

Oxfordshire Clinical Commissioning Group Board Meeting

Date of Meeting: 25 May 2017	Paper No: 17/39a
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Title of Paper: Audit Committee Minutes of 20 and 24 April 2017
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Paper is for: (please delete tick as appropriate)	Discussion		Decision		Information	✓
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Purpose and Executive Summary:

The Committee's primary activity in these two meetings has been focused on the detail of the annual audit process, the annual report and the annual accounts, however the Board's attention is drawn to the following matters:

Internal Audit & Counter Fraud – Change of Auditors

Following a procurement exercise, RSM UK has been appointed Internal Auditors to the CCG for three years commencing 2017/18. This was the first meeting of the Committee attended by RSM UK. Tiaa stood down as Internal Auditors and were thanked for their services to the CCG from its foundation.

Audit Committee Self-Assessment, Improvement Plan & Annual Report

In accordance with best practice (and in line with the other committees of the Board), the Audit Committee carries out an annual self-assessment exercise and based on the outcome sets itself an improvement plan. There was a high degree of consistency in responses from committee members and three areas were agreed for improvement relating to: incorporating the objectives for the year in the Committee's annual report to the Board; better integration between the Board committees; and the holding of post-meeting reviews of Committee performance. The Committee's Annual Report to the Board on its performance and objectives forms a separate paper to the Board.

Update on OCCG Risk Register

To tighten up on the recognition and mitigation of risks within the organisation, all future papers submitted to the CCG Board and its Committees would be accompanied by a new cover sheet indicating how the paper linked to OCCG risks.

AF20 highlights the elevated risk of the constituent parts of the Oxfordshire System not working together. The lay committee chairs of the CCG, OUHFT and OHFT were holding an initial meeting to open communication channels between all parties and gain assurances on the whole system working together.

It was also recognised that it was essential that the Finance and Audit committees as well as OCCG Board were sighted on the financial model applicable to the Transformation programme. So far, the model had not been reviewed, and is a gap

in assurance.

External Audit - Progress Report

The Auditors are well underway with the Audit for 2016/17 and would be on-site from the beginning of May. The process was working well with all parties pulling together.

In assessing “Value for Money” the External Auditors had identified, and would concentrate on, a significant risk on the Sustainability and Transformation Programme. A report would come to the Committee in due course. Committee members asked to be sighted on a more expanded version of the report providing the background information on the Transformation Programme to enable better oversight arrangements to be developed.

Internal Audit - Reports

The Committee received the Tiaa Annual Report on Counter Fraud and the Review of Declaration of Interests. Issues drawn to the attention of the Committee were being addressed by management

On the Tiaa Annual Internal Audit Report, the overall opinion was that reasonable assurance could be given on the nature of internal controls, their relevance to meeting the CCG’s objectives, and that controls were being generally applied consistently.

Substantial assurance was given to Information Governance Toolkit. Cyber security attained the lower end of reasonable assurance primarily due to the CCG’s reliance on 3rd party support from the CSU and OUHFT. Management confirmed that cyber security would be given a higher profile.

Internal Audit Work Plans

The Committee approved the RSM UK Internal Audit Work Plans for 2017/18 including Counter Fraud. The Security Management Work Plan was also approved and would be carried out by Tiaa because of their existing involvement.

Digital Transformation Update

A presentation was made on Digital Transformation. The programme was designed to meet the requirements of BOB STP, Oxfordshire Transformation Programme and BOB Local Digital Roadmap. The programme was built around five agreed priorities: record sharing (EMIS), citizen-facing technology, whole system intelligence/real-time clinical intelligence, infrastructure/network connectivity and information governance. This was also driven by 10 Universal Capabilities identified by NHSE around opportunities to exploit existing investments in healthcare technology. These had to be delivered by 2017/18. Funds for the Digital Transformation Programme would come through BOB STP.

