NHS
Wiltshire
Clinical Commissioning Group

MINUTES OF WILTSHIRE AUDIT AND ASSURANCE COMMITTEE MEETING
HELD ON TUESDAY, 10 MARCH 2015 AT 09:30
AT SOUTHGATE HOUSE, DEVIZES

Present:

Peter Lucas	PL	Chair, Lay Member
Mary Monnington	MM	Registered Nurse Member

In Attendance:

Simon Truelove	STr	Chief Financial Officer
David Noyes	DJN	Director of Planning, Performance and Corporate Services
Natalie Tarr	NT	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
Rob Hayday *(for items 6, 7 and 8)*	RH	Associate Director for Planning, Performance, Corporate Services and Head of PMO.

Apologies:

Dr Mark Smithies	MS	Secondary Care Doctor
Lynn Pamment	LP	Internal audit, PwC
Christine Reid	CR	Vice Chair, Lay Member
Dr Anna Collings	AC	GP Vice Chair, NEW
Steve Perkins	SP	Deputy Chief Financial Officer

Item Number	Item	Action
AAC/15/03/01	**Welcome and apologies for absence** PL welcomed everybody to the meeting, noting the apologies above. The meeting was not quorate, as quoracy requires three Members and there were only two present: so any decisions taken would need to be ratified at the next extraordinary meeting on 21 April 2015.	
AAC/15/03/02	**Declarations of Interest** 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. **There were none declared.**	
AAC/15/03/03	**Previous Minutes** AAC meeting held 13 January 2015.	

	The minutes were agreed as an accurate record.	
AAC/15/03/04	**Matters Arising** None.	
AAC/15/03/05	**Action Tracker** AAC/15/01/15 PwC will bring back the findings to the May meeting AAC/15/01/06 On the agenda. **COMPLETE** AAC/15/01/09 Checklist has been completed but the notes still need to be written up. To be brought to the May meeting AAC/15/01/11 More work will be done on the Audit Tracker and a more comprehensive version with enhanced formatting will be brought to the May meeting. AAC/15/01/15 SL talking to Southern CSU as they have a tracking system with their RR and BAF and SL will aim to have this in place by the May meeting	**PwC** **PL** **PwC** **SL**
	ITEMS FOR DECISION	
AAC/15/03/06	**PMO Presentation** RH gave a presentation on the benefits of the project methodology. DJN advised Members that the project methodology provides a good framework and a toolkit to marshal thinking and brings rigour to the way projects are addressed. He went on to thank RH for his work on this, explaining that the greatest success had been with those projects where this methodology had been rigorously applied. Members commented: • In using the project methodology, are we exposing the weaknesses in the organisation and then are we dealing with those weaknesses? And is there enough management support applied to those areas where it is not working? • DJN responded saying that the CCG is clear about its direction of travel and that project methodology is not the only way of solving problems. Where people are using the toolkit, it is working well. The IPR will flag if a project is falling behind and the necessary support can be put in place • MM suggested that it was not just about individuals failing to buy into the project management approach, but sometimes targets for project outcomes were impossible to deliver within the timeframes • Project directors must be involved in the project scoping at the outset so that achievement of the desired results is realistic • STr said that accountability and assurance were key: the challenge lay in ensuring that the clinicians were accountable for delivery and that, at every meeting the Lay Members attended, they were getting assurance from the clinical leaders on the delivery of projects and, if not, the rectification plans. This would require a culture change within the organisation • This year, NHSE are no longer adopting a light-touch approach in their dealings with the CCG, as they had done in the past • PL suggested that the current accountability process is not sufficiently granular to hold people to account and the reporting	

