

## Governance Statement

### Introduction and context

NHS Hull Clinical Commissioning Group (CCG) is a body corporate established by NHS England on 1 April 2013 under the National Health Service Act 2006 (as amended). The CCG's statutory functions are set out under the National Health Service Act 2006 (as amended). The CCG's general function is arranging the provision of services for persons for the purposes of the health service in England. The CCG is, in particular, required to arrange for the provision of certain health services to such extent as it considers necessary to meet the reasonable requirements of its local population.

**As at 1 April 2019, the CCG is not subject to any directions from NHS England issued under Section 14Z21 of the National Health Service Act 2006.**

### Scope of responsibility

As Accountable Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the Clinical Commissioning Group's policies, aims and objectives, whilst safeguarding the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Managing Public Money. I also acknowledge my responsibilities as set out under the National Health Service Act 2006 (as amended) and in my Clinical Commissioning Group Accountable Officer Appointment Letter.

I am responsible for ensuring that the Clinical Commissioning Group is administered prudently and economically and that resources are applied efficiently and effectively, safeguarding financial propriety and regularity. I also have responsibility for reviewing the effectiveness of the system of internal control within the Clinical Commissioning Group as set out in this governance statement.

### Governance arrangements and effectiveness

The main function of the Governing Body (known as the CCG Board) is to ensure that the Group has made appropriate arrangements for ensuring that it exercises its functions effectively, efficiently and economically and complies with such generally accepted principles of good governance as are relevant to it.

The CCG maintains a constitution and associated standing orders, prime financial policies and scheme of delegation, all of which have been approved by the CCG's membership and certified as compliant with the requirements of NHS England.

Taken together these documents enable the maintenance of a robust system of internal control. The CCG remains accountable for all of its functions, including any which it has delegated.

The scheme of delegation defines those decisions that are reserved to the Council of Members and those that are the responsibility of its Governing Body (and its committees), CCG Committees, individual officers and other employees.

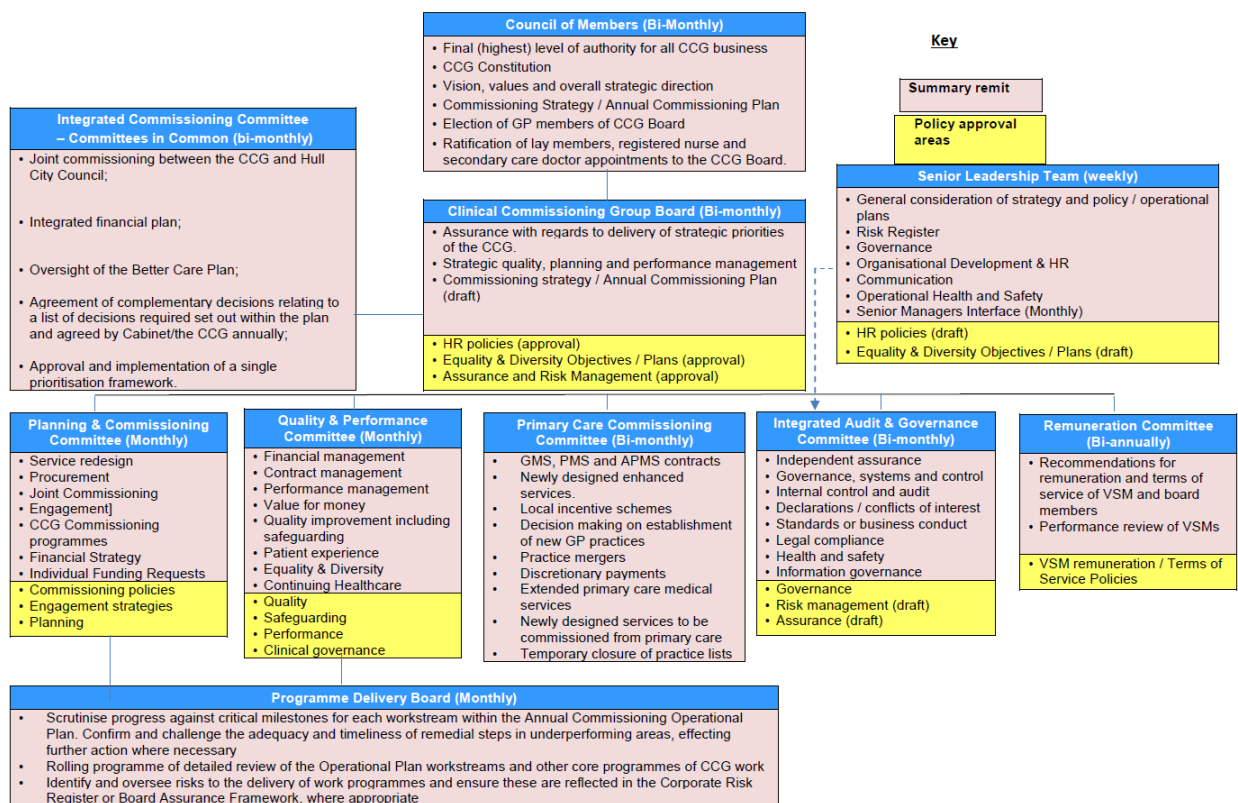
The Council of Members comprises representatives of the 37 member practices and has overall authority on the CCG's business. It receives performance updates at each of its meetings as to the progress of the CCG against its strategic objectives.

