

**MINUTES:**

**OXFORDSHIRE CLINICAL COMMISSIONING GROUP AUDIT COMMITTEE**

**23 February 2021**

**Held via MS Teams**

<b>Present:</b>	Roger Dickinson (RD), Lay Vice Chair	Duncan Smith (DS), Lay Member for Finance
	Gareth Kenworthy (GK), Director of Finance	Catherine Mountford (CM), Director of Governance
	Jenny Simpson (JS), Deputy Director of Finance	
<b>In attendance:</b>	Adrian Balmer (AB), Manager, Ernst & Young	Janet Dawson (JD), Executive Director, Ernst & Young
	Ros Kenrick (RK), Senior Executive Assistant/Board Secretary	
<b>Apologies</b>	Diane Hedges (DH), Deputy Chief Executive	

		<b>Action</b>
1.	<b>Welcome and Introductions</b> RD welcomed attendees to this additional, informal meeting to discuss the process for the run up to the final accounts.	
2.	<b>Apologies for Absence</b> Noted above	
3.	<b>Declarations of Interest</b> Not applicable to this meeting.	
4.	<b>Final Accounts Planning</b> AB informed the Committee that the local government audit work for 20/21 had overrun, with 40 percent incomplete by November 2020. For the CCGs, annual leave was now posing a problem in the run up to year end.  Year end dates were uncertain, but final audited accounts submission was expected to be on 15 June 2021. The external auditors' plan would be to complete the work for OCCG during May to avoid any last-minute issues.	

<p>Progress to date had been that:</p> <ul style="list-style-type: none"> <li>• The team working on the final accounts would be similar to that of last year, meaning that the auditors had a good understanding of how OCCG worked.</li> <li>• M09 data samples would be sent to the CSU for year end. This would cause an element of pressure on the CSU, who would be focusing on M11 in March. Auditors noted the pressures identified by JS at M11 end.</li> <li>• Focus would be on the hospital discharge scheme and the funding regime changes over the year.</li> <li>• Transactional data would look very different this year, with ICS funding passing through OCCG, which would be carefully examined. JS advised that internal auditors were undertaking an audit of ICS funding which should give assurance to the Committee and external auditors. Most of the transactions between the CCGs was by allocation transfer. With providers, the aim was to make adjustments to the block contracts.</li> <li>• There would also be two financial governance audits in-year, the first of which had rated OCCG green on all areas.</li> <li>• Prescribing would not be audited early, as last year.</li> </ul> <p>GK reported that the financial position for year end was moving closer to break even. The prescribing pressures had increased, but the CHC pressures had not materialised as forecast. OCCG would now have to work within the ICS control total alongside BCCG and BWCCG.</p> <p>AB noted that OCC transactions for the HDP, S75 and the pooled budgets would be addressed in Note 5.</p> <p>Going concern and the FRC reports: Materiality guidance was not expected to affect the CCG. E&amp;Y was working with other external auditors to benchmark for consistency across CCGs. There was a national debate on how to address going concern in the public sector. Note 10 had changed. Should financial pressures cause a reduction in services, a disclosure notice may be required.</p> <p>It was noted that recovery would be underfunded, as the NHS was directed to return to a pre-COVID financial regime next year. There would be significant pressure on OUH and OH, which could be replicated across the ICS.</p> <p>Partially completed spells/maternity prepayments: JS reported that OCCG would either roll forward the balances between OCCG and the OUH, or they could be stopped because of the block contract. The net impact was expected to be c£600k. The discussion could move to system-level or there could be national guidance. JS would monitor the situation.</p> <p>Funding arrangements for next year remained uncertain. It was expected that Q1 would remain under the current financial regime, but</p>	
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	there would then be a plan to reduce the gap. Recovery would depend on the spending review. OCCG would be starting from a similar position to last year.	
	<b>Value for Money</b> There were key changes for the report. There was commentary on the assessment of significant weaknesses. Should any be identified, the report would indicate work to be done. The purpose of the new format was to encourage discussion, with a focus on whether the CCG had addressed its work in the right manner, rather than whether or not it was financially resilient. It also addressed governance and working with third parties with reference to statutory duties.	
	<b>Annual Report</b> CM reported that under the current meetings timetable for Board it would be necessary to request delegated authority for approval of the annual report. The Governing Body would meet in public on 16 March and on 10 June. It was noted that the other BOB CCGs' Governing Bodies did not take the annual report until the APM in September. The Committee supported the request for delegated authority.	
5.	<b>Any Other Business</b> <b>Review of Risks</b> DS and RD requested a review of the risks was undertaken, with Board committees sign off, which would be taken to the March Board meeting. <b>Action: CM to discuss with colleagues</b>  <b>Final Review of Annual Accounts</b> JS asked that a meeting of the Audit Committee was arranged for the end of May/first week in June to approve the final accounts. <b>Action: WJ to arrange meeting for end of May/first week in June</b>	<b>(21.01)</b> <b>CM</b>  <b>(21.02)</b> <b>WJ</b>
6.	<b>Date of next meeting:</b> 22 April 2021	