rd party systems.

5.2 **Board Assurance Framework and Significant Risk Register Report**

The Committee received the bi-annual Board Assurance Framework and Significant Risk Register report, with details of the processes to manage risk outlined verbally at the meeting.

Discussion focussed on how progress could be demonstrated on addressing the major risks facing the Trust, particularly where scores remained largely constant. It was agreed to consider this further as to how best to provide assurance.

5.3 **Update on E&F Time & Attendance System – 360 Assurance Audit**

Assurance was provided that the Estates and Facilities time and attendance system had now been well established in over 95% of cost centres and was working effectively. Further assurance was provided that plans were in place to significantly reduce the level of bank spend in Estates and Facilities.

5.4 **Quarterly Update: Organisational Readiness against Martyn's Law**

The Committee received details of the ongoing work to ensure that the Trust was ready to ensure compliance with the Terrorism (Protection of Premises) Act 2025, also known as Martyn's Law. The significant range and complexity of actions required was highlighted to the Committee.

The requirement for capital investment to meet the statutory requirements was discussed in detail, particularly with regard to alignment with the range of other capital priorities with the Estates and Facilities directorate. The need to balance these priorities with the range of other capital funding requirements within the Trust was also highlighted.

***The challenges to meet the compliance requirements of Martyn's law and associated capital funding is highlighted to the Trust Board for information.***

5.5 **Discretionary Procurement Actions**

The Committee received a report which provided details of numbers, trends and actions to challenge use of waivers. Also included was an update with regard to compliance with the recently introduced regulations regarding modern slavery in NHS procurement. Further, the report provided the position with regard to cases of non-compliant spend.

Discussion focussed on contract approvals at committee taking place after contracts had been signed, which was requested to be monitored. Assurance was provided that performance on this issue had improved.

A request was also made for benchmark details regarding single tender waivers amongst peers to be provided to the next meeting.

5.7 **Fit and Proper Person's Test**

The full Fit and Proper Person's Test submission had been made following the completion of the test process. The Committee confirmed they were assured by the process and submission.

***The position with completion and submission of the Fit and Proper Person's Test is highlighted to the Trust Board for information. A standalone report on this issue features on the 11 September 2026 Trust Board agenda,***

5.8 **Sealings Report**

Details of Trust sealings, updated for quarter 4 2025/26 and for Quarter 1 2026/27 were noted.

5.9 **Report on Progress of the Data Quality Assurance Group (DQAG) – June 2026**

The Committee received an update on the work undertaken by the Data Quality Assurance Group.

The issue of potential single points of failure was highlighted and whether there was need to consider where these existed and put mitigating plans in place. It was agreed to consider areas of fragility at the Our Future Hospitals and Transformation and the Operations and Performance Committees.

It was also agreed to address concerns regarding the areas of limited assurance in the next report to the Committee.

5.13 **Internal Audit – Actions from RSM and 360 Assurance audit reports, and Financial Improvement Plan action progress**

It was noted that action had been undertaken to close down outstanding actions from audits undertaken by 360 Assurance with 9 remaining outstanding. There was also a request to extend the implementation date of 5 actions and close down 1 action relating to the RSM audit of accounts payable.

The Chief Financial Officer provided assurance that there was a focus on concluding the 5 outstanding procurement related actions from the 360 Assurance audit.

5.15 **Local Counter Fraud Specialists Annual Report 2025/26**

The Local Counter Fraud Specialists Annual Report for 2025/26 was presented, with the improved position of all 12 Functional Standard requirements now rated green, compared to 9 in the

previous year. Details of referrals, investigations, awareness sessions and proactive activities were also detailed.

The Audit Committee Chair noting that the Local Counter Fraud Specialist was new to the UHL Trust role, asked to get a sense of organisational engagement with counter fraud once he was established in the role. It was noted that UHL had a higher level of referrals than the average for Trusts which was felt to demonstrate a positive counter fraud culture.

**Items for Noting**

The Minutes of Board Committees were noted.

