

**Item 10.2**

**COMBINED INTEGRATED AUDIT AND GOVERNANCE COMMITTEE  
& FINAL ACCOUNTS MEETING**

**MINUTES OF THE MEETING HELD ON 25 MAY 2022 AT 12.30PM  
In the Boardroom at Wilberforce Court and via Microsoft Teams**

The Chair advised Members that, although the meeting was not quorate, it was decided to run the Committee as usual and in terms of key decisions to be made, these would be recommended to the CCG Board for approval. Any matters arising throughout the meeting that required full approval would be taken virtually to the remaining IAGC members and subsequently to the CCG Board for approval.

**PRESENT:**

Karen Marshall      Lay Member and Audit Chair, NHS Hull CCG

**IN ATTENDANCE:**

Kim Betts	Internal Audit Manager, Audit Yorkshire
Nikki Cooper	Local Counter Fraud Specialist (LCFS), Audit Yorkshire
Helen Higgs	Managing Director and Head of Internal Audit
Mark Kirkham	Mazars (External Auditors)
Michelle Longden	Corporate Affairs Manager
Deborah Lowe	Interim Director of Nursing and Quality, NHS Hull CCG
Mike Napier	Associate Director of Corporate Affairs, NHS Hull CCG
Emma Sayner	Chief Finance Officer, NHS Hull CCG
Danny Storr	Deputy Chief Finance Officer, NHS Hull CCG
Rob Walker	Mazars (External Auditors)
Maria Shepherd	PA to the Interim Director of Nursing & Quality and Associate Medical Director (note taker)

**1. APOLOGIES FOR ABSENCE AND INTRODUCTIONS**

Apologies for absence had been received from:

Ian Goode	Lay Member, NHS Hull CCG
Jason Stamp	NHS Hull CCG, Lay Member and Vice Chair, NHS Hull CCG
Chris Denman	Head of NHS Funded Care
Steve Moss	Head of Anti-Crime Services, Audit Yorkshire

**2. MINUTES OF THE PREVIOUS IAGC MEETING HELD ON 8 MARCH 2022**

The minutes of the Integrated Audit and Governance Committee (IAGC) meeting held on 8 March 2022 were submitted for approval and agreed as a true and accurate record.

**MINUTES OF THE EXTRAORDINARY IAGC MEETING HELD ON 20 APRIL 2022**

The minutes of the Extraordinary IAGC meeting held on 20 April 2022 were submitted for approval and agreed as a true and accurate record.

**Resolved:**

(a)	IAGC members approved the minutes of the meeting held on 8 March 2022 as a true and accurate record and would be signed by the Chair.
(b)	IAGC members approved the minutes of the extraordinary meeting held on 20 April 2022 as a true and accurate record and would be signed by the Chair.

**3. MATTERS ARISING**

**3.1 ACTION LIST**

The Action List from the meeting held 8 March 2022 was presented for information and noting and would be updated accordingly.

**4. NOTIFICATION OF ANY OTHER BUSINESS**

Any proposed item to be taken under Any Other Business must be raised, and subsequently approved, at least 24 hours in advance of the meeting by the Chair.

There were no matters of any other business to be discussed at this meeting.

**Resolved:**

(a)	There were no matters of any other business to be discussed at this meeting.
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**5. DECLARATIONS OF INTEREST**

In relation to any item on the agenda of the meeting, members were reminded of the need to declare:

- (i) any interests which are relevant or material to the CCG;
- (ii) any changes in interest previously declared; or
- (iii) any financial interest (direct or indirect) on any item on the agenda

Any declaration of interest should be brought to the attention of the Chair in advance of the meeting, or as soon as they become apparent in the meeting. For any interest declared, the minutes of the meeting must record:

- (i) the name of the person declaring the interest;
- (ii) the agenda item number to which the interest relates;
- (iii) the nature of the interest;
- (iv) be declared under this section and at the top of the agenda item which it relates to;

Name	Agenda Item No	Nature of Interest and Action taken

**Resolved:**

(a)	No declarations of interest were made.
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**6. EXTERNAL AUDIT**

This item would be taken under item 10.3 as part of the External Audit Manager's Audit Completion Report Update Letter.

## 7. INTERNAL AUDIT

### 7.1 INTERNAL AUDIT PROGRESS REPORT

The Internal Audit Manager for Audit Yorkshire presented the Internal Audit Progress Report to update the Committee with summaries of those audits issued in final since the last IAGC meeting and to provide the latest position statement against the 2021/22 Audit Plan. Since the last IAGC one audit report had been issued in final, work was progressing to deliver the remaining audits and these, along with the report on the transition arrangements, would be presented to audit Committee members before 30 June 2022. The following key points were highlighted:-

- As referenced above, one final report had been issued on the Mental Capacity Act - Liberty Protection Safeguards (MCA-LPS) which was an Advisory benchmarking report. Work was ongoing on the Key Financial Systems and the follow up work for Continuing Healthcare.
- The Finance Report was noted as draft within the progress report. This was due to a timing issue between receiving the report to be finalised and the submission of the progress report to this Committee, however it offered a high level of assurance.
- All KPIs had been met.
- Work on the ICS continued due to the 3-month extension with a legacy statement due to be issued alongside this work.
- Due diligence work was being reviewed however it was anticipated this would not reveal anything the Auditors were not already aware of.
- Benchmarking Report. Hull CCG was not an outlier with no concerns to report.

