



right care
right place
right time
right outcome

**MERTON CLINICAL COMMISSIONING GROUP
GOVERNING BODY**

Date of Meeting: 23rd March 2017

Agenda No: 10.1

Attachment: 16

Title of Document: Approved Minutes of the Audit & Governance Committee	Purpose of Report: For Note/Discussion
Date, author details: As per details on each attachment.	
Executive Summary: The minutes of the following meeting are attached: 22.09.17. This item will also include a verbal summary from the Committee Chair regarding key issues, risks and mitigations.	
Key sections for particular note (paragraph/page), areas of concern etc: Whole document	
Recommendation(s): For Note & Discussion	
Committees which have previously discussed/agreed the report: N/A	
Financial Implications: N/A	
Implications for CCG Governing Body: N/A	
How has the Patient voice been considered in development of this paper: N/A	
Other Implications: N/A	
Equality Assessment: N/A	
Information Privacy Issues: N/A	
Communication Plan: All formal committee minutes are posted on the CCG's website as part of the Governing Body papers	



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MINUTES

MERTON CLINICAL COMMISSIONING GROUP AUDIT AND GOVERNANCE COMMITTEE

Thursday, 22nd September 2016
3.15 to 4.45pm

Meeting Room 2.4, 120 The Broadway, Wimbledon

In attendance:

Members:

Peter Derrick (PD)	Lay Member and Chair of the Audit & Governance Committee
Clare Gummatt (CG)	Lay Member, Patient & Public Engagement Lead
Julie Hall (JH)	Independent Nurse Member

In Attendance:

Andrew Hyslop (AH)	Interim Chief Financial Officer, MCCG
Adam Doyle (AD)	Chief Officer, MCCG (Item 13 only)
Lynn Street (LS)	Director of Quality and Governance
David May (DM)	Internal Audit - RSM
Terri Burns (TB)	Senior Associate, Corporate Affairs SECSU (Items 7 and 8)
Claire Edgeworth (CE)	Senior Associate, Information Governance, SECSU (Item 12)
Kevin Winters (KW)	Senior Associate, FOI, SECSU (Item 6)
Chris Moreton (CM)	Deputy CFO
Ade Oyerinde (AO)	Grant Thornton, External Audit
Mike Harling (MH)	Counter Fraud - RSM
Yvonne Hylton (YH)	Note Taker, SECSU

Apologies:

Stephen Powis (SP)	Secondary Care Consultant
Sarah Ironmonger (SI)	Grant Thornton, External Audit
David Cotter (DC)	Principal Associate, Corporate Affairs and Governance, SECSU

NO.	AGENDA ITEM	BY
1	<u>Welcome and apologies</u> The Chair welcomed all present to the meeting. Apologies are noted above.	
2	<u>Declaration of Interest</u> The Committee AGREED the register as a full and accurate record of all interests declared.	

3	<p><u>Register of Gifts and Hospitality</u> As a public body, Merton CCG has a duty to ensure fairness and honesty in its relationships with suppliers, contractors, service providers and service users or any other person or organisation with whom MCCG have (or might have) business connections.</p> <p>The attached register shows all examples of hospitality and gifts being offered or accepted since the inception of the CCG in April 2013.</p> <p>The Audit and Governance Committee NOTED the report.</p>	
4	<p><u>Draft Minutes of previous meeting</u></p> <p>With an amendment to show that Lynn Street, Director of Quality and Governance attended the meeting, the minutes of the meeting held on 23 June were APPROVED as a full and accurate record</p>	
5	<p><u>Action Log and matters arising not on the agenda</u></p> <p>The action log was reviewed and all actions were discharged.</p> <p>There were no matters arising not on the agenda.</p>	
6	<p><u>Freedom of Information Report Q1</u></p> <p>The Chair welcomed Kevin Winter, SECSU to the meeting.</p> <p>This report covers requests made to the CCG under the Freedom of Information Act 2000 (FOIA) in quarter 1 2016/17 (01 April 2016 to 30 June 2016).</p> <p>It also details requests made under Re-Use of Public Sector Information Regulations 2015 (RPSI) and Environmental Information Regulations 2004 (EIR) for the same period.</p> <p>There were 78 FOI requests made to the CCG which is a 20% increase on the same period last year. Of the 78 there were 6 FOIs requests which breached the 20 day response target. Details of the breaches were noted by the Committee.</p> <p>There were no EIR requests this quarter.</p> <p>The CCG received one request for re-use of public sector information regulations this quarter. This request was completed within the statutory 20 working day deadline.</p> <p>The Audit and Governance Committee APPROVED the report.</p>	
7	<p><u>Board Assurance Framework</u></p> <p>Terri Burns, SECSU introduced the Board Assurance Framework (BAF).</p> <p>Since the last meeting there have been no new risks added or de-escalated to the BAF and all risks have been reassigned in accordance with the revised CCG arrangements.</p> <p>The Corporate Risk Register was appended to the report and the following was noted:-</p>	

