

Meeting: Oxfordshire CCG Board

Date of Meeting	26 November 2020
Title of Paper	Audit Committee minutes 15 October 2020
Lead Director	Gareth Kenworthy, Director of Finance
Author(s)	Roger Dickinson, Lay Vice Chair, Chair of the Audit Committee
Paper Type	For information
Action Required	The Committee Members are asked to discuss and note the contents of the report.

Executive Summary

This summary is intended to provide Board Members with an understanding of the Minutes of the Audit Committee Meeting and to invite comment.

Updates on the OCCG Risk Register

Workforce data would be provided in order to update workforce risks (AF28).

In relation to risk item AF 30, updated timescales for OCC and OH information to be included in the shared record once the programme plan has been refreshed.

In relation to risk item AF35, an update to the definition of the risk would be considered at the next Directors Risk Review to reflect the work around inequalities, to include the risk that vulnerable people may be disadvantaged by the pandemic and this may result in a higher demand for rehabilitation and mental health services.

A paper in relation to alignment of the BOB ICS risk registers and risk management process compared the current processes for each organisation with recommendations to make simple alignment changes until the BOB Audit Committees meet in common to agree further substantial changes to the risk management process.

Information Governance Report

The Information Governance Annual Report and an update on the current information governance arrangements was presented. OCCG has been working closely with Buckinghamshire CCG on a joint steering group which would report annually to the OCCG Audit Committee.

The OUH Data Security Protection (DSP) Toolkit was flagged as 'Standards not fully met', mainly relating to data quality and cyber security issues at OUH. OCCG outsources IT support to the CSU, who in turn outsource to OUH. If OUH do not meet the required standards it

impacts on the CCG. OCCG is seeking to address this via OUH action plans and migration of the IT support services to CSU.

Grant Thornton Mental Health Investment Standard (MHIS) Audit

A proposal was accepted to waive the normal procurement processes in procuring an auditor to undertake the MHIS audit. This arose because of a requirement to act quickly and put arrangements in place to undertake the Mental Health Investment Standard (MHIS) Audit as requested by NHS England by January 2021. In the previous financial year Grant Thornton LLP carried out the audit and are familiar with the systems and processes having undertaken this task previously. The final terms and the fees agreed would come back to the Committee as a single tender waiver.

Management are asked to take on market testing for future MHIS audits, on the assumption that the audit will be made an ongoing annual requirement by NHSE.

In Year Progress Report – RSM UK Counter Fraud

RSM Counter Fraud reported that since the 1st April 2020 there have been 4 new referrals to the Local Counter Fraud Specialists (LCFS). All referrals were deemed to be low risk and are unlikely to result in any cost or loss to OCCG. Further details of the referrals can be found in the full report.

An issue around NHS-wide compromised NHS mail accounts, was mostly through phishing scams using e-mails appearing to be from a colleague.

In terms of workforce risk, RSM UK are reviewing the recruitment pathway and controls operated by OCCG and the service providers. There are an increasing number of referrals around robustness of qualification checks. An audit of pre-employment checks will come to the Audit Committee in February 2021.

In Year Progress Report, Service Auditor Reports Summary and Healthcare Benchmarking Report – RSM UK Internal Audit

RSM found that overall OCCG have a well-controlled framework for managing contracts, including implementation of key forums to monitor contract performance and the use of the standard NHS contracts. RSM identified areas of control weakness which have resulted in one medium and three low management actions being agreed.

OCCG has robust processes in place around policies which ensure its completion and governance. Sample testing demonstrated compliance with areas such as data security and protection policies, cataloguing and controlling the flow of personal information, and reporting of breaches and near misses.

Annual Audit Letter and Approval of Fees – Ernst & Young External Audit

The Letter presented an overall positive picture for OCCG with unqualified opinions across all major areas. The additional fees payable to EY for work undertaken as part of the Covid-19 response was approved.

