


University Hospitals of Leicester 
NHS Trust

UNIVERSITY HOSPITALS OF LEICESTER NHS TRUST

REPORT BY TRUST BOARD COMMITTEE TO TRUST BOARD

DATE OF TRUST BOARD MEETING: 3 December 2015

COMMITTEE: Audit Committee

CHAIRMAN: Richard Moore, Non-Executive Director

DATE OF COMMITTEE MEETING: 5 November 2015

RECOMMENDATIONS MADE BY THE COMMITTEE FOR CONSIDERATION BY THE TRUST BOARD:

- Minute 70/15 – Local Audit Contracts for Health Bodies Under Local Audit and Accountability Act;
- Minute 71/15 – Leicester Hospitals Charity Accounts 2014-15, and
- Minute 72/15 – NHS Charities Audit – DoH Letter 29 September 2015.

OTHER KEY ISSUES IDENTIFIED BY THE COMMITTEE FOR CONSIDERATION/ RESOLUTION BY THE TRUST BOARD:

- Minute 78/15 – the governance overview of the UHL reconfiguration programme.

DATE OF NEXT COMMITTEE MEETING: 7 January 2016

**Richard Moore
Non-Executive Director
27 November 2015**

DRAFT

UNIVERSITY HOSPITALS OF LEICESTER NHS TRUST

**MINUTES OF A MEETING OF THE AUDIT COMMITTEE HELD ON
THURSDAY 5 NOVEMBER 2015 AT 1PM IN THE C J BOND ROOM, CLINICAL EDUCATION
CENTRE, LEICESTER ROYAL INFIRMARY**

Present:

Mr R Moore – Non-Executive Director (Chair)
Col (Ret'd) I Crowe – Non-Executive Director (excluding Minutes 73/15 to 75/15)
Dr S Dauncey – Non-Executive Director (for Minutes 73/15 to 76/15 only)

In Attendance:

Mr C Benham – Director of Operational Finance (excluding Minutes 71/15, 72/15 and 87/15 to 93/15)
Ms L Bentley – Head of Financial Management and Planning (observing excluding Minutes 71/15, 72/15 and 87/15 to 93/15)
Mr P Cleaver – Risk and Assurance Manager (for Minutes 81/15 and 82/15 only)
Miss M Durbridge – Director of Safety and Risk (for Minutes 81/15 and 82/15 only)
Ms S Hotson – Director of Clinical Quality (for Minute 76/15 only)
Mr A Johnson – Non-Executive Director
Ms K Rayns – Trust Administrator
Ms K Renacre – Interim Assistant Director of Workforce and Organisational Development (for Minutes 77/15 and 84/15/2.3 only)
Mr P Rogers – Senior Project Manager (for Minute 77/15 only)
Mr N Sone – Financial Controller
Ms N Topham – Project Director, Site Reconfiguration (for Minute 78/15 only)
Mr M Traynor – Non-Executive Director (excluding Minutes 73/15 to 75/15 and 85/15 to 93/15)
Mr P Traynor – Director of Finance
Mr C Walker – Clinical Audit Manager (for Minute 76/15 only)
Mr S Ward – Director of Corporate and Legal Affairs
Ms E Wilkes – UHL Reconfiguration Programme Director (for Minute 78/15 only)
Ms J Wilson – Non-Executive Director (excluding Minutes 73/15 to 75/15)

Mr M Curtis – Local Counter Fraud Specialist (EM Internal Audit Services) (for Minute 83/15 only)

Mr D Hayward – KPMG (the Trust's External Auditor) (excluding Minute 93/15)

Ms J Watson – Manager, PwC (the Trust's Internal Auditor) (excluding Minutes 73/15 to 76/15 and 93/15)
Ms C Wood – Senior Manager, PwC (the Trust's Internal Auditor) (excluding Minutes 73/15 to 75/15 and 85/15 to 93/15)

ACTION

RECOMMENDED ITEMS

70/15 LOCAL AUDIT CONTRACTS FOR HEALTH BODIES UNDER LOCAL AUDIT AND ACCOUNTABILITY ACT

The Chief Financial Officer introduced paper O, providing a briefing note on the new Department of Health audit framework for 2017-18, clarifying that the Trust would still be expected to appoint separate internal and external auditors. The Audit Committee supported the recommendation to nominate members of the Audit Committee to act as the Auditor Panel, supported by the Chief Financial Officer in an advisory capacity.

