

Chair's Report: Audit Committee

Date of Meeting	28 September 2016
Chair	Sheenagh Powell

Areas of note from the Committee Discussion

- The Committee requested a regular assurance report on the financial recovery plan and response to Legal Directions.
- The Committee had support for the primary care Quality Outcomes Framework but concern about the lack of provision of regular primary care information and performance management.

Areas of escalation

- The Committee has ongoing concerns which have been previously reported to the Governing Body regarding the Partnership Commissioning Unit including delivery of the actions and recommendations by audit and other groups. It has asked for an integrated report bringing together all areas of concern and actions being taken.
- The Committee has confidence that the Assurance Framework and risk log provides an accurate reflection of the organisation, but feels a lack of assurance that the organisation will be able to deliver to prevent the risks materialising.
- The Committee is concerned at cancellation of Primary Care Commissioning Committee meetings and potential implications.

Urgent Decisions Required/ Changes to the Forward Plan

None

**MINUTES OF THE MEETING OF THE AUDIT COMMITTEE HELD ON
28 SEPTEMBER 2016 AT WEST OFFICES, YORK**

Present

Mrs Sheenagh Powell (SP) (Chair)	Lay Member
Mr David Booker (DB)	Lay Member

In attendance

Mrs Cath Andrew (CA)	Senior Manager, Mazars
Mrs Laura Angus (LA) – for item 9	Lead Pharmacist
Mrs Michelle Carrington (MC) – for item	Chief Nurse
Mrs Helen Kemp-Taylor (HK-T)	Head of Internal Audit
Mr Neil Lester (ML) – for item 8	Senior Finance Manager
Mrs Tracey Preece (TP)	Chief Finance Officer
Ms Michele Saidman (MS)	Executive Assistant
Mrs Lynette Smith (LS)	Head of Corporate Assurance and Strategy
Mr Tom Watson (TW)	Internal Audit Manager

Apologies

Dr Arasu Kuppuswamy (AK)	Consultant Psychiatrist, South West Yorkshire Partnership NHS Foundation Trust – Secondary Care Doctor Member
Mr Mark Kirkham (MK)	Partner, Mazars
Mr Steve Moss (SM)	Local Counter Fraud Specialist
Mrs Rachel Potts (RP)	Chief Operating Officer

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 6 July 2016

The minutes of the meetings - full Committee and Commercial in Confidence - held on 6 July were agreed.

The Committee:

Approved the minutes of the meetings held on 6 July 2016.

4. Matters Arising

Partnership Commissioning Unit: SP noted that Victoria Pilkington, Head of Partnership Commissioning Unit, would attend the December meeting to provide an update on the work to address the Committee's concerns. TW added that

Internal Audit was monitoring the Partnership Commissioning Unit's progress on the recommendations.

Items on the Matters Arising schedule were noted as completed or on the meeting agenda.

4.1 Audit Committee Revised Terms of Reference

TP referred to the Committee's terms of reference which had been updated in line with standard practice following approval of Audit Committee members as the Auditor Panel. She noted that the amendment at section 7.12 'Auditor Panel Provisions' was in line with the national template and formalised the arrangement.

It was noted that a further amendment was required under Membership which should read 'Secondary Care Clinician', not 'Governing Body clinician'.

The Committee:

1. Noted the updates.
2. Approved the revised terms of reference subject to the above amendment under Membership.

5. Audit Committee Work Plan

Members discussed the work plan in the context of the Committee receiving assurance that the requirements of the Legal Directions were being met and noting that the PwC turnaround plan had now been subsumed within other ongoing work. TP explained that there would be five or six clear areas described within the financial recovery plan; these would include acceleration of QIPP. She proposed that the Committee receive a report on progress against the milestones of the financial recovery plan to provide assurance on these key actions.

Committee:

Requested that a report be developed to provide assurance at each meeting of progress against delivery of the financial recovery plan.

