

Audit Committee
Part 1 meeting
Held on 13 March 2025
0930-1130hrs

In-person meeting

[Chair: Cynthia Conquest, Non-executive Director]

Unconfirmed

MINUTES

Present		
Mr M Blastland*	MB	Non-executive Director
Mrs C Conquest (Chair)	CC	Non-executive Director
Ms D Leacock	DL	Non-executive Director
In attendance		
Mrs A Colling	AC	Executive Assistant (<i>minutes</i>)
Mrs S Harrison	SH	Chief Finance Officer (Interim)
Ms E Larcombe	EL	KPMG External Auditors
Ms A Mason-Bell	AMB	BDO, Internal Auditors
Mr K Mensa-Bonsu	KMB	Associate Director of Corporate Governance
Mr H McEnroe*	HMc	Chief Operating Officer
Mrs E Midlane	EM	Chief Executive
Mrs O Monkhouse	OM	Director of Workforce & Organisation Dev (<i>to 11am</i>)
Mr A Nyama	AN	Deputy Chief Finance Officer (Interim)
Mrs L Palmer	LP	Assistant Director of Quality & Risk
Dr H Perkins*	HP	Public Governor (Observer) *
Mr A Raynes	AR	Director of Digital/CIO
Mrs M Screaton	MS	Chief Nurse
Mr J Shortall	JS	Local Counter Fraud, BDO
Mr A Winter	AW	BDO, Internal Auditors
* Attended via MS Teams		
Apologies		
Ms V Bush	VB	Public Governor (Observer)
Mr T Glenn	TG	Deputy CEO and Director for Strategy & Innovation
Dr I Smith	IS	Medical Director

The minutes are noted as per order of discussion, which may differ from Agenda order.

Agenda Item		Action by Whom	Date by When
1	WELCOME, APOLOGIES AND OPENING REMARKS		
25/34	The Chair opened the meeting, and apologies were noted as above. Revisions to the agenda were noted as: - Item 5.1 BAF assurance map will be deferred to the next meeting. - Item 6.2 Review of Chairs' reports: MB will share a presentation.		
2	DECLARATIONS OF INTEREST		
25/35	There is a requirement that Board members raise any specific		

Agenda Item		Action by Whom	Date by When
	declarations if these arise during discussions. No specific conflicts were identified in relation to matters on the agenda. A summary of standing declarations of interests are appended to these minutes.		
3	MINUTES OF MEETING held on 23 January 2025		
25/36	Approved: The Audit Committee approved the Minutes of the meeting held on 23 January 2025 and authorised these for signature by the Chair as a true record.	Chair	13.03.25
4	ACTION CHECKLIST		
25/37	The Committee reviewed the Action Checklist and updates were noted.		
5.1	BOARD ASSURANCE FRAMEWORK (BAF)		
25/38 937hrs EM left	<p>Received: Assurance around the operation of the Board Assurance Framework (BAF) since the last report in January 2025.</p> <p>Reported: KMB</p> <ul style="list-style-type: none"> The whole BAF is currently under review with Executive Directors. For the next meeting there will be a new BAF. The Assurance map will fall into the new BAF. BAF has been to all Board committees for review. Apologies that there were some repeated papers in the pack. <p>Discussed:</p> <ul style="list-style-type: none"> Referring to BAF risk 678 Waiting List Management (rated 20), CC suggested that it would be useful to know how this risk will reduce to 8 at some point and the assurance on this. HMc advised that there has been a deep dive on the productivity and waiting list delays risk on BAF. The current actions aim to improve the waiting list position, improve recovery and performance. There has been a review of existing actions, explaining that there are now remedial actions which break down to key focus areas. There is now a set of material interventions to put into BAF on recovery. Execs currently have the Quality Impact Assessments (QIA) to assess these. MB added that he understands the recovery piece and the movement to sustainability of that recovery and next areas for assurance for the Committee. CC noted the good narrative on BAF 3261 industrial relations. OM noted discussions yesterday at Joint Staff Council with Trade Unions. This risk will be reviewed again when internal work is completed which is likely to be late spring/early summer. <p>Noted: The Audit Committee noted the Board Assurance Framework.</p>		
5.2	BOARD ASSURANCE MAP		
25/39	Discussed: This was deferred to the May meeting.	KMB	28.05.25