The Governing Body has responsibility for leading the development of the CCG's vision and strategy, as well as providing assurance to the Council of Members with regards to the achievement of the CCG's objectives. It has established six committees to assist it in the delivery of the statutory functions and key strategic objectives of the CCG. It receives regular opinion reports from each of its committees, as well as their minutes. These, together with a wide range of other updates, enable the Governing Body to assess performance against these objectives and direct further action where necessary.

The Integrated Audit and Governance Committee provides the Governing Body with an evaluation of the sources of assurance available to the CCG. Significant matters are escalated through the risk and control framework and reviewed by the committee. The Governing Body is represented on all the committees so as to ensure that it remains sighted on all key risks and activities across the CCG.

A programme delivery board has been maintained by the CCG throughout the year to agree priorities and monitor progress against a programme of work to deliver the CCG's commissioning strategy and operational plan.

The CCG governance framework for 2019-20 is summarised in the diagram below:



## Membership, Attendance and Activity Summary for Council of Members, Governing Body and their Committees

### Council of Members

The Council of Members has final authority for all CCG business and established the vision, values and overall strategic direction for the organisation. It has reserved powers with respect to authorisation of the CCG constitution, commissioning strategy and election / ratification of key appointments to the CCG Governing Body.

During 2019-20, the Council met on six occasions and was quorate on each occasion. It ratified appointments to Governing Body vacancies and approved an annual work plan. It considered a wide range of agenda items pertaining to its responsibilities including papers relating to strategic service level commissioning intentions as well as quality, performance and finance.

Attendance at the Council of Members during the year was as follows:

DATE OF MEETING	09/05/19	11/07/19	12/09/19	14/11/19	16/01/20	05/03/20
<b>PRACTICE</b>						
Bridge Group Practice	✓	✓	✓	✓	✓	✓
CHCP - East Park Practice	✓	X	✓	X	✓	✓
City Health Practice - Bransholme Health Centre	X	X	X	X	X	X
CHP LTD - Southcoates	X	X	X	X	X	X
Clifton House Medical Centre	✓	X	✓	X	✓	X
Dr Jaiveelo	✓	✓	X	✓	✓	✓
Delta Healthcare	X	✓	X	✓	✓	X
East Hull Family Practice / Chowdhury GM / Malczewski GS	✓	✓	✓	X	X	✓
Field View / Cook BF	X	✓	✓	X	✓	X
Goodheart Surgery	X	✓	✓	X	✓	✓
Hastings Medical Practice	✓	X	✓	✓	✓	X
Haxby Group	✓	✓	✓	X	✓	✓
Hendow GT	✓	X	✓	✓	✓	✓
Haxby Group, Burnbrae Surgery	✓	✓	✓	✓	✓	✓
James Alexander Family Practice	X	X	X	X	X	X
Kingston Health Hull	✓	✓	✓	X	✓	✓
Kingston Medical Centre, Riverside Medical Centre, Story Street Practice and Walk-In Centre, Quays Medical Centre	✓	X	✓	X	✓	✓
KV Gopal Surgery	X	X	X	X	X	X
Modality Hull - Faith House Surgery / Newhall Group Practice / Rawcliffe & Partners, Springhead Medical Centre, Diadem Medical Practice	✓	X	X	✓	✓	✓
Newland Health Centre / JK Nayar	X	✓	X	X	X	X
Northpoint (Humber)	✓	✓	✓	✓	✓	✓
Orchard 2000 Group	X	✓	✓	✓	✓	✓
Princes Medical Group	✓	✓	✓	✓	✓	✓
Raut Partnership	✓	X	X	X	X	X
St Andrews Surgery	X	X	X	X	✓	X
Sutton Manor Surgery	✓	✓	X	✓	✓	✓
Sydenham Group Practice	X	X	X	X	X	X
The Avenues Medical Centre	X	X	✓	X	✓	✓
The Calvert Practice, City Healthcare Partnership Newington Surgery / Haxby Group The Calvert Practice, City Healthcare Partnership Newington Surgery / Haxby Calvert and Newington Surgeries	✓	✓	✓	✓	✓	X
The Oaks Medical Centre	✓	X	✓	X	✓	✓
Weir and Partners	X	✓	X	✓	✓	✓
Wilberforce Surgery	X	X	X	X	X	X
Wolseley Medical Practice	X	✓	✓	X	✓	✓



## Integrated Audit and Governance Committee

The Integrated Audit & Governance Committee is responsible for providing assurance to the CCG Governing Body on the processes operating within the organisation for risk, control and governance. It assesses the adequacy of assurances that are available with respect to financial, corporate, clinical and information governance. The committee is able to direct further scrutiny, both internally and externally where appropriate, for those functions or areas where it believes insufficient assurance is being provided to the CCG Governing Body.

