

**MINUTES OF AUDIT AND ASSURANCE COMMITTEE MEETING
HELD ON TUESDAY 10 JULY 2018, AT 09:15hrs
AT SOUTHGATE HOUSE, DEVIZES**

Voting Members Present:

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	SM	Deputy Chief Financial Officer
Mark Harris	MH	Chief Operating Officer
Rob Hayday	RH	Associate Director of Performance, Corporate Services and Head of PMO
Susannah Long	SL	Governance and Risk Manager
Peter Barber	PB	External Audit, Grant Thornton
Rees Batley	RB	Internal Audit, KPMG
Andrew Morley	AM	Counter Fraud, TIAA
Sharon Woolley	SW	Board Administrator

Apologies:

Duncan Laird	DL	Internal Audit, KPMG
Katie Whybray	KW	External Audit, Grant Thornton
Steve Perkins	SP	Chief Financial Officer
Peter Lucas	PL	Chair, Lay Member for Audit and Governance

Item Number	Item	Action
AAC/18/07/01	Welcome and apologies for absence CR welcomed everyone to the meeting. The above apologies were noted.	
AAC/18/07/02	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. The meeting was quorate.	
AAC/18/07/03	Minutes from the meeting held on 18 May 2018 The minutes from the meeting held on 18 May 2018 were agreed to be an accurate record.	
AAC/18/07/04	Matters Arising There were none.	
AAC/18/07/05	Action Tracker The action tracker was reviewed and updated.	

	<p>AAC/17/11/21.1 - There was no progress to report at the meeting. MH agreed to follow this up with SP and LP to ensure an update could be provided.</p> <p>AAC/18/03/05 - There was no progress to report at the meeting. MH agreed to follow this up with SP and LP to ensure an update could be provided.</p> <p>AAC/18/03/21a - MS advised that the CHC report had not been presented at the July Quality and Clinical Governance Committee, and therefore did not cover the Personal Health Budget item. MS would follow this up with DMcA.</p>	<p>MH / SP</p> <p>MH / SP</p> <p>MS</p>
ITEMS FOR DECISION		
<p>AAC/18/07/06</p>	<p>Business Continuity Plan (BCP) RH explained that the Plan set out how the CCG would respond to challenges and disruptive events effecting delivery of services. This embraced the core standards of resilience planning framework. This would remain a live document.</p> <p>Services had reviewed their functions and prioritised the key areas using the Business Impact Analysis (BIA) template. PwC (previous Internal Auditors) had recorded the need for a review of the BCP as a high risk area.</p> <p>The CCG was reliant on support from the CSU and NHS Property Services to deliver the BCP in the event of an emergency. Scenario testing had taken place and had identified some areas for improvement, this included the need for an improved telephone system, more robust remote access with more access tokens, and options for alternative premises.</p> <p>A Business Continuity Champions meeting was to be established to regularly review the BIAs. Ongoing development of the BCP was required and any arising operating issues addressed. It was agreed that individual BIAs did not need to come to the Committee, but RH would keep Members informed of any major developments or changes.</p> <p>The Committee approved the Business Continuity Plan and noted that operational developments would continue.</p>	
<p>AAC/18/07/07</p>	<p>Policy on Provision of Expenses for Volunteers, Service Users and Carers RH advised that this Policy had reached its renewal date, and had been reviewed and updated. EMT had reviewed the document. Having this policy in place enabled the CCG to engage volunteers in its work.</p> <p>CR queried the amount spent a year on volunteer expenses. RH did not have this information to hand, but would share this with CR out of the meeting.</p> <p>The Committee approved the updated Policy on Provision of Expenses for Volunteers, Service Users and Carers.</p>	
<p>AAC/18/07/08</p>	<p>Financial Control Planning and Governance Self-Assessment SM firstly apologised for the lateness of the paper, but explained that an authorisation process had to be followed before the paper was brought to the Committee for approval. It had been a late request from NHS England for the document; it had not been requested last year. Quarterly reports would be required.</p> <p>The self-assessment checklist was used to identify areas of risk to the CCG. The majority of areas showed compliance, and actions were in place against those that showed partial or non-compliance.</p>	