Agenda Item		Action by Whom	Date by When
6	GOVERNANCE ASSURANCE OVERVIEW		
6.1	Chair's Reports		
25/40	<p>Received: Chair's reports from the Committees below, which have been submitted to Board of Directors'/Trustee Board meetings, since those last reported to the Audit Committee meeting on 23 January 2025:</p> <p>6.2.1 Quality & Risk Committee 6.2.2 Performance Committee 6.2.3 Strategic Projects Committee 6.2.4 Charitable Funds Committee 6.2.5 Workforce Committee</p> <p>Discussed: The report was taken as read with no comments.</p> <p>Noted: The Audit Committee noted the Governance Assurance Overview.</p>		
6.2	Audit Committee Chair – Review of Chairs' Reports		
25/40.1 945hrs EM joined	<p>To give further assurance to the Committee on this item, CC felt it would be valuable to receive periodic deep dives from the Committee Chairs (Performance, Quality & Risk, Workforce, Strategic Projects and Charitable Funds). The Chairs would be invited to share how they receive assurance from their committee.</p> <p>Today's presentation was received from MB as Chair of Quality & Risk Committee.</p> <p>Summary of presentation slides: <u>How Q&R receives assurance using Surgical Site Infection as an example:</u></p> <p>The main monthly Surgical Site Infection s (SSI) tracking is done through inpatient and outpatient dashboard, where the data is good, and this is broadly a good means of tracking the issue.</p> <p>Information is included on environmental auditing (hand hygiene, theatre cleaning, etc.).</p> <p>The M.abscessus dashboard for 24/25 is presented monthly. It shows that this largely under control with data monitored regularly</p> <p>There is a governance map which shows the different routes for monitoring infection control. Governance arrangements are good. The design of controls is good. External reviews are undertaken.</p> <p>The Committee receives annual reports on SSI and review of long-term trends. It details different types of infection and how these could be transmitted in the hospital.</p> <p>There is data to show higher rates of SSI at certain times of the week. Data is shown per theatre.</p> <p>The Committee received a resume of actions following the IPC summit last summer.</p> <p>External assurance: Peer group inspections. NHSE</p>		

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	<p>Internal audit also looked at M.abscessus and gave a moderate opinion.</p> <p>Summary from NED Chair point of view: Design is good. The right actions are in place. Outcomes or design effectiveness is more limited as numbers are not yet down to target, although have halved. He has confidence that controls will bear fruit.</p> <p>Anxieties: Lot of areas to keep track of. Risk of loss of momentum. Divisions to assume responsibility – there are some pockets of resistant behaviour.</p> <p>Discussion: CC thanked MB for this excellent presentation which sets a high bar for other Chairs.</p> <p>DL expressed concern about anxieties, more specifically that there are pockets of resistance – she felt that staff all need to be onboard. How can this be tackled? MB – winning staff over is always hardest, as some have other priorities. The message needs to be persistent. The IPC Summit was important in changing views. Perhaps a message from the Board would help along with more direct contact with staff from NEDs/Execs.</p> <p>MS advised that we are now testing infection control measures that we may have previously put in place. i.e., discussion about theatre hats and where these should be worn. This has received collaborative review with the teams involved, where staff are happy that they have ability to influence this. It is important to be able to develop confidence on both sides.</p> <p>EM acknowledged there will always be elements of resistance but stressed the need to keep going and continually review. She referred to the oversight from Exec level and the process for this. On the quality perspective, there are a number of elements that could be 'business as usual' but confidence on this needs to be improved. This is tying in with work on divisional leadership to aim towards a new way of working.</p> <p>SH noted the way that MS and team approach is with a continuous improvement mindset. The Summit picked up concerns from staff, with the ability to feedback. This has help reinforce improvements and staff feel listened to.</p> <p>CC added that this summary from the Q&R Chair has helped her understand the work of the Q&R Committee. Is useful to see this documented.</p> <p>AW added that from an assurance point of view, it is good to see the three lines of defence. This approach is important. Root cause analysis (RCA) is prevalent in the new internal audit reporting standards. It was good to see the areas tested.</p> <p>Noted: The Audit Committee noted the update from Quality & Risk Chair.</p>		
6.3	EPR Governance/Nexus Programme Update		
25/41	Received: An update report was received from the Deputy EPR		

