

**UNRATIFIED MINUTES OF THE
AUDIT COMMITTEE HELD ON
TUESDAY 22 FEBRUARY 2011
AT 9:00AM IN THE BOARDROOM, THE
CUMBERLAND INFIRMARY, CARLISLE**

Present: Mr M Evens, Non Executive Director (Chair)
Mr M Bonner, Non Executive Director
Mr P Day, Non Executive Director

In Attendance: Mrs R Duguid, Company Secretary
Mr E Gardiner, Associate Director of Finance
Mrs C McAdams, Head of Internal Audit
Ms H Green, Audit Commission
Ms G Martlew, Audit Commission
Mr J Tollitt, Acting Assistant Director of Finance
(Financial Services)
Mr D Gallagher, Director of Human Resources (for minute
point AC03(4)/11 only)

Mrs J Lynch, Office Manager (minute taker)

AC01/11 WELCOME AND APOLOGIES FOR ABSENCE

Apologies for absence were received from Mr A Mulvey, Mrs J Cooke and Ms J Bellard.

Mr Evens welcomed Ms Gina Martlew to the Audit Committee. Ms Martlew will be attending meetings on behalf of Ms Green who will be going on Maternity leave.

Mr Gardiner introduced Mr Tollitt to the committee members and updated members on Mr Tollitt's role, whilst Mr Birtle was on secondment.

AC02/11 MINUTES OF THE PREVIOUS MEETING

The minutes were agreed to be correct.

AC03/11 MATTERS ARISING AND ACTION PLAN

1. **Action Plan:**

All amended actions will be found on the separate action plan.

2. **Matters Arising:**

AC72b(3)/10: The Director of IM&T to give a report or attend the meeting in February to update on the red and amber actions in the IT Business continuity plan: Mr Evens informed members that this was not the information he had expected and asked that the item be removed from the agenda and the Director of IM&T be asked to attend the next meeting to comment specifically on the outstanding audit items..

AC73a/10: Bad Debt – Sponsorship not received: Mr Gardiner informed members that the debt had arisen following a lunchtime meeting that had been sponsored by an external company. Following the meeting the Trust had been unable to be reimbursed for the payment owed, as the company were not willing to pay the debt, stating that the company representative that had arranged the meeting no longer worked for them. The Trust has pursued all avenues to reclaim the debt. The Trust had now changed payment arrangements and companies sponsoring lunchtime meetings are now invoiced prior to the meetings.

AC75a(1)/10: Mrs Duguid informed members that following the last meeting, she and Mrs McAdams had unfortunately not met to take this action forward. Mrs Duguid will ensure that the meeting takes place as a matter of urgency. Mr Evens informed members that he was disappointed that this had not taken place and that it was imperative that the action be completed for the next meeting as there would be a large number of Internal Audit reports to deal with. Mrs McAdams informed members that she had some examples of summary sheets that she would forward to committee members to enable them to review and feedback any comments regarding the suitability of the forms for the Trust report.

AC75a(6)/10: Limited assurance for Professional Registration internal audit report: Mrs Duguid informed members that she had spoken with the Director and Deputy Director of Human Resources to discuss the concerns. She has been assured that a lot of work has been done in this area and the recommendations had been progressed within Human Resources.

AC75a(7)/10: Accounts Payable (Creditors) report and recommendations being actioned: Mr Gardiner informed members that work was ongoing in relation to the actions, and that this work was being done alongside the migration to SBS. Mr Evens questioned whether Internal Audit would be involved in the migration process and Mrs McAdams confirmed that Internal Audit have been involved from the beginning of the process.

3. **Outstanding Audit Recommendations**

Mrs Duguid informed members that following the last meeting when a detailed report had been discussed, she had sent a letter to lead

directors requesting the required information. She had received feedback last week, but unfortunately due to recent Trust announcements and other priorities, she had not been able to scrutinise the information to ensure correctness before the document was updated. Mr Evens agreed that committee members had to be assured that the information was correct, but was concerned that the next Audit Committee meeting already had a lot of agenda items. Mrs Duguid suggested that a pre meeting be arranged to go through the information so that the report going to the May meeting would be condensed.

4. **Internal Audit Appraisal Action Plan Update**

Mr Evens welcomed Mr Gallagher to the meeting.

