

**NHS BOLTON CLINICAL COMMISSIONING GROUP**  
**Public Board Meeting**

**AGENDA ITEM NO:** .....10.....

**Date of Meeting:** .....25<sup>th</sup> May 2018.....

<b>TITLE OF REPORT:</b>	CCG Audit Committee Minutes	
<b>AUTHOR:</b>	Tony Ward, Lay Member Governance	
<b>PRESENTED BY:</b>	Tony Ward, Lay Member & Audit Committee Chair	
<b>PURPOSE OF PAPER: (Linking to Strategic Objectives)</b>	For the Board to receive and review the minutes of the Audit Committee meeting held on 18 <sup>th</sup> April 2018.	
<b>LINKS TO CORPORATE OBJECTIVES (tick relevant boxes):</b>	<b>Delivery of Year 1 Locality Plan.</b>	
	<b>Joint collaborative working with Bolton FT and the Council.</b>	
	<b>Supporting people in their home and community.</b>	
	<b>Shared health care records across Bolton.</b>	
	<b>Regulatory Requirement</b>	
	<b>Standing Item</b>	√
<b>RECOMMENDATION TO THE BOARD: (Please be clear if decision required, or for noting)</b>	<p>The Board is asked to approve the minutes. The key points the Board is asked to note from these minutes are:-</p> <ul style="list-style-type: none"> <li>• Director of Audit Opinion 2017/18.</li> <li>• Broad Care Report.</li> </ul>	
<b>COMMITTEES/GROUPS PREVIOUSLY CONSULTED:</b>	CCG Audit Committee	
<b>REVIEW OF CONFLICTS OF INTEREST:</b>	Conflicts of Interest are reviewed at every meeting.	
<b>VIEW OF THE PATIENTS, CARERS OR THE PUBLIC, AND THE EXTENT OF THEIR INVOLVEMENT:</b>	Patient views are not specifically sought as part of this report.	
<b>EQUALITY IMPACT ASSESSMENT (EIA) COMPLETED &amp; OUTCOME OF ASSESSMENT:</b>	EIA and an assessment is not considered necessary for the report.	

**MINUTES**

**Audit Committee**

**Date:** 18 April 2018

**Time:** 2.00pm – 4pm

**Venue:** Bevan Room

**Present:**

Tony Ward (TW)	Lay Member Governance (Chair)
Alan Stephenson (AS)	Lay Member (Vice Chair)
Dr Charles Hendy (CH)	GP Board Member
Dr Tarek Bakht (TB)	GP Board Member

**In attendance:**

Ian Boyle (IB)	Chief Finance Officer, Bolton CCG
Amanda Williams (AAW)	Head of Financial Accounting & Reporting Bolton CCG
Su Long (SL)	Chief Officer, Bolton CCG
Ruth Parker (RP)	Senior Internal Audit Manager, MIAA
Cath Robson (CR)	Anti-fraud Specialist, MIAA

**Minutes by:**

Linda Hughes (LH)	Personal Assistant
-------------------	--------------------

Minute No.	Topic	Action By
15/18	<p><b><u>Audit Committee Self-Assessment Session</u></b>                      The group reviewed the Development Plan (appendix A) from the Self-Assessment carried out in April 2016 and reviewed in April 2017.                      Appendix A  <u>A1 Effective use of Assurance Framework to guide work:</u>                      TW informed the format of Assurance Framework had been further developed since the Self-Assessment review in 2017. RP felt the BAF was now fully implemented and best practice would be for lead committees to take ownership of registers and corporate objectives. TW felt how the BAF was used in Board Sub Committees was still outstanding.</p> <p><u>A.2 Review underlying assurance processes for achievement of CCG objectives and management of principal risks.</u>                      Implemented.</p> <p><u>A3 – To consider the outcomes of significant reviews:</u>                      TW informed he had discussed significant reviews with SL and agreed the Governance and Safety Team would create, keep and update a log of reports received by the CCG from April 2018. The</p>	