Joint Commissioning Executive Governance Arrangements Project Plan

OCCG is currently in the process of a staff consultation around bringing OCCG and Oxfordshire County Councils (OCC) staff structure together in relation to commissioning. Discussions are taking place around how the governance of Section 75 agreements will move away from the current joint management and towards sitting with OCC with clinician involvement in the process.

MINUTES:

OXFORDSHIRE CLINICAL COMMISSIONING GROUP AUDIT COMMITTEE

15 October 2020

Held via MS Teams

Present:	Roger Dickinson (RD), Lay Vice Chair	Duncan Smith (DS), Lay Member for Finance
	Gareth Kenworthy (GK), Director of Finance	Catherine Mountford (CM), Director of Governance
	Jenny Simpson (JS), Deputy Director of Finance	Diane Hedges (DH), Deputy Chief Executive and Chief Operating Officer (Item 15)
In attendance:	Adrian Balmer (AB), Manager, Ernst & Young	
	Liz Wright (LW), Internal Audit (RSM UK)	Suzanne Rowlett (SR), Internal Audit (RSM UK)
	Tim Merrit (TM), Internal Audit (RSM UK)	
	Elizabeth Saunders (ES), Oxfordshire County Council	
Apologies	Janet Dawson (JD), Executive Director, Ernst & Young	

		Action
1.	Declarations of Interest / Quorum The meeting was declared quorate and no declarations of interest were made.	
Minutes and Matters Arising		
2.	Matters Arising and Action Tracker The action tracker was read and updated. See action tracker for full list of updates.	
3.	Minutes of the Meeting held on 18th June 2020 The minutes were electronically approved in between meetings as an accurate record of discussions that took place.	
Governance and Risk		
4.	Minutes of Quality Meetings The Committee discussed the requirement for additional detail in the Quality Committee minutes to provide assurance to the Audit Committee and OCCG Board meeting that work is progressing. DS suggested reviewing the public Quality Committee minutes from other	

