

North Cumbria University Hospitals



NHS Trust

**MINUTES OF THE AUDIT COMMITTEE HELD
ON TUESDAY 14 FEBRUARY 2012 AT 9.00AM
IN THE BOARDROOM, CUMBERLAND
INFIRMARY, CARLISLE**

- Present:** Mr M Evens, Non-Executive Director (Chair)
Mr M Bonner, Non-Executive Director
Ms J Cooke, Non-Executive Director
- In Attendance:** Mr A Mulvey, Director of Finance
Mr E Gardiner, Deputy Director of Finance
Mrs R Duguid, Acting Director of Governance/Company Secretary
Mrs C McAdams, Head of Internal Audit
Ms G Martlew, Audit Commission
Mr J Tollitt, Assistant Director of Finance
- Mrs J Lynch, Office Manager (minute taker)

AC06/12 WELCOME AND APOLOGIES FOR ABSENCE

Mr Evens welcomed everyone to the meeting.

Apologies for absence were received from Mr P Day, Ms J Bellard and Mr J Canglely.

AC07/12 MINUTES OF THE PREVIOUS MEETING

The minutes were agreed to be a correct record of the meeting.

AC08/12 MATTERS ARISING AND ACTION PLAN

Action Plan

AC83/11: Noted that this would need to reflect Northumbria Monitor requirements as an FT is slightly different. The Terms of Reference would need to be lined up in readiness for Monitor.

Matters Arising:

There were no matters arising

AC09/12 SAFETY AND SUITABILITY OF MEDICAL EQUIPMENT FOLLOW UP

Mr Davidson updated Audit Committee members on the Trust medical equipment following concerns raised in the Internal Audit Report of October 2011. The following key points were noted:

- Mr Davidson apologised to members as there were a couple of errors in the report provided to members to update them. On page 3 there were references to appendices and Mr Davidson asked members to ignore them as there were no appendices to the document.
- Considerable progress had been made since the report. Mr Darren Magee had been recruited on a fixed term contract to oversee the improvements and achieve efficiencies. Further interviews were due to be held the following day to recruit technicians and Mr Davidson was confident that they would be able to appoint to the vacant posts.
- Ms Cooke requested that Mr Davidson show members via a drawing how the various groups and committees interlinked with the appropriate reporting mechanism to show how assurance was given. Members discussed how the assurance required by the Trust following this internal audit report should be reported and it was agreed that the Governance Committee should oversee the assurance required by the Trust.
- Mr Davidson informed members that the Medical Devices Committee was still in the process of being formed. Representation on the committee had been sought but no meetings had taken place. Mr Evens expressed his concern that members had not been recruited onto the committee and felt that membership should be mandatory. Mrs Duguid informed members that the Audit Committee needed assurance as to the overall set up of the various committees and how overall they reported into the Health and Safety Committee on onwards to the Governance Committee. It was agreed that a report should be brought to the next Governance Committee mapping how the various committees interlinked, with their terms of reference and showing the reporting mechanism.
- Members agreed that it would be sensible to look at the outstanding audit recommendations in relation to medical equipment.
 - R1 – members agreed that this recommendation was outstanding and should be noted as red in the document as it was felt that that 5 months after the deadline date was too long for their not to be a committee. Mr Davidson informed members that it was felt appropriate to ensure the working group was set up and undertaking the work required, prior to the Medical Devices Committee starting.
 - R2- it was felt that this risk was complete and that it should be changed to green. Interserve had been commissioned to look at both hospital sites and the report from Interserve was being used by the working group to help them work through the issues. Mr Davidson reported that operatives were not allowed to allocate their own work now; all jobs were collated and handed out to operatives so the risk had been removed.
 - R3- Mr Davidson reported that this recommendation was on target. The information would be presented in the Estates section of the Performance Report going to the Trust Board in March and the

