

# Minutes of NHSCFA Board meeting FCG-BOA-MIN

Meeting – 04.03.20

Version: FINAL Approved at Board 29.4.20

## Finance and Corporate Governance



## Document control

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## Version/change control

Version	Name	Date	Comment
0.1 Draft	FCG	05.03.20	
0.2 Draft	FCG	09.03.20	Comments /amendment incorporated
0.3 Draft	FCG	31.3.20	Minor amendment 6.1-approved by TT
Final	FCG	29.4.20	Further amendment to 6.1 Approved by Board 29.4.20

## OFFICIAL

**Meeting date:** 04.03.20

**Meeting time/venue:** 09:00-12:00 Citygate Newcastle

**Meeting title:** NHSCFA Board Meeting

### **Members:**

(TT) Tom Taylor (Chairperson NHSCFA)  
(CS) Professor Carl Stychin (Non Executive Director)  
(MS) Martin Spencer (Non Executive Director)  
(JS) Jayne Scott (Non Executive Director)  
(RM) Rachel Monaghan (Director of Performance & Improvement NHSCFA)  
(SF) Susan Frith (Chief Executive, NHSCFA)  
(MJB) Matthew Jordan-Boyd (Director of Finance & Corporate Governance)

### **Attendees:**

(PG) Paul Golightly (Deputy Director, DHSC AFU)  
(RR) Richard Rippin (Head of Operations) dialling in to present paper 2  
(AS) Ann Sturgess (Corporate Governance Manager and Board Secretary, NHSCFA)  
(KK) Kiranjeet Kaur (Governance & Assurance Assistant) Minute taker

### **Observers:**

Ceri Shorton (CS) - Staff Engagement Group Observer

### **Apologies received:**

None.

## **General**

### **1 Welcome**

1.1 TT welcomed all to the NHSCFA Board meeting and introduced CS as the SEG observer.

### **2 Apologies**

2.1 No apologies received.

### **3 Declarations of interest**

3.1 No new declarations of interest were made.

### **4 Minutes from 29.1.20**

- 4.1 The Board agreed the previous minutes from both the public meeting and Board meeting on the 29<sup>th</sup> January 2020 as a true record.

## **5 Action log**

- 5.1 The Board reviewed the action log and updated it accordingly. All action points were closed except for AP75 and AP79, which are to be left open and carried over for further discussion.

## **6 General update from the Chair**

- 6.1 TT gave a verbal update to the Board, including details of the accountability meetings he and SF attended with the DHSC each quarter. He confirmed these meetings are two-way discussions to allow growth and discuss the direction of the CFA, covering issues including the business plan, finances and the request for future funding. PG is also present at the meetings on behalf of the Department. It was noted the current finance director the DHSC financial director has moved to a new post within the Department and our Minister has on from the department. Replacements for these positions are currently being sought.
- 6.2 TT praised the success of the staff conference and gave thanks to all who organised and participated in the two-day event.
- 6.3 TT discussed meetings he had regarding a new talent programme for all government directors. A booklet setting this out will be made published on 29.04.20.
- 6.4 TT noted that SF and all NEDS would be having their appraisals by TT and his appraisal is with the DHSC.
- 6.5 TT informed all on the financial position of the public sector. He explained the spending review requirements (SR/19) from last year were delayed due to external factors including Brexit and the election. Last year's SR/19 will be carried forward this year. The Prime Minister is also asking all departments to reduce spending by 5% and identify 10 capital projects that can be cut across government departments.

## **7 General Update from the NEDS**

- 7.1 JS reflected on the staff conference and commented on the positive tone and the focus on the various areas of business, which showed an honest reflection of the NHSCFA and its challenges. JS added she had witnessed an increase in serious conversations concerning fraud and its impact in many different organisations which reflects the import role NHSCFA has to play in this landscape.
- 7.2 CS gave his thanks to all who worked hard to make the conference a success and stated he enjoyed the of level engagement with and by all staff, which he saw was a positive change from the previous year.

