

NHS LIVERPOOL CLINICAL COMMISSIONING GROUP

GOVERNING BODY

Minutes of meeting held on THURSDAY 28TH MAY 2015 3pm

FINAL ANNUAL REPORT AND ACCOUNTS SIGN OFF

Boardroom, Arthouse Square

PRESENT:

VOTING MEMBERS:

| | |
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| Dr Nadim Fazlani | Chair/GP |
| Prof Maureen Williams | Lay Member – Governance/Deputy Chair |
| Dave Antrobus | Lay Member – Patient Engagement |
| Dr Simon Bowers | GP/Clinical Vice Chair |
| Dr Maurice Smith | GP |
| Dr Shamim Rose | GP |
| Dr Monica Khuraijam | GP |
| Katherine Sheerin | Chief Officer |
| Tom Jackson | Chief Finance Officer |
| Moira Cain | Practice Nurse |
| Jane Lunt | Head of Quality/Chief Nurse |

PRESENT VIA CONFERENCE CALL:

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| Dr Janet Bliss | GP |
| Dr Rosie Kaur | GP |

NON VOTING MEMBERS:

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| Dr Tristan Elkin | GP – Liverpool Central Locality |
| Dr David Webster | GP – Matchworks Locality |
| Dr Paula Finnerty | GP – North Locality Chair |

IN ATTENDANCE:

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| Ian Davies | Head of Operations & Corporate Performance |
| Kim McNaught | Deputy Chief Finance Officer |
| Alison Ormrod | Chief Accountant |
| Beverley Bird | Financial Accountant |

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| Robin Baker | Associate Director - Grant Thornton (External Auditor) |
| Claire Bailey | Public Sector Audit Manager - Grant Thornton (External Audit) |

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| Lynne Hill | PA/Minutes |
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APOLOGIES:

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| Dr Donal O'Donoghue | Secondary Care Doctor |
| Dr Fiona Lemmens | GP |
| Dr Fiona Ogden-Forde | GP |
| Tina Atkins | Practice Manager |
| Dr Rob Barnett | LMC Secretary |
| Derek Rothwell | Head of Contracts & Procurement |
| Cheryl Mould | Head of Primary Care Quality & Improvement |
| Carole Hill | Head of Communications |
| Tony Woods | Head of Strategy & Outcomes |
| Samih Kalakeche | Director of Adult Services & Health, Liverpool City Council |
| Councillor Roz Gladden | Liverpool City Council |
| Dr Sandra Davies | Interim Director of Public Health |
| Dr Ed Gaynor | GP/Cancer Clinical Lead |
| Ray Guy | Retired Practice Manager |
| Phil Wadeson | Director of Finance, NHS England Sub Regional Team |

Part 1: Introductions

Introductions were made and all welcomed to the Governing Body meeting. The Chair confirmed that the Governing Body was quorate with 7 GP voting members present (2 via Conference Call dial-in) and 6 non-GP voting members.

1.1 Declarations of Interest

There were no declarations made specific to the agenda.

1.1.1 Election of Liverpool CCG Chair

The Lay Member for Governance/Deputy Chair reported that she had emailed the Governing Body members for nominations for Chair of Liverpool CCG Governing Body. Only 1 nomination was received and this was for Dr Nadim Fazlani. The nomination has been seconded, however there has to be a recorded majority vote for the single candidate and asked those present if the Governing Body have a majority vote for Dr Nadim Fazlani for term of office for 3 Years from 1 June 2015.

- ✓ **All Governing Body members agreed and a unanimous decision was upheld. Dr Nadim Fazlani was re-elected unopposed by the quorate Governing Body meeting.**
- ✓ **Dr Nadim Fazlani's appointment would be from 1 June 2015 for 3 years.**

Part 2: Governance

2.1 Annual Report and Accounts 2014/15

The Chief Finance Officer reported that there are 3 items to be taken in to consideration for the last financial year 2014/15 and they are a statutory requirement for the Clinical Commissioning Group;

- Annual Report and Accounts (GB40-14)
- Draft Letter of Representation (GB41-15)
- Letter of Financial Statements (GB42-15)

This is Liverpool CCG 2nd Annual Report and Accounts and whilst the report remains prescriptive, it contains a lot of the CCG work flowing through the document especially the vision and delivery of HLP and includes a number of case studies giving a flavour of Liverpool CCG.

