

CCG REPORT COVER SHEET

Meeting Title:	CCG Governing Body in Public		Date: 10 June 2021	
Report Title:	2020/21 Annual Accounts and Annual Report		Agenda Item: 2.4	
Chief Officer:	Louis Kamfer, Chief Finance Officer Sharon Fox, Director of Governance			
Clinical Lead:	N/a			
Report Author:	Wanda Kerr, Deputy Chief Finance Officer Sharon Fox, Director of Governance			
Document Status:	Final			
Report Summary:	This report presents the Annual Report and Annual Accounts 2020-2021 for recommendation/approval.			
Report Purpose:	For Assurance		For Decision	
			For Approval	
			For Recommendation	√
Recommendation:	<ul style="list-style-type: none"> - The Governing Body is asked to note the streamlined Annual Report for 2020/21 has been produced in line with National Guidance to reflect the COVID-19 National Emergency. - The Governing Body is asked to make the declaration set out at Section 7.2 which relates to the 2020/21 Annual Accounts process - The Governing Body is asked to formally adopt the Annual Accounts and Annual Report for 2020/21. - That by approving the Annual Report and Accounts, the Governing Body, and the individual members thereof, confirm the accuracy and completeness of their respective Remuneration Report entries (where applicable). - The Governing Body is asked to note the Letter of Representation to the External Auditors - The Governing Body is asked to acknowledge the work of the Finance, Governance and Communications Teams in completing the Annual Accounts and Annual Report for 2020/21 			
Link to Corporate Objectives: 2020/22	Ensure everyone has the opportunity to improve their health and well-being			
	Level-up health and care provision to ensure our communities in areas of high deprivation and need get the resources needed to minimise inequalities			
	Focus time and resources on areas where people receive most of their health and care services, the community			
	Facilitate organisations to join forces at 'place' and offer 'patient first' well-co-ordinated efficient services to those who need them.			
	Deliver our statutory financial commitments as best as possible			√
CAF (Strategic Risk) Reference	Description of Risk			Current Risk Score
CAF 08	There is a risk that the transition from the CCG to the Integrated Care System will lead to loss of focus on business as usual and the delivery of the CCG's statutory functions			12 (A)
Impact Assessments	Equality	N/a		
	Health Inequalities			
	Health Impact			
	Data Privacy			
	Sustainability			
Quality				
Financial Impact	Not applicable			
Chief Officer/ SRO Sign Off:	Sharon Fox, Director of Governance Louis Kamfer, Chief Finance Officer			
Chief Finance Officer Sign Off:	As above			

Legal implications	Section 14Z15 of the NHS Act 2006 (as amended) requires CCGs to prepare an Annual Report and Section 17 of Schedule 1A of the NHS ACT 2006 (as amended) Local Audit and Accountability Act 2014. Companies Act 2006 Section 418 refers
Conflicts of Interest	Any conflicts of interest to be raised in line with the CCG's Conflicts of Interest Policy
Report history:	Report produced for Audit Committee and Governing Body
Next steps:	Approved and signed accounts to be submitted to NHSE/I by national deadline

MEETING: CCG GOVERNING BODY IN PUBLIC

AGENDA ITEM: 2.4

DATE: 10 JUNE 2020

TITLE: ANNUAL ACCOUNTS & ANNUAL REPORT 2020-2021

FROM: LOUIS KAMFER, CHIEF FINANCE OFFICER
SHARON FOX, DIRECTOR OF GOVERNANCE

1 ISSUE

- 1.1 Attached as Annex A and B is NHS Cambridgeshire and Peterborough Clinical Commissioning Group's (CCG) Annual Report and Annual Accounts for 2020-2021 for review and recommendation by Audit Committee and formal approval of the Governing Body.
- 1.2 The Report incorporates the Annual Governance Statement for 2020 -2021 which will be presented by the CCG's Accountable Officer.
- 1.3 This covering paper highlights issues of note for Governing Body's information.
- 1.4 Audit Committee on 8 June 2021 recommended approval of the Annual Accounts and Annual Report 2020/21 to the Governing body.

2 KEY POINTS

- 2.1 As was the case last year due to the COVID-19 pandemic the deadline for preparing and submitting the fully audited Annual Accounts and Annual Report for 2019-20 was extended by several weeks to Tuesday, 15 June 2021.
- 2.2 In addition to amending the reporting timetable, national guidance on the contents of the Annual Accounts and Annual Report, and in particular what would no longer mandatorily be required to be included, was also reflected in their preparation. As last year, guidance was issued in recognition of the need for NHS organisations to prioritise and divert resources to support the pandemic. As a result the Annual Report in particular is a more streamlined document than was case in the years before the pandemic.
- 2.3 Taking this into account: -
 - The Annual Report and Annual Accounts 2020/201 have been compiled and prepared in lines with the CCG Annual Reporting Guidance issued by NHS England/Improvement (NHSE/I).

- Section 14Z15 of the NHS Act 2006 (as amended) requires CCGs to prepare an Annual Report and Section 17 of Schedule 1A of the NHS Act 2006 (as amended) requires CCGs to prepare Annual Accounts.
- The Accounts have been prepared in accordance with Directions issued by NHS England which entails complying with the Manual of Accounts issued by the Department of Health.
- The Manual of Accounts complies with the requirements of the Government Financial Reporting Manual, which the Health Group accounts are required to comply with. NHSE/I and Clinical Commissioning Groups are consolidated in the Health Group accounts and are therefore also subject to the principles outlined in the Government Financial Reporting Manual.
- As referenced, the content of the Annual Report reflects national guidance issued in light of the Covid19 Pandemic.

