

## BOARD PAPER - NHS ENGLAND

**Title:** Report of the Audit and Risk Assurance Committee to the Board

**From:** Joanne Shaw, Chair, Audit and Risk Assurance Committee

**Purpose of Paper:**

- To update the Board on key aspects of the meeting of the Audit and Risk Assurance Committee held on 11 December 2017

**Summary of Paper:**

All non-executive committee members were present, along with key executives. Key points:

- The Internal Audit update was presented. Good progress is being made on the 2017-18 plan.
- The Committee reviewed the status of internal audit actions and noted an improvement and the need to maintain the position.
- The Committee considered a paper setting out options to strengthen assurance of primary care commissioning by delegated CCGs.
- A further update was provided on the issues arising from the delivery of PCS.
- The Committee noted the progress made to develop the in-house counter fraud service.
- The Committee received an update on Cyber Security in the NHS.
- The Committee received the mid-year update on the 2017/18 Mandate Assurance report.
- The NAO presented their audit plan for 2017-18 setting out key risks. An update was also provided on the Value for Money programme
- The Committee discussed its recent self-assessment exercise and agreed a number of actions to improve the Committee's effectiveness.
- The Committee received an update on the re-procurement of the Internal Audit and CSU Service Auditor Report service.

**The Board is invited to:**

- Note the Report

**REPORT TO THE BOARD FROM:**        **Audit and Risk Assurance Committee**

**COMMITTEE CHAIR:**                    **Joanne Shaw**

**DATE OF COMMITTEE MEETING:**    **11.12.2017**

## **MATTERS FOR THE BOARD`S ATTENTION**

### **Progress on Internal Audit Programme**

1. It was noted that good progress was being made on delivery of the 2017-18 Internal Audit plan. The Committee noted the assurance assessments of internal audit work and discussed the RAG assessment scoring.
2. The Committee was encouraged by the positive assessment of the Greater Manchester Governance Framework audit.
3. The Committee considered a paper setting out options to strengthen further the assurance of primary care commissioning by delegated CCGs and agreed a number of actions to take that forward.

### **Governance**

4. The Committee noted the status of Internal Audit management actions, recognising the good progress made and the importance of maintaining this position.
5. The Committee noted the update on the Corporate Risk Register and agreed that a discussion on improving risk reporting would be scheduled for the next meeting.

### **Annual Report and Accounts**

6. The NAO presented their audit plan for 2017-18 including the significant risk areas. The Committee discussed whether the scope of the plan was adequate noting that the NAO would keep the plan under review.
7. The Committee noted an update on the Value for Money Programme.

### **Counter Fraud**

8. The Committee noted the progress made to develop the in house counter fraud service for NHS England. An update was requested on the latest Counter Fraud Authority assessment of NHS England's counter fraud arrangements.

### **Oversight**

9. The Committee received an update on Cyber Security in the NHS, including lessons learned from the "Wannacry" incident and discussed the actions and next steps arising from the review of that incident.
10. The Committee considered the mid-year update on the 2017/18 Mandate Assurance Report.

## **ITEMS FOR THE BOARD`S INFORMATION AND ASSURANCE**

11. In summary, risk and governance elements are in place but some elements of internal control still need to be embedded. Further work is required and this will remain a focus for ARAC going forward.

## **COMMITTEE MATTERS**

12. The Committee discussed the self-assessment of its performance. A number of actions were agreed to improve the effectiveness of the Committee.
13. An update was provided on the re-procurement of the Internal Audit and Counter fraud service.

## **PROGRESS AGAINST THE COMMITTEE`S ANNUAL WORK PLAN**

14. The Committee received the workplan which covers the period up to October 2018. The date for the July meeting has been brought forward to the 3<sup>rd</sup> July. The plan will remain under continual review by the Committee.

## **RECOMMENDATION**

15. The Board is asked to:
  - note the Report