#### **Assurance:**

The Board can be assured by the Internal Audit Progress Report which provided a high level of assurance across all areas and had achieved this standard for a second consecutive year.

#### **Resolved:**

(a)	IAGC Members reviewed and noted the progress made against the 2021/22 Internal Audit Plan.
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### 7.2 INTERNAL AUDIT RECOMMENDATION TRACKING REPORT

The Internal Audit Manager for Audit Yorkshire presented the Internal Audit Recommendation Tracking Report to update on progress against internal audit recommendations for the period 17 May 2021 to 16 May 2022. This was commended as excellent with only 11 areas recommended for improvements, 9 of which had been completed, 1 was overdue but were valid reasons for this and 1 which had a revised end date and had since been completed. Anything outstanding at the end of the period would be reviewed to determine if still relevant moving forward.

The Chair noted the high standard that had been set by the CCG over the last 9 years which was a credit and testament to all involved. As an organisation, audit was a tool to aid development and not a punitive approach and, whilst maintaining their independence, the CCG auditors acknowledged this and have always worked with the CCG in this way. The Chair extended thanks to the Internal Audit Manager in this regard.

**Resolved:**

(a)	IAGC Members reviewed and noted the progress made on the implementation of agreed audit recommendations.
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**7.3 COUNTER FRAUD PROGRESS REPORT**

The Local Counter Fraud Specialist (LCFS) for Audit Yorkshire presented the Counter Fraud Progress report for information. The report was taken as read and the following key areas were highlighted:

In relation to awareness the LCFS attended Hull CCG's Team Brief meeting in March 2022 to convey the annual coverage to as wider audience as possible.

Since the last meeting nine alerts had been issued relating to local intelligence to ensure all organisations were aware of any incidents that had occurred nearby should anything happen locally.

The workplan had been completed and the Counter Fraud Government Functional Standards return was submitted last week ahead of the 10 June 2022 deadline. An update on the Fraud Prevention Master Classes was provided with the previous year noted as complete.

The Annual Report was in draft with minor amendments to be made in light of the publication of the new Counter Fraud Authority (CFA) template that would be utilised in part. Once agreed, the Annual Report would be circulated to members outside of this meeting which would provide a summary that followed the same format as reports previously submitted to the IAGC.

Benchmarking information had been included across the local clients and was based on referrals received. The workplan was currently in draft to allow for work to be completed for the remaining 3 months of the CCG.

The Counter Fraud Functional Standards return (CFFSR) for 2021/22 was provided at Appendix D with an extra column added to show a comparison to last year.

In terms of the handover of the remaining 3 months of the work plan, the Chair queried if this would sit at a more strategic level with the ICB Board. The Chief Finance Officer advised this was yet to be confirmed but assured the Committee this was in hand with all elements to be considered and mapped through during the transition.

**Assurance:**

The Board can be assured by the continued counter fraud awareness work taking place and the success of the fraud prevention masterclasses. No new fraud referrals had been received since the last meeting and all work against the Counter Fraud Workplan for 2021/22 was now complete.

**Resolved:**

(a)	IAGC members duly noted the contents of the Counter Fraud Progress Report and the update provided and,
(b)	approved the Counter Fraud Work Plan for 1 April to 30 June 2022

## **8. FINANCIAL GOVERNANCE**

### **8.1 FINANCE REPORT**

The Chief Finance Officer presented the Finance Report to update the Committee on the summary financial performance for the period 1 April 2021 to 31 March 2022 and to provide assurance around the delivery of all financial targets.

Appendix one provided the breakdown of expenditure through the traditional reporting lines which were different to how it was presented within the Annual Accounts, so the report served to finalise the year end in a tidy and concise manner.

The Deputy Chief Finance Officer highlighted the Debtors and Creditors within the report which showed there was significantly less than normal due to the extra effort to close these down and achieve zero balances prior to closedown of the CCG.

In terms of the CCG's historic surplus, the Chair queried if this would be recognised at an ICB level and funnelled back into the city of Hull. The Chief Finance Officer stated that question of delegation and directing of resource to help inequality and need was being discussed by ICS colleagues and those that would transition into this.

As Members were aware, subject to delivering a balanced financial plan for 2022/23 and 2023/24, this allowed systems to write off their accumulative deficits should they have them. Within the ICS there was a collective cumulative deficit of £90m, the majority of which was from the Vale of York and North Yorkshire patch of historical deficit along with the East Riding and an element from North Lincolnshire.

The only two CCGs that were carrying cumulative surpluses were Hull and Northeast Lincolnshire and how this would transfer down into 'Place' was yet to be determined. The Chief Finance Officer reflected that spending non-recurrent money wisely and with genuine ability to deliver improved clinical outcomes was challenging and that there may be a more sophisticated and nuanced deal to be struck that takes into account the recurrent baseline being heavily targeted towards health inequality within all areas of the ICS. The Chief Finance Officer was prepared to forego the ability to spend the non-recurrent surplus if recurrent spend could be increased in other areas.