Recommended – that the nomination of the Audit Committee to act as the Auditor Panel to appoint the Trust's Auditors be supported for Trust Board approval.

CFO

71/15 CHARITY ACCOUNTS 2014-15

Paper P provided the accounts and annual report for the Leicester Hospitals Charity for

the year ended 31 March 2015 (as reviewed by the Trust's Auditors and the recommendations received in their ISA 260 report). The Charitable Funds Committee Chairman had left the meeting at this point, but confirmation was provided that the accounts had been circulated to all Committee members in advance and that no concerns had been raised. The Financial Controller explained the timescale for this approvals route to align with the Charity's Annual General Meeting to be held on 19 November 2015.

Audit Committee members supported the accounts for Trust Board approval on 3 December 2015 (as Corporate Trustee). Discussion took place regarding a Listening into Action "Pass it on" event and the development of a staff guide on the process to access charitable funding. Responding to a comment raised by the Committee Chair, the Director of Corporate and Legal Affairs agreed to arrange for some wording relating to risk management (contained in paper P) to be amended.

Recommended – that subject to the above amendment, the Leicester Hospitals Charity Accounts and Annual Report for 2015-16 be recommended for Trust Board approval on 3 December 2015 (as Corporate Trustee). CFO

72/15 NHS CHARITIES AUDIT – DOH LETTER 29 SEPTEMBER 2015

Paper Q set out the new audit arrangements for charity audits effective from the financial year 2017-18, seeking the Audit Committee's approval of a recommendation for the Leicester Hospitals Charity Corporate Trustee to make its own auditor appointments. The decision would then be reported to the Auditor Panel (Minute 70/15 above refers) to ensure that the auditors for the Charity and the Trust could be appointed either jointly or separately by the required timescales. A paper on this subject would also be presented to the next Charitable Funds Committee meeting.

Recommended – that (A) the recommendation for the Leicester Hospitals Charity Corporate Trustee to make its own auditor appointments be supported for Trust Board approval on 3 December 2015, and CFC Chair

(B) a report on the proposed arrangements for charity audits be scheduled on the agenda for the next meeting of the Charitable Funds Committee. CFO

RESOLVED ITEMS

73/15 APOLOGIES AND WELCOME

Apologies for absence were received from Mr J Adler, Chief Executive and Ms A Breadon, Director, PwC (UHL's Internal Auditors). The Committee Chair welcomed Mr A Johnson, Non-Executive Director to his first meeting of the Audit Committee and introductions took place. He also welcomed Ms L Bentley, Head of Financial Management and Planning who was observing this meeting.

74/15 MINUTES

Resolved – that the Minutes of the meeting held on 17 September 2015 (papers A1 to A3) be confirmed as correct records.

75/15 MATTERS ARISING FROM THE MINUTES

Paper B1 advised members of progress on actions from previous Audit Committee meetings, noting in particular:-

- **Minute 53/15(c) of 17 September 2015** – a verbal report on recent and planned developments relating to Empath would be provided later in the agenda (Minute 79/15 below refers);
- **Minute 54/15(c) of 17 September 2015** – an update on the role of the Audit

Committee in commissioning major project Healthcheck reviews was provided in a separate report which featured later in the agenda (paper E3 refers);

- **Minute 56/15/2 of 17 September 2015** – the Chief Financial Officer briefed the Committee on the arrangements for the scheduled Internal Audit review of elective waiting lists to feed into the External Audit waiting list review during 2016-17. It was agreed that the scope of the Internal Audit review would be shared with External Audit to ensure that best value was provided by both teams, and
- **Minute 59/15(b) of 17 September 2015** – an update on the open fraud case 71420 was included in a separate report which featured later in the agenda (paper G refers), and
- **Minute 60/15/2(b) of 17 September 2015** – a verbal update on the scoping and terms of reference for the Internal Audit medical staffing review would be provided under paper I (the Internal Audit progress report).