The general visions for each of the priorities needed to be broken down into annual plans. This would help to determine the level of funding required, potential constraints as well as financial and clinical risks. Further assurances were needed on the levels of training and change management required for all parties to uptake the digital technology. The programme did not appear to be customer-centred.

Digital transformation programme reported to IM&T Programme Board but it would be beneficial to link the reporting with the Audit Committee - regular updates should

be provided every 6 months.

Financial Implications of Paper:

None

Action Required:

The Board is asked to note the Audit Committee Minutes and to consider if they are receiving sufficient information for assurance.

OCCG Priorities Supported (please delete tick as appropriate)

	Operational Delivery
	Transforming Health and Care
	Devolution and Integration
	Empowering Patients
	Engaging Communities
	System Leadership

Equality Analysis Outcome:

Not Applicable

Link to Risk:

Audit Committee is responsible to the Board (in conjunction with the Finance and Quality Committees) for reviewing the risks relating to the business and activities of the CCG and ensuring the levels of risk and mitigations of those risks are appropriate and are properly recorded in the Risk Register of the CCG.

Author: Roger Dickinson, Chair of Audit Committee

Clinical / Executive Lead: N/A

Date of Paper: 9 May 2017

MINUTES:

Audit Committee

20 April 2017, 13:00-16:00

Conference Room A, Jubilee House, Oxford

Present:	Roger Dickinson (RD), Lay Vice Chair	Duncan Smith (EDS), Lay Member for Finance
	Mike Delaney (MD), Lay Member	Catherine Mountford (CM), Director of Governance
In attendance:	Elena Thorne (ET) – Minutes	Jenny Simpson (JS), Deputy Director of Finance
	Erin Simms (ES), Internal Audit – Counter Fraud (RSM UK)	Liz Wright (LW), Internal Audit (RSM UK)
	Paul Grady (PG), Internal Audit (Tiaa) – for items 14 & 16	Adrian Balmer (AB), External Audit (E&Y)
	Maggie Lay (ML), Clinical Transformation Lead/Digital Transformation – for item 12	
Apologies	Gareth Kenworthy, Director of Finance	Miles Carter, West Oxfordshire Locality Clinical Director
	Lorraine Bennett, Counter Fraud Manager, Tiaa	Maria Grindley, Executive Director, E&Y

		Action
1.	Declarations of Interest The Chair welcomed everyone to the meeting and attendees introduced themselves. The meeting was declared quorate . There were no new declarations of interest or any declarations relating to agenda items.	
2.	Minutes of the Meeting held on 23 February 2017. The minutes of the meeting held on 23 February 2017 were approved as an accurate record of the meeting. Matters Arising The Action Tracker was noted.	
GOVERNANCE AND RISK		
3.	Quality Committee Minutes	

	<p>The Committee received and noted the Quality Committee minutes of 23 February 2017.</p> <p>The Lay Member for Finance observed that considering the recent RTT issue it would be beneficial to undertake work around quality of data used for monitoring and decision-making. The aim would be to label data in terms of its reliability and assurance level it provided. The Director of Governance suggested that a discussion on this should be held between EDS and the Director of Finance who was directly responsible for business intelligence.</p>	EDS
4.	<p>Update on OCCG Risk Register</p> <p>The Committee received the paper "Oxfordshire CCG Strategic Risk Register" and was asked to review the changes since the previous meeting on 23 February 2017.</p> <p>The Director of Governance noted that all future papers submitted to the CCG Board and Sub-Committees would be accompanied by a new cover sheet indicating how the paper linked to OCCG risks.</p> <p>The Lay Members reviewed the risk register, and the following points were made:</p> <ul style="list-style-type: none"> • The Lay Member for Finance requested that an update on risk AF20 (including the revised target date) be circulated to the Lay Members outside the meetings. • The Lay Member for Finance felt that the risk score of 15 allocated to AF22 was too low, and the Director of Governance would discuss this at the next Directors' Risk Review meeting. • Referring to the risk AF20, the Lay Member advised on the meeting taking place between him and the Lay Member for Finance with the Chairs of Audit and Finance Committees of Oxford University Hospitals NHS Foundation Trust (OUHFT) and Oxford Health NHS Foundation Trust (OHFT). The purpose of the meeting was to open communication channels between all parties and gain assurances on the whole system working together. • The Lay Member questioned whether the risk score of 12 allocated against AF25 reflected the emerging pressures of 2017-18 and the concerns around the Savings Plan. It was suggested that the risk be reviewed again. • Referring to the risk AF21, the Lay Member for Finance felt that it was essential that the Finance and Audit committees as well as OCCG Board were sighted on the financial model applicable to the Transformation programme. So far, the model had not been reviewed, and this should be recorded as a gap in assurance. <p>The Lay Member suggested that the format of the Risk Register should undergo an annual review.</p> <p>The Committee NOTED the changes in the Risk Register.</p>	<p>DS</p> <p>CM</p> <p>CM</p> <p>CM</p>

