

**Meeting of the Audit Committee  
Held on 8 October 2020  
1000-1200hrs  
Ground Floor Offices, Rooms 1&2 / via Webex  
Royal Papworth Hospital**

**MINUTES – PART 1 meeting**

Present	Mrs C Conquest (Chair)	CC	Non-executive Director
	Mr M Blastland	MB	Non-executive Director
In Attendance	Mrs A Colling	AC	Executive Assistant ( <i>Minutes</i> )
	Mr G Edge	GE	Public Governor
	Mr T Glenn	TG	Chief Finance & Commercial Officer
	Mrs S Harrison	SH	Deputy Chief Finance Officer
	Mr M Jones	MJ	Internal Audit, RSM
	Mrs A Jarvis	AJ	Trust Secretary
	Mr M Kidd	MK	Counter Fraud Specialist, RSM
	Ms E Larcombe	EL	External Audit, KPMG
	Mrs O Monkhouse	OM	Director of Workforce & Organisation Development
Apologies	Mrs S Beavis	SB	External Audit, KPMG
	Mrs L Davies	LD	Internal Audit, RSM
	Mr I Graham	IG	Acting Chief Nurse
	Mr K Jackson	KJ	Public Governor
	Dr R Hall	RMOH	Medical Director
	Mrs E Midlane	(EM)	Chief Operating Officer
	Mr S Posey	(SP)	Chief Executive

*[Minutes in order of discussion]*

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**1 WELCOME, APOLOGIES AND OPENING REMARKS**

20/87 The Chair opened the meeting and apologies were noted as above.

**2 DECLARATIONS OF INTEREST**

20/88 There is a requirement that Board members raise any specific declarations if these arise during discussions. The following standing Declarations of Interest were noted:

1. Cynthia Conquest as Deputy Director of Finance and Performance at Norfolk Community Health and Care Trust (Contractor).
2. Michael Blastland as: 1. Board member of the Winton Centre for Risk and Evidence Communication; 2. Advisor to the Behavioural Change by Design research project; 3. Member of the oversight Panel for the Cholesterol Treatment Trialists' Collaboration; 4. Member of advisory group for Bristol University's Centre for Academic Research Quality

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AJ	21.1.21

- and Improvement.
3. Roger Hall as a Director and shareholder of Cluroe and Hall Ltd, a company providing specialist medical practice activities.
  4. Stephen Posey in holding an honorary contract with CUH to enable him to spend time with the clinical teams at CUH.
  5. Stephen Posey as Chair of the NHS England (NHSE) Operational Delivery Network Board.
  6. Stephen Posey and Roger Hall as Executive Reviewers for CQC Well Led reviews.
  7. Tim Glenn whose wife is ICS development lead for NHSE/I for East of England (EoE).

**3 MINUTES OF THE PREVIOUS MEETING – 16 July 2020**

20/89

**Approved:** The Audit Committee approved the Minutes of the meeting held on 16 July 2020 and authorised these for signature by the Chair as a true record.

**4 MATTERS ARISING/ACTION CHECKLIST**

20/90a

**Review of today's Agenda**

**- Item 15v Draft Quality Accounts**

The draft Quality Accounts were emailed to the Committee yesterday evening. The Chair felt this was too late for the Committee to have sufficient time to review ahead of this morning's meeting. This item was therefore removed from today's Agenda.

The Chair also noted that it was not clear from the accompanying paper what the Audit Committee were being asked, in regard to the Quality Accounts. MB added that only a first draft of the Quality Accounts had so far been seen by the Quality & Risk Committee; a good copy needs to be presented for proper scrutiny.

TG advised that final Quality Accounts need to be submitted to NHSE/I in December; this gives time in October and November to present a final set to both Audit and Q&R Committees to allow appropriate scrutiny. The Chair suggested an Extra Ordinary Audit Committee meeting to be convened alongside the Q&R Committee meeting on 29 October 2020.

AJ advised that draft the Quality Accounts were required to go to Commissioners next week, who need a 30-day period to review. MB suggested comments were added to the current draft before it is sent to Commissioners on 15 October 2020.

**- Item 5iii Conflicts of Interest – Spot Checks**

This item was not available for today's meeting; the Chair requested this be presented to the next meeting on 21 January 2021.