The prescriptive information is contained in the primary statement and notes to the accounts and a standard set of accounts have been produced for 2014/15 as they were for the prior year 2013/14.

2.1.1 Annual Report

The Head of Operations and Corporate Performance discussed and highlighted the structure and layout of the Annual Report and explained that due to the earlier submission date this year, this is near final version of the Annual Report and Accounts.

The final Annual Report and Accounts will be published and available on the Liverpool CCG public website on 5th June 2015, however would be required to be uploaded to the NHSE and Department of Health website by noon on Friday 29th May 2015.

The Head of Operations and Corporate Performances drew attention to the following in the Annual Report:

- Management commentary
- Social value and wider engagement and 3rd sector involvement
- Progress against agreed targets
- Statutory and Legal duties
- Projected Population figures
- LCCG Constitution
- Vision and values
- Performance tables up until end of February 2015, however live versions are available on website
- Transactional, Transitional and Transformational areas
- Budget and resources allocated
- Principle Risks including a short introduction and mitigation
- Sustainability Report and impact on the environment
- Equality Report including LCCG Equality Objectives
- Governing Body Membership report
- Pensions Liabilities
- Sickness absence data
- External Audit costs
- Governing Body Profiles and Committee attendances
 - The Head of Operations and Corporate Performance noted that there will be a further change to Dr Shamim Rose's profile in the final version.

- The attendance records of the Chair of Liverpool CCG and the Lay Member, Patient Engagement will also be amended.
- Remuneration Report
- Remuneration Committee structure
- Policy on Remuneration of Senior Managers and declarations and bandings
- Statement of the Accountable Officer responsibilities
- Governance Statement

The Head of Operations and Corporate Performances highlighted the major achievements of Liverpool CCG during the last 12 months and specifically mentioned the Information Governance, breaches reported and the risks, the approach to risks and governance and internal control that Liverpool CCG have in place. This is further supported by the Statement of Internal Auditors Opinion provided by Mersey Internal Audit Agency (MIAA).

All amendments will be completed before final publication date of 5th June 2015.

- ✓ **The Governing Body noted the Annual Report sections of the document and the minor changes to be made as appropriate.**

2.1.2 Financial Statements

The Chief Accountant provided an update on the Financial Statements and it was acknowledged that a Questions and Answer document had previously been circulated to the Governing Body to assist in understanding the accounts.

The Chief Accountant highlighted the following areas:

- Summary financial statements
- Disclosure of transactions of the accounts
- Note 5 – Operating Expenses (page 125)
- Staff costs increase due to a 13% increase in staff numbers
- GB sessional rates included
- Services from Foundation Trusts also increased i.e. Cancer Centre at Clatterbridge

- Services from Trusts decreased
 - Significant increase in non-nhs bodies this is due to reclassification of coding and costs been moved in to a different line
 - GPMS/PMS costs have increase due to winter pressures and older people initiatives
 - CLARHC costs increased
 - Summary Statement
 - NHS creditors
 - New for this year is a provision for £750k and this is a relocation of Liverpool CCG HQ building in September 2015.
 - Better Payment Practice Code (BPPC) achieved 95% in 30 days
- ✓ **The Governing Body noted that Liverpool CCG achieved its planned surplus for the year.**

The Lay Member for Governance/Deputy Chair asked the Governing Body to note that with regard to Information Governance Liverpool CCG have achieved 2 (two) safe havens; one for general data and one for finance. This is a positive achievement for a young organisation and highlights the improvements taken forward with Information Governance.

Lay Member – Patient Engagement queried if Liverpool CCG is grouped with CCGs nationally. TJ explained that all government expenditure is grouped together with all CCGs grouped with NHS England and then the Department of Health accounts.

Lay Member – Patient Engagement queried due to the boundaries. NF stated that they are separate bodies and therefore would be submitted separately.

Dr Maurice Smith (GP) queried the lost days (page 117). The Head of Operations and Corporate Performance explained that there is more information on page 53 which sets out that the percentage of sickness for CCG Staff is 2% which compares well within the NHS.

The Chief Officer stated that this does raise questions and this can be brought to the HR Committee for a fuller discussion.

- Action: Sickness/Absence lost days to be discussed at the HR Committee (KS)

2.2 Draft Letter of Representation (GB41-15)

The Draft Letter of Representation was agreed and signed by the Chair and Chief Officer at the end of the meeting.

