



Public Trust Board Meeting		26 March 2013	
TITLE of PAPER		Audit Committee Report	PAPER REF 7.3
PURPOSE OF THE PAPER		To inform the Trust Board regarding the activities of the Audit Committee and provide assurance	
For Approval	<input type="checkbox"/>	For Assurance	X
For Decision	<input type="checkbox"/>	Discussion/Information	X
AUTHOR / LEAD	Barrie Senior, Chairman of the Audit Committee	ACCOUNTABLE EXECUTIVE DIRECTOR	Rod Barnes, Director of Finance & Performance
PREVIOUSLY CONSIDERED BY	Audit Committee members		
RECOMMENDATION	The Trust Board derives adequate assurance regarding the activities of the Audit Committee.		
RISK ASSESSMENT			Yes No
Corporate Risk Register and/or Board Assurance Framework amended <i>If 'Yes' – expand in Section 4. / attached paper</i>			<input type="checkbox"/> X
Resource Implications (Financial, Workforce, other - specify) <i>If 'Yes' – expand in Section 2. / attached paper</i>			<input type="checkbox"/> X
Legal implications/Regulatory requirements <i>If 'Yes' – expand in Section 2. / attached paper</i>			<input type="checkbox"/> X
Quality and Diversity Implications <i>If 'Yes' – please attach to the back of this paper</i>			<input type="checkbox"/> X
ASSURANCE/COMPLIANCE			
Care Quality Commission Registration Outcome(s)		N/a	
NHSLA Risk Management Standards for Ambulance Trusts		N/a	

1. PURPOSE/AIM

- 1.1 The aim of this paper is to provide the Trust Board with an update on the activities of the Audit Committee since the Trust Board Meeting in Public on 29 January 2013, and to provide assurance that the Committee is complying with its purpose as set out in its terms of reference.

2. BACKGROUND/CONTEXT

- 2.1 Since 29 January 2013 the Audit Committee has met on 12 February 2013, in accordance with the Committee's annual workplan.

At the 12 February meeting the draft minutes of the Audit Committee meeting held on 21 November 2012 were accepted as a true record of that meeting. The key matters arising in the November 2012 Audit Committee meeting were reported to the 29 January Trust Board meeting.

- 2.2 This report:

- presents the approved minutes of the 21 November 2012 Audit Committee meeting, attached as an appendix
- summarises the key matters arising during the 12 February Audit Committee meeting (the draft minutes of which will be considered by the Audit Committee at its 18 April 2013 meeting).

- 2.3 Key matters arising at the 12 February Audit Committee meeting.

- The Committee received and considered the latest version of the Board Assurance Framework and derived assurance regarding the effective management of key risks relating to the Trust's strategic objectives.
- The Chairman of the Finance & Investment Committee reported by reference to the newly adopted revised terms of reference of that Committee, providing assurance to the Audit Committee regarding the effective management of financial risks.
- The Executive Director of Standards & Compliance, on behalf of the Chairman of the Quality Committee, reported by reference to the newly adopted revised terms of reference of that Committee, providing assurance to the Audit Committee regarding the effective management of quality risks.
- The Audit Committee noted the opportunity and intention to further streamline reporting by the Finance & Investment Committee and the Quality Committee to the Audit Committee.
- The Executive Director of Standards & Compliance, as part of the cyclical programme of reports by Executive Directors to the Audit Committee, provided a Committee Assurance Report with regard to the Standards & Compliance Directorate, providing the Committee with renewed assurance.

- A Committee Assurance Report regarding Business Continuity Management Exercising & Testing Programme was considered by the Audit Committee. The Committee was insufficiently assured by the report and requested an updated report and presentation at the April Audit Committee meeting.

- Assurance was received that planning relating to:

- Final accounts timetable 2012/13
- Budget timetable 2013/14
- Annual Report timetable 2012/13
- Quality Accounts timetable 2012/13

remains on track.

- The draft Planning Report from Deloitte, our External Auditor, was considered and noted.

- Our Internal Auditors provided:

- Updates regarding the four audits completed in accordance with the 2012/13 Internal Audit Plan since the previous Audit Committee meeting.

‘Significant assurance’ ratings were given in respect of Statutory & Mandatory Training Strategy, Recruitment Arrangements and Information Governance Toolkit.

A ‘limited assurance’ rating was given in respect of Clinical Audit. The Committee received assurances that the audit findings were being addressed, and would be explained in a presentation to the April Audit Committee meeting.

- An update with regard to the preparation of the 2013/14 Internal Audit Plan, which will be presented for scrutiny and approval at the April Audit Committee meeting, following its prior approval by the Trust’s Executive Directors. The new Internal Audit Plan will provide enhanced assurance that all aspects of the Trust are, on a risk prioritised basis, subject to appropriate audit scrutiny at the appropriate time.
- An update regarding recent counter fraud work. A report was requested to be presented to the April Audit Committee meeting providing assurance regarding the completeness and effectiveness of the Trust’s fraud prevention arrangements.
- An update was provided regarding obtaining assurance as to the reliability of the process by which the Trust’s monthly Integrated Performance Report is compiled. The results of an Internal Audit Review are awaited, whereupon a further, more detailed review may be instigated.

- It was agreed that the Executive Director of Finance & Performance, the Chairman of the Finance & Investment Committee and the Chairman of the Audit Committee would meet to review the processes relating to contract awards and Standing Financial Instruction Waivers to determine whether the processes could be made more robust.

3. PROPOSALS/NEXT STEPS

- 3.1 Proposals and next steps are as above, and as are embedded in the draft minutes of, and the updated Action Log emanating from, the 12 February Audit Committee meeting.

4. RISK ASSESSMENT

- 4.1 Not applicable

5 RECOMMENDATIONS

It is recommended that the Board:

- Notes the content of this report and the appendix, and
- Derives adequate assurance regarding the activities of the Audit Committee and the assurance that it provides.

6. APPENDICES/BACKGROUND INFORMATION

One appendix is attached to this report:

- Approved minutes of the Audit Committee meeting held on 21 November 2012