

<b>Report to:</b>	Trust Board
<b>Title of report:</b>	Audit Committee Report to Trust Board
<b>Date of meeting:</b>	13 October 2016
<b>Status:</b>	For Discussion
<b>Chairperson:</b>	Mr Geoff Hayward, Non Executive Director
<b>Author:</b>	Mrs Jayne Warner, Trust Secretary

<b>Purpose</b>	This report summarises the assurances received, approvals and decisions made by the Audit Committee.
<b>Background</b>	This committee meets at least quarterly and takes scheduled reports from the Trust Internal and External Audit Providers according to an established work programme.
<b>Business undertaken</b>	<p><b>Cyber Security Discussion</b>          The Associate Dir of ICT, Assist Dir ICT, Head of Clinical Engineering, Deputy Chief Executive and Mr Raj Atwal Cyber Security Manager KPMG joined the meeting for this item.          The Assoc Dir of ICT presented an overview of the risks and the mitigations being put in place by the Trust in relation to cyber security. The Committee reflected on the risk in relation to medical equipment and the possible consequences to patients. The Committee received assurances that the Trust had processes in place which were good but continued to take further actions as the landscape changed.          The discussions highlighted the necessity to carry out some stress testing of disaster recovery and business continuity plans.</p> <p><b>Risk Registers and Board Assurance Framework</b>          Head of 2021 Change Programme and the Deputy Chief Executive attended the meeting for this item.          The Committee received assurances on the actions being taken to improve the Trusts risk management processes. The Board and assurance committees were receiving and reviewing the integrated strategic risk register/ BAF on a monthly basis with risks aligned to each committee. Internal Audit confirmed that they had reviewed the system and recognised the progress being made whilst acknowledging the work still to be done to fully embed.</p> <p><b>External Audit</b>          The External Auditors presented their annual audit letter for 2015/16. The 2017/18 plan would be presented at the next meeting with a planning timetable for the final accounts process to be agreed during January.</p> <p><b>Internal Audit</b>          It was agreed that all limited assurance internal audit reports would be shared with the relevant assurance committee going forward.</p>

	<p>The level of follow up actions outstanding was highlighted. This continued to be pursued by the committee.</p> <p>The Committee highlighted further areas to be considered as part of the internal audit planning process for 2017/18. The Committee reviewed the HFMA Audit Committee coverage recommendations and asked that internal audit align this with the risk register as part of the planning process.</p>
	<p><b>Counter fraud</b></p> <p>The Committee reviewed all ongoing fraud cases and received the Annual Fraud Awareness Survey. The pleasing level s of training achieved were welcomed.</p> <p>The Committee were advised that the National Fraud Initiative exercise was commencing.</p>
	<p><b>Waivers of Standing Orders/ SFI's</b></p> <p>The Committee noted the report detailing all waivers agreed since the last meeting.</p>
<b>Risks to refer to risk register</b>	Strategic Risk Register /BAF reviewed. No additional risks to highlight.
<b>Key decisions taken</b>	None
<b>Issues to escalate to Board</b>	Board members and committee chairs asked to highlight areas for consideration for inclusion within the Internal Audit Plan for 2017/18
<b>Challenges and exceptions</b>	None identified
<b>Future exceptional items</b>	

### Attendance

#### *Voting members*

Mr Geoff Hayward ( Chair)

Mrs Penny Owston

Mr Tim Staniland

Mrs Kate Truscott

#### *In attendance*

Mr John Barber, Interim Director of Finance and Corporate Affairs

Mr Tony Crawley, KPMG

Mr Simon Gascoigne, Deputy Director 360 Assurance

Mr Colin Hills, Assistant Director of Finance

Mrs Lisa MacKenzie, Client Manager 360 Assurance

Mr Mike Norman, KPMG

Mrs Jayne Warner, Trust Secretary