	mechanisms are not clear or specific enough • STr stated that, making the IPR smaller and much clearer and a more defined CCG structure, this would improve accountability **Summary of the actions:** ➢ Urgent review of the IPR to ensure an enhanced report with clear and quick messages ➢ Review the membership of the Finance Committee and develop the TOR to include specific people to be accountable for particular projects ➢ A paper on a review of the return on investments made in the last 2 years for the May AAC meeting ➢ IA undertaking a performance management review. On agenda for April meeting. **COMPLETE**		**DJN/STr** **STr/DJN** **STr**
AAC/15/03/07	**Travel and Expenses Policy** RH introduced the paper explaining that, from 1 April, the CCG will use an eExpenses system for staff to claim reimbursement of costs associated with travel, subsistence and other expenses incurred in the course of CCG business. 6.4 PL questioned how supporting receipts could be originals using an electronic system. Originals will need to be kept by the individual, scanned and then emailed. RH to amend 6.4 to read "….supported by copies of original receipts". STr said that the projected savings on the electronic system outweighed the costs. The CCG therefore asked the CSU for a reduced SLA value, which was refused by the CSU, and so we have gone back to them on this. **The Committee approved the policy and the decision will need to be ratified at the next meeting, as the meeting is not quorate.**		**RH**
AAC/15/03/08	**Volunteer Expenses Policy** RH introduced the paper providing a clear framework for reimbursement of 'out of pocket' expenses for volunteers. STr reported that Counter Fraud wanted additional words on self-certification to strengthen the policy. MM noted that the reimbursement rates for volunteers were higher than for CCG staff. RH to check. **COMPLETE (see post meeting note).** MM asked whether there had been any consultation with potential volunteers or members of the public. **The Committee approved the policy, subject to checking the differential reimbursement rates, and the decision will need to be ratified at the next meeting, as the meeting is not quorate.** *Post-meeting note:* *The rates of reimbursement to volunteers has been reviewed by RH following a query by MM suggesting that this was different to the rate of reimbursement for staff as described in the Travel and Expenses*		**RH** **RH**

	policy. There is no difference in the rates of reimbursement for mileage incurred by staff and volunteers. Appendix 3 of the Travel and Expenses Policy contains a link to NHS Employers where the mileage rates are stated and kept up to date. These are the same as the mileage rates for volunteers.	
	ITEMS FOR DISCUSSION	
AAC/15/03/09	**Review Annual Governance Statement** SL apologised for not bringing the draft Annual Governance Statement to this Committee and will circulate to Members by email, ahead of it being approved at the Extraordinary AAC meeting on 21 April, as part of the Annual Report.	**SL**
AAC/15/03/10	**Internal Audit Progress Report 2014/15** NT presented the report updating the Committee on the progress of 2014/15 internal audit reviews, key performance indicators and areas for discussion on the 2015/16 audit plan. Final reports will be brought to the April extraordinary AAC meeting. It was recommended that one of the key areas of review for 2015/16 would focus on assurance, which would be a wide piece of work reflected in different contexts. DJN reported an improvement in the CSU's performance with the re-negotiated contract, in comparison with the performance a year ago, although there were still some areas of improvement needed. The SLA with the CSU expires in March 2016. STr wanted to keep the emphasis on internal audit of the controls around the CCG's work with Wiltshire Council next year and then around primary care co-commissioning the following year. **The Committee received and discussed the report.**	**PwC**
AAC/15/03/11	**Internal Audit Tracker** NT introduced the paper updating Members on outstanding internal audit recommendations reported in the January tracker. MM suggested that PwC meet with the new CHC Manager, Karen Littlewood, to close down the 3 CHC elements not yet implemented and report back to the May AAC. **The Committee received and discussed the report.**	**PwC**
AAC/15/03/12	**Internal Audit Clinical Governance Report** NT introduced the paper with the summary of findings from the clinical governance internal audit. Members commented: • PL asked whether the unsigned contracts had now been signed. STr explained that there was a reluctance, particularly by the	