5.	<p>Annual Report including Annual Governance Statement</p> <p>The Committee received the draft Annual Report which incorporated the majority of the comments and feedback that had already been received from the Lay Members</p> <p>The Lay Members made the following suggestions on the report:</p> <ul style="list-style-type: none"> • introduce improvements in the Chief Executive's statement to highlight the CCG's achievements in 2016-17; • give more prominence to Oxfordshire Transformation Programme, highlighting the progress made to date and challenges ahead; • introduce reference to Buckinghamshire, Oxfordshire and Berkshire West (BOB) Sustainability and Transformation Plan. <p>The Director of Governance confirmed that the report complied with NHSE structure, and the Committee APPROVED the submission of the draft report to NHSE on 21 April 2017.</p>	
6.	<p>Draft Audit Committee Annual Report</p> <p>The Committee received the draft Audit Committee Annual Report and was asked to review and agree the document prior to its submission to OCCG Board meeting on 25 May 2017.</p> <p>The Lay Members made the following suggestions for <i>Looking Forward</i> section:</p> <ul style="list-style-type: none"> • future focus on data quality; • current governance arrangements around BOB were challenging, and efforts would be made to keep those under review. It was agreed that the Chair would produce wording for this and circulate it to the Lay Members. <p>The Committee APPROVED the draft Audit Committee Annual report subject to the proposed amendments.</p>	RD
7.	<p>Audit Committee Self-Assessment and Improvement Plan</p> <p>The Committee received the Audit Committee Self-Assessment and draft Improvement Plan, and was asked to note the consistency of responses and discuss the proposed actions.</p> <p>The Director of Governance commented on the Lay Members' responses and outlined the areas proposed to improve the effectiveness of the Committee.</p> <p>The Committee AGREED to adopt the first three actions for improvement.</p> <p>The Chair agreed to outline the Audit Committee's objectives for the year for the inclusion into the annual report (Action).</p> <p>The Lay Members discussed working relationships between the Audit and Quality Committees and commented on the improvements within the work of the latter. The Chair agreed to include a note on the cooperation between the sub-committees into his report (Action).</p>	RD RD

