

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

Minutes of the meeting held on 23 April 2019 commencing at 11.00am
In Armstrong Room, Science Park, Wolverhampton

Attendees:

Members:

Mr P Price	Chairman/Governing Body Member
Mr D Cullis	Independent Lay Member
Mr J Oatridge	Deputy Chair of the Governing Body and Audit and Governance Committee
Mr L Trigg	Lay Member/Governing Body Member

In Regular Attendance:

Mr P McKenzie	Corporate Operations Manager, WCCG
Miss M Patel	PA to Chief Officer and Chair of Governing Body, WCCG (minute taker)

In Attendance:

Ms A Breadon	Partner, PwC (Partial meeting)
Mr A Kay	Head of Financial Resources, WCCG
Mr T Gallagher	Director of Finance, WCCG
Mr S Grayson	Head of Computer Audit and Local Security Management Specialist, CW Audit Services (Partial meeting)
Mr J Green	Chief Finance Officer, Sandwell and West Birmingham CCG and WCCG
Mr J McLarnon	Manager, External Audit, Grant Thornton
Mr M Stocks	Partner, External Audit, Grant Thornton

Apologies for attendance:

AGC/19/23 Apologies were received from Dr H Hibbs, Dr S Reehana, Ms R Bajaj, Mr N Mohan, Ms T Putwa, Ms J Watson

Declarations of Interest

AGC/19/24 There were no declarations of interest.

Minutes of the last meeting held on 19 February 2019

AGC/19/25 The minutes of the last meeting were agreed as a true record.

Matters arising (not on resolution log)

AGC/19/25 There were no matters arising.

Resolution Log

AGC/19/26 The resolution log was discussed as follows;

- Item 141 (AGC/19/06) – Internal Audit Progress Report - Further information requested from the Internal Audit team about the request for the additional 5 days of work – These days were required for the work required to complete the mandatory review into Delegated Commissioning.
- Item 142 – (AGC/19/08) – Follow Up Report – Note that Mr Gallagher would chase managers with incomplete actions in the first instance and if still not completed managers would be asked to attend Audit and Governance Committee to talk through the delay – conversations had taken place. Closed.
- Item 143 – (AGC/19/09) - Primary Care Strategy and GP 5 Year Forward +View - Internal Audit questionnaire results to be discussed at the Primary Care Commissioning Committee – This had been added to the agenda and discussed. An action plan was also in place. Closed.
- Item 144 – (AGC/19/10) - External Audit Plan – To look at wording around mortality - Received and circulated to Audit and Governance Committee members. Closed.
- Item 145 – (AGC/19/12a) - Risk Register Reporting/Board Assurance Framework including GBAF and Risk Register - Mr Gallagher to speak with Ms Watson around resilience around Brexit being included in the Internal Audit plan – Mr Gallagher had spoken with Ms Watson and it was in the plan for next year and checked if it needed to be prioritised.
- Item 146 – (AGC/19/12b) - Risk Register Reporting/Board Assurance Framework including GBAF and Risk Register - An agenda item to be put on the GB Development Session around the process for de-risking risks – Added to the forward planner for development session either June/July 2019.
- Item 147 – (AGC/19/12c) - Risk Register Reporting/Board Assurance Framework including GBAF and Risk Register – Mr Price asked for Senior Managers to attend Audit and Governance meetings which specific area deep dives were discussed – The next deep dive would be under Primary Care so a Senior Manager would be asked to attend the July Audit and Governance Meeting. Mr McKenzie was asked to note the dates of the Deep Dives in order to ensure that they were added to the relevant Audit and Governance Meetings.
- Item 148 – (AGC/19/13) - Governance Statement - Effectiveness questionnaire to be sent out to lay members for completion and then to be discussed at next Audit and Governance Committee – The questionnaires had been circulated and comments received. Closed.
- Item 149 – (AGC/19/15) - Counter Fraud Progress Report - Ms Putwa to speak with Mr Mohan if any further information could be shared with the Committee regarding the live investigation that was currently taking place and a timetable for when this information could be received by the Governing Body – Update

will be given when possible.

- Item 150 – (AGC/19/16) - Draft Counter Fraud Plan – Ms Putwa to speak to Mr Mohan about the fact that there were no proactive exercises mentioned in the workplan – Update at next meeting.
- Item 151 – (AGC/19/19) - Suspension, Waiver and Breaches of SO/PFPS – Mr Allen and Mr Gallagher to provide further detail around the retrospective order of 45k for commissioning services – This was due to an invoice being sent through and paid without a purchase order. Closed.
- Item 152 –(AGC/19/21) - Any other Business - Members asked to send through up to date contact details for regular attendees. If attendees were sending representatives it was asked that they forward on papers internally – As no updates had been received it was taken that the current list was correct. Closed.