<p>CCG's within the Buckinghamshire, Oxfordshire and Berkshire Integrated Care System (BOB ICS) to amalgamate best practices for capturing discussions and decisions.</p> <p>TM fed back that in other Committee meetings he has attended that there is a round-up section at the end of the meeting to capture items to be discussed at other Committee meetings.</p> <p>Action: RD suggested WJ to add a section at the end of Audit Committee agenda for items to be escalated or discussed at other OCCG Committee meetings.</p> <p>CM reported that the Quality Committee met on 13 October and discussions included topics such as; re-opening services for referrals, issues with capacity in specialty services, preparation for the flu season and ways of working in GP practices.</p> <p>RD queried how OCCG staff were being offered this years' flu vaccination. CM explained staff have been offered the opportunity to receive their vaccination at their pharmacist and then to claim back via the expenses system. Oxford Health normally set up a clinic in Jubilee House, however this has not been possible due to most staff working from home currently.</p> <p>CM reported that a care homes report was produced by Rosalind Pearce, Executive Director for HealthWatch Oxfordshire, which surveyed care homes in the initial early days of the Oxfordshire Covid-19 response. The report highlighted concerns from care homes around difficulties in sourcing supplies of Personal Protective Equipment (PPE). The report also includes positive feedback from care homes on the support of the wider system, including OCCG input around infection prevention training. A discussion followed at the OCCG Quality Committee to see if further learning could be gleaned from the report in terms of the issues it highlighted.</p> <p>CM reported on a discussion that took place around the joint work between OCCG and the local authorities and the ongoing work to support care homes in preparation for a potential second wave in the Covid-19 pandemic. Safeguarding has been identified as a key issue in the pandemic response and it was discussed how best to include reporting for inequalities in the normal reporting.</p> <p>DS suggested that an OCCG Board workshop could be set up around the HealthWatch review and survey of care homes to provide assurance and learning opportunities.</p> <p>The Committee noted the contents of the Quality Committee minutes.</p>	<p>(20.36) WJ</p>
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5.	<p>Minutes of Executive Committee Meetings</p> <p>Action: RD asked that papers circulated to the Executive Committee members are to be sent to RD, DS and Louise Wallace as Lay Members at the same time. WJ to speak to Ros Kenrick to request this action.</p> <p>DS queried what the level of risk was in terms of the delay in changes to corporate IT support. GK fed back the situation is being monitored with appropriate project management, with a risk log and action tracker in place.</p> <p>The Committee noted the papers.</p>	(20.37) WJ
6.	<p>Updates on the OCCG Risk Register</p> <p>DS commented in relation to Risk AF28 that an update on workforce data should be provided to OCCG Board members from the programme board covering workforce risks. DS requested the actions for this risk are updated once the Board members have received an update on the workforce data.</p> <p>Action: DS requested for CM to relay the need for an update on workforce data to provide assurance around gaps in controls and actions for risk AF28.</p> <p>Action: Risk owner to update the actions for risk item AF28 once a report has been sent to Board members on the workforce data.</p> <p>In relation to risk item AF 30, DS queried if a timescale has been confirmed for Oxford Health (OH) and Oxfordshire County Council (OCC) data to be included in the shared record. GK reported that the programme plan is being refreshed and timescales will be updated in 1-2 weeks.</p> <p>Action: In relation to risk item AF 30, GK to update timescales for OCC and OH information to be included in the shared record once the programme plan has been refreshed.</p> <p>In relation to risk item AF35, DS requested an update to the definition of the risk to reflect the work around inequalities, to include the risk that vulnerable people may be disadvantaged by the Covid-19 pandemic and this may result in a higher demand for rehabilitation and mental health services. RD commented he did not feel sufficient assurance is provided that progress is being made and actions are taking place. RD and DS queried if James Kent, Accountable Officer and Executive ICS Lead, should become owner of risk item AF35.</p> <p>Action: CM to take the comments for risk item AF35 from this meeting to the Directors Risk Review meeting on the 4th November.</p> <p>In relation to risk item AF33, CM reported that the actions have been</p>	(20.38) CM (20.39) CM (20.40) GK (20.41) CM

	<p>delayed due to ongoing discussions around the timescales for alignment into a single management team.</p> <p>CM presented an additional paper for this item in relation to alignment of the BOB ICS risk registers and risk management process. The paper compares the current processes for each organisation with recommendations to make simple alignment changes until the BOB Audit Committees meet in common to agree further substantial changes to the risk management process.</p> <p>Action: Liz Wright offered to share a paper around provider Trusts benchmarking on assurance framework and the importance of the framework as a driving document.</p> <p>Action: RD to raise with Lynn Casey-Sturt options for Audit Committee Chairs to meet and progress the work around the alignment of the BOB ICS risk processes.</p>	<p>(20.42) LW</p> <p>(20.43) RD</p>
7.	<p>Information Governance Report</p> <p>CM presented the Information Governance Annual Report and an update on the current information governance arrangements. CM explained OCCG has been working closely with Buckinghamshire CCG in a joint steering group which reports to the OCCG Audit Committee by way of an annual report.</p> <p>Action: CM agreed to review the Terms of Reference (ToR) for the Oxfordshire and Buckinghamshire Joint Steering Group and confirm that it states it should report to the Audit Committee in an annual report.</p> <p>RD queried that the published status for Oxford University Hospitals NHS Foundation Trust (OUH NHS FT) Data Security Protection (DSP) Toolkit was flagged as 'Standards not fully met'. GK reported the reasons for this are mainly related to data quality and cyber security issues at OUH. GK explained that OCCG outsources IT support to the Commissioning Support Unit (CSU), who in turn outsource to OUH. If OUH do not meet the required standards it impacts on the CCG. OCCG is seeking to address this via OUH action plans and migration of the IT support services to CSU.</p> <p>The Committee noted the papers for this item.</p>	<p>(20.44) CM</p>
Financial Matters		
8.	<p>Use of Single Action Tender Waiver (STW)</p> <p>GK presented the paper for this item and explained that the STWs included on this form are from between February - September 2020.</p> <p>RD queried why the Valuation Office Agency was submitted as a STW given that it is an annual payment. GK explained it is possible to test if a request can be put in place to treat these annual payments differently.</p> <p>DS queried the outcome of the consultancy with The Consultation</p>	

