

**Minutes of the Meeting of the CCG Audit Committee**  
**Wednesday, 25<sup>th</sup> October 2017 2.00pm – 5.00pm**  
**WNCCG Headquarters, King's Court, Chapel Street, King's Lynn**

**Present:**

Revd Hilary De Lyon (Meeting Chair)	Deputy Chair & Lay Member (Audit)	(HDL)
Rob Bennett	Lay Member (Finance)	(RB)
Tim Bishop	Governing Body Lay Member	(Tbi)
Dr Imran Ahmed	Governing Body GP	(IA)

**In attendance:**

Heather Farley	Head of Corporate Affairs	(HF)
Sarah Jane Ward	Director of Nursing and Patient Safety (for item 17.121b)	(SJW)
Mark Wheeler	Interim Chief Finance Officer	(MR)
Neil Abbott	Internal Auditor, TIAA	(NA)
Lisa George	Counter Fraud, TIAA	(LG)
Barry Pryke	External Auditor, BDO	(BP)
Cathy Hudson	Minute Taker, WNCCG	(CLH)

**ACTION**

**Welcome**

HDL welcomed the Audit Committee members to the meeting and introductions were made.

**17.116 Declarations of Interest**

IA made amendments to his declarations of interest to include his involvement with West Norfolk Health.

**17.117 Apologies for Absence**

Apologies were received from Kevin Limn.

**17.118 Minutes of the Last Meeting held on 23<sup>rd</sup> June 2017**

EKM needs to finalise wording within the minutes. Once this is received this will be sent out to committee members. Following agreement, the minutes will be approved.

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

None

**17.120 Action Log**

Recommendations of closure accepted. The Committee **NOTED** the action points.

**16/19** – (Formalise agreement with NELCSU re office accommodation): A conversation is underway for West Norfolk CCG to use additional space

within the Borough Council offices. This should be ready by January. With these discussions in mind, the need to formalise the NEL CSU agreement will not be made until this is agreed.

**16/73** – (Arrangements for NHS Protect, and Security management specialists to be looked into): On agenda for today. Item closed.

**16/85** – (Relationship between GB & Audit to be part of GB Development Session): This was discussed at the Governing Body development session in August with an agreement for Audit Committee to pose a question to the Governing Body. Item closed.

**17/09** – (Contract Register review by Audit Committee): The commissioning and contracting team have prepared a draft contract register. HF has met with NEL CSU to agree a contract register template. This will include a section for signatures. Once HF has received the register, she will transfer onto the new template. MW told the committee of a review of all contracts which should be completed by mid November. This work will feed into the register which should be ready to be seen by the Audit Committee at the January meeting.

**17/10** – (Contract Register review by Internal Audit): Covered in 17.09.

**17/26** – (Recording of signatures on the Contract Register): Covered in 17.09.

**17/40** - (Expanded cyber-security section in SIRO's report to GB): On agenda. Item closed.

**17/46** – ('Organisational Culture' meeting scheduled 26<sup>th</sup> July 2017): HDL and HF have looked at the content that came from both the Audit and the Governing Body session and are satisfied that this covers all discussed risk areas and any risks are being dealt with. The notes from the GB session will be shared with the committee.

**17/48** - (CIPFA model (Financial Control) to be reviewed in comparison to alternatives and preferred model to be adopted): The Deloittes review has yet to be received by the organisation. The committee members agreed that the amount of time taken to receive the review is unsatisfactory. A decision will be made if it would be beneficial to move forward with the original action by January.

**17/55** – (17.67e Key Principle 2 (3.3 Amber)): On agenda. Item closed.

**17/56** – (Procurement Policy): The CSU are looking through the policy. This will be reviewed and come to the January meeting.

**17/60** – (Agreement of balances with providers: the gap with QEHLK to be confirmed): EKM has shared the required information with RB. Item closed.

**17/61** – (Outcomes of disputed items to be reported): On agenda. Item closed.

**17/65** – (The IG Committee would consider the payroll breach and ensure all recommendations were implemented. A report would be brought to the Audit

Committee): The breach was reviewed and assurance received, recommendations have been implemented. Item closed.

**17/66** – (IG Committee to review WNCCG’s processes to prevent the possibility of breaches in other areas): The Information Governance Committee receive regular reports on all breaches and discuss them in detail. The Committee felt confident that there was adequate scrutiny in place regarding breaches. Item closed.

**17/67** – (A Cyber-Attack Paper to be brought to the Committee): On agenda. Item closed.

**17/68** – (Internal Auditor to share thoughts and recommendations regarding Audit Committee agenda reconciliations with HF): NA updated the committee that he had checked Audit Committee agendas from other CCGs and found that the agendas were very similar. Assurance was given that items that need to be covered are on the agenda. Item closed.

