



Governors' Presentation

South East Coast Ambulance Service NHS Foundation Trust

—
December 2021



Headlines from our work

We have a responsibility to sign a 'true and fair' opinion on your financial statements and ensure that the annual report includes everything it should;



NHS Improvement also require us to report both the public and private findings to Governors; and

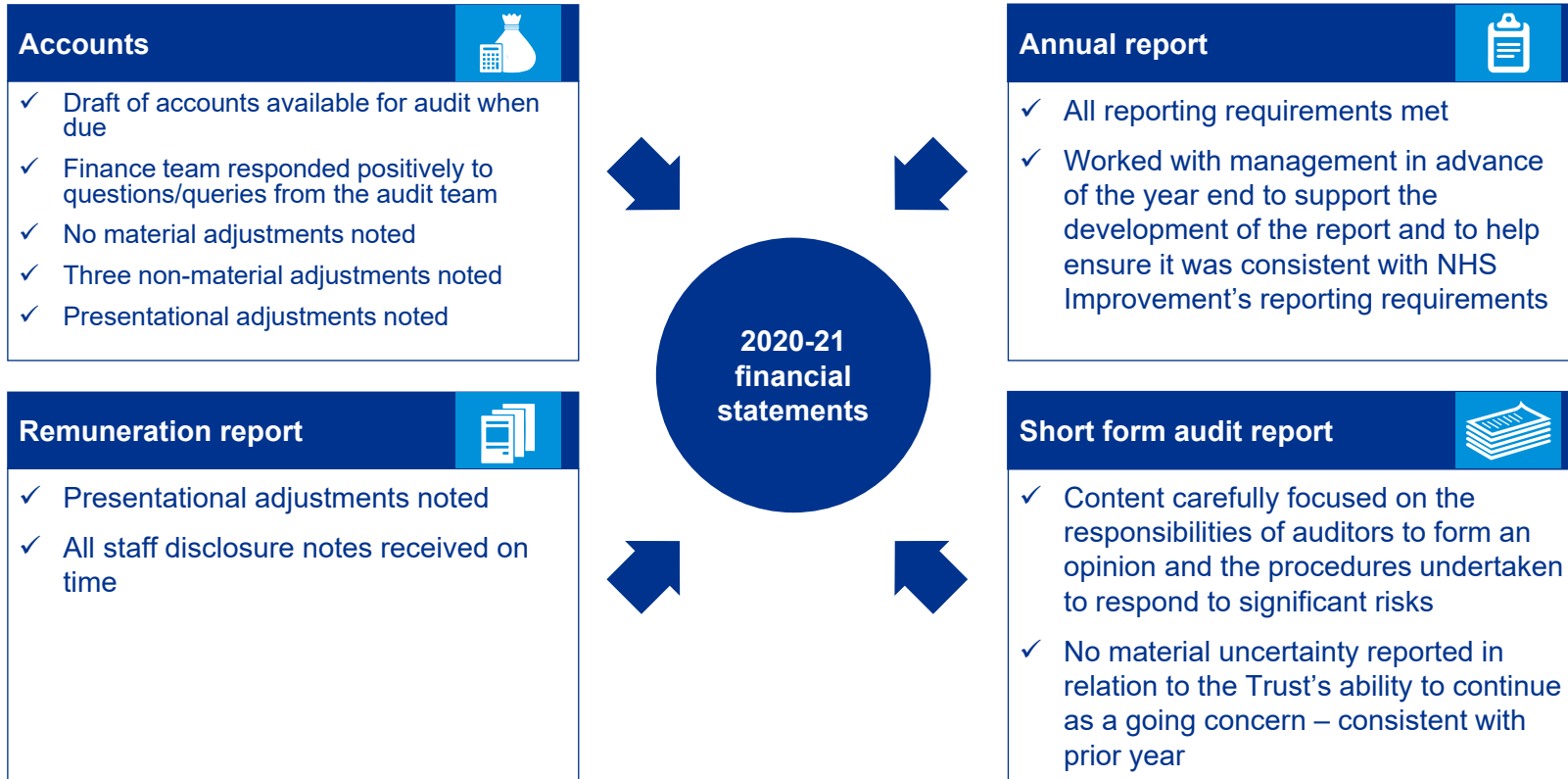


We value the opportunity to receive feedback from Governors and to understand your perspectives