CFO

Resolved – that the matters arising report and any associated actions be noted and taken forward by the appropriate lead.

76/15

CLINICAL AUDIT – ANNUAL REVIEW OF SYSTEMS AND PROCESSES

The Director of Clinical Quality and the Clinical Audit Manager attended the meeting to introduce paper C, setting the context for this annual review by the Audit Committee and providing an overview of the governance structures and monitoring arrangements in place to ensure that the clinical audit process delivered all national requirements and supported the Trust's 5 Year Plan for Caring at its Best. Figure 3 on page 4 of the report set out the prioritisation process in place to provide an effective use of resources in line with the national guidance.

The Clinical Audit Manager briefed the Committee on the development of clinical audit services from an assurance process into more of a quality improvement and innovation process. He advised that increased transparency had been implemented in respect of the mapping arrangements between clinical audit and the risk register and that the results of all audits were now published on the clinical audit areas of the Trust's intranet. In discussion on the report Audit Committee members:-

- (a) congratulated the Clinical Audit Team on their progress with transforming the clinical audit function at UHL;
- (b) queried whether any resistance was encountered in the level of contribution to audits. In response it was noted that a lack of awareness sometimes caused issues, but this was being addressed by strengthening the communications links with staff and inclusion of a regular feature in the Chief Executive's staff briefing. Occasional delays were reported in completing the audit summaries, but appropriate escalation mechanisms were in place to address this area;
- (c) considered the arrangements for showcasing areas of good practice;
- (d) noted that the audit plan was set out between April and March each year, but was effectively a rolling programme which would never achieve 100% completion;
- (e) queried how performance was measured and the potential consequences of any poor performance, noting the target for 90% of audits to be running to schedule and that the CQC would expect to see 100% participation in all mandatory audits;
- (f) commented upon the dashboard provided at appendix 2 and the low percentage of cancer audits running to schedule (50%). Members noted that the substantive clinical audit lead for cancer had stepped down and an interim lead was in place. This issue had been escalated to the CHUGGS Quality and Safety Board for urgent resolution. In addition, bi-monthly meetings were held with the CMGs to review their dashboard performance in greater detail;
- (g) queried whether there was sufficient traction to deliver the clinical audit plan and whether any additional support was required to address any areas of concern, and
- (h) queried how the Trust measured the cost of clinical audits, noting that costing data was available for the national audits but not for the entire UHL programme. Some elements of clinical audit workstreams were included within the patient tariff, but others were carried out on a voluntary basis.

The Committee Chair commended the good progress made to date and highlighted the areas of future focus, confirming that the existing monitoring and reporting processes appeared to be robust. The Committee agreed that the current quarterly reporting process to the Executive Quality Board would continue and that any exceptions to progress would be escalated to the attention of the Quality Assurance Committee. Annual assurance reports would continue to be presented to the Audit Committee.

Resolved – that (A) the annual review of Clinical Audit systems and processes be received and noted as paper C, and

(B) the next Clinical Audit review be scheduled on the Audit Committee agenda in November 2016.

DCQ

77/15 OVERPAYMENT OF SALARIES

Further to Minute 37/15/2 of 27 May 2015, paper D provided an overview of the number of employee overpayments and the arrangements for managing and recovering overpayments and reducing the occurrence. The Interim Director of Workforce and Organisational Development and the Senior Project Manager attended the meeting to introduce this report.