	The Committee AGREED to commence the post-meeting review of each meeting with immediate effect.	
8.	<p>Information Governance Toolkit</p> <p>The Committee received the paper on OCCG Information Governance Toolkit (IGTK) and was asked to note the status of compliance (Level 2).</p> <p>The Lay Members discussed the results of IG compliance, noting that it would be useful to see how OCCG compared against other CCGs. In response to the question from the Lay Member on aspirations to attain a higher level, the Director of Governance suggested that current effort should be directed towards maintaining the existing Level 2.</p> <p>Referring to the question from the Chair on one FOI breach, the Director of Governance responded that OCCG had a system in place to monitor the return of FOI responses. The system was being and would be reviewed on a regular basis.</p> <p>The Committee NOTED the update on the Information Governance Toolkit.</p>	
GOVERNANCE AND RISK		
9.	<p>Update on agreement of SLAs and Contracts</p> <p>The item was deferred until the next meeting on 22 June 2017.</p>	
10.	<p>Use of Single Tender Action Waivers</p> <p>The Committee received and NOTED the paper on the use of Single Tender Action Waivers.</p>	
11.	<p>Finance Committee Minutes</p> <p>The Committee received the minutes of the Finance Committee meeting held on 24 January, 27 February and 23 March 2017.</p> <p>The Lay Member for Finance made the following key points:</p> <ul style="list-style-type: none"> • Volatility of forecasting in respect of the Pooled Budgets (PB) remained a concern. Despite escalating the matter to the external auditors 18 months ago, the level of assurance remained low. • Referring to the RTT issue, which had also been escalated to OCCG Board, concerns were expressed around governance arrangements in place to manage this risk. The Finance Committee asked the Chief Executive to provide an update to OCCG Board on discussions with Oxford University Hospital NHS Foundation Trust (OUHFT). • The Finance Committee failed to get assurance on deliverability of the Savings Plan. 2-3 schemes identified to deliver savings against the total system risk of £18.0m were not making satisfactory progress. The Lay Member for Finance expressed concerns around clinical involvement and noted that further assurances were required around the leadership, understanding the constraints in terms of the 	

	<p>whole system risk management. The Deputy Director of Finance advised that Pooled Budgets and Savings Plan now formed part of the Internal Audit plan.</p> <p>The Committee members held a discussion around PB dashboard, and comments were made that none of the sub-committees were sighted on the minutes of the Joint Management Group (JMG) meetings. The Committee requested for a feedback to be provided on how JMG was working and who was overseeing it (Action).</p> <p>The Committee NOTED the minutes of the Finance Committee meetings.</p>	JS
EXTERNAL AUDIT		
12.	<p>External Audit – In Year Progress Report</p> <p>Adrian Balmer (AB) presented the Progress Report of the External Audit. The following points were made:</p> <ul style="list-style-type: none"> • In addition to the three significant Financial Statements risks highlighted during the Audit Committee meeting on 20 February 2017, further non-significant risk around delegated Primary Care Commissioning was identified. • Visits to the CSU scheduled for January – February 2017 had taken place. Work had been completed in relation to Month 9 significant contracts and Pooled Budgets prescribing. • Additional substantive testing had started on delegated Primary Care Commissioning, where evidence supporting the expenditure was requested from NHSE. • The work around a value for money significant risk on the Sustainability and Transformation Risk was ongoing with estimated completion date being late May 2017. • External audit team planned to be on site during the week commencing 2 May 2017 to undertake external audit work. External audit report was expected to be submitted to the Audit Committee meeting on 23 May 2017. <p>Referring to the Value for Money report, the Chair suggested that it would be beneficial for the Committee members to be sighted on a more expanded version of the report providing the background information on the Transformation Programme.</p> <p>Clarifying the Chair's question on BACs payroll payments, the Director of Governance explained that the responsibility for BACs payments was transferred from the Director of Finance to the Director of Governance. External audit team was making final checks that adequate arrangements within the payroll system were in place and what might be required and would add value in addition to current controls.</p> <p>The Committee NOTED the progress of the external Audit.</p>	

