

OXFORDSHIRE CLINICAL COMMISSIONING GROUP BOARD

Date of Meeting: 23 May 2019	Paper No: 19/36a
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Title of Paper: Audit Committee Minutes of 18 October 2018

Paper is for: <small>(please delete tick as appropriate)</small>	Discussion <input checked="" type="checkbox"/>	Decision <input type="checkbox"/>	Information <input checked="" type="checkbox"/>
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Conflicts of Interest <small>(please delete tick as appropriate)</small>	
No conflict identified	<input checked="" type="checkbox"/>
Conflict noted: conflicted party can participate in discussion and decision	<input type="checkbox"/>
Conflict noted, conflicted party can participate in discussion but not decision	<input type="checkbox"/>
Conflict noted, conflicted party can remain but not participate in discussion	<input type="checkbox"/>
Conflicted party is excluded from discussion	<input type="checkbox"/>

Purpose and Executive Summary:

The Board's attention is particularly drawn to the following items:

Risk Registers

The Committee pointed out that some of the actions addressing gaps in control and assurance had not been updated for some time. It is important to be clear on who is accountable for these risks and ensure the registers are kept up to date. It was agreed that for the management team's next Director's Risk Review all attendees will be asked to thoroughly review all risks for which they are accountable to ensure sufficient assurance can be given to the Board.

The issue of having a clear estates plan had been outstanding for a long time however it was noted that the estates group were moving towards having an overarching primary care estates strategy which will now have to encompass the development of Primary Care Networks (PCNs). It was commented that given the size of investment needed, the Board will need to set aside at least 1% of growth over the next 10 years to deliver the estates investment required. A strategic discussion in relation to future estate investment should take place at the Board and funding assurances be sought.

The Committee noted the risk relating to the CCG workforce declared turnover of 27% and having appropriate capacity and capability to deliver CCG functions. It was queried (even given this is likely to be a wider risk given the national requirement to reduce CCG running costs) whether this should be a separate risk to be addressed. A year end HR report is produced in April 2019 and a Remuneration Committee meeting should be held to discuss these issues in detail and to provide assurance to the Board.

Annual Report and Accounts 2018/19

The processes for both the Report and for the Accounts were under way and the resilience of the system was shown by the adherence to deadlines despite the early Easter bank holiday. There was good engagement and support from all external and internal parties involved.

Bi-Annual Review of PFPs and SOs

The Prime Financial Policies (PFPs) were reviewed. There were no proposals for change and it was agreed the PFPs be rolled forward for another 2 years. Standing orders are due for review in Spring 2019 alongside a review of the constitution.

Financial Control and Governance Assessment Q3

The Committee was updated on the current position since the Q2 assessment and reviewed the submission and confirmed that the responses to the assessment items were an accurate reflection of their understanding of OCCG's current position. There would be an internal audit on the assessment to investigate sources of assurance.

It was demonstrated that there was high confidence that the business rules were achievable, and the CCG has the capacity and capability to deliver it.

The Audit Committee obtains direct evidence in key areas of concern and is generally quite demanding of the management team for assurance and reports. The Audit Committee rarely accepts representations from senior management at meetings and the previous minutes of meetings reflect this. The Committee also seeks more emphasis being placed on benefits realisation than delivery across a range of proposals. With the new Executive Committee in place there is a further opportunity for review via management before items come to the other committees.

Risks were assessed by the Committee in terms of likelihood and financial impact and the CCG performs well in identifying risks and ensuring risks are escalated appropriately. The Committee provided a fair and open environment where issues can be raised.

External Audit

The audit report was expected to be fairly consistent with the previous year in relation to the risk of fraud in revenue expenditure recognition relating to non-routine judgement of accruals; around misstatements due to fraud or error; or management override.

There was a significant change from last year relating to materiality. Materiality has been set at 2% of the 2017/18 audited gross expenditure. This has changed from the previous year where 1% was applied. Since the plan had been previously circulated, the lowest threshold has dropped from £871k to £300k in line with the National Audit Office (NAO) Group Audit instructions - this was bringing CCGs back in line with what is being used broadly across auditing within health.

The wider risks relating to potential changes around the level of Integrated Care Systems (ICSs) and Oxfordshire system working were highlighted in the meeting. However, the NAO scope for Value For Money (VFM) arrangements are what is within OCCG's control the year.