The Committee considered the scale and prevalence of this issue, the robust tracking mechanism in place and benchmarking data with other NHS Trusts. A number of initiatives were being pursued in order to reduce the risk of salary overpayments through appropriate training and escalation methods and closer working with the Deanery (recognising that approximately 15% of overpayments were linked to junior doctor rotations). Assurance was provided that line managers were being performance managed against the leavers process to ensure that any staff terminations were processed onto the Electronic Staff Record (ESR) in a timely manner. Discussion took place regarding opportunities to implement a self-service version of ESR and whether this would help to support further improvements. The Senior Project Manager confirmed that he would be exploring whether the next ESR module would be able to provide this functionality.

In response to a query from Ms J Wilson, Non-Executive Director regarding the impact of temporary promotions and the arrangements for returning to the original staff grade, assurance was provided that a complete case management system was utilised and that a robust data capture mechanism was in place. The Committee Chair sought and received additional information regarding plans for future reviews of salary overpayments, noting in response that the Chief Financial Officer was reviewing the scope to bring forward a planned External Audit review.

Resolved – that (A) the report on Overpayment of Salaries (paper D) be received and noted;

(B) the Chief Financial Officer be requested to review the scope to bring forward the planned External Audit review of salary overpayments, and

CFO

(C) the Senior Project Manager be requested to explore whether the next ESR module would support a self-service approach for line managers.

SPM

78/15 UHL RECONFIGURATION PROGRAMME – GOVERNANCE OVERVIEW AND MAJOR RECONFIGURATION PROJECT HEALTHCHECK REVIEWS

Ms E Wilkes, UHL Reconfiguration Programme Director and Ms N Topham, Project Director, Site Reconfiguration introduced papers E1 to E2, seeking to assure the Audit Committee on the governance in place to deliver UHL's reconfiguration programme.

Particular discussion took place regarding the draft Organisational Reconfiguration

Governance Structure and it was proposed and agreed that a dotted line would be inserted linking the Executive Strategy Board and the Audit Committee. This was considered especially relevant in the event of the Audit Committee being requested to commission a Healthcheck Review. It was also agreed to make the role of the Chief Nurse and the Acting Medical Director in reviewing strategic business cases at the Integrated Finance, Performance and Investment Committee more explicit within the documentation.

Subject to the above amendments, the Committee supported the implementation of the draft governance structures and requested that the updated versions be appended to the next Trust Board report on the Reconfiguration Programme.

Paper E3 set out the key stages of the Healthcheck review process and proposals for the Audit Committee's role in commissioning such reviews. The Committee supported the proposals, noting that the action plans arising from future Healthcheck reviews would be appended to regular reports to the Audit Committee and that the first such report would be scheduled on the agenda for 7 January 2016.

Resolved – that (A) the finalised governance processes be appended to the next Trust Board report on the Reconfiguration Programme, and DS

(B) a report on Healthcheck reviews be scheduled on the Audit Committee agenda for 7 January 2016. DS

79/15 EMPATH UPDATE

Further to Minute 7/15/1(b) of 8 January 2015, the Chief Financial Officer reported orally on the development of the Empath strategy, future governance arrangements and the Strategic Outline Case (as considered at the 29 October 2015 Integrated Finance, Performance and Investment Committee meeting). He confirmed that independent reviews of the financial assumptions and the strategic implications of the project were being undertaken and that this supplementary information would be made available to inform the Trust Board's consideration at the 3 December 2015 meeting.

The Chief Financial Officer also summarised the proposals for revised Empath governance arrangements, advising that a new Empath Strategic Board would be Chaired by the NUH Chief Executive and a new Empath Operational Board would be Chaired by the UHL Chief Financial Officer, with the Vice-Chair roles being undertaken by the equivalent post holders at the opposite Trust.

The Committee Chair sought confirmation of the intended process for documenting completion of the outstanding Audit Committee actions and it was agreed that a follow-up report on Empath governance would be presented to a future Audit Committee meeting, once the SOC had been approved and the revised arrangements were up and running.

