

**MINUTES OF AUDIT AND ASSURANCE COMMITTEE MEETING
HELD ON TUESDAY 9 JANUARY 2018 AT 09:15hrs
AT SOUTHGATE HOUSE, DEVIZES**

Voting Members Present:

Peter Lucas	PL	Chair, Lay Member for Audit and Governance
Christine Reid	CR	Vice Chair, Lay Member for Patient and Public Involvement
Dr Mark Smithies	MS	Secondary Care Doctor
Dr Anna Collings	AC	GP, Vice Chair of NEW

In Attendance:

Sujata McNab	SMcN	Deputy Chief Financial Officer
Susannah Long	SL	Governance and Risk Manager
Rob Hayday	RH	Associate Director of Performance, Corporate Services and Head of PMO
Peter Barber	PB	External Audit, Grant Thornton
Katie Whybray	KW	External Audit, Grant Thornton
Rosie Fisher	RF	Internal Audit, PwC
Lorraine Bennett	LBen	Counter Fraud, TIAA
Sharon Woolley	SW	Board Administrator
Dina McAlpine	DMcA	Director of Nursing and Quality / Registered Nurse <i>(for item 20a only)</i>
James Dunne	JD	Associate Director of Safeguarding, CHC and Specialist Placements <i>(for item 20a only)</i>

Apologies:

Lynne Baber	LBa	Internal Audit, PwC
Steve Perkins	SP	Chief Financial Officer
Linda Prosser	LP	Interim Chief Officer
Mark Harris	MH	Chief Operating Officer

Item Number	Item	Action
AAC/18/01/01	Welcome and apologies for absence PL welcomed everyone to the meeting. The above apologies were noted.	
AAC/18/01/02	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. (This included any relevant interests previously declared on the Register of Interests). There were none declared.	
AAC/18/01/03	Minutes from the meeting held on 14 November 2017 The minutes from the meeting held on 14 November 2017 were agreed to be an accurate record.	
AAC/18/01/04	Matters Arising	

	<p>a) AWP's Enhanced Payments to Staff CR questioned if the enhanced payments mentioned on page four of the November minutes, to encourage recruitment and retention at AWP, had been implemented by the organisation. MS informed Members that this suggestion had been rescinded by the Chief Executive at AWP. The Quality and Clinical Governance Committee continued to monitor the workforce situation at AWP. The Chief Executive was to be invited to a future Q&CG Committee.</p> <p>b) Better Care Fund Risk Register The risk register for the Better Care Fund would be shared on a quarterly basis with the Committee.</p> <p>c) ESR RH informed Members that since the last meeting, the ESR Supervisor Self-Service facility used to report sickness had been suspended due to not being fit for purpose. The CCG was working with the CSU to improve the system before re-launching it.</p>	
AAC/18/01/05	<p>Action Tracker The action tracker was reviewed and updated.</p> <p>AAC/17/09/14 – LBen expected the personal health budget review report to be available by the end of the month. This would be brought to the March Committee meeting.</p> <p>AAC/17/11/21.1 - SMcN reported that a meeting between the CCG and Wiltshire Council was to be held on 11 January 2018. A meeting with Swindon Borough Council was planned, but a date had not been confirmed.</p>	<p>LBen</p> <p>SP</p>
ITEMS FOR DECISION		
AAC/18/01/06	<p>Career Break Policy RH explained that the Career Break Policy had been reviewed with HR colleagues. Revisions were made and learning over the last few years of using the policy incorporated. The policy had been shared with the Staff Partnership Forum.</p> <p>The Committee approved the Career Break Policy</p>	
AAC/18/01/07	<p>Temporary Promotion Policy RH reported that the Temporary Promotion Policy had been reviewed with HR colleagues. No changes were required; it continued to be fit for purpose and reflect national policy and legislation. It was proposed to extend the review date of the policy by three years.</p> <p>The Committee approved the extension of the review date of the Temporary Promotion Policy</p>	
AAC/18/01/08	<p>Recruiting Ex-Offenders Policy RH advised that the policy had been reviewed by HR colleagues and it remained fit for purpose and reflected national policy and legislation. It was proposed to extend the review date of the policy by three years.</p> <p>The Committee approved the extension of the review date of the Recruiting Ex-Offenders Policy</p>	
AAC/18/01/09	<p>Flexible Working Policy RH reminded Members that the Flexible Working Policy had been reviewed and approved in March 2017. Through the learning of using the policy, it had</p>	