#### **Assurance:**

The Board can be assured that the CCG had met its financial targets for the financial year 1 April 2021 to 31 March 2022.

#### **Resolved:**

(a)	IAGC Members considered the CCG's financial performance for the period 1 April 2021 to 31 March 2022.
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### **8.1i DELEGATED PRIMARY CARE OVERPAYMENTS**

As requested at the last IAGC, the Chief Finance Officer presented the above report to provide the Committee with further assurances on how details of recently identified overpayments to Hull practices and the measures being put in place to address these had progressed in terms of the recovery and the mitigating actions put in place to ensure this did not reoccur.

The report, produced by the Deputy Chief Finance Officer and the Lead for NHSE's Finance Team, provided a detailed explanation of the overpayments made to two practices for an Out of Hours service they were not contracted to provide.

NHSE acknowledged it was their initial error which should have been identified sooner. There were extenuating circumstances in terms of an unexpected change in personnel at the time of these changes, whilst also implementing a system of homeworking which resulted in a lack of control. NHSE have provided assurance that a revised procedure had now been introduced to strengthen control and minimise the risk of a similar issue reoccurring. Repayments have been discussed and agreed with the practices and will be received during 2022/23.

**Assurance:**

The Board can be assured that measures had been put in place to address the issue of recently identified overpayments made to Hull practices by Primary Care Support England (PCSE). NHSE provided assurance that a revised procedure had now been introduced to strengthen control and minimise the risk of a similar issue reoccurring.

**Resolved:**

(a)	IAGC members noted the contents of the Delegated Primary Care Overpayments – update report and,
(b)	noted the assurance provided that a revised procedure had been introduced to strengthen control and minimise risk of reoccurrence.

**8.2 LOSSES AND SPECIAL PAYMENTS**

There were no losses or special payments to report.

**9. GOVERNANCE**

**9.1 WAIVING OF PRIME FINANCIAL POLICIES**

There were no tender waivers to report.

**9.2 CORPORATE RISK REGISTER**

The Associate Director of Corporate Affairs presented the latest Corporate Risk Register for consideration and approval. High or extreme rated risks were presented as a subset of the register.

**Current Risks on the Risk Register**

There were currently 40 risks on the CCG risk register, 24 of which had a current risk rating of high or extreme (8 or above) and were therefore included within this report. 16 risks were rated as high risks and 8 risks as extreme.

The covering report detailed some of the key changes and updates that had been made to the Risk Register following the last meeting. This included a summary of movements in current risk ratings, particularly where risks had increased, and the additional new risks detailed below.

**New Risks**

**Risk 973** – There was a risk to patient safety due to Nottingham Rehab Service (NRS), from who Hull CCG commission wheelchair, assessment, and provision

service, being unable to manage the waiting lists for both initial assessment, clinical provision and reviews. As a result, patients are experiencing increased waiting times and a lack of appropriate clinical expertise leading to harm.

**Risk 974** - The Integrated Care System (ICS) SharePoint Site was developed to support the development of the ICS and joint working, however as this is a shared tenant across the whole of the NHS, it does not allow local administrators to have full control and set local parameters or appropriate backup solution, which could lead to inappropriate measures for the protection and security of data which could result in IG breach or failure of business continuity and recovery plans and result in loss of data.

**Risk 975** - There is a risk that a lack of available primary care estate will result in Primary Care Networks (PCN) not being able to fully utilise their Additional Roles Recruitment Scheme allocation.

The Interim Director of Nursing and Quality advised the IAGC that the Quality and Performance Reports provided assurance and detail of conversations held around risks 972, 973 and 927 and plans around those risks, their ratings and the decision to stand them down had been endorsed at the Quality and Performance Committee.

IAGC accepted the addition of the 3 new risks onto the register and recommend that the CCG Board approved these additions.

The Associate Director of Corporate Affairs noted that as part of the evolving arrangements for the ICB from 1 July 2022 and leading up to this date, risk would sit within the Corporate Affairs Directorate and therefore it was expected the role for managing risks through the transition and beyond would sit with the Associate Director of Corporate Affairs. Practical work was being undertaken to look at the current position in terms of the ICB transition executive and what they deemed as the major risks, with a session scheduled for the June Shadow Board meeting to undertake initial receipt of what they see as their primary risks.

Subsequent to this a new risk management strategy and framework for the ICB would need to be established to acknowledge the relationship between the ICB as a corporate statutory body and 'Place', provider collaboratives, risk sharing and all aspects of wider working, however, to achieve this by 1 July 2022 was highly ambitious. Ownership of risk at 'Place' moving forward was essential due to the granularity and localisation of the risks and a profound review was required as to how the relationships would work moving forward with a degree of maturity in ownership of the risks.

As at 29/30 June 2022 the Chair queried where the current Hull CCG Risk Register would receive independent oversight and scrutiny and would this require a virtual oversight of the plan currently in place and how this was closed down and moved forward. The Chair would appreciate an update on any significant risk changes prior to her departure. It was agreed this was an acceptable approach and the Associate Director of Corporate Affairs would be happy to facilitate a session around this.