	<p>Audit Committee would receive the log at each meeting to provide assurance and the Audit Committee work plan would be updated to reflect this addition. DS tabled the log as developed to date and it was agreed the format was still work in progress. It was noted that the log would be reviewed at each Quality and Safety Committee meeting.</p> <p>TW informed as Audit Chair would attend other sub committees of the Board to ensure assurances are gained regarding their delegated responsibilities.</p> <p><u>A4 – Effective relationships with other key committees:</u> See A3.</p> <p><u>A5 – Review the findings of other sources of the assurance:</u> See A3.</p> <p><u>A6 – Review of policies for ensuring compliance with relevant regulatory, legal and code of conduct requirements:</u> See A3.</p> <p><u>A7 – Monitor the effectiveness of the financial statements</u> AAW informed GP members of the Audit Committee had attended a finance training session. AAW informed a further session dedicated to the financial accounts would be taking place on 11 May and would be attended by GP members of the Audit Committee.</p> <p>IB agreed to attend a CCG GP Leads meeting to provide financial update on 17/18 outcomes and 18/19 plans to support corporate objectives regarding spending.</p> <p>IB felt it important to invite responsible managers to committee meetings where audit reports with limited assurance are received to explain actions where appropriate.</p> <p>RP informed HFMA had issued the new Audit Committee Handbook. RP felt new arrangements and alignments and work ongoing at GM level possibly required further discussion. There was also key messages around Cyber-attacks. AAW agreed to order and circulate copies of the new Audit Committee Handbook to members to reflect on what changes need to take place.</p>	<p><b>LH</b></p> <p><b>TW</b></p> <p><b>IB</b></p> <p><b>AAW</b></p>
<p><b>16/18</b></p>	<p><b><u>Introductions and Apologies for Absence</u></b></p> <ul style="list-style-type: none"> <li>• Rob Fenton, KPMG</li> <li>• Rob Jones, KPMG</li> </ul>	
<p><b>17/18</b></p>	<p><b><u>Declarations of Interest</u></b></p> <p><i>“The Chair reminded committee members of their obligation to declare any interest they may have on any issues arising at committee meetings which might conflict with the business of NHS Bolton Clinical Commissioning Group”.</i></p>	

	<p><i>"Declarations declared by members of the CCG Executive are listed in the CCG's Register of Interests. The Register is available either via the Board Secretary to the Governing Body or the CCG website at the following link:  <a href="http://www.boltonccg.nhs.uk/about-us/declarations-of-interest">http://www.boltonccg.nhs.uk/about-us/declarations-of-interest</a></i></p> <p>There were no declarations of interest.</p>	
18/18	<p><b><u>Previous Minutes</u></b>  The minutes of the 17 January 2018 were agreed as an accurate record.</p>	
19/18	<p><b><u>Matters arising from the minutes not otherwise on the agenda and review of action log</u></b>  The action log was reviewed and updated.</p>	
20/18 20.1/18	<p><b><u>MIAA (Internal Audit) Progress Report</u></b>  RP updated on the assurances, key messages and progress against the Internal Audit Plan for 2017/18.</p> <p>RP informed there had been 3 reports finalised since the previous meeting of the Audit Committee on 17<sup>th</sup> January 2018 as follows:-</p> <ul style="list-style-type: none"> <li>• Assurance Framework Opinion – NHS requirements met.</li> <li>• Information Governance Toolkit – Significant Assurance. Discussion took place around the wider risk of GDPR and how the CCG would address the 12 standards, as this will form part of the IG toolkit next year.</li> <li>• Conflicts of Interest – Partially Compliant. RP agreed to liaise with Board Secretary to request further evidence and advised of the need to reflect in minutes how the chair of meetings manages any conflicts of interest.</li> </ul> <p>RP updated on 2 reports which had been issued as draft awaiting management responses:-</p> <ul style="list-style-type: none"> <li>• Bolton Care Record – Draft report issued with limited assurance. Discussion took place regarding the 7 medium recommendations which had now all been met. The report now had a significant assurance. RP stated this would be reflected in a revised Director of Audit Opinion 2017/18. It was agreed a MIAA Progress report would be brought to May Audit Committee.</li> <li>• Broad Care – Limited Assurance - RP informed management responses were awaited. The Committee agreed to ask Richard Leigh, CHC manager to attend the September Audit Committee to provide an update.</li> </ul> <p><b>The Committed noted the MIAA Progress Report.</b></p>	RP RP RP LH
20.2/18	<p><b><u>Draft Director of Audit Opinion and Annual Report 2017/18</u></b>  RP presented the Director of Audit opinion and annual report for 2017/18 which provided significant assurance. RP advised this key document also supports the CCG's Annual Governance Statement. RP stated that updates on the final report would be discussed with AAW and a revised final report would be</p>	RP/AAW

