

Meeting frontispiece Governing Body

Summary sheet

Date of meeting: 6 April 2021
For: Public session (Part 1)
For: Decision

Agenda item: Audit Committee annual report

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Presented by: Chris Blong
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Executive summary

This annual report includes updates on:

Internal auditor (TIAA) annual plan 2020-21. Reasonable compliance

The internal audit plan for 2020-2021 was agreed by audit committee at the start of 2020 and has been completed. Members will note that IA reviews and subsequent reports have been positive throughout; with only one 'limited assurance' recommendation, the remainder being 'reasonable, substantial or not applicable'. COVID-19 has undoubtedly impacted upon TIAA's ability to fully scrutinise those areas under review. However, their overall assessment, expected later this month, will be one of 'reasonable compliance'. Audit committee members would like to thank NHS Kernow staff and TIAA for their willingness to adhere to the original plan and dedication to maintaining as effective oversight and assurance as possible whilst working remotely throughout the year.

External auditor reporting (Grant Thornton).

This year's audit will focus upon governance arrangements, financial sustainability and economy, efficiency and effectiveness. The latest year-end deadlines are as follows:

- Tuesday 27 April - submission of unaudited accounts.
- Tuesday 11 May - submission of intra group agreement of balances (NHS debtors/creditors only).
- Tuesday 8 June – extraordinary audit committee meeting to review and recommend audited accounts and annual report (ARA).

- Thursday 10 June – Extraordinary GB meeting to approve the ARA.
- Tuesday 15 June - submission of ARA.
- Monday 20 September - deadline for publication of ARA on our website.

Audit committee membership survey

The audit committee undertakes an annual membership survey to determine whether it has adhered to its planned activity and acted in accordance with the guidance contained within the HFMA handbook as well as best practise. This year's effectiveness survey took place in late February and early March. There was a 73% response rate (improving year on year) and responses to questions were 100% positive (yes/strongly agree/agree) with no questions answered with a disagree/strongly disagree/no response. A copy of the survey is available upon request from Sam Cox. Whilst delighted with and assured by these results, committee members are not complacent and will strive to deliver the most effective audit function possible within available resources.

Increased clinical audit oversight.

Members will not need reminding that clinical audit and assurance are an important part of everyone's business within NHS Kernow and the CloS Health and Care Partnership. With a risk-based approach to determining our annual audit programme, shaped by an evolving range of internal and external factors, more audit committee time and effort has been spent this year supporting our clinical quality and assurance teams. NHS Kernow staff have been pivotal in driving forward important governance and assurance changes internally, with our providers and across the system. Progress has been made in the speedier recognition of problem areas by improved oversight of clinical service provision. There is more work to be done and audit committee support will continue throughout 2021.

Assurance: the golden thread.

The Governing Body assurance framework (GBAF).

The GBAF is an important document which allows members to understand and oversee management of the key risks to the CCG achieving its strategic objectives and by addressing barriers to success. It also provides external assurance to NHS England, our auditors, the public and stakeholders that we are aware of our risks and have a robust system of internal controls and actions in place to address them. The GB owns the assurance framework which must be kept up to date, reviewed regularly and any lack of progress challenged.

Committee chairs updates to Governing Body and Audit Committee

Members will recall routine updates provided by committee chairs at Governing Body meetings as well as their opportunity to question and seek further points of clarification as required. Annual summary reports, such as this one, are also now expected. Members should note that chairs are invited to attend audit committee meetings once per year to provide a more detailed update on their various

challenges and any key outputs of their committees. The audit chair is also invited to attend constitutional committee meetings at least once per year.

Primary Care Commissioning Committee (PCCC) – a success one year on

The audit committee is able to assure members that considerable progress has been made by the PCCC over the past 12 months. As one of the last remaining CCGs to assume this responsibility, the PCCC has worked diligently to take over a raft of responsibilities from NHSE and build positive relationships with our primary care providers and GP practices in particular. Audit committee members believe that the right balance has been struck between providing oversight and support and there is clear evidence that PCCC assistance and engagement is being sought sooner than has happened previously. Formal regulator input is increasingly viewed as a last resort rather than a first response. Audit committee would like to highlight the significant progress being made and value added by the PCCC within our primary care community.

Finally

Our collective COVID-19 experiences over 12 months have highlighted the importance of the following:

1. The individual, collective and continued wellbeing of our staff.
2. Our on-going planning and preparedness for future emergencies.
3. The need for individual, organisational and system resilience.
4. Embracing a revised 'business as usual' model and different ways of working.

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

The committee is asked to:

1. Note the content of the report and seek further information or assurance as required.
2. Appendix: Internal audit progress against the annual plan

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
- Commissioning supports COVID-19, recovery plans and long term plan expectations

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

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FOI consideration – exemption*: None - item may be published

Qualified/absolute*: None - item may be published

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