

<b>Meeting: Governing Body (Meeting in Public)</b>			
<b>Meeting Date</b>	23 September 2020	<b>Action</b>	Receive
<b>Item No.</b>	8a	<b>Confidential</b>	No
<b>Title</b>	Audit Committee Chair's Report		
<b>Presented By</b>	Chris Wild, Lay Member Audit and Audit Committee Chair		
<b>Author</b>	Emma Kennett, Head of Corporate Affairs and Governance		
<b>Clinical Lead</b>			

<b>Executive Summary</b>
<p>This paper is presented to the Governing Body to provide an update of the last Audit Committee meeting held on the 4 September 2020.</p> <p>This paper provides an outline of the matters discussed, assurances sought and decisions ratified at the last Audit Committee meetings. This report aims to provide information and assurance to the Governing Body that a robust, effective governance system is in place and that the Committee is discharging its responsibilities.</p>
<b>Recommendations</b>
<p>It is recommended that the Governing Body:</p> <ul style="list-style-type: none"> <li>Receive the update provided</li> </ul>

<b>Links to CCG Strategic Objectives</b>	
<p><b>SO1 People and Place</b> To enable the people of Bury to live in a place where they can co-create their own good health and well-being and to provide good quality care when it is needed to help people return to the best possible quality of life</p>	<input checked="" type="checkbox"/>
<p><b>SO2 Inclusive Growth</b> To increase the productivity of Bury's economy by enabling all Bury people to contribute to and benefit from growth by accessing good jobs with good career prospects and through commissioning for social value</p>	<input checked="" type="checkbox"/>
<p><b>SO3 Budget</b> To deliver a balanced budget</p>	<input checked="" type="checkbox"/>
<p><b>SO4 Staff Wellbeing</b> To increase the involvement and wellbeing of all staff in scope of the OCO.</p>	<input checked="" type="checkbox"/>
<p>Does this report seek to address any of the risks included on the Governing Body Assurance Framework? If yes, state which risk below:</p>	

<b>Implications</b>						
Are there any quality, safeguarding or patient experience implications?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>

<b>Implications</b>						
Has any engagement (clinical, stakeholder or public/patient) been undertaken in relation to this report?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Have any departments/organisations who will be affected been consulted?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Are there any conflicts of interest arising from the proposal or decision being requested?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Are there any financial Implications?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Has an Equality, Privacy or Quality Impact Assessment been completed?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Is an Equality, Privacy or Quality Impact Assessment required?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Are there any associated risks including Conflicts of Interest?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Are the risks on the CCG's risk register?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>

<b>Governance and Reporting</b>		
<b>Meeting</b>	<b>Date</b>	<b>Outcome</b>
Audit Committee	4 September 2020	Reflection of discussion at meeting

## **Audit Committee Chair's Report**

### **1. Introduction and Background**

- 1.1 The Audit Committee Chair's Report is presented to the Governing Body to provide assurance on the areas considered by the Audit Committee at its last meeting held on the 4 September 2020.
- 1.2 It is also intended to direct the attention of the Governing Body to specific areas of concern, where these are identified through the Audit Committee's review and scrutiny.

### **2. Background**

- 2.1 The Audit Committee is comprised of the following voting members:
- Lay Member for Finance and Audit (Chair);
  - Lay Member for Patient and Public Involvement; and
  - Lay Member for Quality and Performance.
- 2.2 The meeting was quorate with two members in attendance.

### **3. Audit Committee Update**

- 3.1 There was a full and detailed discussion on a range of standard agenda items and the following points are brought to the attention of the Governing Body:

#### **4.0 Governing Body Assurance Framework**

- 4.1 The latest Governing Body Assurance Framework (GBAF) was presented to the Audit Committee.
- 4.2 It was highlighted that as a consequence of Covid-19, usual governance arrangements were paused whilst the CCG and wider system responded to the pandemic, which resulted in delays to routine processes, including agreement of the Strategic Objectives for 2020/21 and progression of the underpinning business processes.
- 4.3 It was reported that work was now progressing to establish these frameworks; however was noted that whilst it was usual practice for sub-committees of the Governing Body to provide a level of oversight and assurance on their risks prior to the GBAF being presented to the Audit Committee (and subsequent Governing Body), this process had not been followed for all risks within this report. Reviews have however been undertaken with the assigned risk owner.
- 4.4 The Audit Committee recommended the Governing Body Assurance Framework for presentation to the Governing Body on the 23rd September 2020.