<p><b>20.3/18</b></p>	<p>presented to the May Audit Committee meeting. RP felt it was a very good overall report. AAW informed the revised version of the report would be submitted to NHSE on 19 April.</p> <p><b>The Committee noted and approved the report.</b></p> <p><u>Internal Audit Plan 2018/19</u></p> <p>RP presented the internal audit plan and advised how audit services would be delivered though 2018/19.</p> <p>Due to the changing environment in which the CCG operates in 2018/19, it had been agreed that an element of the plan would be set aside to respond to new or emerging risks that arise during the year. Utilisation of these days would be discussed with the CCG's CFO. Discussion took place around organisational risks and also any potential risks associated with the Locality Plan. IB to discuss and scope out potential areas with RP and report back to future meeting.</p> <p>RP to refresh the internal audit plan to include the 3 year delivery in plan.</p> <p><b>The Committee noted and approved the Internal Audit plan for 2018/19.</b></p>	<p><b>IB/RP</b></p> <p><b>RP</b></p>
<p><b>20.4/18</b></p>	<p><u>Anti-Fraud Annual Report 2017/18</u></p> <p>CR (AFS) outlined the anti-fraud activity undertaken by the Anti-Fraud Specialist during 2017/18 across the four key areas as outlined in the Standards for Commissioners and agreed within the work plan approved by the Audit Committee.</p> <p>CR informed the work plan had been delivered in full with no changes to the original plan.</p> <p>CR confirmed that there had been no allegations of suspected fraud, bribery or corruption received at the CCG during 2017/18.</p> <p>CR informed the Anti-Fraud Policy had been uploaded onto the CCG intranet and that she had carried out a presentation on Anti-Fraud and Cyber Awareness at the February CCG Staff Briefing which had generated active discussion.</p> <p>A proactive exercise in the area of Locally Enhanced Services was completed and did not identify any instances of actual fraud but did highlight some weaknesses within current systems. The CCG have agreed to implement recommendations made which with will be tracked and reported accordingly via progress reports.</p> <p><b>The Committee discussed and approved the Final Anti-Fraud Annual Report 2017/18.</b></p>	

<p><b>20.5/18</b></p>	<p><u>Anti-Fraud Work Plan 2018/19</u>  CR outlined the Final Anti-Fraud Work Plan for 2018-19 which had been developed following the completion of a fraud risk assessment and discussions with CCG Chief Finance Officer and Head of Financial Accounting and Reporting.</p> <p>CR advised of the new format of the plan and highlighted that some elements, particularly around awareness raising will follow a 3 year cyclical programme developed to target key staff groups.</p> <p>CR informed that the proactive detection exercise being undertaken this year is in the area of Conflicts of Interest which includes Gifts, Hospitality and Sponsorship.</p> <p><b>The Committee approved the Final Anti-Fraud Workplan 2018/19.</b></p>	
<p><b>20.6/18</b></p>	<p><u>Anti-Fraud Management Action Tracker - Follow Up Report 2017/18</u>  CR (AFS) gave an update on the Management Action Tracker Follow Up report for 2017/18. The report detailed recommendations documented in Management Action Plans issued to the CCG as a result of proactive and reactive work undertaken by the AFS, which had been followed up periodically throughout 2017/18.</p> <p>CR informed the follow up exercise carried out was to establish if the implementation of recommendations had been carried out as per the management responses or to obtain details regarding the decision for non-implementation. The report provided details of the current status and also an updated position with regards to each recommendation.</p> <p>Discussion took place around the partially implemented Proactive Detection Exercise regarding CHC. CR stated thatMelissa Laskey Director of Transformation, had informed the delays were outside the control of the CHC team and could not be resolved until IG issues had been addressed. CR advised this would remain on the report until fully implemented.</p> <p>Discussion also took place regarding the partially implemented Closure report – INFO-72884-S. IB informed he had written to the GP concerned and had not received a response to his letter within the timescale set out. This had been previously discussed at the Primary Care Committee. IB will discuss with the Mike Robinson CCG IG lead regarding next steps.</p> <p><b>The Committee discussed and approved the Final Management Action Tracker – Follow Up Report 2017/18.</b></p>	<p><b>IB</b></p>
<p><b>21/18</b></p>	<p><b>External Audit (KPMG)</b>  <u>Technical Update – March 2018</u>  The Committee noted the March 2018 Technical Update which</p>	