Resolved – that (A) the proposed arrangements for Empath governance and the Strategic Outline Case be presented to the Trust Board on 3 December 2015, and CFO

(B) a follow-up report on Empath governance be reported to the Audit Committee once the revised governance arrangements had been implemented. CFO

80/15 DEVELOPMENT OF THE PRIVATE PATIENT STRATEGY

The Chief Financial Officer reported orally on the development of the private patient strategy, although noting that this workstream was being led by the Director of Strategy. Draft proposals had been presented to the Executive Strategy Board, but some further work had since been agreed to strengthen the existing arrangements for capturing and charging for private activity. Further reports on these issues would be presented to the Executive Strategy Board and the Integrated Finance, Performance

and Investment Committee in the first instance.

In response to a Non-Executive Director query, it was agreed to continue to progress the Audit Committee's concerns relating to debt recovery until such time as the identified improvements had become embedded.

Resolved – that regular assurance reports on the recovery of private patient debts continue to be presented to the Audit Committee.

CFO

81/15 UPDATE ON THE DEVELOPMENT OF THE 2015-16 BOARD ASSURANCE FRAMEWORK (BAF)

Further to Minute 57/15 of 17 September 2015, the Director of Safety and Risk and the Risk and Assurance Manager attended the meeting to present paper F, providing assurance in relation to the effectiveness of UHL's risk management process for 1 August to 30 September 2015 and proposing a new report structure for the recently revised BAF. Appendix 4 to paper F highlighted the key questions which risk owners were requested to consider when populating their sections of the BAF. Appendix 5 set out the mapping arrangements for each of the 19 key risks.

Confirmation was provided that the refreshed BAF would be submitted to the 3 December 2015 Trust Board meeting for implementation in January 2016 (subject to discussion by the Board). The Committee Chair sought and received assurance that the focus on horizon scanning and escalation of previously unknown issues would be developed further during 2016. A Listening into Action event was planned to identify any key issues and increase engagement with the CMG teams.

Discussion took place regarding the new arrangements in 2016 to receive CMG presentations during the interval between IFPIC and QAC meetings. These presentations would include quality, financial and operational performance and risk management processes and it was hoped that this would reduce the amount of duplication through the Board level Committees.

The Director of Corporate and Legal Affairs highlighted the need to confirm the revised BAF with the Chief Executive prior to implementation, suggesting that some of the Committees listed in appendix 5 might not be the most suitable. The Committee Chair highlighted areas of focus for the proposed Internal Audit review of the BAF and requested that the Audit Committee be sighted to both the summary Risk Register and the detailed Risk Register at regular intervals.

Resolved – that (A) the revised BAF be presented to the Trust Board on 3 December 2015 for approval, and

DSR

(B) the Director of Corporate and Legal Affairs be requested to seek the Chief Executive's view on the most appropriate assurance Committees to inform appendix 5.

DCLA

82/15 LOCAL SECURITY MANAGEMENT SPECIALIST (LSMS) UPDATE REPORT

Paper G provided an update on progress against the LSMS action plan arising from the annual self-assessment process. The Director of Safety and Risk highlighted the key areas where progress had been disappointing in respect of engagement and co-operation within the Interserve contract (eg provision of security staff and installation of CCTV systems, etc). Assurance was provided that progress was already being monitored through the Police Liaison Group, Health and Safety Committee and the Executive Team. A good relationship was being maintained with the Leicestershire Police service, although local reorganisation had resulted in a number of different representatives being put forward.

It was agreed that the relevant risk assessments and action plans would be provided to

the Director of Estates and Facilities for escalation with Interserve. A further report was requested for the 7 January 2016 meeting, at which point the Committee would be able to review the next steps or mitigating actions required to address any gaps in the service.

Resolved – that a progress report on the Local Security Management action plan be provided to the 7 January 2016 Audit Committee following escalation of the issues noted in relation to the Interserve contract.

