

NHS BOLTON CLINICAL COMMISSIONING GROUP
Public Board Meeting

AGENDA ITEM NO:13.....

Date of Meeting:13th May 2022.....

TITLE OF REPORT:	Audit Committee	
AUTHOR:	Joanne Taylor, Board Secretary	
PRESENTED BY:	Tony Ward, Audit Committee Chair	
PURPOSE OF PAPER: (Linking to Strategic Objectives)	For the Board to receive and review the minutes of the Audit Committee meeting held on 20 th April 2022.	
LINKS TO CORPORATE OBJECTIVES (tick relevant boxes):	Deliver the outcomes in the Bolton Joint Health and Care Plan.	
	Ensure compliance with the NHS statutory duties and NHS Constitution.	
	Deliver financial balance.	
	Regulatory Requirement.	
	Standing Item.	√
RECOMMENDATION TO THE BOARD: (Please be clear if decision required, or for noting)	<p>The Board is asked to approve the Minutes. The key points the Board is asked to note from these minutes are:-</p> <ul style="list-style-type: none"> To note that the Draft Director of Audit Opinion provides substantial assurance that there is a good system of internal control designed to meet our objectives and that the controls are applied consistently. Also that the preparation of the Annual Report and Annual Accounts are progressing and are in line for submission in line with NHSE requirements. 	
COMMITTEES/GROUPS PREVIOUSLY CONSULTED:	Primary Care Commissioning Committee.	
REVIEW OF CONFLICTS OF INTEREST:	Conflicts of Interest are reviewed at every meeting.	
VIEW OF THE PATIENTS, CARERS OR THE PUBLIC, AND THE EXTENT OF THEIR INVOLVEMENT:	Patient views are not specifically sought as part of this report.	
OUTCOME OF EQUALITY IMPACT ASSESSMENT (EIA) AND ANY ASSOCIATED RISKS:	EIA and an assessment is not considered necessary for the report.	

MINUTES

Audit Committee Microsoft Teams Meeting

Date: 20 April 2022

Time: 2.00pm – 2.30pm

Venue: Microsoft Teams Meeting

Present:

Tony Ward (TW)	Lay Member Governance (Chair)
Alan Stephenson (AS)	Lay Member
Dr Emma Saunders (ES)	GP Board Member

In attendance:

Claire Donovan (CD)	Deputy Chief Finance Officer, Bolton CCG
Guy Fitzpatrick (GF)	Head of Financial Services GMSS
Kath Stott (KS)	Audit Manager, MIAA
Andrew Wade (AW)	Anti-Fraud Specialist, MIAA
Debra Chamberlain (DC)	Director of Audit, KPMG
Gary Baines (GB)	Engagement Lead, MIAA
Joanne Taylor (JT)	Board Secretary
Diane Sankey (DS)	Patient Safety & Governance Lead

Minutes by:

Linda Hughes	Personal Assistant
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Minute No.	Topic	Action By
15/22	<p><u>Introductions and Apologies for Absence</u></p> <ul style="list-style-type: none"> • Dr Tarek Bakht GP, Board Member • Christopher Paisley, Senior Manager KPMG <p>Welcome and introductions were made around the table. Apologies received from:-</p> <ul style="list-style-type: none"> • 	
16/22	<p><u>Declarations of Interest</u></p> <p><i>“The Chair reminded committee members of their obligation to declare any interest they may have on any issues arising at committee meetings which might conflict with the business of NHS Bolton Clinical Commissioning Group”.</i></p> <p><i>“Declarations declared by members of the CCG Executive are listed in the CCG’s Register of Interests. The Register is available either via the Board Secretary to the Governing Body or the CCG website at the following link:</i></p> <p>http://www.boltonccg.nhs.uk/about-us/declarations-of-interest</p> <p>There were no declarations of interest.</p>	