	<p>Risk 1000 has been revised to reflect the current status of the continuing healthcare service, which has now been mobilised with the new provider.</p> <p>Risk 954 is to be changed as the Clinical Quality Committee does not feel that the risk reflects the current status.</p> <p>The Audit and Governance Committee APPROVED the BAF for formal approval by the CCG on 29 September and NOTED the risk register.</p>	
8	<p><u>Conflicts of Interest Policy</u></p> <p>In June 2016, NHS England issued revised statutory guidance on managing conflicts of interest for CCGs. The reason for these revisions is to strengthen the CCGs ability to identify and manage conflicts of interest. The aim is to increase public confidence in decision making processes. The CCGs Conflicts of Interest Policy has been updated to reflect this revised guidance.</p> <p>In response to the feedback from GPs NHSE have confirmed that all GP partners are required to complete the form. This has been feedback to GPs and there has been further challenge from both GPs and the LMC.</p> <p>In relation to the above the view of Internal Audit was requested. DM that if there was a collective agreement Internal Audit would take this into account.</p> <p>DM offered to share with the CCG an example of a template used by other CCGs for MCCG to take a collective view.</p> <p><u>Action</u> DM to forward a template example to LS.</p> <p>PD referred to the revised policy which states that the role of the Conflict of Interest Guardian be undertaken by the Chair of the Audit and Governance Committee (PD).</p> <p>It has been assumed that PD would continue to Chair the Primary Care Commissioning Committee (PCCC), however to ensure the COI Guardian is not conflicted the PCCC will be Chaired by the Lay Member for PPI (CG) and PD will hold the role of Vice Chair.</p> <p>LS said that a brief paper to support Committee Chairs understand their role and responsibilities in compliance with the policy is being developed.</p> <p>The Audit and Governance Committee APPROVED the COI Policy for formal approval by the Governing Body on 29 September.</p> <p>TB left the meeting</p>	DM
10	<p><u>Approved Tender Waivers</u></p> <p>In accordance with the CCG governance arrangements tender</p>	

	<p>waivers below £100,000 are to be approved by the Chief Officer and Finance Officer and reported to the Audit and Governance Committee. Tender waivers above £100,000 are to be approved by the Finance Committee and reported to the Audit and Governance Committee.</p> <p>a. <u>Merton Health GP Federation (£136,896)</u> To enable Merton Health GP Federation to deliver an agreed set of outputs within a specified timeframe to support developmental work for key 2016/17 CCG schemes. Approved by Finance Committee June 2016</p> <p>b. <u>Referral Management Centre pilot (£537,470.30)</u> The tender waiver is to commission the Merton GP Federation to test the RMC for a period of one year with a formal evaluation at month seven. Approved by Finance Committee July 2016</p> <p>c. <u>The Wimbledon Guild (£50,000)</u> A one year contract was awarded to the Wimbledon Guild to deliver a bereavement service in Merton. Approved by Chief Officer and Chief Finance Officer July 2016</p> <p>The Audit and Governance Committee NOTED the approved tender waivers.</p>	
11	<p><u>Financial Control Environment Assessment</u> This paper reports on the latest self-assessment criteria designed by NHS England in 2015. The Committee last received feedback on progress in January 2016. Overall there are three “excellent” areas (Jan 16: four), twelve “good” areas” (Jan 16: twelve) and three “moderate” areas (Jan16: two).</p> <p>CM advised that an Internal Audit opinion will be requested to validate the self-assessment.</p> <p>The Chair stated that he was assured by the progress made and asked for an update to come back to the Committee in six months (March 2017).</p> <p>The Audit and Governance Committee NOTED the progress made and APPROVED the report.</p>	
12	<p><u>Information Governance Report</u> The Chair welcomed Claire Edgeworth, SECSU to the meeting.</p> <p>This report covers the final information governance toolkit submission and the work completed within quarter 3 and 4 of 2015/2016. The report also covers work in quarter 1 of 2016/2017.</p> <p>In future, a quarterly report will be provided to each Audit and Governance Committee.</p> <p>CE responded to a question from PD, advising that the reduced target for next year (97% to 90%) reflects the high staff turnover and</p>	