There are a number of areas Ernst & Young would look into such as; financial sustainability, ways of working with partner organisations and how informed decisions are made. Ernst & Young have not identified concerns within those arrangements to date and so a significant risk has not been identified. The paper scopes out the broader system-wide governance challenges and risks. was cautious of creating an expectation gap by talking about broader system risks when they are not arriving at a conclusion on those within the scope of the work.

Internal Audit

The In-Year Progress Report showed the majority of work has been completed for the year.

A draft internal audit plan for 2019/20 was circulated following discussions with the OCCG Executive Team and was approved by the Committee.

Counter Fraud Progress Report and Workplan

The In-Year progress report to the Committee was noted and the plan for 2019/20 approved.

NHS Counter Fraud Authority have released their new standards and are now seeking engagement from audit committee chairs as well as directors of finance in terms of seeking benchmarking for reactive cases. A new standard is that risks presented in the Board risk register are to be assessed and monitored utilising the CCG's own risk policies.

RSM UK are actively working with the NHS Counter Fraud Specialist Team following a fraud referral. Updates will be provided to the Committee as appropriate.

Engagement: clinical, stakeholder and public/patient: Not Applicable

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 OCCG and ensuring the levels of risk and mitigations of those risks are appropriate and are properly recorded in the Risk Register of the OCCG.

Author: Roger Dickinson, Chair of Audit Committee

Clinical / Executive Lead: Roger Dickinson, Lay Vice Chair of OCCG

Date of Paper: 14 May 2019

MINUTES:

OXFORDSHIRE CLINICAL COMMISSIONING GROUP AUDIT COMMITTEE

21 February 2019

Conference Room B, Jubilee House

Present:	Roger Dickinson (RD), Lay Vice Chair	Duncan Smith (DS), Lay Member for Finance
	Jenny Simpson (JS), Deputy Director of Finance	Catherine Mountford (CM), Director of Governance
	Miles Carter (MC), West Oxfordshire Locality Clinical Director	
In attendance:	Adrian Balmer (AB), Manager, Ernst & Young	Janet Dawson (JD), Executive Director, Ernst & Young
	Erin Sims (ES), Internal Audit - Counter Fraud (RSM UK)	Louise Davies (LD), Manager, RSM UK
Apologies	Gareth Kenworthy (GK), Director of Finance, OCCG	Liz Wright (LW), Risk Assurance Director RSM UK

		Action
1.	<p>Declarations of Interest The Chair welcomed all present and declared the meeting quorate.</p> <p>There were no new declarations of interest.</p>	
2.0	Minutes and Matters Arising	
2.1	<p>Minutes of the Meeting held on 18 October 2019 One error was reported by JD from the minutes of the meeting held on 18 October 2018. AB was identified as working for both RSM UK & Ernst & Young. To be amended as AB is Manager for Ernst & Young only.</p> <p>No further inaccuracies were reported from the minutes of the last meeting.</p>	
2.2	<p>Matters Arising & Action Tracker The Action Tracker was noted and updated.</p>	
3.0	Governance and Risk	
3.1	Quality Committee Meeting Minutes 2018.12.20	

	<p>The Quality Committee Meeting Minutes from 20 December 2018 were noted by the Audit Committee. CM fed back that Louise Wallace, Lay Member Public and Patient Involvement and Chair of the Quality Committee reported on the minutes at the Board meeting on 31 January 2019.</p>	
<p>3.2</p>	<p>Update on OCCG Risk Register</p> <p>CM presented the paper to the committee and noted that this is the same risk register that was submitted to Board meeting on 31 January 2019. There is one Red/Extreme (risk rating ≥ 20) Strategic Risk with a current risk rating of 20: AF19 - Demand and Performance Challenges.</p> <p>DS commented that there is a cycle where some of the actions addressing gaps in control and assurance are not being updated. The Integrated Care Systems (ICS) system discussions are fairly dynamic currently and the governance around these discussions is still being established. It is important to be clear on who is accountable for these risks and ensure the registers are kept up to date.</p> <p>DS highlighted concerns that discussions around the risks in other committees are noted in the minutes, however discussion of these risks is not always detailed. Discussions and decisions around these risks needs to be reflected in the minutes coming out of the committee meetings to provide assurance to the Board. There are some significant risks which will impact on OCCG if not mitigated.</p> <p>RD noted concerns that items on the register have not been updated. Item 808 AF27 currently has no assurance detailed on the register. RD queried if the Executive Committee are receiving enough assurance related to the key risks identified.</p> <p>CM fed back that the registers are updated as part of the Director Risk Review meetings. The meeting in January was cancelled due to staff absence. CM will feed back the comments from this committee meeting to the next scheduled Director's Risk Review which will take place on the 6 March.</p> <p>Action: CM will ask attendees of the next Director's Risk Review to thoroughly review all risks for which they are accountable.</p> <p>DS queried if the overall risk rating for item 752 AF22 is achievable. DS recommended a discussion with Louise Wallace at the Quality Committee to request assurance around the targets and gaps in the actions for identified risks.</p> <p>RD commented that in relation to item 794 AF26 that it was discussed in January 2018 to have a prioritised estates plan. As of now there is still a lack of a detailed plan and the item has been open for a long time. CM fed back that the next estates group meeting will be held this week and is moving towards having an overarching primary care estates strategy.</p>	

