

**MINUTES OF WILTSHIRE AUDIT AND ASSURANCE COMMITTEE MEETING
HELD ON TUESDAY, 11 NOVEMBER 2014 AT 09:30
AT SOUTHGATE HOUSE, DEVIZES**

Present:

Peter Lucas	PL	Chair, Lay Member
Christine Reid	CR	Vice Chair, Lay Member
Dr Mark Smithies	MS	Secondary Care Doctor
Mary Monnington	MM	Registered Nurse Member

In Attendance:

Simon Truelove	STr	Chief Financial Officer
Dr Anna Collings	AC	GP Vice Chair, NEW
David Noyes	DJN	Director of Planning, Performance and Corporate Services
Lynn Pamment	LP	Internal audit, PwC
Duncan Laird	DL	External audit, KPMG
Jonathan Brown	JB	External audit, KPMG
Paul Travers	PT	Security Management Specialist
Susannah Long	SL	Governance and Risk Manager
Diana Hargreaves	DJH	Board Administrator

Guest attendees:

Deborah Fielding	DF	Chief Officer
Steve Rowlands	SR	GP Chair
Dr Simon Burrell	SB	GP Chair, NEW
Dr Chet Sheth	CS	GP Vice Chair, Sarum
Dr Richard Sandford-Hill	RS-H	Interim GP Vice Chair, WWYKD

Apologies:

Steve Perkins	SP	Deputy Chief Financial Officer
Paul Dalton	PD	Internal audit, PwC

Item Number	Item	
AAC/14/11/01	<p>Welcome and apologies for absence</p> <p>PL welcomed DF, SR and SB and apologies were noted as above.</p>	
AAC/14/11/02	<p>Declarations of Interest</p> <p>Members were reminded of their obligation to declare any interest they may have on any issues arising at the meeting which might conflict with the business of Wiltshire CCG.</p>	

	There were none declared.	
AAC/14/11/03	<p>Previous Minutes</p> <p>The previous minutes of the AAC meeting held 9 September 2014 were agreed as an accurate record with the amendment noted below:</p> <p>AAC/14/09/15 Substitute procurement with performance - "There would be ongoing assurance into the Governing Body re the performance of the 111 service".</p>	
AAC/14/11/04	<p>Matters Arising</p> <p>AAC/14/09/06 p2: CR was concerned about the number of issues to be addressed. Assurance would be sought through colleagues' attendances at other meetings and information brought back to the next January AAC meeting.</p> <p>MS asked for reassurance on progress with the issues that were governed by multi-agency work and not solely the responsibility of the CCG.</p> <p>STr suggested that the 50-day update would be shared with AAC Members and the outcomes of the 100-day Challenge to be brought to the January AAC meeting, or at least a draft if the final report was not available.</p>	STr/James Roach
AAC/14/11/05	<p>Action Tracker</p> <p>AAC/14/07/14 Group Directors ensured that their risk registers were reviewed at their Executive meetings. Complete.</p> <p>AAC/14/09/07 Complete.</p> <p>AAC/14/09/08 The re-worked Constitution will be taken to the January Governing Body meeting. Complete.</p>	
AAC/14/11/06	<p>Report on identification and management of risk within the organisation to ensure performance delivery</p> <p>PL explained the reason why the Committee had requested attendance by DF and the Groups' GP representatives. For DF, it was to provide appropriate assurance with regard to the performance of the CCG, with particular regard to:</p> <ul style="list-style-type: none"> • Achievement of our QIPP target • Over-performance of the three acute hospitals, particularly in respect of non-elective activity • The implementation and pace of our Transformation Programme <p>PL believed the pace was slower than expected and the type of work was different from when the CCG began and was anxious to ensure the momentum was maintained.</p> <p><i>CS and RS-H joined the meeting at 09:40hrs</i></p> <p>DF reported to the Committee that she was feeling positive about the way the CCG had developed, with strong clinical leadership and excellent buy-in from the acutes. The CCG had done well to manage the national demand curve and were doing well</p>	

compared with other CCGs. DF explained that her role was to manage that demand, manage the cost of that demand and manage the development of the CCG.

DF described the 'day job' which involved a series of monthly meetings with six direct reports to discuss the activity data in the locality groups from practice level upwards; regular meetings with the Chief Executives of the three acutes and AWP; and Executive Management Team meetings every Monday morning to enable all the information to come into one place, resulting in an action plan, with the information reported to the Governing Body through the Integrated Performance Report.

DF described the transformation programme as a major part of the day job, with its seven programme boards – two within the Better Care Fund (BCF) and the rest within the CCG: and a programme management office system with project and programme plans, all of which were held to account within the monthly Programme Governance Group meetings, chaired by DF. All these assurance mechanisms were new and being constantly tweaked.