	<p>discussion at the IGSG.</p> <p>The National Data Guardian published her review into data security, consent and public trust on the 6th July. A national consultation on the findings and recommendations of the report has been launched. CE agreed to forward details of the PPE engagement events to CG after the meeting.</p> <p>The Audit and Governance Committee NOTED the report.</p> <p>CE left the meeting</p>	CE
13	<p><u>Conflict of Interest Query</u></p> <p>The Chair welcomed Adam Doyle (AD) to the meeting.</p> <p>AD introduced and talked through a paper describing a COI query related to the relationship between the CCG and Merton GP Health Federation.</p> <p>The query was brought to the Chief Officers attention and was fully reviewed. The outcome of the review concluded that overall the CCG manages conflicts of interest in a positive manner but that there is room for improvement.</p> <p>A number of actions have been identified which will be monitored through the EMT.</p> <p>To support the actions in a wider framework, it is proposed to the Audit and Governance Committee that it:-</p> <ol style="list-style-type: none"> a) Approves the paper and actions taken and makes further suggestion if it is felt there are additional operational or strategic actions that should be taken. b) Approves the Chief Officer delegates to the Director of Quality and Governance to take the corporate lead for dealing with any issues pertaining to conflict of interest and to ensure it is operationally managed. c) Agrees that the Chief Officer and Lay Member for Governance write to all clinical leaders who receive direct remuneration from the CCG to remind them of their need to follow the conflict of interest policy and how to seek advice and support from the Director of Quality and Governance if they are unclear. d) Agrees that the wording of the CCG risk related to conflict of interest is amended and scored to cover the risk to the CCG related to perception of conflict of interest in a more overt manner. e) Agrees that the Director of Quality and Governance works with the CCG internal auditors to design an internal audit to be completed in the early part of quarter 4 2016/17 to measure compliance against the policy and how this is operationally managed. 	

	<p>DM advised that Internal Audit have emailed SWL CFOs on the use of the joint budget to undertake an Audit of Conflicts of Interest in February/March 2017.</p> <p>The actions were APPROVED by the Audit and Governance Committee.</p>	
14	<p><u>MCC Governance Review and Financial Governance Action Plan</u></p> <p>LS introduced this item.</p> <p>MCCG commissioned Capsticks Governance Consultancy Service to undertake a Governance Review of the Governing Body and associated Committees. The findings from the review were presented to the Governing Body on 28 April 2016.</p> <p>The CCG also commissioned a Financial Governance Review, undertaken by RSM, to establish the causes of recent financial challenges. This report was approved by the Audit and Governance Committee on 23 June 2016.</p> <p>A combined action plan has been developed to address the recommendations from both of these reviews was approved by the Governing Body on 21 July 2016. A number of recommendations were implemented immediately. The action plan has been updated to reflect progress made up to 16 September 2016.</p> <p>A list of the key changes was noted by the Committee.</p> <p>The Committee agreed that narrative would be added where actions are rated 'red' or are not achieved within the target date.</p> <p>The Audit and Governance Committee NOTED the action plan.</p>	
15	<p><u>External Audit Report</u></p> <p>Ade Oyerinde said that the Annual Audit Letter provided a summary of work carried out at MCCG for the year end 31 March 2016.</p> <p>The progress report includes a summary of emerging national issues and developments that may be relevant to MCCG.</p> <p>PD said that management of the CCGs financial outturn and the governing review were fair.</p> <p>The Audit and Governance Committee NOTED the report.</p>	
16	<p><u>Internal Audit Report</u></p> <p>David May presented the report to provide an update on progress to date against the 2016/17 internal audit programmes and implementing previously agreed management actions resulting from the follow up review.</p> <p>There has been one final internal audit report issued since the last audit committee, relating to: Contract Commissioning (2.16/17). This report provides a reasonable assurance to the Governing Body</p>	

	<p>that the controls in place to manage this risk are suitably designed and consistently applied.</p> <p>Follow up of outstanding management actions is broadly on track although there remain delays in implementing the recommendations relating to the Better Care Fund & Safeguarding Audits however these should be implemented in the coming months and cleared by the next audit committee.</p> <p>The Audit and Governance Committee NOTED the report.</p>	
17	<p><u>Counter Fraud Report</u></p> <p>Mike Harling introduced the report to summarise the work carried out by the Counter Fraud Specialist against the 2016/17 work plan within the reporting period 1st April 2016 to 31st August 2016.</p> <p>The Audit and Governance Committee NOTED the report.</p>	
	External and Internal Audits and Counter Fraud left the meeting	
18	<p><u>Update of the re-procurement of External Auditors</u></p> <p>AH provided an update on re-procurement process and revised timetable.</p> <p>On the assumption that the tender pack can be pulled together by the end of September, it is proposed that the procurement is launched into the market in early October with the evaluation taking place in mid-November.</p> <p>It is envisaged that an Audit Panel could be convened on the same day as the Governing Body meetings in November.</p> <p>The progress report was NOTED</p>	
19	<p><u>Date of Next Meeting</u></p> <p>Due to a Governing Body Away Time the December meeting has been re-arranged and will now take place on Monday 21st November, 9am to 11.00am, 120 the Broadway, Wimbledon</p>	