

Joint Federated Audit Committee

MINUTES

**Friday 10 November 2017 from 09:00 – 12:00
In Meeting Room 2, King Edward VII Hospital**

Present:	
Arthur Ferry (AF)	Lay Member for Governance, Windsor, Ascot and Maidenhead CCG (Chair)
Sally Kemp (SK)	Lay Member for Governance, Bracknell and Ascot CCG
Debbie Fraser (DF)	Deputy Director of Finance, East Berkshire CCGs
Dean Gibbs (DG)	Senior Manager, KPMG
Joanne Lees (JL)	Director, KPMG
Clive Bowman (CB)	Lay Member for Governance, Slough CCG
Anshu Varma (AV)	Head of Corporate Services
Emma Butler (EB)	Director, PwC
Fiona Slevin-Brown (FSB)	Head of Strategy and Operations (in part)
Alex Tilley (AT)	Associate Director for Primary Care & Windsor, Ascot & Maidenhead (in part)
Lynn Pringle (LP)	Business Manager, Executive Team (taking the minutes)

Apologies:	
Barry Eadle (BE)	Local Counter Fraud Specialist – TIAA
James Earle (JE)	Internal Audit Manager, PwC

Item	Subject	Action
1.	<p>Welcome and apologies for absence</p> <p>AF welcomed everyone to the meeting and apologies were noted as above. The meeting was noted as quorate.</p>	
2.	<p>Conflicts of interest in relation to the agenda</p> <p>There were no further conflicts of interest stated.</p>	
3.	<p>Minutes of the Audit Committees held on 8th September</p> <p><u>Page 3</u> The fieldwork has now been completed and reports are with JE for review’ – delete this sentence as it is covered in the following paragraph of the minutes.</p> <p><u>Page 5</u> ‘Stolen from an occupied staff member’s house should read ‘stolen from a staff member’s occupied house.’</p> <p>The minutes of the Joint Federated Audit Committee meeting dated 8th September 2017 were accepted as a true record of the meeting with the revisions stated above.</p>	
4.	<p>Matters Arising</p> <p>The action log was reviewed and outstanding actions updated or closed.</p>	
5.	<p>External Audit Update (Joanne Lees & Dean Gibbs)</p>	
5.1	<p><u>Draft Audit Plan</u></p> <p>Jo Lees introduced the combined plan which sets out the approach for 17/18 external</p>	

	<p>audit which covers all three CCGs. Materiality levels are lower than in the previous year which is a reflection of the change the organisation is going through; there is also the delegated commissioning to take into account which we did not have previously.</p> <p>There was discussion regarding page 8 of the report; it is important for the Chair of Primary Care Co-commissioning in Common meetings to attend the Audit Committee meetings regularly to ensure that for Audit Committee there is a degree of line of sight of GP activity.</p> <p>The following dates were agreed for Audit Committees in May 2018:</p> <p>04 May 2018 – AC review of draft accounts. 23 May 2018 – AC review of accounts for final submission.*</p> <p>*Subsequent change post Audit Committee to 22 May 2018.</p>	
<p>6.</p> <p>6.1</p> <p>6.2</p>	<p>Internal Audit Update (Emma Butler)</p> <p><u>Internal Audit Progress Report</u></p> <p>Since the last Audit Committee fieldwork has been completed for Core Financial Systems and Estates Strategy. Draft Terms of Reference have been issued in relation to the Corporate Governance and Compliance Audit, fieldwork on this audit is expected to commence in Quarter 4. Scoping meetings have been carried out for the STP Governance and Stakeholder Engagement reviews and the Terms of Reference are being drafted. These will be brought to the meeting in February 2018.</p> <p>Core Financial Systems – two medium risk findings have been raised:</p> <ul style="list-style-type: none"> i) Incidents of approval outside the scheme of delegation. ii) There is no procurement register in place – it was noted there is a register on the website which lists the procurements for this year; however, further detail is required to ensure all current and known procurements are listed. <p>Action: Audit Committee requested this action (ii) above)) should be picked up by Anshu Varma.</p> <p>Estates Strategy Audit – one medium risk finding has been raised:</p> <ul style="list-style-type: none"> i) Lack of formalised reporting and monitoring of estates projects – this is being addressed by an Estates Strategy paper that will come to the Governing Body Meeting in Common in January 2018. This will provide an update and assurance regarding how the process is governed and how well the strategy is working within the STP context. <p><u>STP Internal Audit Scoping</u></p> <p>At the last Audit Committee meeting JE agreed to examine the continuity of governance throughout the STP and where the decision making lay. JE and EB have subsequently met with Nigel Foster and John Lisle; there is a Memorandum of Understanding in place with NHS England.</p> <p>Key objectives being examined are:</p> <ul style="list-style-type: none"> • What would a Risk Register and Assurance Framework look like for the STP? • Money flows – ensuring funding is appropriately tracked and accounted for throughout the system. • Checking business case processes within the STP Boards and examining governance and decision making around these. 	<p>AV</p>

