

Chair's Report: Audit Committee

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| Date of Meeting | 5 December 2016 |
| Chair | Sheenagh Powell |

Areas of note from the Committee Discussion

- The timetable for the annual accounts for 2016-17 had been received and would be monitored by the Committee.
- The Committee received the 2017-19 Financial Plan and noted concerns regarding the challenges for delivery. The Committee would receive regular updates.
- The Committee received the Internal Audit report on Contract Management Processes and was pleased to note that this had been given a Significant Assurance opinion.

Areas of escalation

- The Committee acknowledged improvements in processes at the Partnership Commissioning Unit but felt there was a need to escalate remaining concern to the Governing Body. In addition the Committee noted risks in relation to organisational change, particularly with staff retention.

Urgent Decisions Required/ Changes to the Forward Plan

N/A

**MINUTES OF THE MEETING OF THE AUDIT COMMITTEE HELD ON
5 DECEMBER 2016 AT WEST OFFICES, YORK**

Present

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| Mrs Sheenagh Powell (SP) (Chair) | Lay Member |
| Dr Arasu Kuppuswamy (AK) | Consultant Psychiatrist, South West Yorkshire Partnership NHS Foundation Trust – Secondary Care Doctor Member |

In attendance

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| Mrs Cath Andrew (CA) | Senior Manager, Mazars |
| Ms Anne Ellis (AE) | Audit Manager |
| Mr Mark Kirkham (MK) | Partner, Mazars |
| Mr Steve Moss (SM) – items 1-6 | Local Counter Fraud Specialist |
| Mrs Victoria Pilkington (VP) – for item 4.1 | Head of Partnership Commissioning Unit |
| Mrs Rachel Potts (RP) | Chief Operating Officer |
| Mrs Tracey Preece (TP) | Chief Finance Officer |
| Ms Michele Saidman (MS) | Executive Assistant |
| Mr Tom Watson (TW) | Internal Audit Manager |

Apologies

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| Mr David Booker (DB) | Lay Member |
| Mrs Michelle Carrington (MC) | Chief Nurse |

1. Apologies

As noted above.

2. Declarations of Interest

Declarations of interest were as per the Register of Interests. There were no declarations of members' interests in relation to the business of the meeting.

3. Minutes of the meetings held on 28 September 2016

The minutes of the meeting held on 28 September were agreed.

The Committee:

Approved the minutes of the meetings held on 28 September 2016.

4. Matters Arising

Reviews: (A) Financial Arrangements for Mental Health Out of Contract Budgets and (B) Financial Procedures and Forecasting of Continuing Healthcare and Funded Nursing Care Budgets and Benchmarking: TP reported the intention of bringing together the findings of these two reports and noted discussion with the Partnership Commissioning Unit Board regarding mental health and out of area

placements. TP also advised that the Chief Officers of the four North Yorkshire CCGs were in discussion about managing risk associated with the Partnership Commissioning Unit both in the interim and for the longer term to improve control of spend; this would be reported to the Committee. RP noted there was also risk in respect of Partnership Commissioning Unit performance as reported at agenda item 8.2.

With regard to the report at item 4.1 below SP emphasised that the Committee required assurance that all recommendations from Internal Audit reports on the Partnership Commissioning Unit had been implemented. TW responded that all recommendations, with the exception of one relating to financial reporting, had been confirmed as implemented by the responsible officers.

AE advised that Internal Audit followed up all reports assessed as Limited Assurance therefore this included the section 117 and continuing healthcare reports.

VP joined the meeting

4.1 Partnership Commissioning Unit Update

VP referred to the two Internal Audit reports circulated, Partnership Commissioning Unit Financial Reporting and Partnership Commissioning Unit Continuing Healthcare, In respect of the former VP reported that the recommendations had been implemented with the exception of completion of the review of CCG Schemes of Delegation for delegated authority for care packages. Work was now taking place on the required redesign due to market changes such as fast track. VP highlighted improvement in reporting but noted concern about delivery of the QIPP plan as savings were not being realised, particularly in respect of continuing healthcare and section 117. She noted that TP was provided with a monthly activity report.