The Associate Director of Corporate Affairs informed Members that the ICB were keen to push forward for a Responsibility Agreement which would bind all partners to their mutual collaborative responsibility and felt that the Risk Register at 'Place'

should reflect this shared responsibility as well as the corporate obligations of the ICB moving forward.

**Assurance:**

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

**Resolved:**

(a)	IAGC Members approved the relevant risks, controls, and assurances within the Risk Register and,
(b)	approved the addition of one new extreme risk 973 and two new high risks 974 and 975 (that is 8 or above), full details of which were shown in blue on the risk register.

**9.3 BOARD ASSURANCE FRAMEWORK**

The Associate Director of Corporate Affairs presented the latest version of the Board Assurance Framework (BAF) which contained the current position against the assessed risks to the CCG's 2022/23 strategic objectives.

Following the Board Development session held in March 2022 where the approach to the recasting of the BAF was taken and the Board preference was to adopt what was in place for 2021/22, update the existing strategic objectives and associated risks for 2022/23 and to ensure it would be a light touch review. As of 1 July 2022, the ICB would have its own BAF and the relationship between ownership of the strategic objectives and the assurance in relation to those at ICB level, and how 'Place' could support the achievement of these would need to be developed. The session at June's shadow Board of the ICB would include an initial high-level discussion around how the approach to this would be adopted and the provisional identification of some initial risks in relation to the ICB's new strategic objectives for next year.

The BAF submitted to this meeting was the final iteration of the CCG specific BAF as applicable to the first quarter of 2022/23 and updates had been made to reflect where it previously referenced the development of an 'interim governance framework' as this was now in operation and so now referenced the transition to the new way of working.

The final iteration of the BAF would be submitted to the final closedown meeting of the CCG Board on 24 June 2022.

**Assurance:**

The Board can be assured by the final iteration of the BAF as applicable to the first quarter of 2022/23 and the agreed approach to adopt what was in place for 2021/22, update the existing strategic objectives and associated risks for 2022/23 and to ensure this would be a light touch review.

**Resolved:**

(a)	IAGC Members noted the final iteration of the BAF for the first quarter of 2022/23 and updates in relation to the transition arrangements.
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(b)	Agreed with the approach for the 2022/23 BAF to maintain what was in place for 2021/22, update the existing strategic objectives and associated risks for 2022/23 and to ensure this would be a light touch review.
(c)	The final BAF would be submitted to the final close-down meeting of the CCG Board on 24 June 2022.

#### 9.4 **ASSURANCE UPDATE IN RELATION TO CLOSE-DOWN AND TRANSITION**

The Associate Director of Corporate Affairs provided the following verbal update.

The CCG remained on track for the Accountable Officer to issue an assurance letter to Stephen Eames, as the Chief Executive Designate of the ICB, around the sufficient progress made on the due diligence work which was required to be issued before the 1 June 2022.

There had been increasing national recognition that, in needing to meet the requirements of the 1 June 2022 deadline, some matters would still remain outstanding that were not possible to close down until the last week of June 2022 i.e. stocktake of FOIs, Serious Incidents, CQC investigations, financial elements and due diligence work which was in the process of being audited. Good progress had been made on the evidence thus far with folders available for the Audit Chair to review.

Between the due diligence work already undertaken, the assurance letter from the Accountable Officer and the recognition that there was clear identification of those residual elements, the Associate Director of Corporate Affairs was confident that the CCG was in a position to meet the requirements. Nationally the shift had moved from the residual due diligence work for CCGs, increasingly to the 'readiness to operate' work for the ICB.

A report would be produced by the External Audit Manager in relation to the close down to provide assurance that the process was sound.

##### **Assurance:**

The Board can be assured that the IAGC continued to be updated on the formal systems and process and controls that were in place for both close-down and transition to the new organisation along with the key transition risks and some of the live matters that were being worked through.

##### **Resolved:**

(a)	IAGC Members noted the verbal update on progress in relation to close down and transition.
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#### 9.5 **DECLARATIONS OF INTEREST FOR COMMITTEE MEMBERS, EMPLOYEES AND RELEVANT OTHERS, BOARD MEMBERS AND COUNCIL OF MEMBERS**

The Associate Director of Corporate Affairs presented the above report to consider which updated the Committee on the Declarations of Interest for Committee Members, Employees and Relevant Others, Board Members and Council of Members.

Hull CCG's Standards of Business Conduct, as set out in the CCG's Constitution, sets out the requirements for managing conflicts of interest, and declarations were managed, as appropriate, in accordance with the CCG Conflict of Interest Policy. The report highlighted the following key updates:-

- Of the returns for Committee Members, Employees and Relevant Others, one declaration form was outstanding, and one had a query both of which have been followed up.
- All returns had been received for Board Members.
- Of the returns for the Council of Members, four declarations were outstanding, and two had queries, all of which have been followed up.
- The process for Integrated Care Board (ICB) hosted staff to complete declarations was being established.