6.3	<ul style="list-style-type: none"> • Appropriate challenge by lay members and effective monitoring of outcomes. <p>It was emphasised that there is a need for rationalisation and ensuring non-duplication of governance between items that need to be fed back to constituent bodies and the STP.</p> <p>Action: Add the objective above to the plan.</p> <p>There is concern regarding CCG lay governance representation, i.e. how it is quantified that STP decisions are transparent and evidence based. EB clarified that this will be picked up in the second audit.</p> <p><u>Annual Review of Audit Actions</u></p> <p>This report highlights our position with outstanding actions from the last three years; appendices show current progress and why the actions have been closed.</p> <p><u>2014/15 – CHC Action No 10 – target date May 2015</u> AV explained that an update was still awaited. FSB clarified that the finding was very specifically related to patient experience and the CHC team under Lorraine Charlton’s leadership submit a regular update to the Quality Committee.</p> <p>Action: Check whether the dashboard in the Quality Report includes patient experience and over what period is it reported.</p> <p>There is a register in place for actions to be followed up – this process is being managed by Anshu Varma and Ellie Street.</p> <p>Action: Enter a standing item on the EMT agenda every quarter to ensure regular checks are made on progress.</p> <p><u>2015/16 Actions – Items 10,11 and 12</u> AV is working with Viki Wadd to complete these items.</p> <p>Action: Add further columns:</p> <ul style="list-style-type: none"> • If the action is not completed by the due date, specify when the action will be completed. • The owner of the action. 	<p>EB</p> <p>AV</p> <p>LP</p> <p>AV</p>
7 7.1	<p>Governance</p> <p><u>Whistleblowing Policy</u></p> <p>The policy has been taken to Staff Forum and this updated policy includes their additions.</p> <p><u>Amendments</u></p> <ol style="list-style-type: none"> Give clarification regarding the scope of people this policy applies to i.e. demonstrate that the entire organisation, including lay and governing body members and sub-contractors are all classed as staff members. Give clarification of the role of the Whistleblowing Guardian and contact details. The ‘Freedom to speak up Guardian’ is referred to in the policy; enter ‘Whistleblowing Guardian’ after these words in brackets to give clarification it is the same person. Give clarification of where the outcomes of reports and investigations of whistleblowing allegations are taken to; the anonymised version should come to Audit Committee annually and the Whistleblowing Guardian should be invited to attend. 	

	<p>v) The Freedom to speak up Guardian has the authority to report directly to the Chief Executive on the issue of concerns. If the whistleblowing involves the Chief Executive, then this should be reported to the Clinical Chair.</p> <p>vi) 'Audit Commission' on page 20 no longer relevant.</p> <p>Action: Add Whistleblowing onto Audit plan – the next review will be November 2018.</p> <p>The Whistleblowing Policy was approved subject to the amendments noted above.</p> <p><u>QIPP Progress</u> (Fiona Slevin-Brown)</p> <p>7.2 FSB provided a summary of the presentation.</p> <p><u>Merger Plan</u> (Anshu Varma)</p> <p>7.3 This plan provides assurance of the internal process we have in place for the planned CCG merger. This plan forms part of the report also coming to the Remuneration Committee. There is a project team meeting every 2 weeks to provide an update to EMT.</p> <p>Action: The staff letter reference the transition to be completed by 31st March 2018 – revise this date it should be completed earlier.</p> <p>In the Comms and Engagement section there will be other strands of Comms and Engagement that will need work e.g. Facebook and Twitter.</p> <p>Action: Volunteers – there may be actions we need to undertake to move the volunteers into the new CCG.</p> <p>The next check point on the merger plan will be the February 2018 Audit Committee meeting.</p> <p>Action: Circulate an update for the Merger Plan in early February 2018.</p> <p><u>Improvement and Assessment Framework: Conflicts of Interest Submission (draft)</u></p> <p>7.4 This reported was noted by the Joint Audit Federated Committee members.</p> <p><u>Workforce Reports</u></p> <p>7.5 There were queries raised regarding the quality of the data presented.</p> <ul style="list-style-type: none"> • Page 3 table no. 4 – check the number of new starters. • Page 3 table no. 4 – B&A GB lay member – there have not been any new starters, is this a contract change? • Page 6 table no. 10 – ESR establishment – B&A CCG Chairs and Non-Execs – 5. WAM – 7. Is this correct? • The 20% increase in head count is not realistic, clarification needed on the real increase, we are also hosting two posts for the STP and across our local authority for BCF, and it would be useful to extract these as this is not an increase to us. <p>Action: Check this information and send a revised report with explanations to clarify the above queries.</p>	<p>DF</p> <p>AV</p> <p>AV</p> <p>AV</p> <p>AV/HM</p>
8.	Security and Counter Fraud Audit	