**17/70** – (suggested form of words for May 24<sup>th</sup> minutes): No update available for this meeting.

**17/71** – (Audit data and trends to be presents to the committee): NA had conducted a comparison across CCG’s and this had been circulated. Item closed.

**17/72** – (Training for Audit Committee members in Norfolk and Waveney): BP will look into options for training.

**17/73** – (Internal and external auditors would arrange to meet to discuss how they would work together): A meeting will be arranged for November.

**17/74** – (Personnel would be set up to undertake cyber security training): An assessment of staff awareness was arranged and links to this had been shared with staff members. This was completed by 55% of staff. LG will review the report and circulate to members before the next the meeting.

**17/77** – (The A&E delivery board would be reviewed in regards to the inclusion of Primary Care Streaming): IA told the committee that this is not yet happening. No recruitment has yet taken place.

**17/79** – (The Business Case Protocol Paper would be presented at the September Meeting): On agenda. Item closed.

**17/80** – (Fire evacuation drill updates from BCKLWN): Data was received from the council. Item closed.

**17/81** – (The committee’s new GB GP member would hold an introductory meeting with CFO): IA has been unable to arrange a meeting. IA will meet with HF.

## 17.121 Internal Audit

### a) Internal Audit Progress Report - Final

NA presented the Internal Audit report. NA highlighted a couple of audits have been delayed. These audits were BCF and CIPS. CIPS was to be included within the external review. It was felt unnecessary to repeat the audit at that stage. This will be looked at through Q3 or Q4. The BCF plan has yet to be submitted. This will therefore be reviewed once the submission has gone ahead.

Other audits have been arranged for finance and GBAF in November.

Some outstanding recommendations shown within the report have now been cleared. In particular in relation to the business case. Five recommendations had been regarding due diligence but these will now be closed.

A recommendation on the quoracy of the Conflict of Interest Committee can be closed.

The Communications and Engagement Strategy for STP has now been received and can be closed.

Client briefing notes are now issued to HF and will be forwarded on the relevant leads as appropriate.

RB asked NA if he was confident the plan would be completed by the end of the year. NA responded to say he was confident.

All actions dated June for the BCF plan have been completed.

NA was confident that no issues raised within the report would suggest the need to be brought to the attention of the head of internal audit.

Audits have shown that PHB, CHC and section 117 reviews are vital. This is the case across Norfolk CCG's.

#### **ACTION**

**MW will provide an update on items 169379,169380 and 169381.**

**MW**

HF expressed concern that there were increasing numbers of required audits and whether this left sufficient time available to conduct audits on areas of work the CCG would like. NA told the committee that there could be days freed up within the year by looking at other areas that could be audited in less days.

HDL highlighted a note within the report that raises concerns with mental health services. As there were currently issues locally with NSFT, the Audit Committee might wish to pose a question to the Governing Body be on gaining assurance on our local mental health services. NA told the committee that traditionally the CSU have had responsibility for this through the contract

monitoring process. TB suggested this was looked at from a wider view by asking how financial contribution is used within the integrated and joint commissioning area and how this affects our local patients.

#### **b) 117 Internal Audit Report**

TB asked NA if, following changes to responsible CCG for funding, any patients had been highlighted that were being paid for through WN CCG that should have moved to another CCG. NA responded to say no patients had been highlighted.

Sarah Jane Ward (SJW) attended the meeting to discuss the Section 117 Aftercare review.

SJW will be meeting in November to look through the countywide issues and try to resolve them. The policy will be updated. Assurance on the quality of care will be given by the council unless the CCG is more responsible for the care package than the local authority. There are a number of credit notices and invoices backed up on the system from 2016. The value is low but the quantity is significant. No invoice will go through until assurance on what should be paid for is received.

All new invoices will be scrutinised going forward and WNCCG will be on the panel. Each package should be looked at to see which elements a CCG would be responsible for rather than just agreeing a percentage. It is understood these invoices have a value of around £660k per year.

TB suggested the new policy is agreed by health and social care and all new packages should also be agreed by all parties.

HF/SJW

#### **ACTION**

**A suggestion be made that the new policy be agreed by health and social care and that all new packages be agreed by all parties.**

### **17.122 External Audit**

#### **b) Progress Report**

Work on the planning for the audit is due to start next month. Part of the planning will include the review of Ernst & Young files to gain a clearer understanding. Discussions with TIAA and WNCCG staff members will help to gain knowledge on how the partnership will work. Interim work will take place during February and the final fieldwork visit will happen during April and May. The deadline for submission of the accounts will be 29<sup>th</sup> May 2018. This timetable will be similar to previous years.

