

Audit Committee Report

Agenda item 19 Paper 15	
Author:	Justin Dix Governing Body Secretary
Executive Lead:	Matthew Knight, Chief Operating Officer
Relevant Committees or forums that have already reviewed this paper:	None
Action required:	To note
Attached:	Please describe any attached papers
CCG Strategic objectives relevant to this paper:	Core business: relevant to all / most objectives
Risk	The committee takes an overview of risk management arrangements as part of its responsibilities for internal controls.
Compliance observations:	Finance: The committee oversees financial governance and the Annual Report and Accounts process.
	Engagement : No specific issues
	Quality impact: No specific issues
	Equality impact: None required
	Privacy impact: None required
	Legal: The 2012 Health Act requires CCGs to have a properly constituted Audit Committee

EXECUTIVE SUMMARY

The audit committee met on the 26th February and have highlighted the following areas for the Governing Body's specific attention:

- This year's annual reporting and accounts process requires the internal auditors to give a draft opinion to NHS England at the end of February on the CCG's system of internal controls. TIAA shared their opinion which was "reasonable assurance" and the auditors said they felt the CCG was in a strong position in terms of year end assurance.
- The Better Care Fund Audit was considered satisfactory but the committee expressed concern that there was a lack of clarity about the benefits to the CCG's population of the contribution it was making. There was a lack of tangible performance information and this was felt to be something that needed to be developed during 2016/17.
- Following agreement at the February Governing Body as to the composition of the Audit Panel for reprourement of External Audit, it was reported that the Surrey CCGs have agreed in principle to work on this with Mike Brooks (Audit Committee Chair at Guildford and Waverley CCG) chairing a joint approach. The next steps are to clarify governance arrangements and establish timescales and meetings for the reprourement.
- There was a further discussion on hospitality and gifts and conflict of interest. It was noted that there was a need for a further iteration of the policies in this area and in particular a clearer picture of the expectations on staff regarding their outside interests and reporting arrangements.

The Audit Committee's role in signing off the Annual Report and Accounts is the subject of a separate paper (see agenda item 16).

A copy of the final Audit Committee minutes from the 26th February will be available at the May Governing Body meeting.

Date of paper

11th March 2016

For further information contact:

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