

**Chair's Report: Audit Committee**

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| Date of Meeting | 8 December 2015 |
| Chair           | Sheenagh Powell |

**Areas of note from the Committee Discussion**

The Audit Committee(AC) met on 8 December 2015

- At this meeting the AC considered the results of a survey on the effectiveness of the CCG's external auditors. There were a very small number of areas for improvement and Mazars have been asked to respond on these. The AC will consider the effectiveness of the AC itself as well as the effectiveness of internal audit and counter fraud services at their next meeting.
- In response to concern with regard to the financial position of the CCG, the AC asked internal audit to carry out an urgent audit on the financial processes and forecasting of the PCU
- The AC considered the updated Procurement Policy and advised amendments were required before approval by the Governing Body.
- AC approved the updated Detailed Financial Policies subject to minor amendments.
- AC considered the updated action tracker from the Financial Control Environment Assessment. This is now a standing item on the AC agenda.
- By December 2016 the CCG will need to have procured External Audit services to provide assurance from 2017/18 financial year and beyond. Up to now External Auditors have been appointed by the Audit Commission. The CCG will need to set up an audit panel which will be brought to the Governing Body for approval in the near future. The CCG is working in collaboration with other North Yorkshire CCGs on this procurement.
- Revised structure of the Finance and Contracting Team Risk Register and implementation on Covalent to be presented to the January Quality and Finance Committee

**Areas of escalation**

The Audit Committee would like to highlight to the Governing Body the following:

- Consideration is to be given to the possible need to delegate powers from the Governing Body to the Audit Committee to approve the year end accounts and reports.

**Urgent Decisions Required/ Changes to the Forward Plan**

None.