

Joint Federated Audit Committee Minutes

Meeting held at
09.00 – 11.30pm on Friday 25th September 2015
Henry Room, King Edward VII Hospital

Chairman – Arthur Ferry

Present	
Arthur Ferry (AF)	Chair and Lay Member for Governance WAM CCG
Sally Kemp (SK)	Lay Member for Governance B&A CCG
Robert Cooper (RC)	Lay Member for PPI WAM CCG
Mike Connolly (MC)	Lay Member for PPI Slough CCG
Debbie Fraser (DF)	Deputy Chief Financial Officer – East Berkshire CCGs

In Attendance	
Tianne Thompson (TT)	Interim head of Corporate Affairs
Emma Butler (EB)	Internal Audit (PwC)
Lucy Ballard (LB)	External Audit (BDO)
Ellie Street (Minutes) (ES)	Business Manager East Berks CCGs

Apologies	
Karen Maskell (KM)	Lay Member for PPI B&A CCG
Nasreen Bhatti (NB)	Lay Member for Governance Slough CCG
Nigel Foster (NF)	Chief Finance Officer – East Berkshire CCGs
Barry Eadle (BE)	Counter Fraud Specialist

Item	Subject
1.	<p>Welcome and apologies for absence - Chair</p> <p>AF welcomed everyone to the meeting. Apologies were noted as above.</p>
2	<p>Conflicts of interest in relation to the agenda - Chair</p> <p>There were no interests declared.</p> <p>NOTED: No interests were declared.</p>
3	<p>Minutes and matters arising of the meeting held on 29th September - Chair</p> <p>Minutes of the meeting were taken and 4 adjustments to be made.</p> <p>Approved: the minutes of the meeting held on 29th September were approved as a true and accurate record of the meeting with 4 changes made.</p>

<p>4</p> <p>ACTION</p>	<p>Action Log & Matter Arising</p> <p>The action log was updated with actions to be closed and actions to still be followed up.</p> <p>Matters arising were related to action 13.02.15 – Counter fraud. It was agreed that it was necessary to make clear to staff, if going to conferences – particularly those financed by pharma companies – that the time spent attending the conference needs to be taken as holiday, staff cannot be paid twice for attending it. Also Medicines Management are to be asked what they have in place with regard to publicising and monitoring the Gifts & Hospitality policy and pharmacies. TT is to bring this back</p>
<p>5a.</p> <p>ACTION</p> <p>5b.</p>	<p>Risk Management Framework – Tianne Thompson</p> <p>TT brought the Risk Assessment Framework to the Audit Committee for approval. TT explained the framework, the content, how it reflects our management of risk, the responsibility of senior Management, how we capture, escalate and de-escalate risks and the new risk rating framework.</p> <p>The paper was only issued at 18.00 on 12.11.15, therefore the Audit committee members had not had enough time to read through the document properly so therefore won't be approving now.</p> <p>Audit committee members were asked to read through and correspond via e mail on this by 18.11.15. – ALL</p> <p>Agree a rolling programme of work – Debbie Fraser</p> <p>It was agreed that deep dives would be carried out on QIPP in February and Medicines Optimisation at the Early May meeting. EB noted that they would include a project management specialist on the team, to provide a technical appraisal of the CCGs' approach to QIPP delivery with recommendations on how that could be improved.</p>
<p>6.</p> <p>ACTION</p>	<p>Internal Audit – Emma Butler, PwC</p> <p>EB spoke of the progress report including the provider Management review and Communications review.</p> <p>The provider management review showed that a lot of factual details were being given to CCGs by the CSU but far less on the analysis of the information that those details presented. It appears there is not enough experience in the CSU to deliver what the CCGs' require from the service provided by the CSU. In response the CSU reflected that a significant workload comes their way which is not taken into account in the contract and which hinders their work plan. It was suggested by Internal Audit that more detail is required in our SLA so that the CSU are clear what is expected of them to ensure that have capacity and experience required to support the CCG's. The Provider Management was classed as a medium risk by Deloitte service Auditor report.</p>

<p>ACTION</p>	<p>The Audit committee were concerned and want to hear from NF on how this is going to be addressed with CSU - NF</p> <p>The Communications review was also rated as medium risk. It was found they have no audit trails on projects, their strategy needs updating and there was no initiation document to advise staff on how to engage with the Team amongst other issues. The team needs to work smarter and more efficiently. It was suggested that professional advice could be sought to assist with advising the team on how to streamline and improve.</p> <p>Audit Committee would like to know what the plan is of Communications & Engagement Associate Director Ally Green over the next 12 months in response to the findings in the report – AG (via NF)</p>
<p>7.</p>	<p>External Audit Update – Lucy Ballard, BDO</p> <p>LB advised where they were with the external audit. Planning has started for 15/16. In January the planning work will start. In March the Audit senior is doing system work. 25th April auditors will be here for 1 month and in May the findings will be bought back to Audit Committee.</p>
<p>8.</p>	<p>Counter Fraud update – Barry Eadle</p> <p>BE didn't attend the meeting and had advised beforehand that there was nothing to report.</p>
<p>9.</p> <p>ACTION</p> <p>ACTION</p> <p>ACTION</p> <p>APPROVED</p>	<p>Financial Policies – Debbie Fraser</p> <p>DF bought 3 policies to the meeting for approval :-</p> <p>SFIs and scheme of delegation Loses and special payments Capital Policy</p> <p>There were some typo's in the SFIs policy which need to be rectified - DF</p> <p>Losses and comps raised the question by RC about aged debtors and creditors and it was requested that these be bought to the next AC – DF Losses and comps form to be CCG version – DF & ES</p> <p>It was queried about interim paperwork being in place and there was a request to see a copy at Remcom of the latest Consilium contract - DF</p> <p>All 3 Policies were approved.</p>
<p>10.</p> <p>a.</p> <p>b.</p> <p>c.</p>	<p>Financial Focus – Debbie Fraser</p> <p>DF updated on financial accounts submission.</p> <p>DF updated on NHSE financial control environment progress on actions</p> <p>DF updated on 14/15 internal Audit recommendations</p>

	<p>These updates were for noting. The SFIs will be reviewed annually. Financial procedure document is being worked on and will be uploaded to the Intranet</p> <p>ACTION NHSE financial update is to be brought to each Audit Committee meeting - DF</p> <p>ACTION Move Audit committee meeting from 27th to 24th May 2016 - ES</p>
11.	<p>Single Tender Waivers – Debbie Fraser</p> <p>APPROVE D There was one STW for B&A CCG for renewing the Mjogs contract. This was Approved</p> <p>ACTION AF recognised that the Mjogs system was working well in the CCG but, given that the paper presented to the Auditcom included a submission from the competitor stating why it was a better product than Mjogs, it was necessary to see a commentary submitted to Audit Committee addressing the competitor claims and why Mjogs was the preferred option – B&A CCG via SK</p>
12.	<p>Losses and Comps</p> <p>There were no losses and comps to report</p>
13	<p>Any Other Business</p> <p>SK asked what the obligations of reviewing effectiveness of committees were, was it yearly. It was agreed that it was yearly and Audit Committee had had theirs</p> <p>It was asked if Terms of reference for other meetings need to come to Audit Committee. EB suggested checking the HFMA handbook to see.</p> <p>DF advised regarding personal health budgets, we have 1 policy</p>
13	<p>Time and date of next meeting 12th February 2016 9.00-12.00pm Henry Room, King Edward VII Hospital</p>