LS joined the meeting

6. Counter Fraud

6.1 Counter Fraud Progress Report

TW reported that the National Fraud Initiative for 2016/17 was taking place. SM, as the CCG's nominated contact, would be working closely with the CCG in respect of ensuring staff were appropriately informed and that the submission deadline of 30 September for the fair processing compliance return to the Cabinet Office was met.

TW highlighted the outcomes of the review of NHS Protect's functions and

services noting that 2016/17 would be a transitional year during which the service delivery model would change from direct operational support to standard setting, benchmarking and assurance which would enable local directive action. However, the North Yorkshire Audit Services anti-fraud team had been strengthened through the merger with West Yorkshire Audit Consortium; there were now ten accredited anti-fraud managers and a number of former CID officers. SM was working with other NHS organisations to develop training. HK-T added that links with the NHS Protect Quality Team would be maintained through the Audit Yorkshire Board. NHS Protect would provide updates through the transition.

As part of his proactive work SM had produced an article for the CCG's Governance Newsletter and had undertaken reactive work relating to unsolicited phone calls to patients and an amendment to prescription referral.

In response to DB reiterating his previously expressed view that there were comparatively few reported cases of anti-fraud HK-T advised that SM undertook a lot of preventative work, including with pharmacists.

6.2 Draft Security Policy and Assessment of Need

TP referred to SM's presentation to the North Yorkshire CCGs' Chief Finance Officers of a proposal for a 'gold standard' security service. She noted that, as the CCG had already made progress on a number of the requirements and due to the nature of the office base, 1.25 of the 6.25 days proposed by SM would be covered from within internal CCG resource. She proposed that the CCG would require 4.75 days per annum with an additional 0.25 days to review the security policy in 2016/17 and every three years thereafter. The days, which would cost £1,450 in 2016/17 and £1,377 in 2017/18 and 2018/19, could be commissioned in addition to the current Internal Audit Plan utilisation of days or within the current planned days through reprioritisation.

TP noted that the draft policy had been developed internally and that SM would be asked to review it prior to presentation to the Governing Body for approval.

The Committee:

1. Noted the Counter Fraud Progress Report.
2. Recommended to the Governing Body approval of the Security Policy.
3. Agreed to consider the arrangements for commissioning the security service at agenda item 14.3.

7. Finance Governance

7.1 Review of Losses and Special Payments

TP noted that there were currently no losses or special payments to report. However, there was a potential for a special payment resulting from a successful continuing healthcare claim appeal with legal costs. The accounting treatment was being clarified as the case related to the time when the risk share arrangement had been in place.

7.2 Update and assurance on key financial policies

TP noted that there was nothing specific to report at this item.

7.3 Review risks and controls around financial management – update on month 2 NHS England Financial Reporting

TP referred to the report which was presented to provide assurance that the action plan, developed following the incident at month 2 reporting, had been completed. The measures had become embedded in the monthly reporting structure.

7.4 Review of Detailed Scheme of Delegation

TP presented proposed amendments to the December 2015 version of the Detailed Scheme of Delegation noting that these had been discussed with NHS England. The review aimed to provide a more efficient decision making process whilst maintaining robust financial controls. The new arrangements of budget holder approval permissions and responsibilities included both mandatory attendance at regular budget meetings with a member of the Finance Team and completion of the Healthcare Financial Management Association training.

TP provided clarification on the proposed amendments. In respect of authorisation of consultancy expenditure, proposed as delegated authority to the Chief Finance Officer, members agreed that this required amendment due to the Legal Directions as NHS England approval would be required.

The Committee:

1. Noted the updates.
2. Noted that the action plan developed following the incident at month 2 financial reporting to NHS England had been completed.
3. Approved the amendments to the Detailed Scheme of Delegation with the exception of delegated authority for the appointment of consultancy support which should be in line with the requirements of the Legal Directions.