	<p>Institute (TCI). CM reported that this is a membership subscription and that TCI are an organisation that specialises in understanding consultation across a range of sectors. It was agreed that it was appropriate for OCCG be a member as they can provide training and support, including providing assurance and checking processes for consultations.</p> <p>Action: DS queried how the Committee can be assured of the quality of the work that Fletcher Networks is undertaking. GK offered to check with CSU and OUH colleagues.</p>	(20.45) GK
9.	<p>Minutes of the Finance Committee No comments or issues were raised in relation to the Finance Committee minutes.</p> <p>In relation to the business cases for Primary Care developments, DS reported the changing environment is resulting in services being provided in different ways, with increasing questions around the requirement for new builds and premises. DS highlighted a risk in over-providing new premises when the money could be spent on frontline services instead. The Finance Committee are exploring how far it is possible to reduce the volume of new building taking place. The Committee look forward to the provision of further national guidance in this area.</p>	
Audit Matters		
10.	<p>Matrix of NHS Oversight Framework Metrics CM presented the paper for this item and explained the document is still a work in progress. The metrics presented in the paper have been taken from the annually published Integrated Assessment Framework.</p> <p>RD thanked CM for the paper and commented that it will be useful to refer to when considering committee meetings in common. This is a good first iteration that will be expanded upon in the future.</p> <p>DS suggested for the inclusion of an additional Yes/No column in the paper titled 'Reported to Board'. DS also suggested the inclusion of another column titled 'Lead Committee' to identify where oversight sits for items that are reported in more than one Committee meeting. DS suggested including a final Yes/No column titled 'Are reviews happening in Committees?'.</p> <p>Action: CM/Lesley Corfield to update the Matrix of NHS Oversight Framework Metrics document with the suggestions made by DS in the Audit Committee meeting.</p> <p>The Committee noted the paper for this item.</p>	(20.46) CM
11.	<p>Grant Thornton Mental Health Investment Standard (MHIS) Audit GK presented a paper with a proposal to waive the normal procurement processes in procuring an auditor to undertake the MHIS audit, the</p>	

	<p>paper is presented in advance of the completed STWs. The reason for this is a requirement to act quickly and put arrangements in place to undertake the Mental Health Investment Standard (MHIS) Audit as requested by NHS England by January 2021. In the previous financial year Grant Thornton LLP carried out the audit and GK proposed to approach them to carry out the audit this year also. Grant Thornton are familiar with the systems and processes having undertaken this task previously.</p> <p>The Committee agreed the proposal to proceed with approaching Grant Thornton to carry out the MHIS audit and approve the associated fees with this exercise. GK reported that this item will come back at the Audit Committee as a STW. GK reported that management will be asked to take on market testing for future MHIS audits, on the assumption that the audit will be made an ongoing annual requirement by NHSE.</p>	
12.	<p>In Year Progress Report – RSM UK Counter Fraud</p> <p>TM presented the progress report for RSM UK counter fraud and provided a summary of the work undertaken in the reporting period as set out in the paper.</p> <p>TM reported that since the 1st April 2020 there have been 4 new referrals to the Local Counter Fraud Specialists (LCFS). All referrals were deemed to be low risk and are unlikely to result in any cost or loss to OCCG. Further details of the referrals can be found in the full report.</p> <p>TM reported that November is Fraud Awareness Month and RSM UK are in contact with GK and JS around training opportunities.</p> <p>In relation to fraud referral item reference CF/002624/18, DS requested to know the outcome of the report, given the previous discussions around a dispensing pharmacy splitting prescriptions to gain multiple dispensing fees.</p> <p>Action: RSM UK to provide an update on the outcome of the report into investigation case reference CF/002624/18</p> <p>In relation to the issue around compromised NHS mail accounts, DS queried if there has been any progress to identify how the accounts are compromised. TM explained this is mostly achieved through phishing scams using e-mails appearing to be from a colleague. RSM UK advises users to not open any unexpected or suspicious e-mails.</p> <p>In terms of workforce risk, TM reported RSM UK are reviewing the recruitment pathway and controls operated by OCCG and the service providers. TM reported there are an increasing number of referrals around robustness of qualification checks. An audit of pre-employment checks will come to the Audit Committee in February 2021.</p> <p>Action: WJ to add 'RSM UK Pre-employment Checks Audit' to the agenda for the Audit Committee meeting in February 2021.</p>	<p>(20.47) RSM UK</p> <p>(20.48) WJ</p>