2.3 Letter of Financial Statements (GB42-15)

The Letter of Financial Statements was agreed and noted.

2.4 Audit Findings Report (ISA260) (GB43-15)

The Associate Director – Grant Thornton LLP outlined the purpose of the report and specifically drew attention to the details of the key messages and the summary of the key findings of the CCG this year. The following was highlighted to the Governing Body:

2.4.1 Key Messages of Financial Accounts

- Well prepared
- Good cooperation from the team
- All of the work has been completed
- No material errors of uncertainties
- Intention to submit an unqualified account of a true and fair view
- Excellent cooperation from the team

2.4.2 Value for Money Conclusion

The Associate Director – Grant Thornton LLP stated that last year a light touch approach was taken, however a full scrutiny approach was taken this year. It was clear from the work undertaken that Liverpool CCG has a strong financial position, achieving the delivery of a surplus and has invested in services locally. Progress with Healthy Liverpool Programme ‘Prospectus for Change’ and taking this forward was noted. There is clear and effective working arrangement with the local council and arrangements are in place with the providers across the city.

- **The Governing Body were informed that Grant Thornton have issued Liverpool CCG with an unqualified value for money opinion.**

2.4.3 Annual Report

The Associate Director – Grant Thornton LLP stated that the Annual Report was reviewed for consistency and financial figures are consistent and satisfied to report this is correct. The Governance Statement is also consistent and applied well to Liverpool CCG

2.4.4 Opinion on the Remuneration Report

The Associate Director – Grant Thornton LLP stated that the Table of Salaries and Pensions was scrutinised. Revised Pension guidance was issued in March 2015 and this has been helpful and applied appropriately to contractors, employees and providers of services. Grant Thornton reviewed how remuneration has been prepared and the judgement that the non-GB members are employed on a non-contract basis. This judgement is reasonable as there are no written contracts in place.

2.4.5 Letter of Representation

The Associate Director – Grant Thornton LLP confirmed that he is satisfied with the Letter of representation and what has been provided.

2.4.6 Key Messages - Independence

The Associate Director – Grant Thornton LLP clarified the Independence of External Auditors as Grant Thornton also provides Audit work to General Practice and practice members. It used a second part of the auditor team to undertake this work (John Gregory) and he has been through the audit files and satisfied with the workings. A separate team led by Duncan Groves, has also been provided for the tax support work.

➤ **The Governing Body are asked to:**

- **Note the findings**
- **Note the unqualified accounts**
- **Note the VfM statement**
- **Approved and adopt the accounts.**

The Chair referred to the Statement of Disclosure to Auditors that Governing Body members are required to agree namely;

Statement of Disclosure to Auditors

Each individual who is a member of the Governing Body at the time the Members Report is approved confirms:

- *So far as the member is aware, that there is no relevant audit information of which the clinical commissioning group's external auditor is unaware; and*
 - *The member has taken all the steps that they ought to have taken as a member in order to make themselves aware of any relevant audit information and to establish that the clinical commissioning group's auditor is aware of that information.*
- **The Governing Body formally agreed the Statement of Disclosure to the Auditors.**
- **The Annual Report and Accounts 2014/15 were formally signed off.**

3 Questions from the Public

There were no questions submitted and no members of public were present.

3.1 Any Other Business

3.1.1 Auditors

The Governing Body formally thanked Robin Baker Clare Bailey and Alex Mason from Grant Thornton for their professional approach and that they have worked well with the Liverpool CCG team members.

3.1.2 Vice-Clinical Chair

The Chair stated that Dr Simon Bowers has been Vice-Clinical Chair and confirmed that he is happy to continue undertaking this role.

- **Dr Simon Bowers continuing as Vice Clinical Chair for Liverpool CCG was agreed and accepted by the Governing Body.**

3.1.3 Central Locality Representative

Dr Shamim Rose stated that Central Locality has nominated Dr Tristan Elkin and are satisfied for him to continue to represent and attend the Governing Body.

- **Dr Tristan Elkin to continue to attend as representative of Central Locality was agreed and accepted by the Governing Body.**

The Governing Body meeting was concluded at 3:45pm

4 Date and Time of next meeting

Tuesday 9th June 2015, 1pm – 3pm, Arthouse Boardroom.