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	<p>Programme Director.</p> <p>Reported: HMc</p> <p>Discussed: CC referred to recent government changes to abolish NHS England What impact does this have on the risk of the EPR programme progressing. HMc advised that this has been tested with top level executives regarding ongoing commitment to national procurement in terms of improvements. It is clear that EPR is an area we must invest in. Assurance from the National Improvement Director have been consistent in this regard but this has not been tested following the government NHSE announcement on 10 March. Any ringfence of monies on these types of investment will continue to be part of national conversation on digitisation of the NHS.</p> <p>SH added that with this change comes a tightened focus on the financial landscape for next year and this will mean a change in risk profiling, redundancies, cuts etc for some organisations. We are prioritising and planning investments on our waiting list and recovery position. This erodes financial headroom which we have previously been managing to support EPR investment. It will potentially have local impact on our financial plan. The core EPR funding does not expect to change but we may see in the long-term plan that there may not be sufficient resources to do those 'nice to have' things.</p> <p>EM flagged to the Audit Committee that we are seeing a different national approach where some previous firm commitments given, have been turned around. We cannot take anything as a given at this point in time. There will be more clarity in coming weeks. There is a risk which we cannot currently quantify,</p> <p>SH added that the national processes for approvals may change which would change our timelines. AR noted that there are a number of Trusts going through EPR procurement and some Trusts that do not even have an EPR. SH noted that this thinking has been included in the BAF review to reflect strategically if we are unable to access sufficient funding going forward, how will this impact and how to reframe.</p> <p>HMc advised that we are mapping the potential impact of things we know and highlighting risks of things we do not know. Events in the USA could also impact. This will be discussed at Nexus Programme Board today.</p> <p>Noted: The Audit Committee noted the update on EPR governance.</p>		
7	LOCAL COUNTER FRAUD – BDO		
7.1	Progress Report		
25/42	<p>Received: Counter Fraud Progress Report to March 2025</p> <p>Reported: JS He referred to previous concerns on low levels of reporting at the Trust. Based on limited data from NHS Counter Fraud Authority, about 20% of organisations account for approx. 80% of reported cases. There are</p>		

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	<p>many Trusts where there is very little activity or referrals, but this is not to say that things are not happening in those organisations. Those organisations with high referral numbers, often have issues which may triangulate with other issues internally or culturally with staff. There is a balance to be struck on reporting every single item or culture where staff know who to report to. We have awareness raising sessions and work with the Freedom to Speak Up Guardian (FTSU), who deal with things at low level which then might mean that issues do not escalate.</p> <p>JS had a sense that we have good procedures and working practices. There may be a link to be re-established for JS to liaise with FTSU and Workforce so that they let JS know of these low-level issues, which he can capture. This shows that this good activity is happening and can be demonstrated.</p> <p>Discussed: DL felt it would be good if we could show what actions have been taken internally to gain assurance that we have good processes and procedures. It does feel strange when there is nothing reported. JS advised that this is in the LCFS plan; it could also be re-presented at a Workforce Strategy Day to reinforce LCFS presence and availability.</p> <p>SH noted that Michal Evans, LCFS is due to present at an April staff briefing, EL advised that from an external audit perspective, this correlates with KPMG experience. They are not happy to see no referrals and an awareness activity exercise would be useful.</p> <p>Noted: The Audit Committee noted the Local Counter Fraud Progress Report.</p>		
7.2	LCFS Strategy and Annual Plan 2025/26		
25/43	<p>Received: Counter Fraud Strategy & Annual Plan 2025/26</p> <p>Reported: JS The plan has reviewed methodology in alignment with national protocols to meet requirements; it also gives space to undertake local exercises. It would be useful to undertake a proactive exercise on reporting at low level. There is also a benefit in completing pre-employment checks.</p> <p>Discussed: CC noted that there are a potential five days to carry forward. JS acknowledged this. CC referred to the proactive work – should it be added that we are thinking of doing something. JS – see p18 of the plan where this is added in.</p> <p>Approved: The Audit Committee approved the Counter Fraud Strategy & Annual Plan 2025/26.</p>		
7.3	Review against NHS CFA Standards		
25/44	<p>Received: Draft counter Fraud Functional Standard Return 2024/25.</p> <p>Reported: JS Overall self-assessment rating: green. This is broken down into twelve components.</p>		