During 2019-20, the committee met eight times during the year and was quorate on each occasion. The committee's activities included:

- receiving and reviewing the board assurance framework and risk register at each meeting of the committee throughout the year;
- considering reports and opinions from a variety of internal and external sources including external audit, NHS Counter Fraud Authority, internal audit and the other committees of the Governing Body;
- receiving and scrutinising reports on tender waivers, declarations of interest and gifts and hospitality;
- reviewing the annual accounts and annual governance statement and made recommendations to the Governing Body; and,
- through its work programme provided assurance to the Governing Body that the system of internal control is being implemented effectively.

Attendance at the committee during the year was as follows:

DATE OF MEETING		18/04/19	14/05/19	23/05/19	08/07/19	10/09/19	12/11/19	14/01/20	10/03/20
Marshall	Karen	✓	✓	✓	✓	✓	✓	✓	✓
Stamp	Jason	✓	✓	✓	✓	✓	✓	✓	✓
Goode	Ian						x	✓	✓
Jackson	Paul	x							
	Was not a member at the time								

## Planning and Commissioning Committee

The Planning and Commissioning Committee is responsible for ensuring that the planning, commissioning and procurement of commissioning-related business is in line with the CCG organisational objectives. In particular, the committee is responsible for preparing and recommending a commissioning plan to the Governing Body, together with the establishment of and reporting on effective key performance indicators within specifications which will deliver planned quality, innovation, productivity and prevention (QIPP) benefits. An update report is produced by the committee after each meeting for consideration by the Governing Body as to the sources of confidence available in relation to the areas of responsibility of the committee.

The committee met twelve times during the year and was quorate on each occasion. The committee's activities included:

- development of the CCG plan for the Better Care Fund (iBCF) and integration process;
- receiving and reviewing a wide range of clinical commissioning policies, including those relating to prescribing;
- consideration of the frailty pathway / Hull Integrated Care Centre service modelling;

- review and approval of public health programmes; and
- review of the progress and delivery of main work programmes.

Attendance at the committee during the year was as follows:

DATE OF MEETING		05/04/19	03/05/19	07/06/19	05/07/19	07/08/2019	06/09/19	04/10/19	01/11/19	06/12/19	03/01/20	07/02/20	05/03/20
Ali	Bushra	✓	✓	✓	✓	✓	✓	X	X	✓	X	X	X
Balouch	Masood	✓	✓	✓	✓	✓	✓	✓	X	✓	X	✓	✓
Oehring	Amy	✓	✓	✓	X	✓	✓	✓	✓	✓	X	✓	✓
Rawcliffe	Vincent	X	✓	✓	✓	✓	✓	✓	✓	✓	✓	X	✓
Stamp	Jason	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	X
Jackson	Paul	X											
Goode	Ian									✓	✓	✓	✓
Lee	Sue	✓	✓	✓	✓	✓	X	X	✓	✓	✓	✓	✓
Shakeshaft	Emma	X	X	X	X	X	✓	✓	X	X	X	X	X
Harris	Vicky	✓	✓	✓	✓	✓	✓						
Crick	James	X	X	X	X	X	X	X	X	✓	X	✓	X
Fielding	Tim	X	X	X	X	X	X	X	X	X	✓	X	✓
Storr	Danny	✓	✓	✓	✓	X	X	✓	✓	✓	✓	X	✓
Milner	Sarah	X	X	✓	X	✓	✓	X	X	X	X	✓	X
Whittaker	Mark	✓	✓	✓	X	✓	✓	✓	X	✓	X	X	✓
Dodson	Joy	✓	✓	✓	✓	✓	✓	✓	X	✓	✓	✓	✓
Lowe	Deborah	✓	✓	✓	X	✓	✓	✓	X	X	X	✓	✓
Denman	Chris	X	X	X	✓	X	X	X	✓	✓	X	X	X
Bradbury	Melanie	✓	✓	X	✓	✓	✓	X	X	X	✓	X	✓
Davis	Philip	X	✓	✓	X	X	✓	✓	✓	X	✓	✓	✓
Dawson	Bernie	X	✓	✓	✓	X	✓	✓	✓	X	✓	✓	✓
Ellis	Karen	✓	X	✓	✓	X	✓	✓	✓	✓	✓	✓	✓
McCorry	Kevin	✓	✓	✓	✓	X	✓	✓	✓	✓	✓	✓	✓
	Was not a member at the time												

### Quality and Performance Committee

The Quality and Performance Committee is responsible for the continuing development, monitoring and reporting of performance outcome measures in relation to quality improvement, financial performance and management plans. It ensures the delivery of improved outcomes for patients in relation to the CCG's agreed strategic priorities.