17/22	<p><u>Previous Minutes</u> The minutes from the 12 January 22 meeting were agreed as an accurate record.</p>	
18/22	<p><u>Matters arising from the minutes not otherwise on the agenda and review of action log</u> The action log was reviewed and updated.</p>	
19/22	<p><u>Audit Committee Annual Report and Review of Terms of Reference (TOR) 2021-22</u> The report provided a summary of the Audit Committee's activities, in order to demonstrate how the Committee had discharged its responsibilities and terms of reference.</p> <p>The Audit Committee reviewed and approved the Committee's Annual Report and Terms of Reference review 2021/22 prior to the final document being presented to a future CCG governing body meeting.</p>	
20/22	<p><u>MIAA (Internal Audit)</u></p> <p>20.1 <u>Internal Audit Progress Report</u> KS presented the report covering the period from January to March 2022 which provided an update to the Committee in respect of the progress made in the delivery of the Internal Audit Plan 2021-22.</p> <p>Comprehensive reports detailing findings, recommendations and agreed actions were provided to the organisation.</p> <p>KS updated on the following finalised reviews</p> <ul style="list-style-type: none"> • Transition support • Assurance framework opinion stage 2 <p>The Committee noted the MIAA Internal Audit Progress Report.</p> <p>20.2 <u>Internal Audit Follow Up Report</u> KS presented the report which set out the latest position regarding the most recent phase of follow up reviews and progress that had been made in the implementation of previously agreed actions for the period January to March 2022. .</p> <p>The Committee noted the Internal Audit Follow up Report.</p> <p>20.3 <u>Draft Director of Audit Opinion and Annual Report 2021/22</u> GB presented the Head of Internal Audit Opinion which contributes to the assurances available to the Accountable Officer and the Board which underpin the Board's own assessment of the effectiveness of the organisation's system of internal control. The</p>	

<p>20.4</p>	<p>Opinion assists the Board in the completion of its Annual Governance Statement (AGS), along with considerations of organisational performance, regulatory compliance, the wider operating environment and health and social care transformation. The overall opinion for the period 1 April 2021 to 31 March 2022 was substantial assurance and that there was a good system of internal control designed to meet the organisations objectives, and that controls were being applied consistently.</p> <p>The Committee noted the annual report and Director of Audit Opinion.</p> <p>Draft Plan from Q1 KS outlined the Internal Audit Plan for the quarter 1 period of 2022/23.</p> <p>The establishment of the new NHS statutory body, the Integrated Care Board (ICB) which is scheduled to be in place from July 2022, means CCGs will remain statutory bodies in Quarter 1 of 2022/23. As such, the CCG requires an Internal Audit Plan for this period to enable the provision of a Head of Internal Audit Opinion.</p> <p>A plan has been prepared to cover the Quarter 1 period for 2022/23 and this is based upon an initial risk assessment, which has considered the high level national, local system and CCG risks, legislation and guidance including the specific elements within the Due Diligence Checklist issued by NHSEI, together with MiAA's breadth of experience and understanding of the challenges faced by the CCG.</p> <p>The Committee reviewed and approved the internal audit plan for Q1 of 2022/23</p>	
<p>20.5</p>	<p><u>Anti-Fraud Annual Report 21/22</u> AW (AFS) presented the Anti-Fraud Annual Report, which outlined a range of activities undertaken by the AFS during the period April 2021 March 2022.</p> <p>Members were informed the fraud risk assessment has now been completed and agreed by Kelly Knowles, showing all standards for the CCG as green.</p> <p>The Committee noted the Anti-Fraud Annual Report 21/22</p>	
<p>20.6</p>	<p><u>Anti-Fraud plan for Q1</u> AW (AFS) presented the Anti-Fraud Work Plan, which outlined a range of activities to be undertaken by the AFS during Quarter 1 of 2022/23.</p> <p>AAW raised the issue of vaccination fraud and questioned if any work was being undertaken proactively. It was agreed to discuss this further outside of the meeting.</p>	<p>AW</p>

