### Purpose

To provide an update on the key issues discussed at the Audit Committee held on 14 February 2013.

### Background

The report is prepared to inform the Trust Board on the salient issues discussed and agreed at the Audit Committee.

### Business Undertaken

1.1 The Audit Committee received the following standing reports:

- Salary Overpayments: the Committee noted that the instances of salary overpayments were 64 for the year to date, and discussed including a wider range of staff in training to ensure awareness of payroll procedures was re-enforced.
- Debtor and creditor analysis: the Committee reviewed the report and noted that a number of on-going issues had been resolved.
- Waivers and Breaches of Standing Orders: the Committee noted the number of breaches in the quarter

1.2 The Local Counter Fraud Specialist (LCFS) took the Committee through the 2012/13 Counter Fraud Interim Report and highlighted work carried out to date. Assurance was given that the work plan will be completed by the end of the year. Additionally, the Committee reviewed the Counter Fraud Work Plan for 2013/14 and approved this.

1.3 The Committee discussed Declarations of Interest following an example of issues relating to a prosthesis tender. The process for the collection of Declarations of Interest information for 2013 was noted.

1.4 An update was provided on the actions following the Private Patient internal audit carried out in 2012. This included a draft Private Patient policy which will be subject to wider consultation.
1.5 Following the paper to the December 2012 Committee on auto-enrolment, an update on actions taken since was given, in addition to an overview of the work being undertaken to prepare for Real Time Information, whereby Payroll will be required to provide monthly information to HMRC.

1.6 The Committee completed Self-Assessment returns at the end of 2012 and a report was presented with the results. Areas where there were differences of opinion were debated and actions to enhance processes around the Committee were agreed.

1.7 One key area discussed as part of the Self-Assessment was whether the Audit Committee should meet six times a year or four times. The Committee agreed that it could conduct all necessary business across the meetings it currently has scheduled and therefore would continue to have four meetings per year.

1.8 An overview of the Year-End Planning for 2012/13 was presented and reviewed. It was noted that there were no significant changes to accounting policies which would affect the Trust at year end. The Notes to the Accounts were approved by the Committee.

1.9 Risk Management. The Complaints and Litigation Manager and the Director of Nursing provided an update on risk management, including embedding risk management within each division, the Trust’s DATIX system and attendance at key meetings to ensure risks are reviewed at the appropriate level.

1.10 The QIPP Programme. The Three Year QIPP Programme was discussed following a presentation by the Interim Head of Programme Management Office. This included highlighting areas such as governance around the projects, the challenges and risks, and how information is reported on these.

1.11 Internal Audit presented a progress report and highlighted the Internal Audits undertaken in 2012/13. The Committee discussed the Board Planning and Forecasting, Information Governance and Equality Delivery Systems audits. Additionally, a draft plan for 2013-14 was presented. There will be wider consultation at Clinical Governance Committee, Non-Clinical Governance Committee and Executive Team before final approval.

1.12 External Audit presented the two Audit Plans for the 2012/13 yearend; one for the Trust and one if the Foundation Trust status is achieved on 1 March. The different requirements for Trust and Foundation Trust accounts were highlighted.

1.13 The Audit Recommendations Tracker and the Inter-assurance committee update were noted.
Key Risks and their impact on the Organisation
No new risks were identified.

Key Decisions
The Committee:
- Reviewed and approved the Local Counter Fraud Plan for 2013/14;
- Reviewed and approved the Notes to the Accounts;
- Agreed that it should continue to have four meetings per year.

Exceptions and Challenges
No other issues.

Governance and Other Business
No other issues.

Future Business
In line with the Committee’s work plan.

Recommendations
The Trust Board is asked to note the report.