Mr Gallagher informed members of the background to the audit being undertaken, and stated that the audit had confirmed what he had already known. There had also been Care Quality Commission (CQC) concerns regarding the Trust appraisal uptake. The Trust had worked and continued to work hard to improve the appraisal rates and the appraisal uptake currently stood at 64%, with some areas of the Trust having appraised 70 – 80% of staff. There were concerns regarding the Medical Division achieving the 80% target but work was ongoing to address this. The Divisional Quarterly Business review meetings would be used to ensure that divisions were held to account in relation to appraising staff members. A lot of work had also been done to improve the appraisal system, with a simpler form being developed. Appraisal training had also been arranged with increased staff uptake for this.

With regards to the audit recommendations Mr Gallagher informed committee members that some of the recommendations were not at the implementation stage yet but the Trust was working hard to ensure that all of the recommendations would be addressed.

Mr Evens expressed his concern relating to staff members going through the pay scale gateways even if they do not receive an appraisal, and that this is reflected as a fault of the Trust, not the staff member. Mr Gallagher informed members that if the Trust stopped employees from going up the pay scale gateways because of failing to have received an appraisal, the Trust would lose any potential tribunal hearings.

Mr Day informed members that he had done a lot of work in this area and felt the best way forward was for appraisals to become part of the routine yearly business of managers, rather than a tick box exercise.

Mrs Duguid also informed members of the increased focus in this area, in relation to the CQC regulation on supporting workers.

Mrs Duguid also highlighted the progress which had been made on Medical Staff Appraisal.

Mr Evens thanked Mr Gallagher for attending the meeting and updating members.

Mr Gallagher left the meeting.

Action: Matters Arising

AC72b(3)/10: The Director of IM&T to be asked to attend the May Audit Committee meeting and update members on the red and amber actions in the IT business continuity plan

AC75a(1)/10: Mrs McAdams to send Committee members summary sheets for them to look at and feedback their comments

AC03/11: Outstanding Audit Recommendations: Pre meeting to be arranged for April to look at the information.

AC04/11 **FINANCE**

a. **Annual Compound Indicator Score 2009/10**

Mr Evens requested that this item be discussed with agenda item 7.1; Local Counter Fraud Progress Report and members agreed to this suggestion.

Mr Gardiner informed members that the Trust had achieved level 2, which is what the Trust had expected. There were 4 areas (red flag areas) where the Trust could make improvements and these are:

- Increased levels of proactive activity
- The use of risk assessment reports
- Greater depth in the Trusts Whistle Blowing policy
- Inclusion in the Counter Fraud policy of the types of redress available to the organisation where fraud is detected.

An action plan with 3 recommendations was also included;

- The use of staff surveys to identify awareness of proactive activities
- Risk assessment of counter fraud activities to improve assurance and identify improvement opportunities
- Increases in proactive activities and the measurement of outcomes from these activities

Mr Gardiner informed members that most organisations in the North West region had achieved level 2 to which Mrs McAdams stated that to achieve level 4 an organisation had to be really innovative, but this was virtually impossible to maintain.

Mr Evens informed members that he felt level 2 was appropriate for the Trust as the potential costs in trying to achieve a higher level outweighed the potential savings. Mr Bonner agreed with this stating that the Trust met national guidelines and that the Trust had made the decision for the previous two years not to go for a higher level.

Mrs McAdams informed members that work was being done within the Trust in relation to the action plan.

Mr Day questioned the Trusts internet usage exception reports as his own company used this and it proved to be very effective on showing what internet site were being looked at and for how long users were on the site. Mrs McAdams stated that this has started the previous year within the Trust and discussions regarding internet use were being held with IT staff. The Trust also had a number of internet sites blocked to all staff members.

Mr Evens questioned the usefulness of the Trust Whistleblowing policy and Mrs McAdams stated that she was unaware if the policy was still in use or if it had been integrated into another policy, but she would check this with Human Resources.

The reports were noted and committee members were assured by the verbal assurance given in relation to both the red flag areas and associated action plan for the Annual Compound Indicator Scores.