- recommendation could be reported as complete once that had happened.
- R4- It was noted that there was a typographical error as the update should show the date as March 2012 and not March 3012. Mr Davidson reported that all dockets were collated and the work handed out to operatives and that the risk had been removed. The recommendation to remain as partial until the action was confirmed as complete.
 - R6- Mr Davidson reported that the working group was working to ensure that this action would be completed by the end of March 2012. All the information on the databases was being transferred onto Bactraq and the working group was meeting every two weeks to progress this work. Ms Cooke asked if the working group had visited every area to which Mr Davidson informed members that the working group had visited each ward and department on both hospital sites and inventories had been produced. The working group was now revisiting each area to seek assurance of the equipment held in each area. Mr Evens questioned how the work undertaken was being measured and validated. Mrs Duguid told members that she felt a matrix of all the clinical areas showing the equipment in those areas and if in use/ not serviceable/lost would be very helpful for this recommendation. Members agreed that this would be helpful and requested that this information be provided to the Governance Committee in March, with the information broken down to divisional level.
 - R7- Mr Davidson reported that 2 policies had been approved at the Trust Policy Group in January and the next step would be to ensure they were embedded in the system. Mrs Duguid reported that she did not feel there was enough assurance in this recommendation to mark it complete. Mr Evens questioned the requirement to gain NHSLA Level 2. Mr Davidson reported that work was being progressed to ensure loan equipment was booked into the Trust through Medical Engineering and that representatives visiting the Trust had more of a control process. The Head of Medical Engineering and the Head of Procurement were meeting all external organisations in relation to loan equipment.
 - R8- Mr Davidson reported that work was progressing with the nursing fraternity but there was still concerns regarding the clinicians. Mrs Duguid requested that the asset owner issue be added to the matrix that would be presented to the Governance committee in March.
 - R9- It was noted that this recommendation was linked to recommendation 6 and would therefore be picked up as part of recommendation 6.
 - R10- Mrs Duguid asked for clarification in relation to the contract with Key Health Solutions. Mr Davidson reported that the contract was currently being progressed on a month by month basis but it was anticipated that it would finish at the end of March 2012, and that the new employees would start working with the Trust from April 2012. This recommendation would stay as partial/
 - R11- Mr Davidson reported that this recommendation was now complete. Mrs Duguid confirmed that this was correct but she had an issue in relation to the cover arrangements for the out of hours

- work but she would pick this up with Mr Davidson outside of this meeting forum.
- R12- Mr Davidson reported that the new policies gave generic rag rating for training and use of medical equipment. The Medical Devices working group was working through each area and defining rag ratings by area as it was felt a generic approach would not work due to the differences in the areas. Mrs Duguid requested that the rag rating information be added to the matrix.
 - R13- this recommendation would be picked up as part of recommendation 12.
- Mr Bonner questioned the issue relating to the multi parameter monitors in theatres on the CIC site. Mr Davidson reported that the monitors could only be maintained by OM Draeger on a best effort basis due to the age of the equipment. This had been raised with procurement and capital planning and work was progressing through the appropriate route to sort out this issue. Mr Evens expressed his concern in relation to patient safety but it was noted that the Trust did have spare monitors should any of the monitors fail so patient safety was not at risk. Mr Davidson further reported that the working group was assessing all medical equipment in the various departments and ward areas. Mrs Duguid reported that the risks had been added to the strategic risk register.

The report and verbal update were **noted**.

Action: Medical Equipment

1. Mr Davidson to produce a report for the March Governance Committee Meeting mapping how the various committees interlinked, with their terms of reference and showing the reporting mechanism. Mr Mulvey and Mrs Duguid to also work with Mr Davidson on this to give assurance to the Audit Committee members.
2. Mr Davidson to provide a matrix to the Governance Committee in March in relation to recommendation 6 showing the equipment in the clinical areas and if in use/ not serviceable/lost, with the information broken down to divisional level.
3. In relation to recommendation 8 the issue of the asset owner to be added to the matrix (action 2) and reported to the Governance Committee in March.
4. Mrs Duguid to discuss the issue of out of hours working (recommendation 11) with Mr Davidson outside of the Audit Committee meeting forum.
5. The rag rating information in relation to recommendation 12 to be added to the matrix being presented to the Governance Committee in March 2012.

