

## Whittington Health Trust Board

7<sup>th</sup> May 2014

<b>Title:</b>	Audit and Risk Committee: Update to the Board						
<b>Agenda item:</b>	<b>14/090</b>		<b>Paper</b>			<b>8</b>	
<b>Action requested:</b>	For information						
<b>Executive Summary:</b>	To update the Board on the work and recommendations conducted in the March 2014 Audit and Risk Committee.						
<b>Summary of recommendations:</b>	None						
<b>Fit with WH strategy:</b>	The Audit and Risk Committee is a sub-committee of the Board, established to provide the Board of Directors with a means of independent and objective review of financial and corporate governance and risk management. In addition, the committee shall provide assurance of the independence of both external and internal audit.						
<b>Reference to related / other documents:</b>	Previous reports to the Trust Board.						
<b>Reference to areas of risk and corporate risks on the Board Assurance Framework:</b>	Strategic Goal 3: Delivering efficient and effective services (ref 3.1 to 3.12).						
<b>Date paper completed:</b>	7 <sup>th</sup> April 2014						
<b>Author name and title:</b>	<b>Simon Wombwell Chief Finance Officer</b>			<b>Director name and title:</b>	<b>Rob Whiteman Non-Executive Director</b>		
<b>Date paper seen by EC</b>	-	<b>Equality Impact Assessment complete?</b>	N/A	<b>Quality Impact Assessment complete?</b>	N/A	<b>Financial Impact Assessment complete?</b>	N/A



## **Audit and Risk Committee update to the Board**

### Meeting – 27<sup>th</sup> March 2014

1. The meeting of the Audit and Risk Committee held on the 27<sup>th</sup> March was chaired by Rob Whiteman, non-executive director. This was RW's inaugural meeting as chair of the Audit and Risk Committee.
2. The committee reviewed the outstanding actions, the key issues arising:
  - 2.1. The Executive should complete the Programme Management Office (PMO) terms of reference paper and, following approval by the Executive Committee, return to the committee to provide assurance of the processes underpinning saving and transformation programme delivery.
  - 2.2. It was agreed that assurance papers on data quality, service line reporting and benchmarking would be presented to the July and September 2014 meetings.
3. The committee reviewed the updated **Terms of Reference (ToRs)** and, following some discussion on chief executive officer (CEO) attendance, the ToRs were supported as presented. It was agreed that issues relating to the Board Assurance Framework, for which the CEO was accountable, would be raised at the Trust Board for discussion, as required.
4. **External Audit Plan 2013/14 and progress report.** The Trust's external auditors, KPMG, highlighted their assessment of the key risk areas i.e. community estate transfer, cost improvement programme (CIP) and medium term financial resilience. The committee requested advice on the sufficiency of corporate contingency reserves and KPMG agreed to provide a view following some understanding of practice in other NHS organisations. KPMG also highlighted the need to conduct their audit into value for money, quality accounts and charitable funds. This will also include an assessment of consistency across statutory reports, including the draft annual report. The audit begins on 6<sup>th</sup> May.
5. **Draft Internal Audit Plan 2014/15 and progress report.** The work programme for 2013/14 had been completed largely as planned with a couple of areas completing in April (information governance and cancer targets). The committee discussed the Complaints Report and, recognising the Trust Board's interest in this area, agreed that this should return to assess whether actions had been delivered. In review of the internal audit plan for the coming year, the committee requested the removal of the foundation trust application work and instead requested consideration of work to assess delivery of the major new developments i.e. Ambulatory Care Centre and TB centre, and data quality, particularly in relation to the Trust's reporting to support payment by results contracting.
6. **Local Counter Fraud Plan and progress.** The committee were supportive of the work but felt the limited levels of staff training in fraud awareness was an area of concern. It was agreed that the Executive should review training in this area with a view to improving the overall numbers of staff with fraud awareness and understanding.
7. The committee received the latest **Health and Safety Dashboard** which reported that incident reporting remains within tolerance levels. The report also raised the issue that the police are increasingly unwilling to attend to support what is considered to be a clinical care

issue i.e. they will attend a civil or criminal disturbance but not one that relates to a patient under our care. The committee were also concerned about the low levels of staff health and safety training, despite the increased training commitment on staff when work demands were high; The committee requested that the executive team review how this position should be improved.

8. The Audit and Risk Committee approved papers summarising activity in bad debt write-offs, tender waivers, standardisation of tender limits and the approval of a change to the bank mandate to support the process for signing of Trust cheques. All the aforementioned papers are available to Board members to review if required.
9. The committee reviewed the Board Assurance Framework. A paper on the Corporate Risk Register will be taken at the next meeting.
10. The next meeting of the Audit and Risk Committee is on 12<sup>th</sup> May 2014, to include a review of the draft accounts and other statutory documents. The annual accounts and other key documents (governance statement/draft annual report/draft quality accounts/audit letter) are expected to be recommended by the Audit and Risk Committee to be adopted to the Trust Board on 4<sup>th</sup> June.

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