INTERNAL AUDIT		
13.	<p>Annual Report – Counter Fraud</p> <p>The Committee received the Annual Report on Counter Fraud and the Review of Declaration of Interests.</p> <p>The Deputy Director of Finance highlighted two amber ratings on Strategic Governance. Some anomalies had been picked up during the review of Conflict of Interests, and these were being addressed by OCCG Governance team.</p> <p>The Committee NOTED the report.</p>	
14.	<p>Security Management Work Plan 2017/18</p> <p>The Committee received Security Management Work Plan for 2017/18, approved by the Director of Finance. The work would be undertaken by Tiaa.</p> <p>The Director of Governance noted that more understanding about expectations around mandatory training was required. It was agreed the subject would be discussed with Robert Street.</p> <p>The Committee APPROVED the report subject to satisfactory clarifications received by the Director of Governance.</p>	
15.	<p>Counter Fraud Work Plan 2017/18</p> <p>Erin Sims (ES), Internal Audit – Counter Fraud (RSM UK), presented the Counter Fraud Work Plan for 2017/18. The Committee was asked to review and agree the plan.</p> <p>The draft plan, adhering to the Standards for Commissioners, had been previously discussed with the Director of Finance and the Deputy Director of Finance.</p> <p>The main focus of the plan would be to undertake a fraud risk assessment of the CCG to assess and identify its exposure to risk and to ensure relevant internal controls were in place. The total allocated resource for the proactive LCFS work was 30 days.</p> <p>Responding to the Lay Vice Chair, ES noted that LCFS would attend 2 Audit Committee meetings to report on the findings and the progress of Counter Fraud work.</p> <p>The Director of Governance would follow up with ES on the subject of policies' review, particularly timing, outside the meeting.</p> <p>The Committee APPROVED the Counter Fraud work plan.</p>	
16.	<p>Internal Audit Work Plan for 2017/18</p> <p>Liz Wright (LW), Internal Audit (RSM UK) presented the Internal Audit Work Plan for 2017/18. The Committee was asked to review and approve the plan.</p> <p>LW outlined the proposed approach to the internal audit and the</p>	

	<p>strategic risks to be reviewed. It was confirmed that newly arising/changing risks would be accommodated within the plan. The internal audit would work closely with other assurance providers (including external audit).</p> <p>The fees for the internal audit services were £34,500 (excluding VAT), and these were aligned to the budget as per the tender specification.</p> <p>The Lay Member for Finance highlighted the importance of risks around cyber security, quality of data for decision making and the risks around the Transformation Programme.</p> <p>The Committee APPROVED the Internal Audit Work Plan for 2017/18.</p>	
GENERAL AUDIT MATTERS		
17.	<p>Audit Committee Work Plan</p> <p>The Committee reviewed the work plan for 2017/18. OCCG Risk Register would be reviewed in general terms without holding an in-depth discussion.</p> <p>The Committee NOTED the plan.</p>	
FINANCIAL MATTERS		
18.	<p>Digital Transformation Update</p> <p>Maggie Lay (ML), Clinical Transformation Lead/Digital Transformation, attended the meeting present the paper on Digital Transformation. The following key points were noted:</p> <ul style="list-style-type: none"> • The Digital programme was meeting the requirements of BOB STP, Oxfordshire Transformation Programme and BOB Local Digital Roadmap. • Five priorities agreed to deliver the STP requirements were record sharing, citizen-facing technology, whole system intelligence/real-time clinical intelligence, infrastructure/network connectivity and information governance. • NHSE identified 10 Universal Capabilities around opportunities to exploit existing investments in healthcare technology. These had to be delivered by 2017/18. • The new record-sharing system (EMIS) to be used by GPs would merge the data creating a pool of data with greater opportunities for business intelligence. The model was already being used in Berkshire, and currently tested within diabetes programme in North Oxfordshire. • Funds for the Digital Transformation Programme would come through BOB STP. <p>The Lay Member for Finance commented that it would be beneficial to see how the LDR and the Transformation Programme crossed-over, and whether funding would be available to underpin the Transformation</p>	GK/ML

