

## 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 17 May 2018

**Summary of Paper:**

Key points:

- Good progress is being made on the 2017-18 internal audit plan. The draft Head of Internal Audit opinion was also considered.
- The draft Internal Audit plan for 2018-19 was reviewed and approved.
- The Committee reviewed the status of internal audit actions and noted the continued improvement and the need to maintain the position.
- The Committee received a report on Significant Contracts with third parties which described how the management of such contracts will be improved.
- A further update was provided on the issues and options arising from the delivery of Primary Care Services, including internal audit results. The discussion included reference to the report published on this issue by the National Audit Office. This will continue to be closely monitored
- The Committee reviewed the draft versions of the Annual Report and Annual Accounts, noting the progress made. The final versions will be presented to the July meeting.
- The NAO's update on their audit work for 2017-18 confirmed that no significant issues had emerged to date. An opportunity will be found for NHSE to input to the NAO's VFM workplan in late summer /early autumn. Board colleagues will be invited.

**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:**       **17.05.2018**

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

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

1. It was noted that whilst good progress was being made on delivery of the 2017-18 Internal Audit plan a number of reports are still to be completed. The draft Head of Internal Audit Opinion for 2017-18 was presented to the Committee.
2. The draft Internal Audit plan for 2018-19 was considered and approved noting that it should remain under review through the year.
3. The Committee noted the audit work carried out to date on Primary Care services.
4. There was an update on the service auditor work conducted at CSUs which has produced a positive outcome, as all reports have been issued on time with relatively few exceptions.

### **Governance**

5. The Committee noted the status of Internal Audit management actions, recognising the progress made and the importance of maintaining this position.
6. The Committee received a further update on Primary Care Services and also reflected on the NAO report on this issue which had just been published.

### **Annual Report and Accounts**

7. The NAO presented their update on the 2017-18 audit, noting no major concerns.
8. Draft versions of the Annual Report and Annual Accounts were presented. The Committee noted the good progress to date. Final versions will be presented to the meeting on July 3<sup>rd</sup>, incorporating input from members.
9. The NAO provided an update on their 2017-18 audit work noting that no major issues had been identified to date. It was agreed that the NAO would engage with NHS England in late summer / early autumn on the Value for Money (VFM) Programme.
10. The NAO provided a report on recommendations which have been made following year end audit work since 2013-14.

## **Oversight**

11. The Committee received a report on Significant Contracts which set out the work required to achieve better management of 18 key contracts and any future contracts. Internal audit actions in respect of the third party assurance audit will be completed by the end of May.

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

12. In summary, governance elements are in place, a suitable framework exists for risk management and significant improvement has been made in respect of internal control. This will remain a focus for ARAC going forward.

## **COMMITTEE MATTERS**

13. The Committee discussed the quality and content of the papers and provided feedback.

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

14. The Committee received the workplan which covers the period up to February 2019. There was discussion of items which should be considered by the Committee in future.

## **RECOMMENDATION**

15. The Board is asked to note the Report

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