

ITEM: 08/170

DOC: 9

Meeting: Trust Board
Date: 19 November 2008

Title: Report from the Audit Committee

Executive Summary: The Audit Committee met on 10 November 2008. The attached notes set out the key actions identified at the meeting.

The Audit Committee received a review of the current Integrated Governance documents comprising the Standing Orders, Standing Financial Instructions and Scheme of Reservation and Delegation of Powers, which need to be confirmed on an annual basis. The following changes were agreed:

- Delete reference to the Assurance Committee
- Delete reference to PPIF and renumber paragraphs
- Insert reference to trust website for notification of Board meetings
- Insert risk management systems, clinical governance and health and safety into the terms of reference of the Audit Committee
- Replace reference to company secretary with corporate secretary
- Merge Assurance Committee with Audit Committee
- Replace reference to LDP with IBP
- Replace references to revaluation with latest guidance
- Replace references to vice chairman with deputy chairman

The Audit Committee also received and reviewed the Audit Commission's Annual Audit Letter (attached) and recommends it to the Board as a fair assessment of the Trust's performance in 2007-08.

Action: The Board is asked to :

1. Note the action points arising from the meeting of the Audit Committee on 10 November 2008.
2. Agree the amendments made to the Integrated Governance documents as set out above for wider publication
3. Receive the Annual Audit Letter from the trust's external auditor.

Report from: Susan Sorensen
Corporate Secretary

Sponsor: Anna Merrick
Chairman of the Audit Committee

Financial Validation

Lead: Director of Finance

Name of finance officer

na

Compliance with statute, directions, policy, guidance Lead: All directors	Reference: Monitor guidance
Compliance with Healthcare Commission Core/Developmental Standards Lead: Director of Nursing & Clinical Development	Reference: na
Compliance with Auditors' Local Evaluation standards (ALE) Lead: Director of Finance	Reference: na
Evidence for self-certification under the Monitor compliance regime Lead: All directors	Compliance framework reference: Appendix C14

The Whittington Hospital NHS Trust Audit Committee

This paper tracks progress on actions from previous meetings of the Audit Committee (AC) and summarises the key decisions and actions arising from the latest meeting on 10th November 2008. The minutes of the meeting contain a more comprehensive account of discussion and outcomes.

Update on outstanding actions from Audit Committee 10th June 2008

Action	Progress / Update
Review DH guidance on the health impact of climate change	To be brought to January 2009 AC
Clarify the reporting line for security management	Confirmed that chairman had nominated Edward Lord as the non-executive lead.
All other action points	Complete or covered elsewhere on agenda

Update on outstanding actions from Audit Committee 4th September

Action	Progress / Update
Responding to the increase reporting of violence on staff, Steve Primrose to add this to the Trust's risk register in September.	To be included in next iteration of risk register.
Clinical Governance Committee to look into using a competency-based system and report back to November Audit Committee.	AC agreed a more realistic review date to report back to March AC.
The AC requested that consideration is given to how the SUIs are recorded and monitored within the Assurance Framework. Deborah Clatworthy, Fiona Elliott and Susan Sorensen to discuss and report back.	Report to January AC
Fiona Elliott/Susan Sorensen to review the linkage between the risk register and the BAF, including mapping of Integrated Business Plan risks to the BAF and risk register	To be completed when IBP updated
Consideration to be given to the use of an alternative software package to manage the risk register	Business case approved. Six months notice to current supplier.
Susan Sorensen to arrange for a section on reputational risk to be included in the in the Board self-certification process	Work in progress with Parkhill to identify documentation for self-certification. To be discussed at 12 Dec Board development session
Steve Primrose to ensure that tighter controls on capital scheme project management are in place with immediate effect	The issue has been added to the risk register and will be discussed and monitored at the Capital Monitoring Group. To report back to AC.
All other action points	Complete or covered elsewhere on agenda

Actions arising from Audit Committee on 10th November 2008

	Decision/Action	Timescale	Lead and support
	Health and Safety Report		
1.	Outstanding matters to be summarised for the Audit Committee	January 2009 AC	Philip lent
2.	The validation of participation in training activity and establishment of the baseline position identified as a key issue. Action Plan and timetable required to achieve significant improvement in coverage of mandatory training	January 2009 AC Full compliance by end march 2009	Philip lent James Ward (H&S adviser)
3.	Implement "fit for purpose" training database and link to ESR database	As above	As above
4.	Undertake fire risk analysis, including the implications of the Fire Brigade's policy on damage limitation, to inform decisions on future insurance cover	end February 2009	Philip lent
	Health and Safe Annual Report		
5.	Action log arising from the report to be brought back to AC	January AC	Philip lent
6.	Restore frequency of meetings to planned level of six per annum, if necessary by authorising deputy directors to chair meetings	ongoing	Philip lent
7.	Terms of reference of Health & Safety Committee agreed by AC to be included in FT application for board approval	end November 2009	Susan Sorensen
8.	Produce assessment of trust's health and safety structures in relation to best practice	January 2009 AC	Philip lent James Ward
	Clinical Governance Committee Report		
9.	Issue in relation to mandatory training (as also identified for health and safety) Responsibility for provision, delivery and recording shared between departments and HR. Clarity of responsibility required. HR to attend next meeting.	Janury 2009 AC	Margaret Boltwood Other directors
10.	Action plan on training to be agreed at Executive Committee, covering also issues emerging from SUI reports and audit reports	Report back to January Audit Committee	Deborah Wheeler Philip lent Margaret Boltwood
	Clinical Governance Strategy		
11.	Approved by the AC. Headings to inform the CGC agenda.	ongoing	Deborah Wheeler

