

Meeting: Governing Body (Meeting in Public)			
Meeting Date	26 January 2022	Action	Receive
Item No.	9.1	Confidential	No
Title	Audit Committee Chair's Report		
Presented By	Chris Wild, Lay Member – Finance & Audit and Audit Committee Chair		
Author	Lindsay Johnson, Committee Secretary		
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 December 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 checked="" type="checkbox"/>
SO2 - To deliver our role in the Bury 2030 local industrial strategy priorities and recovery.						<input checked="" 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"/>

Links to CCG Strategic Objectives						
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 December 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 December 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 Audit Committee members present.

3. Audit Committee Update

- 3.1 The agenda was divided into the following headings with items submitted under those sections;
- Governance
 - GM ICS Transition
 - Internal Audit
 - External Audit
 - Anti-Fraud

4. Governing Body Assurance Framework (GBAF)

- 4.1 The Audit Committee was informed that since the last presentation of the GBAF to their meeting in September 2021 a review of 7 risks had been undertaken and the current risk profile was as follows;
- 2 risks remained at a significant level of current risk (level 15 or above) to delivery of the CCG's Strategic Objectives;
 - 4 risks remained at a high level of current risk (level 8-12) to delivery of the CCG's Strategic Objectives: and
 - 1 risk had reduced to target level and recommended for closure.
- 4.2 The GBAF report also presented a range of qualitative and quantitative information to support the Audit Committee with a number of detailed appendices namely;
- Appendix 1 was a Summary Dashboard reflecting Quarter on Quarter changes.
 - Appendix 2 was a detailed Governing Body Assurance Framework.

- Appendix 3 provided detailed narrative and supporting rationale for the GBAF position.

4.3 The Audit Committee noted the information as presented, noted the risk for closure and supported the recommendations that the GBAF be submitted to Governing Body in January 2022.

5. Corporate Risk Register

5.1 The Audit Committee was informed 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 GBAF (strategic risks). Those 3 risks were;

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

5.2 A discussion took place in regard to the risks as detailed above and in particular the Datix Resource Requirements Risk. The Chair of Quality and Performance described to the Audit Committee that the Quality and Performance Committee were expecting a Deep Dive Report on Datix Resource Requirements at their meeting on 8th December. He confirmed that they would be reviewing the assigned actions in order to progress.

6. Risk Closure Report

6.1 The Audit Committee was asked to support the closure of the following three risks;

- OR_F_LC_R_03 Commissioning Frauds
- OR_FG_01 All forms of fraud ranging from staff or patient frauds to recruitment frauds to financial system or performance frauds, to bribery and corruption
- OR_SB_HR_03 Corporate Office - Remote working

6.2 The Audit Committee received and considered the information as presented in the Risk Closure Report. A detailed discussion took place in regard to the closure of the Corporate Office Remote Working Risk. The Head of Corporate Affairs and Governance provided a synopsis on the request to close.

6.3 Taking on board the supplementary information as provided, the Audit Committee recognised the mitigations and planning that had been put in place and as such agreed to the closure of the risk.

6.4 The Audit Committee also accepted the detail surrounding the other two risks; Commissioning Frauds and All Forms of Fraud and agreed to the closure of these risks.

7. Information Governance Update

7.1 The Audit Committee received an update in terms of the current training compliance

figures for the Information Governance Mandatory Training. They agreed that a communication message be sent out on behalf of the Chair of the Audit Committee to all CCG staff with a request for them to access and complete the Information Governance mandatory Training accordingly.

8a. Urgent Governing Body Decision – October 2021

- 8.1 The Audit Committee received a report that outlined that in accordance with Section 3.8 of the CCG's Standing Orders, the CCG has the ability to delegate responsibility for emergency powers and urgent decisions to a group of members of Governing Body.
- 8.2 The report submitted to Audit Committee provided details of an Urgent Decision taken by Governing Body in light of a Closed Governing Body meeting on the 27th October 2021, meeting of which was not quorate.
- 8.3 The Audit Committee considered the report and agreed the reasonableness of the Urgent Decision taken by Governing Body members in line with Section 3.8 of the Standing Orders.

8b Suspension of Standing Orders

- 8.4 A paper was submitted which outlined to the Audit Committee that this was in relation to decisions taken by the Strategic Commissioning Board at their meeting on 6th September 2021 and as such the paper submitted needed to be ratified by the Governing Body in light of the Strategic Commissioning Board meeting not being quorate.
- 8.5 The Audit Committee was also made aware that all decisions had been considered through their appropriate processes and for the CCG the Governing Body had ratified those decisions made. It was confirmed to the Audit Committee that Governing Body was quorate when the ratification took place.
- 8.6 The Chair confirmed on behalf of the Audit Committee that they agreed with the recommendation that reasonable process had been followed accordingly.

9. CCG Closedown

- 9.1 It was advised that a formal working group had been established in relation to CCG closedown and the main focus of the Closedown group was to ensure that all workstreams progress the necessary due diligence work required in order to ensure a smooth transition to the Integrated Care Organisational working arrangements.
- 9.2 The report submitted to the Audit Committee meeting outlined key points raised within the initial closedown meetings and also shared the Terms of Reference for the group which had been formally agreed.
- 9.3 The Audit Committee held a discussion around interface risks, ownerships and

consistency of outputs. They also were made aware that discussions were continuing around the production of an Operating Model and discussions were underway in regard to what functions would form within the Localities.

- 9.4 The Audit Committee recognised the work in hand and it was agreed that regular updates should be provided to the Finance, Contracting and Procurement Committee meetings.

10. Internal Audit Update

- 10.1 The Audit Committee received the following reports which had been provided by the Internal Auditors;

- Internal Audit Progress Report
- Internal Audit Follow up Report
- Internal Audit GM Transition Report

- 10.2 The Audit Committee received the updates and noted the information provided.

11. External Audit Technical Report

- 11.1 The External Audit Technical Report highlighted the main technical issues which were currently having an impact on the health sector. The Audit Committee was also informed that various meetings were being organised with Executives from the CCG with the External Auditors in regard to the ICS Transition.

12. Anti-Fraud Progress Report

- 12.1 The Anti-Fraud Progress Report was presented. The report set out the work undertaken during the period of September 2021 – November 2021 and highlighted activities and outcomes that should be brought to the attention of the Audit Committee for consideration.

- 12.2 The Anti-Fraud report covered the following;

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

- 12.3 The content of the report was discussed accordingly.

13. Corporate Registers

- 13.1 The latest Corporate Registers Report was presented to the Audit Committee which highlighted the following for their attention:-

- 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 was highlighted to paragraph 3.7 in the report which confirmed that since the last Audit Committee meeting held on 3rd September 2021, there had been one further entry recorded on the Hospitality, Sponsorship and Gifts Register. This was in relation to an Amazon voucher offered to a member of the Meds Optimisation Team. The Gift was declined in line with the Gifts and Hospitality Policy and the register has been updated accordingly.
- 13.3 It was confirmed that the registers submitted to the Audit Committee would following the meeting, be uploaded to the CCG website.

Chris Wild
Lay Member – Finance and Audit
January 2022