

Minutes of a Meeting of the AWP NHS Audit and Risk Committee

Held on 21 April 2015 at 3.00pm in Conference Room 3, Jenner House, Langley Park, Chippenham, Wiltshire, SN15 1GG

These Minutes are presented for **Approval**

Members Present

Tony McNiff – Non-Executive Director
(Chair)

Peaches Golding – Non-Executive Director

Members of staff in attendance

Emma Roberts – Company Secretary

Hayley Richards – Executive Medical
Director

Kristin Dominy – Executive Director of
Operations

Sue Hall – Director of Resources

Helen Chivers – Head of Exchequer

Kevin Henderson – External Audit, Grant
Thornton

David Taylor – Internal Audit, Baker Tilly

Vicky Gould – Internal Audit, Baker Tilly

Nick Atkinson – Internal Audit, Baker Tilly

Barry Eadle – Counter Fraud Specialist, TIAA

AR/14/090 – Declaration Of Members' Interests

1. In accordance with AWP Standing Orders (s7.1) members present were asked to declare any conflicts of interest with items on the Audit and Risk Committee meeting agenda.

No interests were declared.

AR/14/091 – Apologies

1. No apologies were received.

AR/14/092 – Minutes/Summary of the Meeting on 9 January 2015

1. The minutes of the previous meeting held on 9 January 2015 were approved and taken as accurate, subject to the amendments outlined below:

Page 6, paragraph 2 – the tense of the paragraph needed to be changed, to reflect the fact that the report was ongoing and was not part of the future plan.

AR/14/093 – Matters Arising

1. Losses and Compensation Payments – this item will be addressed at a future meeting.
2. Medicines Management – HR stated that she had personally reviewed the implementation of recommendations, which have now been incorporated within the CQC action plans. In future, only one name will be assigned to each item. Actions will be translated across to locality patient safety development plans.
3. Asset Management – JR will review this item in advance of the next meeting.

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4. Trust-wide Risk Register – it was confirmed that the associated actions are complete.
5. Quality Improvement Visits – HR stated that the policy would be clarified. She confirmed that both announced and unannounced visits took place.
6. Secure Services Risk Register – HR advised that the Seclusion Policy has been reviewed through the Violence Reduction Group and will be further reviewed in light of a reissued Code of Practice with increased guidance on long-term segregation. The particular case had been subject to independent scrutiny, which would have brought the Trust in line with the new Code of Practice. The Chair requested that an update on the policy review and any changes be brought to the next meeting. KD stated that she and HR had undertaken an unannounced night visit to Fromeside and viewed the documentation for the individual concerned. The Service User has now been transferred to Broadmoor.
7. Update to Finance & Planning Committee on additional funding – the Chair requested an update in advance of the next meeting. PRS undertook to circulate a briefing on this matter.
8. Management responses to Internal Audit reports – the Chair noted that this is a standard instruction; no specific action has yet been required.
9. Internal Audit review process – KW clarified that reports, not debriefs, should be provided within one month. The Chair noted that this is a standard instruction and does not need to be carried forward.
10. Agresso back-up – JR confirmed that business continuity measures have been implemented.

AR/14/094 – Trust-wide Risk Register

1. ER confirmed that the latest version of the Trust-wide risk register was presented to the Board in January 2015, having been divided into corporate and strategic risks.
2. On TW14, the Chair expressed surprise that target risk was equal to current risk. ER advised that the next monthly iteration was due for consideration by the Executive Team the following day. The risk rating would likely reduce, given the mitigation undertaken.
3. On TW8, KH noted that the target score was higher than the current score. ER stated that she would communicate these comments to the Director of Nursing. **ACTION: AM**
4. KD proposed merging TW7 and TW14. **ACTION: Executive Team**
5. The Committee resolved to **note** the report.

AR/14/095 – Clinical Executive Risk Register

1. HR presented the Clinical Executive Risk Register to the Committee.
2. Discussing risk CE2, HR outlined that the Director of Nursing had completed a review of the Impact Policy, with a view to creating a unified impact template. Further control is provided through regular updates to the Quality and Standards Committee, and it has been determined that quality impact assessments should also be taken through the Quality Board. HR proposed to remove the risk once this process is established. The Committee expressed approval.
3. HR undertook to provide clarity on the status of risk CE3 in advance of the next meeting.
4. On CE4, HR updated that, in response to the CQC's identification of ligature points across the estate, immediate Manchester Tool assessments had been undertaken on all sites and

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increased training implemented for staff. Oversight of the issue is now in the remit of the Director of Nursing. The sustained focus on ligature risk represents a mitigation, but the score remains high given the potential severity of the outcome. Workshops are being led by an external expert, including providing new guidance to staff on handling of harmful items. A door-top alarm is being trialled at Teign Ward, Fromeside. HR advised that an audit of compliance with Trust standards will be undertaken in February 2015.