	<p>DS reported that there were discussions in the Finance Committees that given the size of investment needed, the Board needs to set aside at least 1% of growth over the next 10 years to deliver the estates investment required. A strategic discussion in relation to future estate investment should take place at the Board meeting and funding assurances sought, otherwise primary care plans may require a complete rethink. There is a further challenge within the 5 year plan as the estates needs may change because of the development of Primary Care Networks (PCNs), particularly in terms of primary and wider community care.</p> <p>JD queried if reaching 100% of the target score is achievable in-year or an aspirational target for the next 2 – 5 years. Short term targets for risk may be more beneficial for reporting.</p> <p>DS fed back that perhaps the committees need to revisit the acceptable risk targets and engage the Board members.</p> <p>CM agreed risk targets need to be achievable. There is an issue around the current level of risk and the target. The targets are high as a result of how broad some of the risks identified are. DS fed back that discussion around risks and targets should be a priority on the agenda for the Board meetings. CM agreed there needed to be more focus on updating of risks.</p> <p>RD highlighted a risk relating to the CCG workforce declared turnover of 27%. This is a high percentage and is likely to affect ability to perform CCG functions. RD queried if this should be a separate risk to be addressed. CM fed back that this is likely to be a wider risk given the national requirement to reduce CCG running costs. It is not solely an issue with staff turnover but also having appropriate capacity and capability to deliver CCG functions. RD felt this is a specific issue to be addressed and queried whether this should be an annual report issued to the Remuneration Committee for HR issues. CM stated that a year end HR report is produced in April 2019. A meeting should be held in May 2019 to discuss these issues in detail and to provide assurance to the Board.</p> <p>No other issues to discuss in relation to the risk register.</p>	
4.0	Financial Matters	
4.1	<p>Update on agreement of SLAs and Contracts</p> <p>HM provided an update on the agreement of Service Level Agreements (SLAs) and Contracts. As reported and agreed with the Finance Committee and governing body, OCCG has secured a year end settlement with OUH. There is a meeting scheduled with Royal Berkshire to agree a year-end deal. Year-end is progressing with all contracts and forecast outturns reflected within the CCG financial position. There are no additional risks foreseen at this moment in time.</p> <p>In relation to the contracting arrangements for 2019/20, a system dialogue</p>	

with Oxford Health (OH), Oxford University Hospitals (OUH) and Oxfordshire County Council (OCC) is being progressed and linked in with the GP Federations. There are further discussions to be arranged to agree how we involve PCNs and GP members. There will be forums to brief colleagues during the next couple of months on how things are progressing.

HM felt that the financial position is particularly challenged going into next year due to tensions in agreeing an acceptable contract to meet both provider-specific control totals and needs, whilst also satisfying and demonstrating a shift in our working together as a system in preparation for more formal operating arrangements next year. HM reported OCCG needs to explore where we are able to block contracts at the right value for certain cohorts of activity and where there may need to be thresholds put in place in the event there are unforeseen demands or pressures within the system.

OCCG is continuing to look into, if a bottom-up contract was agreed, what the details would be and how the 2019/20 tariff would impact. OCCG is undertaking internal work to establish what opportunities there are to frame things differently using the national flexibilities between the national contract and tariff arrangements.

4.2 **Final Accounts 2018/19**

JS presented papers for this item to the Committee. JS reported that the Month 9 Final Accounts were completed whilst she was on annual leave which is a good demonstration of resilience in that all deadlines were met.

JS explained the timetable for accounts submissions is similar to previous years, however the draft account submission to bring to the Committee has been pushed forward as a result of the Easter bank holiday dates. The May deadlines for the external audit are the same as previous years and the Board meeting is scheduled appropriately within the timeframe.

NHSE did not issue a statutory accounts template for the Month 9 process this year but the main statements have been produced based on last year's template. As per last year, the CCG will produce a simplified and shortened version of the accounts which removes all non-relevant notes/tables and zero values (where in both reported years). This has not been completed at Month 9.