### **17.123 Counter Fraud**

#### **b) Progress Report**

NHS Protect will shortly be known as the NHS Counter Fraud Authority. The Counter Fraud Policy will need to be updated to reflect these changes.

The new on-line fraud, bribery and corruption training is now available following some early technical issues. This will be a replacement to the face to face training previously on offer. This will be reviewed to see if this will be the way forward. Some of the feedback from the training included that it was quite easy. Face to Face with new staff could continue. Any further comments are welcome.

A number of fraud and crime bulletins have been released since the last meeting. There has been a PHB thematic review. The CSU completed the information on line for the review. A report summarising the report will be available for the next meeting.

There are no new referrals or ongoing investigations to report for this meeting.

**b) Results of the National Counter Fraud Initiative**

Paul Coker, CSU, has produced this report. Matches from the National Fraud Initiative are reviewed. No fraud was found or proven. Therefore, no meeting has taken place with the CSU.

LG

RB asked if there had been any evidence of duplicate payments. LG will check this with CSU for the committee.

**ACTION**

**LG will look into whether there had been any duplicate payments.**

**17.124 SAR Process – NEL CSU**

The committee had seen a copy of a letter from NELCSU explaining an issue with the Service Auditor Report. MW told the meeting that this had been an issue last year but now seems to have been being resolved.

MW

RB queried that the 12 month SAR being issued does not cover the CCG financial year. Would this have an implication on external audits programme of work?

The letter mentions meeting with CCGs to discuss further. RB asked if this had been done.

**ACTION**

**MW will respond to the questions asked by RB.**

**Governance & Risk**

**17.125 Risk Management**

**a) GBAF**

One new risk has been added to the GBAF on the mass casualty plan. HDL noted that some of the items on the CRR and GBAF needed to be updated. This will be discussed at SMT.

MW/HF

**ACTION**

**A discussion to take place at SMT on the CRR and GBAF items requiring an update.**

**b) CRR**

A few new risks have been added. It now stands at 59 risks with 15 rated as significant.

TB asked HF if there were any risks highlighted on GDPR with the CCG using NHS Spine. HF responded to say it is on the register and there is an intention to create some patient literature and amend the fair processing notice. Work is on going to ensure WNCCG staff only have access to the relevant areas of the NHS Spine.

**c) GBAF Analysis**

HF presented a paper giving an analysis on the content of the GBAF. TB asked if there a different way to present that data to help visualise the content. HDL asked if there was a way to highlight just the red risks. HF will discuss the options with NA.

HF/NA

**ACTION**

**HF will discuss the presentation of the data with NA for the 17/18 summary.**

**d) CRR Analysis**

Covered in 17.125c

**17.126 Conflicts of Interest Committee Chair's Report**

**a) 20<sup>th</sup> July 2017 Minutes – Draft**

IA asked if any action was to be taken against the practices where there were outstanding responses for the Register of Interests. HF told the meeting that Sarah Jane Ward and Sarah Haverson would be contacting the practices concerned. HF would also be contacting the practice managers. A deadline will be set and if there is still no response the information would be shared with the Primary Care Commissioning Committee.

**b) Terms of Reference**

Annual review on the Terms of Reference has been completed. The changes include an additional lay member added to the quorum. The wording will be changed to Audit Committee Lay Member. The Terms of Reference were approved.

**c) Annual Work Plan**

Committee were happy with the work plan and it was approved.

RB told the meeting the register of interest was discussed at Monday's meeting. NELCSU have confirmed their staff have made relevant declarations of interest.

**17.127 Information Governance Chair's Report to include Minutes**

**a) 27<sup>th</sup> June 2017 Minutes – Draft**

Taken as read

**b) Terms of Reference**

Changes to the Terms of reference for the IG Committee were to the membership, an addition of a lay member and a change of title for a member of staff. The Terms of Reference were approved.

**c) Annual Work Plan**

Includes the need for IG toolkit delivery. This was approved.

**17.128 Tender Waivers**

None to report

**17.129 Losses and Compensations**

None to report.

**17.130 Changes to standing financial instructions and accounting policies**

None to report

**17.131 Contract register update**

Covered in Action Log item 17/09

**17.132 Governance of the STP**

**a) Norfolk and Waveney STP MOU**

MW has read the MOU and is happy with the content. TB commented on the quality of the bullet points in the key objectives and questioned whether they are achievable.