Action: Trust Whistleblowing Policy:

Mrs McAdams to check with Human Resources to check whether the Trust still had a Whistleblowing policy or whether it had been integrated into another policy

b. **Q3 Finance Paper**

Mr Gardiner updated committee members on the quarterly finance paper in relation to losses and special payments, bad debts and procurement waivers. Mr Gardiner informed committee members about the loss of cash at the West Cumberland Hospital site and that this was part of an ongoing investigation by the police. Mr Bonner stated that this had been discussed as part of the security triangulation meeting and the security manager had been asked to pass this to Internal Audit to look at the procedures and ensure that they were correct. Mrs McAdams stated that she had not been passed this information and she would pick this up with the security manager.

Committee members held a detailed discussion in relation to the loss of cash and the following key points were noted:

- Both hospital sites have safes.
- The Trust needed assurance that staff know what to do when cash is used for payments.
- There is a policy for cash management but it was unclear whether staff were aware of the policy.

Mr Gardiner went on to inform members of the staff overpayment and the reasoning behind the overpayment. Committee members discussed this in depth and the key points were noted:

- Mr Tollitt informed members that the Trust had tried to trace the staff member but had been unable to do so as the agency would not give out personal details due to the Data Protection Act.
- Non Executive members expressed their concerns regarding the Trust not being able to trace this staff member.
- Mrs McAdams informed members that a possible solution to tracing this staff member was via the wrongful retention and issuing a section 29 notice. Mrs McAdams stated she would discuss this with Mr Gardiner.
- Mr Day stated his concern regarding the staff overpayment and how the Trust management were going to ensure this did not happen.
- Mr Evens informed members that the committee would not approve the write off of this bad debt and requested that the next Audit Committee should receive a report on further actions taken to recover the money and on remedial actions taken to prevent a recurrence.
- Mr Bonner requested that Mr Evens reported this to the Trust Board at the next meeting and Mr Evens agreed to do this.

Mr Gardiner informed members of the procurement waivers. He further stated that Mr Mulvey had checked all these requests before signing them and all requests were relevant to Trust business.

Mr Bonner questioned waiver 004/10 in relation that it had gone to tender. Mr Gardiner informed members that the usual quotes had been received but that the Trust had received a better deal outwith the framework.

The report was noted and approved, although it was noted that the area of the report relating to the salary overpayment bad debt was not approved. All other bad debts were approved for write off.

Action: Q3 Finance Paper

1. Mrs McAdams to discuss with the security manager the loss of cash at the West Cumberland Hospital in relation to undertaking an audit looking at the procedures to ensure they are correct.
2. Mrs McAdams to discuss with Mr Gardiner the potential issuing of a section 29 notice to the overpaid staff member that the Trust had not been able to trace.
3. Mr Evens to inform Trust Board members of the overpayment to the staff member and the Audit Committee members concern regarding this.
4. Mr Evens informed members that the committee would not approve the write off of this bad debt and requested that the next Audit Committee should receive a report on further actions taken to recover the money and on remedial actions taken to prevent a recurrence.

c. **Year End Accounts Update**

Mr Gardiner updated the committee on the preparation for the completion of the 2010/11 statutory accounts. The report noted that the Trust had undertaken reviews, reflected on the previous years processes and have incorporated any lessons learned into the key control documents.

Mr Gardiner reported that the Finance department had met and discussed the 2010/11 timetable and a draft timetable had been issued. A further meeting had been scheduled to enable the final timetable to be issued to staff, thereby ensuring that staff would know their roles and responsibilities for the year end accounts.

Mr Gardiner further reported that the PFI element was the main risk, in that ensuring it was correctly accounted for, and that the Trust was taking advice in relation to this.

Mr Evens questioned the timing of External Audit in reviewing the PFI accounting. Mr Gardiner stated and Ms Green agreed that External Audit would be included as part of the overall process, and that the work would be starting before the end of March. Mr Evens requested that an update on this work be provided at the next Audit Committee meeting.

The report was noted.

Action: Annual Accounts Update

External Audit to give an update on the work that had been done in relation to the preparation of the Annual Accounts

d. **Passive Approval for low value orders**

Mr Gardiner updated members on the proposed introduction of Passive Approval for low value orders (PALVI) as a move forward with the migration to NHS Shared Business Services (SBS).