There was only one issue reported from the analytical review regarding provision. There is significant movement in the provision held on the statement of financial position around decisions regarding the proportion of provision that sits on our balance sheet as opposed to the OCC balance sheet. This needs to be agreed with OCC before end of the year. The agreement will be facilitated by Julia Boyce, Assistant Director of Finance and involvement from the Commissioning Support Unit (CSU).

AB reported good engagement and support from the CSU.

Action: WJ to confirm with Lesley Corfield on which date the next OCCG Board Meeting will fall.

Action: WJ to set up a dial-in facility for DS to join the next Audit Committee on the 18 April 2019.

RD confirmed the Committee noted the papers for this item.

4.3 **Bi-Annual Review of PFPs and SOs**

JS reported the Prime Financial Policies (PFPs) have been reviewed and are valid for 2 years. There are no new proposals for changes so far. CM reported standing orders are due for review in March 2019 which will be done alongside a review of the constitution.

RD reported no issues have been drawn to the Committee's attention and they are happy for the PFPs to be rolled on for another 2 years.

4.4 **OCCG Annual Report Timetable**

CM presented the OCCG Annual Report to the Committee. CM explained the paper details the process undergone to ensure the report is ready in time for auditing and highlighting key dates when lay members will receive copies to comment on and sign off as a draft. The work is already in hand to begin the drafting.

JS flagged there is a separate timetable for the annual report as opposed to the full report. They have some earlier dates for the Governance team to be aware of. The draft needs to be submitted on 18 April.

RD queried if there were any new messages from the report. CM fed back the focus is on progress made over the last 12 months in terms of system working and alignment. This will be part of the front-end introduction from Kiren Collinson, Clinical Chair and Lou Patten, Chief Executive. DS commented to not undersell the engagement for the past 12 months. CM responded that a separate engagement annual report will also be produced. DS explained it was previously agreed to ensure the committee annual reports supported the annual governance statement. It would be beneficial to include this detail in the annual report.

The Committee noted the timetable for annual reporting.

4.5 **Financial Control and Governance Assessment Q3**

JS updated the Committee on the current position since the Q2 assessment. JS is anticipating that NHSE will request the Financial Control and Governance Assessment Q3. JS requested the Committee review the submission and ensure it fits with their wider understanding of OCCG. There will be an internal audit on the assessment to look into sources of assurance.

JS flagged items 8, 47, 55 and 67 on the assessment for review by the

Committee.

Item 8 - CCG can confirm they have a high confidence that the plan is achievable and the CCG has the capacity and capability to deliver it.
DS commented that the latest Q3 Finance Report demonstrates business rules will be achieved.

Item 55 - Audit Committee obtains direct evidence in key areas of concern where appropriate to reduce reliance on representations from senior management.

DS reported the Audit Committee is generally quite demanding of the management team for assurance and reports. The Audit Committee rarely accepts representations from senior management at meetings and the previous minutes of meetings should reflect this. RD commented that with the new Executive Committee in place there is a further opportunity for review via management before items come to the other committees.

Item 67 - The CCG GB fulfil a role of constructive, focused and relevant challenges with timely and robust monitoring and follow up of actions? This will include (but is not limited to) the reporting of the financial position of the CCG is a standing agenda item, there is sufficient time given to discuss finance, there is effective challenge, the whole of the GB takes collective responsibility for the finances and receive appropriate training.
DS felt that the Audit Committee is diligent in relation to action trackers at the committee and board meetings. It has been previously raised that more emphasis should be placed on benefits realisation than delivery across a range of proposals.

Item 47 - The CCG undertakes a Pro-active horizon scanning process with risks assessed in terms of likelihood and financial impact?

In relation to item 47, DS reported the CCG performs well in identifying risks. The minutes from the Board and Committee meetings will demonstrate that this is an area where we have good input and risks are escalated appropriately. RD reported we have a fair and open environment where issues can be raised.

JS thanked the committee for review and response of the assessment items.

The Committee noted and confirmed that the responses to the assessment items were an accurate reflection of their understanding of OCCG's current position.

The Committee referenced that the move to wider system partnership working would require changes to governance arrangements. The Committee would take an oversight role.

4.6 **Use of Single Tender Action Waiver**

RD commented on the low cost of the replacement of the existing telephony system supplied by South Communications Ltd.

