

Agenda Item: 16

Paul Fisher/Nikki Cocks
 NHS Norwich CCG Governing Body
 Tuesday 24 November 2015



Norwich

Clinical Commissioning Group

Subject:	Audit Committee Report (October 2015 Meeting)
Presented By:	Paul Fisher Audit Committee Chair and Lay Member (Governance)
Submitted To:	NHS Norwich CCG Governing Body Tuesday 24 November 2015
Purpose of Paper:	For Information

Summary:

The purpose of this paper is to provide an update on the October meeting of the CCG's Audit Committee (the Committee). The Committee met on 16 October and included attendance from External Audit (EA), Internal Audit (IA) and a representative from NELCSU. Two members were present, and thus the meeting was quorate.

The meeting works to an annual audit programme which includes updates from EA, IA and Local Counter Fraud as well as on key governance themes. Key matters discussed were:-

1. External Audit – the Committee considered the External Audit briefing. The members had met privately with external audit prior to the meeting; this was an outstanding action of the Committee's self-assessment action plan.
2. Internal Audit – progress report with the 2015/16 annual plan was discussed. Two reports had been issued since the last Audit Committee meeting: Conflicts of Interest and Individual Funding Review (IFR) and both were given reasonable assurance.
 - a. Conflicts of Interest – this audit had been undertaken in response to questions from the Audit Committee and the request for assurance from NHS England. There was 1 priority two recommendation. The CCG has updated its Business Conduct Policy, is developing a Procurement Register and updating the Register of Interests prior to publishing on the CCG's website. Assurances had been obtained from North East London Clinical Support Unit (NEL CSU) as to their arrangements for managing Conflicts of Interest.
 - b. Individual Funding Review – there were 2 priority two recommendations. The CCG's Senior Management Team has identified a lead Director to take the work forward.
3. Finance Items – the Standing Financial Instructions were approved. Feedback from the financial control environment self-assessment, requested by NHS England, was reviewed. The exercise was moderated twice, once by the local area team, and then by the regional office. The CCG is now required to submit an action plan to improve scores from good to excellent and the exercise will be repeated in spring 2016. One "moderate" score related to the balance sheet where our cash holding was high in April through to June. This position has now been managed. The CCG scored favorably against other CCGs. There were no losses or compensations to report in the first half of the financial year 2015/16.
4. Audit Committee self-assessment – the majority of actions had been undertaken and the work plan would be presented at the January meetings. A formal report from the Audit Committee to Governing Body would be included in the annual governance statement. An induction programme for Governing Body was underway with the new members.

5. Review of Assurance – The Director of Clinical Transformation provided assurance on CCG work to manage risks around the increased unplanned activity at NNUH and Looked After Children. The proposed changes to the Governing Body Assurance Framework (GBAF) were discussed, linked to internal audit recommendations. The committee suggested holding a Governing Body development session on risk appetite.
6. A representative from NELCSU attended to present the progress made in implementing the recommendations made in the 2014/15 Service Auditor Report. Most actions had been completed. Deloitte were currently testing the first half of 2015/16 and the Audit Committee requested sight of this report early. NELCSU would attend future committee meetings.
7. There had been no Chair's Actions and no tender waivers since the last Audit Committee meeting

Recommendation:

The Governing Body is asked to consider the matters discussed by the Audit Committee report.