University Hospitals of Leicester NHS
NHS Trust

**Paper L**

| | |
|---|---|
| **Meeting title:** | **UHL Audit Committee** |
| **Date of the meeting:** | **22 June 2026** |
| **Title:** | **Audit Committee Annual Report 2025/26** |
| **Report presented by:** | **David Moon – Non-Executive Director and Audit Committee Chair** |
| **Report written by:** | **Matthew Reeves – Corporate and Committee Services Officer** |

| | | | | | | |
|---|---|---|---|---|---|---|
| **Action – this paper is for:** | **Decision/Approval** | **x** | **Assurance** | **x** | **Update** | |
| **Where this report has been discussed previously** | **None** | | | | | |

| **To your knowledge, does the report provide assurance or mitigate any significant risks? If yes, please detail which** |
|---|
| The report provides assurance that effective controls are in place to ensure that the Audit Committee is undertaking its duties and that the Committee is in compliance with its Trust Board approved terms of reference. |

| **Impact assessment** |
|---|
| There is no expected impact upon patients or staff. |

**Acronyms used:**
CQC – Care Quality Commission
HFMA – Healthcare Financial Management Association
NHSCFA – National Health Service Counter Fraud Authority

## Purpose of the Report

The Audit Committee Annual Report has been written using the best practice questions within the updated HFMA NHS Audit Committee Handbook. The checklists detailed within the report will provide the Trust Board with assurance that the Committee has covered all essential areas which are also aligned with best practice and its terms of reference. The report covers the period 1 April 2025 to 31 March 2026.

## Recommendation

The Audit Committee is asked to approve the report and the recommendations contained therein prior to submission to the Boards in Common meeting in August 2026.

## Key Issues, Options and Risks

### 1. Introduction

The Audit Committee's terms of reference detail that the Committee produces a report on an annual basis, providing an overview of the effectiveness of the Audit Committee in undertaking its duties and its compliance with its Board approved terms of reference. Self-evaluation questionnaires were issued to Audit Committee members and key regular attendees (including the Chief Financial Officer and the Director of Corporate Affairs). An overall response rate of 86% was achieved (6 of the 7 questionnaires issued).

## 2. Meeting Attendance

During the period of this report, the Audit Committee met on 5 occasions (including 1 additional extraordinary meeting). Membership is independent of any management. Attendance throughout the period was as follows:-

| Members | 23.4.25 | 23.6.25 | 15.9.25 | 8.12.25 | 16.3.26 | Total |
|---|---|---|---|---|---|---|
| D Moon (Chair) | Y | Y | Y | Y | Y | 5/5 |
| S Adams (from May 2025) | N/A | Y | Y | Y | Y | 4/4 |
| I Browne | N | N | N | N | N | 0/5 |
| A Haynes | Y | Y | Y | Y | Y | 5/5 |
| A Inchley | Y | Y | Y | Y | N | 4/5 |

There was also strong attendance from regular attendees including External Audit, Internal Audit, Counter Fraud Specialist, the Chief Financial Officer, the Director of Corporate Affairs, and the Head of Risk Assurance. All of the meetings held were quorate.

As a matter of good practice, the core Committee members were offered an opportunity to meet privately with the Trust's Internal and External auditors for 15 minutes prior to every meeting throughout the year and these sessions were formally documented on the agenda.

## 3. Core Functions of the Audit Committee

This section is an overview of the core areas where the Committee is expected to operate its statutory function and provides assurances that the Audit Committee has fulfilled its duties.

