

## **INTEGRATED AUDIT AND GOVERNANCE COMMITTEE**

**MEETING HELD ON 10 MARCH 2020**

### **ASSURANCE REPORT**

#### **INTRODUCTION**

This is the Chair's assurance report to the Clinical Commissioning Group Board following the Integrated Audit and Governance Committee meeting held on 10 March 2020.

#### **AUDIT**

##### **EXTERNAL AUDIT**

###### **Minute No. 6.1 EXTERNAL AUDIT PROGRESS REPORT**

The Board can be assured that work was progressing to plan with regard to the 2019/20 audit, interim work had commenced and there were no significant matters to report at this stage.

###### **Minute No. 6.2 DRAFT MENTAL HEALTH INVESTMENT STANDARD STATEMENT OF COMPLIANCE REPORT FOR HULL CCG**

The Board can be assured that a qualified opinion had been issued which concluded that the CCG's Mental Health Investment Standard Statement of Compliance for the period ended 31 March 2019 was properly prepared, with two exceptions which related to capturing areas of expenditure. Hull CCG had compared favourably with the rest of the country and these exceptions were common findings across CCGs.

##### **INTERNAL AUDIT**

###### **Minute No. 7.1 INTERNAL AUDIT PROGRESS REPORT**

The Board can be assured of satisfactory progress and outcomes in delivering the Internal Audit Plan for 2019/20, which continued to represent appropriate coverage as part of the wider assurance framework.

No issues had been identified from the work carried out to date that might significantly impact upon the annual Head of Internal Audit Opinion (HoIAO) which was indicative of an overall "substantial assurance" opinion based on completed work to 27 February 2020.

The draft Head of Internal Audit Opinion (HoIAO) for 2019/20 would be formally presented to the next IAGC meeting to be held on 12 May 2020.

###### **Minute No. 7.2 STRATEGIC AND OPERATIONAL INTERNAL AUDIT PLAN**

The Board can be assured that the Operational Internal Audit Plan 2020/21 continued to reflect the CCGs strategic objectives and risks in order to provide the assurance required.

The total number of days assigned to the Plan for core internal audit assurance work to support the HoIAO was 73, with an additional 13 days allocated for assurance and advisory work, some flexibility would be retained for any emerging areas in year and the situation would be reviewed again in 6 months' time.

### **Minute No. 7.3 COUNTER FRAUD PROGRESS REPORT**

The Board can be can be assured by the amount of Counter Fraud awareness work that is being undertaken within the CCG.

The Self Review Toolkit (SRT) submission 2019-20 which was currently in draft form and would be finalised and submitted by the 30 April 2020 deadline.

In relation to the Coronavirus situation, business continuity arrangements were in place to keep the cash flowing to allow payments to be made.

## **FINANCIAL GOVERNANCE**

### **Minute No. 8.1 FINANCIAL REPORT**

The Board can be assured that the CCG was currently forecasting to achieve a balanced position against the in-year allocation. There was therefore no impact on the CCG's historic surplus of £15.335m which was in line with the 2019/20 financial plan submitted to NHS England. This year's running cost allocation was £6.196m and the current forecast was that expenditure would be contained within this financial envelope. Overspends and underspends were continuing within the same areas of expenditure and these were being managed and closely monitored.

The Chief Finance Officer delivered the key message that, heading into the yearend, confirmation could be provided that the CCG would achieve it's strategic targets.

### **Minute No. 8.2 LOSSES AND SPECIAL PAYMENTS**

The Deputy Chief Finance Officer advised that there were no losses or special payments to report.

### **Minute No. 8.3 ACCOUNTING POLICIES**

The Board can be assured that IAGC Members had been made aware of the standard notes to the accounts for inclusion within the un-audited annual accounts submission for 2019/20 to the Department of Health.

### **Minute No. 8.4 ANNUAL ACCOUNTS PLAN AND TIMETABLE**

The Board can be assured that a detailed plan was in place for the preparation of the CCG's Annual Accounts for 2019/20.

## **GOVERNANCE**

### **Minute No. 9.2 BOARD ASSURANCE FRAMEWORK 2019/2020**

The Board can be assured that the IAGC is kept informed on the position against the assessed risks on the Board Assurance Framework (BAF) 2019/20 and is provided with the opportunity to review and comment on any updates deemed necessary.

IAGC members requested the following;

- Strategic Objective 1 – Integrated and Joint Commissioning - the risk would need to be wider to better reflect other elements of partnership working and there was a need to understand each other's systems and ways of working.

- Strategic Objective 2 – Integrated Delivery – the risk relating to clinical leadership in Primary Care Networks would need to be looked at and updated.

### **Minute No. 9.3 CORPORATE RISK REGISTER**

The Board can be assured that systems and processes are in place to identify and manage risks on the Risk Register. The IAGC are kept updated on any movements, provided with the opportunity to review and comment and approve the removal of any risks from the Risk Register.

IAGC members requested that **Risk 932**, which related to timely access for children and young people to SLT services, should remain at an extreme risk 16 as progress needed to be sustained.

IAGC members approved that the rating of **Risk 936**, which related to ensuring the implementation of the Health and Social Care Partnership, be reduced from an extreme risk 15 to a high risk 10.

IAGC members approved the removal of **Risk 938**, which related to the United Kingdom leaving the European Union.

In relation to pandemic planning for the Corona virus, the Board can be assured that organisational Business Continuity Plans were in place.

### **Minute No. 9.4 RISK MANAGEMENT STRATEGY**

The Board can be assured that the Risk Management Strategy, which was an integral part of the CCG's Corporate Governance Framework, had been subject to annual review. IAGC members had approved the updated Risk Management Strategy.

### **Minute No. 9.5 DATA SECURITY AND PROTECTION TOOLKIT 2019/20 UPDATE**

The Board can be assured that work was now complete with regard to the CCG's Data Security and Protection Toolkit (DSPT) submission which was an online self-assessment tool that allowed organisations to measure their performance against the National Data Guardian's 10 data security standards. There were 106 mandatory evidence items required to complete the Toolkit and the CCG had met 102 of these. Hull CCG's DSPT 2019/20 self-assessment had been audited on 25 February 2020 and it was anticipated that the assurance level would be either good or substantial.

### **Minute No. 9.6 EMPLOYEE DECLARATIONS OF SECONDARY EMPLOYMENT**

The Board can be assured that the CCG, as part of the annual governance process, has received updated Employee Declarations of Secondary Employment.

### **Minute No. 9.7 FREEDOM OF INFORMATION REQUESTS Q3 REPORT**

The Board can be assured that the CCG has a process in place to respond to all Freedom of Information requests received. During the period 1 October 2019 to 31 December 2019 there had been no missed requests and the CCG had been fully compliant with the 20 day response deadline.

### **Minute No. 9.8 EXTERNAL AUDIT CONTRACT EXTENSION**

The Board can be assured that Integrated Audit and Governance Committee members endorsed the proposal to extend the External Audit contract with Mazars for a further two years. The current value of the contract was £51,000 pa (inc VAT) and therefore a recommendation would be submitted to the CCG's Senior Leadership Team for approval in line with the CCG's Procurement Framework

**Minute No. 9.9 REVISION OF FINANCIAL POLICIES AND PROCEDURES**

The Board can be assured that the CCG regularly reviews and updates its financial policies and procedures.

IAGC Members approved the following updated financial policy and procedures:

- Redress Policy
- Payment of Supplier Invoices
- Writing off Bad Debts
- Petty Cash
- Receipt of Cash and Cheques
- Fixed Assets



**Karen Marshall (Chair)**  
**Integrated Audit and Governance Committee**  
**12 May 2020**