	<p>highlighted the main issues which were currently impacting on the health sector as well sharing some of the wider work being carried out at KPMG.</p> <p>There were no immediate risks associated with the paper however; the CCG noted areas of potential impact.</p> <p><b>The Committee noted the KPMG March 2018 Technical Update.</b></p>	
<p><b>22/18</b></p>	<p><b><u>Board Assurance Framework and Risk Register</u></b></p> <p>DS presented the Q4 Board Assurance Framework informing the 2017/18 year end position had been discussed and approved by the CCG Executive Committee at its meeting on 11 April 2018.</p> <p>DS informed 8 risks remained with high risk scores (15 or above). These related to demand for healthcare in 2017/18, gaps in workforce capacity across the local health economy, funding for estates configuration and progress with the vision for a Local Care Organisation. BAF risk scores relating to delivery of Year 2 Locality Plan were aligned with those in the Locality Plan Risk Register submitted to the GM Health and Social Care Partnership. DS informed details of existing controls and actions required could be found on the individual BAF risks.</p> <p>DS informed a monthly review of the BAF by the CCG Executive and governing body continues through inclusion of a dashboard in the Corporate Monitoring Report. Quarterly monitoring of the BAF and corporate risks are overseen by the Executive Committee and Exec leads including the CO and CFO, following consideration at various CCG sub-committees and groups eg; IM&amp;T Ops Board, Quality and Safety Committee, Strategy and Planning groups. DS informed corporate risks logged by the Governance and Safety team scored at 12 (significant) or above were included in the report.</p> <p>The Committee discussed Individual risks and the reasons for reductions or increases of the risks.</p> <p>It was agreed the wording of risk S1 would be amended and SL would discuss with the CCG Chair with view to reducing the risk score.</p> <p><b>The Committee noted the Q4 BAF and risks.</b></p>	<p><b>SL/DS</b></p>
<p><b>23/18</b></p>	<p><b><u>Draft Pre-audited Annual Report and Governance Statement</u></b></p> <p>The committee received the draft versions of the reports for comment and feedback, prior to submission to the May Audit Committee meeting for final approval prior to submission to the CCG Board on 25<sup>th</sup> May and NHS England on 31<sup>st</sup> May 2018.</p> <p>The Committee was asked to note that a draft version of the Annual Report and Governance statement would be submitted to</p>	

	<p>NHS England on 20<sup>th</sup> April 2018 as per the national guidance.</p> <p>AAW informed the annual accounts were on track for submission by 9am on 24 April following which an electronic version would be circulated to members along with an updated annual report. AAW requested any amendments be sent to her prior to the May Audit Committee meeting for final sign off.</p> <p>AAW informed she would circulate the unaudited draft Annual Accounts electronically to members.</p> <p><b>The Committee discussed and noted the draft Pre-audited Annual Report and Governance Statement.</b></p>	<p><b>All</b></p> <p><b>AAW</b></p>
24/18	<p><b><u>Whistle Blowing Policy/Register of Instances</u></b></p> <p>SL presented the Whistleblowing Policy and the changes made since the last review undertaken by the Audit Committee in April 2017.</p> <p>The Committee noted the Whistleblowing log and noted the 5 concerns raised by staff since the log was reviewed by the Committee in April 2017.</p> <p>CR requested the LCFS telephone number and email address is included under section 11 Advice and Support.</p> <p><b>The Committee approved the changes to the Whistleblowing policy and noted the updated Whistleblowing log.</b></p>	<p><b>LH</b></p>
25/18	<p><b><u>Corporate Registers</u></b></p> <p>The Committee reviewed the following registers updated since the 17 January 2018 meeting which included:-</p> <ul style="list-style-type: none"> <li>• Register of Interests</li> <li>• Register of Gifts and Hospitality</li> <li>• Procurement Register</li> <li>• Waiver of Standing Financial Instructions</li> <li>• Whistleblowing Log</li> </ul> <p><b>The Committee reviewed and approved the Corporate Registers Report.</b></p>	
26/18	<p><b><u>Review of External Reports</u></b></p> <p>Previously discussed under the self-assessment item A3. Su Long and Tony Ward had discussed further and agreed the requirements for the external report log to commence from 1<sup>st</sup> April 2018.</p>	
27/18	<p><b><u>Audit Committee Work Plan</u></b></p> <p>The work plan was discussed and agreed the following amendments:-</p> <ul style="list-style-type: none"> <li>• 19 September meeting - Remove the Anti-Fraud Survey Comparison Report.</li> </ul>	



	<ul style="list-style-type: none"> <li>• 10 April 2019 – Include Management Action Tracker Follow Up Report 2018/19.</li> <li>• Add Review of Significant Reports under Corporate Registers.</li> </ul>	
<b>28/18</b>	<p><b><u>Any Other Business</u></b>  LH reminded members of the Annual Accounts training session taking place on 11 May, 12-1pm in the Phoenix room and to ensure diaries where updated to reflect this session.</p>	
<b>29/18</b>	<p><b><u>Chair reflection on significant decisions/actions/risks that may need reporting to the Board through these minutes.</u></b>  Director of Audit Opinion 2017/18.  Broad Care Report.</p>	
<b>30/18</b>	<p><b><u>Date of Next Meeting:-</u></b>  Wednesday 23 May 2-4pm Bevan Room</p> <p><b><u>Future Meetings:-</u></b>  <b><u>2018</u></b>  Wednesday 19 September 2-4pm Bevan Room</p> <p><b><u>2019</u></b>  Wednesday 16 January 2-4pm Bevan Room  Wednesday 10 April 2-4.30pm inc Self-Assessment Session  Bevan Room</p>	