Mr Gardiner informed members that E-procurement was part of SBS solution and the introduction of PALVI would allow automatic approval for certain orders. It is felt that this was a way forward as the Trust has a high volume of low value purchase and non purchase orders. Mr Gardiner stated that there would be differing values for purchase orders and non purchase orders and that this would only be allowed for companies that the Trust dealt with already and would not be allowed for new companies. Mr Gardiner further stated that this would be trialled for 3 – 4 months and could be stopped at any time if issues arose, and that he wished to implement this and would report back to the Audit Committee in six months time.

The committee members discussed this report in detail and the key points are noted:

- Mr Bonner expressed his concern in relation to first payments being authorised. Mr Gardiner stated that SBS would run reports frequently and anything unusual would be noted.
- Mr Day stated that this may result in payments being paid quicker than the Trust wished to pay them. Mr Gardiner stated that this system gave approval but the finance department still had the control when payments were being paid.
- Mr Evens questioned why this had come to the Audit Committee for approval. Mr Gardiner stated that Mr Mulvey was keen for this to be agreed as a control mechanism.
- Mr Day informed members that his own company had previously used this method but had stopped due to the backlog of paperwork; checking payments had been made. Mr Day also expressed his concern that in the current climate the Trust needed to be assured that it had the correct level of review and scrutiny on all financial orders.
- Mr Evens questioned the savings to be made by using this system but Mr Gardiner was not able to quantify the savings, as this was more about streamlining the current system. Mr Evens further stated that he had his concerns about going forward with this system and questioned how it would relate to the Standing Financial Instructions (SFI's). Mrs McAdams informed members that this would go against SFI's, to which Mr Gardiner informed members that the SFI's would have to be changed once SBS started working with the Trust. Mr Evens noted that, if SFI's were to be changed, then this would require Audit Committee approval.

The report was noted and Audit Committee members rejected the request to implement PALVI with SBS for the reasons outlined above.

e. **Valuation of Estate**

Mr Gardiner informed members of the details of the revaluations that had occurred on 01/04/09 and 31/03/10 and the considerations for a revaluation in 2010/11.

Mr Gardiner informed members that the IAS 36 required the Trust to look for indications of impairment and if any are found, the estate must be revalued. IAS 16 and 38 required the Trust to revalue its estate if the book value of the assets differed materially from the fair value.

The Trust has reviewed the current indices supplied by our external valuer and reviewed the estate for economic impairment and found no evidence of any impairment. The BCIS index has increased in the year from 214 to 219. The Trust has calculated the impact of the movement in the indices and this years PFI lifecycle additions would result in an increase of 0.47% or £456k. This is not considered to be a material change on an estate valued at £97,264k and therefore it is recommended that the Trust do not revalue the estate this year.

Mr Gardiner also informed members that in relation to the West Cumberland Hospital build the Trust did not intend to impair buildings

listed for demolition as part of phase 2 works in 2010/11. This was due to the Full Business Case requiring Strategic Health Authority approval, and the ongoing work in relation to the NHS Cumbria's capital development plans. Ms Green informed members that she was comfortable with this decision and work pertaining to this project will be ongoing over the next few months.

It was agreed that this item be discussed further at the next Audit Committee meeting.

The report was noted and committee members agreed that there was little justification to revalue the estate this year.

Action: 2010/11 Valuation of Estate:

The West Cumberland Hospital project to be discussed in relation to the capitalising or impairment of the project at the next Audit Committee meeting

AC05/11 EXTERNAL AUDIT

a) **External Audit Progress Report and Briefing**

Ms Green reported to Committee members on the External Audit progress report. She informed members of the following points:

- The 2010/11 audit has commenced and the Audit Plan was included as a separate item on the Audit Committee agenda for the February 2011 meeting.
- Any significant interim findings would be reported to the Audit Committee at the next Audit Committee meeting. The Annual Governance report would report the findings of the audit of the Trusts financial statements and the work required to complete to support the Value For Money (VFM) conclusion. This will be presented to the Audit Committee in June 2011.
- As part of the PbR data assurance framework, the Department of Health recommended the Audit Commission deliver a programme of reference cost data quality reviews at all acute NHS trusts and Foundation Trusts. This work was completed at North Cumbria in December 2010/January 2011 and the findings will be presented to the Audit Committee in April 2011.
- There will be no ALE assessment for 2010/11 but work will still be undertaken to support the VFM conclusion.
- Work will commence in the next few months on various areas of work pertaining to the Trust and the findings will be incorporated in the Annual Governance Plan.