AC10/12 OUTSTANDING AUDIT ACTIONS

Mrs Duguid updated members on the current position of the outstanding audit actions in relation to 2009/10, 2010/11 and 2011/12. The report showed that the Trust continued to make progress. The new process of the Acting Director of Governance and the Head of Internal Audit meeting to review the individual recommendations had continued and the last meeting had taken place in February 2012 when the outstanding audit actions report had been looked at in order to give assurance to the Audit Committee.

Members discussed the report and the outstanding audit actions in depth and the following key points were noted.

- Members noted that the report was continuing to improve. Mrs McAdam informed members that the Trust was comparable to other Trusts.
- It was noted that the Trust was still looking at actions from the financial year 2010/11 and that this needed to be rectified, although it was noted that progress was being made.
- Members noted that some of the update reports needed to be relooked at as it was felt that the update from the lead managers did not reflect the recommendation.
- Members noted the work that had been undertaken to produce the report in its current state and asked that their thanks be noted.
- Mrs McAdam and Mrs Duguid at the meeting they undertook to look at all the actions discussed and challenged where appropriate to ensure they were both assured with the information being reported to the Audit Committee members.

The report was **noted**.

AC11/12 GOVERNANCE IMPROVEMENT PLAN

Mrs Duguid presented the Governance Improvement Plan to committee members and updated them on the current progress. The key points were noted:

- The Trust has completed or will complete on target 59 out of the 66 recommendations
- 6 of the recommendations were forecasted to be amber at the end of quarter four.
- A final report on the implementation of the Governance Improvement Plan will be presented to the Trust Board in May 2012.
- A report would be submitted to the external stakeholders for information.
- Key areas would be agreed with internal audit for follow up audits against key areas in the plan during 2012/13.

Mr Bonner queried why the Clinical Audit recommendation currently stood at Amber when he felt the action had been completed. Members discussed this in depth and it was agreed that the action had been

completed as the recommendation had been fulfilled following the appointment to the role.

Mr Mulvey questioned recommendation 23 and the level of confidence in ensuring the recommendation would change from red to green at the end of quarter 4. Mrs Duguid informed members that a lot of work had been undertaken recently and she was assured that the recommendation would achieve green by quarter 4. Ms Cooke further questioned the confidence in achieving the required assuredness as she felt the recommendation should show amber rather than green at the present time. Mrs Duguid informed members that she had been assured that a process would be in place to ensure that all medical staff had the required training.

Ms Cooke requested further information relating to recommendation 14. Mrs Duguid reported that the action plan from the Francis Report was being reviewed by the Deputy Directors of Nursing and the required information would be presented to the Governance Committee by Quarter 4.

Mr Evens thanked Mrs Duguid for the report and members **noted** the progress that had been achieved.

AC12/12 QUALITY ACCOUNTS

Mrs Duguid updated committee members on the progress against delivering the Quality Account priorities for 2012/1.

Mrs Duguid informed members that the Trust Board had received a report in January informing them of the preparation of the Quality Account for 2012/13 and this report to the Audit Committee summarised the progress made to date against the delivery of the 2011/12 Quality Account priorities, including work which was due to be finalised in March 2012.

Mr Evens asked Mrs Martlew if External Audit was happy with the information in the document and if it covered their concerns. Mrs Martlew informed members that External Audit was happy as long as the Audit Committee Members were assured; Audit Committee members gave assurance that they were assured with the content of the document

Mr Bonner asked members to note that on page 8 of the report, section 2.3.3 in relation to dementia was actually a national target, and not just a local health economy priority.

The report was **noted**.