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	<p>Some requirements are difficult to record where events do not happen. This is similar in other Trusts. This was discussed in detail at previous Audit Committee and agreed to take on a case-by-case review.</p> <p>Requirement 11: Training and awareness. JS explained that unless the Trust uses an e- learning tool that covers everybody, then this requirement cannot rate green. It would equate to 30-minute e-learning training every three years, which is currently not implemented. SH advised that the Finance and Workforce Learning & Development Team are looking at introducing a half hour e-learning module for all budget managers to complete. It would be available for all staff but not mandatory. The proposal on this will go to Execs shortly for review. It was confirmed that LCFS presence at monthly Induction is informative and useful for staff.</p> <p>JS referred to the scoring methodology where even with two amber ratings, this gives an overall green rating.</p> <p>JS noted there are some discussions to have at Board level on Away Days on national bribery and corruption training. He suggested booking into a Board meeting for a one hour. KMB to liaise with JS to schedule this session for the Board.</p> <p>Discussed: No items were raised.</p> <p>Noted: The Audit Committee noted the draft Counter Fraud Functional Standard Return 2024/25.</p>	KMB	28.05.25
8	INTERNAL AUDIT – BDO		
8.1	Progress Report		
25/45	<p>Received: Internal Audit Progress report.</p> <p>Reported: AW The report was taken as read.</p> <ul style="list-style-type: none"> • The internal audit on Agency Expenditure will be discussed later in meeting. • The internal audit on EPR is still in progress and will report to a future meeting. • Following a previous request, the planned/versus actual days used has been included in the progress report. • The Reference Pack includes the final audit plan 2025/26 which was approved at the January meeting. • Sector updates and KPIs: the customer satisfaction surveys are coming through from the Trust; it is useful to receive effectiveness and feedback to auditors. <p>Discussed: AR thanked BDO for the forthcoming work on DSPT Toolkit, to include a deep dive on cyber security. CC was pleased to note good progress and has seen an improvement in BDO performance.</p> <p>Noted: The Audit Committee noted the Internal Audit Progress Report.</p>		