Opinion	Conclusion	What this means
Financial statements	Unqualified (2020: unqualified)	This means we have checked that amounts you say you have received and spent and the money you owe and are owed are correctly recorded. We have also checked where Directors have used judgement and that those judgements are well thought through and appropriate.
Value for money	No significant weaknesses identified (2020: 'clean')	<p>This means we have assessed the arrangements that the Trust has in place to secure economy, efficiency and effectiveness in its use of resources and not found there to be any significant weaknesses in those arrangements that require reporting.</p> <p>This was the first year of a revised approach to our value for money responsibilities. This required us to include a statement within the opinion on your accounts to confirm whether we have identified any significant weaknesses.</p>

Financial statements detailed findings



Recognition of income (£299m)	No significant issues identified
Valuation of land and buildings (£7m land, £31m buildings)	No significant issues with the final balance. Medium priority recommendation raised relating to documentation of management review over valuation report.
Fraudulent expenditure recognition	No significant issues identified





Value for money

Our approach is designed to enable us to conclude on the Trust's arrangements in relation to financial sustainability, governance and improving economy, efficiency and effectiveness



We did not identify any significant weaknesses that required reporting:

Annual governance statement 	Checked the content properly reflected your operations during the year.												
Arrangements for securing economy, efficiency and effectiveness 	<p>We undertook a risk assessment at the planning stage of the audit and then evaluated and reported on our findings as follows:</p> <table border="1" data-bbox="631 783 1514 1125"> <thead> <tr> <th>Domain</th> <th>Risk assessment</th> <th>Summary of arrangements</th> </tr> </thead> <tbody> <tr> <td>Financial sustainability</td> <td>No significant risks identified</td> <td>No significant weaknesses identified</td> </tr> <tr> <td>Governance</td> <td>No significant risks identified</td> <td>No significant weaknesses identified</td> </tr> <tr> <td>Improving economy, efficiency and effectiveness</td> <td>No significant risks identified</td> <td>No significant weaknesses identified</td> </tr> </tbody> </table> <p>As noted above we did not identify any significant risks or significant weaknesses around the Trust's Value for Money circumstances and arrangements. We noted two low priority recommendations around enhanced risk management documentation and CIP monitoring – but both were around better alignment to good practice rather than anything fundamental.</p>	Domain	Risk assessment	Summary of arrangements	Financial sustainability	No significant risks identified	No significant weaknesses identified	Governance	No significant risks identified	No significant weaknesses identified	Improving economy, efficiency and effectiveness	No significant risks identified	No significant weaknesses identified
Domain	Risk assessment	Summary of arrangements											
Financial sustainability	No significant risks identified	No significant weaknesses identified											
Governance	No significant risks identified	No significant weaknesses identified											
Improving economy, efficiency and effectiveness	No significant risks identified	No significant weaknesses identified											
Auditors' Annual Report	For the first time this year we were required to prepare a commentary on your arrangements. This was included within our Auditor's Annual Report, which is required to be published on your website alongside your annual report and accounts.												



Questions

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South East Coast Ambulance Service NHS Foundation Trust

Audit & Risk Committee (AuC)

Terms of Reference

1. Constitution

1.1. The Board hereby resolves to establish a Committee of the Board to be known as the Audit & Risk Committee (AuC), referred to in this document as 'The Committee'.

2. Purpose

2.1. The purpose of the Committee is to provide the Trust with a means of independent and objective review of internal control over the following key areas:

- Financial systems
- The information used by the Trust
- Assurance Framework systems
- Performance and Risk Management systems
- Compliance with law, guidance and codes of conduct

2.2. In undertaking such review, the Committee provides assurance to the Chief Executive and to the Board about fulfilment of the responsibility of the Trust's Accounting Officer, who under the terms of the National Health Service Act 2006 is held responsible to Parliament by the Public Accounts Committee for the overall stewardship of the organisation and the use of its resources.