### 3.1 Committee Processes

A summary of the findings from the "Committee Processes" self-assessment checklist survey is provided below and supporting additional comments are made on any potential areas of exception.

| **Composition, establishment and duties** | | Yes | No | Unsure/ not stated |
|---|---|---|---|---|
| 1 | Does the Audit Committee have written terms of reference and have they been approved by the Board? | 6 | 0 | 0 |
| 2 | Are the terms of reference reviewed annually? | 6 | 0 | 0 |
| 3 | Has the committee formally considered how it integrates with other committees that are reviewing risk? | 5 | 0 | 1 |

| | | | | |
|---|---|---|---|---|
| | *Comments on 3 - One respondent thought consideration of integration with other committees was considered, but was not aware of it happening. Another respondent, wasn't sure if there had been 'formal consideration' of integration, but noted that interactions with other committees were discussed and topics aligned appropriately.* | | | |
| 4 | Are the outcomes of each meeting and any internal control issues reported to the next Board meeting? | 6 | 0 | 0 |
| 5 | Does the committee prepare an annual report on its work and performance for the Board? | 6 | 0 | 0 |
| | *Comments on 5 - two respondents commented that they thought it was the case that an annual report was prepared, with one noting they had not been present for long enough to confirm.* | | | |
| 6 | Has the committee established a plan of matters to be dealt with across the year? | 6 | 0 | 0 |
| 7 | Are committee papers distributed in sufficient time for members to give them due consideration? | 6 | 0 | 0 |
| 8 | Are there clear arrangements in place in terms of how the committee works within the integrated care system? | 2 | 3 | 1 |
| | *Comments on 8 - two respondents were not sure that clear arrangements were in place and had received no confirmation of system working. The committee has previously discussed closer integration with system Audit colleagues but noted that the purpose for doing so was not immediately clear.* | | | |
| **Internal control and risk management** | | Yes | No | Unsure/ not stated |
| 9 | Has the committee reviewed the effectiveness of the organisation's risk management framework? | 5 | 0 | 1 |
| 10 | Has the committee reviewed the effectiveness of the organisation's assurance framework? | 5 | 0 | 1 |
| | *Comments on 9 & 10 - it was noted that the risk management and assurance frameworks were reviewed every year as part of the Annual Governance Statement.* | | | |
| 11 | Does the committee receive and review the evidence required to demonstrate compliance with regulatory requirements – for example, as set by the Care Quality Commission? | 5 | 0 | 1 |
| | *Comments on 11 - Two respondents noted that compliance with regulatory requirements would typically be the responsibility of other Board Committees. One respondent commented further that the Audit Committee should seek assurance other committees were undertaking such roles effectively. The Annual Accounts and Audit functions were noted as regulatory roles which the Audit Committee correctly undertook. The absence of a document which detailed all regulatory requirements was also highlighted.* | | | |
| 12 | Has the committee reviewed the accuracy of the draft annual governance statement? | 5 | 0 | 1 |
| 13 | Has the committee reviewed key data against the data quality dimensions? | 5 | 0 | 1 |
| **Annual report and accounts and disclosure statements** | | Yes | No | Unsure/ not stated |
| 14 | Does the committee receive and review a draft of the organisation's annual report and accounts? | 6 | 0 | 0 |
| 15 | Does the committee specifically review:<br>• The going concern assessment<br>• Changes in accounting policies<br>• Changes in accounting practice due to changes in accounting standards<br>• Changes in estimation techniques | 6 | 0 | 0 |