The Associate Director of Corporate Affairs acknowledged the significant amount of work undertaken by the Corporate Affairs Manager to achieve the CCG's current strong position around the Declarations of Interest. The Chair also extended personal thanks to the Corporate Affairs Manager for the sterling job undertaken in this regard.

Consideration had been given to the transition to the ICB and the likelihood that this was not wasted work as the requirements for Conflict of Interest were to the same standards as an ICB and, as such, NHSE had not changed the guidance in relation to this.

**Assurance:**

The Board can be assured that, as per the requirements of the CCG's Standards of Business Conduct, all declarations of interest were managed, as appropriate, in accordance with the CCG's Conflict of Interest policy.

**Resolved:**

(a)	The IAGC considered the Declarations of Interest for Committee Members, Employees and Relevant Others, Board members and Council of Members.
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**9.6 FREEDOM OF INFORMATION REQUESTS Q4 REPORT**

The Associate Director of Corporate Affairs presented the above report which provided IAGC members with an update on the current position and performance against Freedom of Information (Fol) requests made to NHS Hull CCG for Quarter 4 2021/22 covering the period from 1 January to 31 March 2022 and 1 April 2021 to 31 March 2022 End of Year Summary. The report was presented in the same format as previous and the following key areas were highlighted:

Quarter on quarter the CCG continued to report 100% compliance with the 20-working day response deadline. A breakdown of the nature of the requests was provided, and wherever possible, the CCG always disclosed as much as possible, whether this was a full or partial disclosure. For completeness, work was ongoing to look at operating arrangements for Fol as the CCG transitioned into the ICB.

The Chair commended the work undertaken around Fols and the high standard that continued to be achieved was a testament to all involved.

**Assurance:**

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 January to 31 March 2022 performance had remained extremely strong and there had been no missed requests and the CCG had been fully compliant with the 20-day response deadline.

**Resolved:**

(a)	IAGC members noted the contents of the Freedom of Information requests for Quarter 4 2021/22 covering the period 1 January to 31 March 2022 and 1 April 2021 to 31 March 2022 End of Year Summary.
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**9.7 DECLARATIONS OF GIFTS AND HOSPITALITY**

The Associate Director of Corporate Affairs presented the Declarations of Gifts and Hospitality made since the last report to the IAGC Committee in November 2021. The requirements for the recording of declarations of gifts and hospitality were recorded in accordance with the NHS England Guidance on Managing Conflicts of Interest.

**Assurance:**

The Board can be assured that the recording of declarations of gifts and hospitality were recorded in accordance with the NHS England Guidance on Managing Conflicts of Interest.

**Resolved:**

(a)	IAGC members noted the declarations of gifts and hospitality made since the report to the IAGC in November 2021.
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**9.8 CONTINUING HEALTHCARE UPDATE REPORT**

The Interim Director of Nursing and Quality presented the above report to note which provided the Committee with an update on progress made against the management actions identified as necessary to assure the CCG relationship with the Local Authority in the delivery of Continuing Healthcare (CHC) as prescribed by the AuditOne action plan implemented in November 2019.

Out of the 6 actions required, a total of 4 were completed with actions 1 and 2 yet to be completed. Delays around the completion of these related to how the services would be reconfigured going forward and to align with other 'Places' within the ICB. Work continued on the draft Standard Operating Procedure (SOP) and equally the changes required moving forward. Progress was being made but the SOP and the framework within it, detailing the arrangements, remained outstanding at this time.

The Chair queried if the wait to the new way of working would be detrimental to the individuals currently within the system awaiting assessment or new people coming in that needed some form of intervention or treatment going forward. The Interim Director of Nursing & Quality advised that, at present, the end-to-end pathways were split across Hull CCG, CHCP and the Local Authority with the future plan to bring this all within 'Place'. There would be no changes to the arrangements and the SOP would fit within the national framework which would focus on where it was delivered from with an aim for 'Place' to hold the end-to-end pathway for people eligible for CHC. This would bring advantages in relation to Personal Health Budgets and case management due to a greater oversight which would improve quality around the service and provide a much stronger line of sight moving forward.

CHC would sit within the portfolio for the ICS Director of Nursing and Quality with oversight through the System Quality Group and the Quality Committee that would report direct to the ICB.

Within the report, the Chair wished to highlight risk 962 which had an extreme risk score of 25 but was not on the risk register and queried how this had been omitted and if there was a reason for this. The Interim Director of Nursing and Quality advised this would be looked into further to ascertain which number was agreed to be stood down as there were two risks with the same description with a plan to combine these into one risk.

The Associate Director of Corporate Affairs advised that the omission of risk 962 on the risk register could be due to the timing of when the report was extracted for submission to this meeting and had therefore not filtered through. The Corporate Affairs Manager would review and feedback to the Committee in due course.

**Resolved:**

(a)	IAGC members noted the progress made against the original management actions that were identified in September 2019, and in doing so acknowledged that the risks as identified by the Audit have now been mitigated.
(b)	Members noted that although the audit actions have been satisfied, the CCG remained at significant risk in regard to failure of statutory duties as a result of the current configuration of the CHC service.
(c)	Members noted that the risks on the register regarding CHC would continue to be reviewed as the statutory duties of the CCG transitioned to the ICS.
(d)	The Interim Director of Nursing & Quality would follow up on the current status of risk 962 which had been omitted from the risk register despite having an extreme risk score of 25.