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8.1.1	Terms of Reference for DSPT Toolkit audit		
25/46	<p>Received: Draft Terms of Reference (ToR) for the Data Security and Protection Toolkit (DSPT) were presented.</p> <p>Reported: AMB The report was taken as read. The Execs have signed this off with the audit due to start on 7 April.</p> <p>Discussed: No items were raised.</p> <p>Noted: The Committee noted the Draft ToR for the DSPT internal audit.</p>		
8.2	Internal Audit Follow Up of Recommendations Report		
25/47	<p>Received: Update on Internal Audit Recommendations</p> <p>Reported: AMB This is 82% compliant. There are five actions which are overdue: with moderate confidence on these being implemented at final report time.</p> <p>Discussed: MS referred to manager responses where several have multiple people responsible – which might delay responses. Should we address this internally; it was suggested that Execs should review this.</p> <p>DL referred to 24/25 Outpatients where dates have been deferred. She was conscious of the pressure of forthcoming year end, and queried if it would be possible to complete by the dates given this quarter. Again, it might be a factor if multiple people are involved. CC agreed with both comments.</p> <p>CC noted that the Summary does not correspond with the rest of the report regarding status: in progress/overdue/outstanding but not overdue – and asked if the front summary sheet could be revised.</p> <p>AW referred to PIPR specifically explaining the rationale behind its status.</p> <p>CC referred to Outpatients action 3.1b where there is no update on this action. MS will pick up outside of the meeting.</p> <p>CC referred to the revised deadline of June for the Private Patients strategy - how confident are we about this.</p> <p>EM advised that the Trust has just appointed new Private Patient Manager, and this date can be revised.</p> <p>HMc acknowledged that actions on Private Patients have slipped but now has clearer timescales and will take away to review.</p> <p>Outpatient work is taken within governance of elective recovery.</p> <p>CC suggested that Outpatients action 2.1a with a due date of April 2025 should also be reviewed as it is difficult to see that this date will be met given the substantial work still to be completed.</p> <p>AR referred to DSPT Toolkit, with the preference to regard this report as confidential and requested this demarcation in the report be made.</p>	<p>EDs</p> <p>BDO</p> <p>MS</p> <p>HMc</p> <p>BDO</p>	<p>28.05.25</p> <p>28.05.25</p> <p>28.05.25</p> <p>28.05.25</p> <p>28.05.25</p>

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	Noted: The Audit Committee noted the update on Internal Audit Recommendations.		
8.3	Interim Annual Audit Report and Annual Statement of Assurance 2024/25 <i>[in Reference Pack]</i>		
25/48	<p>Received: Interim Annual Audit Report as at March 2025</p> <p>Reported: AW Currently six out of eight pieces of work have been completed throughout the year. The Opinion is driven by work conducted and the wider work of the Trust. The follow-up on progress Recommendations is a good health check. There are some limited assurances, which are raised to ensure improvement and specific to those areas. The opinion is currently showing as 'moderate', which AW does not expect to change.</p> <p>Discussion: CC felt that this was a fair assessment.</p> <p>Noted: The Audit Committee noted the Interim Annual Audit Report and Annual Statement of Assurance.</p>		
8.4	Annual Internal Audit Plan 2025/26		
25/49	<p>Received: Draft Annual Internal Audit Plan 2025/26 - for approval.</p> <p>Reported: AW The report was taken as read and had been covered in earlier discussions.</p> <p>Discussion: No items were raised.</p> <p>Approved: The Audit Committee approved the annual internal audit plan 2025/26.</p>		
8.5	Internal Audit Report: Agency Expenditure & Temporary Staffing		
25/50	<p>Received: Final Internal Audit Report Design opinion: Moderate Design effectiveness: Limited</p> <p>Reported: AMB The report was taken as read. The positive aspects in the report were noted. Items to improve included: New arrangements in divisions need to become more embedded along with consistency of practice in divisions. Although not in the scope, a control gap was identified. (The Trust does not currently have a process in place to verify the identity of Agency workers on the ward, on the date of the shift. This presents a control gap whereby bogus workers could report for the shift and access patients/patient records without the Trust's knowledge.t). This control has been put into place with immediate effect but not yet tested.</p> <p>It was clarified that where rates were above cap the payments were correct as they were based on a nightshift rate. This section will be removed from the final report; it will not affect the overall rating or opinion.</p>		

