

Audit Committee 23 June 2011

Annual review of actions taken in 2010-11: Public meetings

Executive Summary and Recommendations

**Introduction**

An annual review of the actions arising from meetings in 2010-11 is attached.

**Decision**

The Committee is asked to note the actions that have been taken.

**Background information**

Please refer to individual papers and minutes for the background to decisions.

**Resource implications**

None.

**Financial implications**

None.

**Appendices**

List of actions arising from meetings in 2010-11.

**Date of paper**

28 March 2011.

## Action points

### Audit Committee – public meetings

2010-11

|   | Action point (and location in the minutes)  | For the attention of | Action by                | Comments   |
|---|---|----------------------|--------------------------|--|
|   | <b>24 June 2010</b>   |                      |                          |  |
| 1 | Business Process Improvement reports: Committee agreed that future reports should briefly summarise how British Standards Institute audits helped HPC to continuously improve.<br>(7.2)   | RD                   | Ongoing                  |  |
| 2 | Draft annual report and accounts: Subject to an amendment, the Committee agreed to approve the draft.<br>(8.6)  | GB                   | 7 July 2010              | Actioned. The annual report was approved by the Council on 7 July 2010. It was laid in Parliament on 27 July 2010.                                   |
| 3 | National Audit Office audit findings and letter of representation: Committee approved the report of audit findings for 2009-10 and the management letter.<br>(9.8)  | GB                   | 7 July 2010              | Actioned. The signed letter of representation was sent to the National Audit Office.   |
| 4 | Tendering process for internal auditor: Subject to amendments above, the Committee agreed:<br><br>(1) the proposed approach to tendering described in appendix 1 of the paper;<br><br>(2) the timetable in appendix 2 of the paper; and<br><br>(3) that, subject to members' availability, an additional meeting of the Committee should be held on 25 November 2010 or 2 December 2010, to receive presentations from shortlisted firms and agree a recommendation to Council on appointing an internal auditor.<br>(10.6) | CB                   | Ongoing to December 2010 | Actioned.<br><br>The short-listing meeting was held on 18 October 2010.<br><br>The additional meeting of the Committee was held on 25 November 2010. |

|   |   |    |                  |   |
|---|---|----|------------------|---|
|   | <b>23 September 2010</b>  |    |                  |   |
| 5 | <p>Business Process Improvement report: Committee agreed that future reports should include a brief summary of corrective and preventive actions under the quality management system, to show how it benefited HPC's stakeholders.</p> <p>(6.4)</p>   | RD | Ongoing          |   |
| 6 | <p>Internal audit workplan:</p> <p>Committee agreed that it should review the workplan at its next meeting, in the light of progress on transfer of functions from the General Social Care Council to HPC and progress on the regulation of psychotherapists and counsellors.</p> <p>(10.3)</p>   | CB | 25 November 2010 | Actioned. A further paper was on the agenda for the meeting held on 25 November 2010.   |
| 7 | <p>Review of the Audit Committee's effectiveness:</p> <p>Committee agreed to give positive responses to questions on the checklist.</p> <p>A member would welcome guidance on a suitable training course.</p> <p>(11.3)</p>   | CB | 25 November 2010 | Actioned. The Secretary to Committee provided guidance to the member on suitable training courses which are due to be held in 2011. |
| 8 | <p>Audit Committee terms of reference:</p> <p>Committee agreed that the Executive should review suggested amendments against the terms of reference for the Finance and Resources Committee (to ensure that there was no overlap or conflict) and against the model terms of reference for an audit committee set out by HM Treasury.</p> <p>(12.4)</p> | CB | 25 November 2010 | Actioned. A further paper was on the agenda for the meeting held on 25 November 2010. See action point 13 below.                    |

|                         |   |     |                  |   |
|-------------------------|---|-----|------------------|---|
| 9                       | <p>Risk appetite:</p> <p>Committee agreed that HPC should adopt a statement of risk appetite, including a statement that HPC took a 'cautious' approach to risk. The Committee noted that this was the second most cautious approach. The Committee agreed that the Executive should produce a paper for the next meeting listing the categories of risk appetite.</p> <p>(13.3)</p>                | RD  | 25 November 2010 | Actioned. A further paper was on the agenda for the meeting held on 25 November 2010. See action point 12 below.                                    |
| 10                      | <p>Risk register update:</p> <p>Committee agreed that the risk register should show an overall summary of the risks facing HPC. The Committee also agreed that the Executive should consider whether the rating of risks after mitigation should be shown as a numerical score, rather than 'low', 'medium' or 'high'.</p> <p>(14.5)</p>  | RD  | 16 March 2011    | At its meeting on 16 March 2011, the Committee noted that the Executive felt that a 'traffic light' rating of red, amber or green was more helpful. |
| <b>25 November 2010</b> |   |     |                  |   |
| 11                      | <p>Internal audit workplan 2010-11:</p> <p>Committee agreed that the eight days planned for a review of the project to regulate psychotherapists and counsellors should instead be allocated to a review of the project to transfer regulatory functions from the General Social Care Council. The Committee agreed that the review would take place in fourth quarter of 2010-11.</p> <p>(7.3)</p> | PKF | March 2011       | Actioned. The internal audit report was considered by the Committee at its meeting on 16 March 2011.  |
| 12                      | <p>Risk appetite: Committee agreed the statement of risk appetite as set out in the paper.</p> <p>(9.3)</p>   | RD  | 9 December 2010  | Actioned. The statement of risk appetite was ratified by Council on 10 February 2011.   |

|    |   |        |                       |  |
|----|---|--------|-----------------------|--|
| 13 | Audit Committee terms of reference: Committee agreed to recommend to the Council amendments to its terms of reference.<br>(10.4)  | CB     | 9 December 2010       | Actioned. Amendments approved by Council on 9 December 2010.                       |
|    | <b>16 March 2011</b>  |        |                       |  |
| 14 | Transfer of regulatory functions from General Social Care Council: Committee agreed that it should receive the project plan, so that it could better understand the relationship between the project risk register and operational work.<br>(8.5) | GR-S   | 23 June 2011          |  |
| 15 | Internal audit report – Governance review:<br><br>Committee agreed that PKF should amend paragraphs 2.3, 3.3 and 3.16 of the report.<br>(9.3)   | PKF    | 31 March 2011         | Actioned. The amended report was circulated to members by e-mail on 22 March 2011. |
| 16 | Internal audit workplan 2011-12:<br><br>Committee approved the internal audit strategy for the three years ending 31 July 2014 and the internal audit workplan for 2011-12.<br>(13.6)   | Mazars | Ongoing to March 2012 |  |