Local Security Management Update

AGC/19/27

Mr Grayson presented to the committee the proposed plan of work for 2019/2020 in relation to Security Management. The plan followed the format of those used in previous years.

Questions asked by committee members as below:

- Where and when were security risk assessments conducted?
 - The assessments were conducted every couple of years as opposed to on a yearly basis. Lone worker assessment and also calls of an abusive nature were looked at.
- Was Health and Safety covered?
 - No, this did not fall under this remit of work.
- Were nurse assessors and those visiting nursing homes looked at under the assessments?
 - Yes. There were specific audit programmes that could be used to aid this work.
- Could a summary of the work be shared with the committee?
 - Following discussions it was agreed that reports would be received on a 6 monthly basis along with an end of year report.

RESOLUTION: The Committee:

- Accepted the plan for future work.
- That 6 monthly and an end of year report would be produced for the Audit and Governance Committee going forward.

Mr Grayson left the meeting.

External Audit Progress Report

AGC/19/28

Mr McLarnan presented the External Audit Progress Report to the Audit and Governance Committee which included a summary of interim audit

work, a final timeline of audit deliverables and also an identified risk around performance of cancer and mortality.

Mr Stocks advised to the committee that the Department of Health would soon be asking for an audit to be conducted by External Audit on Mental Health in around August/September 2019 time. This would be a very detailed audit and it was asked that the cooperation of the Finance team based at the CCG would be appreciated. Mr Green asked if more information could be shared as soon as it was received in order for teams to prepare.

The External Audit Team were asked if they could ensure that the final report was more granular with regards to testing measures. They also confirmed that maturity level had been set at 2% of gross expenditure which equated to £8million.

RESOLUTION: The Committee:

- Noted and accepted the report.
- More granular information would be provided in the final report around testing measures.

Risk Register Reporting/Board Assurance Framework including GBAF and Risk Register

AGC/19/29

Mr McKenzie presented the committee with the latest quarterly update on the Risk Register and Board Assurance Framework. The latest version would be reviewed at the Governing Body Meeting in May 2019.

The report included programmes of work that were being conducted by the Risk Team including the scheduled deep dive around Primary Care and ensuring that work continued to be reviewed and tailored for the needs to the CCG.

The Committee were all in agreement that the discussion around risk appetite at committees were positive and that there was a strong culture of risk being discussed.

Mr Oatridge advised that cancer and mortality were discussed at the Quality and Safety Committee and that milestones of reporting were being pursued with people being held accountable for deadlines. The Medical Director from RWT had also attended a Governing Body Meeting to give assurance around mortality process at the Trust.

RESOLUTION: The Committee:

- Noted and accepted the report.

Ms Breedan arrived.

Cyber Security

AGC/19/30

Mr Oatridge shared with the committee a presentation on Cyber Security

which he had seen at a recent Audit Chairs Forum.

The presentation covered areas such as:

- Progress across the cyber programme
- Responsibilities and accountabilities of CCGs
- Assurances that CCGs should be seeking
- How issues are escalated
- Top 10 risks
- Support package for CCGs

Mr Oatridge asked how the CCG looked at GPs compliance with the Information Governance (IG) Toolkit. Mr McKenzie advised that the CCG was now responsible for commissioning IG support services for GPs which included support for completing the Data Protection and Security Toolkit. from the old IG Toolkit. Functions were being worked on and once this was developed more information would be provided to the Committee in due time.

The Committee felt that it would be beneficial for the CCG to look at the 10 cyber risks and see how the organisation was performing against them. The Committee asked if a report could be brought back once this had been completed.

RESOLUTION: The Committee:

- Noted the report.
- Mr McKenzie to bring back a report of the organisations performance against the 10 cyber risks once completed.

Delegated Commissioning Final Report

AGC/19/31 Ms Breedon presented a report on the delegated commissioning final report.

There was one medium risk identified around practice visits not being completed on time. Mr Price asked if further information could be provided to be shared with the Quality and Safety Committee. Mr Cullis asked that in addition to this that testing results could also be shared.

RESOLUTION: The Committee:

- Noted the report.
- Internal Audit to provide further information around the medium risk identified around incomplete deadlines for practice visits and the testing used.

Risk Management Report

AGC/19/32 The Risk Management report was rated as low risk.

Whilst the risk management survey was deemed to be positive overall, there were 5 returns from members of staff that stated that they did not consult/amend the risk register relevant to their specific project/area. The Committee felt that this should be looked and that staff were reminded that they should be doing this.

RESOLUTION: The Committee:

- Noted the report.
- Staff reminded to look at their relevant risk registers and update them.

