

# NHS Herts Valleys Clinical Commissioning Group

## Board Meeting

2 April 2015

<b>Title</b>	<b>2014/15 Annual Report and Accounts – proposed approval process</b>	<b>Agenda Item: 12</b>
<b>Purpose (tick one only)</b>	Approval <input checked="" type="checkbox"/> Discussion <input type="checkbox"/> Information <input type="checkbox"/> Consideration <input type="checkbox"/> Noting <input type="checkbox"/>	
<b>Responsible Director(s) and Job Title</b>	Alan Warren – Chief Finance Officer	
<b>Author and Job Title</b>	Alan Warren – Chief Finance Officer	
<b>Recommendations/ Action Required by the Board</b>	Board members are asked to agree to the proposed process for approving the 2014/15 Annual Report and Accounts.	
<b>Classification</b> Is this report exempt from public disclosure? (ie. FOIA or DPA)	<b>No</b>	
<b>Impact on Patients/Carers/Public</b>	The Annual Report and Accounts provides a public record of the CCG's achievements and performance in 2014/15	
<b>Engagement with Stakeholders/Patient/Public</b>	N/A	
<b>Links to Strategic Objectives</b>	<p><b>Objective 1:</b> To deliver clinically sustainable and affordable services that meet the changing needs of the population, address inequalities and deliver our guiding principles as outlined in the Strategy: `Deliver and Healthy Herts Valleys`</p> <p><b>Objective 2:</b> To improve the quality of services and deliver better patient outcomes and experience</p> <p><b>Objective 3:</b> To work with our partners to transform health and social care through the effective use of joint funding</p> <p><b>Objective 4:</b> To improve engagement with member practices, patients, the public and carers and to ensure this is embedded within the CCG governance structure.</p>	
<b>Board Assurance Framework</b> Does this report provide evidence of assurance for the Board Assurance Framework?	The Annual Report and Accounts provides a commentary on the Board's management of risks during 2014/15 including assurance in respect of the risks identified in the Board Assurance Framework.	
<b>Does this report mitigate risk that is included in the Corporate Risk Register?</b>	The report provides a record of the CCG's performance and achievements in the year.	
<b>Resource Implications</b>	N/A	
<b>Equality and Diversity</b> (Has an Equality Analysis been completed?)	There are no implications	
<b>Legal/Regulatory Implications</b>	To comply with the legal requirements of the Health and Social Care Act 2012	
<b>Sustainability Implications</b>	The Annual Report contains specific references to the CCG's Sustainability obligations	
<b>NHS Constitution</b>	<p><b>Principle 1:</b> The NHS provides a comprehensive service available for all</p> <p><b>Principle 2:</b> Access to NHS services is based on clinical need, not an individual's ability to pay</p> <p><b>Principle 3:</b> The NHS aspires to the highest standards of excellence</p>	

	<p>and professionalism</p> <p><b>Principle 4:</b> The NHS aspires to put patients at the heart of everything it does</p> <p><b>Principle 5:</b> The NHS works across organisational boundaries and in partnership with other organisations in the interest of patients, local communities and the wider population</p> <p><b>Principle 6:</b> The NHS is committed to providing best value for taxpayers' money and the most effective, fair and sustainable use of finite resources</p> <p><b>Principle 7:</b> The NHS is accountable to the public, communities and patients that it serves</p>
<b>Report History</b>	-
<b>Appendices</b>	None

## **2014/15 Annual Report and Accounts – proposed approval process**

### **1. Requirements**

CCGs are required, as a result of directions issued by NHS England, formally known as the NHS Commissioning Board, to prepare an Annual Report in the form and with the content laid down in the Government Financial Reporting Manual, taking account of the application of guidance contained in the Department of Health Group Manual for Accounts.

In addition, CCGs are also required, as a result of directions issued by NHS England, to produce Annual Accounts, which must also be prepared in accordance with the Government Financial Reporting Manual and the guidance in the Department of Health Group Manual for Accounts.

CCG Accounts and some aspects of the content of Annual Reports are subject to external audit.

### **2. Timetable**

The 2014/15 Report and Accounts timetable envisages that draft documents will be made available to the CCG's external auditors, PricewaterhouseCoopers, and to NHS England by noon on Thursday 23 April 2015 (accounts forms) and noon on Friday 24 April 2015 (annual report, including annual governance statement).

The external audit process is due to be completed, and audited Annual Reports and Accounts, including relevant signatures, certificates and the auditors' opinion statements, submitted to NHS England by noon on Friday 29 May 2015. This date is one week earlier than in 2014 and designed to permit consolidation of CCG accounts into the overall NHS England and Department of Health accounts prior to Parliament's summer recess.

### **3. External Audit**

Based on the experience gained of last year-end, the relative simplicity of the CCG's accounts and the automation of much of the accounts production direct from the national ledger system that the CCG uses, PricewaterhouseCoopers believe that they will have sufficient time to complete their audit prior to the deadline date. They are hopeful that the majority of their work will be finished prior to the planned Audit Committee meeting on 19 May 2015.

### **4. Proposed Approval Process**

The CCG Board's next formal meeting in public is not until 4 June 2015, which is after the deadline for submission of the audited Annual Report and Accounts for 2014/15. Therefore, the Board is asked to approve the use of the 'Emergency powers and urgent decisions' provision of

the Constitution to enable the Chair and Accountable Officer to approve the audited Annual Report and Accounts for 2014/15 on the advice of the Audit Committee, following its meeting on 19 May 2015. The external auditors plan to present the findings of the audit at this meeting and agree any necessary amendments to the draft documents prior to signature and provision of certificates and opinion statements.

All Board members will also be invited to attend the Audit Committee meeting for this item should they so wish.

In the event that the Chair of the Audit Committee believes that it is not appropriate for approval to be given without discussion by the full Board, an extra Board meeting will need to be arranged at short notice.

This proposal mirrors the actions taken to obtain approval to the 2013/14 audited Annual Report and Accounts.

## **5. Recommendation**

The Board is asked to agree to the use of the 'Emergency powers and urgent decisions' provision to enable the audited Annual Report and Accounts for 2014/15 to be approved on the Board's behalf prior to the submission deadline, as set out above.