	<p>Programme. Further clarification had to be provided (Action).</p> <p>Specifically referring to the 5 BOB LDR priorities, the Lay Member for Finance suggested that general visions for each of the priorities should be broken down into annual plans. This would help to determine the level of funding required, potential constraints as well as financial and clinical risks.</p> <ul style="list-style-type: none"> • Immediate constraints around inter-operability included capturing clinical information in a way that was useful to the end users. Most of the health providers were cooperating. <p>The Lay Member commented that the programme did not appear to be designed as customer-centered. Further assurances were needed on the levels of training and change management required for all parties to uptake the digital technology.</p> <p>Responding to the Chair's question on the timescale for benefits realisation, ML responded that Oxfordshire Care Summary provided that information. Diabetic dashboard had already been developed in North East Oxfordshire and was currently being trialed.</p> <ul style="list-style-type: none"> • Digital transformation programme reported to IM&T Programme Board, and it was suggested that it would be beneficial to link the reporting with the Audit Committee. • Dedicated local teams were in place engaging with primary care to encourage the use of national imperative schemes and updating on the progress. <p>The Committee NOTED the update on Digital Transformation and suggested that regular updates should be provided every 6 months.</p>	
INTERNAL AUDIT		
19.	<p>In Year Progress Report</p> <p>Paul Grady, Internal Audit (Tiaa), attended the meeting to present the paper on Internal Audit Progress Report. The following points were made:</p> <ul style="list-style-type: none"> • Five final audit reports had been finalised since the last Audit Committee meeting in February (Conflicts of Interests, Procedures of Limited Clinical Value, Board Assurance Framework and Informatics – Cybersecurity). • The only outstanding work was around getting responses for Off Payroll Contractors • Care Homes review had been started. The Committee AGREED that the report should be distributed to the executive management within OCCG, copied to RSM UK and Audit Committee members. Tiaa would not attend any future Audit Committee meetings. The same approach had been agreed for Business Intelligence work. • The reports on Off Payroll Contractors and Business Intelligence were advisory only. The audit report on Quality – Care Homes would 	

	<p>provide auditors' option and an assurance review.</p> <ul style="list-style-type: none"> • Reviews around Conflicts of Interests, Procedures of Limited Clinical Value and Board Assurance Framework had all reached reasonable assurance assessment. • Substantial assurance was given to Information Governance Toolkit. • Cyber security attained lower end of reasonable assurance. This was due to the CCG's reliance on 3rd party support from the CSU and OUHFT. <p>The Deputy Director of Finance confirmed that Cyber Security would be given higher profile.</p> <p>The Committee NOTED the Internal Audit Progress report.</p>	
20.	<p>Annual Report – Internal Audit</p> <p>The Committee received Internal Audit Annual Report 2016/17 and was asked to approve the report and the Head of Internal Audit opinion as being final.</p> <p>The overall opinion expressed by the Head of Internal Audit was that reasonable assurance could be given on the nature of internal controls, their relevance to meeting the CCG's objectives, and that controls were being generally applied consistently.</p> <p>The Committee APPROVED the Internal Audit Annual Report and the Head of Internal Audit opinion.</p>	
21.	<p>Any Other Business</p> <p>The Committee reviewed the meeting and commented on the clarity and thorough nature of the reports received.</p> <p>The Chair thanked Paul Grady and the TIAA team for the work they had done on behalf of OCCG since its inception.</p> <p>There being no other business, the meeting was closed.</p> <p>The date of the next meeting was 22 June 2017.</p>	

MINUTES:

Audit Committee

24 April 2017, 15:00-16:00

Conference room A, Jubilee House, Oxford

Present:	Roger Dickinson (RD), Lay Vice Chair	Duncan Smith (EDS), Lay Member for Finance
	Jenny Simpson (JS), Deputy Director of Finance	Mike Delaney (MD), Lay Member
In attendance:	Elena Thorne (ET) – Minutes	Sally Thompson (ST), Financial Controller, CSU
Apologies	Gareth Kenworthy (GK), Director of Finance	

		Action
4.	Declarations of Interest/Quorum The Chair welcomed all present and declared the meeting quorate . There were no new declarations of interest.	
5.	Formal review of draft Statutory Accounts The Deputy Director of Finance presented the paper “Draft Accounts for national submission by 26 April 2017”. The Committee was asked to review the draft account and to consider whether they reflected fairly the activities of the CCG during the year and whether there were any further disclosures required to aid understanding of the accounts. The following key points were made: <ul style="list-style-type: none"> • The accounts incorporated a new format for the Statement of Comprehensive Net Expenditure. • Referring to Note 40 (Financial performance targets), an additional £9k surplus was achieved above target. For clarity in Note 40, performance against revenue and capital target were also shown as separate lines, in addition to the standard requirement. • The accounts reflected the first year of Primary Care Co-Commissioning as flagged up in Month 9, and this drove a number of the variances to the prior year comparators. The Chair noted that, apart from the financial section, the Annual Report had no reference to the Primary Care Co-Commissioning. It was suggested this should be included in the Chief Executive’s opening statement (Action).	JS (CM)