	Decision/Action	Timescale	Lead and support
	Director of Infection Prevention and Control Annual Report		
12.	It was noted that the section on Decontamination was very detailed because there was not a separate annual report on this.		
	SUI update		
13.	It was noted that the Information Commissioners Office enforcement unit was taking an interest in the payroll data loss SUI. Action plan and progress report to be produced.	December Trust Board	Susan Sorensen
14.	Format of Action Plan progress report of other SUIs needed to be amended to include column for target completion. Gaps in report to be filled.	December Trust Board and January AC	Deborah Wheeler Deborah Clatworthy
	Preparation for Health Care Commission core standards assessment 2008-09		
15.	Revised process agreed including chief executive and another executive director to form internal review panel.		
	NHSLA general standards assessment update		
16.	Awaiting feedback .		
	IBP update of Section 9: Governance		
17.	A number of amendments were agreed: <ul style="list-style-type: none"> o More up-to-date detail on membership development o More emphasis on the Council of Governors and their preparedness o Explanation of the strength of the revised committee structure o Reword composition of Audit Committee o Insert figure for 2009-10 CIP o Include Decontamination Committee in committee structure chart o Clarify reference to LA Overview and Scrutiny assessment o Clarify reference to Medical school assessment 	30 Nov 2008 for December Trust Board	Susan Sorensen
18.	A question was raised about the appointment to the vacant associate non-executive director post. Clarification to be sought from the Chairman.	19 Nov 2008	Joe Liddane

	Decision/Action	Timescale	Lead and support
	Governance self-certification for FT application: progress report		
19.	Committee advised of work in progress to secure required documentation. Key areas for further evidence noted. NED performance management at Board level to be fully recorded.	From Nov board meeting	Susan Sorensen
	Annual Audit Letter		
20.	Positive report noted. To be recommended to Trust Board.	November Trust Board	Susan Sorensen
	Updated Standing Orders, Standing Financial Instructions, Reservation and Delegation of Powers		
21.	Amendments to be approved by Trust Board, documents to be published on intranet and website	November Trust Board	Susan Sorensen
	External Audit progress report		
22.	Letter of representation required from trustees of Charitable Funds	End November	Richard Martin
23.	Trustees to consider providing post balance sheet event note to CF accounts in respect of economic situation	End November	Richard Martin
24.	Response to previous external audit recommendations to be chased up	End November	Richard Martin
25.	Risk arising from economic situation should be registered	End November	Richard Martin
26.	Investment strategy for charitable funds to be reviewed	For January 2009 AC	Richard Martin Eleanor Hellier
	Internal Audit Progress Report		
27.	Action plan for Human Resources (Training) audit to be brought back to AC in January	January 2009 AC	Margaret Boltwood
28.	Outstanding recommendations on follow-up report to be chased	January 2009 AC	Richard Martin
29.	Separate meeting with auditors to be held immediately before next AC meeting	January 2009 AC	Susan Sorensen
	Counter Fraud Service Report		
30.	Parkhill to follow up on Lloyds and police response to issue of altered cheques	January 2009 AC	Nigel Sedgwick Parkhill
31.	Need to arrange training for medical staff to understand the counter fraud environment	Spring 2009	Nigel Sedgwick Anna Kurowska
32.	Review of PMEF procedures needs support	End Dec 2008	Richard Martin

	Decision/Action	Timescale	Lead and support
	IFRS Progress Report		
33.	Estate revaluation to be undertaken 2 April 2009 agreed by AC	April 2009	Richard Martin
34.	Restate opening balance sheet	End Dec 2008	Richard Martin
	ALE Report		
35.	Complete action plan for further improvement	End March 2009	Richard Martin
	Tender Waiver report		
36.	Received and accepted		
	Bad Debt report		
37.	Need to establish how to minimise write off of private patient and overseas visitors debts	January 2009 AC	Richard Martin
	Any other business		
38.	Do auditors need to attend the whole meeting? Both external and internal audit find it useful.		

Susan Sorensen
Corporate Secretary
12 Nov 2008