The report was noted.

b) **Audit Plan 2010/11**

Ms Green updated members on the Audit Plan 2010/11 and asked members to particularly note the information pertaining to paragraphs 4 – 8 of the document. This gave details of the proposed audit fee for 2010/11, which was a reduction on the fee for the previous financial year, and further gave details regarding the work required by the Audit Commission to complete the audit.

Ms Green also asked members to note the table on page 6 of the report which stated the additional risks that are appropriate to the current audit. Mr Bonner questioned the item relating to the additional funding from the Strategic Health Authority (SHA) and it was noted that this was still being discussed with the SHA.

Mr Evens informed members that he had received a letter from the Audit Commission relating to the Compliance with International Auditing Standards and he wished to place the issue of going concern as an item to be looked at by Audit. Ms Green informed Mr Evens that this was already being discussed.

The report was noted.

AC06/11 **INTERNAL AUDIT**

Internal Audit Progress Report

Mrs McAdams updated members on the progress and achievement of internal audit work for the current year against plan. The key points were noted:

- Mrs McAdams and Mrs Duguid were looking at the governance areas of next years internal audit plan.
- Due to the number of Internal Audit reports due at the next meeting, it was agreed that they should be discussed at the pre meeting so that the in depth detail can be discussed then.
- The Records Management Internal Audit report that is shown in the report as being shown to the Audit Committee at the meeting today, will now be brought to the next Audit Committee Meeting

Information Governance Internal Audit Report:

The wider opinion was given of limited assurance that the Trust would meet the required level 2 standard by end of March 2011. Some of the target dates have been amended. Criteria 8112 had been given a new target date of end June as there were recognised practical barriers to achieving this target.

No action plan has been attached to this report as there is a separate Information Governance Action plan and Internal Audit are comfortable with the plan as it stands.

West Cumberland Hospital Car Parking Arrangements

No assurance was given with regards to the systems in place to collect car parking income. The total income for the car parking was between £200k and £250k.

The committee members accepted the report and its recommendations.

Mr Bonner questioned some of the numerical data in the tables as he felt it did not match the data in the text. Mr Bonner and Mrs McAdams to discuss this outwith this meeting.

Residential Accommodation

Limited assurance is given that adequate systems and controls are in place to ensure that the accommodation estate is effectively managed and value for money is achieved.

Mrs McAdams informed members that the Trust was not legally obliged to provide accommodation and that there were break clauses in some of the leases. There were a number of areas that lacked detail but this had been amended. Mrs McAdams had met with the Director of Estates and Facilities to discuss the recommendations and he stated that all the recommendations would be actioned by the end of April 2011.

The committee members held a full discussion regarding this report and the Trust providing accommodation to staff members. It was noted that the accommodation was charged, but that at a recent inspection it was felt that the accommodation was not up to current day standard, and it was felt that the Trust should not be charging for sub standard accommodation. The Trust also leased accommodation and it was felt that some of this did also not meet current standards.

Mr Day expressed his concern that the Trust provided accommodation itself and questioned that it could be potentially better to not provide the accommodation, but to give individuals a pack with details of letting agents etc so that they could book their own accommodation.

Mr Evens informed members that he felt that this report raised a lot of issues for the Trust, some of them strategic issues and it was agreed by members that Mr Evens should bring this up at the next Trust Board meeting.

Performance Reporting Systems

Overall significant assurance was given but Mrs McAdams informed members that there was a concern relating to some data quality issues and the lack of improvements required on clinical quality measures reported to the board. This area was given limited assurance. The Committee congratulated Mr Kevin Clarkson and his team on the positive report.

Mr Bonner informed members that the Trust performance was reported to the Board every month.

NICE Follow Up Report

Mrs McAdams informed members that the assurance had dropped from limited assurance to no assurance in the follow up report which was concerning. Mrs McAdams stated that she was not saying that the Trust was not NICE compliant but that there was a lot of work to be done on the evidence of the Trusts monitoring arrangements.

Mrs Duguid informed members that the issues highlighted in this report formed part of the Trusts wider review of clinical governance. Mrs Duguid confirmed that the changes to the governance support structure would see specific improvements in this area during 2011/12, namely the monitoring and review of clinical effectiveness.

