

Trust Board Report

Meeting Date:	23 September 2013
Title:	Summary of Issues Considered by the Audit Committee on 5 September 2013
Executive Summary:	This report sets out the more significant matters which the Audit Committee discussed at its most recent meeting, in order to provide information and assurance to the Trust Board.
Action Requested:	To note the report
Report of:	Mr Surrinder Kalirai, Non-Executive Director and Chair of the Audit Committee
Author: Contact Details:	Mr Surrinder Kalirai Tel 01902 695953
Resource Implications:	None
Public or Private: (with reasons if private)	Public Session
References: (eg from/to other committees)	None
Appendices/ References/ Background Reading	None
NHS Constitution: (How it impacts on any decision-making)	In determining this matter, the Board should have regard to the Core principles contained in the Constitution of: <ul style="list-style-type: none">  Equality of treatment and access to services  High standards of excellence and professionalism  Service user preferences  Cross community working  Best Value  Accountability through local influence and scrutiny

Background Details

1	<p>The Committee held its third meeting in this financial year on 5 September 2013</p> <p>Apart from the usual items on Security, Counter-Fraud Activity, Losses and Compensations and Recommendation Tracking, the following significant matters were considered:-</p>
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Internal Audit Reports

Four internal audit reports had been issued since the June committee meeting. Two of these had an amber/green opinion with medium/low management actions agreed. The report on compliance with the Death Certificate Policy was rated amber/red and the Committee discussed the actions proposed to rectify the control weaknesses identified. The fourth (Authorisation of rosters) was given a red opinion and the Committee spent some time questioning management in order to be assured about actions proposed to implement the recommendations. It was noted that all staff in the sample had been paid correctly. Arising from an earlier audit, the Chief Operating Officer attended to assure the Committee about actions which were being taken to implement recommendations in respect of Consultants Job Planning.

Annual Audit Letter 2012/13

PricewaterhouseCoopers presented their Annual Audit Letter for 2012/13, explaining that the Audit Commission had changed the deadline for the submission of Annual Audit letters to the end of July so that it was outside the Audit Committee cycle. However, the letter reflected the ISA 260 report and the report on the Quality Account both of which had been received by the Committee in June. The Committee were satisfied by the report and the performance of the finance team, which appears on the Board agenda for this meeting.

Committee Terms of Reference

The Committee discussed its proposed revised Terms of Reference and suggested a small number of adjustments which it deemed appropriate in order to maintain the integrity and independence of the Committee and to avoid unhelpful overlap with the work of other Trust Committees. These will be reported back to the Board in October along with the Terms of Reference of the other sub-board committees, for final approval.

Finance Function Review

The Committee received for discussion the report of KPMG on the future shape and work of the Finance function at the Trust. This report was requested to comply with the Historical Due Diligence work performed by Deloitte with regard to future authorisation to operate as an FT and the changing demands and requirements for support of the Divisions. The report was generally positive, however, there were some comments/actions to integrate resource reporting better and to maintain strong reporting on CIP delivery. The Committee is keeping this matter under review and will receive a further report on how the function could be developed over the next three years.

Annual Fraud Report for 2012/13

The Local Counter Fraud Specialist presented his Annual report on counter fraud activity undertaken during 2012/13. He highlighted work to raise awareness of fraud in the NHS, preventative work, detection and investigation, and sanctions and redress. There were no particular concerns brought to the attention of the Committee.

Charitable Funds Annual Accounts and ISA260

The charity accounts for 2012/13 were adjusted following discussion at the Charity Committee in August, in order to recognise in the accounts the use of £400,000 for the SimWard as a charitable donation from a number of external charitable sources.

This delayed the issue of the ISA 260 and a special Audit Committee has been arranged in order to formally consider this detail. On that basis, the accounts are submitted to the Board today for approval, there being no outstanding matters of concern from this Committee's point of view.