

Meeting of the governing body

Summary sheet

Date of meeting: 2 February 2021

For: Public session (Part 1)

For: Decision

Agenda item: Audit committee update

Author(s): Chris Blong, chair of audit

Presented by: Chris Blong

Lead director/GP from CCG: Clare Bryan, chief finance officer

Clinical lead: Dr Fran Old

Executive summary

The latest audit committee meeting took place during the afternoon of 19 January 2021 via MS Teams. This briefing includes:

1. External auditor update (Grant Thornton).

1.1 Mental health investment standard (MHIS). NHS England has confirmed that the reasonable assurance engagements for the 2019/2020 MHIS will go ahead. Grant Thornton will carry out this review and NHS Kernow is required to issue its statement of compliance by 28 February 2021. Details for the 2020 to 21 MHIS review have yet to be determined.

1.2 Changes to year end timeline. Owing to a range of competing priorities, Grant Thornton will now issue their audit plan summarising their approach to identified key risks in March 2021. They will provide an update on progress at March's Audit Committee meeting. Grant Thornton will continue to monitor the COVID-19 situation along with other external audit commitments and remain in routine discussion with our finance team and audit committee on any impact this may have on the 2020/21 audit plan. There will not be an interim audit conducted this year. A summary of end of year account closedown and audit timelines are as follows:

- Wednesday 31 March - year end.
- Tuesday 27 April (9am) - submission of unaudited accounts.
- Tuesday 11 May (9am) - submission of intra group agreement of balances (NHS debtors/creditors only).
- Tuesday 15 June (9am) - submission of audited accounts and annual report.
- Monday 20 September - deadline for publication of annual report and accounts on NHS Kernow website.

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2. Clinical audit.

- 2.1 Audit committee members received an update on our quality account and clinical audit processes. The quality team maintain oversight of our providers' clinical audit programmes through the receipt of reports and attendance at core committees and group meetings, which include: RCHT clinical effectiveness group, CFT quality assurance committee, SWAST quality assurance group and the joint RCHT and CFT quality assurance committee.
- 2.2 In terms of NHS Kernow governance and assurance reporting, areas of concern as well as examples of good practice are shared at the monthly quality assurance group meeting (QAM), chaired by the deputy director of quality. Where required, issues and concerns are escalated to the quality committee. Members were satisfied that a coherent reporting process was in place and that exception reporting was increasingly used by the quality committee to maintain timely and effective oversight. It was noted, however, that not all areas for review were supported by the same breadth and depth of reporting by certain providers and not all service providers were included in the report. Detailed provider reports and actions from audits reported at the clinical effectiveness group are available from the quality team.

3 Changes to Governing body assurance framework (GBAF)

- 3.1 Members were informed that the GBAF has been reviewed and updated by the executive team, including revision of the wording for strategic objective 6 and the principal risks (PR) associated with it. In addition, the control and assurance details have been amended to take account of the phase 3 planning objectives, development of the Integrated Care System requirements and strategic commissioning intentions. The new strategic objective and PR now read as follows and the audit committee was asked to agree and endorse its presentation to Governing Body for approval:
- 3.1.1 **Strategic objective 6:** Ensure the commissioning of services takes account of COVID-19 recovery plans, any subsequent peaks of infection as well as agreed Long Term Plan expectations.
- 3.1.2 **Principal risk 9:** Commissioning of services. NHS Kernow and system partners are unable to optimise resources resulting in constrained capacity services, longer waiting times and continued health and care inequalities.
- 3.2 Members were reminded that each principal risk has a named executive lead. Audit committee was asked to consider and endorse the definition of what constitutes "executive lead" and whether this means a principal risk should be owned by a director who is also a Governing Body member (in line with the NHS Kernow constitution a governing body member is someone with a vote on the Governing Body). If this is the case, the proposal is that Helen Charlesworth-May be the executive lead for principal risks 8 and 9, with the system transformation director providing support, in a similar way to principal risk 1 (health inequalities) which is supported by the director of public health.

3.3 Governing Body will be aware that every GBAF entry is assigned to one of the constitutional committees for oversight (while overall ownership of the GBAF remains with Governing Body). The committees have received and reviewed those entries which rest with them prior to submission to today's Governing Body (The primary care commissioning committee does not as yet have oversight of a GBAF entry but will receive any which are considered relevant to it for completeness). Governing Body is also asked to note that the NHS Kernow committee structure is under consideration, with potential changes to roles, remits and committee titles under consideration. Future changes will be reflected in the GBAF once agreed by the Governing Body.

4 Recommendations and specific action the Governing Body needs to take at the meeting

The Governing Body is asked to:

1. Note developments in the external auditor's plan and this year's closedown of accounts.
2. Note the scope, scale and challenges posed by our quality account and clinical audit.
3. Consider and approve changes to the GBAF.
4. Consider the definition of "executive lead" and endorse the proposed lead for principal risks 8 and 9.
5. Note the potential for changes to the roles, remits and titles of constitutional committees in due course.

Additional required information

Cross reference to strategic objectives

- Improve health and wellbeing and reduce inequalities
- Provide safe, high quality, timely and compassionate care
- Work efficiently so health and care funding give maximum benefits
- Make Cornwall and the Isles of Scilly a great place to work
- Create the underpinning infrastructure and capabilities critical to delivery

Evidence in support of arguments: See comments above and attachments.

Engagement and involvement: Not applicable.

Communication and/or consultation requirements: Not applicable.

Financial implications: As indicated above.

Review arrangements: Recommendations are reviewed and actioned accordingly at audit committee and governing body meetings.

Risk management: Risks are identified and addressed as indicated and required.

National policy/ legislation: Audit committees refer to national policy and legislation where relevant in carrying out their audit responsibilities and in making recommendations.

Public health implications: Not applicable.

Equality and diversity: Not applicable.

Climate change implications: Not applicable.

Other external assessment: Carried out by internal and external auditors.

Relevant conflicts of interest: Not applicable.