	The Committee approved the Anti-Fraud Plan for Q1	
21/22	<p><u>KPMG (External Audit)</u></p> <p><u>External Audit plan Update</u> DC presented the report which outlined KPMG’s risk assessment and planned audit approach, and included updated risk commentary relating to the financial statement risk of fraudulent expenditure recognition. The report also contained KPMG’s updated VFM risk assessment, which was substantially complete.</p> <p>DC confirmed further would continue to risk assess the plan and a further update would be received at the next meeting.</p> <p>The Committee noted the External Audit Plan Update.</p>	
22/22	<p><u>Board Assurance Framework Q4 and Risk Register</u> Q4 BAF was reviewed and approved by the CCG Executive on 6th April 2022 and will be presented to the Governing Body at its meeting on 13th May 2022</p> <p>Key changes to note:</p> <ul style="list-style-type: none"> • R1 Financial balance risk 2021/22 – risk score reduced to 3. It is anticipated this risk will be zero at the time of CCG closedown on 30th June 2022. <p>The BAF dashboard for Q4 2021/22 is attached, together with full details of each BAF risk and mitigating actions in place for members’ information.</p> <p>Corporate Risk Register Q4 Any operational issue with a corporate risk score of 9 or above is included in the Corporate Risk Register as per the CCG’s Risk Management Strategy. Any risk 12 or above is reported to the Audit Committee, along with the BAF. An extract of Q4 Corporate Risk Register risk scores of 12 or above is attached and has been approved at Executive Committee.</p> <p>There were two new operational risks added in Q4</p> <ul style="list-style-type: none"> • No 260 – New Microsoft windows support risk. This is being fully worked through and expected to close in Q1 2022/23. Current risk score is 12. • No 261 – Increased threat of cyber security attacks due to current political unrest Current risk score is 9. <p>Exec Members reviewed Risk No 259 - CCG staffing capacity/risk to statutory functions and local developments due to a number of key managers and staff leaving the CCG over recent months. This risk is being overseen by the CCG Closedown Group and Exec and current risk score is 12.</p> <p>The Committee noted the BAF Q4 report</p>	
23/22	<u>Draft Annual Report, Governance Statement.</u>	

	<p>The Committee received and reviewed the draft Annual Report and Annual Governance Statement. Information highlighted in red/yellow will be included in the final version.</p> <p>JT asked for any further updates to be forwarded to her directly.</p> <p>A copy of the final draft unaudited annual accounts has been circulated to members. Members also received a presentation on the draft unaudited annual accounts which included an update from GF on:-</p> <ul style="list-style-type: none"> • Overview of annual accounts • Financial performance • Format of the Accounts • Primary statements • Notes to the accounts • Explanation of variances from the previous year • Next steps and recommendations <p>The final version of the Annual Report, Governance Statement and Accounts will be presented to the Board at the Part 2 meeting on 17th June, for approval as per the Audit Committee's recommendations, from their meeting on the 15 June, prior to submission to NHS England by 22nd June, following publication on the CCG's website by 24th June.</p> <p>The Committee reviewed and agreed the pre-audited annual report, governance statement and accounts and agreed to receive the final versions at the next meeting.</p>	
24/22	<p><u>Inspection of Corporate Registers</u></p> <ul style="list-style-type: none"> • The report updates the Audit Committee on the additions to the Corporate Registers since the last submission on 12th January 2022. The report includes the following:- <ul style="list-style-type: none"> • Register of Interests (full updated register attached – to note a full review of forms has now been undertaken and is presented to this meeting). • Register of Gifts and Hospitality (no updates to report). • Register of Conflicts of Interest Breaches (no updates to report). • Procurement Register (no updates to report). • Waiver of Standing Financial Instructions (no updates to report). • Whistleblowing Log (separate item on the agenda). • To note that the Conflicts of Interest Committee also regularly reviews declarations of interest including breaches/gifts and hospitality/procurement registers and waivers of standing financial instructions along with any reviews undertaken by internal and external audit. • To note that all these Registers are now publicised on the CCG website. • Members are reminded of the need to ensure all declarations of interest are made of any interest likely to lead to a conflict 	

