

## Joint Federated Audit Committee Minutes

Meeting held

09.00 – 11.30 pm on Friday 24th June 2016

Project Room 2, King Edward VII Hospital

Chairman – Arthur Ferry

<b>Present</b>	
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
Karen Maskell (KM)	Lay Member for PPI - B&A CCG

<b>In Attendance</b>	
Nigel Foster (NF)	Director of Finance & Performance – East Berkshire CCGs – (dialled in)
Debbie Fraser (DF)	Associate Director of Finance – East Berkshire CCGs
Sam Dukes (SD)	Finance Trainee – East Berkshire CCG's
Anshu Varma	Head of Corporate Services – East Berkshire CCG's
Julian Harley (JH)	Senior Associate - Internal Audit – PwC
Janine Coombrinck (JC)	Director RI / Public Sector Assurance - External Audit – BDO
Barry Eadle (BE)	Counter Fraud Specialist - TIAA

<b>Apologies</b>	Nasreen Bhatti Lay Member for Governance - Slough CCG
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<b>Absence</b>	Mike Connolly Lay Member for PPI - Slough CCG
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<b>Item</b>	<b>Subject</b>
1.	<p><b>Welcome and apologies for absence - Chair</b></p> <p>AF welcomed everyone to the meeting. Apologies were noted as above. No attendee representing Slough CCG was in attendance. Even though there wasn't quoracy, it was decided the meeting would proceed.</p>
8b.	<p><b>Updated Terms of Reference (T.O.R)</b></p> <p>Due to the unforeseen circumstance of no Slough CCG Lay member in attendance, this highlighted a gap in the updated Terms of Reference. T.O.R need to state, if the meeting isn't quorate the arrangements are as follows...</p> <p>T.O.R should also state that at least one Lay Member from each CCG needs to be present.</p> <p><b>ACTION</b></p> <p><b>T.O.R to be updated to reflect the above</b></p>
2	<p><b>Conflicts of interest in relation to the agenda – Noting</b></p> <p>There were no conflicts of interests declared.</p>
3	<p><b>Minutes of meeting held on 6<sup>th</sup> May part 1 &amp; part 2 &amp; 24<sup>th</sup> May 2016 - Approval</b></p> <p>Minutes of the meeting were taken and there was correction with wording requested on page 2. There were a few typos which will be fed back separately. Practices in WAM is 17</p>

<b>APPROVED</b>	(not 16 as previously suggested)  <b>The minutes of the meeting held on 6<sup>th</sup> &amp; 24<sup>th</sup> May 2016 were approved as a true and accurate record of the meeting, subject to above amendments.</b>
<b>4.</b>  <b>ACTION</b>  <b>ACTION</b>	<b>Action Log &amp; Matters Arising – Review</b> The action log was reviewed and some outstanding actions closed.  Matters arising – PMO, SRO, project managers and clinical leads roles and responsibilities for the QIPP programme and delivery was discussed. The paper that was shared didn't quite answer the questions asked.  <b>To be looked at, at the next Audit committee meeting, what effect have the structure changes had on delivering QIPP</b>  <b>Paper shared and views to be fed back to NF – Lay members</b>
<b>5.</b>  <b>5a.</b>          <b>5b.</b>  <b>ACTION</b>	<b>Internal Audit Progress Update - JH</b>  <b>Progress Report</b> – JH advised that NHSE are looking into conflicts of interest guidance for CCG's. There might be an internal audit mandated so may need to shuffle audit plan as we will need to fit this in. This will be discussed with NF. There was a discussion about conflicts of interest. Where are the gaps and how can we bridge gaps. This needs to be looked into as a priority.  The first internal audit progress report for 2016/17 was shared. The report provided the CCGs with an overview of the reviews to be performed as part of the 2016/17 Internal Audit plan, and identified to the committee the agreed key performance indicators on which Internal Audit will assess performance during the year. There are eight reviews included within the approved 2016/17 Internal Audit plan. In the first quarter it has been agreed the scope of the System Resilience Groups review with management and shared the draft terms of reference with the Chair of the Audit Committee for approval. The fieldwork for this review is due to be completed in July 2016. Internal Audit have liaised with management's support to organise and diarise the scoping meetings required for all of the remaining Internal Audit reviews to be delivered during the year.  <b>Update on the 15-16 Audit recommendations</b> – SD shared the updated spreadsheet of actions and how these are rated. These will continue to be maintained, followed up and assurance given to the Audit Committee.  <b>Not started status is confusing. Please define whether not started or not known and also a date on actions is helpful. - SD</b>
<b>6.</b>  <b>6a.</b>     <b>APPROVED</b>  <b>ACTION</b>	<b>External Audit Update</b>  <b>Annual Audit Letters 2015/16 – JC</b> The contents of the letter had been reported to previous Audit committee meetings. External Audit advised that these would be shared with Governing bodies and will be published on the website of Public Sector Audit Appointments Limited once approved. No questions were raised.  The Annual Audit letters 2015/16 were approved for BACCG & WAMCCG.  <b>Slough CCG to be asked to approve via E Mail – AF</b>