Mrs Duguid also informed the committee of the new clinical standards sub group which had been set up which is integral to the monitoring of NICE and other clinical guidelines.

Mr Evens requested that this item be brought back to the Audit Committee in July for a specific update. Mrs Duguid agreed to do this and confirmed that the full review of clinical governance would be reported to the Trust Board in June 2011. Mr Evens advised that he would mention this to the Trust Board at the March meeting when presenting the minutes.

The report was noted.

Action: Internal Audit Progress Report

1. WCH Car parking report: Mr. Bonner and Mrs McAdams to discuss the tabular data as it did not match the numerical data in the text.
2. NICE Guidelines: this report to be brought back to the July Audit Committee meeting for a specific update.
3. Mr Evens to bring to the attention of Trust Board members the issues relating to the accommodation provided by the Trust.
4. Mr Evens to inform Trust Board members on the issues relating to the no assurance given to the Trust in relation to the NICE Follow Up Internal Audit report

AC07/11 LOCAL COUNTER FRAUD PROGRESS REPORT (LCFS)

This item was discussed as part of minute point AC04a/11

AC08/11 ANY OTHER BUSINESS

a. **IT Business Continuity Plan (Documents relating to Audit Committee Action List AC27b/10)**

This item was removed from the agenda and it was agreed that Mr Thomas would be asked to attend the next meeting to update members. This action has been noted as part of matters arising.

b. **Audit Committee April Meeting – discussion of new date**

Mr Gardiner asked committee members to amend the date of the April meeting as it was felt to be too close to the year end accounts date of 21 April and the draft accounts would not be ready. The members discussed a new date for the meeting and it was agreed that Mrs Lynch would arrange a meeting date for week commencing 9 May and that the meeting would last 2 ½ hrs duration.

AC09/11 DATE, TIME AND PLACE OF NEXT MEETING

It was agreed that a pre meeting would be arranged for the end of April with the Non Executives, Company Secretary and Internal and External Audit to review key documents in detail, including

- Internal Audit Report.
- Draft Head of Internal Audit Opinion
- Outstanding Audit Recommendations

Next Audit Committee meeting to be arranged for week commencing 9 May – details to be confirmed.

AUDIT COMMITTEE ACTION LIST MEETING FEBRUARY 2011

DATE OF MEETING: 22/2/2011

ACTIONS OUTSTANDING

Minute Point Reference	Details of Action agreed	Action by whom	Timescale	Progress
December 2010				
AC72a/10	<p>Governance Update Report</p> <p>1. Mr Mulvey and Mr Day to update the Audit Committee at the end of the financial year of any issues arising from the finance committee and reporting to the Board.</p> <p>2. Following the recommendations from the Redfern report an update would be brought to a future Audit Committee on the local Mortuary audit/Pathology arrangements to give members assurance on this area</p>	<p>Alistair Mulvey/ Philip Day</p> <p>Ramona Duguid</p>	<p>Audit Committee Meeting May 2011</p> <p>September 2011</p>	<p>Complete – Agenda item May 2011</p>
AC72b/10	<p>Outstanding Audit Actions</p> <p>1. The Director of IM&T to give a report or attend the meeting in February to update on the red and amber actions in the IT Business continuity plan.</p>	<p>Alistair Mulvey</p>	<p>February 2011 meeting</p>	<p>Ongoing – Mr Thomas to be asked to attend the May meeting to verbally update members</p>
AC73a/10	<p>Bad debt – sponsorship not recovered</p> <p>Mr Gardiner to find out the details of the sponsorship payment that had been unrecoverable</p>	<p>Eric Gardiner</p>	<p>February 2011</p>	<p>Complete</p>