LA, MC and NL joined the meeting

8. 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

NL presented the report which comprised annexes detailing the review of mental health out of contract arrangements, proposed mental health out of contract budget for 2016/17, the review of financial procedures and forecasting of continuing healthcare and funded nursing care and benchmarking, continuing healthcare and funded nursing care benchmarking data sets, continuing healthcare and funded nursing care reported financial positions, and notes and

action points from the pan North Yorkshire meeting on 18 August. He explained that the reviews had been undertaken in view of the financial risk to the CCG due to significant financial variation and volatility. The recommendations had been considered at a joint meeting of the North Yorkshire CCGs' Deputy Chief Finance Officers, the Partnership Commissioning Unit and NL to ensure consistent implementation of agreed actions relevant to all four CCGs.

NL highlighted variation across the North Yorkshire CCGs against benchmarking of both the RightCare and the Yorkshire and Humber CCGs noting that the main variation was in joint funded nursing care. He advised that benchmarking information was available on a quarterly basis and that as part of the action plan he had established an easy to use model for monitoring. NL emphasised that while benchmarking did not provide solutions it indicated areas for further investigation.

In respect of financial planning NL highlighted the need to improve forecasting processes and communications between teams to ensure the same understanding of the information. He noted that the recommendations were being progressed and that month 6 reporting would include improvements from this work. Both the Audit Committee and Quality and Finance Committee would be kept updated.

TP advised that Richard Mellor, Chief Finance Officer of NHS Scarborough and Ryedale CCG, was leading implementation of the action plan but each CCG would need assurance of the progress. She confirmed that communication with the Partnership Commissioning Unit had improved including formal monthly calls with each of the four CCGs, weekly information on high cost packages by CCG and by patient, and improved forecasting methodology. The focus would now be on the benchmarking and QIPP opportunities. TP explained that the implementation timescale of the end of September would not be met for all the recommendations and also noted continuing capacity issues at the Partnership Commissioning Unit.

With regard to financial procedures and forecasting of continuing healthcare and joint funded nursing care budgets and benchmarking NL noted that there had been some improvement in communication and granularity of reporting that provided explanation of variation of packages. TP highlighted that work was taking place to gain increased assurance in respect of continuing healthcare and joint funded nursing care to identify improvements in cost control. She also noted that she was discussing the potential for support at pace with Tees, Esk and Wear Valleys NHS Foundation Trust. NL emphasised the need for the backlog to be cleared and for realistic assessment of delivery of potential QIPP opportunities.

In response to continuing concerns expressed about monitoring, timescales and lack of assurance about this expenditure, MC explained that the ongoing work included support from Nancy O'Neill, Director of Collaboration at NHS Airedale Wharfedale and Craven, Bradford City and Bradford Districts CCGs, progress towards development of more joint working, and a workshop that would include potential QIPP ideas. NL noted that he was working with Nancy O'Neill to ensure that the recommendations from the reviews he had undertaken aligned with her work.

TP advised that progress with the recommendations was currently being reported to the North Yorkshire Chief Finance Officers and the Partnership Commissioning Unit Management Board. Formal monitoring and reporting arrangements to the four North Yorkshire CCGs required establishing. MC added that the North Yorkshire Chief Nurses had also been discussing potential improvements relating to the Partnership Commissioning Unit.

Whilst recognising progress was being made, SP emphasised ongoing concerns and lack of assurance. She requested a report describing the various areas of work taking place, with associated timescales and leads, to provide overarching assurance.

The Committee:

1. Expressed appreciation to NL for his detailed work noting the recommendations and planned implementation.
2. Requested a composite report of the work taking place in respect of the concerns relating the Partnership Commissioning Unit areas of work.

NL left the meeting

9. Policy on Primary Care Rebate Schemes

LA explained the development of the Policy on Primary Care Rebate Schemes and its approval, subject to a number of amendments, by the Quality and Finance Committee on 22 September under delegated authority from the Governing Body to expedite financial impact. She noted that SP had been in attendance at that meeting.

LA emphasised that this policy related to financial arrangements and would in no way influence prescribing decisions. She noted that Internal Audit would undertake a review three months after implementation.

In response to clarification sought LA reiterated that any rebate would in no way be part of decision making advising that the prescribing was taking place regardless. Prescribing decision making was informed by legal requirements and based on value for money as with any CCG decision on expenditure. The policy and the information on rebates would be on the financial section of the CCG website which was separate from prescribing decisions.

