

Minutes of NHSCFA Board meeting FCG-BOA-MIN

Meeting – 29.04.20

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Finance and Corporate Governance



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Version	Name	Date	Comment
0.1 Draft	FCG	04.05.20	Draft for review by TT
0.2 Reviewed by TT	FCG	11.5.20	Reviewed by TT pending approval by Board on 22.5.20 Amendments to 6.1 ,7.1,7.3 & 8.9 requested by Board
1.0	FCG	22.5.20	Amendments made. Approved by Board

Meeting date: 29.04.20

Meeting time/venue: 10:00-11:30 by conference call

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)
(AS) Ann Sturgess (Corporate Governance Manager and Board Secretary, NHSCFA)
(RMW) Reg Madden-Waite (Senior Governance & Assurance Officer) Minutes

Observers:

Ceri Shorton (CS) - Staff Engagement Group Observer

Apologies received:

Kiran Kaur.

General

1 Welcome

1.1 TT welcomed all to the NHSCFA Board meeting.

2 Apologies

2.1 Kiran Kaur, replaced as minute taker by Reg Madden-Waite

3 Declarations of interest

3.1 No new declarations of interest were made.

4 Minutes from the meetings dated 4th and 19th March 2020

4.1 The Board agreed the previous minutes from both meetings as a true record, but for minor typographical errors, which AS undertook to correct.

5 Action log

- 5.1 The Board reviewed the action log and updated it accordingly. All action points were closed except for AP81, which remains open for further discussion.

6 General update from the Chair

- 6.1 TT told the meeting that the final dates for the submission of public sector annual reports and accounts to the Audit & Comptroller General was 30th November 2020. The deadline for laying is now 31st January 2021. NHSCFA and NAO are liaising regarding audit schedule dates. It was agreed to discuss this in more detail later.
- 6.2 The current Coronavirus crisis and its impact was discussed, and the following points arose:
- that non-executive directors were in a good position to learn from efforts made by their organisations to cope with current and projected circumstances and advise on effective practice
 - recognition that the non-executive role remained one of inquiry and constructive challenge
 - that some organisations were struggling with infrastructure to manage remote working
 - that other organisations had put in place systems to adapt both for the current crisis and its aftermath
 - that exploration of new ways and means of engagement with stakeholders may be required
 - that “stakeholders” included employees

7 Update from ARAC meeting 22nd April 2020 (paper 1)

- 7.1 JS provided an update including the following elements:
- progress made in implementing internal audit recommendations.
 - the recommendations and limited rating given to the CLUE project would be dealt with in greater depth by the Audit, Risk & Assurance Committee, (ARAC).
 - that feedback had been provided to GIAA regarding the report on board effectiveness.
 - the ARAC will continue to keep the service provision by GIAA under review, the final audit plan is due at the next ARAC meeting.
 - acknowledgement that internal audit are quick to respond to emerging needs such as risks to system controls and might act as a “critical friend”. These issues are being explored with GIAA outside of the committee structures in respect of issues like smarter working, a matter which had been escalated due to the lockdown.
- 7.2 MJB explained that NAO’s interim audit had been curtailed but they would put time aside for completing the entire audit process subject to resources being available. Discussion with DH group accounts indicated that most were delaying their audits. MJB felt that this might enable NHSCFA to submit early and could have a pack prepared for next week. TT

agreed that it would be useful to be ready now and that if NAO were unable to audit, the responsibility would remain with them. He went on to say that he would ensure that this proposal was recorded at the accountability meeting with DHSC next week.

Action Point 86 TT to ensure the possibility of an early NAO audit was raised at the accountability meeting with DHSC next week.

7.3 JS said that the NHSCFA / GIAA relationship was improving and the role of internal audit embedding within the organisation. CS remarked that great progress had been made to close off both audit and Governance & Assurance recommendations.