The Council's Better Care Programme Governance Group was held to account by the Joint Commissioning Board (JCB) which in turn was held to account by the Health and Wellbeing Board (H&WB). DF needed assurance around the BCF workstreams and so now there were monthly JCB meetings to obtain that assurance on all seven programmes within the BCF. It was important to ensure value for money within constrained financial times and quality was the all-important golden thread running through everything.

The relationships with Wiltshire Council and NHS England were important in order to manage the workload and change that was happening on the ground. DF described collaborative and enthusiastic working relationships. The GPs and the acutes were working together and the three acutes had just signed a Memorandum of Understanding pledging to work together, which was a significant step forward. DF finished by saying that the CCG was back on track to deliver its control total and was progressing well with the transformation programme.

PL thanked DF for articulating her position so well and continued by expressing concern about the rate of change with areas of risk presented on the risk register, for example the recruitment of the care coordinators. SB responded by saying that the results from the recruitment of care coordinators would not be seen for perhaps one or two years.

STr informed Members that with the current levels of non-elective activity in the system, had we not had some of these initiatives in place, we would have been in a much worse position.

CR said that she was proud of the CCG's achievements but was concerned about QIPP delivery and the GPs on the ground expressed the same level of concern and were feeling the same

	pressures.	
AAC/14/11/07	<p>NEW, Sarum and WWYKD GP representation to discuss locality risks and financial pressures being tackled and the evidence to support this</p> <p>SB as the GP representative of the NEW group began by explaining to Members that the current outcomes-based reporting system did not tell the full story, which included new and innovative ways of working. Some of these ways of working would contribute towards current avoidance of hospital admissions and others would show results in years to come. In NEW, there was an altered engagement with secondary care with monthly meetings between GWH and NEW and individual clinicians within both organisations talking to one another. The total QIPP saving was £1.8m across the year and an overspend of £580k. SB reported a reduction in admissions for the over-75s but continued saying that 111 was a big issue. There had been a review of the physiotherapy service with a resultant increase in effectiveness, which had been a culture change: in fact there had been significant positive differences with all the initiatives in the SLA. SB wanted these positive messages to be fed back up to NHS England.</p> <p>CS from the Sarum group reported to the Members that he had been a GP for 6 years and had always felt like a lone worker in the past. Now that the CCG had introduced integrated community teams, GP practices had been brought together and there was a greater feeling of unity. The hospital admissions rate had reduced by 55% and the initiatives in the SLA had produced benefits. There was still some difficulty with getting patients out of hospital. CS's overall sense was that the pathway was developing but we must hold our nerve and be given more time.</p> <p>RS-H, the GP representative from WWYKD, reported that the group had an urgent care QIPP target of £3.5m and that the current achievement of that target was zero. There was a non-elective demand across the country and some CCGs were in a worse position. The group were looking at hospital admissions at practice level and found that they were appropriate admissions. The hospital admissions through 111, however, were too high. As more GP practices were federating, there were greater efficiencies and the ability to share, allowing an improved quality of service for patients.</p> <p>Members commented on the presentations from DF and the GP representatives:</p> <ul style="list-style-type: none"> • Reassuring messages although the Committee were not holding GPs to account for how they managed their practices • Assurances needed that we were not paying for initiatives which were not needed. AC gave an example of a contractual failing where we were able to recoup our money • Grave concerns about 111 performance as OOH 	

	<p>admissions were out of control. We should therefore start to develop the specification for contracting now</p> <ul style="list-style-type: none"> The CCG needed to tighten up on performance management of contracts and 111 was an example of this weakness <p>DF asked the Committee if it was assured following the presentation and, if not, DF and SR should be informed as soon as possible. Members of the AAC will respond formally to DF on this.</p> <p>PL said that the presentations had been very helpful and thanks were given to DF and the GP representatives.</p> <p><i>DF, SB, CS and RS-H left the meeting at 11:25hrs</i></p> <p>STr asked the auditors' opinion of what they had heard in the presentations and the internal and external auditors comments included:</p> <ul style="list-style-type: none"> There was a great deal of will to do things on the ground but it was more about joining up what the presentations were telling the Committee The SW was in a much better position than some other areas and nationally was ahead of the curve There was much activity taking place but the CCG was not getting access to the good messages It would be helpful to have metrics checkpoints along the way to confirm that we were on track and to give the comfort that things were moving in the right direction Our BCP was way ahead of others There had been no other examples that the auditors had seen of the Executives being held to account before the Committee, as seen today 	PL
ITEMS FOR DISCUSSION		
AAC/14/11/08	<p>Internal Audit Progress Report 2014/15</p> <p>LP introduced the report setting out the progress made against the internal audit plan for Wiltshire CCG for 2014/15.</p> <p>The Committee received the report.</p>	
AAC/14/11/09	<p>Internal Audit Tracker</p> <p>LP introduced the report summarising the CCG's progress against internal audit work undertaken.</p> <p>Members commented that the report required further clarity: there would be more information on the outstanding items in future reports.</p> <p>STr proposed that there would be work undertaken to complete the outstanding items before the next meeting in January.</p> <p>The Committee discussed the report.</p>	LP/PD

