

<b>Meeting: Governing Body (Meeting in Public)</b>			
<b>Meeting Date</b>	23 March 2022	<b>Action</b>	Receive
<b>Item No.</b>	7.1	<b>Confidential</b>	No
<b>Title</b>	Audit Committee Chair's Report		
<b>Presented By</b>	Chris Wild, Lay Member – Finance & Audit and Audit Committee Chair		
<b>Author</b>	Lindsay Johnson, Committee Secretary		
<b>Clinical Lead</b>			

<b>Executive Summary</b>
<p>This paper is presented to the Governing Body to provide an update of the Audit Committee meeting held on the 4<sup>th</sup> March 2022.</p> <p>This paper provides an outline of the matters discussed, assurances sought and decisions ratified at the last Audit Committee meeting. 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>						
<b>SO1 - To support the Borough through a robust emergency response to the Covid-19 pandemic.</b>						<input checked="" type="checkbox"/>
<b>SO2 - To deliver our role in the Bury 2030 local industrial strategy priorities and recovery.</b>						<input checked="" type="checkbox"/>
<b>SO3 - To deliver improved outcomes through a programme of transformation to establish the capabilities required to deliver the 2030 vision.</b>						<input checked="" type="checkbox"/>
<b>SO4 - To secure financial sustainability through the delivery of the agreed budget strategy.</b>						<input checked="" type="checkbox"/>
Does this report seek to address any of the risks included on the Governing Body Assurance Framework? If yes, state which risk below:						
GBAF						
<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>Links to CCG Strategic Objectives</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 Meeting	4 <sup>th</sup> March 2022	

## **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<sup>th</sup> March 2022.
- 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 three Audit Committee members present.

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

- 3.1 The agenda was divided into the following headings with items submitted under those sections;
- Governance
  - GM ICS Transition
  - Internal Audit
  - External Audit
  - Anti-Fraud

### **4. Governing Body Assurance Framework (GBAF)**

- 4.1 The GBAF report represented the position as at January 2022. The Audit Committee was informed that since the last presentation of the GBAF to their meeting in December 2021 a review of 8 risks had been undertaken. The current risk profile was summarised at the meeting as follows:
- 3 risks remained at a significant level of current risk (level 15 or above) to delivery of the CCG's Strategic Objectives;
  - 4 remained at a high level of current risk (level 8-12) to delivery of the CCG's Strategic Objectives;
  - 1 remained at a moderate level of current risk (level 4-6) to delivery of the CCG's Strategic Objectives;
  - 1 risk had increased in score; and
  - 2 risks had decreased in score
- 4.2 The GBAF report also informed the Audit Committee that 2 risks had been added.

- GB2122\_PR\_3.2 Identification of Receiver of Close Down Returns / Work plans
- GB2122\_PR\_3.3 Risk of staff losses and impact on CCG closedown work requirements

4.3 The Audit Committee noted the information as presented, noted the two new risks and supported the recommendations that the GBAF be submitted to Governing Body in March 2022.

## 5. Corporate Risk Register

5.1 The Audit Committee was informed that there were currently 3 risks included on the Corporate Risk Register (operational risks) at a level 15 or above, excluding those reported through the GBAF (strategic risks). Those 3 risks were;

- Autistic Spectrum Conditions Assessment – Neurodevelopmental assessments;
- Reduced IG Resource; and
- Datix: Resource requirements to maximise optimisation.

5.2 A discussion took place in regard to the risks as detailed above and in particular the Reduced IG Resource with the Audit Committee noting the work in hand around CCG Closedown and discussions that were taking place around potential centralised functions at a Greater Manchester level. The Audit Committee supported the recommendations as requested.

## 6. Information Governance Update

6.1 The Audit Committee received an update on the Information Governance work programme and associated activity that had progressed. The Audit Committee was updated on a number of key areas namely;

- Data Protection and Security Toolkit
- Information Steering Group and meetings
- Information Governance Resource
- Policies and Procedures
- Data Privacy Impact Assessments
- Data Sharing Agreements
- COPI Log
- ICB Transition and Due Diligence and Close down items

6.2 The Audit Committee was pleased to note that the January meeting of the Information Governance Steering Group focused on the work to be undertaken across all departments of the CCG in relation IG and the ICB transition.

6.3 With particular regard to the Records Management Policy, the Audit Committee was informed that the policy had been updated to reflect minor changes. This included a

Records Disposal Form and Data Destruction Flow Chart which were appended to the policy in order to support the ongoing Close Down Checklist workstreams.

- 6.4 It was confirmed that the minor changes were approved by the IGSG at their January meeting and as such approved by the Audit Committee. This policy had been uploaded on the Information Governance page on Bury CCG's website.