3. Membership

3.1. The Committee shall have at least three members, to include the Chairs of the other Board committees appointed by the Board from amongst the independent Non-Executive Directors of the Trust.

3.2. The Chairman of the Trust shall not be a member.

3.3. One of the members with recent and relevant financial experience shall be appointed Chair of the Committee by the Board.

3.4. Current members:

- Michael Whitehouse, Independent Non-Executive Director (Chair)
- Terry Parkin, Independent Non-Executive Director - ARC
- Howard Goodbourn, Independent Non-Executive Director - FIC
- Laurie McMahon, Independent Non-Executive Director - WWC
- Lucy Bloem, Independent Non-Executive Director - QPS

In addition, each Independent Non-Executive Director (save the Chairman) will be an ex-officio member of the committee.

4. Quorum

4.1. The quorum necessary for formal transaction of business by the Committee shall be two Independent Non-Executive Directors.

5. Attendance

5.1. In addition to the members, the following individuals shall regularly attend meetings of the Committee:

- Chief Executive
- Executive Director of Finance & Corporate Services
- Executive Director of Nursing & Quality
- Company Secretary
- Internal Auditor
- External Auditor
- Counter Fraud

5.2. The Chairman and organisational managers and officers may be invited to attend meetings for specific agenda items or when issues relevant to their area of responsibility are to be discussed.

5.3. Officers unable to attend a meeting are required to send a fully briefed deputy or provide a written update to the Committee members at least two working days beforehand.

5.4. The Chair of the Committee will follow up any issues related to the unexplained non-attendance of members. Should non-attendance jeopardise the functioning of the Committee the Chair will discuss the matter with the members and if necessary seek a substitute or replacement.

5.5. Attendance at Committee meetings will be disclosed in the Trust's Annual Report and Accounts.

6. Frequency

6.1. The frequency of meetings will be agreed at the start of each financial year, ensuring the committee meets at least four times a year. Extraordinary meetings may be called by the committee chair in addition to those agreed, to discuss and resolve any critical issues arising.

6.2. At least once a year the Committee shall meet privately with the External and Internal Auditors. The External Auditor or the Internal Auditor may request a private meeting if they consider this to be necessary.

6.3. Meeting dates will be diarised on a yearly basis.

7. Telephone Conference

7.1. With leave of the Chair of the Committee, any member or attendee of the Committee may participate in a meeting of the Committee by means of a teleconference/videoconference where circumstances require it or similar communications equipment whereby all persons participating in the meeting can hear each other and participation in the meeting in this manner shall be deemed to constitute presence in person at such meeting.

8. Authority

8.1. The Committee has no executive powers. It is authorised to seek and scrutinise assurances that Trust's the system of internal control is designed well and operating effectively. The committee will seek assurance from sources and systems including the frontline operations, corporate services and from external independent sources such as peer review; internal audit, local counter fraud service, external audit and others, including legal or other professional advice when required.

8.2. The Committee is authorised by the Board to investigate any action within its Terms of Reference. It is authorised to seek any information it requires from any employee and all employees are directed to cooperate with any request made by the Committee.

8.3. The Committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers necessary. It may challenge the reports and duties of other Committees to ensure due and robust business processes are in place.

9. Duties

9.1. The subject matter for meetings will be wide-ranging and varied but in particular it will cover the following:

9.2. Governance, Risk Management and Internal Control

9.2.1. The Committee shall review the establishment and maintenance of an effective system of integrated governance, risk management and internal control, across the whole of the Trust's activities (both clinical and non-clinical) that supports the achievement of the Trust's objectives.

9.2.2. In carrying out this work, the Committee shall primarily utilise the work of Internal Audit, External Audit and other assurance functions, but shall not be limited to these audit functions. It may seek reports and assurances from directors and managers as appropriate. The Committee may also take assurances from work undertaken by other established committees of the Trust Board.