	<p>There were no areas of concern and the risks had been recognised. Some areas would naturally be resolved over time. Sign off by the Committee was required.</p> <p>The Committee approved the Financial Control, Planning and Governance Self-Assessment.</p>	
ITEMS FOR DISCUSSION		
<p>AAC/18/07/09</p>	<p>Review of Risk Register and Board Assurance Framework (BAF) MH had hoped to bring the refreshed BAF, but the Amesbury major incident had occupied time. The strategic objectives, which informed the BAF, had been reviewed by EMT and reduced from ten objectives to six. The objectives would be taken to the July Governing Body meeting for sign off.</p> <p>SL presented the Risk Register, which listed the top 10 risks, and a further 10 for consideration.</p> <p>MH advised that risks five and six were new to the register. Number five related to the now live Patient Transport Service invitation to tender, and number six had been raised by the Clinical Advisory Group regarding the significant risk of birth defects and developmental disorders in children born to women who have taken Valproate.</p> <p>AC questioned the position of the risk relating to lack of staff. The issue was impacting upon delayed transfer of care figures and patient flow, causing a significant issue and risk to the CCG. MH felt that perhaps the register did not adequately show what mitigations and action was in place to address the identified risk, but agreed that the workforce issue needed further consideration during the refresh of the BAF and Risk Register.</p> <p>ACTION: AAC/18/07/09 - MH to reconsider the significance of the workforce impact as a risk to the CCG when refreshing the Risk Register and Board Assurance Framework.</p> <p>MS felt that the drop from the top 10 for risks 11 and 12 did not show the importance of the issue and the huge risk to the system. MH explained that this would be referenced via the BAF. The strategic objectives included a reference to collaborative working, resolving these issues would be a key driver to deliver the joint services with the local authorities. MS felt this, which was also referenced on the action tracker, needed urgent attention.</p>	<p>MH</p>
<p>AAC/18/07/10</p>	<p>Review of Gifts, Hospitality and Sponsorship SL explained that NHS England required the CCG to report to the Committee on its 12 month rolling gifts, hospitality and sponsorship register. This register would be published upon the CCGs website.</p> <p>Members questioned the amount of sponsorship acquired from pharmaceutical companies for the NEW locality group meetings and GP Forums and whether this has lead to any change in prescribing by GPs. The Medicines Management team were tracking prescribing activity, although it was difficult to identify specific drugs being promoted at events. West and Sarum Locality Groups had taken a policy decision not to use sponsorship. The Standards of Business Conduct Policy referred to the use of sponsorship; it was permitted if signed off in advance. MS felt that the justification noted against a number of the sponsorship items was insufficient; it would reduce costs to the Directorate budget, but not to the NHS overall. The variation in practice across the CCG was not favoured. MH would discuss this further with Ted Wilson as the NEW Group Director.</p>	