	large teaching hospitals, to sign their contracts and that, in 2015/16, there would probably be more contracts in dispute. This was an unsatisfactory situation and it was hoped that senior colleagues in the newly merged CSUs would be able to push these issues forwards. Contracts that have not been agreed by 17 April 2015 will go to arbitration but there was currently no follow through by the regulators • MM pointed out that Dina McAlpine was not the lead for signing contracts • In the review of CQRM, internal audit did not look at the one which the CCG leads on, ie SFT **The Committee received and discussed the report.**	
AAC/15/03/13	**Security Management Services Progress Report 2014/15** PT introduced the paper providing the Committee with a summary of work carried out against the work plan. STr asked how the work was progressing around obtaining assurance that providers had the required standards in place. PT responded saying that it was still work in progress and that he had a meeting in a few weeks' time to discuss this and that the new standards in place from February would help to push this forward. PT should link in with DJN if he is still having issues gaining the assurance, so that it can be escalated to Nigel Langhorn. **The Committee received and discussed the report.**	
AAC/15/03/14	**Security Management Services Annual Draft Plan 2015/16** PT introduced the paper detailing the proposed Security Management work plan for 2015/16 which had been directed by the new Standards for Commissioners 2015-16 issued on 20 February 2015. **The Committee received the report.**	
AAC/15/03/15	**External Audit Technical Update 2014/15** JB introduced the progress report and technical update stating that everything was on track and where he expected it to be, adding that the majority of the work would be in the next quarter. Members discussed the reformation of the payment system for NHS services. The 15/16 tariff had been rejected by providers and the system for 15/16 and 16/17 will be similar to the current system as NHSE and Monitor had not expected the backlash from providers. However, the Members agreed that there was only a finite amount of money available. **The Committee received and discussed the report.**	
AAC/15/03/16	**External Audit Annual Draft Plan 2015/16** DL presented the paper drawing Members attention to the risks detailed on pages 7 and 8 and asking whether there were significant risks that	

	the AAC would have expected to see in the diagram.	
	Financial pressure this year has meant that it is of prime importance to review what we have currently invested in and to understand the return on those investments. STr suggested that the CCG regularly shared non-public facing documents with the external auditors to ensure that they fully understood the context. In future, it would be useful for a member of KPMG to attend the Finance Committee meetings.	**STr**
	Members discussed the schedule of meetings over the next few months for approval of the Annual Accounts and the details are listed at the end of these minutes.	
	MM wanted it noting that she would be on leave for the extraordinary meeting on 21 April.	
	The Committee received and discussed the report.	
AAC/15/03/17	**Review Board Assurance Framework (BAF) and Risk Register (RR)** DJN presented the BAF and RR and Members were asked to agree and recommend the Top Ten risks to be presented, alongside the BAF, to the next meeting of the Governing Body. **The Committee received and discussed the paper and recommended the Top Ten risks, as shown, to the Governing Body.**	
AAC/15/03/18	**AAC Annual Work Plan 2015/16** DJH had put together a work plan for AAC meetings in 2015/16. Members to get back to DJH with any comments or amendments. **The Committee received the paper.**	
	ITEMS FOR NOTING	
AAC/15/01/19	**Information Governance (IG) Group Minutes and IG action plan – February 2015** STr reported good progress this year with the IG toolkit requirements and Barry Thorp, who will be submitting the toolkit, is confident of the CCG reaching level 2, with the expectation of reaching level 3 next year. There has been a reasonable adherence to IG requirements across the organisation, but there is still some work to be done, and a good adherence on training. DJN highlighted to the Committee a concern about the situation with the Independent Complaints Office, as Wiltshire CCG has been drawn to their attention because of breaches of Subject Access Requests. Ongoing concerns would be brought to the Committee. **The Committee received and noted the minutes.**	
AAC/15/03/20	**Aged Debtors and Creditors Report** **The Committee received and noted the report.**	

AAC/15/03/21	**Losses and Special Payments Report**	
	None to report.	
AAC/15/03/22	**Competitive Tender Waivers**	
	None to report.	
AAC/15/03/23	**Any Other Business**	
	There was no further business discussed and the meeting closed at 11:27hrs.	

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.

Dates of next Audit and Assurance Committee Meetings:

Extraordinary AAC meeting to allow the approval of the submission of the draft accounts to NHSE and EA. To be held on Tuesday 21 April, after the Governing Body Seminar, at 13:30hrs in Southgate House, Devizes. *Not required – PT, TS and EA.*

AAC meeting to be held on Tuesday 12 May from 09:30 – 11:30hrs at Southgate House, Devizes to focus on work plans for 15/16. *All Members required.*

Extraordinary AAC meeting to be held on Tuesday 19 May at 15:00hrs at Southgate House, Devizes for KPMG to present the final accounts for approval before submission on 29 May. *Not required – PT, TS*