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	<p>Discussed:</p> <p>DL was concerned about a sample of 20 agency workings where it was revealed that half were being paid above the cap. How many similar instances are there across the Trust? There seemed to be no evidence of approval of rates higher than the cap.</p> <p>OM clarified that all are in posts which have approval but not documented. There are some are longstanding arrangements for some staff The Team have put in place a review and better documentation of this.</p> <p>CC noted that some rates were high, almost double. Is this a consequence of it being difficult to recruit?</p> <p>SH – yes, particularly specialised areas such as physiology roles which is a hard area to recruit to. OM added that there is insufficient training nationally on this.</p> <p>The management team are aware and are working with staff to manage this.</p> <p>OM explained about the negotiations on pay with highly specialised roles.</p> <p>MS confirmed that Electrophysiologists need high level of complex training.</p> <p>DL asked if there are opportunities to move these to substantive posts? OM noted this could be possible and we are working with this highly specialist resource to manage. Market changes drive changes in rates.</p> <p>CC referred to the capped rate on our trajectory/forecast, and given the difficulty in recruiting, what is the risk of us not hitting the target? OM has no reason to believe that divisions will not reach the trajectories outlined.</p> <p>EM added that by using agency specialised staff, it gives assurance to substantive staff (especially in diagnostics).</p> <p>CC agreed with all dates in the report. She asked for the report to go to the next Performance Committee for information and to Workforce Committee to oversee recommendations.</p> <p>A minor adjustment noted that P179 of the pack (page 13 of the report) needs a date adding in.</p> <p>Noted: The Audit Committee noted the Internal Audit Report on CIP.</p>	<p>AC</p> <p>OM</p>	<p>27.03.25</p> <p>17.04.25</p>
9	EXTERNAL AUDIT		
9.1	24/25 Audit Plan and Strategy year ending 31.03.25 (draft)		
25/51	<p>Received: Draft Audit Plan and Strategy for year ending 31 March 2025</p> <p>Reported: EL</p> <p>Presented the draft plan where she does not expect any movement before the next Audit Committee meeting.</p> <p>Highlights:</p> <p>Page 3 – materiality has increased slightly.</p> <p>£300k reported pressure, is in line with National Audit Office guidance.</p> <p>Risks:</p> <ul style="list-style-type: none"> - Fraud risk from expenditure recognition – awaiting year end position. - Management override of controls. 		

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	<p>Higher risk areas:</p> <ul style="list-style-type: none"> - Valuation process. - Remuneration Report; this is the most challenging aspect of the Accounts. KPMG continue to work on this from a qualitative point of view. <p>Page 10 – sets out why there is no revenue recognition risk, due to the nature of income streams for RPH.</p> <p>Page 13 – Timeline; the team is working through value for money risk assessments.</p> <p>The year-end audit in anticipated to complete by the end of May/1st week in June.</p> <p>Appendix B – sets out audit fees</p> <p>Appendix C – sets out Confirmation of KPMG Independence</p> <p>The national submission date for the Annual Report & Accounts is 30 June 2025.</p> <p>Noted: The Audit Committed noted the draft External Audit Plan 24/25</p>		
10	WAIVER TO STANDING FINANCIAL INSTRUCTIONS		
10.1	Q4 Report 2024/25		
25/52	<p>Received: Report to the Committee on any outstanding waivers to Standing Financial Instructions made Q1, Q2 and Q3 period of 2024/2025 that were pending at the January 2025 Audit Committee 1.2. To report to the Committee on any waivers to Standing Financial Instructions made for the Q4 period of 2024/2025.</p> <p>Reported: SH The report was taken as read. This update on waivers includes one outstanding from Q1 to Q3 – SH confirmed there was no risk on this waiver. Q4 has six waivers totalling £220k which relate to sole suppliers and some on continuity of supply.</p> <p>Noted: The Audit Committee noted the update on Waiver to Standard Financial Instructions.</p>		
11	BAD DEBT WRITE OFF		
25/53	There were no bad debt write-offs to report since 31 December 2024		
12	LOSSES AND SPECIAL PAYMENTS		
25/54	<p>Received: Report to the Committee of the losses and special payments made for the period 1st April 2024 to 28th February 2025 in line with the Trust's Standing Financial Instructions.</p> <p>Reported: SH SH advised that there were no new payments at the time of reporting. The report noted additional write-offs of pharmacy stock, which was new to reporting this year. Since the last meeting, this has been relatively small value, and the pharmacy team has a good grip on this.</p>		

