



Trust Board Meeting		21 May 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 26 March 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 26 March 2013 the Audit Committee has met on 18 April 2013, in accordance with the Committee's annual workplan.

At the 18 April meeting the draft minutes of the Audit Committee meeting held on 12 February 2013 were accepted as a true record of that meeting. The key matters arising in the February 2013 Audit Committee meeting were reported to the 26 March 2013 Trust Board meeting.

- 2.2 This report:

- presents the approved minutes of the 12 February 2013 Audit Committee meeting, attached as an appendix
- summarises the key matters arising during the 18 April Audit Committee meeting (the draft minutes of which will be considered by the Audit Committee at its next meeting, on 4 June).

- 2.3 Key matters arising at the 18 April 2013 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 provided updated assurance to the Audit Committee regarding the effective management of financial risks.
- The Chairman of the Quality Committee provided updated 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 Executive Management, the Finance & Investment Committee and the Quality Committee to the Audit Committee.
- The Executive Medical Director presented and elaborated on a paper providing assurance to the Audit Committee regarding the Trust's Clinical Governance, Clinical Risk Management and Clinical Audit procedures. It was agreed that this could usefully be augmented by a further presentation and consideration at a Board Development Meeting.

- The Associate Director, Resilience presented and elaborated on a paper providing assurance to the Audit Committee regarding the Trust's Business Continuity Exercising & Testing procedures. It was agreed that this could usefully be augmented by a further presentation, covering the entirety of Business Continuity Management, at a Board Development 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 External Audit Update Report from Deloitte, our External Auditor, confirming that the year end audit remained on track was considered and noted.
- Our Internal Auditors provided:
 - A preliminary end-of-year report, confirming that:
 - planned audit fieldwork was 97% completed
 - the Internal Audit Opinion for the year covered 20 audit reviews, and that significant assurance could be given that there was a generally sound system of internal control
 - the rate at which internal audit recommendations are being addressed by Trust management was improving, and heading towards the normally expected level
 - counter fraud activity planned for 2012/13 was fully completed.
 - An updated Internal Audit Charter, reflecting the new Public Sector Internal Audit Standards and taking account of a generally favourable independent peer review of our Internal Audit team, but not constituting material change.
 - An update with regard to the preparation of a detailed internal audit needs assessment and a three year internal audit plan which, subject to TEG and then Audit Committee approval, will represent a significant increase in audit activity, leading to enhanced assurance and added value from Internal Audit.

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 18 April 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 12 February 2013

Barrie A Senior FCA

Chairman – Audit Committee