LA explained that she was the only Lead Pharmacist employed by a CCG in North Yorkshire. The other pharmacists were employed by NHS Harrogate and Rural District CCG who hosted the Medicines Management Team on behalf of the four North Yorkshire CCGs. LA additionally clarified that the CCG prescribing formulary was only used by NHS Scarborough and Ryedale and NHS Vale of York CCGs.

DB highlighted discussion at the Quality and Finance Committee regarding concerns about conflicts of interest. It was agreed that the Committee should receive a report on this in six months.

Following further clarification and confirmation from TP that the policy had been forwarded to NHS England, members ratified it subject to a number of amendments that would be incorporated prior to presentation to the November Governing Body meeting.

The Committee:

1. Ratified the Policy on Primary Care Rebate Schemes subject to a number of amendments which would be incorporated prior to its presentation to the November Governing Body meeting.
2. Requested that a review of conflict of interests be reported in six months.

LA left the meeting

10. Corporate Governance

10.1 Update and assurance

LS reported that the CCG's quarter 1 assurance meeting with NHS England had taken place on 15 September. The focus had been on performance against the mandated areas of the Improvement and Assessment Framework. She noted that in depth financial scrutiny was taking place in a number of other meetings and was captured within assurance reporting.

LS referred to the Legal Directions which were tabled and noted that these changed the status of the CCG. Timescales for reporting progress against the financial recovery plan were still to be agreed.

10.2 Review draft Audit Committee Annual Report

In presenting the Committee's draft annual report TP noted that the format was prescribed noting that the section 'Meetings and areas of note considered by the Audit Committee in 2015/16' provided a greater level of detail. Following approval the report would be presented to the Governing Body.

The report was approved subject to removal of titles with the exception of 'Dr'.

10.3 Note business of other committees, review inter-relationships

LS reported that the CCG's structure was being reviewed following Phil Mettam's appointment as Accountable Officer. The format and function of changes would be included in the proposed amendments to the CCG's Constitution which would be presented to the Council of Representatives for approval at the October meeting.

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

LS reported that monthly meetings, alternating between face to face and teleconferences, were taking place with eMBED; Internal Audit were reviewing contract arrangements. LS noted that further work was required in relation to in-house shared services.

In respect of the Partnership Commissioning Unit LS referred to the earlier discussion and also to regular discussion at the Quality and Finance Committee. MC noted that the previous arrangement of meetings every six months between the CCG and Partnership Commissioning Unit Senior Management Teams may be replaced by alternative arrangements and she was now also acting as Executive Lead. She advised of the intention for the Partnership Commissioning Unit to be a member of the new Quality and Patient Experience Committee but not the Performance and Finance Committee. LS noted that systems and processes relating to the Partnership Commissioning Unit were incorporated in the current review.

10.5 Review Assurance Framework

LS reported that the Assurance Framework had been refreshed in accordance with the NHS England Improvement and Assessment Framework. A summary position was included against the four domains - Leadership, Better Care, Better Health, and Finance/Sustainability – and full information was on Covalent with the exception of actions relating to the Partnership Commissioning Unit which would be added.

LS explained that risk training sessions had commenced in the CCG to both raise awareness and improve identification and assessment of risk. A proactive approach to responding to risk was being encouraged. Any concerns relating to risk were escalated to the Quality and Finance Committee.

Discussion ensued on whether the Assurance Framework fulfilled the function of providing assurance that key corporate and strategic risks were being managed and mitigated and whether it provided assurance in terms of being fit for purpose. DB expressed the view that there had been an improvement in quantifying and forecasting risk but lack of assurance of mitigation actions. He also expressed concern about the CCG's ability to meet the requirements of the Legal Directions due to the impact of the overall system issue. SP added that, whilst the Assurance Framework provided a fair assessment of known risk and the CCG was trying to take all possible mitigating actions, there were risks that the organisation did not have overall control to mitigate, particularly financial requirements. CA additionally highlighted the Governing Body's corporate responsibility for assurance.