2.4 We would like to acknowledge the hard work of the Finance, Governance and Communications Teams in completing the Annual Accounts and Annual Report, in collaboration with our External Auditors.

3 ANNUAL ACCOUNTS 2020/21

3.1 In compiling the Annual Accounts, the key points to note are set out below:

- The Annual Accounts have been prepared on a going concern basis.
- All legacy balances other than fixed assets, inventories and closely-related liabilities have been accounted for by NHSE.
- There are no post balance sheet events.
- The DH allocation is shown in the attachments which shows the final notified resources for programme and running costs - £1,554m.
- All known expenditure and income have been accounted for and reasonable estimates have been made where appropriate. Expenditure net of other income totals £1,554m.
- The CCG has reported an in-year surplus of £137k.
- The CCG still has a cumulative deficit of £133m.

4 ANNUAL REPORT 2020/21

4.1 In compiling the Annual Report, the key points to note are set out below:

- The Annual Report has been written in line with the CCG Annual Report Guidance and subsequent revisions to this guidance that were made as a result of the National Emergency in relation to the Covid-19 Pandemic.
- The draft Annual Report was reviewed by the Audit Committee prior to its submission to NHSE/I on 20 April 2021.
- The narrative within the Report was subject to review from External Audit. All issues and queries raised have been addressed, subject to the final External Audit process. Any significant amendments will be highlighted to the Audit Committee and the Governing Body.

5 ANNUAL GOVERNANCE STATEMENT 2020/21

- 5.1 In compiling the Annual Governance Statement, the key points to note are set out below:
- The Annual Governance Statement has been prepared in line with the CCG Annual Report Guidance as set out above.
 - The Statement reflects the overall status of the CCG's governance arrangements and is subject to the External Audit process.
 - The narrative has been reviewed by External Audit and all issues and queries addressed, subject to the final External Audit process. Any amendments will be highlighted to the Governing Body at our meeting in public.

6. SUMMARY POSITION POST EXTERNAL AUDIT

- 6.1 The Accounts have been audited and an **Unqualified** audit opinion is expected with respect to the accounts following their adoption by the Governing Body. An Audit results report accompanies the accounts.
- 6.2 With respect to the Use of Resources, External Audit is required to consider whether the CCG has put in place 'proper arrangements' to maintain an effective system of internal control that supports the achievement of its policies, aims and objectives while safeguarding and securing value for money from the public funds and other resources at its disposal. This is known as the Value for Money conclusion. The National Audit Office's 2020 code requires External Audit to assess the CCG against three criteria:
- Financial sustainability
 - Governance
 - Improving economy, efficiency and effectiveness.

External audit have completed their planned Value for Money procedures and have no matters to report "by exception" in their Auditor's Report.

7. DECLARATION BY GOVERNING BODY MEMBERS

- 7.1 As part of the Annual Accounts process each Governing Body member is required to state, and for it to be minuted as such, that as far as he/she is aware there is no relevant audit information of which the CCG's auditors are unaware. In addition, that he/she has taken all steps that he/she ought to have taken as a member of the Governing Body in order to make themselves aware of any relevant audit information and to establish that the CCG's auditors are aware of the information (Companies Act 2006 Section 418 refers).
- 7.2 In support of this each Governing Body Members will be asked to make the following declaration:

"The Governing Body is not aware of any relevant audit information that has been withheld from the CCG's external auditors, and members of the Governing Body take all necessary steps to make themselves aware of relevant information and to ensure that this is passed to the external auditors where appropriate."

8. NEXT STEPS

- 8.1 The Annual Report and Annual Accounts 2020/21 subject to any final comments and amendments will be presented to the Governing Body for approval and formal adoption on Thursday, 10 June 2021.
- 8.2 Following their adoption and accompanied by signed certificates, External Audit will provide us with a true and fair audit opinion.
- 8.3 The Annual Accounts and Annual Report 2020/21 will be submitted by 5PM on Tuesday 15 June 2021.

9. RECOMMENDATIONS

- 9.1 The Governing Body is asked to note the streamlined Annual Report for 2020/21 in line with National Guidance to reflect the COVID-19 National Emergency.
- 9.2 The Governing Body is asked to make the declaration set out at Section 7.2 which relates to the 2020/21 Annual Accounts process.
- 9.3 The Governing Body is asked to formally adopt the Annual Accounts and Annual Report for 2020/21.
- 9.4 That by approving the Annual Report and Accounts, the Governing Body, and the individual members thereof, confirm the accuracy and completeness of their respective Remuneration Report entries (where applicable).
- 9.5 The Governing Body is asked to note the Letter of Representation to the External Auditors.
- 9.6 The Governing Body is asked to acknowledge the work of the Finance, Governance and Communications Teams in completing the Annual Accounts and Annual Report for 2020/21.

Authors

Sharon Fox, Director of Governance
Wanda Kerr, Deputy Chief Finance Officer
8 June 2021

Attachments

Annex A	Annual Report (Including Annual Governance Statement) 2020/21
Annex B	Annual Accounts 2020/21
Annex C	Letter of Representation to External Auditors