LSMS

83/15 LOCAL COUNTER-FRAUD SPECIALIST PROGRESS REPORT

Resolved – that this Minute be classed as confidential and taken in private accordingly.

84/15 ITEMS FROM INTERNAL AUDIT

84/15/1 Internal Audit Progress Report

Paper I provided an update on progress made against the 2015-16 Internal Audit risk assessment and plan, since the previous Audit Committee in September 2015. In discussion on the Internal Audit progress report, the Audit Committee supported a proposal to streamline the Medical Staffing Review to provide a more detailed focus upon governance of the international recruitment process. The updated terms of reference for this review would be circulated following prior review by the Director of Workforce and Organisational Development.

The Chief Financial Officer commented upon the role of UHL's recruitment control panel and voiced his view that (in some cases) there would be added value in speeding up recruitment to key posts, particularly where premium staffing costs were being incurred.

Resolved – that the updated Terms of Reference for the Medical Staffing Review be circulated following prior review by the Director of Workforce and Organisational Development.

IA

84/15/2 Internal Audit Review Reports

84/15/2.1 Breast Cancer Screening Performance

Resolved – that the Internal Audit review of the Trust's Breast Cancer Screening performance (paper J1) and its 3 low-risk findings be noted.

84/15/2.2 Governance Around Hosted Services – Elective Care Alliance

Paper J2 detailed Internal Audit's 2015-16 review of the governance around the Alliance hosted elective care service. The report had been rated overall as low risk, with 1 medium and 3 low rated findings. In discussion on this item, Audit Committee members noted that the Alliance Director had resigned from her post and it might be worthwhile to schedule a follow-up review after an appropriate interval.

Resolved – that (A) the Internal Audit review of the Governance around the Alliance hosted elective care service be noted, and

(B) consideration be given to scheduling a follow-up review once a new Alliance Director had been appointed.

CFO

84/15/2.3 Recruitment – Compliance with Immigration Requirements

Paper J3 detailed Internal Audit's 2015-16 review of compliance with immigration requirements. The report had been rated overall as high risk, with 2 high, 1 medium

and 2 low rated findings. As previously agreed, the Interim Director of Workforce and Organisational Development and Ms M Warner, Human Resources Officer attended the meeting for this item.

Internal Audit representatives advised that many areas of good practice had been noted during the review and that the Human Resources Directorate had been pro-actively implementing the findings arising from the review. In respect of the 2 high risks, the Committee noted that an amendment to the Disclosure and Barring Service (DBS) Policy was being progressed and a system control was being implemented in the bank booking system to manage the booking of additional shifts in excess of 20 hours per week for tier 2 or tier 5 staff. Subject to the amendment to the Policy being signed off, a compliant position was expected to be achieved in December 2015.

Resolved – that the Internal Audit review of the Trust’s compliance with immigration requirements (paper J3) and the actions underway to address the high and medium rated findings be received and noted.

84/15/2.4 Service Line Reporting (SLR)

Paper J4 detailed Internal Audit’s 2015-16 review of service line reporting. The report had been rated overall as medium risk, with 2 medium and 3 low rated findings. Members commented upon the positive feedback received after the Board awareness session on this subject and received assurance that SLR data featured as a standing item on the agenda for every CMG Board meeting. The Chief Financial Officer expressed his view that SLR would become more embedded, if it was progressed as part of an integrated service improvement or efficiency programme (rather than a stand alone project). He undertook to discuss the approach with the Chief Executive to consider the scope to embed this workstream within the “UHL Way” improvement methodology.

Resolved – that (A) the Internal Audit review of service line reporting (paper J4) be noted, and

(B) the Chief Financial Officer be requested to discuss potential arrangements for the integration of SLR with UHL’s improvement methodology with the Chief Executive.