**9.9 POLICIES**

**9.9.1 SECURITY MANAGEMENT POLICY**

The Interim Director of Nursing & Quality presented the above policy to seek approval to extend the review date for the Security Management Policy to 31 October 2022. There were no changes to the policy but, as it was unclear at this time in terms of the ICB policy around Health and Safety, the extension to this policy would cover the CCG during the period of transition into the ICB. It was anticipated changes would need to be made in the future to align with the ICB Health and Safety policy and a Health & Safety policy would still remain at 'Place' to reflect individual buildings and staff group.

Due to the quoracy of this meeting, IAGC members recommended the Board approved the above extension of the Security Management Policy.

**Resolved:**

(a)	IAGC members recommended the Board to approve the extension of the Security Management Policy review date until 31 October 2022.
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**9.10 PROCUREMENT PANEL ASSURANCE UPDATE**

The Chief Finance Officer presented the above report for consideration which updated the Committee in respect of procurement activity during the period of April 2021 to March 2022. Contracts awarded or extended were detailed within the report along with services in the CCG's current procurement plans.

The Chair asked if it was likely there would be anything that may need to be added to the list of procurements. The Chief Finance Officer assured members that the report covered all procurement activity which was the result of the proactive checking undertaken throughout the year to ensure this. The Deputy Chief Finance Officer noted that, as part of the finance transition, there was a separate workstream on contracts that focused on this area with significant work undertaken. This was a similar approach taken by Hull CCG's Chief Finance Officer at North Lincolnshire CCG and across all ICS CCGs.

With an eye to the future, the Chief Finance Officer (CFO) had been given the role of looking at what the potential structure and way of working would be for contracting and procurement provider selection and was working with Hull CCG's Deputy CFO for Contracts, Performance, Procurements and Programme Delivery, Eddie McCabe in North East Lincolnshire and Liza Smithson in Vale of York to look at where efficiencies could be made and given the collective strong way of working, it was expected experience and expertise would translate into the new world.

**Resolved:**

(a)	IAGC members considered and noted the contents of the Procurement Panel Assurance Update Report.
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**9.11 HEALTH, SAFETY AND SECURITY GROUP ACTION NOTES**

The action notes from the meeting held on 15 March 2022 were noted for information.

**9.12 QUALITY AND PERFORMANCE COMMITTEE MINUTES**

The minutes of the meeting held on 18 February 2022 were noted for information.

**9.13 PRIMARY CARE COMMISSIONING COMMITTEE MINUTES**

The minutes of the meeting held on 25 February 2022 were noted for information.

**9.14 PRIMARY CARE QUALITY AND PERFORMANCE SUB-COMMITTEE MINUTES**

The minutes of Parts 1 and 2 of the meetings held on 17 January and 28 March 2022 were noted for information.

**9.15 PLANNING AND COMMISSIONING COMMITTEE MINUTES**

The minutes of the meetings held on 4 February 2022 were noted for information.

**9.16 COMMITTEES IN COMMON MINUTES**

The minutes of the meeting held on 27 April 2022 were noted for information.

**9.17 HULL AND EAST RIDING INFORMATION GOVERNANCE STEERING GROUP ACTION NOTES**

The action notes of the meetings held on 22 February and 7 April 2022 were noted for information.

**9.18 DATA SECURITY AND PROTECTION TOOLKIT – CONFIRMATION OF PUBLICATION OF ASSESSMENT**

An email notifying confirmation of the CCG's successful submission of the Data Security and Protection Toolkit was provided to the Committee for information. The submission was made well in advance of the 1 June 2022 deadline to a satisfactory standard and thanks was extended to both the Corporate Affairs Manager and ERY

CCG's Information Governance Specialist for all their dedicated work in relation to this.

## **10. NHS HULL CCG FINAL ANNUAL ACCOUNTS 2021/2022**

### **10.1 AUDITED ANNUAL ACCOUNTS 2021/22**

The Head of Finance presented the audited NHS Hull CCG Annual Accounts for 2021/22 to consider. Members were advised that no significant changes had been made since the detailed line-by-line review of the draft accounts carried out by the IAGC at the meeting held on 20 April 2022.

The Head of Finance took members through the key highlights and any minor changes/new notes that had been added since the last review.

The External Auditor noted that the current official professional view was that accounts should be reflective of individual organisations and, as such, lines with zero balances were not preferred and External Audit would not be in a position to sign the opinion off until clearance was received from their technical team. There was a two-stage process, of which stage one had been completed and this version of the accounts had been shared. Should there be any further cosmetic changes, these would be summarised within their update letter prior to sign off.