4.7	<p>RD commented on the supplier Numed Holdings providing TV screens in each GP Practice in Oxfordshire. RD queried if there is an opportunity for the OCCG Communication team to send messages via the system. CM reported she will discuss this with the Communications Team.</p> <p>Action: CM to discuss with the Communications Team.</p> <p>The Committee noted the paper and had no further issues or queries.</p> <p>Finance Committee Minutes 22/11/18</p> <p>RD reported the minutes of the meeting had been agreed and went to the OCCG Board meeting. DS reported that OCCG are managing risks for the financial position and this was highlighted in the recent Board meeting. The contract with Oxford Health has been signed. Attention will be turned towards next year for financial planning.</p>	
5.0	Audit Matters	
5.1	<p>External Audit</p> <p>AB reported the audit report is fairly consistent with the previous year in relation to the risk of fraud in revenue expenditure recognition. The specific risk lies around non-routine judgement of accruals. There is another risk around misstatements due to fraud or error. There is also a risk of misstatements occurring in relation to the risk of fraud due to management override. Key areas of risk are around judgements, estimates and significant unusual transactions. AB reported Ernst & Young have not covered the party-specific element of management override, which is consistent with the auditing standards.</p> <p>AB reported there was a significant change from last year relating to materiality. Materiality has been set at 2% of the 2017/18 audited gross expenditure. This has changed from the previous year where 1% was applied. Since the plan had been previously circulated, the lowest threshold has dropped from £871k to £300k in line with the National Audit Office (NAO) Group Audit instructions for non-significant and non-sampled components. Other misstatements identified will be reported to the extent that they merit the attention of the Audit Committee.</p> <p>DS commented that the materiality threshold is out of line with the financial regime and use of control totals. JD reported a comparison across the auditing industry and within local government and health was carried out to understand what standard was being used, 2% is the standard. JD felt that this is bringing OCCG back in line with what is being used broadly across auditing within health. Materiality can be changed depending on what is being looked for and concern around significant risk areas.</p> <p>DS commented that the wider risks relating to potential changes around the level of Integrated Care Systems (ICSs) and Oxfordshire system working are not evident in the paper. There may be some gaps in</p>	

governance currently as OCCG moves towards alternative ways of working which have not come through in the paper. DS queried if this is a result of the scope being more limited than previously.

JD reported the National Audit Office (NAO) sets out a scope of work which sits within Ernst & Young's overview of the overall arrangements of the organisation before they begin the financial statements review. JD highlighted concerns around the governance arrangements in terms of how they will affect OCCG internal control systems, which will impact on appropriate and accurate reporting. The NAO scope for Value For Money (VFM) arrangements are what is within OCCGs control the year.

There are a number of areas Ernst & Young would look into such as; financial sustainability, ways of working with partner organisations and how informed decisions are made. Ernst & Young have not identified concerns within those arrangements to date and so a significant risk has not been identified. The paper scopes out the broader system-wide governance challenges and risks. JD explained they are cautious of creating an expectation gap by talking about broader system risks when they are not arriving at a conclusion on those within the scope of the work.

JD reported the NAO Code of Audit Practice is out for consultation over the next summer period. The code will be revised for 2020, however it is uncertain how this will change the scope of work. DS commented in relation to users of public sector accounts, more needs to be covered around use of resources and VFM statements.

DS queried if the Audit Committee should ask the Board what further assurance is required around use of resources and VFM to demonstrate the effectiveness of commissioning. RD added this should be included in the CCG annual report. OCCG is moving toward system working and requiring auditors to take an overview in terms of wider system issues.

The Committee confirmed their understanding of the agreement for materiality and agreement levels.

DS fed back that the supplementary paper is useful for horizon scanning. There is a duty of the Audit Committee to ensure items are escalated if they are identified as to be looked at more closely.

DS reported Continuing Health Care (CHC) and Funded Nursing Care (FNC) had been discussed within the Finance Committee in terms of financial impact for next year and it would be useful to have an update. DS recommended a further report with more of a focus on benefits realisation to be scheduled into the work plan for a future meeting.

Action: WJ to add to work plan.

DS queried how we could be assured that the planned benefits were realised from the extra funding made available for winter pressures. CM

fed back it is reported into the Accident and Emergency Delivery Board (AEDB) but may not be reported elsewhere.

DS recommended adding 'Healthcare Technology' to a future Audit Committee around October 2019.

Action: WJ to add to work plan

The Committee thanked AB and JD for the paper.

