

Minutes of the SBRI Healthcare Finance Audit & Risk Committee Tuesday 16th October 2018

For agreement

Present		Representing
Anna King	(AK)	South London AHSN (Chair)
Cynthia Bullock (telephone)	(CB)	Innovate UK SBRI Health & Social Care Lead
Andrew Cheesman (telephone)	(AC)	NHS England Finance Representative
Karen Livingstone	(KL)	SBRI Healthcare Lead Director, Eastern AHSN
Richard Booth	(RB)	NHS England
In Attendance		Representing
Joop Tanis	(JT)	Health Enterprise East, Management Support
Penny Richold (telephone)	(PR)	Health Enterprise East (Minutes)
Mike Parker	(MP)	Health Enterprise East Financial Controller

AGENDA:

Agenda Item	Minute	Action
1.	<p>Welcome and introductions</p> <p>Apologies: William Lilley, David Connell, Anne Blackwood</p>	
2.	<p>Minutes of the previous meeting</p> <p>These were approved subject to: Amend minutes 4.2: underspend to refer to draw down. Revise minutes to reflect that the request to NHS England would be carry over the underspend. Remove reference to the monies being placed in the legacy pot</p> <p>Actions Completed/Matters Arising:</p> <p><u>Re-procurement</u></p> <p>ITT will be published end of November with 30 day response period. Evaluations completed by end of Dec, early January. Anna King and Cynthia Bullock both reiterated their willingness to support NHS England with the evaluation process.</p> <p>Expectation is that newly contracted supplier will commence running the program from 1 April 2019.</p>	

<p>3.</p> <p>3.1</p>	<p>Business Plan for 2018/19</p> <p>Progress against Business Plan first quarter 2018/19 discussed.</p> <p>“Headline” updates on SBRI companies appreciated. Increased communication with AHSN stakeholders was suggested to these successes are more widely disseminated.</p>	
<p>4.</p> <p>4.1</p> <p>4.2</p>	<p>Finance Papers</p> <p>Financial Report for quarters 1 & 2 2018/19</p> <p>Year end 2017/18 cash balance of £75k held by Papworth Hospital on behalf of the programme.</p> <p>Action: KL to request to NHS England that they agree that the cash balance be placed in the SBRI programme account.</p> <p>AC suggested the management accounts are prepared quarterly rather than monthly from now on. AC would also like a breakdown of legacy funds and a separate prior year balance. Also the spend analysis to show the forecast for the remaining quarters to determine likely outcome for the year.</p> <p>Full bank transaction analysis not required in main report. List of bank payments to companies to be included as appendix.</p> <p>AK identified an error with the cash balance on the first page of the management accounts. Balance is shown as August (£400k) and should be September (£366k).</p> <p>Action – Amendment to be made to accounts and new format going forward. Correct cash</p> <p>SBRI Independent Financial Report 2018/19</p> <p>The audit committee expressed their frustration at the failure of PEM to deliver the complete and final actions required of the full audit scope – in particular confirmation of the cash balance held by HEE on behalf of NHS England for the programme. The email by PEM circulated with the papers referred to Grant Thornton (auditor of HEE) but did not provide the complete information. The Grant Thornton audit report and draft accounts shared in the meeting by MP failed to confirm the balance.</p> <p>Action: Grant Thornton or PEM to send the FARC a confirmation of the SBRI cash balance for the programme held by HEE on behalf of NHS England as at 31 March 2018. This will allow PEM to issue a complete audit report based on the scope that was procured.</p>	<p>KL</p> <p>MP</p> <p>MP</p>
<p>5.</p> <p>5.1</p>	<p>Policies & Procedures Reviews</p> <p><u>Due diligence</u></p>	

	<p>Full process of company, project contract and financial status now covered. There were still issues raised with the contract award due diligence papers.</p> <p>Suggested enhancements included: indication of scoring or criteria for fund / not fund / refer for decision; indication of what is meant by high or low risk; the need for transparency in the process; incorporation of information about the database that it used for due diligence checks (the FARC were told of this in the meeting); improved clarity about when external guidance is required; improved clarity of financial requirements for start-ups and what exceptional circumstances are. JT to produce / extend existing panel scorecard to include due diligence. This can then be used to justify the decision to fund or not to fund and can be passed to NHS England as part of their final review.</p> <p>5.2 Action: Revised policy to be circulated to the FARC for review prior to the management board.</p> <p>Conflict of Interest policy review</p> <p>There was discussion about the conflicts of interest and the need for improved clarity in the policy about the difference between a register of interests and conflicts of interest. Clarity was also needed around the different requirements for the different roles.</p> <p>Agreed to differentiate as follows: Register of Interests - Needs to include those on the SBRI Board, FARC and staff involved in the management of the SRI Programme (ie at Eastern AHSN and HEE). Must declare organisation represented, and then any interests, such as directorships/trusteeships and other paid positions held.</p> <p>Declaration of Interest – Needs to separately deal with programme management team, independent evaluators, shortlisting panel, interview panel, management board and FARC. All those who participate in the decision-making process for SBRI funding need to declare if they have a conflict of interest with the companies being evaluated. The chair of the panel/programme director to decide the consequence of any such conflict e.g. exclude from discussion / consideration / decision making. All declarations must be recorded and shared with the FARC on a regular basis for review.</p>	<p>JT</p>
<p>5.3</p>	<p>Action: Current register of interests and conflict of interests policy document to be amended and circulated through FARC before sending to Board for approval</p> <p>FOI Policy</p> <p>A draft policy was reviewed. Requests to date the past these have come direct to SBRI and via EAHSN and NHS England, who pass FOI requests to HEE. Latest FOI has come to HEE SBRI and passed to NHS England. Website and Policy needs to state SBRI is not a legal entity and so FOI should go to NHS England.</p>	<p>JT</p>

	FAR / Board will continue to monitor FOI requests, responses and resolutions. Action: Richard Booth to provide the address and NHS-E policy details. A new statement for SBRI website to be drafted accordingly.	RB/JT
6	Standing items of business	
6.1	Risk register Noted	
6.2	Register of complaints No additional complaints	
6.3	Register of interest Noted and see item 5.1	
7.	Any other business	

Future Meeting Dates:

Finance Audit & Risk

15th January 2018

Management Board

7th November 2018 – 10.30

30th January 2019 – 10.30