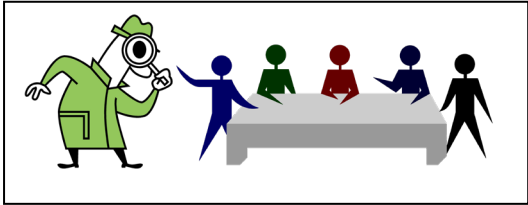


Annual Governance Report
Easy Read part 6A.
1st April 2019 – 31st March 2020



**Audit committee –
page 2**



**Audit committee, what
went well – page 6**

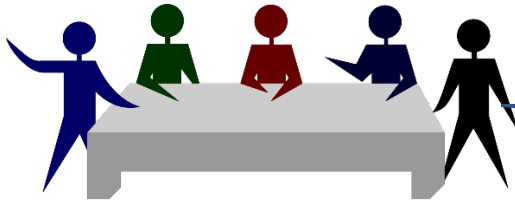


**Audit committee,
looking forward –
page 10**

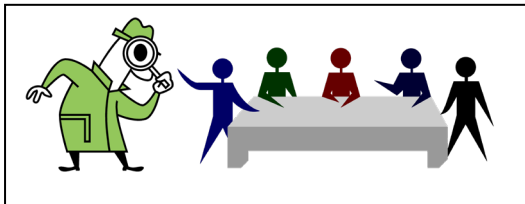


Difficult words.

In this report any **difficult or unusual words will be in bold**. The meaning of these words will be explained at the end of the report

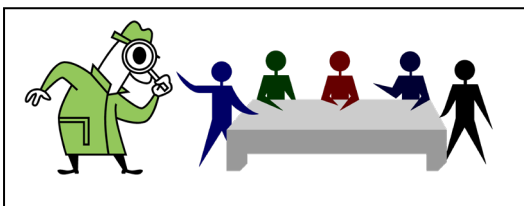


Committees of the Governing Body



Audit committee

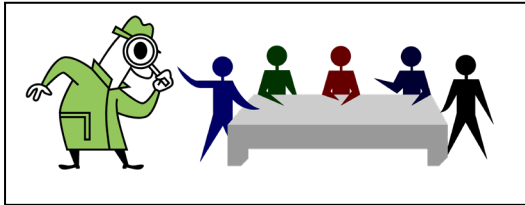
Audit committee



Audit committee

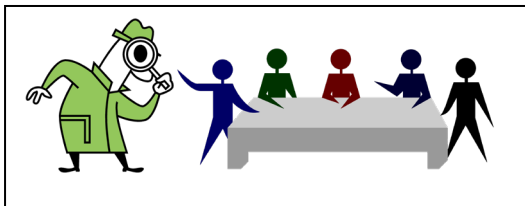
Members of this committee are;

- The Director of Operations / Executive Nurse (non voting)
- **The three Lay members of Governing Body** (voting),
- The Local Counter / Anti-Fraud Specialist,
- Internal and External Audit
- NHS HMR CCG's Chief Finance Officer – Health & Social Care Integration,
- Director of Commissioning / Director of Adult Social Services (DASS)
- Deputy Chief Finance Officer
- Corporate Affairs Manager
- Governance Manager.



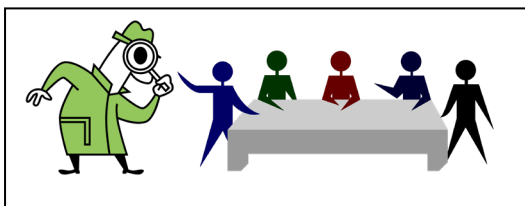
Audit committee

The Committee plays a big part in the control of NHS HMR CCG with responsibility for checking the risks affecting every part of the CCG. It also checks on finance and financial management



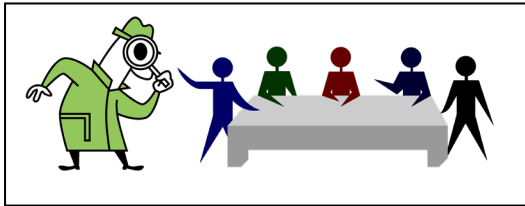
Audit committee

The Committee is needs to look at:
Internal financial controls, such as **safeguarding of assets**, keeping proper accounts and being able to trust financial information.



Audit committee

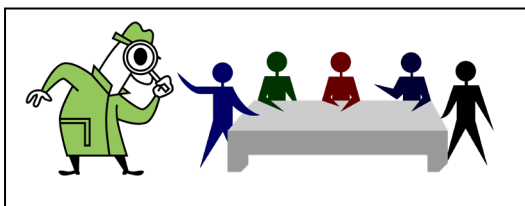
The Committee needs to look at:
Risks around **disclosure statements**, Annual Governance Statement, Annual Report and Annual Accounts.



Audit committee

The Committee needs to look at:

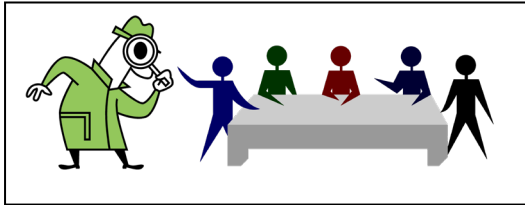
- The basic promises as detailed in the **Corporate Assurance Framework**.
- The quality of relevant policies, legality issues and the Codes of Conduct.
- The policies and procedures related to Anti-fraud, bribery and corruption.



