







### Trust Board Report

<b>Meeting Date:</b>	29 September 2014
<b>Title:</b>	Summary of issues considered by the Audit Committee on 4 September 2014
<b>Executive Summary:</b>	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.
<b>Action Requested:</b>	To note the report
<b>Report of:</b>	Mr Roger Dunshea, Non-Executive Director and Chair of the Audit Committee
<b>Author: Contact Details:</b>	Mr Roger Dunshea Tel: 01902 695953
<b>Resource Implications:</b>	None
<b>Public or Private: (with reasons if private)</b>	Public Session
<b>References: (e.g. from/to other committees)</b>	To receive and consider reports from Internal Audit, External Audit Local Security Management Specialist (LSMS) and Counter Fraud .  To review other sources of assurance including third party assurances
<b>Appendices/ References/ Background Reading</b>	None
<b>NHS Constitution: (How it impacts on any decision-making)</b>	In determining this matter, the Board should have regard to the Core principles contained in the Constitution of: <ul style="list-style-type: none"> <li> Equality of treatment and access to services</li> <li> High standards of excellence and professionalism</li> <li> Service user preferences</li> <li> Cross community working</li> <li> Best Value</li> <li> Accountability through local influence and scrutiny</li> </ul>

### Background Details

<b>1</b>	The September Audit Committee's agenda included security, counter-fraud, internal audit progress reports, Annual Audit completion letter and the Charity Accounts and Annual Report. The key areas of discussion were:
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- **LSMS Security Report and NHS Protect Quality Assessment report.**  
The latest LSMS report included improved security in the Maternity areas and the management of security at Cannock Hospital. LSMS was asked to follow up the discussion points over West Park Hospital and the correct use of car parks at New Cross. The responses to the Quality Assessment required further work with the inclusion of a timetable.
- **Counter fraud report**  
The report covered staff training and awareness and details of the current caseload of investigations. Progress is being made on the various cases however to strengthen assurance the committee asked for investigation planned completion dates to be included in future reports.
- **Internal audit reports**  
The Committee considered four reports:
  1. Clinical audit (amber/green): The report gave an update on the improvements to the clinical audit process. The Committee asked the executive to report back in December on how planning and prioritisation of audits can be strengthened and on the tracking of completed audit recommendations, to ensure that these are being implemented.
  2. Study leave policy (amber/red): The governance for planning training, approving expenditure, and arranging cover can be strengthened to avoid inefficiencies. Where staff leave before course completion there needs to be a more effective process of debt recovery for fees paid in advance. The Committee asked for the recommended actions to be implemented to the planned timetable.
  3. Patient property (amber/red): Procedures should be tightened to ensure that where a patient wishes to retain property this is correctly documented with signatures.
  4. Consultant job plans - follow up review: The internal auditor has concluded that not all the previous recommendations have been implemented. The Committee has asked for a report on the numbers of consultants with no approved job plan. This matter will be discussed at the next meeting to which the Medical Director will be invited.

The review on the implementation of STEIS learning point recommendations, raised at the July Board meeting, will be added to the Internal Auditor review of complaints due in December 2014.

- **Charity Accounts and Annual Report 2013-14**  
This had been reviewed by the Charities Committee. External Audit had nearly completed the audit and thus far no concerns were raised. The completed Accounts, ISA 260 and audit report would be circulated shortly via email to the Committee for review and approval.
- **Annual Audit Letter 2013-14**  
The External Audit provider submitted the letter which highlighted the good performance of the Trust's systems and controls. He also raised the significant challenge of meeting the CIP in the current year.
- **Audit Committee self assessment.**  
The Committee agreed the checklist of questions. The self assessment was to be completed by the end of October.
- **MSFT current audit position.**  
The committee received an update on the audit arrangements for the transfer of services, assets etc to the Trust.

- **Losses and Compensation payments.**

The Committee authorised the write off of £55k related primarily to the loss of overseas patient income. The Committee asked to see the revised guidance covering this area, notably linked to the role of the CCG in paying part of the unrecovered costs.

- **Any other business**

The Committee raised the issue of capital expenditure in Obstetric services and NED pay. The CFO said these would be on the agenda on the September Board and the next meeting of the Remuneration Committee respectively.