

## East Berkshire Audit Committee

### MINUTES

**Friday 8<sup>th</sup> February 2018 from 09:00 – 12:00  
In Meeting Room 2, King Edward VII Hospital**

<b>Present:</b>		
Arthur Ferry	AF	Lay Member for Governance, East Berkshire CCG ( <b>Chair</b> )
Clive Bowman	CB	Lay Member for Governance, East Berkshire CCG
Debbie Fraser	DF	Deputy Director of Finance, East Berkshire CCGs
Sarah Bellars	SB	Director of Nursing, East Berkshire CCG
Dean Gibbs	DG	Senior Manager, KPMG
Jo Lees	JL	Director, KPMG
James Earle	JE	Manager, PwC (in part)
Lorraine Bennett	LB	Counter Fraud Manager, TIAA
Rose Elhamamy	RE	Senior Quality & Safeguarding Administrator & PA, East Berkshire CCG (minute taker)

<b>Apologies:</b>		
Jo Greengrass	JG	Associate Director for Quality, East Berkshire CCG
Sally Kemp	SK	Lay Member for Governance, East Berkshire CCG
Lynn Pringle	LP	Business Manager, Executive Team
Anshu Varma	AV	Head of Corporate Affairs, East Berkshire CCG
Mike Connolly	MC	Lay Member, PPI
David Rowlands	DR	HR Manager, NHS South, Central & West – ConsultHR
Emma Butler	EB	Director, PwC

<b>Item</b>		<b>Action</b>
1.	<p><b>Welcome and apologies for absence</b></p> <p>AF welcomed everyone to the meeting and apologies were noted as above. The meeting was noted as quorate.</p>	
2.	<p><b>Conflicts of interest in relation to the agenda (Chair).</b></p> <p>There were no further conflicts of interest stated in relation to the agenda.</p>	
3.	<p><b>Minutes of the Audit Committees held on 9<sup>th</sup> November 2018</b></p> <p>The minutes of East Berkshire Audit Committee held on 9<sup>th</sup> November 2018 were agreed as a true record of the meeting pending the following amendment. LB was present but not noted on the minutes.</p> <p><b>Action: RE to update the previous minutes to show that LB was present and circulate to the Committee.</b></p>	<b>RE</b>
4.	<p><b>Matters Arising</b></p> <p>The action log was reviewed and outstanding actions updated or closed.</p> <p><u>Response to Actions:</u></p> <p><u>Action 97</u> There is a typo and should read 2020.</p> <p><u>Action 120</u></p>	

	<p>CB has written to the Core members of the Committee and included Nick Spence (NHSE) regarding this issue. There were no new proposals in how to deal with this issue and no NHS Guideline. The consensus was that each situation would be decided on its merits and left to the judgement of the Primary Care Co-Commissioning Committee. SB also added that there is a risk to the population as we must be providing these services. In response to this issue there will be a check on the learning and escalation framework. CB noted that there would need to be a formal Committee that would need to make a decision based on no guidelines in place. AF suggested that this is noted and each issue will be dealt with when they are identified. SB noted this could be an indication of risk, however, information needed is not forthcoming; there was discussion regarding a proposal to PCCC for a routine audit programme to be established.</p> <p><u>Completed Action 126</u> Practice managers do not need to be DBS checked and this would be depending on their job description.</p>	
<p>5.</p> <p>5.1</p>	<p><b>Risk &amp; Assurance</b></p> <p>SB assured the Committee that there is a better discipline in reviewing the AF and as a result it reflects a better document. CB suggested that there needs to be a check with SK if there are any questions regarding the AF.</p> <p>RS03 – AF questions if there are any actions that have emerged from this risk. SB will be discussing this at the EMT and will feedback to the Committee.</p> <p>RS07 – AF asked when the approval of nosiness cases by the Governing Body and the ICS leadership. SB responded that this should always happen continually before anything has enacted.</p> <p>RS08 – AF also asked if there are any actions. SB informed the Committee that Business Intelligence data is being worked on locally and on an ICS level. DF also informed the Committee that there is working across the system on activity. Recently CSU has been working closely with FHFT and the CCG regarding looking at the same data. This data is still in draft form on elective.</p> <p>RS11 – AF questioned that there are no actions regarding to this risk. SB will ask FSB to populate actions for this risk.</p> <p><b>Action: RE to forward the Assurance Framework to be check with SK if she has any questions or concerns.</b></p> <p><b>Action: SB to discuss at the EMT if there are any actions that have emerged from the RS03 the local workforce risk.</b></p> <p><b>Action: SB to ask FSB to populate actions for RS11 the long terms contracts not in place for all providers to enable certainty of provision to meet strategic aims for reducing health inequalities.</b></p>	<p>RE</p> <p>SB</p> <p>SB</p>
<p>6.</p> <p>6.1</p>	<p><b>Internal Audit Update</b></p> <p>JM informed the Committee that they have completed field work and draft work. Scoping has commenced for the GDPR review and with the CHC to support the turnaround plan.</p> <p>AF suggested reviewing the governance process with the ICS as part of an on-going review and that we also are able to deliver appropriately to our own people.</p> <p>SB suggested that there would need to be a proportionate inclusion of all clinical in the ICS to include nurses.</p>	