## **7. Caldicott Guardian Statement**

- 7.1 It was advised that it was prudent and good practice to have a Caldicott Statement on website to give patients and members of the public details surrounding the Caldicott Guardian Principles along with information of the Caldicott Guardian at Bury CCG. The statement had been supported at the Information Governance Steering Group at their February meeting and also by the Audit Committee. It is included as an item in its own right for the Governing Body meeting today.

## **8. Annual Report Timetable**

- 8.1 The Audit Committee was presented with the approach and supporting timetable to produce the CCG's Annual Report, Annual Governance Statement and Annual General Meeting covering the period 1<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022. This information was duly noted with the Audit Committee being advised that the draft sections of the annual report were currently being worked on by various individuals.

## **9. CCG Closedown Update**

- 9.1 The report informed the Audit Committee that the new Integrated Care Organisational (ICO) arrangements were originally planned for 1<sup>st</sup> April 2022. In December 2021, notification was received that these timescales were to be delayed by three months with a transition date of 1<sup>st</sup> July 2022 now anticipated. It was expressed however that despite the delay in the proposed transition date, work continued in readiness and as such the report detailed the ongoing work completed to date.
- 9.2 The key point highlighted to the Audit Committee was around a detailed review carried out by Mersey Internal Audit (MIAA) which assessed the robustness of CCG closedown processes that were in place.
- 9.3 The review carried out provided assurance that the CCG has robust processes in place to support CCG closure. It was outlined however that the report did also highlight some potential options that could be adopted locally in order to further improve processes. It was advised that work had already commenced to put in place these additional checks and assurances.

## **10. Internal Audit Report**

- 10.1 The Audit Committee received the following reports which had been provided by the Internal Auditors;

- Internal Audit Progress Report

- Internal Audit Follow up Report
- Local Transition Closedown Group

10.2 The Audit Committee received the updates and welcomed the fuller detail surrounding the Local Transition Internal Audit Review. The report provided a management summary, conclusion, RAG ratings and identified areas of good practice and areas for noting (which were now being progressed as reported in section 9.1 of this update).

10.3 In terms of the Internal Audit Follow Up Report, the Audit Committee was informed that there were no outstanding internal audit recommendations which was reported as being exceptional.

## **11. External Audit Plan 2021/2022**

11.1 The report submitted provided an audit of the financial statements of NHS Bury CCG, as at and for the year ending 31<sup>st</sup> March 2022. It also outlined to them the External Auditors (KPMG's) risk assessment and planned audit approach.

## **12. Anti-Fraud Progress Report**

12.1 The Anti-Fraud Progress Report was presented. The report set out the work undertaken during the period of 1<sup>st</sup> December 2021 – 15<sup>th</sup> February 2022 and highlighted activities and outcomes that should be brought to the attention of the Audit Committee for consideration.

12.2 The Anti-Fraud report covered the following;

- Strategic Governance
- Inform and Involve
- Prevent and Deter
- Hold to Account

12.3 The content of the report was discussed accordingly.

## **13. Accounting Policies, Estimates and Assumptions**

13.1 The paper submitted shared with the Audit Committee the proposed notes that were to be included within the 2021-22 CCG accounts. The Audit Committee was asked to review and subsequently then approve the following;

- The notes that are proposed to be excluded as not applicable in 2021/22.
- The additional wording within notes to be included in 2021/22.
- The proposed key assumptions to be used by the CCG.

## **14. Corporate Registers**

14.1 The latest Corporate Registers Report was presented to the Audit Committee which highlighted the following for their attention:-

- Conflicts of Interests (Membership, Governing Body, Sub-Committee and Employees);
- Hospitality, Sponsorship and Gifts;
- Losses, Write-Offs and Special Payments;
- Procurement Register;
- Waivers of Tenders and Standing Orders.

- 14.2 The Audit Committee was highlighted to paragraph 3.7 in the report which confirmed the mandatory training compliance rate for Conflicts of Interest Module 1. The Audit Committee was advised that reminders and email nuggets would be communicated to Bury CCG non-compliant staff to request completion of the training.
- 14.3 The Audit Committee was also directed to paragraph 3.10 which advised them that since the last Audit Committee meeting held on 3<sup>rd</sup> December 2021, there had been two further entries recorded on the Hospitality, Sponsorship and Gifts Register. These were two gifts offered by the GP Federation on behalf of the Primary Care Network Vaccination Team to two separate members of CCG staff. There were in respect of two gift cards of £50 each for John Lewis. The gifts were declined in line with the Gifts and Hospitality Policy and the register has been updated accordingly.
- 14.4 It was confirmed that all the registers submitted to the Audit Committee would following the meeting, be uploaded to the CCG website.

**Chris Wild**  
**Lay Member – Finance and Audit**  
**March 2022**