AC13/12 EXTERNAL AUDIT UPDATE REPORT

Ms Martlew presented the External Audit update report which informed members on the progress made in delivering the responsibilities as the Trusts' external auditors. Ms Martlew reported on the following key points:

- Medical equipment linked to assets in the balance sheet. Jim Tollitt informed members he would cross reference

- Page 3 of the report had an error in point 7. The question marks at the end of the sentence should be disregarded as they should not be in the report.
- The Trust would need to be assured in relation to PFI that the changes were properly checked and the restated accounts were correct. Mr Mulvey informed members that meetings had already taken place in relation to this aspect.
- In relation to 'Value for Money' the Project Management Office (PMO) were able to demonstrate what savings had been achieved and make more accurate projections.
- The Trust was still working with the Strategic Health Authority (SHA) in relation to strategic financial support requirements for 2011/12.
- With regard to the Trusts Quality Accounts 2011/12, the Audit Commission were expecting to receive regular reports from the Trust affirming where the Trust was in respect to each priority and process.
- Mr Mulvey asked Ms Martlew what the current position was in relation to the Audit Commission continuing to work for the Trust. Ms Martlew reported that the Audit Commission were due to find out the following week which organisation would take over the specific areas and it was expected that the work would be finalised in relation to Tupe of staff by 1 November 2012. Mr Mulvey reported that this may cause problems for the Trust due to the acquisition process the Trust was going through and this would have to be sorted once dates were finalised. Mr Evens asked if the Trust would have to present part year or full year accounts. Mr Mulvey reported that the accounts would have to be closed down and then re-opened and this may cause problems if the process the External Auditors were going through was not finalised.

The Report was **noted**.

AC14/12 PAYMENT BY RESULTS FOLLOW UP REPORT

Ms Martlew presented the Payment by Results data assurance framework follow up report and updated members on the current progress. The report contained the findings from the 3 audits undertaken and showed that some of the actions had not been finalised. Mr Mulvey reported that the Head of Information Management Trust was working on this. Mr Evens questioned how Trust would measure further progress and Mr Gardiner informed members that they could be added to the outstanding audit actions report.

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| Action: Payment by Results Follow up Report The actions from the report to be added to the outstanding audit actions report |
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AC15/12 INTERNAL AUDIT PROGRESS REPORT

Mrs McAdams reported to the Audit committee members on the progress and achievement of internal audit for the current year against the plan. The report also included summary audit reports, including action plans for members to discuss.

Mrs McAdams informed members that a number of the scheduled tasks had slipped but they were on target to be finalised within the scheduled dates.

Mr Bonner expressed his concern relating to Cash Bank and Treasury Management as he felt it was not an appropriate scope for this type of audit. Mr Gardiner informed members that the Trust was currently discussing this with Internal Audit

Mr Evens questioned if recommendation 1 in relation to the Accounts Payable internal audit summary report had been achieved. Mr Gardiner reported that it had been completed.

Mr Evens further questioned if all the audits on the audit plan monitor would be finalised within the scheduled date. Mrs McAdams reported to members that she envisaged all audits being undertaken within dateline.

Mr Evens asked for clarification on the delay in the Energy and Utilities Management Audit. Mrs McAdams informed members that there had been confusion and Internal Audit were awaiting project documentation from the Director of Estates and Facilities. This work was still ongoing and Mr Mulvey informed members it linked into the Carbon Management Plan and he would discuss this with Mrs McAdams outside of the Audit Committee meeting forum.

The report was **noted**

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| <p>Action: Internal Audit Progress Report Mr Mulvey and Mrs McAdams to discuss and take forward the delay in the Energy and Utilities Management Audit outside the Audit Committee meeting forum.</p> |
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AC16/12

REVIEW INTERNAL AUDIT CHARTER

Mrs McAdams informed members that the Annual review of the Internal Audit Charter should be reviewed annually and approved by the Board, following advice from the Audit Committee. Mrs McAdams had reviewed the charter; there were no changes proposed and recommended that the charter be formalised within the Trust as a policy document. Mr Bonner questioned the need for the document to be formalised as a policy. Mr Mulvey informed members that it could not be formalised because of the acquisition process the Trust was going through and that Internal Audit was reviewed every 5 years through an external process. Members discussed the implications of this and Mr Evens asked the members if they were happy with the outcome as agreed, in that it would not be reviewed as a Trust policy document due to the Acquisition process. Members stated that they were in agreement with this.