<p>AAC/14/11/10</p>	<p>Internal Audit – QIPP Review</p> <p>LP presented the report setting out the internal audit findings in relation to the QIPP review explaining that the overall risk was medium. The CCG had systems and processes in place but they were not being adhered to.</p> <p>CR noted that the action plan on page 5 stated: “There will be an increase in the level of challenge directed towards project teams, from the Non-Executive Board Members and senior management, where PMO workbooks are not being used appropriately.” The Lay Members would need the relevant information in order for this to happen.</p> <p>The Committee discussed the report.</p>	<p>DJN</p>
<p>AAC/14/11/11</p>	<p>Internal Audit – Communications Review</p> <p>LP presented the report setting out the internal audit findings in relation to the Communications review.</p> <p>PL expressed concern about the current level of resource within the Communications team and the classification of a low risk. LP explained that the CCG would be held to account for the level of resource that had been put in place in order to carry out the communication work that was needed.</p> <p>CR agreed that there were mechanisms in place for engagement with community groups but the question was how effective was this engagement. The Committee agreed to ask Healthwatch to do a piece of work on engagement.</p> <p>The Committee discussed the report.</p>	<p>CR/DJN</p>
<p>AAC/14/11/12</p>	<p>Internal Audit – Integrated Care Review</p> <p>LP presented the report setting out the internal audit findings in relation to the Integrated Care review.</p> <p>STr had been working to establish the way the BCF would be a pooled budget and the associated arrangements.</p> <p><i>LP left the meeting at 11:35hrs</i></p> <p>The Committee discussed the report.</p>	
<p>AAC/14/11/13</p>	<p>External Audit Technical Update 2014/15</p> <p>DL introduced the report providing an update on the key technical issues that had occurred since the last technical update in September 2014. During the next quarter, KPMG would be working on the draft audit plan for the 2014/15 audit to bring to the January meeting.</p> <p>STr asked KPMG whether there was provision for CHC funding in</p>	<p>KPMG</p>

	<p>the NHS England accounts which, if not included, would have the potential to cause problems for the CCG. JB responded saying that this was on KPMG's radar: was on the agenda of the Audit Commission Group and had been flagged as a risk. STr and JB to discuss outside of this meeting.</p> <p>The Committee discussed the report.</p>	STr/JB
AAC/14/11/14	<p>Security Management Services Progress Report 2014/15</p> <p>PT introduced himself to the Members stating that he had recently taken over the role of SMS from Roger Ringham and presented the SMS progress report.</p> <p>Members asked how far Secure had got with obtaining assurance that all our providers had the required standards in place. PT will update Members at the January meeting.</p> <p>The Committee discussed the report.</p>	PT
AAC/14/11/15	<p>Review Board Assurance Framework and Risk Register</p> <p>It was agreed to cross reference the risks mentioned in the IPR to the risk register, in order to ensure that the risk register is representative of all the CCG's risks.</p> <p>The Committee discussed and agreed the Top 10 Risks in the RR.</p>	DJN
ITEMS FOR NOTING		
AAC/14/11/16	<p>Information Governance (IG) Group Minutes and IG action plan – October 2014</p> <p>The Committee noted the IGG minutes and IG action plan.</p>	
AAC/14/11/17	<p>Aged Debtors and Creditors Report</p> <p>The Committee noted the report.</p>	
AAC/14/11/18	<p>Losses and Special Payments Report</p> <p>The Committee noted the report.</p>	
AAC/14/11/19	<p>Competitive Tender Waivers</p> <p>The Committee noted the report.</p>	
AAC/14/11/20	<p>Any Other Business</p> <p>PL updated the Members on his attendance at the Audit Chairs meeting in London on 28 October. The key message taken from Ed Smith, Audit Chair at NHS England, was that the centre would be trying very hard to dilute the command and control approach to CCGs as he acknowledged that, unless this approach lessened, CCGs would be unable to do what was needed.</p>	

	<p>There was a short discussion about the need to push back against the date that had been set by the Treasury for completion of accounts as this would have an impact on the CCGs' annual accounts/annual report deadlines.</p> <p>DL would email the slides from the event to the Committee Members.</p> <p>No further business was discussed and the meeting closed at 11:50hrs.</p>	<p>DL</p>
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ITEMS FOR INFORMATION - The following papers are for information only and will not be discussed at the meeting. Printed copies can be made available to members. Should you have any questions regarding any of the papers, please contact the author.

Date of next Audit and Assurance Committee Meeting: 13 January 2015 09:30 – 11:30hrs