**b) Terms of Reference for STP Governance Review**

NA told the committee Governance Review and Terms of Reference had been agreed to go into the internal audit plan. The STP partnership is not a legal entity whereas the CCGs are. Therefore the CCGs need to ensure their priorities and operational plans are still being achieved. NA had met with the Senior Management in the summer and developed a number of risks regarding these not being met. NA then matched these to the GBAF and CRR. There is a focus on communication from the STP work and being kept up to date.

HDL highlighted concerns with the creation of new committees which could cause duplication and confusion. There had been attempts at mapping these groups which include working groups, NA will look at bringing this work into the document.

**ACTION**

**NA will present the STP mapping work to the Committee**



**17.133 A&E Delivery Plan Update**

Covered in Action Log update 17/77.

**17.134 Training Compliance**

HF presented a paper on the current status of the training compliance. The paper showed that there has been a slight drop in compliance. This is in part due to the addition of a new safeguarding training.

Since the production of the report additional members of the Governing Body have completed the fire training.

The safeguarding training is new and staff will be given time to complete.

**17.135 SIRO Report**

The report shows areas of the SIRO responsibility. It covers IG, Cyber security, IG training along with making sure asset registers and data flows are up to date. A new template from NEL CSU is due to be received, which will be GDPR compliant. Once received the current data register will be transferred over. There are currently no reportable incidents. At present, there are approximately 40 breaches on the log. These are all low level.

**17.136 Audit Committee Annual Report**

The report was taken as read.

**17.137 Financial Control Assessment**

Covered in the Action Log Item 17.120

**17.138 Business Case Process**

The paper previously seen and was being re submitted with amendments. The Committee approved the Protocol.

**17.139 Outcomes of Disputed Year-end Items**

There has been little movement since the last report. Provision has been made for these items in 2017/18. A further update will be given at the next meeting. RB had seen the information post year end regarding variations from one year end to another for amounts due. There had been an increase of around £2.8m compared with the previous year. The explanation had been that the CCG were accruing additional income which reflected recoveries that were expected from the QEH, Cambridge University FT and NNUH. Some of this money has been recovered, others are still being discussed. Another area was NHS accrued income. The reason for this £1.8m increase was recoveries due from other CCGs.

**ACTION**

**MW will look into these and update at next meeting**

**MW**

RB had seen data from EKM that showed that where there was a disputed item with another NHS body. There had been £2.3m in disputed items with three CCGs. There had been a £3m difference with QEH at the end of the year.

### Items for Information

#### **17.140 Finance & Performance Committee Minutes:**

- a) 26<sup>th</sup> June 2017 – Draft
- b) 26<sup>th</sup> July 2017 – Final
- c) 23<sup>rd</sup> August 2017 – Final
- d) 27<sup>th</sup> September - Draft

Following previous discussions that different committees are looking at performance issues. JW was to look into the structure of the committees and see how they fit together.

#### **17.141 Patient Safety & Clinical Quality Committee Minutes**

- a) 21<sup>st</sup> June 2017 – Final
- b) 19<sup>th</sup> July 2017 – Final
- c) 16<sup>th</sup> August 2017 – Final
- d) 29<sup>th</sup> September 2017 - Draft

For information without discussion.

#### **17.142 Internal Audit Reports**

- a) Personal Healthcare Budgets
- b) TIAA Security Management Services Proposal

For information without discussion

#### **17.143 Counter Fraud**

- a) Update on the creation of the NHS Counter Fraud Authority
- b) Fraud Bulletin Log

For information without discussion

### Other Items

#### **17.144 Reflection on the Meeting**

The committee decided to ask the mental health question discussed previously in the meeting of the governing Body. A question on finance will be set for the following Governing Body meeting.

**HDL/HF**  
**HDL/HF**

TB felt that the changes to the schedule of the meetings can make it difficult to review minutes from meetings that were three or more months ago.

**ACTION**

**A mental health question will be asked at the next Governing Body Meeting**

**A finance question will be asked at the January Governing Body meeting**

**Date of Next Meeting**

**17.112** Next meeting will be January 31<sup>st</sup> 2018

**FOI Exempt Items**

**17.146** **FOI Minutes 23<sup>rd</sup> June 2017**

\*\* This item was identified as FOI Exempt\*\*

**17.147** **FOI Action Log**

\*\* This item was identified as FOI Exempt\*\*

**17.148** **Clinical Academic Reserve**

\*\* This item was identified as FOI Exempt\*\*

**17.149** **Internal Audit Procurement Update**

\*\* This item was identified as FOI Exempt\*\*

**17.150** **FOI Finance and Performance Committee Minutes**

\*\* This item was identified as FOI Exempt\*\*

**There being no further business the meeting closed at 4.40pm**