Audit committee

The work of the committee is achieved by it being

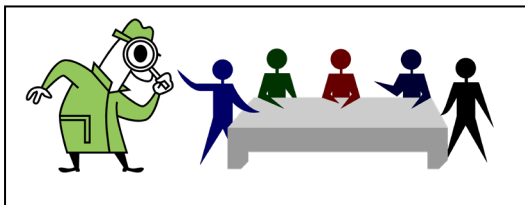
- Properly organised,
- Making sure people within the CCG take responsibility
- The delivery of audit services.



Audit committee

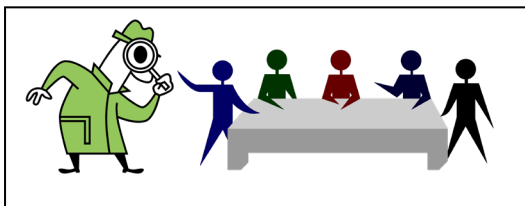
The duties of the committee are set by the priorities picked by the CCG and the related risks.

An annual programme of business is agreed with new risk and priorities considered. The committee works with national guidance and the **Nolan Principles of public life.**



Audit committee

An annual meeting between lay members, external and internal audit and local counter fraud specialist takes place. This helps to check the overall performance of the CCG.



Audit committee

The committee reviews its own performance, membership and terms of reference. Any changes to the terms of reference are approved by the Governing Body.



Audit committee

What the Audit committee did well



Audit committee

Understanding of the picture of governance in the organisation



Audit committee

Talked privately with auditors



Audit committee

Agreed an annual work programme



Audit committee

Challenge information shared with the committee and asked for updates



Audit committee

Management and auditors have been challenged by lay members



Audit committee

After getting audit reports the Committee has completed reviews into specific issues and high-risk areas



Audit committee

Regular reports are given by the Chief Finance Officer for the Committee's approval of **tender waivers** and **write offs for losses** and **compensation payments**



Audit committee

The Committee approved the External Audit Plan in February 2019 and have received regular updates on the progress of work.



Audit committee

During the year the Committee ensured that regular progress reports were received on the delivery of the Internal Audit Plan.



Audit committee

The Committee has managed risks throughout 2019-20; due to the proposed organisational changes and closer working with the local authority. The governance picture is looked at regularly, and changes agreed.



Audit committee

Challenging management on promises about operational risks – evidence of management having to attend the committee to explain any key issues



Audit committee

Presentation of accounting policies, forecasts and conclusions in advance of the year-end – is an example of good practice.



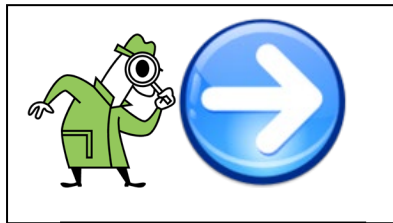
Looking forward



The committee must make sure there are systems and governance to help further joining up with Rochdale Borough Council especially with the growth of the pooled budget with the local authority

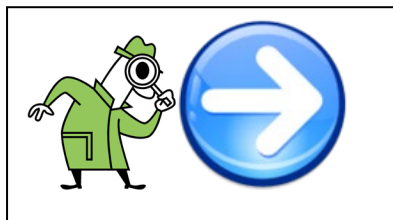


New working and **governance** arrangements with **the Local Care Organisation (LCO)** giving the LCO a lot of responsibility for urgent care



Audit committee

Due to a more challenging national and local financial position it is essential that the committee ensures that there is a system for growing and checking **QIPP** schemes. This will make sure financial targets are achieved or investment schemes are launched.



Audit committee

Continued checking of high risk areas to Heywood, Middleton and Rochdale, e.g.:

- Pennine Acute NHS Hospital Trust / North Manchester deal
- Community Services transferring from Pennine Care NHS Foundation Trust
- Joining together with the Council and the challenges coming from this



Looking after NHS HMR CCG statutory duties and responsibilities.

Difficult or unusual words

Lay member for Patient and Public Engagement – a member of the public chosen to be a member of the CCG Governing Body. This member has experience of all the different ways to try to talk to local people

Safeguarding of assets - making sure the resources the CCG has are looked after properly

Disclosure statements - A disclosure statement is an official document that describes the terms, conditions, risks and rules of a financial transaction, such as an investment.

Corporate Assurance Framework. – a series of tests designed to check if the CCG is working as well as it should be

Nolan Principles of public life - a set of rules that have been accepted as the right way to behave if you are in a public role. They are:

- Integrity - Holders of public office must not put themselves in a position where they try to wrongly gain influence for people or organisations. They should not act or take decisions to gain

financial or other benefits for themselves, their family, or their friends.

- Objectivity - Holders of public office must act and take decisions impartially, using the best evidence.
- Accountability - Holders of public office must be willing to let their decisions and actions be checked by the public.
- Openness - Holders of public office should act and take decisions in an open and clear way.
- Honesty - Holders of public office should be truthful.
- Leadership - Holders of public office should show these principles in their own behaviour.

Tender waivers – A form to be completed where the need to get tenders or quotes will not be met

Write offs for losses - the term write-off is used for an investment (such as buying services) for which a pay off on the investment is now impossible or unlikely. The item's hoped for pay off value is cancelled and removed from ("written off") the business's balance sheet.

Compensation payments – a payment to try to make up for the damage caused when something has gone wrong

Governance – the set of rules needed for the CCG to work properly

QIPP QIPP (Quality, Innovation, Productivity and Prevention) - The Quality, Innovation, Productivity and Prevention (QIPP) programme is all

about ensuring that each pound spent is used to bring most benefit and quality of care to patients.

Local Care Organisation (LCO) A Local Care Organisation is a new type of public sector organisation joining together NHS hospital services, community health, mental health services, primary care and social care services