

Report from the Audit Committee

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| Trust Board | Item: 15 |
| Date: 3rd October 2018 | Enclosure: K |
| Purpose of the Report: To report to the Trust Board on the meeting of the Audit Committee held on 27 th September 2018. | |
| FOR: Information <input checked="" type="checkbox"/> Assurance <input checked="" type="checkbox"/> Discussion and input <input type="checkbox"/> Decision/approval <input type="checkbox"/> | |
| Sponsor (Executive Lead): | Joan Mulcahy, Chair of Audit Committee |
| Author: | Susan Simpson, Director of Corporate Governance |
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| Risk Implications – Link to Assurance Framework or Corporate Risk Register: | |
| Link to Relevant Corporate Objective: | Strategic Objective 4 |
| Document Previously Considered By: | None |
| Link to Relevant CQC Domain: Safe <input type="checkbox"/> Effective <input checked="" type="checkbox"/> Caring <input type="checkbox"/> Responsive <input type="checkbox"/> Well Led <input checked="" type="checkbox"/> | |
| Recommendations: The Board is asked to note the report. | |

Report from the Audit Committee

The Audit Committee met on 27th September 2018 and the meeting was attended by the internal and external auditors.

Counter Fraud: The Committee received a progress report and discussed the Trust's HR processes for staff identified as working whilst also receiving statutory sick pay. Reports were also received on invoice fraud and benchmarking. The Committee noted that the Trust has good processes in place to guard against invoice fraud and a comparatively low level of fraud overall.

Internal Audit: An update was received on internal audit recommendations. Good progress has been made in closing down overdue recommendations and in working with the auditors to ensure the process works robustly. It was agreed that an internal audit report requested by the Charity Committee on its new processes should be received by the Audit Committee on behalf of the Board in its capacity as Charity Trustee.

External Audit: The auditors presented a progress report and sector update, which the Committee found helpful, particularly in relation to coding and Maternity tariffs. Guidance on the latter is anticipated in Q4. It was intended that the Trust Board would sign off the 2017-18 annual report and accounts for the Charity in November 2018.

Clinical Audit: A quarterly report was presented and the risk assessment process relating to clinical audits explained. Discussion took place on 191: National Diabetes Inpatient Audit (NaDIA) 2017 and 401: Second report on patients who died in Kingston Hospital where sepsis was implicated in the cause of death. QAC would be looking at the Diabetes audit in more depth. The report format had been revised and was well-received with some further suggestions made for improvement.

Emergency Preparedness: information was provided and an update given on business continuity, EPRR risks and the NHS England EPRR Assurance/Core Standards. The report provided good assurance on the level of activity undertaken to ensure that EPRR is fully compliant with core standards.

Standing Orders and Standing Financial Instructions: proposed amendments were considered and approved, noting that the Board would receive a recommendation to include clearer arrangements for deputising for Board Directors within the Standing Orders.

Board Assurance Framework and Corporate Risk Register: The BAF for month 5 was reviewed, together with the CRR dated 8th September 2018. The Committee discussed assurance and controls around the patient administration improvement workstreams. It was suggested that a progress report be provided for the Board on the fire safety programme. The Committee asked that the next CRR report include reference to the process for managing risks that had been on the register for 1 year+.

Debt write off/use of waivers/Losses and Special Payments/Out of Date Policies/External Agency Reviews: reports on these matters were received and content noted.

Quality Assurance Committee Update: Dr Harris reported that QAC had also looked at Clinical Audit in some detail and she had valued the opportunity to join up the discussion from an Audit Committee perspective.

Finance & Investment Committee Update: the Director of Finance identified that the land sale programme was likely to be the most significant item on the FIC agenda from an Audit Committee perspective.

Workplan: it was agreed that the Committee should look at pre-employment checks at the next meeting, as well as the revised management structure and responsibilities.

There were no matters to discuss with the auditors in private session of the Committee.

It was agreed to bring to the attention of the Board the agenda items on Counter Fraud and Emergency Preparedness.

Joan Mulcahy, Chairman