## **5.0 Corporate Risk Register**

- 5.1 The latest Corporate Risk Register was presented to the Audit Committee.
- 5.2 It was highlighted that due to the timeliness of the risk review, the impact of Covid-19 and the reporting schedule, the Quality and Performance Committee had not reviewed these risks at this time. The Committee would consider these risks once the meetings have re-commenced in full. Mr Wild acknowledged this position and was supportive of this process now resuming following the Covid-19 pressures experienced.
- 5.3 The Audit Committee recommended the Corporate Risk Register for presentation to the Governing Body on the 23rd September 2020.

## **6.0 Risk Closure Report**

- 6.1 The latest Internal Risk Closure Report was presented to the Audit Committee.
- 6.2 The report presented the rationale for closure of the risks and ordinarily would have included extracts from minutes of the corresponding meeting recommending the risk closure to provide an additional level of assurance to the Committee. However, the Audit Committee was advised that none of the risks have followed due process due to the timeliness of the risk review, the impact of Covid-19 and the reporting schedule, the Quality and Performance Committee had not reviewed these risks at this time. It was noted that the Committee would consider these risks once the meetings have re-commenced in full. The recommendation for closure was from the Risk Owner and whilst this is outside the usual process, it was considered appropriate that the process for closure be followed.
- 6.3 The Committee approved the closure of the following risks: -
- OR\_CE\_O\_PE\_02 Care of the deteriorating patient (reduction in cardiac arrests).
  - OR\_LC\_R\_02 Requirement to fulfil the statutory obligation to safeguard children and vulnerable adults.
  - OR\_S\_CE\_PE\_04 Embedding Lessons Learnt in Practice from SI Investigations (PAHT).
  - OR\_SB\_LC\_R\_01 Patient Services Function.
  - WS\_ALL\*\_CE\_PE\_HIM\_03 LeDeR (Learning Disability Mortality Reviews) Programme 2019/20.
  - WS\_IC\_O\_PE\_S\_07 Growth in elective waits; and
  - WS\_MH\_O\_PE\_R\_08 Failure to achieve 2019/20 IAPT targets.

## **7. Policies**

### **a) Conflicts of Interest Policy**

- 7.1 The revised Conflicts of Interest Policy was submitted to the Committee for consideration and recommended to the Governing Body on the 23<sup>rd</sup> September for

approval.

#### **b) Gifts and Hospitality Policy**

7.2 The revised Gifts and Hospitality Policy was submitted to the Committee for consideration and recommended to the Governing Body on the 23<sup>rd</sup> September for approval.

#### **c) Whistleblowing Policy**

7.3 The revised Whistleblowing Policy was submitted to the Committee for consideration and recommended to the Governing Body for approval.

#### **d) Risk Management Strategy**

7.4 The revised Risk Management Strategy was presented to the Committee and recommended to the Governing Body for approval on the 23<sup>rd</sup> September 2020.

7.5 It was highlighted that given the intention to revisit Risk Management across the Bury CCG and Council partnership arrangements in the next 6 months, it was proposed that the Strategy be reviewed again in March 2021.

### **8 Information Governance Update**

8.1 A verbal update on the latest Information Governance developments. It was reported that: -

- The CCG's IG Manager would be leaving the organisation on the 18<sup>th</sup> September 2020 and the CCG had recruited to this role on a 6 month fixed term basis whilst discussions with the Council continue around the future offer within this area.
- Work was soon to commence in respect of the 2020/21 IG Toolkit.
- There was a significant IG work programme over the coming months from a transformation perspective in terms of Data Protection and Data Privacy Impact Assessments.

