



South West London  
Merton Clinical Commissioning Group

## Report to the Merton Clinical Commissioning Group Governing Body

**Date of Meeting:** Thursday 24<sup>th</sup> January 2013

**Agenda No:** 8.1

**ATTACHMENT 12**

<b>Title of Document:</b> Audit Committee Report: meeting held on 5 <sup>th</sup> December 2012	<b>Purpose of Report:</b> To Receive and Note
<b>Report Author:</b> Yvonne Hylton, Board Secretary/Business Manager, Commissioning Support Unit.	<b>Lead Director:</b> Karen McKinley, MCCG Chief Finance Officer
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<b>Executive Summary:</b> This report summarises the key items discussed at the inaugural meeting of the Audit Committee held on the 5 <sup>th</sup> December 2012	
<b>Key sections for particular note (paragraph/page), areas of concern etc:</b>  All of the report	
<b>Recommendation(s):</b> The Merton Clinical Commissioning Group Governing Body is requested to note the contents of the report.	
<b>Committees which have previously discussed/agreed the report:</b> N/A	

<b>Financial Implications:</b> N/A
<b>Implications for the Sutton and Merton Board or Joint PCT Boards:</b> None
<b>Other Implications:</b> (including patient and public involvement/Legal/Governance/ Risk/ Diversity/ Staffing)
<b>Equality Analysis:</b> N/A
<b>Information Privacy Issues:</b>
<b>Communication Plan:</b> (including any implications under the Freedom of Information Act or NHS Constitution)

**Audit Committee Report  
For Board Meeting 24<sup>th</sup> January 2013**

Present:	Peter Derrick (PD)	MCCG Lay Member (Chair)
	Howard Freeman (HF)	MCCG Governing Body Chair
	Eleanor Brown (EB)	MCCG Chief Officer
	Karen McKinley (KMck)	MCCG Chief Finance Officer
	Clare Gummett (CG)	MCCG 2 <sup>nd</sup> Lay Member
In attendance:	Nick Atkinson (NA)	Internal Audit
	Rebecca Chappell (RC)	Counter Fraud
	Sarah Ironmonger (SI)	External Audit
	Yvonne Hylton (YH)	Minute Taker

	This report summarises the key items discussed and agreed at the inaugural meeting of the Committee held on the 5 <sup>th</sup> December 2013.
1.	<u>Draft Terms of Reference</u> The Committee reviewed the draft ToR. Subject to minor amendments the ToR were agreed.
2.	<u>Update on Adoption of Policies (KMck)</u> A review of all policies is being underway with the aim to have finalised policies, rolled over from Cluster, in place from 1/4/13.
3.	<u>MCCG Board Assurance Framework (EB)</u> A first draft of the CCG Board Assurance Framework compiled following the Board Seminar in October. SI and NA agreed to review outside the meeting commenting that it was a good first attempt at producing a CCG Board Assurance.
4.	<u>Report on Action Plan from Croydon (KMck)</u> This item was deferred from the Finance Committee. KMck outlined the key points and it was agreed to circulate the papers to the Committee with the minutes.
5.	<u>Counter Fraud Update</u> Rebecca Chappell (RC) advised that from 1/4/13 Counter Fraud will be provided by the South London Commissioning Support Unit as part of the Finance Core offer which has been purchased by the CCG. RC is working with the SWL Joint Audit Committee to manage and oversee the closure of "live cases" by 1 April advising that there is potentially 1 case which will roll-over to MCCG. The final report will be presented to the SWL Joint Audit Committee which is attended by PD and KMck and reported back to the next meeting.
6.	<u>Internal Audit Update</u> Nick Atkinson (NA) updated the Committee on future provision of Internal Audit presenting two options for consideration by the CCG <ul style="list-style-type: none"> <li>- Novate the current contract with RSN Tenon;</li> <li>- CCG to procure its own Internal Audit, or, in conjunction with other CCGs</li> </ul> In reference to a letter from Richard Chapman which outlined future arrangements. KMck commented that the paper has been received by the CFOs and following review initial thoughts will be shared with the Committee.
7.	<u>External Audit Update</u> Sarah Ironmonger (SI) advised that the NHS CB had asked the Audit Commission to appoint auditors to CCGs in the short-term to provide continuity. The process for audit appointments would change once the Audit Commission was abolished and discussions as to the longer-term future of local audit are on-going.
8.	<u>Date of Next Meeting</u> 28.03.13.