



## **Annual Report of the Governance Assurance Committee: 1 April 2017 to 31 March 2018**

### **1.0 Introduction**

- 1.1 This is the eighth formal annual report of the Governance Assurance Committee (the Committee) to the Board of the South Eastern Health & Social Care Trust (the Trust) for the year ended 31 March 2018. Its purpose is to report on the work of the Committee for the year under review in discharge of its oversight responsibilities to the Board.
- 1.2 This is in line with good practice as referenced in the Governance Controls Assurance Standard. This report is complementary to the Annual Report of the Audit Committee which is also presented to the Board in compliance with the Good Practice Principle 5 (Communication) of the Audit Committee Handbook issued by the HM Treasury.

### **2.0 Chairman's Foreword**

- 2.1 This is the eighth formal report of the Committee since its inception in March 2010. I would like to thank all members for their attendance and contribution during the year. I am satisfied that the Committee has discharged its duties in line with its agreed Terms of Reference and Programme of Work for the year.
- 2.2 In line with best practice, the Committee will further develop, review and refine its Programme of Work on a regular basis to ensure that it continues to provide robust assurances to both the Board and Accounting Officer confirming that a sound system of internal control is in place.

### **3.0 Governance Assurance Committee**

#### **3.1 *The work of the Committee***

- 3.1.1 The Committee was formally established on 16 March 2010 as a result of a Review of the Governance & Risk Management Infrastructure undertaken in Autumn 2009 and subsequently approved by the Trust Board at its meeting on 24 March 2010. The Committee's primary responsibility is to review the development and maintenance of an effective system of integrated governance (ie, risk management, financial and clinical and social care) and internal control, across the whole of the organisation's activities (both clinical and non clinical) that supports the achievement of the organisation's objectives.

- 3.1.2 In addition, the Committee also:

- Review the adequacy of the underlying assurance processes that indicate the degree of the achievement of corporate objectives, the effectiveness of

the management of principal risks and the appropriateness of the disclosure statements. This will also include the adequacy of the Board Assurance Framework, the control and assurance mechanism in place, and additional action taken to address gaps in controls and gaps in assurance.

- Review the adequacy of all governance and risk management and control related disclosure statements (in particular the Governance Statement).
- Review the adequacy of the policies for ensuring compliance with the relevant regulatory, legal and code of conduct requirements, including the Trust's Standing Orders.
- Review the adequacy of the strategies for integrated governance for eg, integrated governance and risk management etc.
- The annual work plans of the Corporate Control and Safety and Quality Committees.

3.1.3 In carrying out its work, the Committee utilises the work of Internal Audit. It also seeks reports and assurances from other Trust Committees, Directors and Assistant Directors, as appropriate, concentrating on the overarching systems of integrated governance, risk management and internal control, together with indicators of their effectiveness.

## **3.2 Terms of Reference of the Committee**

3.2.1 The Committee's Terms of Reference and Programme of Work were last reviewed at its meeting on 21 March 2018.

In general terms, comments received confirmed the Committee was operating effectively, that its Terms of Reference were appropriate and meetings were focused on the key areas as per the agreed Programme of Work. Minor changes were made to the Terms of Reference the Programme of Work at the meeting and these were duly agreed. Both documents will be submitted to the Trust Board for endorsement and approval at its meeting on 28 March 2018.

## **3.3 Membership of the Committee**

3.3.1 The membership of the Committee during 2017/18 comprised of the following persons:-

- Non Executive Directors (x6)
  - Dr M Briscoe, Chairman
  - Mr C McKenna, Chairman of the Trust Board
  - Mr N Brady, Chairman of the Audit Committee
  - Mr M Mawhinney, Chairman of the Finance Committee
  - Mr J Patton, Non-Executive Lead for Safeguarding
  - Mrs L O'Neill
- Chief Executive – Mr McCaughey
- Director of Human Resources & Corporate Affairs – Mrs M Weir
- Medical Director – Mr C Martyn

- Director of Hospital Services – Mr S McGoran
- Director of Children’s Services & Executive Director of Social Work – Mr B Whittle
- Director of Primary Care, Older People and Executive Director of Nursing – Ms N Patterson
- Director of Adult Services & Prison Healthcare – Ms B Mongan
- Director of Planning, Performance and Information Management - Ms R Coulter
- Director of Finance and Estates – Mr N Guckian

**In attendance:**

- Board Secretary
- Head of Internal Audit (twice per year).