LS requested feedback from members on how they wished to see recommendations from the PwC Capacity and Capability Report included in the and also how to denote risks and mitigation that were out of the CCG's control and therefore required escalation beyond the organisation.

10.6 Primary Care Commissioning Assurance

MC reported that, although the last Primary Care Commissioning Committee had been cancelled, internal meetings were taking place and business, such as proposed Practice mergers, was continuing. SP expressed concern at the cancellation of meetings in public both in terms of the potential for perceived conflict of interests and in respect of not fulfilling the terms of reference.

The Committee:

1. Noted the updates.
2. Received the Legal Directions.
3. Approved the Audit Committee Annual Report subject to removal of titles except 'Dr'.
4. Expressed appreciation to Michael Ash-McMahon and NL for their work on the Audit Committee Annual Report.
5. Noted the updated Assurance Framework, 'red' risks highlighted and expressed concerns regarding delivery of the requirements of the Legal Directions.

11. Quality

11.1 Quality Outcomes Framework

MC referred to the fact that the CCG had identified lack of assurance on quality and performance monitoring in primary care as a risk. The report presented provided an over view of the current evidence on choice of indicators and rationale and suggested a starter set of indicators to enable the CCG to monitor and support primary care quality. The indicators would be agreed by the Primary Care Commissioning Committee and implemented through contracting as it was not possible at the present time for this to be done through eMBED or Dr Foster.

The national recommended indicator domains were: how care is accessed, care provision and how care is provided. Further indicators recommended for the CCG were: adverse incidents, serious incidents, significant event audits, healthcare acquired infections and Care Quality Commission inspections.

MC explained that performance would be reported through the governance structure in line with other providers. She noted that discussion would take place with the Council of Representatives regarding information being made available on the CCG website.

Discussion ensued on eliminating variation in primary care, the associated requirement for Practice level information, and providing data packs to Practices. It was noted that the CCG did send data to Practices that were part of the integration pilots but work was required to develop a structure that would support all Practices.

In response to SP expressing concern that Practices did not routinely receive data about the impact of GPs on non elective activity, TP advised that this area of work was a focus of the integration pilots but that more widely a gap had been identified. Practice specific data was currently considered at the Unplanned Care Working Group but work was required in terms of profiling and consistency. MC noted the intention for the Clinical Executive to consider appropriate data sharing with Practices.

Whilst supporting the approach described in the framework members questioned whether it would adequately fulfil the role of overall performance management and support Practices in terms of system change. They also noted that the CCG's capacity issue in terms of primary care support was currently being addressed.

The Committee:

Noted the Quality Outcomes Framework.

MC left the meeting

12. Information Governance

12.1 Update and assurance and 12.2 Note business of Information Governance Steering Group

LS referred to the minutes of the Information Governing Steering Group and noted that the work plan was progressing. In respect of the decommissioning of the N3 contract at the end of 2017 LS noted the expectation for a secure platform to share records and protocols that would enable inclusion of private providers and third sector organisations. NHS Digital would make the decision on the new platform arrangements.

LS reported that the CCG had raised an information governance query following the recent Wheelchair Services procurement. She hoped that this would not delay the start of the contract.

12.3 Report on Information Governance Incidents

LS reported an incident identified through the security floor walk when the Referral Support Service had moved in to West Offices. This related to “hot desking” by non CCG staff and had been mitigated by confidentiality agreements.

A further incident had taken place which would be reported at the next meeting.

The Committee:

1. Noted the updates.
2. Noted the report on Information Governance incidents.

13. External Audit

13.1 Review the effectiveness of External Audit

TW agreed to draft a series of questions for SP to agree for the annual review of the effectiveness of External Audit.

13.2 Progress Report and Briefing

CA referred to the report which included a summary of audit progress, a report on the work of Mazars, and information on national publications and other updates. CA highlighted that Mazars had been assessed as ‘green’ for comparative performance for audit quality and regulatory compliance in both 2015 and 2016 under the Public Sector Audit Appointments framework.