| | | | | |
|---|---|---|---|---|
| | • Significant judgements made in preparing the accounts<br>• Significant adjustments resulting from the audit<br>• Explanations of any significant variances? | | | |
| 16 | Is a committee meeting scheduled to discuss any proposed adjustments to the accounts and audit issues? | 6 | 0 | 0 |
| 17 | Does the committee ensure it receives explanations for any unadjusted errors in the accounts found by the external auditors? | 6 | 0 | 0 |
| **Internal audit** | | Yes | No | Unsure/ not stated |
| 18 | Is there a formal 'charter' or terms of reference, defining internal audit's objectives and responsibilities? | 6 | 0 | 0 |
| 19 | Does the committee review and approve the internal audit plan and any changes to the plan? | 6 | 0 | 0 |
| 20 | Is the committee confident that the audit plan is derived from a clear risk assessment process? | 6 | 0 | 0 |
| 21 | Does the committee receive periodic progress reports from the head of internal audit? | 6 | 0 | 0 |
| 22 | Does the committee effectively monitor the implementation of management actions arising from internal audit reports? | 6 | 0 | 0 |
| 23 | Does the head of internal audit have a right of access to the committee and its chair at any time? | 6 | 0 | 0 |
| 24 | Does the committee hold periodic private discussions with the internal auditor? | 4 | 0 | 2 |
| | *Comments on 24 - one respondent commented that they weren't sure that private discussions with Internal Auditors took place.* | | | |
| 25 | Does the committee assess the performance of internal audit? | 6 | 0 | 0 |
| 26 | Is the committee confident that internal audit is free of any scope restrictions, or operational responsibilities? | 6 | 0 | 0 |
| 27 | Has the committee evaluated whether internal audit complies with the Public Sector Internal Audit Standards? **Note: PSIAS is now GIAS (Global International Audit Standards)** | 4 | 0 | 2 |
| | *Comments on 27 - one respondent was unsure that the committee evaluated whether internal audit complied with Public Sector Internal Audit Standards.* | | | |
| 28 | Does the committee receive and review the head of internal audit's annual opinion? | 6 | 0 | 0 |
| **External audit** | | Yes | No | Unsure/ not stated |
| 29 | Are appropriate external audit procurement arrangements in place? | 6 | 0 | 0 |
| 30 | Do the external auditors present their audit plan to the committee for agreement and approval? | 6 | 0 | 0 |
| 31 | Does the committee review the external auditor's ISA 260 report (the report to those charged with governance) | 6 | 0 | 0 |
| 32 | Does the committee review the external auditor's work on value for money? | 6 | 0 | 0 |
| 33 | Does the external audit representative have a right of access to the committee and its chair at any time? | 6 | 0 | 0 |
| 34 | Does the committee hold periodic private discussions with external auditors? | 4 | 0 | 2 |
| | *Comments on 34 – one respondent commented that they weren't sure that private discussions with External Auditors took place.* | | | |

| | | | | |
|---|---|---|---|---|
| 35 | Does the committee assess the performance of external audit? | 6 | 0 | 0 |
| 36 | Does the committee require assurance from external audit about its policies for ensuring independence? | 6 | 0 | 1 |
| 37 | Has the committee approved a policy to govern the value and nature of non-audit work carried out by the external auditors? | 4 | 0 | 2 |
| | *Comments on 37 – one respondent was unsure that the Committee had approved a policy to govern the value and nature of non-audit work carried out by External Auditors – this policy was approved by the Committee in June 2025.* | | | |
| **Clinical audit** | | Yes | No | Unsure/ not stated |
| 38 | If the committee is NOT responsible for monitoring clinical audit, does it receive appropriate assurance from the relevant committee? | 4 | 0 | 2 |
| | *Comments on 38 - There were differing views on whether the committee monitored clinical audit, but for clarification, the Committee undertakes an annual review of the systems and processes relating to clinical audit (including the clinical audit plan for the forthcoming year and the outturn against plan for the preceding year). However, there is some overlap with the Quality Committee agenda in this area which might create some duplication.* | | | |
| **Counter fraud** | | Yes | No | Unsure/ not stated |
| 39 | Does the committee review and approve the counter fraud work plans, and any changes to the plans? | 6 | 0 | 0 |
| 40 | Is the committee satisfied that the work plan is derived from an appropriate risk assessment and that coverage is adequate? | 5 | 0 | 1 |
| | *Comments on 40 - one respondent commented that the workplan was derived from the BAF, Internal Audit, External Audit and wider risk discussions. It was however recommended that emerging risks which should be included in the workplan were business continuity and third-party technology risks.* | | | |
| 41 | Does the audit committee receive periodic reports about counter fraud activity? | 6 | 0 | 0 |
| 42 | Does the committee effectively monitor the implementation of management actions arising from counter fraud reports? | 6 | 0 | 0 |
| 43 | Do those working on counter fraud activity have a right of direct access to the committee and its chair? | 5 | 0 | 1 |
| 44 | Does the committee receive and review an annual report on counter fraud activity? | 6 | 0 | 0 |
| 45 | Does the committee receive and discuss reports arising from quality inspections by NHSCFA? | 5 | 0 | 1 |
| | *Comments on 43 & 45 - one respondent was unsure about whether persons working on counter fraud had direct access to the Committee, nor whether reports arising from quality inspections by the NHS Counter Fraud Authority – greater background awareness of committee arrangements may be needed.* | | | |

