

**Wolverhampton Clinical Commissioning Group
Audit and Governance Committee**

Minutes of the meeting held on 14 November 2017 commencing at 11.00am
In Brunel Room, Science Park, Wolverhampton

Attendees:

Members:

Mr P Price	Chairman
Mr D Cullis	Independent Lay Member
Mr L Trigg	Independent Lay Member

In Regular Attendance:

Mr P McKenzie	Corporate Operations Manager, WCCG
Miss M Patel	Administrative Support Officer, WCCG (minute taker)

In Attendance:

Mr T Gallagher	Chief Finance Officer, WCCG and Walsall CCG
Ms J Watson	Senior Internal Audit Manager, PwC
Mr N Mohan	Senior Manager, LCFS, PwC
Mr J McLarnon	Manager, External Audit, Grant Thornton
Mr S Grayson	Local Security Management Specialist, CW Audit

Apologies for attendance:

AGC/17/81 Apologies for absence were submitted by Dr Hibbs, Mr Oatridge and Mr Stocks.

Declarations of Interest

AGC/17/82 Ms Watson asked to declare for information that her Dr Julian Parkes who was currently a member of the Wolverhampton Clinical Commissioning Group Governing Body was her GP.

There were no other declarations of interest declared.

Minutes of the last meeting held on 18 July 2017

AGC/17/83 The minutes of the last meeting were agreed as a correct record.

Matters arising (not on resolution log)

AGC/17/84 It was raised that at the last Audit and Governance Meeting that the committee had discussed the implications of the recruitment of the patient lay member as the previous holder of the post had retired. Mr McKenzie advised that this item had been covered under risk and that

this position had now been recruited to.

Resolution Log

- AGC/17/85 The resolution log was discussed as follows;
- Item 79 (Item b/f from private session) – Review results of Coding Audit at Nuffield; arranged via CCG Contracts Team – the report had been circulated to the committee prior to the meeting. Mr Cullis asked if there was any potential for QIPP regarding this audit as the Nuffield had paid a fine. Mr Gallagher advised that he would speak to the Head of Contracting and Procurement outside of this meeting regarding any QIPP opportunities and that he would bring back an update at the next meeting.
 - Item 96 (AGC/17/68) - IT summary to be circulated to Mr Price and Mr Gallagher - This had been circulated and the item was closed
 - Item 97 (AGC/17/69) – Update on actions in Internal Audit Charter – Ms Watson to clarify if this had been circulated and to be brought forward to the next meeting updating the charter.

Internal Audit Progress Report

AGC/17/86 Ms Watson gave a summary on the below items which were all progress against the 2017/18 Internal Audit Plan:

- Corporate Governance – Primary Care Co-commissioning
- Conflicts of Interest
- Risk Management
- Finance
- Better Care Fund
- Arrangements with the CSU
- AIPP
- Information Governance
- Audit follow-up

Mr Cullis asked if there were any follow up on recommendations and what the CCG's position on at implementing the actions. Mr Cullis also asked if Management were being made aware of these actions. Mr Price advised that he had met with Mr Gallagher about the possibility of introducing a tracker to monitor actions and to incorporate this in the internal audit work. It was asked that this was brought back to the next meeting to discuss and that clarification was received by the Committee as to who would be picking up the implementation of relevant actions.

Ms Watson had met with Mr Hastings – Director of Operations and with Mr McKenzie to discuss progress made in implementing the agreed actions in the internal audit report on risk management. There had been significant progress since last year and a status was given in the report of all the high risk areas. Risk had now been transferred to the Operations team and Mr Hastings and Mr McKenzie were looking at ensuring that

teams and individual committees were taking ownership of their respective risks and being challenged when this was not the case. Ms Watson informed the Audit and Governance Committee that the Board Assurance Framework (BAF) was being taken to the Private Governing Body Meeting today and that Internal Audit had been attending all CCG Committee meetings to observe discussions around risk.

Appendix B gave a business insight into ongoing work by the internal audit team.

RESOLUTION: The Committee:

- Noted and received assurance from the report.
- Ms Watson to meet with Mr Gallagher to discuss.
- An update on follow up to any recommendations to actions to be brought to the next meeting.

Risk Register Reporting/Board Assurance Framework

AGC/17/87

Mr McKenzie gave an update on Risk and the BAF. Risk had now been moved under the remit of the Operations Team. A key piece of work that had been undertaken was the realignment of the Governing Body assurance framework from NHSE to the CCG's strategic aims.

Ongoing work continued on the new Governing Body assurance framework and was supported by the strategic risk register. The hope was that the CCG will work towards using a dashboard to present information. Mr McKenzie is working with teams individually to identify risks. The onus was on teams to take ownership of their individual risks and that they would be challenged if they were not completed. Mr McKenzie also advised that there were ongoing discussions for other staff to support this work.

The Datix system which is currently used by the CCG may not be adequate to deal the new process and so there was a potential to look at other systems.

Mr Price felt that the BAF should drive the Governing Body Agendas. Mr McKenzie advised that the BAF will be discussed as part of the Governing Body Agenda today.

Risk profiles were still being worked on and although good progress was ongoing, there was still a lot to be done to bring it up to level.

RESOLUTION: The Committee:

- Noted the report.
- That the risks from each committee meeting are brought back to the next meeting.
- That a report on the observations by Ms Watson and internal audit at committee meetings be brought back to the next meeting.

Ms Watson left the meeting.

External Audit Update

AGC/17/88 Mr McLarnon introduced himself as a Manager for the External Audit Team. Work had commenced but a report had been circulated as part of the committee papers to show key timelines and key outputs that had been identified. It was proposed that a report on the Audit Plan was brought to the February 2018 committee and an Audit Findings Report would be presented at the May 2018 committee.