### **9 Internal Audit Progress Report & Follow Up Report**

9.1 The latest Internal Audit Report and Follow up Report was presented to the Committee.

9.2 In terms of the 2019/20 programme, the Internal Audit programme work had previously been suspended on the review 'Embedding Clinical Decision Making in Commissioning' due to the Covid-19 pandemic. A management request had been received in relation to potentially delaying some of the Complex Case Panel Governance elements until next year. A general discussion took place regarding this matter and the Committee agreed that Managers should comply with this request from Internal Audit as best they could. In terms of timescales, it was suggested that a deadline during September/October 2020 be set with the intention of bringing the final report back to the Audit Committee in December 2020. It was suggested that Internal Audit link in with the Management leads in order to collate the evidence required for this review as Clinicians

would not necessarily have direct access to this level of information. It was noted that Mr Blandamer, Executive Director of Strategic Commissioning, Bury CCG and Council should be linked in as required.

- 9.3 A change had been made to the 2020/21 Work Plan to include a review of Pooled Budget arrangement which would be undertaken jointly with the Local Authority Internal Auditors and this review was scheduled to commence September 2020

## **10 External Audit Update**

### **• Annual Audit Letter**

- 10.1 The Annual Audit Letter, the content of which was a summarised version of the earlier ISA260 audit memo issued to the June Audit Committee was presented to the Committee.
- 10.2 It was reported that this document needed to be published on the CCG website to ensure it was made publicly available.

### **• Last Audit Committee Meeting**

- 10.3 It was noted that there would be a change in the CCG's Audit lead at KPMG from October 2020 in light of a split of audit arms and responsibilities within the company as per the Financial Reporting Council (FRC) Guidance.

## **11 Anti-Fraud Progress Report**

- 11.1 The latest Anti-fraud Progress Report to the Committee.
- 11.2 It was highlighted that the report set out the work undertaken during the period of April 2020 to August 2020 and highlighted activities and outcomes which were brought to the attention of the Audit Committee for consideration.
- 11.3 In terms of the Government Functional Standard GovS 013: Counter Fraud (Functional Standard), the NHSCFA were currently in discussions to introduce the new government cross departmental standard for counter fraud work which, in 2021, would formally replace the existing NHS Standards for Fraud, Bribery and Corruption for both Commissioners and Providers. The Counter Fraud Functional Standard was launched as a pilot in October 2018 and formally published in June 2020 following an extensive trial period, where it has been adopted in more than 100 public bodies, overseen by the Cabinet Office's Counter Fraud Centre of Expertise. In April 2021, all NHS organisations would be required to provide a return against the Counter Fraud Functional Standard. The transition to the new standard would join the NHS together with the wider public sector counter fraud community in a common approach. Ahead of implementation, the NHSCFA intend to work with stakeholders to ensure a seamless transition with the intention being to build upon current best practices in the NHS and to ensure that they have an input into how the Functional Standard is best implemented at a local NHS level. MIAA is part of the engagement group which will be liaising with the NHSCFA.

- 11.4 Work had been undertaken with the CCG to enhance the treatment of fraud risks within the CCG's Risk Management Strategy. Work had been undertaken to review these risks, and identify new ones, in light of Covid-19. This assisted the CCG to satisfy the ongoing requirements of NHS CFA revised Standard 1.4
- 11.5 There have been no new allegations received within the period 01/04/2020 to 1/08/2020. One investigation carried forward from 19/20 was progressing and the interview under caution had been delayed as a result of Covid-19 and policy Covid secure arrangements not being available

## **12. Chief Financial Officer Update**

### **• Finance Committee Minutes**

- 12.1 Members received minutes from Finance, Contracting & Procurement Committee held on the 16<sup>th</sup> July 2020. An update on the latest financial position was provided.

## **13 Corporate Registers**

- 13.1 The latest Corporate Registers Report was presented to the Committee.
- 13.2 It was highlighted that the CCG was continuing to follow up on any outstanding declarations of interest from GP Practices and Staff members and was also exploring the option for uploading declarations onto the ESR Portal to align with the payroll/new starter process.
- 13.3 Conflicts of Interest training for 2020/21 would be rolled out to staff and Committee members in due course.

**Chris Wild**  
**Lay Member – Finance and Audit**  
**September 2020**