5. The Chair asked whether a comment on ligature points is positively required as part of the new inspection routine. HR confirmed that quality walkarounds are specifically geared to generate such inquiries. KD noted that the CQC's feedback in December 2014 had described a good awareness of responsibilities with regard to ligatures.
6. The Chair highlighted the difficulty of reducing the risk severity to 2 and suggested that this be reviewed.
7. PG sought to confirm that evidence is being collected to document changes in both physical environment and practice. KD responded that it is; the emphasis is on demonstrating the outcomes of mitigation, including improved levels of awareness.
8. On CE5, HR outlined that, from March, IQ will reflect the five CQC domains. The planned standards set by the Quality Board will enable further risk reduction, as will early feedback from quality walkarounds and Week in Focus. HR foresaw that the risk will be sufficiently mitigated by the end of Q1.
9. The Chair highlighted the need for the governance framework to coordinate the various checks and to pinpoint failures within the process. ER stated that the Head of Corporate Governance had been tasked with mapping this interconnectivity. The Chair recommended that consideration be given to a greater formalisation of the process and accountability.
10. HR updated that the electronic patient record (EPR), OpenRiO, had been procured, and work was beginning on installation. She explained that she had closed risk CE7 and reopened CE13, given potentially significant timeline changes for transfer to OpenRiO and consequent implications for system continuity risk. The transfer date will be moved back from 28 June 2015 by between six and nine weeks, potentially to early September, while the national contract will finish at the end of October. Servelec has been granted a 60-day extension, but previous experience suggests a longer timescale could be required.
11. The Chair inquired as to the implications on the ground if this is not completed by 31 October 2015. HR stated that the EPR support from BT will end at this point. However, AWP are further ahead in the process than many other trusts and it is inconceivable that all will be left without an EPR. An option exists to continue the contract on a monthly-fee basis, though BT cannot yet provide costs. The Chair asked whether penalty clauses for Servelec could be linked to these costs. HR replied that this is being explored.
12. The Chair queried whether the item should be included on the Trust-wide risk register. HR confirmed that it was to be escalated in month.
13. PG asked what system is in place to ensure data security. HR detailed that data will be provided by BT to the Trust on termination of the contract.
14. The Chair requested that assurance be sought from the Finance and Planning Committee as to contingency measures, given the seriousness of the risk. **ACTION: HR**
15. Discussing risk CE8, HR outlined the work underway to ensure sharing of information on standards of quality governance across teams. The locality's performance, including on

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information governance, is reviewed quarterly during the LDU Triumvirate Review. Feedback is awaited from the Nursing, Quality and Information Governance deep-dive risk assessments.

16. On CE9, HR stated that assessments of Pharmacy are coming to a conclusion and proposals will be presented to Pharmacy staff and the Board. A consultation will be held to 'unbundle' Pharmacy functions into a Chief Pharmacist, Standards and Governance remit and a devolved operational delivery remit.
17. PG asked whether the Pharmacy CIP relates to this work. HR confirmed that there is no ambition to reduce the number of pharmacists. The Pharmacy CIP focuses on better use of medicines and procurement.
18. On CE10, HR observed that the warning notices have been lifted. Planned controls include work with CCGs and on the acute care pathway. HR proposed to revise the mitigated scores down to 8. The Committee expressed approval.
19. In relation to risk CE11, HR highlighted that no improvement has been demonstrated in recruitment and retention. In addition to the planned controls, the refer-a-friend option and financial incentive had been implemented.
20. The Chair asked about overseas recruitment. KD confirmed that this is being investigated. The Chair highlighted that the actual and mitigated risks had the same score.
21. On CE12, HR noted that THE Trust remains an outlier on TDA reporting for number of falls, so the score is unchanged. Further work includes a quality improvement group working on Laurel Ward and reissued guidance on recording falls.

AR/14/096 – Board Assurance Framework

1. ER confirmed that the latest version of the Board Assurance Framework was presented to the Board in January. The Chair commended the successful triangulation of the framework with the Trust-wide risk register and remarked that it is essential reading.
2. ER noted that KD had required Clinical Directors to focus on the development of locality assurance frameworks, and suggested that it might be valuable for these to be presented to the Committee in future. The Chair felt that this oversight should remain at Executive level.
3. DT noted that inherent risks were not incorporated in the Board Assurance Framework, which detracted from its value as a standalone document.
4. The Committee resolved to **note** the report.