Mr Evens questioned the notice period in relation to the Internal Audit Contract and the effect the acquisition would have on this. Mr Mulvey informed members that there would be the requirement of 1 years notice and that transitional arrangements would be difficult. The Trust as part of the acquisition process would have to give notice to a variety of service

arrangements, with each one having different issues around them and Audit Committee members needed to be aware of this.

Members **approved** the report but agreed that it should not to go forward as a Trust Policy document.

AC17/12 LCFS PROGRESS REPORT

Mrs McAdam updated committee members on the progress of counter fraud activities completed against the approved workplan. The key points were noted:

- Awareness presentations continued within the Trust. It was noted that the presentations had resulted in increased contact with the Local Counter Fraud Service (LCFS) for advice on potential frauds. A survey had been sent out to help measure staff awareness of fraud and related issues. The results from this survey were being analysed for reporting and would be used in the planning for the following year's work.
- A total of 57 days from a plan of 63 days had been used so far.
- The National Fraud Initiative had been completed with only one outstanding item where information had been awaited from HMRC. A draft report had been issued to the Trust.
- Further work had been undertaken in relation to the previously reported fraud relating to supplier bank details change. The Trust had not been targeted and LCFS were working with Shared Business Services on relevant controls.
- LCFS were working on a current investigation relating to possible working whilst being off sick and this has progressed to a full investigation. Members were given more information verbally relating to this incident.

Mr Evens questioned publicly reporting incidents and the conclusions from the investigations of incidents. Mr Mulvey informed members that each investigation was specific and therefore a judgement call would have to be made in relation to each incident and if they could be presented publically. Mrs McAdams further informed members that there had been no direct large scale fraud incidents but national examples could be used if appropriate.

Mr Mulvey informed members briefly on the fraud investigation that had just been reported and verbally gave details of the incident that related to the purchase of licences that had not been received into the Trust.

Mr Bonner expressed his pleasure that the awareness sessions were increasing and that it was encouraging that staff within the Trust were using this forum to further seek advice on their concerns.

The report was **noted**.

AC18/12 **QUARTER 3 FINANCE REPORT**

Mr Gardiner updated member on the losses and special payments, bad debts and procurement waivers relating to quarter 3 2011/12. Mr Gardiner reported on the following key points:

- The ex gratia payment related to a private patient having had an MRI scan at the West Cumberland Hospital that could not be 'read' when the patient was seen at a hospital in Newcastle. The patient brought about a legal challenge for the cost of the scan plus interest and legal fees, which was estimated to be £1800 in total. The Trust agreed a settlement figure of £720 with the patient.
- The damage to property of £12,656.86 related to drugs that had been damaged or had expired and the cost related to the full financial year. Mr Bonner expressed his dislike of the wording 'damage to property' as he felt this was not suitable for the items relating to this title. Mr Gardiner informed members that this was standard heading and the wording had to be used.

Mr Bonner expressed his concern relating to the procurement waiver 008/1112 and the dependency aspect. Mr Gardiner informed members that this had been sorted now.

Mr Evens questioned procurement waiver 010/1112 in relation to the Trust the wording sole supplier as he felt this was not the correct wording to use in relation to procurement waivers. Mr Mulvey reported that the supplier was unique in relation to specific knowledge that was required for the role. Mr Mulvey agreed that the wording 'sole supplier' was incorrect and would have the procurement waiver form amended.

Members **noted** the report and **approved** the bad debts write off for quarter 3 2011/12.

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| Action: Quarter 3 Finance Report The procurement waiver 010/1112 to be amended by the replacement of the wording 'sole supplier' |
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AC19/12 **ACCOUNTING POLICIES**

Mr Gardiner outlined the proposed changes to the draft proforma accounts to reflect the accounting practices of the Trust. Members noted that the report had been presented in mark up so that they could see the changes made to the document.