The Committee met nine times during the year and was quorate on each occasion. An update report is produced by the committee after each meeting for consideration by the Governing Body as to the sources of confidence available in relation to the areas of responsibility of the committee. The committee's activities during the year included:

- provider quality monitoring and performance escalation;
- application of patient experience data to inform the work of the committee and the wider CCG;
- reports of CCG quality visits;
- scrutiny of financial delivery;
- scrutiny of provider quality accounts;
- monitoring the safeguarding programme of the CCG;
- scrutiny and review of clinical serious incidents - improving the quality and outcomes of investigations, sharing the learning and making better use of data around themes and trends from serious incidents.

Attendance at the committee during the year was as follows:

DATE OF MEETING		30/04/19	21/05/19	25/06/19	23/07/19	17/09/19	23/10/19	19/11/19	21/01/20	26/02/20
Moult	James	✓	✓	✓	x	✓	✓	✓	X	✓
Stamp	Jason	✓	✓	✓	✓	✓	✓	✓	✓	✓
Heseltine	David				✓	x	✓	x	✓	✓
Smyth	Sarah	✓	✓	✓	x	x	x	x	x	x
Crick	James	✓	✓	✓	✓	✓	✓	x	✓	✓
Dodson	Joy	x	x							
Storr	Danny			✓	x	x	x	x	x	x
Morris	Lorna	x	✓	✓						
Lee	Sue	✓	✓	✓	✓	✓	✓	x	✓	x
Blain	David				x	x	x	x	✓	x
Stevens	Emma	x	✓	✓						
Butters	Estelle	✓	✓	✓	✓	x	✓	✓	✓	✓
Palmer	Ross	✓	x	x	✓	✓	x	✓	✓	✓
Ellis	Karen	x	✓	✓	✓	✓	x	✓	✓	✓
Martin	Karen	✓	✓							
Lowe	Debbie		✓	✓	x	✓	✓	✓	✓	x
Thompson	Robert	✓	✓	x						
Sugden	Liz	x	x	x						
Rawlings	Angie	x	x	x						
Denman	Chris	x	✓	x						
	Was not a member at the time									

### Primary Care Commissioning Committee

The Primary Care Commissioning Committee has responsibility for commissioning primary medical services across the city. In particular, the committee is responsible for considering General Medical Services (GMS), Personal Medical Services (PMS) and Advanced Personal Medical Services (APMS) contracts, enhanced services, local incentive schemes, decision making on establishment of new GP practices and practice mergers and newly designed services to be commissioned from primary care.

The committee met on five occasions during the year and was quorate each time. The committee's activities during the year included:

- implementation of the CCG's Strategic Commissioning Plan for Primary Care, including the support to the development of Primary Care Networks;
- contractual issues – including contract mergers and list closure requests; and,
- primary care estates issues.

Attendance at the committee during the year was as follows:

DATE OF MEETING		26/04/19	28/06/19	25/10/19	13/12/19	24/02/20
Stamp	Jason	✓	✓	✓	✓	✓
Marshall	Karen	✓	✓	✓	✓	X
Goode	Ian			✓	✓	✓
Sayner	Emma	✓	✓	X	✓	✓
Storr	Danny	X	X	✓	X	X
Latimer	Emma	✓	X	✓	X	X
Dodson	Joy	X	✓	✓	✓	✓
Davis	Philip	✓	X	X	X	X
Lowe	Deborah	✓	✓	✓	✓	X
Roper	Dan	✓	✓	✓	✓	✓
Weldon	Julia	X	X	X	X	X
Crick	James	✓	✓	✓	✓	✓
Jackson	Paul	X				
	Was not a member at the time					

### Remuneration Committee

The purpose of the committee is to advise and assist the Governing Body in meeting its responsibilities on determinations about the remuneration, fees and other allowances for employees and for people who provide services to the CCG, as well as with regards to determinations about allowances under any pension scheme that the CCG may establish as an alternative to the NHS pension scheme. In so doing the committee will have proper regard to the organisation's circumstances and performance and to the provisions of any national agreements and NHS Commissioning Board (NHS England) guidance as necessary.

The committee met four times during the year and was quorate on each occasion. Highlights of the Committees activity included pay progression considerations, honorary contracts reviews and VSM performance frameworks. It also considered the remuneration arrangements for the interim accountable officer and interim chief finance officer support to North Lincolnshire CCG.

Attendance at the committee was as follows:

DATE OF MEETING		18/04/19	03/06/19	02/06/19	27/01/20
Marshall	Karen	✓	✓	✓	✓
Roper	Dan	✓	✓	✓	✓
Jackson	Paul	x			
Stamp	Jason	✓	✓	✓	✓
Goode	Ian			✓	✓
	Was not a member at the time				

### Integrated Commissioning Committee – Committees in Common

The purpose of the committee is to facilitate shared decision-making between the CCG and Hull City Council with respect to joint commissioning and the integrated financial plan.