8.1	<p><u>2017/18 Security Management Update</u></p> <p>There was no update available.</p>	
8.2	<p><u>Berkshire East Counter Fraud Policy</u></p> <p>The Joint Federated Audit Committee noted this policy.</p>	
9.	<p>Financial Focus</p>	
9.1	<p><u>Aged Debtors Over £10k and over 90 days overdue</u></p> <p>There is a table – Appendix 2 – that has been included for B&A CCG Brants Bridge UCC to enable the Audit Committee to review the progress on the recovery of this debt. The CCG has a provision to cover the outstanding 2014/15, 2015/16 and 2016/17 invoices.</p>	
9.2	<p><u>Aged Creditors Over £10k and over 90 days overdue</u></p> <p>Slough CCG has the greatest number and value of invoices outstanding and this relates to challenges relating to the London Providers. Slough CCG hosts the collaborative agreement on behalf of 17 CCGs. There will be no impact on any CCGs position as this has been covered in both years outturn.</p> <p>The Joint Federated Audit Committee noted the position on Aged Debtors and Creditors.</p>	
9.3	<p><u>Financial Year End draft timetable</u></p> <p>These dates were discussed under item 5.</p>	
10.	<p>Single Tender Waivers and Use of Seal</p>	
10.1	<p><u>Single Tender Waivers 2017/18</u></p>	
a)	<p><u>Docman trading as PCTI Solutions Ltd</u></p> <p>This STW is requesting an extension to the existing contract to cover this work for an upgrade to Docman 10.</p> <p>The Joint Federated Audit Committee noted the STW for Docman trading as PCTI Solutions Ltd.</p>	
b)	<p><u>Community Specialist Palliative Care</u></p> <p>FSB outlined that contract negotiations will be entered into after this STW is approved.</p> <p>The Joint Federated Audit Committee noted the STW for Thames Valley Hospice subject to further discussion and explicit exploration of other local providers.</p>	
c)	<p><u>General Practice under the General Practice Forward View</u></p> <p>The General Practice Forward View provides the necessary investment and support for practices to build the capacity and capabilities required to meet the needs of their patients in a sustainable way. This request is for support to allocate this funding under the plans appropriate to delivering the forward view and to pass this money to practices and their federations.</p> <p>The Joint Federated Audit Committee noted the STW for GPFV.</p>	

10.2	<p><u>Use of Seal</u></p> <p>The Seal has not been used since the last Audit Committee.</p>	
11.	<p>Losses and Special Payments</p>	
11.1	<p>None to report.</p>	
12.	<p>Any Other Business</p> <p>AF advised the Joint Federated Audit Committee regarding communication received from the son of a deceased patient. In 2006 the patient suffered a stroke which resulted in the patient becoming quadriplegic and there was an assessment regarding eligibility for Continuing Health Care (CHC). It was determined the patient was not eligible and the family did not appeal. Subsequently in 2009 and up to 2012 the patient was re-assessed as being eligible for CHC. During the period from the deceased patient's first assessment to when the patient became eligible and received CHC support from the NHS the family incurred nearly £1m in expenses for care homes. The son of the deceased patient is now questioning and challenging the quality of governance with the organisation (PCT and CCG).</p> <p>The meeting closed at 12:00.</p>	

The next meeting will be held on Friday 09 February 2018 from 09:00 – 12:00 in Meeting Room 2, King Edward VII Hospital, Windsor, SL4 3DP.