The Chief Finance Officer reminded members that the process for sign off of the accounts was still in its early stages with several weeks until final closedown. There was one item that had been brought to the attention of the finance team and the auditors which related to an agreed exit package for an individual who had undertaken YAS commissioning as part of the Urgent and Emergency Care team, of which all CCGs had contributed to. Potentially there would be a pick-up in terms of cost and disclosure that all CCGs across the Yorkshire and Humber footprint may have to make an amendment for. A response from the national team to report back to the regional team was awaited. Notification of the exit package was made to all CCG's involved on 30 March 2022.

The External Auditor noted that the amount in total was not excessive and could be a mechanism to avoid disclosing a very large payment under one organisation by spreading it over a number, however the amount did not exceed the limit set by the cabinet office at £160k. Any amendment to the accounts, in relation to this, would be made as requested.

The Chair confirmed that the IAGC would formally recommend that the NHS Hull CCG audited Annual Accounts 2021/22 were adopted and approved by the CCG Board and a request made to grant delegated authority to sign the final statements after the Board meeting.

The Chair expressed her thanks to everyone involved for all the hard work that had gone into the production of the accounts.

### **Resolved**

(a)	The minor amendments made to the Annual Accounts for 2021/22 were noted;
(b)	The IAGC would formally recommend the audited Annual Accounts for 2021/22 to the CCG Board for approval on 27 May 2022 with a request to be

	made to grant delegated authority to sign the final statements after the Board meeting.
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**10.2 NHS HULL CCG ANNUAL REPORT 2021/22 & ANNUAL GOVERNANCE STATEMENT**

IAGC Members had received a Word version of the Annual Report 2020/21 for information. Both the Annual Report and the Annual Governance Statement (AGS) had been submitted in draft form for review by NHS England as part of their regional work with strong assurance received for the Annual Report that all necessary elements had been covered.

In terms of the AGS, one observation was made relating to Third Parties which the CCG had left as ‘to be confirmed’ while third party information was awaited. The only updates and amendments made were to those areas previously highlighted in yellow which fell into three parts as follows:-

1. The Data Security Protection Toolkit (DSPT) submission which had been submitted and reported a high standard of assurance in this regard and, as part of this process, confirmed the CCG had met the 95% threshold for staff training to the DSPT and Information Governance work.
2. Third Party Assurances. The updated AGS had been circulated to members with the changes highlighted and detail had been included in relation to the two qualified third-party assurances the CCG had been made aware of in relation to NHS BSA and Capita, and the elements where they had received their qualified assurance was set out.
3. In light of receiving the HoIAO report, this had been amended from significant to high, in terms of the overall opinion to ensure consistency with the report once received.

The LCFS made reference to the Counter Fraud Arrangements on page 22 of the Annual Report, which would need to be amended to Green following the successful submission last week.

In relation to pages 80 and 81 of the Annual Report, the Chair asked if the numbers in the relevant boxes were correct. The Deputy Chief Finance Officer confirmed the numbers were an accurate reflection.

**Assurance**

The Board can be assured by the updated AGS, the contents and updates provided for NHS Hull CCG’s Annual Report 2021/22 and the satisfactory assurances received from NHSE that all necessary elements had been covered.

**Resolved**

(a)	The contents of the NHS Hull CCG Annual Report 2021/22, the satisfactory assurances received from NHSE and minor amendment required relating to the RAG rating for the Counter Fraud Arrangements were noted.
(b)	The IAGC would recommend that the CCG Board approve the NHS Hull CCG Annual Report 2021/22 at the meeting on 27 May 2022.
(b)	Changes made to the Annual Governance Statement were noted and the IAGC would recommend that the CCG Board approve the Annual Governance Statement at the meeting on 27 May 2022.

### **10.3 AUDIT COMPLETION REPORT UPDATE LETTER**

Mark Kirkham presented the Audit Completion Report Update Letter which detailed the findings for the audit of NHS Hull CCG's Annual Accounts for the year ended 31 March 2022. Headlines within the reports were as follow:-

Positive messages were noted for the CCG's closing set of accounts, and it was anticipated an unqualified opinion would be issued, without modification, on the financial statements. The proposed audit opinion was included in the draft auditor's report at Appendix B and no matters had been identified that would give rise to any exceptions for the Value For Money Arrangements work.

Any outstanding work was detailed within section 2 of the report, but these were flagged as Green due to the work undertaken so far with no difficulties anticipated. Should any problems be identified, these would be followed up and any reporting issues would be noted in a follow up communication.

As the CCG draft accounts were submitted prior to the Bill becoming an Act and in light of the demise of the CCG, the Auditors expect the CCG to include additional notes on what is a non-adjusted post balance sheet event to draw attention to the passing of the Act's impact on the CCG's going concern basis of preparation of the accounts. CCGs would be updated on some agreed wording by the NHS group.

Once the accounts had been amended, this would be reflected in the Auditors final audit report and the words used by the CCG would feature in an amendment to the audit report. The amendment would be an emphasis of matter amendment which was not a qualification but was where the accounts refer to important features and it was whether the Auditors consider them within their audit report. It had been decided nationally that Audit suppliers would be undertaking this.

The Chief Finance Officer advised the CCG had not yet received the notification around this, but it was anticipated. The Head of Finance had updated the wording for the Going Concern and also Note 16 'The Events After Reporting Period' with recommended wording received from the Auditors. The CCG would be guided by the central team and the External Auditors to ensure the accounts reflected what was required.