The report showed where the Trust had departed from the proforma accounts note 1 for reasons other than deletion of sections not relevant to the Trust. Mr Gardiner updated members on the changes listed in the document.

Mr Evens expressed his concern relating to the deleted section on page 7 of the report regarding large assets. Mr Tollitt informed members that the information related to how DTZ valued the estate. Mr Evens requested

that the line that had been deleted remain in the report but an additional sentence is included to give an explanation.

Mr Gardiner informed members that the Trust was having weekly discussions with HMC in relation to the PFI lifecycle costs. This information had already been shared with external audit and it was hoped that this action would be finalised within the following two weeks. Mr Evens asked Ms Martlew if external audit were happy with the work the Trust was doing to sort this issue. Ms Martlew informed members that she was aware that this had been raised as an issue that was still being addressed.

Mr Evens asked for clarification in relation to section 1.10 on page 10 of the report as he felt the information in relation to donated assets was the opposite to the information he had read from the Treasury document. Members discussed this in depth and asked Ms Martlew for her opinion in relation to this aspect. Ms Martlew informed members that in relation to donated assets she was uncertain but would look into this and feedback to members

Mr Evens referred to IAS20 and SIC10 documentation that he had with him and informed members that SIC10 said that, even if no conditions were attached to donated assets or grants, IAS20 still applied and the grants would be deferred and depreciated, which was the opposite of the statement in the accounting policies. Mr Evens further stated that he would look into this with the Finance Department and inform members of the outcome of the discussion.

Mr Bonner thanked Mr Gardiner and Mr Tollitt for a good quality document and that he approved the layout whereby members could see the areas that had been amended.

The report was **noted**.

Action: Draft Accounting Policies:

1. The deleted sentence relating to large assets on page 7 of the report to remain in the report with an additional sentence being included to give an explanation.
2. Ms Martlew to feedback Audit Committee members the Audit Commission information relating to donated assets.
3. Mr Evens to look into the issue relating to Donated Assets and the use of IAS20 and SIC 10 with Finance Committee members and report back to The Audit Committee.

AC20/12

AUDIT COMMITTEE TERMS OF REFERENCE

Mr Mulvey presented the revised terms of reference for the Audit Committee to discuss and asked members to note that the report had been produced to show the changes. Mr Mulvey reported that the prominent change had been to the financial reporting aspect but other amendments had been made to give depth to the document. Members

discussed the document in detail and noted that the following changes were required:

- The wording in the terms of reference needed to reflect the Audit Committee handbook.
- Ms Cooke requested that the Audit Committee be cross referenced with the Finance Committee but this was not formally agreed.
- The quoracy of the membership to be amended to two Non Executive Directors.
- The attendance requirements to be included in the terms of reference.
- Section 3.4 to be removed from the document
- The yearly meeting with Non Executive Directors and internal and external audit representatives to be included in the terms of reference.

Members agreed that Mrs Duguid and Mr Mulvey should relook at the terms of reference document with the aim of sending the amended document to members to look at prior to the next audit committee meeting.

Members further agreed that the yearly meeting with internal and external audit should be arranged before or after the audit committee meeting in May.

The report was **noted**.

Action: Terms of Reference

1. Mr Mulvey and Mrs Duguid to relook at the terms of reference document to amend it following discussion held at the Audit Committee meeting. The amended document to be sent to Audit Committee members prior to the meeting in May
2. The yearly meeting with audit committee members and internal/external audit representatives to be arranged before or after the audit committee meeting in May

AC21/12 WASTE MANAGEMENT CORRECTION BRIEFING NOTE

The Head of Internal Audit informed members that a recent Health and Safety Committee meeting had identified that the Waste Management audit report had not included any information on the procedures relating to the management of radioactive waste. From a quality control perspective it was felt necessary to redress this. Following a discussion with the Head of Medical Physics assurance was given that the Trust was provided with assurance on the management of radioactive waste from an external independent source.