ACTIONS OUTSTANDING

Minute Point Reference	Details of Action agreed	Action by whom	Timescale	Progress
	and inform members.			
AC73b/10	Internal Audit arrangements Mr Mulvey to meet with the Non Executive Director members to discuss the Internal Audit Arrangements, with a report being produced for the April 2011 Audit Committee meeting	Jean Lynch		Ongoing – to be arranged for March Trust Board meeting date
AC75a/10	Internal Audit Progress Report 1. Mrs Duguid and Mrs McAdams to meet and discuss the detailing required for the summary reports that would be presented at future Audit Committee meetings. 2. The Clinical Audit internal audit report to be discussed at the February Audit Meeting as part of the Internal Audit Plan. 3. The Medical Director to be invited to attend the September Audit Committee meeting to update members on the progress of actions in relation to the Clinical Audit Internal Audit Report. 4. Mrs Duguid to discuss the area of limited assurance in relation to the Professional Registration Internal Audit report with the Director of Human Resources and report back to members before the next Audit Committee meeting.	Mrs Duguid/ Mrs McAdams Cheryl McAdams Jean Lynch Ramona Duguid	February 2011 February 2011 September 2011 February 2011	Outstanding To be arranged for September 2011 Ongoing Complete – Mrs Duguid had met with Director of HR and Deputy Director of HR and was assured that a lot of work had

ACTIONS OUTSTANDING

Minute Point Reference	Details of Action agreed	Action by whom	Timescale	Progress
	<p>5. In the absence of Mr Birtle, Mr Gardiner to ensure that actions relating to the Accounts Payable (Creditors) report were picked up and actioned.</p> <p>6. Financial Management and Budgetary Control: Mrs McAdams to remove the two recommendations that were showing not agreed previously and still not agreed</p>	<p>Eric Gardiner</p> <p>Mrs McAdams</p>	<p>Immediately</p> <p>Immediately</p>	<p>been done. This will be shown in the outstanding audit recommendations</p> <p>Complete</p> <p>Complete</p>
February 2011				
AC75a(1)/10	Mrs McAdams to send Committee members summary sheets for them to look at and feedback their comments	Cheryl McAdams	Immediately	Complete
AC03/11	Outstanding Audit Recommendations: Pre meeting to be arranged to look at this report in detail	Jean Lynch	April	
AC04/11	Action: Trust Whistleblowing Policy: Mrs McAdams to discuss with Human Resources to check whether the Trust still had a Whistleblowing policy or whether it had been integrated into another policy	Cheryl McAdams	May 2011	
AC04/11	Q3 Finance Paper			

ACTIONS OUTSTANDING

Minute Point Reference	Details of Action agreed	Action by whom	Timescale	Progress
	<ol style="list-style-type: none"> 1. Mrs McAdams to discuss with the security manager the loss of cash at the West Cumberland Hospital in relation to undertaking an audit looking at the procedures to ensure they are correct. 2. Mrs McAdams to discuss with Mr Gardiner the potential issuing of a section 29 notice to the overpaid staff member that the Trust had not been able to trace. 3. Mr Evens to inform Trust Board members of the overpayment to the staff member and the Audit Committee members concern regarding this. 4. Mr Evens informed members that the committee would not approve the write off of this bad debt and requested that the next Audit Committee should receive a report on further actions taken to recover the money and on remedial actions taken to prevent a recurrence. 	<p>Cheryl McAdams</p> <p>Cheryl McAdams</p> <p>Mark Evens</p> <p>Eric Gardiner</p>	<p>May 2011</p> <p>May 2011</p> <p>March 2011</p> <p>May 2011</p>	
AC04/11	<p>Annual Accounts Update</p> <p>External Audit to give an update on the work that had been done in relation to the preparation of the Annual Accounts</p>	Gina Martlew	May 2011	
AC04/11	2010/11 Valuation of Estate:			

ACTIONS OUTSTANDING

Minute Point Reference	Details of Action agreed	Action by whom	Timescale	Progress
	The West Cumberland Hospital project to be discussed in relation to the capitalising or impairment of the project at the next Audit Committee meeting	Eric Gardiner	May 2011	
AC06/11	Internal Audit Progress Report 1. WCH Car parking report: Mr. Bonner and Mrs McAdams to discuss the tabular data as it did not match the numerical data in the text. 2. NICE Guidelines: this report to be brought back to the July Audit Committee meeting for a specific update. 3. Mr Evens to bring to the attention of Trust Board members the issues relating to the accommodation provided by the Trust. 4. Mr Evens to inform Trust Board members on the issues relating to the no assurance given to the Trust in relation to the NICE Follow Up Internal Audit report	Mrs McAdams Mrs Duguid Mr Evens Mr Evens	May 2011 May 2011 March 2011 March 2011	