CFO

85/15 **ITEMS FROM EXTERNAL AUDIT**

85/15/1 External Audit Progress Report

Paper K provided an update on progress made against the 2015-16 Internal Audit risk assessment and plan, since the previous Audit Committee in September 2015. In discussion on the Internal Audit progress report, the Audit Committee noted progress with finalising the external audit plan for 2015-16 which would be presented to the January 2016 Audit Committee meeting. Discussion took place regarding the scope to include workstreams on planning, logistics and reference costs.

Resolved – that (A) the external audit progress report be received and noted as paper K, and

(B) updated proposals for finalising the external audit plan for 2015-16 be presented to the 7 January 2016 Audit Committee.

EA

85/15/2 External Audit Review of the 2014-15 Quality Account

Further to Minute 61/15 of 17 September 2015, paper L provided the outputs of the External Audit benchmarking work on UHL’s 2015-16 Quality Account. The Audit Committee welcomed this report noting that no problems or exceptions had been highlighted. Whilst an unqualified limited assurance opinion had been issued and there

was no statutory requirement to produce this report, it was confirmed that External Audit would continue to produce this annually as it represented good practice.

Resolved – that the outputs of the EA benchmarking work on UHL’s 2015-16 Quality Account be received and noted.

86/15 FINANCE – STRATEGIC AND OPERATIONAL ISSUES

86/15/1 Discretionary Procurement Actions (September to October 2015)

Paper M listed the discretionary procurement actions for the period September to October 2015 in accordance with the Trust’s Standing Orders, noting that a revised Procurement Waiver template was appended to the report, following a review of the Trust’s Standing Orders. In discussion on a ward refurbishment scheme, the Director of Corporate and Legal Affairs agreed to provide feedback to the Director of Strategy and her team regarding the need to avoid single tender procurement actions wherever possible. On this occasion however, the Committee noted that the situation had been unavoidable and that the contract award had been appropriately tested for value for money considerations using an agreed methodology.

Resolved – that (A) the discretionary procurement actions report (September to October 2015) be noted, and

(B) the Director of Corporate and Legal Affairs be requested to provide feedback to the Director of Strategy regarding single tender procurement actions.

DCLA

86/15/2 Review of Losses and Special Payments, Bad Debt Provision and Write-Off

Paper N provided a summary of losses, special payments, bad debt provision and write-off for the first 6 months of the 2015-16 financial year to date (April to September 2015). Assurance was provided that all such items had been captured on the register and that the annual schedule would be submitted to the Committee in April 2016 and would form part of the Trust’s annual accounts.

Particular discussion took place regarding the impact of changes in the way that overseas debts were managed and accounted for. Assurance was also provided that discussions were underway with the patient experience team regarding the provision of additional patient lockers on wards in order to reduce the number of claims for loss of personal items (eg dentures and hearing aids). The Financial Controller was requested to carry out a reconciliation exercise between the salary overpayments detailed in papers D and N, although the Committee noted that some of the amounts referred to in paper N might relate to previous financial years.

Resolved – that the Financial Controller be requested to undertake a reconciliation exercise between the salary overpayments detailed in papers D and N.

FC

87/15 GOVERNANCE

87/15/1 Consolidated List of Outstanding Actions from Internal Audit, External Audit and Local Counter-Fraud Audit Reports

Paper R from the Director of Corporate and Legal Affairs advised the Audit Committee of progress against outstanding actions from Internal Audit, External Audit, and Local Counter-Fraud Specialist reports. UHL’s Executive Performance Board had received the same version of this report on 27 October 2015. Audit Committee members commented upon the improving position and they welcomed the Chief Executive’s robust approach to progressing and reducing the number of outstanding actions.

Clarification was received that this report detailed only those actions where the due

date had been exceeded and that new items would continue to appear each month as new due dates arose. Particular discussion took place regarding the robust checking mechanism which required submission of appropriate evidence prior to closing down each action. In respect of the 3 amber-rated actions relating to Corporate Planning, the Committee noted an expectation that these would be closed down shortly and the Director of Corporate and Legal Affairs agreed to support the Head of Strategic Development to ensure that the appropriate evidence was uploaded. The Director of Corporate and Legal Affairs recorded his thanks to the Senior Trust Administrator and her team in developing and maintaining this helpful report.

