

Meeting of the governing body

Summary sheet

Date of meeting: 5/10/2021

For: Public session (Part 1)

For: Decision

Agenda item: Audit committee update report

Author(s): Chris Blong, chair of audit

Presented by: Chris Blong

Lead director/GP from CCG: Clare Bryan, CFO

Clinical lead: Dr Fran Old

Executive summary

This annual report includes updates on:

1. **Grant Thornton (GT) – external auditors annual report.** GT have now concluded the annual audit of NHS Kernow CCG and issued their final report. Continuing to operate under the principle of there being no surprises, NHS Kernow CCG and GT have worked closely together over an extended period of time to produce the 2020 to 2021 external auditors annual report which highlights the many positives contained therein, but also identifies where more work needs to be done. A copy of GT's final report is attached which includes an executive summary on page 3. The headlines are:

Financial sustainability.

- **Risk assessment.** Risk identified because of the CCG's significant cumulative deficit.
- **Conclusion.** No significant weaknesses in arrangements identified, but improvement recommendation made: '*financial challenges remain both at CCG and system level...*'.

Governance.

- **Risk assessment.** Risk identified due to capacity and underdeveloped system relationships.
- **Conclusion.** No significant weaknesses in arrangements identified, but improvement recommendation made: '*...in relation to the Cornwall system's transition to the ICS*'.

Improving economy, efficiency and effectiveness.

- **Risk assessment.** No risks of significant weakness identified.
- **Conclusion.** No significant weaknesses in arrangements identified, but improvement recommendations made: ‘...*highlighting the need for improved partnership working with system partners and the Council*’.

This final report will now be included in the CCG’s annual report, alongside GT’s earlier opinion of our financial statements dated 14 June 2021. The completed external auditors annual report is to be made available to the public and is [published on our website](#).

2. **Climate change – call to action.** With the 26 UN Climate Change Conference of the Parties (COP 26) starting in Glasgow on 31 October 2021, there is growing pressure for all departments of state to be seen to be acting positively in support of the government’s climate change agenda. There is an ever-expanding library of documents which highlight what needs to be done, as well as suggestions as to how meaningful savings in carbon emissions can be made. Members are aware that Rob White is the appointed GB lead for climate change and that the NHS in CloS officially declared a climate emergency on 6 October 2020.

The audit committee has a role to play in maintaining governance oversight and assurance on behalf of the GB for this increasingly important subject. Notwithstanding the continuing impact of COVID-19 and ongoing health and care challenges, remedial action has already started within the CCG and partners following the declaration, but much more needs to be done if CloS are to achieve carbon neutrality by 2030.

Governing Body members are, therefore, requested to approve the following:

- Agree that climate change becomes everybody’s business and that we have a duty to act now and in every way possible, to reduce our carbon footprint - and continue to do so.
- Chairs of committees have a responsibility to review how climate change impacts upon their routine business and to act purposefully to reduce our collective and individual carbon footprint at every opportunity. Climate change should now be considered part of our routine conversation and included as a standing agenda item at every constitutional committee meeting.
- NHS Kernow CCG executives and staff members have a responsibility to review how climate change impacts upon their daily activities and to act purposefully to reduce our carbon footprint at every opportunity. The likely impact of climate change is to be included as a key consideration as part of routine discussions over business case submissions, redesigned care pathways, new staff ways of working, etc. The opportunities to reduce our carbon footprint are limitless.

Recommendations and specific action to take at the meeting

Governing Body is asked to:

1. Note the content of the external auditor's annual report and seek further information or assurance as required.
2. Review, discuss and agree to the NHS Kernow CCG 'call to action – everyone's business' as part of the CloS collective response to tackling climate change and striving for carbon neutrality by 2030.

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: Fundamental.

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

Relevant conflicts of interest: Not applicable.