9.2.3. Reviews by the Committee shall concentrate on the overarching systems of integrated governance, risk management and internal control, together with indicators of their effectiveness. This shall be evidenced through the Committee's use of an effective Assurance Framework to guide its work and the work of the audit and assurance functions that report to it. In particular, the Committee shall review the adequacy of:

- i. All risk and control related disclosure statements (in particular the Annual Governance Statement), together with any accompanying Head of Internal Audit opinion, External Auditor's opinion or other appropriate independent assurances, prior to endorsement by the Board;
- ii. The underlying assurance processes that indicate the degree of the achievement of corporate objectives, the effectiveness of the management of principal risks (including through review of the Risk Register and Board Assurance Framework) and the appropriateness of the above disclosure statements;
- iii. The processes for ensuring compliance with relevant regulatory, legal and code of conduct requirements;
- iv. The policies and procedures for all work related to fraud, corruption and security management as set out in the NHS Standard Contract which requires providers to put in place appropriate arrangements for counter fraud and as required by NHS Protect;
- v. The Trust's whistleblowing policy(s) so test that arrangements are in place for proportionate and appropriate investigation;
- vi. The Trust's Standing Orders, Standing Financial Instructions and Scheme of Delegation.

9.3. Internal Audit

9.3.1. The Committee shall ensure that there is an effective Internal Audit function established by management that meets mandatory Public Sector Internal Audit standards and provides appropriate independent assurance to the Committee, Chief Executive and Board. This shall be achieved by:

- vii. Consideration of the provision of the Internal Audit service, the cost of the service and any questions of resignation and dismissal;
- viii. Review and approval of the Internal Audit strategy, operational plan and more detailed programme of work, ensuring that this is consistent with the audit needs of the Trust as identified in the Assurance Framework;
- ix. Consideration of the major findings of Internal Audit work (and management's response) and ensure co-ordination between the Internal and External Auditors to optimise audit resources;

x. Ensuring that the Internal Audit function is adequately resourced and has appropriate standing within the organisation;

xi. Annual review of the effectiveness of Internal Audit.

9.4. External Audit

9.4.1. The Committee shall review the work and findings of the External Auditor appointed by the Council of Governors and consider the implications and management's responses to their work. This shall be achieved by:

xii. Consideration of the appointment and performance of the External Auditor in so far as compliance with governance codes permits;

xiii. Making a recommendation to the Council of Governors on the appointment, reappointment or removal of the External Auditor; and if the Council of Governors does not accept the Committee's recommendation, ensuring that the Board includes in the annual report a statement from the Committee explaining its recommendation and setting out reasons why the position of the Council of Governors was different;

xiv. Discussion and agreement with the External Auditor, before audits commence, about the nature and scope of the audit ensuring coordination, as appropriate, with other External Auditors in the local health economy;

xv. Discussion with the External Auditor concerning assessment of the Trust with regard to locally evaluated risks, and the associated impact on the audit fee;

xvi. Reviewing all External Audit reports, including agreement of the ISA 260 before submission to the Trust Board and any work carried outside the annual audit plan, together with the appropriateness of management responses.

9.5. Financial Reporting

9.5.1. The Committee shall ensure that systems for financial reporting to the Board, including those of budgetary control, are subject to review as to completeness and accuracy of the information provided to the Board.

9.5.2. The Committee shall review the Annual Report and Financial Statements before submission to the Board, focusing particularly on:

xvii. The wording of the Annual Governance Statement and other disclosures relevant to the Terms of Reference of the Committee;

xviii. Changes in, and compliance with, accounting policies and practices;

xix. Unadjusted mis-statements in the Financial Statements;

xx. Major judgemental areas;

xxi. Significant adjustments resulting from audit.

9.6. Other Assurance Functions

9.6.1. The Audit Committee shall review the findings of other significant assurance functions, both internal and external to the organisation, and consider any implications for the governance of the organisation.