AR/14/097 – Risk Management Strategy

1. ER set out the minor changes that had been made to the Risk Management Strategy.
2. PG questioned whether the document reflected the appropriate level of urgency.
3. ER outlined that there were key sections within the strategy, including risk appetite. She agreed that the risk appetite section could be improved. It was confirmed that there was a low risk appetite. The Chair agreed, and suggested that the risk appetite be reviewed. He said that the current risk appetite was too moderate in terms of the business development of the organisation. ER noted that the risk position was more than a year old. She agreed that the narrative and the position could be reviewed. ER suggested that the issue be referred back to Board. **ACTION: ER**

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4. The Committee resolved not to approve the strategy at this time.

AR/14/098 – Risk Management Policy

1. ER updated the Committee on the minimal changes to the policy. Job titles, organisational structures and hyperlinks had been updated.
2. The Chair stated that the owner of the Directorate Risk registers was the relevant senior manager in the business area. He suggested that the most senior member of staff within the Directorate should own the Register, and that the ownership should not be delegated.
3. The Chair suggested that the Risk Management Policy could be improved, and said that the wording was ‘very corporate’. ER agreed to review this. **ACTION: ER**
4. The Committee resolved not to approve the policy at this time.

AR/14/099 – Register of Directors’ Interests and Register of Gifts and Hospitality

1. ER outlined that the Register of Gifts and Hospitality was presented to the Committee on a six-monthly basis.
2. The Chair questioned how much was known around the Directorships and what bearing they had on the Trust’s interests. ER agreed that further investigation would be undertaken and that the Register would be updated. **ACTION: ER**
3. The Committee resolved to **note** the report.

AR/14/100 – Internal Audit Progress Report

1. KW updated that the team had finalised further reports in respect of Data Quality, Income and Debtors and Payments to Staff. These had been included in the papers with the exception of Medical Staffing, which had already been tabled.
2. The Business Development audit was currently being concluded, and would tie into the Transformation Review. Work around Workforce Planning and Development had been delayed. The team were waiting for feedback from Sue Hall as to whether they should continue in the absence of the Head of HR. KW updated that the team were due to scope two pieces of work with Alan Metherall, around patient safety and clinical and quality governance. The Information Governance Toolkit audit was currently being undertaken.
3. The Committee resolved to **note** the report.

AR/14/101 – Receipt of Internal Audit Reports and Associated opinions

1. Under Data Quality, the team had given assurance around service user experience, CQC recording and records management. A low rated recommendation had been given in respect of discharge summary letters, to ensure that thorough checks were undertaken and that allocations were completed correctly. The recommendation had been agreed for implementation.
2. It was noted that the Trust was in the highest band in terms of assurance.
3. KW updated that no recommendations had been made under the Income and Debtors report. A green assurance rating had been given.
4. In 2014, an amber/red rating had been issued in respect of Payments to Staff. The team had

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subsequently followed up the actions, and were currently in 'phase two' of the work. KW updated that, in respect of the general payroll system, the rating had moved to green. She added that staff had taken the actions required to ensure that weaknesses were addressed. The team had been asked to include expense claims in the current year's report, and had issued some feedback to ensure that more thorough checks were being undertaken. KW summarised that good progress had been made in respect of the payroll.

5. The Committee discussed the possibilities of improving the expense claims assurance. It was suggested that further debate be held with the Operations directorate.
6. KW turned to the Medical Staffing report, which had resulted in an amber/red rating. Three recommendations had been agreed for management action. The first recommendation related to the need to have a formal policy in place in respect of the establishment of job plans. KW added that there was a connection between the appraisal process and job plans, particularly in relation to additional payments and additional responsibility payments. It was necessary to encourage more transparency around the process.
7. In respect of the use of agency medical staff, it was necessary to ensure that hourly rates had been agreed in advance.
8. The Committee resolved to **note** the reports.