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	<p>Discussed: DL noted previous discussion around the possibility of sharing costs with CUH on some of high value drugs – is this to be done to reduce write-offs? MS advised that we do this ongoing as a matter of course but the one drug reported is very niche.</p> <p>Approved: The Audit Committee noted the update on Losses and Special Payments.</p>		
13	ANNUAL / AD HOC REPORTS		
13.1	Review of Annual Report 2024/25 progress		
25/55			
	<p>Received: Verbal update</p> <p>Reported: KMB Updates are coming through, with the Annual Report taking shape towards the end of March. There are no issues to report at the moment.</p> <p>Noted: The Audit Committee noted the update on Annual Report 2024/25 progress.</p>		
13.2	Year-end Technical Accounting Items		
25/56	<p>Received: The purpose of this paper is to set out for the Audit Committee the relevant context and technical accounting items that the Trust is working through with External Audit for the 2024/25 accounts.</p> <p>Reported: SH</p> <ul style="list-style-type: none"> SH presented the usual year end paper which looks back at the control and general opinion on wider Department of Health & Social Care's (DHSC) annual accounts by the Controller for Auditor General. (C&AG). <p>Highlighted:</p> <ul style="list-style-type: none"> The timeliness of reporting leads into wider consideration of when accounts are due to be laid. If revised timelines were to be implemented, it would mean significant change to the Trust timelines. This work is still to be confirmed; SH will keep the Audit Committee updated. Financial and compliance issues across DHSC group regarding novel or contentious payments. Key risks mentioned in KPMG report. PFI and accounting used at DH level has led to a change in what NHSE scores against adjusted performance metric; this is new for 2025 position, and not auditable. EPR programme spend running through 24/25 position – the Reference Pack includes a detailed technical paper which has been shared with KPMG. It sets out our thinking at this time on this new asset; highlighting current revenue costs which later in the process may move into the capital position. This aspect will need formal engagement with KPMG next year, which may impact on KPMG fees. Going concern – a paper will be submitted to 3 April 2025 Trust Board. 		

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	<ul style="list-style-type: none"> Climate related disclosures: Phase 1 was reported in the Annual Report last year, with Phase 2 being reported this year. Whilst the Trust's sustainability journey is developing, it will not result in a clean opinion. Next year will see Phase 3 of sustainability development. Elective Recovery Funding (ERF): there is uncertainty around elective recovery caps. There is a differing position across commissioners on whether caps will be deployed or not. We continue to make judgements on the Trust position and accounting standards. There are no other new requirements that require material changes to the annual accounts, but there will be more to come next year. <p>Discussed: DL thanked SH for this update and the EPR technical paper. EL advised that KPMG will keep an eye on the situation as it moves; she confirmed that KPMG is ready to work with Trust on the required letter next year. KPMG are comfortable with the position this year.</p> <p>Noted: The Audit Committee noted the update on year-end technical accounting items.</p>		
13.3	Annual review of Committee Terms of Reference (ToR)		
25/57	<p>Received: A request for the Committee to undertake an annual review of its ToR.</p> <p>Reported: KMB The report was taken as read.</p> <p>Discussed: Comments were received from CC to KMB ahead of the meeting. KMB confirmed that the ToR is in line with requirements for the Annual Report.</p> <p>CC referred to Sections 5.3 and 5.4 which states that the Senior Independent Director (SID) and Audit Chair cannot be same person. This was discussed at Board who were comfortable with CC undertaking both positions. CC asked for this to be made clear in the ToR. DL also agreed that there is a need to add a comment that we agree the SID and Audit Chair as the same person. EM confirmed the recommendation that this has been assessed at Board and that one individual can do both positions.</p> <p>AW added that the ToR currently refers to old public sector audit standards at Item 4.2. He will send KMB the correct wording and title to go into the ToR.</p> <p>CC had reviewed the ToR and sent minor amendments through to KMB and subject to these changes – confirmed approval of the revised ToR.</p> <p>Noted: The Audit Committee approved the revised ToR, subject to the changes noted above.</p>	<p>KMB</p> <p>AW/ KMB</p>	<p>28.05.25</p> <p>28.05.25</p>
13.4	Managing Conflicts of Interest		
25/58	Received: A progress report on compliance with the Trust policy on management of conflicts of interests (DN313).		