<p><b>ACTION</b></p> <p>6b.</p>	<p><b>Ensure this item is on agenda for Joint GB meeting in July - AV</b></p> <p><b>Fee Letter 2016/17</b>  This item was for noting. The proposed fees letter was shared with the meeting and it was explained that this is at the same level for each CCG and the same level as 15/16 and is at the scale set by Public Sector Audit Appointments Limited (PSAA).</p>
<p>7.</p>	<p><b>Security and counter fraud Audit - BE</b>  BE presented the CCG self-reviews which had been completed.  B&amp;A have an overall rating of Green  Slough have an overall rating of Green  WAM have an overall rating of Amber</p> <p>There was some discussion around contracts with external providers and how they affect our ratings. It is the non NHS providers which raise higher concerns, although most are doing self-reviews now. Conversation also took place around explaining what the ratings meant and how they are achieved.</p> <p>The risks appear to be the same across all CCG's but the reports have to reflect the nuances of contracts being in B&amp;A and staff being in WAM.</p>
<p>8.</p> <p>8a.</p> <p><b>ACTION</b></p> <p>8b.</p> <p><b>ACTION</b></p> <p><b>APPROVED</b></p>	<p><b>Governance - NF</b></p> <p><b>Audit Committee work plan 2016/17</b>  The Audit committee workplan for the next year was shared. Feedback on progress following feedback on CSU report was mentioned and It was suggested this is taken at the November Audit committee meeting. A couple of small amendments are required to the plan. Review External Annual Audit plan should be in February and the Fee letter should be in June</p> <p><b>Update the workplan with CSU Report in November, Review External Annual Audit plan in February and the Fee letter in June - DF</b></p> <p><b>Updated Terms of Reference (T.O.R)</b>  There was an action from the Governing Body meetings for the AC to update their T.O.R to match the style of the other meetings T.O.R. The draft updated T.O.R were shared for approval.</p> <p><b>Wording on section 5 to be changed from “and the lay member with responsibility for patient and public involvement (or their deputy)” to “and the other Lay Members from the Governing body”.</b></p> <p><b>The draft T.O.R were approved with the above changes by Audit Committee to go back to Governing body meetings.</b></p>
<p>9.</p> <p>9a.</p>	<p><b>Financial Focus - SD</b></p> <p><b>Aged Debtors over £10k and over 90 days overdue</b>  The aged debtor report was shared. There are a total of 13 invoices across the 3CCG's with a total value of £736k. Most of these invoices relate to Frimley Health. We are in discussion with the Trust currently and are expecting resolution on this. There is a long standing outstanding invoice with SCAS which dates back to 2013. This has been “written off” although we are still trying to claim funds back.</p>

<p><b>ACTION</b></p> <p>9b.</p> <p><b>ACTION</b></p> <p><b>ACTION</b></p> <p>9c.</p> <p><b>ACTION</b></p>	<p><b>Some clarity is required over what has been provided between the 3 CCG's towards this written off payment - NF</b></p> <p><b>Aged creditors over £10k and over 90 days overdue.</b> This report is produced on the exact same basis and the debtors report. There are 156 invoices across the 3 CCG's with a total value of £9.6m. It was to be noted that aprox £2m has been paid since the report was run. There was an in depth discussion about the disputes around the Specialised Commissioning Identification Rules (IR) relating to the London Providers and where the CCG's stand with this.</p> <p><b>Lay members would like to see is a summary of what has had to be conceded within Slough CCG and the net impact on all CCG's position so they have visibility.</b></p> <p><b>Note the position with concern regarding NHSE settlements - DF</b></p> <p><b>End of Life, social finance update</b> The paper was shared to give a brief to the Audit Committee on a technical finance arrangement for external funding before being taken to the Finance &amp; QIPP meeting on 29<sup>th</sup> June.</p> <p><b>Off line conversation to be had with SS to update clinical engagement and consultation public engagement element in the paper and circulate to members of Audit committee for their comments before Finance &amp; QIPP meeting – AV</b></p> <p>AF would like to ensure that papers are circulated and loaded onto Boardpad 7 days before the meetings, as stated within the constitutional requirements to enable members the time to read and absorb them.</p>
<p>10.</p>	<p><b>Single Tender Waivers and use of seal - DF</b> There we no Single Tender waivers or uses of the seal to note.</p>
<p>11.</p>	<p><b>Losses and special payments - DF</b> There were no losses or special payments to note.</p>
<p>14.</p> <p><b>ACTION</b></p>	<p><b>Any Other Business</b></p> <p>A List of personal health budgets was shared as had been previously requested.</p> <p><b>SFI – DF will circulate a paper for Lay Members noting and comments</b></p>
<p>15.</p>	<p><b>Time and Date of next meeting</b> 9<sup>th</sup> September 2016 9.00-12.00pm Henry Room, King Edward VII Hospital</p>