The committee met four times during the year and was quorate on each occasion. Highlights of the Committees activity included the renewal of the Section 75 agreement including the Better Care Fund, the financial contributions to the Integrated Financial Plan and a range of service re-procurements.

Attendance at the committee was as follows:

DATE OF MEETING		17/04/19	26/06/19	18/12/19	26/02/20
Oehring	Amy	✓	✓	✓	✓
Roper	Dan	✓	✓	X	✓
Marshall	Karen	✓	✓	✓	X

### **UK Corporate Governance Code**

NHS Bodies are not required to comply with the UK Code of Corporate Governance. However, we have reported on our corporate governance arrangements by drawing upon the best practice available, including those aspects of the UK Corporate Governance Code we consider to be relevant to the CCG.

In particular, we have described through the narrative within this annual governance statement and our annual report and accounts four of the five main principles of the Code; namely, leadership, effectiveness, accountability and remuneration.

The CCG is a statutory NHS organisation. It does not have shareholders and we do not therefore report on our compliance with the fifth main principle of the Code; relations with shareholders. We do however set out within this annual governance statement and our annual report and accounts how we have discharged our responsibilities with regards to our members and the general public.

### **Discharge of Statutory Functions**

In light of recommendations of the 2013 Harris Review, the clinical commissioning group has reviewed all of the statutory duties and powers conferred on it by the National Health Service Act 2006 (as amended) and other associated legislative and regulations. As a result, I can confirm that the clinical commissioning group is clear about the legislative requirements associated with each of the statutory functions for which it is responsible, including any restrictions on delegation of those functions.

Responsibility for each duty and power has been clearly allocated to a lead Director. Directorates have confirmed that their structures provide the necessary capability and capacity to undertake all of the clinical commissioning group's statutory duties.

### **Risk management arrangements and effectiveness**

The CCG maintains a Risk Management Strategy which sets out its appetite for risk, together with the practical means through which risk is identified and evaluated as well as the control mechanisms through which it is managed. It creates a framework to achieve a culture that encourages staff to:

- Avoid undue risk aversion but rather identify and control risks which may adversely affect the operational ability of the CCG;
- Compare and prioritise risks in a consistent manner using defined risk grading guidance; and

- Where possible, eliminate or transfer risks or reduce them to an acceptable and cost effective level or otherwise ensure the organisation accepts the remaining risk.

The Risk Management Strategy was reviewed and updated in March 2019. The CCG maintains a Risk Register through an electronic reporting system which is accessible to all staff.

Risks are systematically reviewed at the Integrated Audit and Governance Committee and other committees of the Governing Body, as well as by directorates, senior managers and individual risk owners. The Risk Register assesses the original and mitigated risks for their impact and likelihood and tracks the progress of individual risks over time through a standardised risk grading matrix. Risks that increase in rating are subject to additional scrutiny and review.

All formal papers, strategies or policies to the Council of Members, Governing Body or its committees are assessed for their risks against the defined framework. All new or updated policies of the CCG are subject to equality impact assessments which gauge and mitigate wider public risks.

The CCG maintains an active programme of engagement with the public and other stakeholders on key strategic and service decisions and considers its plans in the light of any risks identified. This work includes engagement with the CCG's ambassadors and health champions, the CCG equality group and a combination of formal and informal consultations on key aspects of its commissioning programme.

The system has been in place in the CCG for the year ended 31 March 2019 and up to the date of approval of the Annual Report and Accounts. The process of review and strengthening of the risk and control framework of the CCG will continue throughout 2020/21.

### **Capacity to Handle Risk**

The CCG's Chief Officer has overall responsibility for risk management. Through delegated responsibility the Associate Director of Corporate Affairs has day to day management of the organisations risk management process. The specific responsibilities of other committees, senior officers, lay members and all other staff within the CCG are clearly articulated.

The Board Assurance Framework is an essential part of the CCG's risk and governance arrangements. It provides the means through which threats to the achievement of the organisation's strategic objectives are clearly identified, assessed and mitigated. It has been subject to regular review throughout 2019/20 and is received at each meeting of the Integrated Audit and Governance Committee. The committee provides an opinion to the Governing Body as to the adequacy of the assurances available with respect to management of the risks identified within the Board Assurance Framework. In doing so the committee draws upon the sources of assurance available to it, including the work of the CCG's external auditors, a comprehensive internal audit programme and the work of NHS Protect.

In May 2019 the Governing Body completed a comprehensive review of the risks within the Board Assurance Framework to ensure that these continue to reflect the evolving strategic objectives of the organisation as well as its updated strategic plan.

The Integrated Audit and Governance Committee maintains oversight of the risks to the CCG through review of the Risk Register at each of its meetings. It provides an opinion to

the Governing Body as to the adequacy of assurances available with respect to the control mechanisms for risk. The other committees of the Governing Body receive and review risks pertaining to their areas of responsibility at each of their meetings.