**- Item 15iv Managing Conflicts of Interest – policy and procedure**

This was added late to the Agenda. The Chair asked for this to be moved up the Agenda, in order to allow proper time for review. This item will be taken after Item 7.

**Action Checklist Review**

The Audit Committee reviewed the Action Checklist and updates were

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20/90b noted.

**5 LOCAL COUNTER FRAUD (RSM)**

**20/91 i) Progress Report 20/21**

MK presented this report and highlighted key items:

- Counter Fraud Pre-employment Checks:  
Completed with no actions required. In response to a query from MB, MK confirmed that this work was completed post 1<sup>st</sup> Covid surge.
- Counter Fraud Procurement Standards Review:  
Completed this exercise; report received with minimal actions which will be monitored.
- Fieldwork on staff expenses:  
Work has commenced which will be concluded shortly and reported back to this Committee.
- Referrals:  
MK detailed one referral which had been received since the issue of this report; he will keep the Trust updated on this.
- Risks:  
MK reported an increase in risks; RSM ensures that the Trust is aware of all risks and processes in place to mitigate these.

**Noted:** The Audit Committed noted the Counter Fraud Progress Report.

**5 ii) NHS Benchmarking Report: Diagnosis Fraud**

**20/92**

MK presented this annual report for information purposes. MB queried; how do we understand the volume of referrals? Is it a sign that staff are alert to awareness or that we have a problem? MK advised that he takes this as a positive indicator that staff are reporting and are aware. The measure is how serious the referrals are.

**Noted:** The Committee noted the contents of this report.

**5 iii) Conflicts of Interest – Spot Checks**

**20/93**

This will be presented to the next meeting.

AJ

21.1.21

**6 INTERNAL AUDIT – RSM**

**20/94 i) Progress Report 20/21**

MJ presented the update. Since the last meeting, the Internal Audit Plan for Financial Governance Part 2 had been completed. The previous meeting had discussed the Part 1 report. The Part 2 report looked at financial processes, systems and changes made in light of Covid-19 and specifically compliance. MJ was pleased to report good compliance with no management actions raised. The Chair acknowledged this good report; there were no further questions.

It was noted that time originally allocated for Private Patient Invoicing had been agreed to use instead for work on Financial Governance and Pharmacy review. The Pharmacy review is currently in progress along with a review on Care Quality Commission. MJ was pleased to advise that as at the date of report on 28 September, there were no outstanding management actions.

**Noted:** The Audit Committee noted the Internal Audit Progress Report 20/21.

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20/95

**ii) Healthcare – Benchmarking of Internal Audit Findings 2019/20**

MJ presented this report which showed findings across RSM NHS clients; broken down into acute Trusts; there were not as many directly comparable with specialist Trust like RPH. The results for RPH were positive. The Chair asked why RPH was doing so well; does it relate to robust controls and how can we maintain this position. MJ advised that on audits, the Trust does not always steer these to the positive areas. The Trust seems to have a culture of continual improvement and any issues are dealt with to then improve to a clean audit opinion. MJ advised that this is not always the case in other organisations. MB noted that looking at specialist acute trusts as a comparator; there were not enough in the group to do a broad comparison.

Noted: The Audit Committee noted the report and its contents.

7  
20/96

**CHARITY ANNUAL REPORT AND ACCOUNTS 2019/20**

**i) Review Charity Annual Report & Accounts 2019/20**

This item was introduced by TG who advised that the Charity Annual Report & Accounts 2019/20 had been reviewed and approved by the Charitable Funds Committee on 10 September 2020 and recommended to the Audit Committee and Trust Board.

**Approved:** The Audit Committee approved the Charity Annual Report & Accounts 2019/20 and recommended these to the Trustee Board.

20/97

**ii) ISA 260**

EL from KPMG confirmed that work was complete apart from one small query on provisions to close down. She advised that this year's audit had run smoothly with all information given in a prompt manner.

**Key findings:**

There were no adjustments to the Accounts, with a plan to issue an unqualified audit opinion. There was one control point on journal controls which could improve this further. EL noted within the formatting of the report there were some rogue reference which do not relate to the report; these will be removed, and a revised version sent.

The Chair commended the Finance Team for their hard work in achieving this pleasing result.