	<p>The Lay Member queried the NR allocation adjustment of £1.6m, and the Deputy Director of Finance responded that the figure had been agreed between NHSE and OCCG in Month 11. The Committee acknowledged that the allocation had been discussed under agenda item <i>Month 11 Finance Report</i> during the earlier Finance Committee meeting.</p> <p>A further explanation was sought of the movement on 'premises'.</p> <p>It would be useful to see reconciliation between the month 12 management accounts and the statutory accounts in due course while appreciating that there may be adjustments, particularly in relation to pooled budgets (Action).</p> <p>It would also be useful to see a reconciliation of the total allocations received to the statutory accounts (Action).</p> <p>Referring to Note 37 (Related party transactions), the Lay Member pointed out a duplicated entry for Principal Medical Limited (Action).</p> <p>Committee members REVIEWED the reconciliation of the Total allocation at Month 12 to the SOCNE Comprehensive Expenditure for the Year and the reconciliation of the CCG forecast outturn at Month 11 to the CCG expenditure at Month 12/SOCNE Comprehensive expenditure for the year and were SATISFIED.</p> <p>The Committee was also provided with further explanation regarding premises costs and expenditure against the GPAF and STF budgets. Lay members discussed their views around investments in Primary Care and the surrounding issues. Given that there had been slippage, resulting in a level of underspend within Primary Care, members reflected on whether there would be scope to earmark some of the £1.6m lodged with NHS E for Primary Care in 2017-18. The Deputy Director of Finance pointed out that it would potentially be difficult to mobilise schemes in addition to those already planned for GPAF/STF, but the Committee asked that this be raised with the Director of Finance/Chief Exec (Action).</p> <p>The Lay Vice Chair queried whether the RTT risk identified for 2017-18 should be reflected in any way (Action).</p> <p>The Committee REVIEWED the accounts and AGREED that, subject to the issues raised above being resolved, they fairly reflected the activities of the CCG during the year.</p>	<p>JS</p> <p>JS</p> <p>ST</p> <p>JS</p> <p>JS/CM</p>
6.	<p>Draft Annual report</p> <p>The Deputy Director of Finance introduced the Draft Annual report and noted the following:</p> <ul style="list-style-type: none"> • The report now incorporated Greenbury disclosures relating to directors' remuneration and some amendments to the text as discussed at Audit Committee on 20 April. Further amendments would be made by the Communications team for the final May 	

	<p>submission.</p> <p>The Lay Member questioned the nil value of Cash Equivalent Transfer Value (CETV) in respect to the pension scheme held by the Director of Quality. The Deputy Director of Finance would check this (Action).</p> <p>The Committee APPROVED the amended wording of the Draft Annual Report subject to the CETV issue above being resolved.</p>	JS
4.	<p>Letters to the Management/Audit Committee</p> <p>The Committee reviewed the letters provided by the Director of Finance and the Chair of the Audit Committee in response to the letters “to those charged with governance” from the external auditors.</p> <p>The Committee considered the content of the replies. It was noted that there has been significant pressure on the NHS this year to deliver control totals and surpluses above target. However, on reflection of the discussions the non-executive members have had at Finance Committee and the Board, it was felt that management have been open and transparent with members. Finance Committee has scrutinised plans and actively engaged in discussions on management and mitigation of the risk of non-delivery of targets and formal responses to NHSE, when appropriate. The Committee therefore supported the content of the letters.</p>	