

Governing Body

27 July 2016

Details	Part 1	<input checked="" type="checkbox"/>	Part 2	<input type="checkbox"/>	Agenda Item No.	10 Paper 7a
Title of Paper:	Report from the Chair of The Audit Committee					
Board Member:	Chris Wild, Lay Member Chair of The Audit Committee					
Author:	Chris Wild, Lay Member Chair of The Audit Committee					
Presenter:	Chris Wild, Lay Member Chair of The Audit Committee					
Please indicate:	For Decision	<input type="checkbox"/>	For Information	<input checked="" type="checkbox"/>	For Discussion	<input type="checkbox"/>

Executive Summary

Summary	The paper provides an overview of the Audit Committee held on 1 July 2016					
Risk	High	<input type="checkbox"/>	Medium	<input checked="" type="checkbox"/>	Low	<input type="checkbox"/>
	Please indicate above the overall level of risk associated with the paper then state here what the risks are and how this paper aims to address them. If the above summary itself is around managing risk etc. state "Included in Summary". NB Risks can include failure to act and lost opportunities.					
Recommendations	The Board is asked to: Note and discuss the contents of the paper					

Strategic themes

Deliver improvement in outcomes for patients	<input checked="" type="checkbox"/>
Deliver service improvement through system redesign in priority areas	<input checked="" type="checkbox"/>
Develop NHS Bury CCG and Primary Care capability as commissioners and leaders	<input checked="" type="checkbox"/>
Deliver through the Health and Wellbeing Board improved population health and reduction in inequalities	<input type="checkbox"/>
Deliver the CCG element of QUIPP through effective system management and working with partners and stakeholders and ensuring a culture with focus on quality, fostering innovation, improving health outcomes and reducing inequalities.	<input checked="" type="checkbox"/>
Equality Impact Assessed?	<input type="checkbox"/>
Supports NHS Bury CCG Governance arrangements	<input checked="" type="checkbox"/>

Report from the Chair of The Audit Committee

1. Introduction and background

The Remuneration Committee as part of the Chair's comments discussed the results of the Informal Board session on risk management where the feedback was that it had been well received. Per the formal agenda, the Committee was requested to give due consideration to the following:

- Financial Reporting
- Governance
- External Audit
- Internal Audit
- Anti- Fraud
- Registers

2.0 Financial Reporting

Mike Woodhead presented a verbal update to the Committee. It was reported that early on into the new financial year no notable trends away from budget were being evidenced with nothing material to note with the year-end surplus of £2.5m still being achievable. Minutes of the two prior Finance Committees were approved which covered approval of the year end process.

3.0 Governance

Key governance issues discussed at the meeting included:

1- Review of Terms of Reference.

Following a Committee effectiveness review undertaken in 2015 by MIAA, the only item outstanding was a review of the Terms of Reference. An updates set of terms was discussed incorporating amendments including membership, frequency and increased scrutiny of integrated risk management. The Audit Committee agreed that the changes were in the interest of CCG and would help strengthen the governance supporting the organisation and therefore **recommend the amended Terms to the Membership for approval.**

2- Governing Body Assurance Framework.

Verbal update from Lisa Featherstone confirming the GBAF continued to progress. No further item to note.

3- Corporate Risk Register.

Review of the CRR was undertaken in the meeting. No material items to be notified to Board.

4- Conflicts of Interest Update.

Paper presented by Lisa Featherstone which summarised highlights of revised draft guidance on managing COI as issued by NHSE in April 2016. It was agreed that the CCG's arrangements are robust and satisfy many of the new requirements albeit culturally the CCG needs to continue with progress to date on declarations being made and all documented procedures should be followed. The new guidelines require the introduction of a COI Guardian. It was agreed this should be the Chair of the Audit Committee.

4.0 External Audit

No CCG specific audit issues reported by KPMG where instead they presented on a number of technical updates available to any interested parties.

5.0 Internal Audit

Tim Crowley of MIAA presented a Progress Report. Key messages from the report were that their reviews into Primary Care Co-Commissioning and COI, the Better Care Fund Operational Arrangements and Management Accounts Processes all received significant assurance conclusions. Whilst reassuring, there was some debate around the Better Care Fund conclusions where it was felt that anecdotally that this may have been "generous" given the under usage of funds in 2016 and the availability of quality schemes. It was agreed that Audit Committee have better sight of the Internal Audit plan moving forward to ensure that investigations were optimally scoped to ensure maximum benefit for the CCG.

6.0 Anti-Fraud

The Anti-Fraud Report was presented. The CCG has still not been subject to any investigations to date which is consistent with other CCG's.

7.0 Registers

Review of COI register was undertaken. No items to note.

**Chris Wild, Lay Member
Chair of The Audit Committee.**