3.3.2 The Board Secretary is the Secretary to the Committee and attends all meetings to provide appropriate support to the Chairman and Committee members.

3.3.3 The Head of Internal Audit (or nominee) is invited to attend at least two meetings per year (March and September) as an observer. Mrs McKeown (or nominee) attended on 20 September 2017 and 21 March 2018.

**3.4 Meetings of the Committee**

3.4.1 The Committee is required by its Terms of Reference to meet on a quarterly basis. During the year, the Committee met on the following occasions:

- 21 June 2017;
- 20 September 2017;
- 10 January 2018 (moved from 19/12/18); and
- 21 March 2018

3.4.2 Formal minutes are recorded of each meeting and these are subsequently reported on at the following Trust Board meeting and a copy circulated with the Board papers. Minutes of meetings reflect discussions held by the Committee and any actions agreed. They also detail attendance by members, officers and others including apologies tendered by members who were unable to attend.

**3.5 The Committee’s Programme of Work**

3.5.1 The Committee operates via an agreed Programme of Work (POW) which was last reviewed at its meeting on 21 March 2018. Minor amendments were made to this document; these will be effective from 1 April 2018.

3.5.2 The extant POW outlines the key agenda items for discussion at each meeting. A copy of the Programme of Work in operation for 2017/18 is attached at Appendix 1, for information purposes. A short synopsis of the key issues discussed at meetings during the year is listed below:-

**(a) Board Effectiveness Audit**

Members received the Internal Audit Report in respect of the Board Effectiveness Audit which received Satisfactory Assurance

**(b) Evaluation of NEDs Induction – 6/4/18**

A one day Induction Programme was held for new Non-Executive Directors on 6 April 2018 attended by all Trust Board members. The programme was evaluated with a few minor suggestions for improvement for any future programmes.

**(c) NIAO Good Practice Guide – Board Effectiveness**

The Committee received the above report and Miss Low undertook a baseline assessment of its content based on the current practice of the Board. Generally, all the good practice items contained in the report were operated by the Trust

**(d) Year End (19 June 2017) and Mid-Year (7 Dec 2017) Accountability Review Meetings**

The Committee received regular reports from Mr McCaughey in respect of the Year End and Mid-Year Accountability Review meetings together with the minutes of both meetings, when available. These are attended by Mr McKenna, Chairman & Mr McCaughey.

**(e) Draft Board Assurance/Corporate Risk Register Report 2017/18**

The Committee received the draft Report on the Board Assurance Framework / Corporate Risk Register – 2017/18 at its meeting on 21 June 2018, for consideration and approval, prior to submission to the Trust Board on 22 June 2018, for endorsement. Quarterly updates were received by the Committee thereafter.

Members also attended a workshop on the framework for Corporate and Directorate Risk Registers which was held on 13 December 2017. This assisted members in understanding the process for risk registers and the movement of items from Directorate to Corporate registers.

**(f) Controls Assurance Programme – 2017/18**

The Committee received quarterly reports throughout the year in respect of the Controls Assurance Programme. The expected level of compliance for 2017/18 was substantive (75 – 99%) for all 22 standards. As at 31 March 2018, 21 out of 22 standards were projecting achieving the required level of compliance (Medical Devices achieved moderate).

Four standards were independently verified by Internal Audit during February/ March 2018 as per the DoH Guidance – Risk Management, Governance, Financial Management and Fire Safety. The result of this process was awaited at the time of drafting this report.

**(g) *Board Assurance Framework (2014-2017), Risk Management Strategy (2014-2017) and Integrated Governance Strategy (2012-2015)***

The above documents are reviewed on an annual basis in December each year. In December 2017 it was reported that no substantial changes were required to the Board Assurance Framework and the Risk Management Strategy. However in the light of the cessation of the Controls Assurance Programme 31/3/18) and the AZ/NZS standard for Risk Management (30/6/18) it was agreed to extend all three documents to 30 June 2018 pending clarification on the afore-mentioned two issues.

**(h) *Annual Work Programmes – Corporate Control & Safety & Quality***

The Committee is supported in its work by two sub committees – Corporate Control and Safety, Quality Improvement & Innovation Committees both of which have documented programmes of work (identifying items for discussion on their agendas) and action plans detailing key areas of work for completion during the year. Both action plans for 2017/18 were approved at the meeting on 15 March 2017. The draft action plans for 2018/19 were presented and approved at the meeting held on 21 March 2018.