Draft Internal Audit Annual Report including the Draft Head of Internal Audit Opinion

AGC/19/33

A draft Audit Opinion had been submitted at present as generally satisfactory with some improvements required and a final opinion would be issued once the DPA and Stakeholder reports had been received.

RESOLUTION: The Committee:

- Noted the report.

Draft Internal Audit Plan for 2019/2020

AGC/19/34

Comments that had previously been sent to Internal Audit by Committee members had now been incorporated into the plan including Brexit planning. As the plan was quite substantial the number of days allocated would increase from what has been set aside in previous years.

The Committee discussed the use of the allocated days for work. They also asked that the work around the Better Care Fund was looked at every two years.

A question was raised around the Board Assurance Framework and where it was getting its assurance from. It was not clearly shown if it was from internal or external audit. Mr McKenzie was asked if this could be added to the document.

RESOLUTION: The Committee:

- Noted the report.
- Mr McKenzie to add a line in the Board Assurance Framework to show which audit function was sending assurance around certain areas.

Counter Fraud Annual Report 2018/2019

AGC/19/35

The Counter Fraud Annual report contained information that had been received during the year.

The self- review toolkit had been submitted by Mr Gallagher and Mr Price

ahead of schedule.

RESOLUTION: The Committee:

- Accepted the report.

Draft Governance Statement

AGC/19/36 Mr McKenzie presented the latest version of the draft governance statement to the Committee.

The document would be further updated once the internal audit opinion had been received.

The final draft would be presented to the next committee meeting.

RESOLUTION: The Committee:

- Noted the report.
- The final draft would be presented at the next Audit and Governance Committee Meeting.

Draft Committee Annual Report

AGC/19/37 The draft Audit and Committee Annual Report was shared with the committee in line with its Terms of Reference. The Committee is required to review its effectiveness on an annual basis and then presented to the Governing Body detailing work completed through the year.

The Review of Effectiveness was measured against the below five principles:

- The Role of the Committee
- Membership, Independence, Objectivity and Understanding
- Skills
- Scope of Work
- Communications

The Chair said that it would be useful to show the actions that had been taken against the effectiveness review in the annual report. The Chair asked that this was brought back to the July Audit and Governance Committee Meeting.

RESOLUTION: The Committee:

- Noted the report.
- Mr McKenzie to show actions against the effectiveness review in the annual report.
- Miss Patel to add this to the July Audit and Governance Committee agenda.

Feedback to and From the Audit and Governance Committee and Wolverhampton CCG Governing Body Meetings and National Audit Chairs Meeting

AGC/19/38 Mr Price advised Committee members that the Governing Body had approved the dementia strategy and that the Medical Director from the Royal Wolverhampton Hospital Trust had attended to assure them about the Trusts approach towards mortality.

The Committee felt that it would be beneficial to feedback from this committee to the Governing Body around the Cyber Security presentation that Mr Oatridge had shared.

RESOLUTION: The Committee:

- Noted the update.
- That Mr Oatridge gave a verbal update around cyber security to Governing Body members.

Draft Final Account and their Preparation

AGC/19/39 Mr Gallagher and Mr Kay presented tabled draft annual accounts to committee members. The date of submission was on 24 April 2019 with the final submission due on the 29 May 2019.

The report showed a comparison between this year (2018/2019) and last year (2017/018).

Mr Kay and Mr Green were asked to look at the wording on page 14 of the document with regard to the sentence 'The next actuarial valuation is to be carried out as at 31 March 2016 and I currently being prepared'.

Mr Price asked if a further explanation could be given around why there had been an increase in expenditure from 23 in 2017/2018 to 382 in 2018/2019 with regards to Other Professional Fees under Operating Expenses.

RESOLUTION: The Committee:

- Noted the update.
- Mr Kay and Mr Green were asked to look at the wording on page 14 of the document with regard to the sentence 'The next actuarial valuation is to be carried out as at 31 March 2016 and I currently being prepared'.
- Mr Kay to provide further explanation could be given around why there had been an increase in expenditure from 23 in 2017/2018 to 382 in 2018/2019 with regards to Other Professional Fees under Operating Expenses.

Losses and Compensation Payments – Quarter 4 2019/2020

AGC/19/40 The update for this agenda had been included in the Draft Final Accounts.

RESOLUTION: The Committee:

- Noted the above.

Suspension, Waiver and Breaches of SO/PFPS

AGC/19/41 An update would be given at the next meeting.

RESOLUTION: The Committee:

- Added to 21 May 2019 agenda for an update.

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

AGC/19/42 An update would be given at the next meeting.

RESOLUTION: The Committee:

- Added to 21 May 2019 agenda for an update.

Any Other Business

AGC/19/43 There were no items to discuss under Any Other Business.

Date and time of next meeting

AGC/19/44 Tuesday 21 May 2019 at 11am at Wolverhampton Science Park