Section 2, page 7 of the report detailed the outstanding matters which were a work in progress, most of which had moved on. Any minor issues would normally be highlighted at the end of the process, however there was nothing to report at this stage. Further testing would be undertaken on Journals, but this was routine work and work on Related Party Transactions was complete.

The Auditors would provide an update report which would conclude on all the work undertaken with any issues raised to be dealt with through the normal routes. To reach a situation where the Auditors had reported their findings quickly, this report, for the short period after the year end, was a credit to the CCG's Officers and arrangements in place.

The Chair thanked the Auditors for all their work which was very reassuring to the Committee and expressed her pleasure in working with all involved over the last 9 years. The Chief Finance Officer acknowledged that the value, wider perspective and depth of questioning the Audit Chair had brought throughout her time as Chair of this Committee had been exceptional and extended her thanks in this regard.



## Assurance

The Board can be assured of the findings of the work completed and the anticipated results of the outstanding minor testing work which had indicated that an unqualified opinion on the accounts and a good view of value for money arrangements would be given.

## Resolved

(a)	IAGC members noted the principal conclusions and significant findings of the audit of NHS Hull CCG Annual Accounts 2021/22.
(b)	IAGC members noted that the findings of the work completed and the anticipated results of the outstanding minor testing work had indicated that an unqualified opinion on the accounts and a good view of value for money arrangements would be given.

### 10.4 FINAL HEAD OF INTERNAL AUDIT OPINION 2021/22

The Head of Internal Audit for Audit Yorkshire presented the Internal Audit Annual Report and Head of Internal Audit Opinion (HoIAO) to consider which contributed to the assurances available to the Accountable Officer and the CCG Board on the effectiveness of the organisations risk management control and governance processes. The HoIAO was based on the agreed programme of work and agreed scope of coverage for each individual review and should be taken in this context. The organisations response to recommendations was also considered. Whilst progressing the plan for 2021/22 three high assurance reports had been delivered and two had not been rated and were advisory in nature. There were three changes to the plan during the year which were reported to and approved by the IAGC. All planned audit days had been delivered and KPIs had been met. The majority of recommendations had been implemented and could report an overall opinion of high assurance for 2021/22.

Thanks was extended to the organisation for working with Audit Yorkshire during challenging times and was testament to the relationship that enabled the completion of the programme of work for this year.

#### Assurance:

The Board can be offered a high level of assurance that there was a sound system of governance, risk management and internal control designed to meet the organisation's objectives and that controls were generally being applied consistently.

#### Resolved:

(a)	IAGC members considered the contents of the Internal Audit Annual Report 2021-22 and the Head of Audit Opinion for 2021/22.
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### 10.5 ANY OTHER BUSINESS

As this was the CCG's last Audit Committee, the Chair wished to extend her thanks to both internal and external audit, all staff involved and to congratulate the team on the final external audit unqualified opinion with no recommendations for yet another year.

Signed: 

Chair of the Integrated Audit and Governance Committee

Date: 16 June 2022

<b>ABBREVIATIONS</b>	
AAR	Auditor's Annual Report
ACR	Audit Completion Report
AGS	Annual Governance Statement
AIC	Aligned Incentive Contract
ASM	Audit Strategy Memorandum
BAF	Board Assurance Framework
BCF	Better Care Fund
CFA	Counter Fraud Authority
CFFSR	Counter Fraud Functional Standards Return
CFS	Counter Fraud Specialists
CHC	Continuing Healthcare
CHCP	City Healthcare Partnership CIC
CiC	Committees in Common
CoI	Conflicts of Interest
CYP	Children and Young People
EPRR/BCM	Emergency Preparedness Resilience and Response Business Continuity Management
ERY CCG	East Riding of Yorkshire CCG
FoI	Freedom of Information
GDPR	General Data Protection Regulation
HoIAO	Head of Internal Audit Opinion
HS&SG	Health, Safety and Security Group
HUTHT	Hull University Teaching Hospitals NHS Trust
IAGC	Integrated Audit and Governance Committee
ICB	Integrated Care Board
ICC	Integrated Care Centre
ICOB	Integrated Commissioning Officers Board
ICP	Integrated Care Partnership
ICS	Integrated Care System
IFP	Integrated Financial Plan
IFR	Individual Funding Requests
LCFS	Local Counter Fraud Specialist
MH & LD	Mental Health and Learning Disabilities
MHIS	Mental Health Investment Standard
MoU	Memorandum of Understanding
NAO	National Audit Office
NECS	North of England Commissioning Support
NHSE	NHS England
PBR	Payment by Results
PCCC	Primary Care Commissioning Committee
PHB	Personal Health Budget
QDG	Quality Delivery Group
QIPP	Quality Innovation Productivity and Prevention
SAR	Subject Access Request
SEND	Special Educational Needs and Disability
SI	Serious Incident
SOPs	Standard Operating Procedures
SRT	Self Review Tool
ToR	Terms of Reference
VFM	Value for Money