AR/14/102 – Internal Audit Plan

1. KW updated that she and DT had met with SH, ER and Hannah Dennis to discuss an internal audit plan for the first six months of 2015/16. The group had analysed the Trust Risk Register, and areas that had been noted from the 2014/15 plan.
2. KW turned to section 2.2 of the report, on page six. The management of the Trust's response to staff concerns and whistleblowing would require a consideration of the results of the 2014 staff survey. The next point related to recruitment, safer staffing and the use of temporary staff. It was necessary to ensure that this process was appropriately managed in line with assurances in the assurance framework. KD highlighted that the management against the Quality and Improvement Plan was ongoing. In respect of the Bristol tender, advice was needed on governance arrangements, moving forward. KW further outlined that the report included a review of the Trust's Organisation Development Programme, which focused specifically on the actions and progress that had been made against the Enabling Excellence Programme. She noted that a specialist had undertaken the audit in question.
3. Appendix 8, at page 10, listed the details of the internal audit plan and audit days, which had been assigned to Q1 and Q2.
4. PG asked how the audit plan related to issues picked up in various Trust Committees, on issues such as bullying, whistleblowing and over- and under-staffing. ER explained that the purpose of identifying project areas was to 'enrich' the existing work undertaken by Committees. External validation would be acquired for specialist areas, such as safer staffing and recruitment challenges. This would provide another layer of assurance, which was a crucial part of the governance process.
5. DT suggested that it would be possible to review the CIP issue if the cycle continued. The Chair recalled that the problem had been an issue of qualification in 2014. KH updated that he reviewed the Finance and Planning papers on a monthly basis. He said that he felt 'much

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more comfortable' with the papers year-to-date than he had felt in 2014.

6. The Chair expressed his satisfaction with the plan, and described it as being 'invested in the Organisation'.
7. The Committee resolved to **approve** the plan.

AR/14/103 – External Audit Progress Report

1. KH updated that the interim accounts audit work would be completed within the following weeks.
2. In respect of quality accounts, guidance had been released from the Department of Health, NHS England and TDA. Auditor guidance had yet to be given. Guidance given to date did not specify what actions auditors were required to take; guidance currently stated that external assurance was required, but did not have to be completed by external auditors. KH suggested that discussions would need to be held with the Trust to determine who would undertake the work and to agree a fee. The deadline was 29 June 2015, and it was anticipated that the work would be undertaken after final accounts had been completed.
3. KH updated that meetings to discuss the tax proposal had yet to be held. It was necessary to have discussions around salary sacrifice and professional subscriptions. This process had been reviewed elsewhere and had been found to result in significant savings both for the Trust and the individual. Further, it had been discovered that some nurses had failed to update their subscriptions and membership each year.
4. 'Advancing Quality' work had been undertaken in the North West. This programme of work had yet to be applied to other areas of the NHS. KH updated that he was due to provide SH with more information on the work, including potential costs. He noted that the programme was non-mandatory, and that the Trust was not required to undertake the work. PG noted that the key areas of the programme had not appeared to be particularly forward thinking.
5. The Committee resolved to **note** the report.

AR/14/104 – Review of Annual Account Timetable and Plans

1. JR reminded those present that a similar paper had been presented to the Committee in October 2014. KH was due to bring the audit plan for the current year-end to the April 2015 Committee meeting.
2. KH updated that he was satisfied with current progress.
3. The Chair understood that streamlined processes were in place for evidence in related party transactions. JR confirmed that that was correct. He explained that decision-making authority was being reduced to Board member level, which would mean that fewer people would be required to provide evidence.
4. The Committee resolved to **note** the report.

AR/14/105 – Committee Terms of Reference and Annual Work Plan

1. ER updated that the Terms of Reference and proposed work plan had been presented for approval. The Terms of Reference had been aligned with the governance around the Monitor provider license conditions. Further, the Chair had been consulted during the

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process.

2. The Chair noted that there were several typographical errors in the report, in points 3, 4, 7 and 14.
3. The Chair suggested that those present needed to discuss the point that the Trust Chair, Tony Gallagher, would not be a member of the Committee. He noted that Tony Gallagher sat in on, and was an active member of, the Committee. The Chair suggested that the point needed to be discussed with Tony Gallagher. KH noted that some Trusts invited the Trust Chair to Committee meetings, ensuring attendance but not membership of Committees. ER confirmed that Tony Gallagher was not currently a member of the Committee, but attended regularly by invitation. She said that the Committee could approve the terms of reference as they stood.
4. The Chair stated that the Quality Account needed to be approved. ER confirmed that this would be included in the annual accounts.
5. The Committee resolved to **approve** the Terms of Reference and work plan.

AR/14/106 – Committee Evaluation

1. The Chair invited the Committee to evaluate the meeting.
2. PG stated that she would rate it a four; DT and KH agreed that it had been a good meeting, with the right amount of time given to the necessary agenda items. ER, PRS and HR agreed that the meeting should be rated a four, or four and a half.
3. The Chair stated that it had been a very good meeting, with good dialogue.

AR/14/107 – Issues Referred From/To Other Committees or to Board

1. There were no issues to be referred.

AR/14/108 – Any Other Business

1. No other business was discussed.

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