With regard to the Continuing Healthcare report VP detailed reviews that had taken place but noted that only one of the four North Yorkshire CCGs had experienced financial benefit; there had been a financial impact for the other CCGs. VP also described the unprecedented shortage of nursing home provision in the Vale of York, the development of brokerage services, and the fact that there was a shrinking market, particularly in York where many providers chose not to commission basic packages due to funded places. VP reported that business cases were being developed for 30 delayed discharge patients awaiting complex dementia services.

VP explained resource issues in regard to outstanding case reviews reporting that 80 out of c1300 reviews had been scoped. These patients were on packages of care funded jointly with the local authority who also employed the case managers. Progress was being made on the Decision Support Tool for c500 backlog cases but to sustain this work required a certain level of nursing staff which meant that there was a tension between focusing on delayed discharges and undertaking reviews. However, VP assured members that patients were prioritised in the event of an issue such as safeguarding or any breach of contract. She advised

that risks related to the potential for the Partnership Commissioning Unit not to be sighted on problems with patients or the potential for services provided not to be fulfilling the packages of care being commissioned. VP additionally noted that the 80 reviews carried out had resulted in an increase in cost, not the expected decrease.

In response to SP seeking clarification on Partnership Commissioning Unit processes relating to Internal Audit reports, VP explained that she had oversight of all recommendations and that a lead member of the Senior Management Team was allocated for each. Progress was reported to the Partnership Commissioning Unit Senior Management Team on a monthly or quarterly basis. VP highlighted progress in terms of healthcare reviews, standard operating procedures and local authority integration. SP additionally referred to the recommendation for contractual requirements in provider letters noting that either the report should be amended or the action confirmed as completed.

VP provided a verbal update on the Section 117 Mental Health Internal Audit report advising that she would circulate a written report to members (*Post meeting note: this was done on 6 December*). VP reported on development of a new assessment tool, requests to CCGs for information sharing agreements, and development of pathways for discharge. She noted a threefold increase due to mental health organisations using section 117 instead of Deprivation of Liberty Safeguards which was having an impact on the deficit due to care packages. VP advised that, following agreement with Tees, Esk and Wear Valleys NHS Foundation Trust on a discharge policy, Louise Barker was looking into impact on primary care if these patients were no longer on mental health waiting lists. VP noted that all patients were jointly reviewed but that Decision Support Tool assessments were no longer carried out for section 117 patients.

In response to SP asking her to identify main areas of concern, VP cited use of agency staff to review patients, potential for out of area placements particularly for patients with complex needs, and patients who should be treated in a community setting as they were suffering with dementia specifically and not other mental health needs. With regard to the latter VP reported that a business case for additional resources was being presented to the CCG Senior Management Team.

VP noted that the Partnership Commissioning Unit was trying to standardise reporting to CCGs to maximise resources. She also noted organisational risks in light of the current review taking place which was having further impact on resources due to staff leaving.

In terms of assurance SP acknowledged progress was being made by the Partnership Commissioning Unit but emphasised the need for further assurance through the change process.

VP left the meeting

4.2 Review Effectiveness of External Audit

TW referred to the report that presented the results of the survey monkey for the

annual review of the effectiveness of External Audit; six out of ten responses had been received. The majority rated the answers to the questions as '4-5' (5 = High), with three questions rated '3' and a small number indicating 'Don't Know' as a response. One positive comment had also been received.

The areas that had received a rating of '3' were related to use of techniques such as data analytics and benchmarking when conducting the value for money assessment of the organisation and ability to innovate in audit approach. MK noted that these areas had received similar scores from members previously but advised that Mazars was externally accredited as 'good' for them and that they scored well in their overall annual assessment by the regulator. He reported that data analytics matching had been used for the first time and that benchmarking for value for money was used to identify risks and potential areas of improvement.

MK sought members' views on ways to improve effectiveness. In this regard TP requested that data analytics and areas of innovation be tested in advance of year end.