	<p>ACTION: AAC/18/07/10 - MH to request Ted Wilson to review the use of sponsorship for NEW events as there was a variation in practice across the CCG.</p> <p>SL drew Members attention to item 28 on the register. This had exceeded the £75 limit set within the NHS England guidance. It was a one off hospitality offer which had been signed off in advance by SP and Peter Lucas as Conflict of Interests Guardian.</p>	MH
AAC/18/07/11	<p>Internal Audit Progress Report and Tracker</p> <p>RB presented the KPMG report. Work had now commenced and initial discussions held with the agreed leads. Terms of References for the reviews had been shared for those scheduled for later in the year. The Board Assurance Framework would be reviewed when refreshed with the new Strategic Objectives as part of the Risk Management Audit.</p> <p>The outstanding recommendations as noted by PwC would be followed up through the tracker.</p>	
AAC/18/07/12	<p>External Audit Progress Report</p> <p>The report summarised the external audit progress to date. PB reported that planning processes for the 2018/19 financial year had commenced and officers would be engaged when needed.</p> <p>PB advised that the Grant Thornton Audit Committee Chair event was to be held in October 2018.</p> <p>The report also provided information on a number of areas of interest to Members.</p>	
AAC/18/07/13	<p>External Audit Annual Audit Letter and Fee</p> <p>PB explained that the Annual Audit Letter provided a summary of the work carried out for the CCG for the year ended 31 March 2018. This letter was intended for stakeholders, and would be made available upon the CCGs website for information. It presented a very good message of the status of the CCG and noted that the organisation had good arrangements in place.</p>	
AAC/18/07/14	<p>Local Counter Fraud Progress Report</p> <p>AM talked through the Progress Report and highlighted the following:</p> <ul style="list-style-type: none"> • Since the last meeting, AM had attended a meeting with the NHS England Counter Fraud team to discuss boundaries of reactive investigations • A change to the work plan had been agreed; the Personal Health Budget review was amended to be a Continuing Healthcare review. • The Counter Fraud Staff Survey was to be distributed and AM encouraged Members to request staff to complete it. • There was currently one reactive case – this had not resulted in individual gain or loss to the CCG, so it had been passed back to management. 	
AAC/18/07/15	<p>Emerging External Issues</p> <p>The Committee discussed the following Emerging External Issues:</p> <ul style="list-style-type: none"> • Formation of the Ten Year Plan MH explained that details of this Plan were expected to be released in the Autumn and would supersede the Five Year Forward View. • Integration It was noted that there had been a change in integration direction with a focus now with neighbouring CCGs and the STP. • Accountable Care Organisations (ACOs) MH reported that the concept of the ACO did not breach the Health and Social Care Act as first suggested. The legal challenge had been 	

	<p>removed.</p> <ul style="list-style-type: none"> Amesbury Major Incident in Amesbury RH reported that the incident was resource intensive, but was being well managed seven days a week. NHS England was the gold responder, the CCG was the silver responder, involved in daily activity. 	
ITEMS FOR NOTING		
AAC/18/07/16	<p>Information Governance Group meeting minutes (27 April 2018) The draft minutes from the Information Governance Group meeting held on 27 April 2018 were noted.</p>	
AAC/18/07/17	<p>Aged Receivables and Payables Report The Aged Receivables and Payables Report was noted.</p> <p>SM referred to the NHS Property Services Ltd item shown on page two. Property Services were currently disputing charges. Discussions were ongoing.</p>	
AAC/18/07/18	<p>Losses and Special Payments Report The Losses and Special Payments Report was noted.</p> <p>The report detailed the two payments made in May 2018; one being a payment of £100,306.85 made to Irwin Mitchel LLP for support during a court case, the second being a £900 payment made to Awdry, Bailey and Douglas for reimbursement of legal expenses incurred by an employee.</p> <p>SM explained that the Continuing Healthcare court case was a one off case. The CCG had lost the case due to the Equality Act element, giving a weak defence. There was no clear error of the CCG on the healthcare assessment. Details of the payment would be taken to the July Governing Body meeting.</p>	
AAC/18/07/19	<p>Competitive Tender Waivers The Competitive Tender Waivers report was noted.</p>	
AAC/18/07/20	<p>Any Other Business</p> <p>a) GP Representation Upon the Committee AC informed Members that she had resigned from her role with the CCG and would leave at the end of September. A replacement GP representative would be required to attend Committee meetings.</p> <p>ACTION: AAC/18/07/20 - MH to commence process of finding replacement GP voting representative for AAC.</p>	MH
	The meeting concluded at 10.25hrs	

**Date of next Audit and Assurance Committee Meeting:
 Tuesday 11 September 2018, 09.15-11.00hrs**