

WOLVERHAMPTON CCG

GOVERNING BODY

13 September 2016

Agenda item 13a

Title of Report:	Summary – Wolverhampton Clinical Commissioning Group(WCCG) Audit and Governance Committee (AGC)- 19 July 2016
Report of:	Jim Oatridge – Chair, Audit and Governance Committee
Contact:	Claire Skidmore – Chief Finance and Operating Officer
Governing Body Action Required:	<input type="checkbox"/> Decision <input checked="" type="checkbox"/> Assurance
Purpose of Report:	<ul style="list-style-type: none"> To provide an update of the WCCG Audit and Governance Committee to the Governing Body of the WCCG.
Public or Private:	This Report is intended for the public domain.
Relevance to CCG Priority:	The AGC delivers its remit in the context of the CCG’s priorities in order to provide assurance to the Governing Body of the robustness of system and process.
Relevance to Board Assurance Framework (BAF):	
<ul style="list-style-type: none"> Domain 1: A Well Led Organisation 	<p>The AGC is accountable to the group’s governing body and its remit is to provide the governing body with an independent and objective view of the group’s systems, information and compliance with laws, regulations and directions governing the group. It will deliver this remit in the context of the group’s priorities, as they emerge and develop, and the risks associated with achieving them.</p> <p>The AGC shall critically review the group’s financial reporting and internal control principles and ensure that an appropriate relationship with both internal</p>



	and external auditors is maintained.
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1. BACKGROUND AND CURRENT SITUATION

1.1 Chief Internal Auditors Progress Report

The Committee noted the contents of the report which included a summary of progress against the 2016/17 work programme.

An update was given on outstanding audit actions as at 18 July 2016. The Actions rated high priority were confirmed to be under review and all have plans of action.

Slippage in the delivery timescales for business continuity work was highlighted and Mrs Skidmore agreed for an update report to be provided to the Governing Body. (This is separately reported on today's agenda.)

1.2 Internal Audit Charter

The Internal Audit Charter which is a requirement of the Public Sector Internal Audit Standards was presented by PriceWaterhouse Coopers, the CCG's internal auditors and was noted by the committee..

1.3 Counter Fraud Progress Report

The Committee received an update from the local counter fraud specialist which detailed good progress against the 2016/17 work programme.

1.4 Local Security Management Annual Workplan

A report to inform the committee of the proposed plan of work in relation to Security Management was presented to the committee and accepted.

1.5 Annual Audit Letter including Horizon Scan

The 2015/16 Annual Audit Letter was presented by the external auditors Ernst & Young LLP. This, in effect, is the final step of the 2015/16 audit programme,

1.6 Risk Register Reporting /Board Assurance Framework.

This item was deferred until the November 2016 meeting.

1.7 Review of Performance against Whistleblowing Policy

The policy was presented by the Corporate Operations Manager for assurance and review. The committee noted only minor amendments to the existing content. There have been no disclosures received at the CCG regarding whistleblowing in the last 12 months.



Mr McKenzie took an action from the meeting to seek clarification of application of the policy for Governing Body Members. Further inquiries have indicated that, whilst Non-employed Governing Body would not be formally covered by the legislation, the principles would still apply to any disclosures made.

Note: HR63 Whistleblowing Policy attached for information.

1.8 New Conflict of Interest Guidance

The Committee was asked to review the revisions to the policy following publication of revised national guidance. All revisions were agreed.

1.9 Assurance of the Robustness of Activity and Performance Monitoring

A report was presented to provide assurance to the Audit and Governance Committee that CCG activity and performance monitoring processes are proactive and robust and endorsement was given for a work programme to audit coding practice at RWT in order that the CCG can be satisfied with current system and process.

1.10 Losses and Compensation Payments – Quarter 1 2016/17

No losses or special payments were reported in quarter 1 2016/7.

1.11 Suspensions, Waiver and Breaches of SO/PFPS

There have been no suspensions of SO/PFPs in quarter 1 2016/17.

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

The Committee noted that as at 30 June 2016, there were 3 receivables and 14 payables over £10,000 and greater than 6 months old. It is expected that the payables will be cleared shortly.

1.13 Review of Prime Financial Policies (PFP)

Members were asked to review the amendments to PFP's SoRaD and Detailed Scheme of Delegation. The final version will be brought to the Governing Body for approval as part of the broader changes to the constitution that will be required as part of the application for delegated primary care commissioning.

2. KEY RISKS AND IMPLICATIONS

2.1 The Audit and Governance Committee will regularly scrutinise the risk register and the Board Assurance Framework of the CCG to gain assurance that processes for the recording and management of risk are robust. If risk is not scrutinised at all levels of the organisation, particularly at Governing Body level, the CCG could suffer a loss of control with potentially significant results.



2.2 A failure to embed appropriate whistleblowing arrangements could lead to serious issues not being addressed with the consequent reputational, patient safety and legal consequences. Having the policy in place and ensuring its effectiveness through this assessment by the Audit and Governance Committee helps to mitigate this risk.

2.3 There is a risk that an ineffective approach to managing potential conflicts of interest would leave the CCG's decisions open to challenge. Adopting the revised policy and appointing an additional lay member will mitigate this risk.

2.4 It would appear that risk to the CCG relating to RWT's coding practices is low given the results of an CHKS audit. Findings from the CCG's own work will also provide additional evidence with which to test this assertion.

3. RECOMMENDATIONS

The Governing Body of Wolverhampton CCG is asked to:

- **Receive** this report and **note** the actions taken by the Audit and Governance Committee

Name: Claire Skidmore
Job Title: Chief Finance and Operating Officer
Date: 20 July 2016

ATTACHED:

Appendix 1 - HR63 Whistleblowing Policy