SP noted that she would review the questions prior to the next annual survey.

A number of items on the Matters Arising schedule were noted as completed, on the agenda or scheduled for a future meeting.

The Committee:

1. Noted partial assurance from the updates on the Partnership Commissioning Unit.
2. Noted the results of the survey for the review of External Audit.

5. Audit Committee Work Plan

SP requested that the review of progress against the financial recovery plan be a standing agenda item with the exception of the draft accounts meeting on 26 April.

TP referred to agenda item 12 'Other activities – plan how to discharge the Committee's duties' and proposed its removal as this responsibility was delivered via the Committee's Annual Report, review at each meeting of the work plan and the annual review of Audit Committee effectiveness. Members supported this approach.

Committee:

Agreed the above amendments to the work plan.

6. Counter Fraud

6.1 Counter Fraud Progress Report

SM presented the report which referred to the National Fraud Initiative 2016/17 and NHS Protect publications. In respect of the former SM advised that data matches would be available from 26 January 2017 and would be reviewed with

the CCG. He highlighted for the latter that *'The quality assurance process: post assessment final report and follow up actions'* required provider Audit Committee Chairs to ensure development and implementation of an action plan. TP noted that this would be managed through established contract management arrangements once the detail was known.

6.2 *Review the progress of those carrying out counter fraud and security activity*

SM proposed and members agreed that the review of those carrying out counter fraud and security activity was delivered through the regular reports of work undertaken.

6.3 *Self Review Tool: Security Management*

SM referred to the report which summarised the results of the annual review of compliance with the *Standards for commissioners – Security Management* which outlined corporate responsibilities for security management and key principles relating to Strategic Governance, Inform and Involve, Prevent and Deter, and Hold to Account. The Local Security Management Specialist had undertaken the review on behalf of the CCG and the overall score was '2', i.e. amber, with five areas of non compliance against standards. SM noted that the amber rated areas reflected the fact that provision of security management services was still at an early stage and assured members that work was taking place to achieve full compliance.

TP explained that the main gaps related to the fact that the CCG required detail of the standards and required assurances in order to evidence compliance.

In response to SP referring to the absence of cyber security in the CCG's Security Policy and concern about data security, SM advised that this was not within the remit of NHS Protect but he thought would be within IT policies. He also noted his involvement in development of a regional security agreement.

The Committee:

1. Noted the Counter Fraud Progress Report.
2. Agreed that review of the progress of those carrying out counter fraud and security activity was delivered through regular reporting.
3. Noted the Security Management Self Review Tool assessment and ongoing work to achieve compliance.

SM left the meeting

7. Finance Governance

7.1 *Draft Accounts Preparation Plan and Timetable*

TP reported that the accounts process had begun noting that the draft timetable may be subject to change in response to guidance. She explained the new requirement for a full draft Governance Statement for month 9, which the Governance Team was co-ordinating. TP also referred to third party assurance and requirements for the annual accounts noting that in respect of primary care the CCG was working with NHS England.

MK advised that External Audit was hopeful that a centralised solution for third party assurance was being developed nationally for audit of primary care commissioning. If this was not available in year a local solution would be utilised.

In response to MK expressing concern about the CCG's capacity for the annual accounts reporting, TP advised that Caroline Goldsmith, who had a financial accountant background, was taking up post as Deputy Head of Finance in January and would therefore provide additional resource for managing the workload.

It was agreed that the Audit Committee Annual Accounts meeting be provisionally arranged for the morning of 24 May 2017.

7.2 Review of Losses and Special Payments

TP reported the loss of a mobile phone, replaced at a cost of £432, had been entered on the Losses and Special Payments Register and would be reported in the Annual Accounts for 2016-17. She confirmed that access had been shut down promptly and that steps had been taken to avoid a further such incident.

7.3 Review of financial policies

TP reported that the financial policies had been reviewed in accordance with the Committee work plan and no amendments were required at this time. A further review would take place in the New Year when the CCG's new executive structure was in place.