9.6.2. These shall include, but shall not be limited to, consideration of any reviews by Department of Health arms length bodies, regulators or inspectors (e.g. NHSI, Care Quality Commission, NHS Resolution etc.), or professional bodies with responsibility for the performance of staff or functions (e.g. Royal Colleges, accreditation bodies, etc.).

9.6.3. In addition, the Committee shall review the output of other committees established by the Board, whose work can provide relevant assurance to the Committee's own scope of work.

10. Reporting

10.1. The Committee shall be directly accountable to the Trust Board. The Chair of the Committee shall report a summary of the proceedings of each meeting at the next meeting of the Board and draw to the attention of the Board any significant issues that require disclosure.

11. Support

The Company Secretary is responsible for ensuring appropriate administrative support is provided to the committee. The support provided by the person(s) identified by the Company Secretary will include the planning of meetings, setting agendas, collating and circulating papers, taking minutes of meetings, and maintaining records of attendance for reporting in the Trust's Annual Report.

12. Review

12.1. The Committee will undertake a self-assessment at the end of each meeting to review its effectiveness in discharging its responsibilities as set out in these Terms of Reference.

12.2. The Committee shall review its own performance and Terms of Reference at least once a year to ensure it is operating at maximum effectiveness. Any proposed changes shall be submitted to the Board for approval.

VERSION CONTROL SCHEDULE

Version no.	Date approved by committee as fit for purpose	Date ratified by the Board so that it comes into force	Main revisions from previous version.
1.0		March 2016	
1.1		May 2018	<ol style="list-style-type: none"> 1. Amend to Audit and Risk 2. Included members 3. Amended attendees 4. Quorum from 3 to 2 NEDs to reflect other committees. 5. Authority section to be consistent with other committees 6. Amended the admin support arrangements 7. Included review from every 2 years to annually to be consistent with other committees
2.1		23 May 2019	Updated membership and revised wording on frequency.
2.2		May 2020	Updated membership Minor revision to section 9 – to remove the specificity of who will provide administrative support.
2.3			Updated membership

Audit & Risk Committee	Executive Lead	20 May 2021	15 July 2021	23 Sep 2021	02 Dec 2021	10 March 2022
ADMINISTRATION						
Apologies	Chair	√	√	√	√	√
Declarations of Interests	Chair	√	√	√	√	√
Minutes	Chair	√	√	√	√	√
Action Log	Chair	√	√	√	√	√
Next Meeting Agenda / Forward Look	Chair	√	√	√	√	√
Meeting Effectiveness	Chair	√	√	√	√	√
FINANCIAL STATEMENTS & THE ANNUAL REPORT						
Annual Report & Accounts -External Audit Report -ISA260 Report (Audit Highlights Memo) -Management Representations Letter on the financial statements -Management Representations Letter on the quality report	Exec Director of Finance KPMG	√				
Plan for the production of the Annual Report & Accounts	Chief Executive				√	
Annual Governance Statement	Company Secretary	√				√Draft
Accounting Policies	Exec Director of Finance				√	
Accounting and Reporting Systems	Exec Director of Finance					√
Financial statements - integrity / judgments	Exec Director of Finance				√	
Single Tender Waivers	Exec Director of Finance		√			
Losses and Special Payments [incl. baseline numbers / % as per action 164-19 04.03.2019]	Exec Director of Finance					√
INTERNAL AUDIT						
Counter Fraud Progress Report	RSM		√	√		√
Counter Fraud Work Plan	RSM					√
Counter Fraud Annual Report incl. SRT	RSM					√
Internal Audit Progress Report	RSM		√	√	√	√
Internal Audit Annual Plan	RSM					√
Annual Report to include Internal Audit Opinion	RSM	√				√Draft
EXTERNAL AUDIT						
External Audit Finding Report	KPMG	√				
Report to Governors on Quality Report	KPMG	√				
Limited Assutance opinion on Qualiry Report Indicators	KPMG	√				
Progress Report / Technical Update	KPMG					√
Audit Plan	KPMG				√	
GOVERNANCE & RISK MANAGEMENT						
Business Continuity	Exec Director of Operations			√		
Records Storage and Security				√		
Data Quality	Exec Director of Strategy				√	
Whistleblowing / FTSU	Exec Director of Nursing			√		
Decl. of Interests	Company Secretary			√		
Policy Matrix - Annual Review	Company Secretary	√				√
Assurance Map - Annual Review	Company Secretary	√				√
Board Assurance Framework Review	Company Secretary				√	
Risk Review, incl. BAF Risk Report	Executive Director of Nursing / Company Secretary		√	√	√	√
Risk Management System / effectiveness of the policy and procedure	Exec Director of Nursing				√	√
Annual Review of SO's/SFI's	Exec Director of Finance					√
Annual Self Certification GC6/COS 7	Company Secretary	√				
Corporate Governance Statement	Company Secretary	√				√Draft
Integrated Performance Report Annual Review	Exec Director of Strategy				√	
Information Governance (incl. *Annual Report)	Exec Director of Nursing		√*			√
Annual Review of Cycle of Business	Company Secretary					√
Annual Self-Assessment	Company Secretary					√
Review of Terms of Reference	Company Secretary					√
Review Purview / TOR of other Board Committees	Company Secretary					√
MANAGEMENT RESPONSE (delete once received)						
Internal Audit Plan 2021 22						
BAF / Risk Management						√
Data Security Protection Toolkit			√			
FTSU / Whistleblowing				√		

