

Board of Directors

Item 7.1.3a

Audit Committee

Date/s of meetings held since last BoD: 24th February 2015

BAF key issues

BAF Ref – Principal risk	Assurance Received	New / Emerging Risks	Impact on BAF Risk Rating	Actions / Comment
2,3,	External Risk Management Review	None	None	Committee noted the paper setting out the outcomes of a recent external review of risk management arrangements at the Trust combined with an action plan to secure required improvements in risk management arrangements at LHCH. The Committees attention was brought to a redeveloped risk management process including a more sensitive 5X5 risk matrix and a new risk management policy. It was noted that a new electronic system for reporting risk was required due to functional deficiencies in the current PRISM system. It was confirmed to the Committee that the revised policy had been supported at a recent Risk Management Committee.
3	2014/15 Annual Report and Accounts timetable	None	None	The Committee noted and approved the annual reporting timetable presented in the paper noting revised detailed guidance for the 2014/15 Quality Account had been received and would need to be reflected in a further iteration of the timetable.

3	External Review of Assurance committees	None	None	Due to time constraints the Committee agreed to defer this item to its March meeting.
3	Internal Controls	None	None	<p>MIAA presented its update report giving assurance on audits in respect of Combined Financial Systems review with significant assurance. The committee also received highlight report on emergency preparedness and Trust arrangements and were assured at significant level by MIAA. Chair of Audit Committee asked about mandatory training and was updated on current Trust performance on this KPI. The committee also received and noted an interim Board Assurance Framework (BAF) review and were assured by MIAA that the Trust is on track for year-end to be fully compliant with all appropriate Department of Health requirements. Chair questioned what continual review arrangements that LHCH had in place in respect of the BAF and attention was brought by the Board Secretary on detailed quarterly reviews undertaken. Proposed amendments to the 2014/15 plan were to replace the planned CQC review with a clinical audit review and due to the external review on EPR for this to be replaced by a review of Trust compliance with Monitor's Corporate Governance Statement. These amendments were approved by the Committee. Due to the committee receiving a limited assurance report on Bank and agency staffing Director of Strategy and Organisational Development updated the committee on the key issues raised within the report and proposed actions to be put in place by the Trust. Chair of Audit Committee noted the level of detail undertaken by MIAA in</p>

				<p>their report and consequent detailed findings and requested a progress update be brought back to the Committee in three months' time. Chair of Committee asked if the CEO had seen sight of the limited report and was assured by the Chief Finance Officer that she had received the report back in November 2014. The Committee received a detailed follow report and update on progress made on implementing recommendations made on past audits The Committee noted its disappointment in respect of the number of outstanding recommendations in respect of IT and EPR and requested that an update on progress be brought back to the Committee at its March meeting. Chair noted one outstanding low recommendation dating back to 2011/12 and requested that this be closed down. The draft 2015/16 MIAA internal audit plan was presented to the Committee. The Committee was broadly content with this risk based plan but asked for costings for the inclusion of additional reviews on recruitment, medical equipment, NICE and discharge planning. This was agreed to be investigated and emailed to the committee members.</p>
3	External Audit update report	None	None	<p>The Committee received update from Grant Thornton on travel of direction in respect of year end audit and key external emerging themes and issues for the committee to be sighted on with no significant risks being required to be brought to the Committees attention. Chair of Audit Committee sought assurance that the executive team were fully sighted on the challenge questions set out in the report and it was agreed a</p>

				formal response to these would be brought to the March meeting.
3	Compliance with Monitor licence quarterly checklist review.	None	None	The Committee received and approved the report noting that members had reviewed the document by email in advance of the Quarter 3 submission.
3	Use of Trust Seal	None	None	Committee received and noted the report on the use of the Trust seal.
3	External visits/reviews register	None	None	Due to time constraints the Committee agreed to defer this item to its March meeting.
3	Audit Committee induction programme	None	None	The Audit committee were briefed on training needs requirement for members of the Committee. Committee noted the report and requested a pragmatic implementation plan to minimise potential information overload.