7.4 Review risks around financial management

This would be covered in item 7.5 below.

7.5 Review progress against Financial Recovery Plan

In presenting the update on the Financial Plan 2017-19 TP noted that this had also been discussed at the Finance and Performance Committee and the Part II Governing Body meeting. The draft Plan had been submitted at the end of November; the submission date for the final version was 23 December together with contracts for the two year planning round. TP noted that NHS England was working with the CCG and had acknowledged that the current forecast meant that the requirement of the Legal Directions for a maximum £13.3m deficit in 2016-17 and living within resource allocation in 2017-18 was not being met. There was the further requirement not being met of the business rules that CCGs in deficit should deliver an in-year breakeven position or deliver 1% of allocation improvement.

TP explained that a detailed confirm and challenge process for all programme spend was taking place to ensure that the Plan was realistic. She noted that representatives from NHS England were taking part in this process and were therefore fully aware of the efforts being made to meet the challenge; the implications of not meeting planning guidance were not known at this time. Work

was focusing on closing the gap in the final quarter of 2016-17, particularly in relation to moving activity out of hospital, interventions and integrated care teams. This required incorporating in the 2017-19 contracts.

TP explained that the Plan assumed a 2016-17 position of £24.1m deficit. She clarified the risk associated with NHS Property Services due to the move towards market rents noting that this was intended to be cost neutral across the NHS. For 2016-17 there was a non recurrent allocation adjustment for the CCG mainly relating to mental health properties but clarification was required as to whether this was in the baseline allocation for 2017-18. TP noted a £1.1m allocation was due in 2016-17 but advised that the CCG's requirement was £2.5m recurrently in this regard; the full amount was included in the Plan in agreement with NHS England. TP advised that NHS Vale of York CCG was one of the top four in the country in terms of this material pressure on allocation and NHS England locally was providing support in appealing in this regard.

In respect of QIPP TP explained that the assumed 2% was being assessed through the confirm and challenge process. She noted that to fulfil the Legal Directions criteria of living within allocated resources a c£30m QIPP would be required due to the financial pressures that exceeded the amount the CCG was funded for growth and inflation. TP reiterated that this had all been discussed with NHS England working alongside the CCG.

Further discussion included the effect of the CCG from January 2017 no longer routinely commissioning elective surgery for patients with a BMI of 30 or above or those who recorded as a current smoker and the potential for a system control total both for the Vale of York and across the Sustainability and Transformation Plan.

With regard to HRG4+, identification rules and associated allocation changes appeared to pose a £3.9m risk to the CCG but work was ongoing nationally to validate figures.

TP referred to the draft Medium Term Financial Strategy advising that engagement was taking place to identify and evidence areas where CCG spend was greater than the needs of the population. There was a potential £50m opportunity in this regard which would be moderated through the confirm and challenge process. Evidence for savings would include benchmarking.

In response to MK seeking clarification regarding the underlying deficit TP noted that the local population had become healthier over time compared to the rest of the country but were accessing a greater level of care. TP advised that to establish a system health economy with reduced activity in secondary care would require substantial reinvestment in primary and community care; discussions were taking place in this regard. She also emphasised the need for the CCG and Sustainability and Transformation Plan trajectories to be aligned. TP also noted the historic investment in the Vale of York on community services, which was in the region of a third less than other areas across the Sustainability and Transformation Plan footprint, and that the CCG had a higher acute spend.

TP referred to the contract negotiations with York Teaching Hospital NHS Foundation Trust. A joint review of activity had taken place but there was currently a c£9m difference between their plan and that of the CCG. Discussions were continuing to resolve this; TP would keep members informed.

The Committee:

1. Noted the report on the accounts preparation and timetable.
2. Agreed that the Annual Accounts meeting be provisionally arranged for the morning of 24 May 2017.
3. Noted the entry relating to loss of a mobile phone on to the Losses and Special Payments Register.
4. Noted that the financial policies were fit for purpose at the present time but would be reviewed again in the New Year in light of the change in the executive structure.
5. Noted the challenges and ongoing work in respect of the 2017-19 Finance Plan.