The Committee:

1. Requested that TW draft a series of questions, which following agreement by SP, would be circulated for the annual review of the effectiveness of External Audit.
2. Noted the progress report and briefing.

14. Internal Audit

14.1 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 2016/17 audit programme. He noted that the planned audits relating to the Partnership Commissioning Unit would complement NL's work.

In response to TW reporting that progress with the plan was behind schedule discussion took place about the need to ensure that CCG staff responded to requests from Internal Audit. SP agreed to draft a note for circulation to managers.

14.2 Audit Recommendations Status Report

TW presented the update on the status and progress in implementing audit recommendations at the CCG to 31 August 2016. He advised that a further 31 recommendations had been completed since the last report, which included both CCG and PCU recommendations. There remained 12 recommendations outstanding, including five 'high' recommendations.

SP expressed concern that three of the five 'high' risks related to the Partnership Commissioning Unit and LS clarified that the procurement governance 'high' risk related to the fact that risks from previous audits had not been reviewed. The fifth 'high' risk related to the Quality Outcomes Framework presented at item 11 above.

14.3 Review Internal Audit Plan

SP noted the intention for the Internal Audit Plan to be reviewed to ensure it would provide assurance about compliance with the Legal Directions and noted the discussion at item 6.2 above which now required further consideration. Members discussed the current allocation of audit days noting the potential for compliance with the Legal Directions to be incorporated within the Governance and Accountability days and the requirement for performance against the RightCare data to be within the QIPP audit reporting. TP noted that the eight days allocated for the Specialist Commissioning audit could be used elsewhere as this audit was not expected to be required due to the specialist services not transferring to CCGs in 2016/17 as planned. TW agreed to redraft the Operational Plan for 2016/17 and circulate it for approval electronically.

In respect of the security service the commissioning of an additional five days on a one off basis for 2016/17 was agreed with review towards the end of the year to inform a decision about future commissioning provision of the Local Security Management Specialist role.

14.4 Internal Audit Merger with West Yorkshire Audit Consortium to form Audit Yorkshire

HK-T tabled information providing an update on the merger of North Yorkshire Audit Services and West Yorkshire Audit Consortium which had taken place on 1 July 2016. An initial members event on 6 September had been attended by representatives from all 17 member organisations. HK-T noted that initially all 17 organisations wished to retain the right of a seat on the board for which the first formal meeting was on 6 December at West Offices.

HK-T noted the intention of strengthening management arrangements, building resilience and increasing specialisms. A key proposal was for each of her deputies to take a sector lead and each member organisation to be allocated a manager and an assistant manager to provide resilience. HK-T advised that Sharron Blackburn would lead the commissioning sector and working with 11 CCG clients to develop a work programme with economies of scale, resource and capacity to respond to change, and sharing of best practice. HK-T proposed Anne Ellis as the CCG's Internal Audit Manager noting that timescales for the new arrangements had not yet been agreed.

HK-T explained that Audit Yorkshire was a not for profit member organisation providing shared services and requested that either SP or TP represent the CCG on the board. SP agreed to be the CCG's nominated representative with TP as deputy; both would attend if appropriate for specific meetings.

The Committee:

1. Noted the periodic report outlining progress against the Internal Audit work programme.
2. Noted that SP would draft a request for circulation to managers regarding responding to Internal Audit.
3. Noted the audit recommendations status report as at 31 August 2016.
4. Requested that TW redraft the 2016/17 Internal Audit Operational Plan and circulate for approval electronically.
5. Approved commissioning an additional five days of security service for 2016/17 with a review of future requirements towards the end of the year.
6. Noted the update on the merger of North Yorkshire Audit Services and West Yorkshire Audit Consortium and the proposed changes to Internal Audit provision.
7. Noted that SP would represent the CCG on Audit Yorkshire's Board.