Both the Board Assurance Framework and the Corporate Risk Register are reviewed by the Governing Body. The Governing Body and its Quality and Performance Committee have continued to maintain rigorous oversight of the performance of the CCG and the Integrated Audit and Governance Committee has assessed the adequacy of the assurances available in relation to performance. Comprehensive quality and performance reports are a standing item at the Governing Body and each of these committee meetings.

Staff training on risk management is provided with additional supported via the in-house risk management specialists.

### Risk Assessment

All risks to the clinical commissioning group are assessed for their impact and likelihood to give an overall risk rating. The CCG's governance, risk management and internal control frameworks have been subject to review in-year to ensure that they remain fit for purpose. No significant risks to governance, risk management or internal control were identified during the year.

At the start of 2019/20 the CCG had four extreme (red) rated risks and sixteen high (amber) rated risks within its Corporate Risk Register. The three extreme risks had their ratings lowered in-year through mitigating actions. A summary of these risks and the actions are as follows:

Risk	Controls	Assurances
Waiting times for children and young people's assessment and diagnosis for autism exceeds the national 18 week target	Significant further investment in the service to increase capacity and improve access.  The clinical pathway for post diagnostic service is under development in partnership with Humber NHS Foundation Trust, Hull City Council and the voluntary sector.	Progress monitored by Children and Young People Autism Strategy Group which reports to the Children and Young People and Maternity Programme Board, as well as to the multi-agency Children and Families Board
CCG practices unable to maintain a resilient primary care workforce	Development of CCG primary care workforce strategy. Development of Strategic Commissioning Plan for Primary Care. Development of New Models of Care involving range of other job roles. Development of STP primary care workforce modelling as part of out of hospital care work-stream	Progress in implementing primary care workforce strategy will be reported to Primary Care Joint Commissioning Committee. STP Strategic Partnership Board to oversee out of hospital care work-stream.
Waiting list for initial assessment and treatment is extensive within the Paediatric Speech and Language (SLT) Service. The previous joint local area SEND Inspection identified that children and young people do not have timely access to SLT services and there is not an effective plan for securing improvement.	Hull CCG has agreed additional non-recurrent funding to support the service to recruit additional resource that will reduce the waiting list and undertake service remodelling. Contract variation to be completed once service level data including waiting lists have been completed and trajectory agreed.	Progress reports to Hull CCG Planning and Commissioning and Quality and Performance Committees.

By the end of 2019/20, the CCG had one extreme risk and nineteen high risks within its Corporate Risk Register. The extreme rated risk was as follows:

Risk	Controls	Assurances
CCG practices unable to maintain a resilient primary care workforce resulting in reduced access to services and patient needs not being met.	Development and implementation of CCG primary care workforce strategy and associated initiatives eg. International GP Recruitment, PCN Ready, Physician Associate Schemes. Use of National Workforce Reporting System to monitor trends in primary care workforce. Primary Care Networks to be supported to develop new roles as outlined in NHS Long Term Plan and for which reimbursement available through Network DES. Development of HC&V primary care workforce modelling as part of out of hospital care work-stream.	Progress in implementing primary care workforce strategy will be reported to Primary Care Joint Commissioning Committee. STP Strategic Partnership Board to oversee out of hospital care work-stream.

### Other sources of assurance

#### *Internal Control Framework*

A system of internal control is the set of processes and procedures in place in the clinical commissioning group to ensure it delivers its policies, aims and objectives. It is designed to identify and prioritise the risks, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control allows risk to be managed to a reasonable level rather than eliminating all risk; it can therefore only provide reasonable and not absolute assurance of effectiveness.

The Governing Body, on behalf of the Council of Members, ensures that the organisation maintains a comprehensive system of internal control through the application of its standing orders, prime financial policies and scheme of delegation. These are supported by a comprehensive suite of financial and governance policies.

The Integrated Audit and Governance Committee routinely consider performance and other reports which enable it to assess the effectiveness of internal control mechanisms. It then provides an opinion to the Governing Body as to the adequacy of these.

#### *Annual audit of conflicts of interest management*

The revised statutory guidance on managing conflicts of interest for CCGs (published June 2017) requires CCGs to undertake an annual internal audit of conflicts of interest management. To support CCGs to undertake this task, NHS England has published a template audit framework.

The CCG has carried out an annual internal audit of conflicts of interest which found that the CCG's governance, risk management and control arrangements provide substantial assurance that the risks identified are managed effectively. Compliance with the control framework was found to be taking place and the CCG was found to be fully compliant in 24 of the 25 criteria assessed.

A breakdown of the findings was as follows:

Assessment area	Compliance Level
Section 1: Governance arrangements	Fully Compliant
Section 2: Declarations of interest and gifts and hospitality	Fully Compliant
Section 3: Registers of interest, gifts and hospitality and procurement decisions	Fully Compliant
Section 4: Decision making processes and contract monitoring	Fully Compliant
Section 5: Identifying and managing non-compliance	Fully Compliant

#### *Data Quality*

The Governing Body is advised by its Quality & Performance Committee as to the maintenance of a satisfactory level of data quality available and the clinical commissioning group maintains a process of continuous data quality improvement.