South East Coast Ambulance Service NHS Foundation Trust

Finance and Investment Committee ('FIC')

Terms of Reference

1. Constitution

The Board hereby resolves to establish a committee of the Board to be known as the Finance and Investment Committee ('FIC') referred to in this document as 'the committee'.

2. Purpose

The purpose of the committee is to acquire and scrutinise assurances that the Trust's system of internal controls relating to finance, corporate services and investments in future operational capability, are designed appropriately and operating effectively.

3. Membership

Appointed by the Board, the membership of the committee shall constitute three independent Non-Executive Directors and three Executive Directors. Executive Directors shall number no more than the Non-Executive Directors.

The members of the committee shall be:

Howard Goodbourn, Independent Non-Executive Director (Chair)

Michael Whitehouse, Independent Non-Executive Director

Lucy Bloem, Independent Non-Executive Director

Executive Director of Finance & Corp. Services (Executive Lead)

Executive Medical Director

Executive Director of Operations

In addition, each Independent Non-Executive Director will be an ex-officio member of the committee.

4. Quorum

The quorum necessary for formal transaction of business by the committee shall be two Independent Non-Executive Director members and one Executive Director.

5. Attendance

5.1. In addition to the members, the following individuals shall regularly attend meetings of the Committee:

- Executive Director of Strategy & Business Development
- Company Secretary
- Deputy Director of Finance
- A senior manager from operations

5.2. At the request of a committee member, other directors, Trust leads, managers and subject matter experts shall be invited to attend or observe full meetings or specific agenda items when issues relevant to their area of responsibility are to be scrutinised.

5.3. With the agreement of the chair, members of the committee or other Trust managers and officers may participate in a meeting of the committee by means of a tele/video conference. In such instances, it is a requirement that all persons participating in the meeting can hear each other. Participation in the meeting in this manner shall be deemed to constitute the presence in person at such a meeting. A member of the committee joining the meeting in this way shall count towards the quorum.

6. Frequency

The committee shall meet at least six times a year and extraordinary meetings may be called by the committee chair in addition to discuss and resolve any critical issues arising.

7. Authority

The committee has no executive powers. The committee is authorised to seek and scrutinise assurances that Trust's the system of internal control is designed well and operating effectively.

8. Purview

The purview of the committee is set out in the accompanying purview document, which is approved by the Board along with these Terms of Reference. The committee will prioritise the acquisition and scrutiny of assurances according to the Board's requirements, using a risk based approach to prioritisation. The committee will not review all aspects of the system of internal control identified in the purview in every year.