### 3.2 Committee Effectiveness

A summary of the findings from the "Committee Effectiveness" self-assessment checklist survey is provided below and supporting additional comments are made on any potential areas of exception.

| No | Statement | Strongly Agree | Agree | Disagree | Strongly Disagree | Unable to Answer |
|---|---|---|---|---|---|---|
| **Theme 1 – committee focus** | | | | | | |
| 1 | The committee has set itself a series of objectives for the year. | 5 | 1 | 0 | 0 | 0 |
| 2 | The committee has made a conscious decision about the information it would like to receive. | 4 | 1 | 0 | 0 | 1 |
| | *Comments on 2 - one respondent queried whether there was a document which outlined all the information the Committee would like to receive – this could indicate greater awareness of the workplan was required.* | | | | | |
| 3 | Committee members contribute regularly to the issues discussed. | 4 | 2 | 0 | 0 | 0 |
| 4 | The committee is aware of the key sources of assurance and who provides them. | 4 | 2 | 0 | 0 | 0 |
| 5 | Equal prominence is given to both quality and financial assurance. | 2 | 3 | 0 | 0 | 1 |
| **Theme 2 – committee team working** | | | | | | |
| 6 | The committee has the right balance of experience, knowledge and skills to fulfil its role. | 4 | 2 | 0 | 0 | 0 |
| 7 | The committee has structured its agenda to cover quality, data quality, performance targets and financial control. | 2 | 4 | 0 | 0 | 0 |
| | *Comments on 7 - one respondent recommended that the agenda structure and content be reviewed to confirm that quality, data quality, performance targets and financial control were sufficiently covered.* | | | | | |
| 8 | The committee ensures that the relevant executive director attends meetings to enable it to understand the reports and information it receives. | 4 | 2 | 0 | 0 | 0 |
| 9 | Management fully briefs the committee on key risks and any gaps in control. | 3 | 3 | 0 | 0 | 0 |
| 10 | Other committees provide timely and clear information in support of the audit committee. | 4 | 2 | 0 | 0 | 0 |
| | *Comments on 10 – the importance of having Board Committee chairs as Audit Committee members was highlighted to ensure timely and clear information was shared with the Audit Committee.* | | | | | |
| 11 | The committee environment enables people to express their views, doubts and opinions. | 5 | 1 | 0 | 0 | 0 |
| 12 | Committee members understand the messages being given by external audit, internal audit and counter fraud specialists. | 4 | 2 | 0 | 0 | 0 |
| 13 | Internal audit contributes to the debate across the range of the agenda | 5 | 1 | 0 | 0 | 0 |
| 14 | Members hold their assurance providers to account for late or missing assurances. | 4 | 2 | 0 | 0 | 0 |
| 15 | Decisions and actions are implemented in line with the timescale set down. | 2 | 4 | 0 | 0 | 0 |
| | *Comments on 15 - two respondents confirmed that where action deadlines were moved, it was discussed and agreed at the committee.* | | | | | |
| **Theme 3 – committee effectiveness** | | | | | | |