	<p>become apparent that there was inconsistent application of local arrangements of flexible working. It had been agreed to correct this through the production of guidelines to implement consistency. The guidelines were formed from the questions raised at the Staff Partnership Forum, good practice issued through HR and Agenda for Change. It was agreed to amend the Flexible Working Policy to embed these guidelines, clarifying TOIL and flexitime. The policy had been discussed by EMT and the Staff Partnership Forum.</p> <p>CR questioned the level of flexible working across the CCG. RH felt that this was possibly high, monitored through timesheets. Work levels and performance were monitored through objective setting and appraisals.</p> <p>The core hours were to be defined. The Policy would be launched from 1 February 2018; staff would be informed through staff meetings and 14 days.</p> <p>The Committee approved the Flexible Working Policy</p>	
AAC/18/01/10	<p>Health and Safety Policy</p> <p>SL explained that the Health and Safety Policy had undergone its annual review. It had received minimal changes, including the implementation of a risk assessment for those staff working at home. SL advised that the CCG continued to have risk assessment responsibility for those staff working in other premises. The assessment form had been made available to all staff on the intranet. It was acknowledged that employees were not able to access the intranet from outside the office without a RAS connection. It was the requirement of the Line Manager to ensure staff were able to access and complete a risk assessment.</p> <p>Incidents continued to be reported to SL, who ensured staff were supported and details passed onto TIAA or other external agencies if appropriate.</p> <p>The Health and Safety Policy was agreed by the Committee and was recommended for approval by the Governing Body.</p>	
AAC/18/01/11	<p>Information Governance Policies</p> <p>The following Policies had been reviewed and received minor amendments: Information Governance Framework, Information Governance Policy, Data Protection Act Policy and Freedom of Information Act Policy. It was proposed to extend the review dates for a year, acknowledging that these may be superseded by policies incorporating the General Data Protection Regulations to be in place later this year.</p> <p>The Committee approved the Information Governance Policies</p>	
ITEMS FOR DISCUSSION		
AAC/18/01/12	<p>Emerging External Issues</p> <p>A challenging year for the NHS and for all CCG's was expected. The NHS and Public Health were notably underfunded. Pressures would remain with the £335m health budget. There had been no reference to social care in the budget; there was speculation on the future allocation of funds between Health and Social Care. DTOC capacity issues were already evident, with health and social care impacting each other. It was a system wide issue. AC felt that the public were becoming more aware of the issues faced by the NHS and a change in attitude had been seen. CR added that the Public Participation Groups were anxious to help and support the CCG.</p> <p>MS queried the progress of the national judicial review of Accountable Care Organisations. Members believed that reviews continued.</p>	

<p>AAC/18/01/13</p>	<p>Review Board Assurance Framework (BAF) and Risk Register (RR) SL informed Members that a good Risk Management session had been held with Executives and Managers by PwC on 8 January 2018. The importance of managing risks had been recognised and the drivers for the risk register. There was a need for all staff to understand risk registers, not just Executives. PwC would be producing a report from the workshop to share with EMT. The report would also be brought to the Committee.</p> <p>ACTION: AAC/18/01/13.0 - Report on the Risk Management Workshop held on 08/01/18 by PwC to be presented to EMT, and then brought to the Committee.</p> <p>SL advised that MH had reviewed the BAF and RR this month and consulted EMT. There was little adjustment to the BAF.</p> <p>As requested at the last meeting, a summary of the top 20 risks had been included for Committee information. The top 10 still included the additional detail, and would be presented to the Governing Body.</p> <p>SL advised that the summary of the top 20 could be summarised further for future meetings, dependent on the information Members wished to receive. SL would mock up a number of summary risk register options prior to the next meeting and circulate to Committee Members for feedback. This would further assure Committee Members that the process of managing risks was in place and working adequately.</p> <p>ACTION: AAC/18/01/13.1 - SL to mock up a number of summary risk register options prior to the next meeting and circulate to Committee Members for feedback.</p> <p>Discussion regarding the top risks took place, acknowledging that national issues and full primary care delegation did have an impact. Members wished to amend the risk order to reflect the high risk to secondary care of the demand on primary care and the continued challenge to capacity. It was agreed that risks one and three were interlinked and would become a joint number one risk. The current second risk would become number three. The description would be amended to elaborate on the corresponding impact on primary care.</p> <p>ACTION: AAC/18/01/13.2 - Amendments to be made to Risk Register. Risks 1 and 3 to be listed as joint number 1 risk, number 2 risk to become number 3.</p> <p>SL advised Members that risks should be noted at the lowest manageable level and detail what was being put into place to address or mitigate them. Risks should not be overly aggregated. The numbering of the top ten could, in theory, be removed as they are all current risks being addressed by the Executive Team.</p> <p>The top ten risks, with the suggested amendments, were approved and would be sent to the Governing Body for information, along with the BAF.</p>	<p>RF</p> <p>SL</p> <p>SL</p>
<p>AAC/18/01/14</p>	<p>Review Gifts, Hospitality and Sponsorship Register The gifts, hospitality and sponsorship register is itemised but also provides a cumulative value, by benefactor/sponsor, for the last 12 months. This was a public document and was available to download from the CCG website.</p> <p>PL queried the 'reason for acceptance' responses against each item, and whether cost savings to the CCG were notable or just an economic cost. SL advised that the sponsorship reduced the expense of events but it is possible that suppliers might also benefit from changes in purchasing.</p>	