8. Q4 Performance report (paper 2)

8.1 RM introduced the Performance report for quarter 4. The key messages were:

- that 97.7% (£126M) of the overall financial target of £129M had been achieved
- that the performance in the LCFS sector (which NHSCFA do not have direct control of) represented a downward trend on previous years
- the performance of NHSCFA had improved

8.2 MS observed that it was clear from the report where the strengths and the weaknesses lay.

8.3 The issue of LCFS underperformance was discussed and it was agreed that, whilst efforts by Quality and Compliance were continuing, the issue needed to be addressed and a plan devised.

8.4 The prospect of using the Counter Fraud Board to drive progress was considered, thus linking the matter more closely to NHS England, NHS Improvement and the NHSBSA.

8.5 The fact that LCFS resource was being redeployed to meet needs brought about by COVID-19, together with an anticipated increase in fraud, posed a further risk, although this might also serve as an opportunity for further engagement.

8.6 It appeared that at a time when there is a greater need to invest more in counter fraud activity the opposite is happening. CS said that he thought NHSCFA use of social media was very good particularly as vulnerable people were being targeted in health care related frauds.

8.7 MS felt that an action plan or storyboard was required which delineated who was responsible for actions and communication channels where influence on the health sector could be exerted. RM said that any plan would be constrained by resource considerations. TT asked whether it would be possible to set out what could be achieved within current resource limits and then an example of what might be achieved with specific extra resources.

8.8 JS noted the format of the report was clear and that it demonstrated how some KPI were dependent on the performance of third parties. Highlighting the future KPI should be written bearing this in mind.

8.9 The meeting agreed that NHSCFA performance was impressive, especially in respect of the ratio of monies recovered against fraud identified.

8.10 There was some confusion whether the fraud prevented target had been increased from £100M to £102M during the year. RM believed that the latter was always the original target.

Action Point 87 Executive Management Team to explore ways in which NHSCFA can exert its influence in the health sector during the current COVID-19 crisis and to present an action plan to the Board.

9. Finance report (revised paper 3)

9.1 The Board complemented the Team on delivering a 99.7% spend against budget with only a 41K underspend. TT recognised that the capital underspend was beyond the control of NHSCFA, but noted that we should plan our Capital Expenditure programme for earlier 2020/21 financial year as far as possible given the Covid 19 situation. MJB agreed. He went on to clarify that the revised paper was different only in respect of depreciation and pension adjustments but was similar to the paper presented to the ARAC.

9.2 Financial planning for 20/21 was based on the expected allocation but the matter of the capital underspend had not yet been discussed with the DHSC, and draft accounts had not been submitted.

9.4 JS complemented MJB and his team for precision in managing the revenue budget and asked him to share this with the team.

10. COVID-19 Risk escalation (paper 4)

10.1 SF summarised actions taken against the risks posed by COVID-19. These were related to IT access, staff welfare, stakeholder engagement and business planning issues given current uncertainties. She said steps are being taken to mitigate these including:

- access to offices subject to SMT authorisation for each request
- IT work-rounds
- interactive portal for home workers
- enhanced frequent communications from the centre
- use of Instant messaging and conference calls
- upgrade in May allowing the introduction of Microsoft TEAMS for video conferencing etc
- use of staff surveys
- mental health working group communications

10.2 CS highlighted that those who don't participate in communal activities were most at risk and needed to be reached out to.

10.3 SF said that at present all staff were actively employed. RM said that some contingency planning may be required and workstreams made ready should this be required. SF said that the operational teams were most effected by the lockdown, both in NHSCFA and other organisations.

11. Annual review of documents (papers 5a to 5e)

11.1 AS presented the papers with a view to obtaining approval to re-publish. The Board agreed subject to minor alterations.

Action Point 88 AS to make amendments and re-publish

12. Review of forward planner (paper 6)

12.1 It was noted that the REMCO meeting was scheduled for 09:45 and the Board for 11:00 on the 22nd May 2020.

13. Review of effectiveness

13.1 All present agreed that the meeting had covered all matters of concern and that each member had been given opportunities to raise concerns. TT confirmed he continued to support and welcome an observer from the SEG at each meeting. TT thanked everyone and closed the meeting.