#### *Information Governance*

The NHS Information Governance Framework sets the processes and procedures by which the NHS handles information about patients and employees, in particular personal identifiable information. The NHS Information Governance Framework is supported by an information governance toolkit and the annual submission process provides assurances to the clinical commissioning group, other organisations and to individuals that personal information is dealt with legally, securely, efficiently and effectively.

We have submitted a satisfactory level of compliance with the data security and protection toolkit assessment and have established an information governance management framework. Information governance processes and procedures have been developed in line with the data security and protection toolkit. We have ensured all staff undertake annual information governance training and have taken steps to ensure staff are aware of their information governance roles and responsibilities.

There are processes in place for incident reporting and investigation of serious incidents. We are developing information risk assessment and management procedures and a programme will be established to fully embed an information risk culture throughout the organisation against identified risks.

#### *Business Critical Models*

The CCG recognises the principles reflected in the Macpherson Report as a direction of travel for business modelling in respect of service analysis, planning and delivery. An appropriate framework and environment is in place to provide quality assurance of business critical models within the CCG.

The CCG has adopted a range of quality assurance systems to mitigate business risks.

These include:

- Stakeholder experience including patient complaints and serious untoward incident management arrangements;
- Risk Assessment (including risk registers and a board assurance framework);
- Internal Audit Programme and External Audit review;
- Executive Leads with clear work portfolios;
- Policy control and review processes;
- Public and Patient Engagement, and
- Third Party Assurance mechanisms.

### *Third party assurances*

The CCG currently contracts with a number of external organisations for the provision of support services and functions. This specifically includes the NHS Shared Business Service, NHS Business Services Authority, Sheffield Teaching Hospitals NHS Foundation Trust (Victoria Payroll Services) and Capita / Deloitte. Assurances on the effectiveness of the controls in place for these third parties are received in part from an annual Service Auditor Report from the relevant service and I have been advised that adequate assurances have been provided for 2019/20 (tbc).

### **Control Issues**

The CCG achieved a high level of performance across the operating framework requirements. In the latter part of 2019/20 the CCG has focussed on the leadership of the local system response to the Coronavirus Pandemic. This has included taking steps to ensure the continuity and indeed accelerate, where appropriate, the resource flow through the local system whilst continuing to maintain a sound and robust control framework.

Final performance reporting was disrupted on account of the major incident actions in response to the Coronavirus Pandemic, however, performance had been below the target level and unlikely to have recovered by the year-end in the following areas:

NHS HULL CCG PERFORMANCE		Actual (YTD – Dec 2019)	Target
NHS NATIONAL REQUIREMENTS			
A&E waiting time - total time in the A&E department, SitRep data	2019-20	71.95%	95%
<p><b>Commentary</b></p> <p>Unplanned Care Delivery Group was working towards an agreed plan with 8 work streams. Not all work streams are having the predicted impact as yet. Hull University Teaching Hospitals NHS Trust are planning to measure harm alongside total Length of Stay (LoS) in the department to try and identify direct patient impacts of delays.</p> <p>Nurse Triage has commenced in the Emergency Care Area, as part of the Primary Care Stream work, with a range of diversionary pathways in place to appropriately divert patients away from the emergency department.</p>			
		Actual (Month – Dec)	Target

		2019)	
RTT - The percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the period.	2019-20	69.66%	92%
<p><b>Commentary</b> Referral to Treatment 18 weeks waiting times performance at Hull University Teaching Hospital NHS Trust remained stable in December 2019, reporting 69.66. Capacity issues remain within a few specialties mainly in terms of medical staffing and increasing levels of urgent and cancer referrals. The Planned Care Delivery group is working with teams in the Trust to focus and prioritise work streams supporting outpatients and activity planning.</p>			
		Actual (YTD – Dec 2019)	Target
Cancer - Maximum 2 week wait (%) for first outpatient appointment when referred urgently with breast symptoms	2019-20	85.48%	93%
Cancer - 31 Day standard for diagnosis to first definitive treatment within 31 days (all cancers) (%)	2019-20	94.13%	96%
Cancer - 31 day wait for subsequent treatment - surgery (%)	2019-20	82.94%	94%
Cancer 62 day waits: first definitive treatments following urgent GP referral for suspected cancer including 31 day rare cancers (%)	2019-20	69.92%	85%
<p><b>Commentary</b> The CCG continues to work with stakeholders and prioritise waiting time standards and challenge the provider where standards are breached. Action continues with respect to the high impact pathways, as well as greater co-ordination of diagnostic capacity across the Hull and York system in order to reduce reporting times in this element of the pathway.</p>			

### **Review of economy, efficiency & effectiveness of the use of resources**

The Chief Finance Officer has delegated responsibility to determine arrangements to ensure a sound system of financial control. The CCG continues to meet all of its statutory financial duties. Budgets were established and maintained against all CCG business areas and performance monitored via a Quality & Performance Report as a standing item at the Governing Body and Quality and Performance Committee.