	<p>The Committee noted the report for this item.</p>	
<p>13.</p>	<p>In Year Progress Report, Service Auditor Reports Summary and Healthcare Benchmarking Report – RSM UK Internal Audit LW presented the progress report for the internal audit plan and summarised the work to date as set out in the paper.</p> <p>The Commissioning and Contract Management assignment received an opinion of reasonable assurance. RSM found that overall OCCG have a well-controlled framework for managing contracts, including implementation of key forums to monitor contract performance and the use of the standard NHS contracts applied.</p> <p>RSM UK have identified areas of control weakness which have resulted in one medium and three low management actions being agreed. These are in relation to the CCG’s Contract Management Framework and Terms of References, which define the roles and responsibilities of key forums in respect of contract management, require reviewing and updating to reflect current practices. In addition, Contract Registers are not being kept up date to reflect current contract values and end dates, therefore future planning of procurement activities and managing contracts cannot be evidenced.</p> <p>In relation to the DSP Toolkit assignment, RSM have concluded that OCCG has robust processes in place around policies which ensure its completion and governance. As part of RSM UK’s sample testing of completed DSP Toolkit assertions, we noted that evidence was in place to demonstrate compliance with areas such as data security and protection policies, cataloguing and controlling the flow of personal information, and reporting of breaches and near misses. A minor issue was identified regarding the public access to data security and protection policies as not all of these were available on the CCG’s website, which resulted in one low management action required.</p> <p>LW reported that OCCG continue to make good progress in relation to the outstanding management actions. The actions are currently delayed due to the Covid-19 pandemic and the upcoming joint management arrangements. LW did not identify any concerns around the CCG position in the report. RSM UK will continue to work the OCCG with a pragmatic approach to ensure priority areas are covered off.</p> <p>LW presented a summary report of Service Auditor Reports for 2019-20. NHS Clinical Commissioning Groups have outsourced services provided by a number of organisations, which are independently audited to provide assurance. Service Auditor Reports are produced for each service provider with exceptions highlighted that require addressing. RSM UK has produced a controls catalogue amalgamating the findings from a number of service auditor reports completed in 2019/20. The paper for this item summarises the areas covered within the reports, of the exceptions raised and the differences between the</p>	