Resolved – that (A) the report of outstanding actions from Internal Audit, External Audit and Local Counter-Fraud reports be noted, and

(B) the Director of Corporate and Legal Affairs be requested to contact the Head of Strategic Development to support the submission of evidence to close down actions relating to Corporate Planning.

DCLA

88/15 ITEMS FOR INFORMATION

88/15/1 Revised Terms of Reference for the Charitable Funds Committee

Paper S provided a copy of the revised Terms of Reference for the Charitable Funds Committee for members' information. The Trust Board had already approved the Terms of Reference earlier that day (as Corporate Trustee).

Resolved – that the Charitable Funds Terms of Reference be received and noted for information.

89/15 ASSURANCE GAINED FROM THE BELOW COMMITTEES ON KEY RISKS/ISSUES OF THE TRUST

89/15/1 Quality Assurance Committee

Resolved – that the Quality Assurance Committee Minutes from 27 August and 24 September 2015 (papers T1 and T2) be received and noted.

89/15/2 Integrated Finance, Performance and Investment Committee

Resolved – that the Integrated Finance, Performance and Investment Committee Minutes from 27 August and 24 September 2015 (papers U1 – U3) be received and noted.

89/15/3 Charitable Funds Committee

Resolved – that the Charitable Funds Committee Minutes from 6 August 2015 (paper V) be received and noted (as approved by the Trust Board acting as Corporate Trustee).

90/15 ANY OTHER BUSINESS

90/15/1 Ms J Wilson – Non-Executive Director

Noting that this would be the final Audit Committee meeting for Ms J Wilson before she stood down as UHL Non-Executive Director at the end of December 2015, members thanked her for her significant contribution.

Resolved – that the position be noted.

90/15/2 Trust Board Awareness Session – Value for Money within the Capital Programme

Ms J Wilson, Non-Executive Director provided positive feedback from the above Trust Board awareness session and invited members' suggestions for any further sessions.

Resolved – that the position be noted.

91/15 IDENTIFICATION OF KEY ISSUES THAT THE COMMITTEE WISHES TO DRAW TO THE ATTENTION OF THE TRUST BOARD

Resolved – that the following items be brought to the attention of the Trust Board:-

**AC
CHAIR**

- Minutes 70/15 and 72/15 – relating to Audit Contracts;
- Minute 71/15 – the Leicester Hospitals Charity Accounts for 2014-15, and
- Minute 78/15 – the governance overview of the UHL reconfiguration programme.

92/15 UPDATED SCHEDULE OF MEETING DATES FOR 2016 AND DATE OF NEXT MEETING

Resolved – that (A) the updated schedule of Audit Committee meeting dates for 2016 be received and noted, and

(B) the next meeting be held on Thursday 7 January 2016 (following the Trust Board meeting on that date) in Seminar Rooms A and B of the Clinical Education Centre, LGH.

93/15 AUDIT COMMITTEE DISCUSSIONS IN THE ABSENCE OF AUDIT AND LCFS REPRESENTATIVES

Resolved – that this item be classed as confidential and taken in private accordingly.

The meeting closed at 5.55pm

Kate Rayns
Trust Administrator

Cumulative Record of Members' Attendance (2015-16 to date):

Name	Possible	Actual	% attendance
Mr R Moore (Chair)	3	3	100%
I Crowe	3	3	100%
S Dauncey	3	3	100%

Attendees

Name	Possible	Actual	% attendance
J Adler	3	2	67%
A Johnson	1	1	100%
N Sone	3	3	100%
S Ward	3	3	100%
M Traynor	3	3	100%
P Traynor	3	3	100%
J Wilson	3	2	67%