

## **Briefing from Audit Committee: 8 November 2012**

### **Presented by Sarah Connor, NED, Committee Chair**

#### **Internal Assurance**

**IRGC / CQuAC feedback** Issues were briefed which will be fed back to the Board by those Committees / Execs – there was nothing for Audit Committee to take further.

**CQC Registration** There were no assurance issues.

**Clinical Audit Results** Concerns raised by audits have been referred to relevant committees / Execs, which demonstrates that the processes are working properly.

**Clinical Audit Programme In-Year Review** Audit Committee received assurance that red-rated audits have action plans which are followed up, and that dates are agreed for actions.

**Annual Report of the Clinical Audit Strategy Group (11/12)** Audit Committee received a copy of this report.

**Finance Report** There were no assurance issues for Audit Committee's attention.

#### **Financial Management Assurance**

**Losses & Compensation** Noted.

**Waiver Register** Noted. Finance Director commented that HMSC is trying to reduce waivers.

**Gifts & Hospitality Register** In response to the Committee's previous urgent request to raise the level of (currently limited) assurance that can be given on adherence to the policy, a register was tabled for 2011/12 and some items for 2012/13 (but not as many as would be expected). Execs explained there has been a shortage of resource, which is now remedied, and discussion of ownership of policy and processes will be taken to DSG. The Committee observed that the process appears to be one of recording not monitoring and this also needs to be addressed.

#### **Audit Assurance**

**External Audit progress report** This report included:

- ⤴ SLR Benchmarking report – rather superficial report with no learning for the Trust;
- ⤴ Counter Fraud Review – appeared out-of-date and had taken some months to issue;
- ⤴ fee for 2012/13 £93,220 (2011/12 £138,700).

**Internal Audit Programme In-Year Review** A number of small changes have already been made which Audit Committee has approved. After further review, taking account of Board discussions and the BAF, it was agreed there is no need to re-focus the plan. There was some concern about the amount of work being pushed to the end of the financial year, but it was agreed to be acceptable.

**Internal Audit Report** 4 audits were brought to this meeting (A&E Data Quality / Data Capture, Charitable Funds, General Ledger, Treasury Management), of which 3 “green” and 1 red opinions, and 1 advisory review (IT Procurement), with a total of 10 high; 9 medium; and 15 low importance recommendations. Audit Committee is still awaiting the report for 1 audit from the 2011/12 programme.

The A&E Data Quality / Data Capture audit generated the “red” opinion - it will be mentioned in the end-of-year Head of Internal Audit opinion in the Annual Governance Statement. Director of Partnerships attended Audit Committee to discuss the report and actions in progress as a result, and it was agreed that the report is being used to improve processes. Further details will be included in the meeting minutes (January Board papers).

The IT Procurement Review would have been a “red” opinion if it had been an audit. The review identified the circumvention of procurement SFIs as well as a number of other issues, and generated 12 recommendations. Finance Director has used this report to re-emphasise the importance of SFIs.

Audit Committee has continuing concerns about late Trust responses to Internal Audit reports (the previous discussion at DSG appears not to have resolved this issue). It was agreed that Internal Audit should attend DSG before each Audit Committee meeting to raise awareness of the business benefits of the audits.

**Overdue Audit Recommendations** The report appeared to be an early draft and was not reviewed. A properly updated report has been requested for the end of the month.

**Local Counter Fraud Services Progress Report** Work done year-to-date includes awareness presentations, notices, posters & leaflets (7.5 days); managing risk, National Fraud Initiative work, review of relevant policies & procedures (11.5 days); planning & reporting (4 days). Total 23 days ex 55 planned. In addition, LCFS has dealt with 4 fraud referrals (all now closed with no financial loss to the Trust).

## **AOB**

**Review of members' needs for Trust contact / training** Discussed & agreed no additional needs.

**Audit Committee Objectives** Objectives were approved by the September Board. Audit Committee discussed what needs to be done to achieve these and has taken forward some thoughts and an action.

**Agreement of content of report to Board; draft agenda for January Committee meeting; date of next meeting.**

**Sarah Connor  
NED Chair of Audit Committee  
16 November 2012**