9. Support

The Company Secretary is responsible for ensuring appropriate administrative support is provided to the committee. The support provided by the person(s) identified by the Company Secretary will include the planning of meetings, setting agendas, collating and circulating papers, taking minutes of meetings, and maintaining records of attendance for reporting in the Trust's Annual Report.

10. Reporting

The committee shall be directly accountable to the Trust Board. The Chair of the Committee shall report a summary of the proceedings of each meeting at the next meeting of the Board and draw to the attention of the Board any significant issues that require disclosure.

11. Review

The committee shall reflect upon the effectiveness of its meeting at the end of each meeting. The committee shall review its Terms of Reference at least once a year to ensure that they fit with the Board's overall review of the system of internal control. Any proposed changes shall be submitted to the Board for approval.

VERSION CONTROL SCHEDULE

Version no.	Date approved by committee as fit for purpose	Date ratified by the Board so that it comes into force	Main revisions from previous version.
1.0	21 July 16	26 July 16	Committee established July 16 based on principles set out in Board paper 'governance improvements' at May 16. FBDC dis-established June 16. Discussed at Board June 16. Ratified 26 July 16.
1.1	19 October 17	23 October 17	Update to membership Inclusion of additional regular attendees Administrative support provided by the HR Business Support Manager; from the corporate governance dept.
1.2		25 May 2018	Update to membership
2.1	13 May 2019	23 May 2019	Update to membership Increased frequency from 4 to 6 meetings Revised section 7 leaving the detail of areas covered by the committee to the purview/annual plan.
2.2			Updated membership including moving the executive director of strategy to an attendee so there is equal membership between exec and non-exec. Minor revision to section 9 – to remove the specificity of who will provide administrative support.

Finance and Investment Committee		Executive Lead	10 June 2021	09 Sept 2021	11 November 2021	20 January 2022	24 March 2022
ADMINISTRATION							
Apologies	Chair	√	√	√	√	√	√
Declarations of Interests	Chair	√	√	√	√	√	√
Minutes	Chair	√	√	√	√	√	√
Action Log	Chair	√	√	√	√	√	√
Meeting Effectiveness	Chair	√	√	√	√	√	√
SCRUTINY							
Financial Planning - annual plan / budgets	Executive Director of Finance	√	√	√	√	√	√
Financial Long Term Plan (3 - 5 years)	Executive Director of Finance	√		√			√
Commissioning Updates including ICS Boards/Financials	Executive Director of Finance	√	√	√	√	√	√
Capital Programme Plan - development* and delivery**	Executive Director of Finance	√		√			√
Patient Level Costing - Submission/Feedback	Executive Director of Finance	√			√		
Cost Improvement Programme / Overview of Schemes	Executive Director of Finance	√	√	√	√	√	√
Disposals and Acquisitions	Executive Director of Finance		√				√
Monitoring Performance							
Financial Performance (Pack) / Forecast	Executive Director of Finance	√	√	√	√	√	√
Performance Cell Benefits Realisation (November 2022)							
PMO - Overview of Projects	Executive Director of Nursing & Quality	√			√		
Fleet Dashboard/KPI's	Executive Director of Operations			√			
IT Dashboard/KPIs	Executive Director of Finance		√				√
Estates Dashboard/KPIs	Executive Director of Finance	√			√		
Business Cases							
Business Case Schedule / Tracker	Executive Director of Finance	√			√		
Business Cases for Recommendation	Responsible Exec	√	√	√	√	√	√
Business Case Post Project Implementation Review	Responsible Exec					111/CAS or Brighton MRC	E-Timesheets
Strategies							
Digital Strategy	Executive Director of Finance		√		√		
Defib Strategy	Executive Director of Operations						√
Fleet Strategy	Executive Director of Operations				√		
Mobile Device Refresh Strategy	Executive Director of Finance						√
Governance & Risk							
BAF Risks	Company Secretary	√	√	√	√	√	√
Committee Annual Self-Assessment	Company Secretary						√
Cycle of Business	Company Secretary						√
Terms of Reference	Company Secretary						√