

Meeting: Governing Body (Meeting in Public)			
Meeting Date	22 September 2021	Action	Receive
Item No.	9a	Confidential	No
Title	Audit Committee Chair's Report		
Presented By	Chris Wild, Lay Member – Finance & Audit and Audit Committee Chair		
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Clinical Lead			

Executive Summary
<p>This paper is presented to the Governing Body to provide an update of the Audit Committee meeting held on the 3rd September 2021.</p> <p>This paper provides an outline of the matters discussed, assurances sought and decisions ratified at the last Audit Committee meeting. This report aims to provide information and assurance to the Governing Body that a robust, effective governance system is in place and that the Committee is discharging its responsibilities.</p>
Recommendations
<p>It is recommended that the Governing Body:</p> <ul style="list-style-type: none"> • Receive the update provided

Links to CCG Strategic Objectives	
SO1 - To support the Borough through a robust emergency response to the Covid-19 pandemic.	<input type="checkbox"/>
SO2 - To deliver our role in the Bury 2030 local industrial strategy priorities and recovery.	<input type="checkbox"/>
SO3 - To deliver improved outcomes through a programme of transformation to establish the capabilities required to deliver the 2030 vision.	<input checked="" type="checkbox"/>
SO4 - To secure financial sustainability through the delivery of the agreed budget strategy.	<input checked="" type="checkbox"/>
Does this report seek to address any of the risks included on the Governing Body Assurance Framework? If yes, state which risk below:	
GBAF	

Implications						
Are there any quality, safeguarding or patient experience implications?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Has any engagement (clinical, stakeholder or public/patient) been undertaken in relation to this report?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Have any departments/organisations who will be affected been consulted?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Are there any conflicts of interest arising from the proposal or decision being requested?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Are there any financial Implications?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Has an Equality, Privacy or Quality Impact Assessment been completed?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Is an Equality, Privacy or Quality Impact Assessment required?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Are there any associated risks including Conflicts of Interest?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Are the risks on the CCG's risk register?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>

Governance and Reporting		
Meeting	Date	Outcome
Audit Committee Meeting	3 rd September 2021	

Audit Committee Chair's Report

1. Introduction and Background

- 1.1 The Audit Committee Chair's Report is presented to the Governing Body to provide assurance on the areas considered by the Audit Committee at its last meeting, held on the 3rd September 2021.
- 1.2 It is also intended to direct the attention of the Governing Body to specific areas of concern, where these are identified through the Audit Committee's review and scrutiny.

2. Background

- 2.1 The Audit Committee is comprised of the following voting members:
 - Lay Member for Finance and Audit (Chair);
 - Lay Member for Patient and Public Involvement; and
 - Lay Member for Quality and Performance.
- 2.2 The meeting was quorate with two voting members present.

3. Audit Committee Update

- 3.1 There was a full and detailed discussion on a range of standard agenda items and the following points are brought to the attention of the Governing Body:

4. Governing Body Assurance Framework

- 4.1 The Audit Committee was informed that eight risks (at the closing of the 2020/21 reporting period) were carried forward into 2021/22 by Risk Owners. In July 2021 all eight risks were reviewed and as such a revised position for the 2021/22 Governing Body Assurance Framework was presented to Audit Committee at their meeting on 3rd September.
- 4.2 The revised position of seven (7) principal risks presented against (4) Strategic Objectives was highlighted to Audit Committee and summarised as follows:-
 - 4 remain at a significant level of current risk (level 15 or above) to delivery of the CCG's Strategic Objectives; and
 - 3 remain at a high level of current risk (level 8-12) to delivery of the CCG's Strategic Objectives.

4.3 Discussions took place in regard to “Risk that the Locality doesn’t receive sufficient resources within new architecture to meet population needs”. The Audit Committee considered whether the wording of the risk captured fully the concern around potential changes to staffing and resources from 1st April with the implementation of the Greater Manchester Integrated Care System. The Deputy Director of Corporate Core and Governance referred to regular information that was currently being received from Greater Manchester, highlighting the proposals and agreed approach in relation to this from 1st April 2022. Based on the information provided by the Deputy Director of Corporate Core and Governance, the Audit Committee agreed that at this point, the wording of the risk would not need to be revisited, however this would continue to be monitored and revised if and when required.

4.4 The Audit Committee also expressed their concern around the autonomy to neighbourhoods and of the need to continue to deliver services at a locality level. The Audit Committee commented on the importance of retaining local Clinical and GP involvement and engagement. This then opened up further discussions in relation to a gap of Clinical Directors on Governing Body and it was suggested therefore that Audit Committee may wish to raise this point at the Governing Body meeting on 22nd September when the GB Assurance Framework was presented, in order have that wider discussion.