	<p>A recent BMJ article had highlighted the number of undeclared gifts from pharmacists to CCGs. SL was confident that Wiltshire CCG did not have this issue. RF informed Members that an internal audit report following a review of the CCG's conflict of interest process was to be presented to the March Committee meeting, which had included gifts, hospitality and sponsorship, aligned to the new sponsorship guidance.</p> <p><i>(10.25hrs DMcA and JD joined the meeting)</i></p>	
<p>AAC/18/01/18 <i>(item moved)</i></p>	<p>Internal Audit Progress Report 2017/18</p> <p>RF confirmed that audits were progressing well against the work plan. The scope of the Business Continuity Planning audit was in place and would commence soon. The report following the Risk Workshop would be brought to the March Committee meeting.</p>	
<p>AAC/18/01/20 <i>(item moved)</i></p>	<p>Internal Audit Reports</p> <p>a) Continuing Healthcare (CHC)</p> <p>DMcA and JD were in attendance to go through the CHC report with Members and to report on the actions in place to alleviate the recorded risks.</p> <p>DMcA went through the risks listed on page 4:</p> <p>Medium risk:</p> <ol style="list-style-type: none"> 1. Non-compliance with CHC/Funded Nursing Care (FNC) process: The team would be re-enforcing the correct way of completing the forms. It was the CCG's responsibility to provide training on new policies/guidance and to work with Wiltshire Council and Wiltshire Health and Care (WH&C) to ensure staff were fully informed. Fast track forms also need the signature from an operation lead. 2. Lack of timely review of cases: This item supersedes an open finding from 2015/16. From a sample of 10 patients, nine had not received a review within three months. Team capacity and the volume of work had been an issue, and the repatriation of FNC cases saw an inheritance of a back log of cases. The database was now being used more effectively, highlighting when reviews were due. Staff can then raise this with WH&C to identify a staff member to undertake the review. 3. Operations policy expired: This finding linked with the ongoing issue with Wiltshire Council regarding the disputes policy/process/procedure. The Operations Policy had been updated, but due to the disagreement with the Local Authority on the disputes policy – it was incomplete. <p>A disputes protocol group of Local Authority and CCG representatives had been established and had agreed the policy, but this had not been adopted by the Council. The Council's legal team had since drawn up a new policy and requested sign up from the CCG. DMcA had reviewed this dispute protocol and drafted a response from the CCG. PL felt that the response from the CCG to the Council should be headed by DMcA as the Director for this area of work. A meeting was to be held on 11 January 2018 with Council representatives to further discuss the protocol. Revised national guidance was expected to be released in May.</p> <ol style="list-style-type: none"> 4. Ineffective relationship with local authority: The relationship had been improving more recently, but had become strained during the disputes process discussion. The Local Authority may look to review the Memorandum of Understanding. 	

There was a high cost to the CCG in not resolving this issue; the quality premium target was not being achieved and disputes not being resolved. This cost had not been quantified for the report.

Six cases would not be resolved until the dispute policy was agreed and implemented. There were a further six cases to be resolved. They were the responsibility of the Local Authority, but due to a claimed health element, they remained with the CCG. A letter had been drafted to invoice the Local Authority for the funding to cover the costs.

CR commented that these reports state the risks of the CCG, but not the impact of the Local Authority and the lack of progress on the issues. RF confirmed that PwC had attempted to make contact with the Local Authority during the review, but had been unable to get a response. The last sentence on page 16 would be amended to reflect that.

ACTION: AAC/18/01/20a - RF to amend last sentence on page 16 of the CHC report to reflect that PwC had attempted to make contact with the Local Authority during the review, but had been unable to get a response. The revised report would then be recirculated to the CCG.

RF

Resolving these issues was a key hurdle in the integration process with Wiltshire Council and moving the relationship forward.

5. Underachievement against 28 day quality premium target:
DMcA confirmed that JD was to lead on a specific project concerning the achievement of the quality premium target. The quality of the assessments would not be compromised to meet the target. Training would be re-issued to Nurses and Nurse Assessors. The rate of reversal was comparative to other CCGs.

Low risk:

6. Domiciliary care procurement:
The CCG currently had limited access to providers and was spot purchasing Help to Live at Home services when required. It had been agreed that the CCG and Local Authority would procure jointly for this next time.