8. Corporate Governance

8.1 Update and assurance

RP reported that the CCG's next Improvement and Assurance Framework meeting with NHS England was on 19 December.

The CCG governance arrangements had been reviewed and terms of reference were being agreed by the individual committees.

The staff consultation on the proposed new executive structure was concluding on 8 December.

8.2 Review the risk management system

RP explained that the Assurance Framework and Corporate Risk Update Report had been presented at the recent meetings of both the Governing Body and the Finance and Performance Committee. Following discussion at the latter levels of reporting were being considered in light of the new committee structure. RP noted that the new Executive Committee would actively monitor corporate risk.

Specific themes within the report related to low performance of indicators in areas of mental health, namely Improving Access to Psychological Therapies, working closely with key partners, reducing out of area placements, and the diagnosis rate for people with dementia. Events related to failing to achieve an assured position for the 2016-17 plan and in respect of the Partnership Commissioning Unit failure to provide timely information, failure to manage areas of spend and failure to fulfil continuing healthcare fast track packages. RP reported that the Governing Body had sought further assurance with regard to both the Partnership Commissioning Unit and A and E performance.

RP reported that the new wheelchair contract had gone "live". There was an issue regarding management of waiting lists by the new provider.

It was noted that the Finance and Performance Committee had received a report on the Better Care Fund at its first meeting on 24 November.

8.3 Review Audit Committee effectiveness

TW agreed to forward the survey from 2015-16 to SP for consideration for the 2016-17 review.

8.4 Note business of other committees, review inter-relationships

RP reported that inter-relationship of committees had been part of the governance review.

The Finance and Performance Committee Terms of Reference had not been approved on 24 November due to the requirement for clarity regarding its role of assurance rather than decision making.

The new Executive Committee would be a decision making forum.

The inter relationship of the new Quality and Patient Experience Committee with the Audit Committee would require consideration.

8.5 Review whistleblowing arrangements

In presenting the Whistleblowing Policy RP reported that it had been reviewed in line with NHS England / NHS Improvement Policy and the guidance published in April 2016 'Freedom to speak up : raising concerns(whistleblowing) policy for the NHS'. The policy had also been revised to reflect a number of organisational changes and cross referenced against the CCG's Business Conduct Policy to remove duplication and ensure consistency and accuracy. Following agreement by the Committee the policy would be presented for approval by the Governing Body.

8.6 Review assurance from other committees, Partnership Commissioning Unit and Commissioning Support

RP referred to the discussion at item 4.1 regarding the Partnership Commissioning Unit.

With regard to Commissioning Support RP reported that systematic review of key performance indicators for eMBED took place at monthly review meetings. Similar arrangements were still to be established for the North of England Commissioning Support. System and process issues related mainly to GP IT.

MK noted that assurance work was taking place in respect of eMBED and TP reported that IT managers had sought a decision from the CCG monthly Chief Finance Officers meeting for £1.7m capital investment in GP IT. She advised that Business Intelligence and access to GP Practice level information was a major risk. TP advised that there had been some improvement since the initial information governance issues at the start of the new contract with eMBED but

business intelligence had been raised as an issue by all 23 CCGs and assurance was required. TW noted that this would be part of the Commissioning Support review but that consideration was required on an ongoing basis.

8.7 Primary Care Commissioning Assurance

RP reported that meetings of the Primary Care Commissioning Committee had been scheduled to the end of the financial year by which time four meetings would have taken place. The terms of reference were being reviewed.

8.8 Managing Conflicts of Interest update

RP referred to the report which comprised assurance on management of Conflicts of Interest and the quarterly self-assessment return submitted to NHS England on 3 November to demonstrate compliance with statutory guidance.

8.9 Freedom of Information Report

In referring to the Freedom of Information report RP highlighted themes to requests and confirmed that the CCG was implementing lessons learnt. She noted that all CCGs were receiving an increase in Freedom of Information requests for personal information.

