

# Appendix 1



## HARINGEY CLINICAL COMMISSIONING GROUP

**Head of Internal Audit Opinion 2016/2017**

**31 March 2017**

This report is solely for the use of the persons to whom it is addressed.  
To the fullest extent permitted by law, RSM Risk Assurance Services LLP  
will accept no responsibility or liability in respect of this report to any other party.

# 1 HEAD OF INTERNAL AUDIT OPINION

In accordance with the Public Sector Internal Audit Standards, the head of internal audit is required to provide an annual opinion, based upon and limited to the work performed, on the overall adequacy and effectiveness of the organisation's risk management, control and governance processes. The opinion should contribute to the organisation's annual governance statement.

This document provides our annual internal audit opinion for 2016/17. The final opinion will be set out in our annual internal audit report after year end.

## 1.1 The head of internal audit opinion

Our opinion, based on work undertaken up to 16 March 2017, is set out as follows

### Head of internal audit opinion 2016/2017

**The organisation has an adequate and effective framework for risk management, governance and internal control.**

**However, our work has identified that further enhancements are required to the framework of risk management, governance and internal control to ensure that the framework remains adequate and effective.**

---

## 1.2 Factors and findings which have informed our opinion

### CCG Internal Audit plan

We did not issue any 'No Assurance' (Red) opinions in 2016/17.

We issued one partial assurance report for the Community Services Contract. The main issues were as follows:

- Significant gaps in reporting of the community health services performance indicators. The quality of services may not be monitored effectively if reporting against KPIs is not in place. This could have an adverse effect on patient care and experience.
- Action plans were not in place to address the underperformance of two community indicators. Ongoing performance issues may result in poor patient care and experience.
- Service line cost and activity figures have not been determined for the Community Service Disaggregation Project set up by Whittington Health. Performance may not be monitored appropriately if the costings and activity are not fully understood by the CCG.

We issued four reasonable assurance opinions on the reviews of Better Care Fund, Board Assurance Framework, Conflicts of Interest and QIPP. We also issued an Advisory report relating to the Well Led Review.

Furthermore, all 22 management actions due for implementation by 31<sup>st</sup> March 2017 have been implemented.

## **CSU Quality Assurance plan**

To date we have issued Reasonable Assurance opinions on our work on Data Quality and Performance Management, Procurement, Business Continuity and Disaster Recovery plan, Acute and Non Acute Contracting, Medicines Management and Provider Quality Management. We also issued an advisory opinion on Information Governance Toolkit.

We provided Partial Assurance on the review of IT Controls and Cyber Security as part of our work on the CSU Quality Assurance Plan. Key issues included a lack of periodic reviews of firewall rules, and absence of a software inventory for software installed on the network, failure to disable user accounts for leavers, and an absence of formalised user access reviews over administrator accounts on a periodic basis.

### **1.3 Further issues relevant to this opinion**

We reviewed the findings of the interim Service Auditor report carried out by the internal auditors of NHS England at the CSU, on behalf of the CSU customers, including NHS Haringey CCG, for the first six months of the year. We also reviewed the draft Service Auditor Report for the second half of the year, alongside the draft bridging letter for the final month of the financial year. Whilst we note some minor exceptions have been identified, we have liaised with the CSU and do not believe that there is anything significant requiring inclusion within the Annual Governance Statement. We have also reviewed the Service Auditor Report from the internal auditors of NHS Shared Business Services who, via a contract with NHS England, provide services to the CCG. No significant issues were noted which would impact on this Opinion.

### **1.4 Issues judged relevant to the preparation of the annual governance statement**

Based on the work we have undertaken on the CCG's system on internal control, we do not consider that within these areas there are any issues that need to be flagged as significant control issues within the Annual Governance Statement (AGS). However, the CCG may wish to consider whether any other issues have arisen, including the results of any external reviews which it might want to consider for inclusion in the Annual Governance Statement.

### **1.5 Scope of the opinion**

The opinion does not imply that internal audit has reviewed all risks and assurances relating to the organisation. The opinion is substantially derived from the conduct of risk-based plans generated from a robust and organisation-led assurance framework. As such, the assurance framework is one component that the board takes into account in making its annual governance statement (AGS).

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance>.

The matters raised in this report are only those which came to our attention during the course of our review and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Recommendations for improvements should be assessed by you for their full impact before they are implemented. This report, or our work, should not be taken as a substitute for management's responsibilities for the application of sound commercial practices. We emphasise that the responsibility for a sound system of internal controls rests with management and our work should not be relied upon to identify all strengths and weaknesses that may exist. Neither should our work be relied upon to identify all circumstances of fraud and irregularity should there be any.

This report is solely for the use of the persons to whom it is addressed and for the purposes set out herein. This report should not therefore be regarded as suitable to be used or relied on by any other party wishing to acquire any rights from RSM Risk Assurance Services LLP for any purpose or in any context. Any third party which obtains access to this report or a copy and chooses to rely on it (or any part of it) will do so at its own risk. To the fullest extent permitted by law, RSM Risk Assurance Services LLP will accept no responsibility or liability in respect of this report to any other party and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by any person's reliance on representations in this report.

This report is released to you on the basis that it shall not be copied, referred to or disclosed, in whole or in part (save as otherwise permitted by agreed written terms), without our prior written consent.

We have no responsibility to update this report for events and circumstances occurring after the date of this report.

RSM Risk Assurance Services LLP is a limited liability partnership registered in England and Wales no. OC389499 at 6th floor, 25 Farringdon Street, London EC4A 4AB.

# APPENDIX A: ANNUAL OPINIONS

The following shows the full range of opinions available to us within our internal audit methodology to provide you with context regarding your internal audit opinion.

## Annual opinions

The organisation has an adequate and effective framework for risk management, governance and internal control.

---

The organisation has an adequate and effective framework for risk management, governance and internal control.

---

However, our work has identified that further enhancements are required to the framework of risk management, governance and internal control to ensure that the framework remains adequate and effective.

---

There are weaknesses in the framework of governance, risk management and control such that it could be, or could become, inadequate and ineffective.

---

The organisation does not have an adequate framework of risk management, governance or internal control.

---

## FOR FURTHER INFORMATION CONTACT

**Clive Makombera, Director**  
**RSM Risk Assurance Services LLP**  
Email address:  
[Clive.Makombera@rsmuk.com](mailto:Clive.Makombera@rsmuk.com)  
Contact telephone number:  
+44 (0)7980 773852

**Sharonjeet Kaur, Manager**  
**RSM Risk Assurance Services LLP**  
Email address:  
[Sharonjeet.Kaur@rsmuk.com](mailto:Sharonjeet.Kaur@rsmuk.com)  
Contact telephone number:  
+44 (0)7528 970219