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	<p>Reported: KMB The report was taken as read. Compliance with requirements currently stands at 90.5%</p> <p>Discussed: EM noted that there is an escalation process on those not compliant, and asked KMB to pick this up on the three who had not responded.</p> <p>CC noted that it was good to see the level of compliance maintaining, and thanked KMB for his work on this.</p> <p>Noted: The Audit Committee noted the update on managing conflicts of interest.</p>	KMB	28.05.25
13.5	DSPT Toolkit update		
25/59	<p>Received: Verbal update.</p> <p>Reported: AR The report was taken as read.</p> <p>There is a high recognition of DSPT at NHSE level. Submission date is now at the end of June and AR was pleased to see this had moved to part of year which had fewer competing priorities. Compliance at 95% is on track for the end of June. Additional support on the Digital Cyber Team will help improve performance and assurance. He suggested that the recent table-top exercise should be undertaken on a yearly basis. He is working with BDO on the ToR and internal audit work.</p> <p>Discussed: EM requested that even though the submission date has moved, can we keep to the original timeline for chasing staff to ease pressure.</p> <p>AR added that the standard of 95% compliance has been relaxed nationally but RPH are keen to work to this especially in view of cyber security importance.</p> <p>DL expressed concern that due to the number of actions coming from internal audit, and the compact size of the team, would there be sufficient headroom to carry out the pen testing. Is the team able to manage this? AR -confirmed that the Trust has a service that we commission to do this work.</p> <p>CC referred to timelines for future reporting to Audit Committee suggesting that unless any issues, then: May 2025 (paper report to cover outcome) January 2026. (verbal)</p> <p>Noted: The Audit Committee noted the verbal update on DSPT.</p>		
14	ANY OTHER BUSINESS		
25/60	<p>CC referred to potential early closure of accounts by end of May, noting this has happened in some previous years.</p> <p>EL confirmed this had happened in previous years. She noted that ICBs have been pulled to report one week earlier. Moving to an end of May submission would be extremely challenging.</p>		

Agenda Item		Action by Whom	Date by When
15	FORWARD PLANNER AND MEETING REVIEW		
15.1 25/61	<p>Noted: The Audit Committee noted the meeting forward planner.</p> <p>SH confirmed Exec conversations on BAF to ensure sufficient time to report to Audit Committee. EM added that there is a proposal for a workshop to see a change in approach.</p> <p>The Chair noted that this was MB's last Audit Committee meeting before he steps down from his Non-Executive Director role at the end of March. The Committee thanked MB for all his support during his tenure.</p>		
15.2 25/62	<p>Review of meeting agenda and objectives</p> <p>The Committee agreed that objectives had been met with sufficient time allowed for discussion.</p>		
15.3 25/64	<p>Next meeting: 28 May 2025, 1030-1230hrs via MS Teams.</p> <p>The meeting finished at 11.30hrs.</p>		
	FUTURE MEETING DATES: 2025		

2025 dates			
23 January	0930-1130hrs	MS Teams	
13 March	0930-1130hrs	F2F	HLRI building room 89
13 March (NEDS Private meeting with Auditors)	1130-1200hrs	F2F	HLRI building room 89
22 May (AR & A/cs sign off)	0930-1130hrs	MS Teams	
12 June (Audit Cttee NEDs review Accounts)	1000-1030	MS Teams	
19 June (AR & A/cs sign off final)	1000-1100hrs	MS Teams	
24 June (Board sign off AR & A/cs)	1230-1330hrs	MS Teams	
17 July	0900-1100hrs	MS Teams	
16 October	0900-1100hrs	MS Teams	

Signed:

Date:

**Royal Papworth Hospital NHS Foundation Trust
Audit Committee meeting
13 March 2025**