Individual budget holders have regular budget review meetings to ensure that any cost pressures are adequately considered, managed or escalated as necessary.

The Integrated Audit and Governance Committee receive a regular update from the Quality and Performance Committee as to the economic, efficient and effective use of resources by the clinical commissioning group. The Integrated Audit and Governance Committee advise the Governing Body on the assurances available with regards to the economic, efficient and effective use of resources.

An internal audit programme of activity is agreed and established to assess the adequacy of assurances available to the CCG in relation to the economic, efficient and effective use of resources. The findings are reported to the Integrated Audit and Governance Committee.



### **Delegation of functions**

The CCG undertakes a regular process of review of its internal control mechanisms, including an annual internal audit plan. All internal audit reports are agreed by senior officers of the CCG and reviewed by the Integrated Audit and Governance Committee.

A review of the effectiveness of the CCG governance structure and processes has been undertaken during the year; including a review of committee's terms of reference. Committee action plans were developed and progress against their delivery monitored by the Integrated Audit and Governance Committee.

Budgets were established and maintained against all CCG business areas and performance monitored via a quality and performance report as a standing item at the Governing Body and Quality and Performance Committee.

Individual budget holders have regular budget review meetings to ensure that any cost pressures are adequately considered, managed or escalated as necessary.

### **Counter fraud arrangements**

The Integrated Audit and Governance Committee (IAGC) has assured itself that the organisation has adequate arrangements in place for countering fraud and regularly reviews the outcomes of counter fraud work. The CCG has an accredited Local Counter Fraud Specialist (LCFS) in place to undertake work against NHS Counter Fraud Authority Standards; the LCFS resource is contracted in from AuditOne and is part of a wider Fraud Team resource with additional LCFS resource available as and when required. The Chief Finance Officer is accountable for fraud work undertaken and a Counter Fraud Annual Report (detailing counter fraud work undertaken against each standard) is reported to the Integrated Audit and Governance Committee annually.

There is an approved and proportionate risk-based counter-fraud work plan in place which is monitored at each Integrated Audit and Governance Committee meeting. In line with NHS Counter Fraud Authority Commissioner Standards, which first became effective 1st April 2015 and are reviewed annually, the CCG completed an online Self Review Tool (SRT) quality assessment in March 2020 to assess the work completed around anti-fraud, bribery and corruption work and assessed itself as an 'Amber' rating. This self-assessment (SRT) detailing our scoring was approved by Chief Finance Officer prior to submission.

### **Head of Internal Audit Opinion**

Following completion of the planned audit work for the financial year for the clinical commissioning group, the Head of Internal Audit issued an independent and objective opinion on the adequacy and effectiveness of the clinical commissioning group's system of risk management, governance and internal control. The Head of Internal Audit concluded that:

From their review of the CCG's systems of internal control, they are providing substantial assurance that the system of internal control has been effectively designed to meet the organisation's objectives, and that controls are being consistently applied.

During the year, Internal Audit issued the following audit reports:

<b>Audit</b>	<b>Assurance Level</b>
Conflicts of Interest	Substantial
Continuing Healthcare	Reasonable
Primary Care	Substantial



Commissioning	
Financial Management/Financial Control	Substantial
Risk Management Arrangements	Substantial
DSP Toolkit	Good
Assurance Framework	tbc

### **Review of the effectiveness of governance, risk management and internal control**

My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, executive managers and clinical leads within the Clinical Commissioning Group who have responsibility for the development and maintenance of the internal control framework. I have drawn on performance information available to me. My review is also informed by comments made by the external auditors in their annual audit letter and other reports.

Our assurance framework provides me with evidence that the effectiveness of controls that manage risks to the clinical commissioning group achieving its principles objectives have been reviewed.

I have been advised on the implications of the result of this review by:

- The Governing Body;
- The Integrated Audit and Governance Committee;
- The assessment of the CCG through the quarterly IAF checkpoint meetings with NHS England - North East and Yorkshire;
- The CCG's governance, risk management and internal control arrangements;
- The work undertaken by the CCG's internal auditors which has not identified any significant weaknesses in internal control;
- The results of national staff and stakeholder surveys; and
- The statutory external audit undertaken by Mazars, who will provide an opinion on the financial statements and form a conclusion on the CCG's arrangements for ensuring economy, efficiency and effectiveness in its use of resources during 2019-20.

The role and conclusions of each were that a satisfactory framework was in place throughout the year.

### **Conclusion**

With the exception of the internal control issues that I have outlined in this statement, my review confirms that the CCG overall has a sound system of internal controls that supports the achievement of its policies, aims and objectives and that those control issues have been or are being addressed.