5.2 **Internal Audit**

LD presented the In Year Progress Report. Since the last Audit Committee the majority of work has been completed for the year. LD has received responses to all outstanding actions. LD confirmed to the Audit Committee that they all have been implemented with the exception of the action relating to the savings plan delivery. This is due to be implemented at a business meeting on the 4 March.

DS queried if the Clinical Leadership Assignment (CLA) is being driven by the chair in terms of scope. CM fed back GK is facilitating the approval of the scope.

DS reported there are discussions around moving towards new system working, and queried if it was ensured that clinical leadership is being built into the new structures. MC reported there has been recent discussion in locality meetings and they are expecting to have firm plans within the next 2 months.

LD presented a draft internal audit plan for 2019/20 for Committee member's information. This is the first draft following discussions with the OCCG Executive Team. Once the plan is approved RSM UK will meet with OCCG Executive Leads and discuss the details of the reviews including scope and timing in greater detail. JS reported GK has agreed to the proposed internal audit plans at this point in time. CM confirmed the Executive Team would recommend the draft internal audit plan.

DS commented that the System Governance scope may benefit from linking up with other auditors in the system. It would benefit from taking place later in the year to add more value.

DS reported it would be interesting and useful if the report on medicines management focused on what the situation would be if all practices were in the top quartile of performance under the Prescribing Incentive Scheme (PIS). It has been raised in separate discussions as to whether the PIS is pitched correctly to incentivise all practices. It would be useful if the audit identified what the optimum might be in terms of a return.

DS queried if there is a wider piece of work to be done to provide assurance around the major risk in terms of workforce in relation to the recruitment retention audit. CM explained if it was proposed for the audit to

include the wider workforce, she would not recommend this to the committee as the CCG would not have the capacity to be responsible for it.

The Committee agreed the current draft of the internal audit plan.

5.3 **Counter Fraud Progress Report and Workplan**

ES presented the in-year progress report to the Committee for discussion and comments.

ES reported NHS Counter Fraud Authority have released their new standards and highlighted key changes. The NHS Counter Fraud Authority are now seeking engagement from audit committee chairs as well as directors of finance in terms of seeking benchmarking for reactive cases. A new standard is that risks presented in the Board risk register are to be assessed and monitored utilising the CCG's own risk policies. The risks will be adopted as CCG risks rather than the Local Counter Fraud Specialists (LCFSs) updating regularly. A meeting will take place after the Audit Committee to discuss this further.

ES reported RSM UK are actively working with the NHS Counter Fraud Specialist Team to discuss any resulting allegations that may fall over NHSE or OCCG following a referral received. Updates will be provided to the Committee as appropriate.

RSM UK are on track to deliver the work plan by the end of March.

RD queried a point in one of the papers reporting the number of fraud referrals for OCCG is above average when compared to referrals across other clients of RSM. ES commented this could be viewed as positive as staff are demonstrating fraud awareness and are aware of methods of reporting. When these referrals were reviewed there was nothing to merit any further criminal investigation. The majority of referrals received for OCCG have been internal referrals through members of staff.

The Committee thanked ES for her paper.

ES presented the RSM UK annual work plan for approval. This has been aligned to the NHS Counter Fraud Authority standards for commissioners. The work plan details what the standards are and then what the activity is to address each standard. The resource has not changed from the previous year of 32 days. If a case is referred, RSM UK will liaise with GK to explain in further detail and to decide if they should progress with further enquiries. Although the plan has been based on the risk assessment delivered at the last Audit Committee in October 2018, it changes to the risk profile arising during the year. The plan can be flexed to suit the requirements of the Committee.

The Committee approved the RSM UK work plan for 2019-20.

6.0	General Audit Matters	
6.1	<p>Audit Committee Workplan</p> <p>RD summarised there are a number of items discussed within this meeting to be brought into the current work plan. The next meeting in April is to be focused on the annual accounts and report. The following meeting is on the 20 June 2019.</p> <p>DS commented there should be some reliance placed on the other committee's to ensure risk registers kept are up to date between now and the end of the year as part of the signing off of accounts. CM reported an updated version of the risk register will come to the March Board meeting to feature in the annual report.</p> <p>CM will send Committee members the Audit Committee Self-Assessment Checklist to be completed by the end of February.</p> <p>Action: CM</p>	
7.0	<p>Any Other Business</p> <p>RD commented that some of the papers used in this meeting have not been submitted with front sheets. The front sheets are required to inform Committee members of materiality and decisions requires and without the front sheets it is difficult to be clear on what is being presented. WJ will ensure all authors provide a front sheet where possible.</p>	
	Next meeting: 18 April 2019.	