

**Meeting of South Norfolk Clinical Commissioning Group
Audit Committee**

**9.30am – 1pm
Friday 18 October 2013**

**Meeting Room GF 1, Lakeside 400, Old Chapel Way, Thorpe St Andrew
Norwich, NR7 0WG**

Part 1 MINUTES

ITEM	Action
<p>Present: Anna Bennett, Lay Member with a lead role for governance (ABe) - Chair Susan Ringwood, Lay Member with a lead role in Championing Patient and Public Involvement, SNCCG, (SR) Kevan Baker, Governing Body Audit, Childhood and Maternity Commissioning and Practice Manager, SNCCG (KB)</p> <p>In Attendance: Karen Barker, SNCCG Head of Corporate Affairs (KBar) Amanda Brown, SNCCG Deputy Head of Corporate Affairs (AB) Daniel Hellary, Internal Audit, Deloitte (DH) Eleni Gill, Counter Fraud, Cambs Health Internal Audit Service (EG) Mike Tweed, Counter Fraud, Cambs Health Internal Audit Service (MR) Natalie Smith, External Audit, Ernst & Young (NS) Neil Harris, Audit Director, Ernst & Young (NH) Steve Ham, Chief Finance Officer, SNCCG (SH)</p> <p>Minute Taker: Sonia Bright, Business Support, SNCCG (SB)</p>	
<p>1. Apologies Mike Clarkeson, Internal Audit, Deloitte</p>	
<p>2. Declarations of conflicts of Interest Lay member declarations are published on the SNCCG website for information. There are no conflicts of interest based on this agenda.</p>	
<p>3. Notification of urgent items</p>	

	No urgent items identified	
4.	<p>Items Exempt under the Freedom of Information (FOI) Act</p> <p>Part 2 of this agenda is exempt under the FOI act.</p>	
5.	<p>Minutes of previous meeting</p> <p>Minutes of the Audit Committee held on 19 July 2013 were agreed as a true and accurate record.</p>	
6.	<p>Matters Arising & Action Log Notification of urgent items</p> <ul style="list-style-type: none"> • Page 2 Agenda Item 6 – Item 10 DH confirmed that the feedback would be to the Commissioning Support Unit (CSU) Internal Auditors and not the CSU as noted. <p>Control Framework There has been a delay in the framework publication so there is no report for this meeting.</p> <ul style="list-style-type: none"> • Page 3 Agenda Item 6 – Item 21 Provider Contracts SH confirmed the Mental Health (NH) contract has been signed and we are currently in the position of drafting contract variations. • Page 3 Agenda Item 6 – Item 21 Section 251 SH provided a verbal update confirming there were a number of estimated payments at the end of July. Care home invoices continue to be signed off which may result in some Providers being overpaid but this will be rectified in the catch up process. The numbers of complaints is currently reducing and are more manageable than in July. • Page 4 Internal Audit DH confirmed that the CSU Internal Audit would have sight of the final report. <p>KB asked for the minutes and action log to be circulated earlier prior to the meeting.</p> <ul style="list-style-type: none"> • Agenda Item 12 SH gave an update on the Integrated Single Financial Environment (ISFE) status with the CSU. The CSU have recruited 3 additional members of staff who will be in post at the end of October. The CSU continue to make significant progress and the back log of outstanding invoices continues to reduce. 	SB
Internal Audit		
7.	<p>Internal Audit Progress Report</p> <p>DH confirmed that the PCT Cluster Audit Committee approved a tender waiver in respect of internal audit services for 2013/14.</p> <ul style="list-style-type: none"> • 2013/14 Audit Plan As at 3 October 29 days of service had been delivered out of 81 2 reports have been completed in draft and the final copies will be available for the 	