**(i) *Board Governance Self-Assessment Tool (BGSAT)***

The Committee received regular progress reports on the implementation of action points in respect of the BGSAT together with regular updates on the preparation for the 2017/18 self-assessment which is due for submission to the Trust Board for approval at its meeting on 28 March 2018.

#### **4.0 Governance Statement and Mid-Year Assurance Statement**

4.1 The preparation of the Governance Statement is co-ordinated by the Finance Directorate, in conjunction with Risk Management & Governance and Safe & Effective Care Directorates. Committee members input to the draft Mid-Year Assurance Statement (circa October) and will have the opportunity to comment on the Governance Statement being prepared for 2017/18 (circa April 2018). The formal sign off of the draft statement is within the remit of the Audit (as opposed to the Governance Assurance) Committee. However, Miss Graham (and latterly Dr Briscoe) is also a member of this Committee and inputs to the draft statement/s during preparation.

#### **5.0 Linkages with the Audit Committee**

5.1 In line with the arrangements set out in the Report of the Governance & Risk Management Infrastructure (March 2010), the Chairman of the Audit Committee is a member of the Governance Assurance Committee.

The Chairman of the Governance Assurance Committee is also a member of the Audit Committee. Dr Briscoe attended 5 out of 5 Audit Committee meetings; Mr Brady attended 4 out of 4 Governance Assurance Committee meetings.

## **6.0 Reports to Trust Board**

6.1 The Committee submits the minutes of its meetings to the next Trust Board meeting held after the Governance Assurance Committee. The Chairman of the Committee presents these to the Board and highlights any items requiring attention or escalation to the Board.

## **7.0 Conclusion**

7.1 The Committee is satisfied in respect of the reliability and integrity of the assurances provided and of their comprehensiveness in meeting the needs of the Board and the Accounting Officer. Furthermore, the Committee is of the opinion that the assurances available are sufficient to support the Board and the Accounting Officer in the decisions taken by them and in their accountability obligations and that a sound system of Internal Control is in place.

7.2 The Committee, at its meeting on 21 March 2018, approved this eighth Annual Report for submission to the Trust Board at its meeting 28 March 2018.

**Dr Maura Briscoe**  
**Non-Executive Director**  
**Chairman of the Governance Assurance Committee**

21 March 2018



South Eastern Health  
and Social Care Trust  
**Governance Assurance Committee**  
**Programme of Work**

Month	Governance Assurance Meeting	Governance Committee Work – outside of meeting
January		Report to Trust Board (GAC December Meeting)
February		Consideration of Internal Audit Plan (in terms of Governance & Risk Management issues) with Internal Audit
March	<p>Corporate Risk Register – end of year position</p> <p>Preparation of draft Annual Governance Assurance Committee Report</p> <p>Approval of the incoming annual work plans for 2 domains - Corporate Control, Safety &amp; Quality</p> <p>Consider the Committee’s own effectiveness in its work</p> <p>Review and update, as required, Committee’s Terms of Reference and Programme of work</p> <p>Update on Controls Assurance – end of year position</p> <p>Review of Standing Orders &amp; SFIs</p> <p>Presentation by Chairpersons of Corporate Control and Safety &amp; Quality Committees – end of year position</p>	<p><b>Internal Audit to attend meeting</b></p> <p>Report to Trust Board (GAC March meeting)</p>
April		Comment and input to the draft Governance Statement
May		Comment on the draft Annual Report on Risk Management (via email prior to submission to Trust Board)
June	<p>Corporate Risk Register – 1<sup>st</sup> quarter report</p> <p>Update on Controls Assurance – incoming year</p> <p>Annual Report on Risk Management</p>	Report to Trust Board (GAC June Meeting)
July		
August		
September	<p>Corporate Risk Register – Update report</p> <p>Update on Controls Assurance (for Mid Year Assurance Statement)</p>	<p>Comment and input to the Mid year Assurance Statement</p> <p><b>Internal Audit to attend meeting</b></p>
October		Report to Trust Board (GAC September Meeting)
November		
December	<p>Corporate Risk Register – Update report</p> <p>Annual review – Board Assurance Framework, Risk Management and Integrated Governance Strategies</p> <p>Update on Controls Assurance (results of November baseline assessments)</p>	