The Committee:

1. Noted the update and assurance.
2. Noted the current portfolio of risk and that reporting of risk was being reviewed as part of the new committee structure.
3. Noted that TW would forward the Audit Committee effectiveness survey from 2015-16 to SP for consideration regarding the 2016-17 review.
4. Noted the update on committees and inter relationships.
5. Recommended the Whistleblowing Policy be presented for approval by the Governing Body.
6. Noted the update on Commissioning Support.
7. Noted the update on the Primary Care Commissioning Committee.
8. Noted the Managing Conflicts of Interest update report.
9. Noted the Freedom of Information update report and lessons learnt.

9. Information Governance

9.1 Update and assurance and 9.2 Note business of Information Governance Steering Group

RP referred to the minutes of the Information Governance Steering Group at item 13.2 below and noted that a further meeting had taken place on 24 November. She highlighted the review of Information Governance policies.

9.3 Report on Information Governance Incidents

In respect of the two reported incidents – inappropriate access to the Patient Relations email account and meeting papers found unattended in a public area of West Offices – RP assured members that the relevant action had been taken.

She also advised that a general review of records management was starting in January 2017.

The Committee:

1. Noted the update.
2. Noted that relevant action had been taken regarding the Information Governance incidents.

10. External Audit

10.1 Progress Report and Briefing

CA reported that the 2016-17 audit work was starting imminently and that the Secretary of State Referral Letter, required due to the CCG's forecast that expenditure in 2016-17 would exceed income, would be sent following feedback from TP.

The 2017-18 audit fees were currently out for consultation and were scheduled to be agreed in January. This would be an item on the next Audit Committee agenda.

Information on a number of national publications and other updates were also included.

The Committee:

Noted the progress report and briefing.

11. Internal Audit

11.1 Periodic Report

TW referred to the report which comprised an executive summary, an overview of assurance levels by audit area, analysis of audit days, and progress with the audit programme. The latter consisted of the Contract Management Audit Report, assessed as Significant Assurance, the Partnership Commissioning Unit Internal Audit Reporting Protocol and the revised Internal Audit 2016-17 operational plan as discussed at the September Audit Committee.

In respect of the Contract Management Audit Report AE explained that this was based on responses to a survey by six CCGs and represented a total of ten CCGs, including collective/joint arrangements. The report did not make specific recommendations but highlighted areas, such as procurement, where there was opportunity for the Partnership Commissioning Unit to consider changing practice. AE also referred to the previous reviews, undertaken by Neil Lester, Senior Finance Manager, of financial arrangements for mental health out of contract budgets and of financial procedures and forecasting of continuing healthcare and funded nursing care budgets and benchmarking. TP noted that the Contract Management report would help inform the new model for continuing healthcare.

RP left the meeting

TW referred to the Partnership Commissioning Unit Internal Audit Reporting Protocol. In response to detailed discussion on the timescale for draft reports, TW explained that the process described was that adopted by Internal Audit for all reports. However, members emphasised that the sign off process for agreement of draft reports should comprise a single timescale without an extra step for comment by the CCG after review by the Partnership Commissioning Unit. This was particularly important in view of the CCG's current financial challenge and the fact that the Partnership Commissioning Unit was part of the CCG. TP agreed to discuss these concerns further with AE and TW.

11.2 Audit Recommendations Status Report

TW presented the update on the status and progress in implementing audit recommendations at the CCG to 31 October 2016. He advised that a further 10 recommendations had been completed since the last report, which included both CCG and Partnership Commissioning Unit recommendations. Five recommendations outstanding remained, one 'high' and four 'medium'.

In response to members expressing concern that all but one of the outstanding recommendations had a target date of 31 October, TW agreed to send further follow-up emails to the monthly auto email generated by the system.

11.3 Process for annual review of the effectiveness of Internal Audit

TW agreed to forward to SP the questions used for the 2015-16 review of effectiveness of Internal Audit for consideration.