	<p>next meeting.</p> <ul style="list-style-type: none"> ➤ Accounts Payable and Commissioning ➤ Payroll and Expenses <p>SH - SNCCG are leading on CHC and there continues to be an issue on QIPP. The CSU continue to have capacity issues and they have asked SNCCG for a deferral of 2 months on work.</p> <p>ABe highlighted that CHC is a high risk area. SH confirmed that Restitution is in its early stages and SNCCG will not make all payments in this year. As mentioned there continues to be a lack of capacity and resources in the CSU team, resulting in a backlog of current cases.</p> <p>ABe not supportive of delay to Audit until CSU are in a better position and suggests it still needs to happen in this quarter.</p>	
8.	<p>Follow Up Report DH presented the headlines from the Follow Up report.</p> <p>Headlines:</p> <ul style="list-style-type: none"> • 20 outstanding legacy PCT recommendations were deemed relevant to forward to the CCG's • 12 of the 20 have now been closed as they were considered complete based on verification work. • From the 8 remaining a further 6 are due to be subject to follow-up through SNCCG1402 Financial Ledger. • 2 remaining as part of SNCCG1406 – QIPP with is due to take place in Q3 • KPI's have a revised deadline of 31 December 2013 <p>Audit Committee agreed that positive progress has been made.</p> <ul style="list-style-type: none"> • CCG Internal Audit Plan <p>ABe asked if SH would have sight of the CSU Internal Audit Plan for contract assurance purposes to ensure CFO's get an overall view of the risks.</p>	
External Audit		
9.	<p>External Audit Progress Report NS gave an overview of the External Audit Progress Report. In the first year External Audit intend to place reliance on the work of Internal Audit to document the financial systems and controls as a new organisation including identified risks. The overall timetable is included in the report.</p>	
10.	<p>CCG Sector Update NH presented the CCG Sector update report highlighting the Integration of Health and Social Care and concerns with funding transferring to NHS England and how the money will be allocated.</p>	
Counter Fraud		
11.	<p>CCG Counter Fraud Policy EG circulated an updated version of the Counter Fraud policy based on the revised template from NHS Protect. The amendments are only formatting and terminology.</p>	

	<p>The context of the policy has not changed since the agreed version. SH has met with EG and confirmed the amendments.</p> <ul style="list-style-type: none"> • Amendments highlighted <p>3.4 NHS Protect Section 4 Roles and Responsibilities Section 8 Monitoring and Review</p> <p>Audit Committee approved the new version of the policy which should be uploaded to the website.</p> <ul style="list-style-type: none"> • Contracts <p>There has been an on-going proactive exercise on contracts from which a spread sheet of all contracts in the CCG has been designed. The information will be available for the next meeting.</p>	EG
12.	<p>CCG Interim Report Noted for information</p> <ul style="list-style-type: none"> • Mandatory Training <p>Two sessions of Counter Fraud training took place for SNCCG staff on 24 September with high level of attendance. We are waiting an additional date to cover those who were not available for the first sessions.</p> <ul style="list-style-type: none"> • CSU Reporting of Fraud <p>NHS Protect hosted an induction for the CSU on the Counter Fraud arrangements and reporting lines. NHS Protect confirmed that the National Fraud Reporting line should be used by the CSU; NHS Protect will then assess the allegation and allocate the investigation to the relevant body.</p> <ul style="list-style-type: none"> • Update <p>MT advised the Committee that they have now merged with West Midlands Internal Audit and are now known as West Midlands Audit Service. This has had it benefits with an increase to 6 Counter Fraud Specialists.</p> <ul style="list-style-type: none"> • Benchmarking Data <p>Benchmarking data is available from NHS Protect, information covering all Trusts and CCG's in England in relation to referral investigation and money under sanction and redress.</p> <ul style="list-style-type: none"> • Awards <p>The service has been short listed for the HMFA Awards 2013 for work with Health Education England.</p> <ul style="list-style-type: none"> • CCG Return <p>AB asked when the Committee would expect to have to submit the first CCG return. EG confirmed that they are currently waiting for the standards to be set and it is predicted for the next financial year.</p>	
Governance		
13.	<p>Governing Body Assurance Framework 2013/14 (GBAF) KB circulated and presented the most recent version of the GBAF.</p>	

