

NHS DORSET CLINICAL COMMISSIONING GROUP
GOVERNING BODY SPECIAL MEETING
AUDIT CHAIR'S ANNUAL REPORT ON BEHALF OF THE COMMITTEE

Date of the meeting	17/06/2020
Author	N Robinson, Governing Body Lay Member and Audit Committee Chair
Purpose of Report	To provide the Governing Body with independent assurance of the below at the point that it considers the approval of the Annual Report and Annual Governance Statement.: <ul style="list-style-type: none"> - The fitness for purpose of the CCG assurance framework; - The completeness and extent to which risk management is embedded in the organisation; - The integration of governance arrangements; and - The Committee's own report on compliance with its Terms of Reference.
Recommendation	The Audit Committee recommends that the Governing Body approves the Annual Report and Annual Governance Statement following the comprehensive work programme and in support of the views of the Internal Auditor and External Auditor.
Stakeholder Engagement	N/A
Previous GB / Committee/s, Dates	N/A

Monitoring and Assurance Summary

This report links to the following Strategic Objectives	<ul style="list-style-type: none"> • Prevention at Scale • Integrated Community and Primary Care Services • One Acute Network • Digitally Enabled Dorset • Leading and Working Differently 		
	Yes [e.g. ✓]	Any action required?	
		Yes Detail in report	No
All three Domains of Quality (Safety, Quality, Patient Experience)	✓		✓
Board Assurance Framework Risk Register	✓		✓
Budgetary Impact	✓		✓
Legal/Regulatory	✓		✓

4.1

People/Staff	✓		✓
Financial/Value for Money/Sustainability	✓		✓
Information Management & Technology	✓		✓
Equality Impact Assessment	✓		✓
Freedom of Information	✓		✓
I confirm that I have considered the implications of this report on each of the matters above, as indicated	✓		

Initials : NR

1. Introduction

- 1.1 This report has been drafted following the most recent Audit Committee meeting held on 8 April 2020, and although compiled by the Chair, represents the considered views and opinions of all of the independent members of the Committee.
- 1.2 As set out in our Terms of Reference (ToR), this annual report to the Governing Body sets out our independent assessment of:
- The fitness for purpose of the CCG assurance framework;
 - The completeness and extent to which risk management is embedded in the organisation;
 - The integration of governance arrangements; and
 - The Committee's own report on compliance with its Terms of Reference.
- 1.3 This report is aimed to provide Governing Body members with independent assurance of these issues at the point that it considers the approval of the Annual Report and Annual Governance Statement.

2. Changes during 2019/2020

- 2.1 Over the last year we have seen a significant change in the constitution and working of the Committee, with new Terms of Reference and changes in membership and working practices.
- 2.2 The agreement by the Governing Body to move from an Audit & Quality Committee to a more traditional Audit Committee, presented the opportunity to refresh the workings of the Committee. We have updated the Committee annual plan which sets out the issues to be addressed; instituted a business meeting where we receive various formal reports; followed by a series of briefing and discussion workshops to develop individual members' understanding and ability to challenge the complex agenda we face.
- 2.3 The membership of the Committee changed during the last year with membership as follows:
- Vanessa Avlonitis Governing Body Registered Nurse Member (from Feb 2020)
 - Martin Davies Independent Lay Member (Re-appointed Feb 2020)
 - Nick Robinson Governing Body Lay Member (Chair)
 - Elaine Spencer Governing Body Registered Nurse Member (to Jan 2020)

- Kay Taylor Governing Body Lay Member
- Paul Turner Independent Lay Member (Re-appointed Feb 2020)

3. Our work programme during 2019/20

3.1 In the course of the formal committee meetings we have considered the following issues:

Internal Audit Reports	<p>Risk Maturity (2018/19 follow up) Continuing Healthcare (2018/19 follow up) Partnership Working (2018/19 follow up)</p> <p>Key Financial Systems Conflict of Interest Safeguarding Children Cyber Security Primary Care Commissioning Adverse Incidents Data Security Corporate Governance</p>
External Audit Reports	<p>Annual audit reports Mental Health Investment Value for Money</p>
Counter Fraud Service Reports	<p>Annual Plan reports Oversight of responses to fraud alerts Oversight of Counter Fraud training</p>
Internal Control & Governance	<p>Approval of changes in constitution, Standing Orders, Standing Financial Instructions and Committee Terms of Reference</p> <p>Award of contracts without competition</p> <p>Review of Finance Report</p> <p>Quarterly review of Declarations of Interest, Gifts Hospitality & Sponsorship, Losses & Compensations</p> <p>Review of Governing Body Assurance framework and risk register</p>

4. Our development programme during 2019/20

4.1 In addition to the comprehensive work programme set out above we have also commenced a series of briefing and discussion workshops. The topics for review have been highlighted following discussion with individual committee members and are intended to provide both the “deep dives” on issues that arise during the course of our work, and also to develop the awareness and effectiveness of us all as independent committee members. We had scheduled four workshops during the year and have successfully completed the first two of them. Due to the unprecedented pandemic of Covid-19 we have deferred the next workshops as a natural consequence of the changes to interim working arrangements.

Workshop 1 July 2019

Developing a common understanding of our role

4.2 In this workshop we explored the broad range of our remit, taking into account our Terms of Reference, the CCG Governance handbook, and the NHS Audit Committee handbook (HFMA).

4.3 Key messages from this workshop included:

- The Audit Committee provides a key role in supporting the Governing Body by independently assessing all aspects of the CCGs overarching framework of governance risk and control;
- That the work is far broader than just receiving audit and financial reports, although they remain a key part of the work programme;
- The Committee, through the independence of its membership, provides a role in holding the executive members of the Governing Body to account;
- That to be more effective as an overall committee, the workshop-based approach was supported as a way of considering how all of the strands of governance control fit together in practice; particularly with opportunity to debate this with executive colleagues in a more informal setting.

Workshop 2 February 2020

Assurance & Risk

4.4 In this workshop we considered the overall aims of the Governing Body Assurance Framework (GBAF) and the separate, but linked Risk Register.

4.5 Key messages from this workshop included:

- That although the GBAF had been the subject of extensive previous discussion by the Governing Body, a further revision by executive colleagues to take into account the latest progress on Integrated Care System would be helpful.

- That whilst the GBAF and Risk Register are individually updated by managers on a routine basis, they do not provide sufficient detail through which the Governing Body can hold executives to account for progress on the overall strategic aims of the CCG. This is particularly relevant in relation to the progress on the strategic financial agenda and the separate transformation programme update reports.
- The recent progress within the ICS to appoint a new Independent Chair, and to review the overall ICS governance arrangements we see as helpful in this context.

4.6 We continue to be assured by the strength of our risk and assurance processes but note that in our latest Corporate Governance report from Internal Audit, there are several recommendations about how our processes to assess and report on strategic progress may be improved during the next year. We look forward to supporting this work.

Workshop 3

Financial Strategy Date to be confirmed

Workshop 4

Budget Setting Date to be confirmed

5. Summary

- 5.1 On the basis of this comprehensive work programme we are happy to confirm that we support the views of both the Internal Auditor and External Auditor; and recommend that the Governing Body is able to sign off both the Annual Report and Annual Governance Statement following review by the Audit Committee.
- 5.2 We would like to record our thanks to all of the CCG staff and Directors who have supported us in our work, and also to our various audit and counter fraud advisors without whom we would not be able to function as effectively.

Author's name and Title: N Robinson, Governing Body Lay Member and Audit Committee Chair

Date: 5 May 2020

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