The Committee:

1. Noted the periodic report outlining progress against the Internal Audit work programme.
2. Noted that TP would discuss with AE and TW concerns regarding the Partnership Commissioning Unit Internal Audit Reporting Protocol.
3. Noted the audit recommendations status report as at 31 October 2016.
4. Noted that TW would send a further reminder in respect of the outstanding recommendations.
5. Noted that TW would forward to SP the questions used for the 2015-16 review of effectiveness of Internal Audit.

12. Other Activities

Plan how to discharge the Committee's duties was covered at agenda item 5 above.

13. Minutes from other meetings

13.1 Quality and Finance Committee

13.2 Information Governance Steering Group

The Committee:

1. Received the minutes of the Quality and Finance Committee of 18 August, 22 September and 20 October 2016, noting the Key Messages to the Governing Body.
2. Received the minutes of the Information Governance Steering Group of 22 September 2016.

Additional Item

SP reported on her attendance at two conferences for Audit Committee Chairs. The annual NHS England Audit Chairs Conference had included an update on the total financial position, including providers. A key message had related to the role of Lay Members and Audit Committee Chairs in seeking assurance, particularly in terms of engagement, in the development of the Sustainability and Transformation Plans.

Discussion at the Healthcare Financial Management Association Audit Chairs Conference had included risks relating to cyber attacks and lessons to be learned from a presentation describing an open book accountability and joint deficits approach across the health system in Lincolnshire.

SP also noted that she was attending the Audit Yorkshire Board on 6 December.

The Committee:

Noted the updates.

14. Key Messages to the Governing Body

Key messages were agreed as:

- The Committee acknowledged improvements in processes at the Partnership Commissioning Unit but felt there was a need to escalate remaining concern to the Governing Body. In addition the Committee noted risks in relation to organisational change, particularly with staff retention.
- To inform the Governing Body that the timetable for the annual accounts for 2016-17 had been received and would be monitored by the Committee.
- The Committee received the 2017-19 Financial Plan and noted concerns regarding the challenges for delivery. The Committee would receive regular updates.
- The Committee received the Internal Audit report on Contract Management Processes and was pleased to note that this had been given a Significant Assurance opinion.

The Committee:

Agreed the above would be highlighted by the Committee Chair to the Governing Body.

14. Next meeting

1 March 2017 at 9am.

In concluding the meeting SP expressed appreciation to TW for his contribution to the Committee as this was his last meeting.

NHS VALE OF YORK CLINICAL COMMISSIONING GROUP AUDIT COMMITTEE

SCHEDULE OF MATTERS ARISING/DECISIONS TAKEN: 5 DECEMBER 2016 AND CARRIED FORWARD FROM PREVIOUS MEETINGS

| Meeting Date | Item | Action Required/Decisions Taken | Responsible Officer/Body | Action Completed/ Due to be Completed by (as applicable) |
|-------------------|--|--|--------------------------|--|
| 28 September 2016 | Reviews: (A) Financial Arrangements for Mental Health Out of Contract Budgets and (B) Financial Procedures and Forecasting of Continuing Healthcare and Funded Nursing Care Budgets and Benchmarking | <ul style="list-style-type: none"> Composite report on work relating to the Partnership Commissioning Unit | MC/TP | 6 December 2016 |
| 5 December 2016 | | | | Ongoing |
| 28 September 2016 | Policy on Primary Care Rebate Schemes | <ul style="list-style-type: none"> Review of conflict of interests | TP | March 2017 |
| 5 December 2016 | Internal Audit Periodic Report - Partnership Commissioning Unit Internal Audit Reporting Protocol | <ul style="list-style-type: none"> Concerns relating to sign off process for draft reports to be considered further | TP/AE/TW | |

| Meeting Date | Item | Action Required/Decisions Taken | Responsible Officer/Body | Action Completed/ Due to be Completed by (as applicable) |
|-----------------|--|---|--------------------------|--|
| 5 December 2016 | Internal Audit - Audit Recommendations Status Report | <ul style="list-style-type: none"> Reminder email to be sent in respect of outstanding recommendations | TW | |