15. Other Activities

15.1 Request for Waiver to Tender for Consultancy Support to Financial Recovery Plan

TP noted that the request for waiver to tender for consultancy support to the Financial Recovery Plan was presented retrospectively due to the timescales of the Legal Directions. She advised that the business case had been approved by NHS England. PwC would provide both support in developing the Financial Recovery Plan and fulfill the requirement for independent scrutiny. Additionally, PwC had undertaken the CCG Capacity and Capability Review in December 2015/January 2016 and were working on the Humber, Coast and Vale Sustainability and Transformation Plan. TP also noted the potential for PwC to undertake further work across the locality which was not part of the waiver and the cost of which would be shared across partners if commissioned.

15.2 Request for Waiver to Tender to Support the Better Care Fund and Programme Management Office Support

TP explained that the waiver to tender to support the Better Care Fund and Programme Management Office Support was presented retrospectively in the context of urgent priorities and capacity gaps identified by Helen Hirst on her appointment as Interim Accountable Officer. TP noted that the contract for Programme Management Support Office would end on 19 October and four priority areas had been agreed for work prior to this: embedding the staff recruited to the Programme Management Office, key processes, reporting structure and format based on PwC advice.

TP reported that the work supporting the Better Care Fund was in the main complete but that the consultant employed for this purpose was undertaking other work, including the ongoing issues relating to Bootham Park Hospital and a review of contracting. She also noted the context of Phil Mettam's new structure.

SP and DB recognised the need to bring in capacity urgently and noted that the waivers to tender did not go beyond the current financial year but expressed concern in terms of cost and value for money consideration, particularly in the context of the CCG's overall financial challenge. DB additionally noted that he would request a report on the CCG's employment of consultant for the Quality and Finance Committee.

The Committee:

Noted the requests for waiver to tender for consultancy support to the financial recovery plan, the Better Care Fund and Programme Management Office expressing concern at the cost and value for money consideration.

16. Minutes from other meetings

16.1 Quality and Finance Committee

16.2 Information Governance Steering Group

16.3 North Yorkshire Audit Services Alliance Board

The Committee:

1. Received the minutes of the Quality and Finance Committee of 23 and 28 June and 21 July 2016, noting the Key Messages to the Governing Body.
2. Received the minutes of the Information Governance Steering Group of 1 August 2016.
3. Received the minutes of the North Yorkshire NHS Audit Services Alliance Board of 7 June 2016.

17. Key Messages to the Governing Body

Key messages were agreed as:

- Ongoing concern regarding the Partnership Commissioning Unit including delivery of the actions and recommendations
- Confidence that the Assurance Framework and risk log provided an accurate reflection but lack of assurance that the organisation would be able to deliver
- Request for a regular report on the financial recovery plan and response to Legal Directions
- Support for the primary care Quality Outcomes Framework but concern about primary care information and performance management
- Concern at cancellation of Primary Care Commissioning Committee meetings and potential implications
- SP would draft a note to CCG managers highlighting the importance of responding to Internal Audit

The Committee:

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

14. Next meeting

6 December 2016, 2pm.

NHS VALE OF YORK CLINICAL COMMISSIONING GROUP AUDIT COMMITTEE

SCHEDULE OF MATTERS ARISING/DECISIONS TAKEN: 28 SEPTEMBER 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	Audit Committee Work Plan	<ul style="list-style-type: none"> Report on progress against the financial recovery plan to be developed 	TP	6 December 2016
28 September 2016	Security Policy	<ul style="list-style-type: none"> SM to be asked to review the Security Policy prior to presentation to the Governing Body 	TP	3 November 2016
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

Meeting Date	Item	Action Required/Decisions Taken	Responsible Officer/Body	Action Completed/ Due to be Completed by (as applicable)
28 September 2016	Policy on Primary Care Rebate Schemes	<ul style="list-style-type: none"> Review of conflict of interests 	TP	March 2017
28 September 2016	Review the effectiveness of External Audit	<ul style="list-style-type: none"> A series of questions to be drafted for SP to agree prior to circulation 	TW	
28 September 2016	Review Internal Audit Plan	<ul style="list-style-type: none"> Plan to be redrafted and circulated for approval electronically 	TW	