- 7.3 CS highlighted that he and SF have now shortlisted 6 candidates for the performance role and interviews were scheduled for the 16.03.20.
- 7.4 CS reminded all he had been invited to The Cambridge International Symposium on Economic Crime in September to discuss fraud in the public sector and that this would be an opportunity to network and build links. SF and PG have been invited to join his panel for discussion.
- 7.5 CS informed all he had been invited by Cabinet Office to act as a role model for public appointments and is grateful for the opportunity and believes it can raise the profile of the NHSCFA.
- 7.6 MS echoed the praise around the staff conference and confirmed he found the breakout sessions worked very well creating good conversations.
- 7.7 MS confirmed he and SF had discussions with the serious fraud office around sharing or creating joint practices and approaches to fraud.

## Reports

### 8 Strategy / business plan verbal update

- 8.1 RM discussed the 2<sup>nd</sup> round of Board feedback received and confirmed both the three year strategy and business plan require further refining and streamlining. Thought will also be given to an additional matrix to add clarity on measurements to demonstrate success. In addition there will now be a focus on ensuring the division plans align.
- 8.2 TT explained how the accountability meetings with the DHSC need to be presented with strong evidence of the work and outcomes achieved by the NHSCFA, so having a strong performance function is key.
- 8.3 JS discussed the importance of having the ability to measure what the CFA has said we will deliver and have this aligned with the Key Performance Indicators of the organisation as well as division targets and areas to drive the business.

### 9 Finance report – (paper 1)

- 9.1 MJB gave a verbal update on the finance report. MJB stated he is still projecting a break-even position by year end, with focus being to balance finances in the last month to ensure this. The capital programme has had further setbacks due to procurement issues relating to external factors impacting on the supply of IT systems, including Coronavirus. Options for alternative suppliers are being sought.
- 9.2 MJB continued with an update regarding the accounts, stating progress was going well. The NAO have pushed back the interim audit to the last week of March.

- 9.3 MJB discussed the initial round of budget setting, and the zero base budget set due to current financial issues. He confirmed the draft budget has been shared with the Senior Management Team and is subject to further meetings and discussions. TT reminded all members the Board would need to approve this before year end. **AP80 – MJB – To provide the Board with next year’s budget electronically, for approval before year end.**
- 9.4 MJB clarified further details on the Capital Programme and anticipated year end position.
- 9.5 MJB summarised with the risks around the budget noting costs have increased however the funding increased in line with this. He confirmed a workforce planning meeting has been scheduled for 19.3.20 to discuss these issues and to identify if CFA resources are being used in the most effective way. The pressures created by the current vacancy freeze were noted, specifically where this impacts on the operational delivery.

## **10 Operational (investigations) report (paper 2)**

- 10.1 RR highlighted operation Buxted. This has been scheduled for the first hearing on the 24<sup>th</sup> of March and has 16 charges in total. This case was first investigated back in 2015, although this time scale is slightly unorthodox it shows the complexity of proving Bribery Act offences. Other delays have come from CPS, which NHSCFA will be meeting to discuss in the following week. RR explained the loss to fraud was relatively low, however the bribery prevention figure is considerably higher, in excess of half a million pounds. SF mentioned this case was commissioned by NHS England as it was a high-profile case and shows the value of specialist work done by the CFA.
- 10.2 RR discussed operation Evesham and how the NIS team had been to three different locations carrying out arrests. RR explained the current resource issue has potential to slow progress down on this case. New cases will be discussed in the upcoming tasking meeting, again there is the potential there will be insufficient resources to take these on even if they meet specified criteria. This will be escalated to the corporate risk register if this transpires.
- 10.3 All discussed opportunities to prioritise cases and identify alternative disruption activity if there is no capacity to investigate.

## 11 Risk & Issues register overview (paper 3)

- 11.1 AS stated this report was discussed at the previous ARC meeting and the Board Strategy day. The outcome from these discussions will now be taken forward to articulate clearer strategic corporate risks. TT requested when any scores are changed for rationale to be given for these decisions as this also adds an audit trail going forward.

