

Chair's Report: Audit Committee

Date of Meeting	6 July 2016
Chair	Sheenagh Powell

Areas of note from the Committee Discussion

The Audit Committee met on 6 July followed by an Audit Panel session to discuss the procurement of external audit services.

- Richard Mellor, Chief Finance Officer, NHS Scarborough CCG, and Victoria Pilkington, Head of Partnership Commissioning Unit (PCU), attended the Audit Committee in response to four limited assurance Internal Audit reports which have been received. Assurance was received that all action possible was being taken to implement the urgent audit recommendations. Difficulty recruiting and retaining staff was blamed as well as volume of cases. The Committee continues to have outstanding concerns about pace and asked for ongoing assurance on clinical and financial risks.
- The Annual Audit Letter 2015/16 including challenges described for 2016/17 was received and has been circulated to the Governing Body members.
- The Committee received a report on review of month end financial processes to ensure accurate reporting.
- The Committee reviewed the Assurance Framework and risk register and were very concerned at significant increase in the number of 'high' risks.
- The Committee remained very concerned in light of the minutes from the Quality and Finance Committee regarding progress on the delivery of the financial plan and QIPP programme.
- The audit panel were satisfied with progress of External Audit procurement.

Areas of escalation

The Audit Committee would like to highlight to the Governing Body the following:

- Lack of assurance on the delivery of the financial plan and delivery of QIPP as reported in the minutes of Quality and Finance committee.
- Continued concerns about the overall performance and accountability of the PCU, both with regard to the promptness of clinical assessments as well as financial budgeting and forecasting processes. The PCU will report back to the Audit Committee.
- The satisfactory ongoing process for the appointment of external auditors from the beginning of next financial year.

Urgent Decisions Required/ Changes to the Forward Plan

None.