

'You matter, we care'

Trust Board Meeting (Part 1)	Date: 25 th September 2013
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Title:	Audit and Risk Committee – Chair’s report
Item:	

Executive Director lead and presenter	Tony McNiff – Chair of Audit and Risk
Report author(s)	Tony McNiff

History:	<i>n/a</i>
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This report is for:	
Decision	
Discussion	
To Note	X

Executive summary of key issues:
<p>The business of the Audit & Risk Committee follows a regular framework as set out in the attached Agenda at Appendix 1</p>

This report addresses these Strategic Objectives:

Consolidate	X
Integrate	
Expand	

This report addresses these Values:

Passion	Doing our best, all of the time	
Respect	Listening, understanding and valuing what you tell us	
Integrity	Being open, honest, straightforward and reliable	
Diversity	Relating to everyone as an individual	
Excellence	Striving to provide the highest quality support	X

1. Key Risks and their impact on the organisation

The Committee received a red internal audit report on Pressure Ulcers and Patient Falls

- It was suspected that the procedures in place on wards with regards to assessment of falls and pressure sores on service users as they enter a ward were not being used consistently. The Internal Audit review showed this to be true. There is now work to be done to ensure staff are using the assessments properly.

External Auditors referred the Committee to a comment in their year-end report relating to the achievement of 2012-13 CIPS

- The Trust is currently targeting a successful achievement of a 2013/14 year-end financial position but this may mean a different implementation of savings and mitigations from the original CIPs identified. It was confirmed that the Trust will not run out of cash in this year and will not need further support from other parties.

The Committee received a paper on a new Board Assurance Framework and a new approach to risk management and risk registers

- There was concern over how risks would be escalated upwards. Previously a high risk score would mean that a risk would move up to the Trust register. There is a need to identify a place where conversations take place, and ensure time in meetings to have this conversation. It was discussed that the locality risk registers should be reviewed at the regular Ops meeting and it would be the role of the Ops Director to escalate any to the corporate register. Medical and Nursing Directors to review from a clinical perspective and judge whether or not to escalate

The Committee received a report on Finance Registers

- Concerns were raised regarding the continuing number of Purchase Orders going out without authorisation. DOF confirmed that he was sighted on this issue and a paper is being taken to SMT. Chair has asked that this paper is also brought to Audit & Risk
- There are two significant debts that should be noted as a financial risk. These issues relate to the lack of a formal agreement in place between the parties concerned and this has highlighted a procedural deficit which needs to be addressed in the future
 - One is circa £400k relating to an individual for an out of area placement which was to be funded 3 ways with Wiltshire CCG and Swindon CCG but there is a dispute around the Wiltshire CCG element. £100K is outstanding.
 - The second dispute is with Wiltshire County Council of about £424k, relating to them using our estate. Some high level action will need to be taken, as it does relate to relationships with Wiltshire County Council. DOF to come back to the next committee with an outcome.

2. Key Decisions

A policy review is needed in respect of Pressure Ulcers and Patient Falls and the matter was referred to Quality and Safety Committee is to ensure that this review takes place before the matter back comes back to Audit & Risk via a follow up Internal Audit report

Delivery of CIPs was highlighted as a risk in the locality risk registers. Targets such as sickness targets were applied across all localities without reference to the current performance and the ability of a particular locality to deliver. DOF to discuss with

Operations Director and to consider how targets should be related to the ability of a locality to deliver

The Committee considered a report suggesting an adjustment to Delegated Authorities to reflect changes in the authorisation arrangements required as a result of the new finance system. The change was approved subject to an executive discussion on a point of detail.

3. Exceptions and Challenges

Administration for the committee over the last couple of meetings has not been consistent and this has led to uncertainty regarding both the minutes and outstanding actions. This was unacceptable and needed to be grasped by the executive support and resolved urgently

Ryan Richards who has been the main presence from Internal Audit over the last couple of years has left RSM Tenon. RSM Tenon are also undergoing change and are soon to be taken over by Baker Tilly. The implications of both of these developments are to be considered at future meetings.

4. Governance and other Business

The committee discussed the current TORs and the following were agreed:-

- The membership will be changed to say two Non Execs rather than three but this will need to be reconciled with standing orders which currently say there must be three!
- The relationship between Audit & Risk and Quality & Standards needs to be clarified and recorded within the TORs. The TORs suggest that the chair of Q&S sits on the Audit Committee. This is not currently the case. There is also a need to clarify the relationship between the Internal Audit and Clinical Audit work streams.

5. Future Business

This is in line with the Internal Audit programme and the schedule of Audit Committee business agreed earlier in the year.

6. Recommendations

Board is requested to **note** the work of the Audit and Risk Committee at its meeting in August 2013.