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**Minutes of the Meeting of the CCG Audit Committee
Wednesday, 24th October 2018 10.00am – 1.00pm
WNCCG Offices, King's Court, Chapel Street, King's Lynn**

Present:

Ian Pinches (Meeting Chair)	Lay Member (Audit)	(IP)
Tim Bishop	Governing Body Lay Member	(TBi)

In attendance:

Heather Farley	Head of Corporate Affairs	(HF)
Nikki Bartrum	Senior Corporate Manager	(NB)
Howard Martin	Chief Finance Officer	(HM)
Barry Pryke	External Auditor, BDO	(BP)
Neil Abbott	Internal Auditor, TIAA	(NA)
Cathy Hudson	Governance Officer (Minutes)	(CHu)
Lisa George	Counter Fraud Specialist, TIAA	(LG)
Dr Imran Ahmed	Governing Body GP Member (From Item 18.96b)	(IA)

Apologies:

Emma Kriehn-Morris	Deputy Chief Finance Officer	(EKM)
Kevin Limn	Internal Auditor, TIAA	(KL)
Zoe Thompson	External Auditor, BDO	(ZT)

ACTION

Welcome

This being the first Audit Committee chaired by Ian Pinches (IP), Governing Body Lay Member (Audit), brief introductions were made.

18.91 Declarations of Interest

IP reminded those present of their obligation to declare any interest they may have on any issues arising at committee meetings which might conflict with the business of West Norfolk Clinical Commissioning Group.

The register of interests for members of the Committee was made available as a paper and noted by the committee.

No additional declarations were required beyond those on the register.

18.92 Apologies for Absence

Apologies were received as above.

18.93 Minutes of the Last Meeting Held on 25th July 2018

The minutes of the meeting held on 25th July 2018 were agreed as an accurate record.

18.94 Confirmation of any part of the Minutes that is currently considered Freedom of Information Act (FOIA) exempt

None

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18.95 Action Log

18/17 (HF to share 'lessons learned' output from CSU handover process)

– IT report still not been signed off by NHS England. On agenda for today's meeting.

18/21 (Provide HDL with an update report on effectiveness for the October Meeting) – HM to speak with EKM for an update.

18/26 (Outstanding licence agreements for Norwich CCG and AGEM CSU)

AGEM are unable to sign off agreements around accommodation. It will need to be signed off by NHS England. HF is continuing to chase up and an update will be given at the January 2019 Audit Committee.

18/28 (Could questions on previous auditors reports be added to the current report) – This is being moved forward and can be marked as complete.

18.96 Internal Audit

a) **Progress Report** – NA presented the Internal Audit Progress Report. Progress against plan showed that 5 out of 6 planned audits have been completed up to draft for the first 6 months. Establishment Control audit had been slightly delayed due to staff absence at the CCG but looked like it would achieve reasonable assurance. Cyber Security to be reviewed and would be ready shortly. This audit is graded differently to others and looks to achieve level 3. Managing Conflicts of Interest Terms of Reference has been agreed and audit will start in November. Safeguarding Adults and Children are hosted services. Safeguarding Children audit was reasonable assurance. Safeguarding Adults had limited assurance.

b) **Safeguarding Adults Audit** - Due to the result of the Safeguarding Adults audit being 'limited assurance' the full report had come to audit committee to be discussed. NA told the committee the overall conclusion had been;

- Policy templates had been developed but not fully completed by all CCGs, therefore not all policies were up to date
- Safeguarding Assurance Tool (SAT) return to NHS England in October 2017 scored 'amber' for each CCG. One page strategy submitted, but needs further development
- Safeguarding information on CCG websites was inconsistent
- Limited resources within team who deliver training and no formal Training Needs Assessment (TNA) in place
- Major provider dashboards being completed and quarterly and annual reports being presented to CCG's and a tracker to monitor safeguarding task is under development.

Following discussions with Alison Leather, Chief Quality Officer North Norfolk and South Norfolk CCGs, an action plan has been put in place. This will be shared with all Directors of Quality. TB raised concerns with the training compliance for safeguarding training at West Norfolk CCG. HF responded to say reminders had recently been sent to all staff to ensure the compliance figures improve. A report prepared by the safeguarding lead is seen twice yearly at the Patient Safety Clinical

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Quality (PSCQ) group meeting. The group have worked on the revised policy. TB asked if more could be done locally to make improvements. HF told the committee that website content can be reviewed alongside a member of the quality team. The policy is currently being worked on and HF had sent questions back to tighten up on processes. Once the response has been received this would be signed off. TB queried a system wide policy that had previously been written and where this policy had got to.

ACTION: HF to look at the system wide policy and how it had been missed to ensure this does not happen again. HF

ACTION: Sarah Jane Ward will be asked to report back on the progress of the recommendations, if she is confident of the timelines and if the QEH are working with the CCG on the Recovery Action Plan (RAP). HM

The CSU monitor contracts on behalf of the CCG.

