

## Board of Directors

### Item 7.2.3

#### Audit Committee

Date/s of meetings held since last BoD: 26<sup>th</sup> May, 7th July 2015

#### BAF key issues

BAF Ref – Principal risk	Assurance Received	New / Emerging Risks	Impact on BAF Risk Rating	Actions / Comment
3	Internal Controls	None	None	<p>MIAA presented its update reports giving assurance on audits in respect of Payroll/ESR, Monitor reporting Data Quality with significant assurance. The committee also received in full a final limited assurance report in respect of consultant job planning in July. A progress report on key controls put in place to mitigate the issues identified would be brought back to the committee at its next meeting. It was noted that external support had been commissioned to ensure the key issues of job planning policy, scheduling completion and sign off of job plans, links between appraisals and plans and the monitoring and management of plans will be dealt with to enable greater assurance to be provided going forwards. The Committee also received significant assurance in respect of the Head of Internal Audit opinion as part of the 2014/15 annual accounts. The draft 2015/16 MIAA Counter Fraud plan was presented to the Committee which agreed this as the counter fraud work plan for 2015/16.</p> <p>MIAA Anti-Fraud services presented its 2014/15 annual report noting the key work undertaken in respect of strategic governance, inform and involve, prevent and deter and hold to account work. The Committee also received a report on compliance with NHS Protect standards and a self-assessment rating. In respect of amber rating for Prevent and Deter this would form part of the 2015/16 work plan to</p>

				drive this to green .Investigation activity on one potential fraud referral was discussed and noted that this was an on-going case which further updates would be brought to the committee. A follow up report on internal audit recommendations completion was brought to the July committee noting good progress being made with 22 out of 32 recommendations fully implemented.
3	Annual Report and Accounts review	None	None	The Committee received a number of internal and external assurance documents including from Grant Thornton an unqualified audit findings report. The Committee debated and discussed contents of reports and agreed to recommend to the Board of Directors the 2014/15 Annual Report and Accounts.
3	Compliance with Monitor licence quarterly checklist review.	None	None	The Committee received and approved the report noting key issues in respect of planned breach of RTT in quarters 2 and 3,sub contracted work to Stoke and approval by the Board of directors of the 2014/15 Annual Governance Statement.
3	Risk Management Policy	None	None	Committee received and noted the revised policy with key changes around adoption of 5x5 matrix for describing risk, a statement on Directors appetite for risk and a clear description of LHCH risk management processes.
3	Clinical Audit work plan	None	None	Committee received and noted the report covering the proposed 2015/16 clinical audit work plan plus an annual report for 2014/15 from the LHCH Clinical Audit and Effectiveness Group.
3	Review Losses and Special payments	None	None	The Audit committee were updated on this issue covering the period October 2014-February 2015 noting payments for this period of £38,900 materially covered by legal costs and cumulatively £54,600 again materially explained by legal costs.
3	Review single Tender waivers	None	None	The Audit committee were updated on this issue covering the period April 2015-June 2015 noting 20 tender waivers during this period totalling £1.0m.
3	Review Losses and Special Payments	None	None	The Audit committee were updated on this issue covering the period April 2015-May 2015 noting 1 payment re injury benefit payment of £1712.
3	MIAA Bank and Agency Review 2014/15	None	None	At its May meeting the committee received an action plan progress report on implementation of key recommendations made by MIAA. The Committee noted progress to date with an expectation that amber related issues would be dealt with

				imminently.
3	Corporate Governance Manual Annual Review	None	None	The Committee noted the work undertaken by the Trust and supported by MIAA in reviewing the Corporate Governance manual noting key changes and recommended to the Board of Directors adoption of the revised manual.
3	Review Arrangements /Policies for Raising concerns	None	None	The Head of HR in the absence of Director of Strategy and OD presented an update as requested by the Committee in respect of the Trusts arrangements in respect of raising concerns, key issues to date and work in progress. The Committee noted the update and were assured that this agenda was being sufficiently dealt with within the Trust.
3	Annual Evaluation of External Audit	None	None	The Committee received a report noting the requirement to evaluate the performance of Grant Thornton as external audit partners, which would be discharged via completion of a questionnaire prior to making a recommendation to the Council of Governors at its October meeting.
3	External Audit 2014/15 Quality Report Outcome	None	None	The Committee received a copy of the report which would be presented to the Council of Governors noting the limited assurance opinion giving an unqualified conclusion with key recommendations for a more measurable local performance indicator for 2015/16 and a review of quality control arrangements.
3	External Audit Update report on key and emerging issues	None	None	This report was received by the Committee.