| No | Statement | Strongly Agree | Agree | Disagree | Strongly Disagree | Unable to Answer |
|---|---|---|---|---|---|---|
| 16 | The quality of committee papers received allows committee members to perform their roles effectively. | 3 | 3 | 0 | 0 | 0 |
| 17 | Members provide real and genuine challenge – they do not just seek clarification and/or reassurance. | 5 | 1 | 0 | 0 | 0 |
| 18 | Debate is allowed to flow and conclusions reached without being cut short or stifled. | 5 | 1 | 0 | 0 | 0 |
| 19 | Each agenda item is 'closed off' appropriately so that the committee is clear on the conclusion; who is doing what, when and how, and how it is being monitored. | 2 | 4 | 0 | 0 | 0 |
| | *Comments on 19 - two respondents noted that 'closing off' agenda items was not always straight forward and may have been affected by the change in Audit service partner.* | | | | | |
| 20 | At the end of each meeting the committee discuss the outcomes and reflect on decisions made and what worked well, not so well etc. | 2 | 3 | 1 | 0 | 0 |
| 21 | The committee provides a written summary report of its meetings to the Board. | 5 | 1 | 0 | 0 | 0 |
| 22 | The Board challenges and understands the reporting from this committee. | 4 | 2 | 0 | 0 | 0 |
| 23 | There is a formal appraisal of the committee effectiveness each year. | 4 | 2 | 0 | 0 | 0 |
| **Theme 4 – committee engagement** | | | | | | |
| 24 | The committee challenges management and other assurance providers to gain a clear understanding of their findings. | 5 | 1 | 0 | 0 | 0 |
| 25 | The committee is clear about its role in relationship to other committees that play a role in relation to clinical governance, quality and risk management. | 3 | 2 | 0 | 0 | 1 |
| | *Comments on 25 – one respondent queried whether the full scope of the audit committee and the source of inputs (ie other committees) had been clearly identified – this could further indicate that greater awareness of the committee workplan was required.* | | | | | |
| 26 | The committee receives clear and timely reports from other Board committees which set out the assurances they have received and their impact (either positive or not) on the organisation's assurance framework. | 4 | 2 | 0 | 0 | 0 |
| 27 | We can provide two examples of where we as a committee have focused on improvements to the system of internal control as a result of assurance gaps identified. | 4 | 2 | 0 | 0 | 0 |
| | *Comments on 27 – a number of respondents felt that there was a number of areas which the committee could point to improvements in the system of internal control arising from Committee discussions such as the Cost Improvement Plan, Counter Fraud, Internal Audit reports and the refreshed BAF.* | | | | | |
| **Theme 5 – committee leadership** | | | | | | |

| No | Statement | Strongly Agree | Agree | Disagree | Strongly Disagree | Unable to Answer |
|---|---|---|---|---|---|---|
| 28 | The committee chair has a positive impact on the performance of the committee. | 5 | 1 | 0 | 0 | 0 |
| 29 | Committee meetings are chaired effectively. | 5 | 1 | 0 | 0 | 0 |
| 30 | The committee chair is visible within the organisation and is considered approachable. | 5 | 1 | 0 | 0 | 0 |
| 31 | The committee chair allows debate to flow freely and does not assert his/her own view too strongly. | 5 | 1 | 0 | 0 | 0 |
| 32 | The committee chair provides clear and concise information to the Board on committee activities and gaps in control. | 5 | 1 | 0 | 0 | 0 |

## 4 Conclusion and Recommendations

The Audit Committee is requested to consider the following recommendations and approve this report for onward submission to the Trust Board in August 2026:-

4.1 To consider reviewing the arrangements for integration between the Audit Committee and other committees that are reviewing risk, **and possible oversight opportunities** (objective from 2024/25, with an addition in bold);

4.2 To explore the scope to strengthen the process for annual reporting on the Audit Committee's work and performance (objective from 25/26);

4.3 To consider including a review of Internal Audit's compliance with the Global International Audit Standards on the calendar of business.

4.4 To seek assurance from external audit about its policies for ensuring independence (objective from 2024/25);

4.5 To maintain a watching brief in relation to the balance between clinical quality and financial performance within the Audit Committee agenda (objective from 25/26), for appropriate discussion at agenda-setting meetings.

4.6 To undertake a detailed review of the committee Terms of Reference and workplan, ensuring full engagement with the committee as part of its development and consideration of the balance between the different focus areas for the committee. (new recommendation).

Matthew Reeves
Corporate and Committee Services Officer

15.6.26