**Noted:** The Audit Committee noted the ISA 260.

20/98

**iii) Letter of Representation**

On review of the letter, the Chair noted this was dated December and queried if this should be dated November. AJ advised that this will be taken to Trust Board in November and therefore can be dated November.

The Chair advised this is a standard Letter of Representation for sign off by Trust Board. There were no concerns raised but please contact TG if you have any queries regarding this.

**Approved:** The Audit Committee approved the Letter of Representation and recommended this to the Trustee Board.

**15 iv) Managing Conflicts of Interest – policy and procedure**

20/99 AJ explained the changes in process, moving reporting of Conflicts of Interest to online via the staff ESR portal. The policy revisions reflect this change. It was noted that those staff who are required to make a Declaration but have nothing to declare, need to notify a nil return. A reminder to staff will be included in the Weekly Staff Briefing.

AJ noted a further change which requires clinical staff to include all declarations which have been made in other transparency measures.

GE queried page 5 which quoted Governors as decision making staff required to make a declaration. AJ advised that it is sufficient for Governors to continue with their annual declaration and she will ensure this is made clear to Governors; she reiterated that any new declarations, in addition to those declared in a previous return, need to be declared within a month.

MB asked if the policy was clear to declare an interest when an item becomes relevant, particularly in relation to drug companies. AJ confirmed this is contained within the policy and is included on Terms of Reference for committees.

**Approved:** The Audit Committee approved the amendments to DN313 Managing Conflicts of Interest.

**8 BOARD ASSURANCE FRAMEWORK (BAF)**

20/100 AJ introduced the BAF update which includes a single report through all committees; she queried if this was still the preferred reporting format. AJ can check with individual committees regarding this. There were no concerns raised by the Audit Committee.

**Noted:** The Audit Committee noted the Board Assurance Framework update.

**9 GOVERNANCE ASSURANCE OVERVIEW**

**20/101 CHAIR'S REPORTS**

- 9a) Quality & Risk Committee
- 9b) Performance Committee
- 9c) Strategic Projects Committee (SPC)
- 9d) Charitable Funds Committee

The Audit Committee received Chair's reports from the above Committees which had been submitted to Trust Board/Trustee Board since the last Audit Committee meeting. It was noted that SPC is a bi-monthly meeting.

**Noted:** The Audit Committee noted the Chair's Reports for the Board sub-committees.

**10 Bad Debt Write Offs – Financial Year 2020/21**

20/102 The Audit Committee received the report detailing bad debts written off in Q1 and Q2 2019/20 which totalled £26. There were no queries raised.



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**15ii Review of meeting Agenda and objectives**  
20/106 The Chair asked if agenda items had been covered appropriately with committee objectives being met. MB noted that it was a straightforward agenda and he had no issues to raise.

**15iii Any other items for next meeting**  
20/107 Conflict of Interest Spot Checks to be added in for the next meeting.

**15iv Managing Conflicts of Interest – policy and procedure.**  
20/108 This item was moved up the Agenda and taken after Item 7.

**15v Draft Quality Accounts**  
20/109 As referred to under Agenda item 4 above, this will be deferred to an Extraordinary Audit Committee meeting to be held jointly within the Quality & Risk Committee on 29 October 2020.

**13 CONTRACTS**

20/110 **i) Internal Audit Services and LCFS Services**  
[1048 MJ, MK, EL left the meeting]

[Due to confidentiality issues, discussion on this item is noted separately as a Part 2 confidential minute].

**16 FUTURE MEETING DATES 2020**

2021 Dates	Time	Venue	Apologies rec'd
21 January 2021	1000-1200hrs	Mtg rooms 1&2 Ground Floor	
18 March 2021	1000-1200hrs	Mtg rooms 1&2 Ground Floor	
20 May 2021	1000-1200hrs	Mtg rooms 1&2 Ground Floor	
15 July 2021	1000-1200hrs	Mtg rooms 1&2 Ground Floor	
14 October 2021	1000-1200hrs	Mtg rooms 1&2 Ground Floor	

The meeting finished at 1057hrs.

*CB Congest*

[Chair authorised electronic signature to be added]

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Date: 21 January 2021

**Royal Papworth Hospital NHS Foundation Trust**  
**Audit Committee – Part 1 meeting**  
Meeting held on 8 October 2020