ACTION: HM will check the CSU monitor all small contracts as part of the contract monitoring process. HM

c) Internal Audit Framework for Delegated Clinical Commissioning Groups – The framework sets out the 4 areas to be in the scope for the audit. These will be; Commissioning, Contract Monitoring, Finance and the Governance of these areas. The audit will take place following instruction from NHS England for delegated commissioning to take place annually. The paper explained options for the audit to be done in 2018/19 as this was not part of the original audit plan. The committee discussed the options and agreed to utilise the allocation of four days in the 20/18 plan to undertake an audit of contract monitoring.

d) Actions from the Audit Committee Training for Audit Committee to consider and take forward;

Following a workshop held on September 14th for Audit committee members across Norfolk a number of actions had been identified for consideration. The inclusion of an STP update for Audit Committee agendas in Quarter 4 for a deep dive review will be looked at once the Audit committee chairs have met. A question to be added on to the end of audit committee agendas to address whether risks have been identified during the course of the meeting that should be added to the risk register. Audit committees are to receive updates on actions taken to address recommendations made by TIAA in their client briefing notes.

18.97 External Audit

a) Progress Report – BP took the report distributed to the committee in advance of the meeting as read. Planning meetings have been arranged to begin work on the audit plan and this would be ready by February 2019.

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18.98 Counter Fraud

a) Progress Report – LG highlighted to the committee the Fraud Check Gambling review. A number of Fraud Alerts and Intelligence Bulletins have been circulated this year. No formal referrals have been received by LG since April 2018. LG had been contacted for advice for an incident with care and will follow up with Norfolk Continuing Care Partnership. TB asked if the gambling review also involved the duty of care to staff. HF confirmed West Norfolk CCG staff have use of the Wellbeing Service and if gambling addiction would be included in the support.

Action: HF will check help with gambling addictions would be Included in the Wellbeing Service **HF**

Suggested amendments and updated contact details had been made to the Whistleblowing Policy and the Counter Fraud and Corruption Policy following the July Audit Committee Meeting.

IP asked what the process is for dealing with the 'For Possible Action' and 'For Action' items listed in the bulletins and reports. HF responded to say this needed to be better for these. HF asked for guidance when addressing some of the actions as they are sometimes irrelevant or are already being dealt with.

ACTION: HF, NB and NA to meet and discuss management of actions **NB**

HM asked if the fact that no new referrals had been received since April meant there could be a danger of under reporting and whether the referral method needed to be shared with staff. LG responded to say this could be a response to a change in the training method and making staff aware of the process to refer in to the service could be useful.

ACTION: LG will look into how reporting figures have changed since the change of training method. **LG**

NHS England have a dedicated fraud team that deal with referrals from Primary Care.

b) Counter Fraud and Corruption Policy – Minor changes have been made to the policy which was presented to the committee for review. The changes were to reflect the changes in the name and structure of the NHS Counter Fraud Authority (previously NHS Protect) and the inclusion of the role of the Investigations Manager, as well as updated CFO contact details. Governance Leads across Norfolk are keeping track of any changes that come from the single management team structure. This would potentially impact many areas of work.

TB asked for clarity on the Equality Impact Assessment. As it stands, the content has no meaning. TB felt that unless the statement could be

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changed to be more detailed then it should be removed. The committee agreed to remove the statement from the policy.

18.99 Delegated Programme Budgets

HM will discuss with EKM and provide an update at the January 2019 meeting.

18.100 Section 136 Chatterton House

HM presented a paper written following a review of an issue surrounding funding of a Section 136 unit at Chatterton House.

In September 2017 West Norfolk CCG's Governing Body approved a business case to develop a Section 136 unit at Chatterton House, which had ultimately gone ahead despite capital funding of £640k for the project not being in place due to WNCCG not being able to source capital funding.

The review showed that the business case that was first seen at the Finance and Performance Committee and then to Governing Body for approval should have been completely explicit that there was approval made for the business case subject to capital funding being sourced and it should have been made clear that the CCG did not hold capital funding.

NHS England have seen the report and were satisfied that the report covered the key areas. NHS England were clear that the report was to be discussed at Audit Committee. It would also be discussed during the Part 2 section of the November Governing Body. NHS England have agreed to provide the capital funding for the project.

The committee discussed the findings and agreed it appeared the business had not been adequately prepared and lessons should be learnt from this. It also highlighted committees being unclear on the processes for approving business cases along with executive officers acting without proper authority. For the future, all of these areas for concern would be addressed through training and measures being put into place to prevent such an event happening again. This would also be discussed in part during the public section of the Governing Body.