	<ul style="list-style-type: none"> • Quality and Patient Safety Assurance Committee (QPSAC) have removed 30 risks • 3 extra risks have been added <p>Key risks remain identified as red. For each of these areas the Directors own the risk and continue disseminating within the teams to update.</p> <p>KBar confirmed she is currently reviewing the GBAF and the Risk Strategy. KBar asked the Committee for any comments or specific areas that Audit would like considered in the review to be emailed directly to her for consideration.</p> <p>Suggestions raised to be included;</p> <ul style="list-style-type: none"> • A Risk Rating of where we are now • Targets to be included to ensure timelines • Additional Risk <p>On-going IT issues need to be captured; this has been highlighted as a significant risk due to a request for data going back some years, received in August 2013. This has proven to be a challenge due to how items are saved on the systems in different formats, folders and drives with no consistent approach. The Head of IT, CSU and NHS Protect met to agree a way to provide the data needed. The CSU have now completed the request on behalf of the CCG's.</p> <p>From this learning we need to identify our IT services and processes. KBar is currently looking at SNCCG internal systems.</p> <ul style="list-style-type: none"> • NHS Anglia CSU <p>SH gave an update on the CSU status and currently there is a review of the viability of the CSU to continue. It has been identified that the NHS Anglia CSU need to find a CSU partner with a deadline to resolve of 31 March 2014 although CCG's are requesting the deadline be brought forward.</p> <ul style="list-style-type: none"> • Tender for BI and IMT <p>CCG's across East Anglia selected North England CSU as the DSCRO provider and the first flow of data is due to be transferred next week.</p> <ul style="list-style-type: none"> • Section 251 <p>There is a possible extension period of 18 months which would enable a smoother transition in data flow.</p>	KBar
14.	<p>Council of Members Minutes Minutes circulated for information. From the last Council of Members meeting on 11 July 2013 there are no issues for Audit Committee to consider.</p>	
15.	<p>Schedule of Policies The Policy schedule has been refreshed and a detailed list of the Policies adopted from the Primary Care Trust (PCT) was tabled at the meeting along with timelines working towards a deadline for completion of March 2014.</p> <p>All the policies need to be updated to be more relevant to SNCCG and also to include any Government updates. The Policy for Policies is the priority and will be taken to Governing Body on 5 November for agreement.</p>	

	Audit Committee confirmed they were happy with the proposal and process and it was recognised that we needed to identify a delegated scheme of approval to inform a work plan. This will be a standard agenda item for this meeting.	
16.	<p>Quality and Patient Safety Minutes (QPSAC) Minutes circulated for information.</p> <p>From the minutes it raised the question as to whether the content gave the assurances required. It was suggested that Hilary Byrne or Sandra Corry should be invited to this meeting if there are assurances to be sought. AB also confirmed that she is currently inviting a representative to sit on both the QPSAC and the Audit Committee and is currently awaiting confirmation which would resolve this concern.</p>	
17.	<p>Healthwatch Norfolk – Proposed Audit of NHS Complaints</p> <p>From the previous meeting with Healthwatch there were four priorities identified; they had been identified over the period of time the organisation had been in shadow form (October 2012) and from having seats on different Body's as well as having voluntary members.</p> <ul style="list-style-type: none"> • Enter and view care settings for people with learning disabilities • Access to services by homeless people • Child and adolescent mental health services (CAMHS) • Review of NHS Complaints Handling (Healthwatch national priority) <p>AB and HD have since met with POhWER (ICAS) who have been awarded by Healthwatch the contract to deliver the complaints audit on their behalf. Discussions took place around the terms, proposals and expectations.</p> <p>At this meeting it was agreed and acknowledged that since only being a Statutory Body since April 2013 SNCCG were not in a position to provide any data at the present time. POhWER agreed the content of the report would include detail of the SNCCG Complaints Process rather than Audit data. The draft copy is expected in November 2013 and will be reviewed by SNCCG.</p>	
Audit Committee		
18.	<p>Audit Committee Annual Plan</p> <p>AB confirmed there have been no amendments to the Audit Committee Annual Plan and the timelines.</p>	
Transition		
19.	<p>Any other business</p> <p>There was a suggestion that providers could be duplicating invoices as there is a lack of clarity about the responsible commissioner in some areas DH confirmed Internal Audit have looked at this with CCG's and the CSU.</p> <p>SH confirmed that some areas currently paid for by the CCG's have been now identified for the Area Team to fund, Contract Variation will be put in place to reflect this and this will also happen over other areas. Reliant on the CSU.</p> <p>Agenda Item for the next meeting.</p>	SB

**Date of next meeting: Friday 20 December, 10am – 1pm, Lakeside 400 GF4
28 February, 10am – 1pm, Lakeside 400 GF1 & 2**

Items identified for the next meeting

CCG Contracts

Schedule of Polices – Delegated Scheme of Approval

Healthwatch – POhWER Report

The Audit Committee meeting minutes from 18 October 2013 were approved as a true and accurate record of the meeting.

Signed by South Norfolk Clinical Commissioning Group Chair

Name Anna Bennett

Signature

Date