	<p>service auditor reports within the 2019/20 NHS financial year. DS suggested that the capital issues around GP payments should be revisited post-lockdown. LW reported it will likely be included in the core testing for this year's programme.</p> <p>TM noted delays in payment from the Indian element of NHS Shared Business Services (SBS). DS queried in terms of incorporating European data requirements, data transmitted to India may be considered a breach of the data security requirements.</p> <p>LW presented the 2019-20 Healthcare Benchmarking Report to compare progress against the previous year's results and across the healthcare client base. The report shows good progress between 2018/19 and 2019/20, with a reduction from 42.9% down to 0% of reviews receiving a partial assurance opinion and an increase from 57.1% up to 83.3% of reviews receiving a reasonable assurance opinion.</p> <p>The Committee thanked RSM UK for the papers for this item.</p>	
14.	<p>Annual Audit Letter and Approval of Additional Fees – Ernst & Young External Audit</p> <p>AB explained the paper for this item would normally be presented in the June Audit Committee, however delays due to Covid-19 meant it is for presentation and approval at this meeting. The executive summary presents an overall positive picture for OCCG with unqualified opinions across all major areas.</p> <p>AB and GK thanked JS for her work with the external auditors and efforts to work around national delays. GK thanked Ernst & Young as external auditors in their efforts working together with OCCG.</p> <p>The Committee approved the report for this item and the additional fees payable for work taken as part of the Covid-19 response.</p>	
General Audit Matters		
15.	<p>Joint Commissioning Executive Governance Arrangements Project Plan</p> <p>DH explained OCCG is currently in the process of a staff consultation around bringing OCCG and Oxfordshire County Councils (OCC) staff structure together in relation to commissioning. Discussions are taking place around how the governance of Section 75 agreements will move away from the current joint management and towards sitting with OCC with clinician involvement in the process.</p> <p>CM asked Committee members to reflect on the need for clarity on what governance arrangements should remain and the Audit Committee requirements in terms of assurance received as a CCG for the governing body.</p> <p>DS commented that work had been completed led by Julia Boyce,</p>	

Assistant Director of Finance around the quarterly performance report (presented to the Finance Committee). The report provides finance and activity data in one place and helps to provide more assurance than previously.

DS flagged increasing concerns around reporting for mental health services, despite the areas covered in the Integrated Performance Report (IPR).

DH queried how to ensure that governance enables the best ways to resolve the challenges around mental health services and resources. OCC may have different views on how to solve this conundrum and this will be a good test case in establishing governance and opportunities between OCCG and OCC.

CM requested for Committee input into managing and supporting what may be deemed as poor performance on the side of providers. There may be a difference in approach (from partnership working on an improvement plan to serving notice and going out to procurement) by OCCG and OCC and governance needs to be set up to manage the differing views of the organisations on approach to contracts.

DS fed back that it provides good assurance that the governance arrangements are being co-produced by OCCG and OCC. DS asked to ensure that the main providers will be engaged in these plans to ensure a perspective from service users is included.

GK commented it may be helpful to break down the elements of governance. In terms of financial governance it is important to understand if the new arrangements will result in a change to pooled budget arrangements.

ES, Commissioning Consultant for OCC joined the meeting.

ES fed back that the number of joint posts will be increased significantly. Part of the exercise is to review and enhance joint executive governance arrangements with a view to go live in February 2021. OCC are asking what should be put in place to offer the assurances needed to keep strong accountability across the system.

ES explained that the views of the OCCG Audit Committee members are sought so that, if it is decided to move collectively towards a joint commissioning executive as a pilot form, what should be put in place and what work needs to be carried out to ensure there is right level of accountability and governance.

DH reported it is a priority to establish a workplan and identify the key areas to be resolved as a priority in agreement with OCC. DH commented that mental health is likely to be a large area of shared priority, and testing of the governance model will likely highlight challenging areas.

	<p>ES reported that the agenda for the next Director leads Group on the 16th October has been put on hold and the topic of the workplan can be discussed within the workshop session. Further detail can be provided to the Audit Committee members around the issues of governance for mental health at a later date.</p> <p>GK reiterated that this piece of work relates to responsibilities and whether or not to delegate, and what implications that will have where accountability and risk will sit.</p> <p>The Committee noted the discussions and are supporting of DH and ES to progress the work around establishing a workplan.</p>	
16.	<p>Workplan The workplan was reviewed and agreed.</p>	
17.	<p>Any Other Business The Committee members confirmed their intention of extending the contracts for RSM UK as Internal Auditors and Ernst & Young LLP as External auditors for one year until 2022.</p>	
18.	<p>Date of next meeting: 18th February 2021</p>	