18.101 Risk Management

- a) **GBAF** – HF had conducted a training session on risk at the recent Governing Body development session. This had proved to be very useful. Following the discussions had by attendees of the training session, TB asked how the wording of the risks reflect the ownership. HF responded to say that many risks needed to be taken back to risk managers for rewording to ensure ownership was clear. IP commented on the 'Date to complete action' column. Many of these are 'ongoing'. This needed to be looked at as this was meaningless. This could be down to the wording of the risk which would make mitigating it difficult. It was agreed that some elements of risk would be on going and difficult to mitigate. Breaking down the risk would allow distinguishing between what was achievable and what would be on going. IA asked why risk 3.2 was currently scored at 9 with a target of 4 when the CCG were currently holding the recommended meeting that would achieve the target score. This risk would be reviewed to see if the target score needed to be changed. It was felt that it was a good time to have a

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complete review of the risk registers. An up to date, accurate risk register would effectively drive the agenda for the Audit Committee.

ACTION: HF and the Senior Management Team will conduct a complete review of each risk on the risk registers.

HF

- b) **CRR** – A planned conversation on risk queries did not take place due the Patient Safety meeting having to be cancelled. Time has been put in diaries to address these queries. RC had a review of his risks. Some risks had been removed following this review. IP asked if the Audit Committee can be assured that the decision behind risks being removed is following a process. HF told the committee that risks are allocated to a committee and decisions to remove risks are discussed there. In the case of the some risks being removed this month were the decision of the owner, Ross Collett (RC). Risks owned by RC do sit across several committees. The decision to remove risks needs to be able to be challenged at Audit Committee. In future it would be preferred for director level risk decisions should be discussed at Executive Team. NA informed the committee of an assessment conducted by TIAA where as they compared different CCG's risk registers. A report has been sent to HF and HM.

18.102 Conflicts of Interest Committee Chair's Report

No meeting

18.103 Information Governance Chair's Report

- a) **9th October 2018** – Due to the minutes from this meeting not being complete they will be seen at the next Audit Committee in January. HF gave a verbal update to the committee. The meeting covered cyber security. It also covered outstanding actions on GDPR. The CSU are drafting the policies on GDPR. Arden and Gem policies were checked through to make sure they are giving adequate assurance. The fair processing notices for public and for staff were updated.

18.104 Tender Waivers, Losses & Compensations

- a) **Southgates** – Three tender waivers were presented to the Audit Committee following the Norfolk Surgical Diagnostics Centre LTD being dissolved. All three practices were conducting procedures under contract with the company. The services are still being provided by the practices and therefore they would require being brought back into contract. The contracts currently expire in March 2019. The waiver request was to extend them for a further 12 months to allow enough time for an effective tender process to take place. There had not been much notice of the company being dissolved. The committee discussed concerns with how the company were able to cease without much notice to the CCG. Concerns were also expressed on the contract end date and work had not yet begun on the tender process. Previous discussions at Audit Committee had highlighted the importance of the contract register and a procurement pipeline. This is monitored by the CSU.

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ACTION: HM will obtain copies of contract registers and procurement pipelines and bring to the next Audit Committee. HM

ACTION: HM will produce a register of previous tender waivers, losses and compensations. HM

The committee noted the content of the Contract Waivers.

- b) **St James** – As above
- c) **Vida** – As above

18.105 Changes to Standing Financial Instructions and Accounting Policies
None to report.

18.106 Commissioning Support Unit Contract – Lessons Learnt
The CSU have written a paper regarding lesson learnt specifically within IT and this has been sent to NHS England for comment. Once this had been received it would be presented to the Audit Committee.

18.107 Training Compliance
Training compliance numbers have dropped and this has now been raised with the Executive Team. The Governance team are now sending personal reminders to staff members to ensure they are aware of which training modules they are outstanding on. This will continue to be monitored and line managers will be informed. IP told the committee that it was up to Governing Body and Executive Team members to lead by example with their training and hopefully with the personalised emails being sent would improve the figures. Those staff members who are up to date with their training through their practice or another organisation could forward on their certificates and this would be accepted.

18.108 Audit Annual Report
HF had prepared an annual report of the Audit Committee which would be presented to the Governing Body. The report is a requirement detailing how the committee has met its Terms of Reference for the year. As part of the review, the minutes of each committee had been reviewed. The committee read the report and agreed the content.

18.109 Senior Information Risk Owner (SIRO) Report
The report was taken as read and the committee noted the content. The report would then be seen by Governing Body. HF told the meeting that details of the Freedom to Speak Up champion had been changed on the website to reflect this now being IP.

18.110 Reflection on the meeting and action on Governing Body Question
No risks were identified from today's meeting other than the concerns raised over contract procurement. The committee discussed the contracts from providers that have ceased to trade. It was felt that due diligence during the procurement process was crucial.

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18.111 Date of Next Meeting

The dates for the 2019 committee meetings are yet to be set.

There being no further business the meeting concluded at 12.30pm

DRAFT