Mr Bonner questioned where the information reported into from a Trust perspective. The Director of Finance/Deputy Chief Executive reported that the information was reported to the Governance Committee. The Director of Finance further reported that the Trust Radiation Committee had met the previous week, and that it would continue to meet every 3 months for the next year to ensure that all Trust business was covered.

The Acting Director of Governance informed members that she had 2 items to discuss in relation to the audit recommendations report in the outstanding audit actions but she would hold the discussions outside of the Audit Committee meeting

Ms Cooke enquired as to whom the Trusts' advisors were in relation to radiation and was informed that they were Mr Jim Methven and Mr Ian Belton.

Mr Evens reported to members that he felt the original scope of the audit should have included this aspect. The Head of Internal Audit informed members that it had been included for future audits.

The report was **noted**.

AC22/12 ANY OTHER URGENT BUSINESS

Members discussed the Governance Committee meeting in March and the actions going forward to that meeting regarding the Medical Equipment internal audit report following discussion at the audit committee meeting. It was felt appropriate that Mr Evens as Chairman of the Audit Committee should attend the March Governance Committee meeting to feedback assurance to the Audit Committee members .

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| Action: Mr Evens to attend the Governance Committee Meeting in March in relation to the actions passed to the Governance Committee from the discussion held regarding the Medical Equipment internal audit report. Mr Evens to feedback assurance to the Audit Committee members. |
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AC23/12 DATE AND TIME OF NEXT MEETING

The next meeting will take place on Tuesday 29 May 2012 at 9am in the Boardroom, Cumberland Infirmary, Carlisle.

AUDIT COMMITTEE ACTION LIST MEETING NOVEMBER 2011

| Minute Point Reference | Details of Action agreed | Action by whom | Timescale | Progress |
|------------------------|---|----------------|---------------|---|
| SEPTEMBER 2011 | | | | |
| AC59/11 | Procurement Update: a. Mr Butcher to be invited to attend the Audit Committee to further update members on the procurement work being undertaken | Jean Lynch | May 2012 | |
| AC61/11 | Update on Nice Guidelines: Internal Audit to revisit this area at the end of the year and look at what progress has been achieved | Cheryl McAdams | May 2012 | Complete – picked up as part of Internal Audit Report |
| AC66/11 | Feedback from Audit Committee Survey: a. Any member who feels they have any issues or are lacking in any area relating to their being a member of the Audit Committee, should discuss this with Mr Mark Evens. | All | February 2012 | Complete |

| NOVEMBER 2011 | | | | |
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| AC79/11 | Pathology/Mortuary Update: A sentence giving assurance on the Trust compliance in relation to pathology/mortuary service to be added to the Statement of Internal Control | Ramona Duguid | March 2012 Revised Date May 2012 | |
| AC83/11 | Changes to the Audit Committee Handbook: Mrs McAdams and Mrs Duguid to meet to look at the Assurance Framework in relation to the Trust core business and milestones and how the Audit Committee could progress this. A proposal to be brought back to the February Audit Committee meeting. | Cheryl McAdams/ Ramona Duguid | February 2012 Revised Date May 2012 | Ongoing – work progressing on this and report to be presented at May 2012 meeting |
| AC86/11 | Audit Plan Any PFI issues to be discussed between finance and external audit prior to the February meeting, so that if necessary they can be discussed further at the February Audit Committee meeting. | External Audit/Finance staff | February 2012 | Complete – picked up as part of the Accounting Policies Report |
| AC88/11 | Internal Audit Update Report b. Internal Audit Summary reports to be sent out to all members in January, to allow them to read them before the February meeting, as it is anticipated there will be a lot of reports. | Cheryl McAdams | January 2012 | Complete. The reports were not sent out as it had been anticipated that there would be a lot more reports. The reports were sent out as part of the final report for the meeting |
| AC90/11 | Quarter 2 Finance Report. Mr Mulvey to discuss with Mr Glendinning the benchmarking of our own Trust against other trusts in relation to the writing off of drugs. | Alistair Mulvey | February 2012 | Ongoing - Mr Glendinning has stated that this work is ongoing and he will send a report to the May Audit Committee Meeting |

