

### Report from the Audit Committee

<b>Trust Board</b>	<b>Item: M</b>
<b>Date: 11<sup>th</sup> April 2018</b>	<b>Enclosure: 17</b>
<b>Purpose of the Report:</b> To report to the Trust Board on the meeting of the Audit Committee held on 22 <sup>nd</sup> March 2018.	
<b>FOR: Information</b> <input checked="" type="checkbox"/> <b>Assurance</b> <input checked="" type="checkbox"/> <b>Discussion and input</b> <input type="checkbox"/> <b>Decision/approval</b> <input type="checkbox"/>	
<b>Sponsor (Executive Lead):</b>	Joan Mulcahy, Chair of Audit Committee
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<b>Risk Implications – Link to Assurance Framework or Corporate Risk Register:</b>	
<b>Link to Relevant Corporate Objective:</b>	Strategic Objective 4
<b>Document Previously Considered By:</b>	None
<b>Link to Relevant CQC Domain:</b> <b>Safe</b> <input type="checkbox"/> <b>Effective</b> <input checked="" type="checkbox"/> <b>Caring</b> <input type="checkbox"/> <b>Responsive</b> <input type="checkbox"/> <b>Well Led</b> <input checked="" type="checkbox"/>	
<b>Recommendations:</b>  The Board is asked to note the report.	

## **Audit Committee**

The Audit Committee met on 22<sup>nd</sup> March 2018 and the meeting was attended by the internal and external auditors.

**Counter Fraud:** The Committee received a progress report, Counter Fraud Annual Report and a report on Sickness Management, which was forwarded to the Chair of the Workforce Committee for information. It was recognized that the level of fraud within the Trust was low. The Committee discussed what could be done evaluate how well learning from incidences of fraud had been assimilated.

**Internal Audit:** internal audit report on Core Financial Systems and on Business Continuity were received; the Committee discussed lines of accountability and identification of risks for Business Continuity. An action was agreed for further to discussion to take place between the Director of Finance, Chief Operating Officer and the NED Lead for Cyber Security (Jonathan Guppy). Two further internal audit reports were due and would be received at the next meeting: Overseas Visitors and Serious Incidents. The draft Head of Internal Audit Opinion was received, with nothing significant to highlight to the Board.

**External Audit:** the Committee received the workplan and progress report. Guidance was sought on how the auditors would approach the going concern review. There was no further update from regulators to report.

**Annual Report and Accounts:** the Committee noted progress with preparation of the Report and Accounts, as well as minor changes to accounting policies. The review by NEDs would be shared between Dr Rita Harris and Dame Cathy Warwick.

**IM&T and Cyber Security Update:** the Director of IM&T attended to present an update covering IM&T departmental structure, governance, critical system management processes, a security overview and an update on policies. The Committee discussed CRS upgrades arising from shortcomings identified through clinical audit; how these were prioritised and progress with recommendations from the Information Commissioner audit.

**Governance: Board Assurance Framework and Corporate Risk Register** the Interim Head of Patient Safety attended to present the CRR and to explain progress in reviewing risks across the Trust to ensure they reflect a consistent approach. It was noted that the proportion of clinical quality risks on the CRR was low in comparison with other areas and the Committee gained assurance that staff were comfortable with managing clinical quality risks. The CRR had also been discussed by the Risk Management Committee the previous day and feedback from that meeting was given. The Committee was pleased with progress being made and noted that QAC would continue to seek assurance on clinical quality risks (cancer performance was specifically mentioned from review of the CRR)..

**Quality Assurance Committee Update:** Dr Rita Harris reported on good assurance received on work to review RTT workflow affected by Gynae daycare. A deep dive on complaints had taken place and assurance given that the complaints process for Radiology had improved considerably. An impressive presentation on Antibiotic Stewardship had given good assurance in all areas. Dr Harris will bring a report to the next meeting of the Audit Committee on review of the processes from learning from deaths.

**Finance & Investment Committee Update:** Jonathan Guppy summarised the content of the last FIC discussions, which had focused primarily on the financial position.

**Workplan:** Clinical Audit would report to the next meeting. A report on readiness for GDPR had also been requested. It was suggested that the Committee also receive a report on writing off of bad debts.

There were no matters to discuss with the auditors in private session of the Committee. It was agreed that the principal matters to bring to the attention of the Board were: the internal audit report on Business Continuity, particularly in relation to EPRR; and to reflect on the BAF and whether risk subject matters were sufficiently evident.

**Joan Mulcahy, Chairman**