Advisory:

7. Lack of governance structure within CHC department:
JD was now in post as the Associate Director. JD advised that a weekly senior management team meeting had been established, along with wider team meetings for all staff. A case load system was being developed and will note the named assessor to establish responsibility and accountability in the system.

RF was content with the CCG's response to the report and the work in train to mitigate the risks identified. The next review should look at the broader themes and weight the evidence.

(11.13hrs DMcA and JD left the meeting)

b) Delegated Primary Care Commissioning

RF advised that one medium risk had been found, but overall was rated as a low risk report. It was acknowledged that the CCG was in a period of transition taking on the delegated primary care commissioning.

c) Financial Systems

RF reported that one low risk had been found during the internal audit. The

	overall core financial controls in the CCG were robust.	
AAC/18/01/17 <i>(item moved)</i>	Internal Audit Annual Report 2016/17 RF explained that the final report would be reliant on the completion of the final review, but that the CCG had been assessed as generally satisfactory with some improvements required. The final report would be brought to the Committee once the final three reviews have been completed at the end of the financial year.	
AAC/18/01/15	Updated Statutory Mandatory Training Report – September to December 2017 At the November meeting, Members had expressed concerns over the statutory mandatory compliance levels. RH presented the compliance figures as at 31 December 2017, which showed an improved position. There had been a push on staff training before Christmas through staff meetings and 14 days. There had been a change in Information Governance training provision recently, posing some access issues to compliance reporting, hence the low compliance level. The next workforce report would be brought to the Committee in May.	
AAC/18/01/21 <i>(item moved)</i>	External Audit Progress Report 2017/18 KW explained that interim audit testing was being undertaken. Details of this would be included in the March External Audit report. Page five of the report confirmed that audit deliverables were on track. A sector update had been included in the paper, along with a number of articles of interest to the CCG.	
AAC/18/01/22 <i>(item moved)</i>	External Audit Draft Plan 2017/18 PB talked through the draft Audit Plan for 2017/18. It was acknowledged that although the NHS continued to experience a challenging financial environment, Wiltshire CCG was in a better position than some. PB mentioned that the report would be revised, as rogue 'Council' references had been found since its circulation. It would be re-issued to the CCG. ACTION: AAC/18/01/22 - Report to be amended to remove rogue 'Council' references and then re-issued to the CCG.	PB
AAC/18/01/16	EPRR Assurance 2017/18 RH explained that an annual review of compliance with the national standards for Emergency Preparedness, Resilience and Response (EPRR) had been carried out. The CCG had self-assessed its own arrangements that were in place, NHS England agreed a 'substantial' compliance. The second element involved reviewing self-assessments from major providers. These were sent onto NHS England as part of the EPRR assurance process. The Business Continuity Plan was to be brought to the March Committee meeting. ACTION: AAC/18/01/16 - Business Continuity Plan to be brought to the March Committee meeting.	RH
AAC/18/01/19	Internal Audit Recommendation Tracker The Committee received and noted the report.	
AAC/18/01/23	Local Counter Fraud Progress Report 2017/18 LBen drew Members attention to page 3; the NHS Counter Fraud Authority (NHS CFA) had launched in November 2017, and would focus on five areas as	

	<p>listed.</p> <p>The Prevent and Deter section on page four reported on the Cyber Fraud online training module. A detailed report was also included as Appendix A to the report. The training had received a good response from staff.</p> <p>Page six of the report indicated the progress to date against the work plan. LBen made Members aware of duplicate CHC payments being found in another CCG. The Counter Fraud Service would be reviewing the system in place.</p>	
ITEMS FOR NOTING		
AAC/18/01/24	<p>Information Governance Group meeting minutes (5 October 2017) The notes from the Information Governance Group meeting held on 5 October 2017 were received and noted.</p>	
AAC/18/01/25	<p>Final Accounts Timetable and Plans The Committee received and noted the timetable and planned dates.</p>	
AAC/18/01/26	<p>Aged Receivables and Payables Report The Committee received and noted the report.</p>	
AAC/18/01/27	<p>Losses and Special Payments Report The Committee received and noted the report.</p>	
AAC/18/01/28	<p>Competitive Tender Waivers There were none to report.</p>	
AAC/18/01/29	<p>Any Other Business</p> <p>a) Future Meeting Dates of AAC PL asked if future meeting dates for AAC could be reviewed to see if it was possible to align these to the recently moved Finance and Performance Committee meetings, or to later in the day closer to Clinical Exec meetings.</p> <p>ACTION: AAC/18/01/29 - SW to review scheduled meeting dates to see if it is possible to align closer with the F&P Committee or Clinical Exec.</p>	SW
	The meeting concluded at 11.40hrs	

**Date of next Audit and Assurance Committee Meeting:
Tuesday 13 March 2018, 09.15 - 11.00hrs**