	<p>or potential conflict as soon as the individual becomes aware of it, and within 28 days.</p> <ul style="list-style-type: none"> The Audit Committee is asked to note that the CCG continues to regularly undertake reviews of the policy and processes regarding conflicts of interest, which are also regularly reviewed through the Conflicts of Interest Committee. <p>The Committee Reviewed and Approved the Corporate Registers Report.</p>	
25/22	<p><u>Review of Whistleblowing Policy with Register of Instances</u></p> <p><u>Whistleblowing Policy:</u> JT presented the Whistleblowing Policy and advised there were had been no major changes since the last review undertaken by the Audit Committee in April 2021. Reference to the Executive lead available for staff to contact has been removed as this was the CFO. There remains a Non-Executive Director, Freedom to Speak Up Guardian and Risk Management Team.</p> <p><u>Whistleblowing Log:</u> The Committee has previously reviewed the Whistleblowing log. There have been no further updates to the log since the Committee undertook an annual review of the log. The log is therefore attached for information.</p> <p>The Committee approved the Whistleblowing Policy noting there were no major changes required at this point and noted the Whistleblowing log</p>	
26/22	<p><u>Update on CCG Closedown</u></p> <p>JT informed the Committee that NHS England had issued guidance to leaders on the CCG closedown and ICB establishment. The Audit Committee has been receiving regular updates on progress at each meeting.</p> <p>A copy of the due diligence plan that has been developed providing an update on progress as at March 2022 was circulated to members for information, along with a copy of the current version of the Closedown due diligence checklist and the latest self-reporting RAG report submitted to GM in March 2022.</p> <p>Members were informed that the majority of the areas on the closedown due diligence checklist were showing as amber/green and therefore the committee was assured that the CCG is on track with the closedown process. The areas highlighted red could not be completed until June 2022 due to the need to ensure that up to date information is transferred to the GM ICB at the end of the process.</p> <p>Work continues to progress locally through the internal CCG closedown working group and the Board Secretary is linked to the developments/discussions happening at a GM level to ensure the</p>	

	<p>CCG remains on course to deliver on the due diligence checklist by 30th June 2022.</p> <p>The Committee noted the update on CCG Closedown.</p>	
27/22	<p><u>Review of Assurance on External Reports</u> Bolton CCG monitors a central log to capture external reviews issued following assessment of the CCG or its providers. This helps support the CCG's monitoring of quality and performance and provide assurance to the Audit Committee and governing body.</p> <p>The log is coordinated by the Governance & Safety Directorate and submitted to the Quality & Safety Committee as a routine agenda item. It will include any report issued about NHS Providers and Bolton CCG.</p> <p>The External Review log from 1st April 2021 onwards was presented for information. Any issues not closed from previous years will continue to be monitored on the 2022/23 log. This report was considered by the Quality & Safety Committee on 9th March 2022.</p> <p>The Committee noted the Review of Assurance on External Reports</p>	
28/22	<p><u>Audit Committee Work Plan</u></p> <p>The Committee noted the work plan.</p>	
29/22	<p><u>Any Other Business</u> There was no other business discussed</p>	
30/22	<p><u>Chair reflection on significant decisions/actions/risks that may need reporting to the Board through these minutes.</u></p> <ul style="list-style-type: none"> • To note that the Draft Director of Audit Opinion provides substantial assurance that there is a good system of internal control designed to meet our objectives and that the controls are applied consistently. • Also that the preparation of the Annual Report and Annual Accounts are progressing and are in line for submission in line with NHSE requirements. 	
31/22	<p><u>Date of Next Meeting:-</u> 15 June 2022 2pm-4pm, via Microsoft Teams</p>	