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| AC91/11 | Passive approval of low value invoices: Discussion on this item to be reconvened when Internal Audit have considered and assuredness checked the control mechanisms | Cheryl McAdams | February 2012 | Complete – the work is currently not in the audit plan but will be added to the Audit Plan |
| FEBRUARY 2012 | | | | |
| AC09/12 | <p>Medical Equipment</p> <ol style="list-style-type: none"> 1. Mr Davidson to produce a report for the March Governance Committee Meeting mapping how the various committees interlinked, with their terms of reference and showing the reporting mechanism. Mr Mulvey and Mrs Duguid to also work with Mr Davidson on this to give assurance to the Audit Committee members. 2. Mr Davidson to provide a matrix to the Governance Committee in March in relation to recommendation 6 showing the equipment in the clinical areas and if in use/ not serviceable/lost, with the information broken down to divisional level. 3. In relation to recommendation 8 the issue of the asset owner to be added to the matrix (action 2) and reported to the Governance Committee in March. 4. Mrs Duguid to discuss the issue of out of hours working (recommendation 11) with Mr Davidson outside of the Audit Committee meeting forum. 5. The rag rating information in relation to recommendation 12 to be added to the matrix being presented to the Governance Committee in March 2012. | <p>Alan Davidson</p> <p>Alan Davidson</p> <p>Alan Davidson</p> <p>Ramona Duguid</p> <p>Alan Davidson</p> | <p>Governance Meeting March 2012</p> <p>Governance Meeting March 2012</p> <p>Governance Meeting March 2012</p> <p>May 2012</p> <p>Governance Meeting March 2012</p> | |

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| AC14/12 | Payment by Results Follow up Report: The actions from the report to be added to the outstanding audit actions report | Eric Gardiner/ Jean Lynch | May 2012 | |
| AC15/12 | Internal Audit Progress Report: Mr Mulvey and Mrs McAdams to discuss and take forward the delay in the Energy and Utilities Management Audit outside the Audit Committee meeting forum. | Alistair Mulvey/ Cheryl McAdams | May 2012 | |
| AC18/12 | Quarter 3 Finance Report The procurement waiver 010/1112 to be amended by the replacement of the wording 'sole supplier' | Eric Gardiner | May 2012 | |
| AC19/12 | Draft Accounting Policies: 1. The deleted sentence relating to large assets on page 7 of the report to remain in the report with an additional sentence being included to give an explanation. 2. Ms Martlew to feedback Audit Committee members the Audit Commission information relating to donated assets. 3. Mr Evens to look into the issue relating to Donated Assets and the use of IAS20 and SIC 10 with Finance Committee members and report back to The Audit Committee. | Jim Tollitt Gina Martlew Mark Evens/Jim Tollitt | May 2012 May 2012 May 2012 | Complete – Ms Martlew sent information by email 29 Feb 2012 |

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| AC20/12 | <p>Terms of Reference</p> <ol style="list-style-type: none">1. Mr Mulvey and Mrs Duguid to relook at the terms of reference document to amend it following discussion held at the Audit Committee meeting. The amended document to be sent to Audit Committee members prior to the meeting in May2. The yearly meeting with audit committee members and internal/external audit representatives to be arranged before or after the audit committee meeting in May | Alistair Mulvey/ Ramona Duguid Jean Lynch | May 2012 May 2012 | |
| AC22/12 | Mr Evens to attend the Governance Committee Meeting in March in relation to the actions passed to the Governance Committee from the discussion held regarding the Medical Equipment internal audit report. Mr Evens to feedback assurance to the Audit Committee members. | Mark Evens | May 2012 | |