	<p>JM informed the Committee that for PMO there was three medium risks that were highlighted. These include the business care for the Neurology and MSK triage schemes; financial planning assumptions; and clinical and financial risk not sufficiently being documented in the Highlight reports. For corporate governance there was one medium risk around whistleblowing. The Conflict of Interest there needs to be an amendment to the Terms of Reference for the Primary Care Commissioning Committee with appropriate conflicts with Healthwatch and Health and Wellbeing Board representatives. For Information Governance the evidence would need to be uploaded by the year end. The Primary Care Commissioning report there was three main areas of medium risks identified. These include the targeted programme of GP practice list maintenance; ensure the equality of access and appropriate information for patients; and ensuring up to date performance data is held to effectively monitor practice and programme performance.</p>	
<p>7. 7.1</p>	<p><b>External Audit Update</b></p> <p>JL asked the Committee to approve the External Audit plan. There are identified risks that will focus on delegated primary care commissioning; year-end expenditure accruals; management override of controls; and fraudulent expenditure recognition.</p> <p>The Committee discussed the Primary Care delegated budgets and how potential conflicts have been managed as part of commissioning decisions.</p> <p><b>Action: Lalitha Iyer and Anshu Varma to work together to propose a document on how potential conflicts have been managed as part of commissioning decisions.</b></p> <p>AF questioned the key payment streams within GP contracts that are based on patient list sizes in Open Exeter. This is managed by Capita, for which we are unable to obtain assurance over the effectiveness of the control environment in place during 2017-18. DG responded that this is a national process which cannot be changed however there are internal checks conducted to provide local assurances.</p>	<p>LI/AV</p>
<p>8. 8.1</p>	<p><b>Security and Counter Fraud</b></p> <p>LB informed the Committee that the Strategic Governance wording in the standards has changed from responsibility to accountability. Also included is the requirement in relation to risk assessment and now details that fraud risks are recorded and managed in accordance with the risk management policy and are included on the appropriate risk registers. For prevent and deter that has been an increase in bank mandate fraud alerts. This risk is currently high from a monetary value. Under hold to account advice has been given in relation to Continuing Healthcare regarding invoices for care when a patient was actually an in-patient as well as an increase in monthly cost. Also for primary care an issue was identified in relation to QOF claims. This matter falls under the remit of NHSE Counter Fraud Team and the details and contacts have been passed to the regional manager for action.</p> <p>CB questioned the safeguarding training being red 'For action'. SB suggested that the Committee review the training compliance of board members.</p> <p>CB also questioned the minimum spend on counter fraud. AF responded as there is an overlap with sound internal systems whereby the framework helps to prevent fraud. This helps to create a better framework. LB confirmed that the level of resource is low but as an organisation they carry out a piece of work across the patch to highlight risks then would be able to request extra funding.</p> <p>SB informed the Committee that risks are reviewed on a regular basis particular if the risk increases. This would be an indication that more funding would be required.</p>	

	To be assured that we are mitigating the counter fraud risk we are asking our provider to provide some comparative benchmarking material so that we can judge if this is properly mitigated. This would also inform any work that needs to be carried out next year.	
9.	<b>Committee Governance</b>	
9.1	DF informed the Committee of the changes to the service auditor reporting. All CSU's will be standardised for the mandated business process areas and will be audited.	
10.	<b>Financial Focus</b>	
10.1	DF informed the Committee that there has been progress on the debtor situation and the specification has been agreed. The Brants Bridge issue continues. There has been targeted work with older invoices with the CHC area for creditors. NHSP has gone up as we are waiting for the charging schedules which have now been escalated. For the London invoices there has been a target on the older invoices.	
10.2	DF assured the Committee that the year-end closing timetable is scheduled and all dates have been agreed.	
10.3	The Committee reviewed the financial policies. The policies are: <ul style="list-style-type: none"> <li>• Prime financial policy including scheme of delegation;</li> <li>• Relocation expense policy;</li> <li>• Capital investment, PFI, fixed asset register;</li> <li>• Expense policy for volunteers;</li> <li>• Travel claim policy;</li> <li>• Prime financial policies.</li> </ul> <p><b>The Committee approved the above Policies.</b></p>	
11.	<b>Single Tender Waivers and Use of Seal</b>	
11.1	This was noted by the Committee.	
12	<b>Losses and Special Payments</b>	
	There was nothing to report to the Committee.	
12.	<b>Any Other Business</b>	
12.1	There were no further items discussed.	

**The next meeting will be held on Friday 3<sup>rd</sup> May 2019 from 09:00 – 12:00  
Meeting Room 2, King Edward VII Hospital, Windsor, SL4 3DP.**