RESOLUTION: The Committee:

- Noted the report.

Audit Fieldwork and Audit Committee Dates 2017/18

AGC/17/89 This was discussed under AGC/17/88

Annual Governance Statement

AGC/17/90 Mr McKenzie gave an update and reminder of the content of the annual governance statement.

Highlights included:

- Risk - the CCG were in a place to show how they had responded and embedded a new process.
- How the CCG dealt with the previous Chair's conflict of interest as a GP contracted by RWT under the Vertical Integration process. The new GB GP Dr Julian Parkes is employed by RWT. The potential conflict is mitigated by the CCG's proactive processes.
- How the CCG is working more closely with other CCGs around STP and that the statutory body is working towards getting the statutory duties right.
- That as a CCG we understand the statutory duties and are ensuring that we are compliant.
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RESOLUTION: The Committee:

- Noted the report.

Update from the Black Country Joint Commissioning Governance Forum (BCJCGF)

AGC/17/91 Mr McKenzie presented a paper to ask the Committee to note the establishment of a Joint Governance Forum made up of Audit Committee members across the four CCGs in the Black Country.

The Terms of Reference (TOR) had been amended and circulated. Mr McKenzie advised that Mr Oatridge chaired the forum.

The committee then discussed issues around the work done by the

forum.

Mr Trigg asked if the committee would be receiving reports from the forum. Mr McKenzie advised that the Audit and Governance Committee would continue to be the CCGs statutory audit service and the forum would provide support for this.

Mr Cullis asked how feedback would be received. Mr Price thought that it would be useful to have an agenda item to feedback to and from the Audit and Governance Committee and the Black Country Joint Commissioning Governance Forum.

RESOLUTION: The Committee:

- Noted the report.
- Support the establishment of the Joint Governance Forum in line with its agreed TOR.
- An agenda item regarding feedback to and from the Audit and Governance Meeting and the Black Country Joint Governance Forum to be added to the agenda.

Losses and Compensation Payments – Quarter 2 2017/18

AGC/17/92 Mr Gallagher presented this report and advised the Committee that there was 1 loss of £296.07 during quarter 2 of 2017/2018 relating to the expiry of gift cards purchased by the CCG for employee Christmas gifts/long service awards. There were no special payments during the same quarter.

RESOLUTION: The Committee:

- Noted the report

Suspension, Waiver and Breaches of SO/PFPS

AGC/17/93 Mr Gallagher noted the below in quarter 2 of 2017/18:

- During quarter 2 of 2017/18 there were 22 invoices in breach of PFPs (2.70% of all invoices paid);
- 5 waivers were raised during quarter 2;
- 22 non-healthcare invoices were paid without a purchase order being raised during quarters 1 & 2.

Mr Trigg asked if there were any concerns or issues to be noted to which Mr Gallagher advised that there wasn't.

Mr Price raised that the contract for Mills and Reeves did not seem to have been through a procurement process as its renewal date seemed to be soon and Mr Gallagher was asked to look into the CCG either renewing this or going out to a procurement exercise. Mr Cullis added that he would like to know how the contract renewals were being

monitored.

The committee thanked Mr Gallagher and his team on the level of work and detail that was made available in their reports.

RESOLUTION: The Committee:

- Noted the report
- Mr Gallagher to look into the number of contracts that are up for renewals and report back to the committee including the current contract with Mills and Reeves.

Receivable/Payable Greater than £10,000 and over 6 months old

AGC/17/93 The Committee noted that as at 30 September 2017 there were:

- No sales invoice greater than 10k and over 6 months old.
- 13 purchase ledger invoices greater than £10k and over 6 months old.
- The £4.8m invoice sent by RWT continued to be disputed by the CCG. NHSE and NHSI are aware of the situation.

RESOLUTION: The Committee:

- Noted the above.

Local Counter Fraud Specialist Progress Report

AGC/17/94 Mr Mohan presented the Local Counter Fraud Specialist Progress Report for information.

RESOLUTION: The Committee:

- Received the report for information.

Local Security Management Update

AGC/17/95 Mr Grayson presented the Local Security Management Update for information.

Mr Price asked how if staff received any feedback from LSM findings such as through the staff newsletter. Mr Grayson informed the committee that he had attended a staff meeting but would liaise with Mr McKenzie about how to relay information back to staff.

RESOLUTION: The Committee:

- Noted the above.
- Mr Grayson to liaise with Mr McKenzie around LSM updates to staff.

Any Other Business

AGC/17/96 Mr McKenzie gave an overview on General Data Protection Regulation (GDPR) and advised that he would bring a full report back to the Committee in February 2018.

Highlighted were the below:

- Mr McKenzie had been appointed as the Data Protection Officer for WCCG
- WCCG manages information governance supported by the Commissioning Support Unit
- An IG CSU member of staff is on site one day a week
- The CCG are compliant with the IG Toolkit
- The requirements for GDPR are less new for the NHS as we are already working to the standards
- Mr McKenzie regularly meets with the IG support
- Commissioners are responsible for their compliance
- GPs are responsible for their own compliance and are supported by NHSE

RESOLUTION: The Committee:

- Noted the above
- A full report on GDPR to be brought back to the meeting in February 2018.

The committee discussed the rolling agenda for future meetings and it was asked that any amendments or suggestions were forwarded to Miss Patel.

RESOLUTION: The Committee:

- Miss Patel to circulate future dates document and rolling agenda item document.
- Committee members to review and send back any comments to Miss Patel. This will then be circulated at the next meeting with the agreed amendments.

Date and time of next meeting

AGC/17/97 Tuesday 20 February 2017 at 11am in the Armstrong room at Wolverhampton Science Park