## Committee Updates

### 12 ARC Committee update from 26.2.20

- 12.1 JS updated on the ARC held 26.2.20. Key discussion points were the NAO Annual Planning report for 19/20 and GIAA draft audit plan for 20/21. SC highlighted the significant positive progress made against the NAO recommendations, internal audit recommendations and internal assurance recommendations. JS confirmed the majority of these were now closed which will allow the ARC to focus on specific risk areas and deep dives. The outcome of all the work completed should be evident on completion of the internal and external audit follow up reports.
- 12.2 JS highlighted the direction for next year's audits and the cost pressure if the scope and number were to be increased. The draft plan proposes 6 audits compared to this year's 8. However, GIAA have provided assurance this is a sufficient level for the organisation. JS also noted further assurance will be provided by the internal function.
- 12.3 JS summarised to confirm the need for the ARC to focus on more risk-based issues as the organisation matures.

### 13 REMCO minutes to note 29.01.20 (paper 4)

- 13.1 MS summarised the REMCO meeting minutes. Discussion was held regarding the Optimising Personal Development (OPD) process and the need to introduce consistency across the organisation in the approach to delivering training. SF confirmed work was in progress in reviewing the process following the REMCO recommendations.
- 13.2 SF confirmed performance grades were not currently including in the OPD process.
- 13.3 PG mentioned other government bodies have moved away from the conventional 12-month performance review and started with quarterly appraisals to credit work or challenge issues in real time. PG said if required he could discuss with the HR staff at the DHSC to consider doing a short discussion with the Board at an upcoming meeting.
- 13.4 MS confirmed workforce planning and succession planning were discussed and the and the Term of Reference for the REMCO were reviewed. MS requested the staff survey result and action plan were circulated to the Board. **AP81 – AS – To share**

**the staff survey results and action plan with the Board and add as an agenda item for the next meeting.**

### **Matters arising**

None.

### **Matters to note**

#### **14 Strategic Intelligence Assessment (paper 5)**

- 14.1 PG confirmed the final query raised by DHSC was being addressed.
- 14.2 All were in agreement this was a high-quality piece of work with a key message and agreed to sign off subject to the completion of final amendments above.
- 14.3 SF confirmed this will stand for the duration of three year strategy, with updates where required. The redacted version will also be shared with the Board and will be shared with the Board before publication. **AP82 – SF – The Board forward planner to be updated to include a verbal update on the Strategic Intelligent Assessment at the meeting on 17.7.21 and added as an agenda item to the meeting scheduled for 14.10.20 an agenda Item.**

#### **15 Annual review of Board documents**

- **Board Terms of Reference papers (paper 6)**
- 15.1 TT suggested to add delegations of authority of the Board (paragraph 5) and to keep the consistency of language such as Chairperson throughout the ToR. Subject to these changes being complete this was approved for sign off by all.
- **REMCO Terms of reference (paper 7)**
- 15.2 Approved by all.
- **Matters reserved to the Board, ARC Terms of Reference, Standing Financial Orders & Standing Financial Instructions**
- 15.3 This was agreed these would be recirculated electronically as there as been insufficient time to consider these between the ARC and the Board meeting dates. **AP83 – AS – To circulate the Matters reserved to the Board, ARC Terms of Reference, Standing Financial Orders & Standing Financial Instructions.**

## **16 Organisational renew update**

- 16.1 PG confirmed the draft Statutory Instrument (SI) is pending Ministerial approval. The next stage will be a formal submission with the SI included which will outline the achievements and effectiveness of the organisation.
- 16.2 PG clarified the new SI simply requests a 3-year extension of ongoing work from the previous three years and to continue this. It was noted to add further areas of discussion to this would possibly cause delays.

## **17 Forward Planner review (paper 8)**

- 17.1 AS reiterated that the Board meeting scheduled for the 29/04/20 has been cancelled due to Non-Exec Directors being called to a meeting at the Cabinet Office on that day, any agenda items will be moved to the next meeting on 22/05/20.
- 17.2 Discussion was had around agenda items and that could be covered in the time for the next meeting. **AP84 – AS - To Change the Board meeting start time on 22/05/20 to 11:00 - 14:30 and cancel the staff presentation slot on this occasion to accommodate the extended agenda.**

## **18 Review of effectiveness of meeting**

- 18.1 The Board agreed they were all content with the effectiveness of the meeting. All items were covered and demonstrated good time management.

## **19 Date of next meeting:**

22<sup>nd</sup> May 2020 – 11:00 am – 14:30 pm  
Skipton House – Room 1