5. Corporate Risk Register

5.1 The latest Corporate Risk Register was submitted to the Audit Committee.

5.2 It was reported that there were currently **3** risks included on the Corporate Risk Register (operational risks) at a level 15 or above, excluding those reported through the Governing Body Assurance Framework (strategic risks). Those risks were listed as follows:-

- Autistic Spectrum Conditions Assessment – Neurodevelopmental assessments;
- Control of Patient Information (COPI) Regulations – Compliance (New Risk);
and
- Datix: Resource requirements to maximise optimisation.

5.3 Discussions took place in regard to the Control of Patient Information (COPI) Regulations – Compliance (new risk) with the Audit Committee being informed of the backfilling/paperwork exercise currently underway internally.

5.4 The Corporate Risk Register is included on today’s Governing Body agenda (22nd September) for discussion.

6. Risk Closure Report

6.1 Audit Committee was informed that since their last meeting the following risk was recommended for closure.

- **OR_LC_PE_01 PAHT - Mixed Sex Accommodation (SSA breaches)**

6.2 This risk was discussed as part of a deep dive review at the Quality and Performance Committee meeting on 9th June 2021 and through discussions was therefore recommended for closure by the risk owner. The rationale for closing this risk was because it related to SSA breaches across the PAHT footprint and as of 1st April 2021, the transaction of North Manchester General Hospital into Manchester Foundation Trust was completed. As a consequence of this, the reporting of breaches had significantly reduced across the footprint.

6.3 Discussions took place by the Audit Committee as to whether closure of this risk was felt to be slightly premature. The Audit Committee however accepted that necessary due diligence processes had been followed along with the review of this risk at the Quality and Performance Committee meeting on 9th June. The Audit Committee suggested that if breaches did start to increase, then a new risk would be introduced accordingly. As a result of the information provided and as discussed, approved the closure of the risk as described in the report.

8. Policies

8.1 The Audit Committee was presented with the following policies. The policies had been reviewed to ensure they were still reflective of current legislation and organisational context, with the changes reflecting mainly cosmetic amendments to reflect updated role titles and meetings

- Conflicts of Interest Policy
- Gifts and Hospitality Policy
- Whistleblowing Policy

8.2 The Audit Committee reviewed the proposed amendments the Gifts and Hospitality, Conflicts of Interest and Whistleblowing policies and recommended them to the Governing Body for approval.

9a Internal Audit Progress Report

9.1 The Audit Committee received the Internal Audit Progress report and noted the discussions underway with Internal Audit, Executive Director of Finance and Executive Director of Strategic Commissioning in agreeing the scope of the Primary Care Occupancy.

9b Internal Audit Follow Up Report

9.2 The Audit Committee received an update on the CCG's progress in implementing recommendations made by MIAA. They noted the report and the progress against said recommendations.

10. Technical Update Report

10.1 The Audit Committee received the Technical Update Report which highlighted issues currently having an impact on the Health Sector. The Audit Committee also noted that ongoing discussions were underway with External Audit and the Executive Director of Finance in relation to the closing down of accounts, audit queries and what measures were required during the transitional period and also of the implementation of the Greater Manchester Integrated Care System (post April 2022). The Audit Committee was informed that further information was expected within the next few months in regard to this.

11a Anti-Fraud Progress Report

11.1 The MIAA Anti-Fraud Progress Report was presented for the period of April 2021 – August 2021 and highlighted the activities and outcomes for the Audit Committee's consideration.

11.2 The Executive Summary was referred to which advised Audit Committee that since the last meeting, there had been a focus on the following areas;

- Strategic Governance
- Inform and Involve
- Prevent and Deter
- Hold to Account

11.3 The Audit Committee was advised that in all areas no issues had been identified to date with delivery.

11b. Anti Fraud, Bribery and Corruption Policy

11.4 The Audit Committee was informed that the Policy had been streamlined to include reference to Counter Fraud.

11.5 The Audit Committee received the information and approved the policy update.

13. Corporate Registers

13.1 The latest Corporate Registers Report was presented to the Committee which referred to the following key areas:-

- Conflicts of Interests (Membership, Governing Body, Sub-Committee and Employees);
- Hospitality, Sponsorship and Gifts;
- Losses, Write-Offs and Special Payments;
- Procurement Register;
- Waivers of Tenders and Standing Orders.

13.2 The Audit Committee noted and received the update as outlined in the report.

14. **Business Continuity Plan**

14.1 The Audit Committee was advised that as part of the Business Continuity Management review, the CCG's Business Continuity documents had been updated and reviewed in line the business continuity management cycle and following the response to the COVID-19 pandemic.

14.2 The Audit Committee reviewed the information and a minor cosmetic change was identified. Following the change to the minor cosmetic amendment, the Audit Committee; approved the update of the Business Continuity Policy, Business Impact Analysis and Business Continuity Plan. They also approved the update of the Incident Response Plan.

Chris Wild

Lay Member – Finance and Audit

September 2021