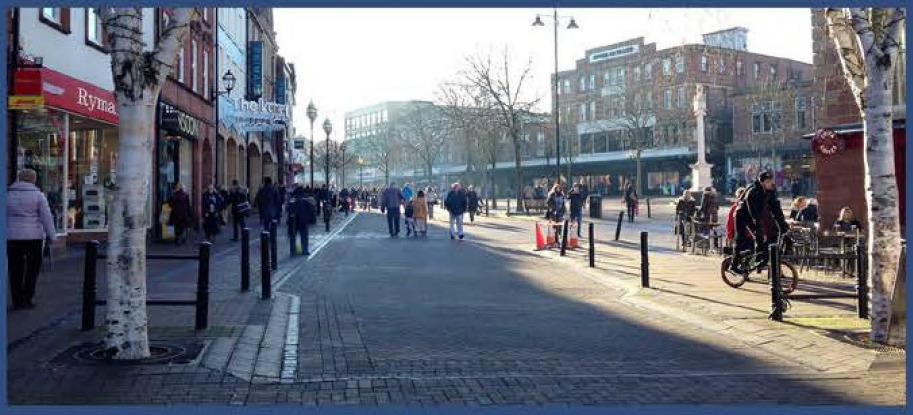
NHS
North Cumbria
Clinical Commissioning Group





Annual Report and Annual Accounts

1st April - 30th June 2022

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INTRODUCTION

This report covers the CCG's final months as an organisation from 1 April 2022 to 30 June 2022 before the transition into being part of the North East and North Cumbria Integrated Care Board.

Health and care services have continued to deal with the challenges of high demand especially with the unprecedented demand and subsequent recovery created by the Covid-19 pandemic over recent years.

We are proud to have supported one of the largest vaccination rollouts in modern history and throughout all of 2021-2022, we have continued to see incredible work from our primary care teams, community pharmacies, hospital Trusts and a veritable army of volunteers and support from our other partners to ensure that communities in North Cumbria are protected. Teams continued to adapt and mobilise quickly with a unique flexibility and resilience under extreme pressures; to deliver exactly what was asked of them. We are deeply proud of our record in North Cumbria and once again thank communities for their patience, understanding and support through what have been incredibly challenging times.

Despite significant pressures – local NHS teams have continued to work throughout the pandemic with regular 'day to day' appointments, adapting services where necessary to ensure that medical care continued for all our communities, with the most vulnerable patients prioritised. Teams have worked tirelessly to provide patients with the best service possible with the resources available and we are very thankful to communities and patients for their compassion, understanding and patience.

System working has again played an absolute crucial role in how we deliver care to communities and this will continue to be the case as we continue to work through the recovery phase. Much of our work has focused on the enormous task of supporting the system to treat those who have seen their operations delayed, and ensuring that those may have been put their health concerns on hold, can access the help they need. The health of our communities is massively improved when we adopt a partnership approach and ensure that the patient is at the heart of everything we do. We are very aware that this includes not just the physical health of our communities but also mental health. The events we have all lived through over the last year will have certainly raised anxiety and uncertainty among many, and we must ensure that this is an integral part of our system approach.

As we look ahead, we reflect too upon this final chapter of NHS Clinical Commissioning Groups as we move towards the implementation of the North East and North Cumbria Integrated Care Board. Although things will change in the commissioning structures behind the scenes, please be assured that keeping patients safe and working for the best health outcomes for our population in North Cumbria, will continue to be our top priority. We know that new structures can be confusing and often challenging to understand, but the key thing to take away is that the local relationships that have been built in our communities will continue on the journey of engagement, tackling inequalities and ensuring the best patient care.

Change can bring new opportunities especially for collaboration and potentially innovative new ways of working to deliver better outcomes and improvements. As we emphasised last year, throughout this period of change we will remain a strong voice for our community.

Finally a huge heartfelt thank you to all the colleagues, communities and organisations who have been a part of the CCG's journey over the last 9 years. Especially for all those involved in our co-production work and those who offered feedback, enthusiasm and provided inventive solutions. There have been difficult moments and challenges but also innovative solutions, new ways of working, important relationships and valuable discussions that will continue as North Cumbria moves into the new world of Integrated Care Boards.

PERFORMANCE REPORT[1]

Samantha Allen

Chief Executive for the North East and North Cumbria Integrated Care Board

Accountable Officer

26th June 2023

[1] The ICB Chief Executive was not the Accountable Officer of the CCG, however as per the NHS England annual report and accounts guidance, is the required signatory for this report.

Overview

NHS North Cumbria Clinical Commissioning Group (CCG) had a registered population of 329,973 (at 30 June 2022).

The CCG was characterised by a higher-than-average proportion of the population living in rural communities. Population density is therefore very low. Our west coast communities are geographically relatively isolated, and there are significant pockets of economic deprivation especially in the urban areas. These issues present major challenges for our health services in terms of delivery and recruitment/retention of staff.

The CCG had a total of 35 member Practices (as of 30 June 2022), serving populations between just 908, to over 36,979 registered patients.

Out of hours primary care was provided by Cumbria Health on Call (CHoC).

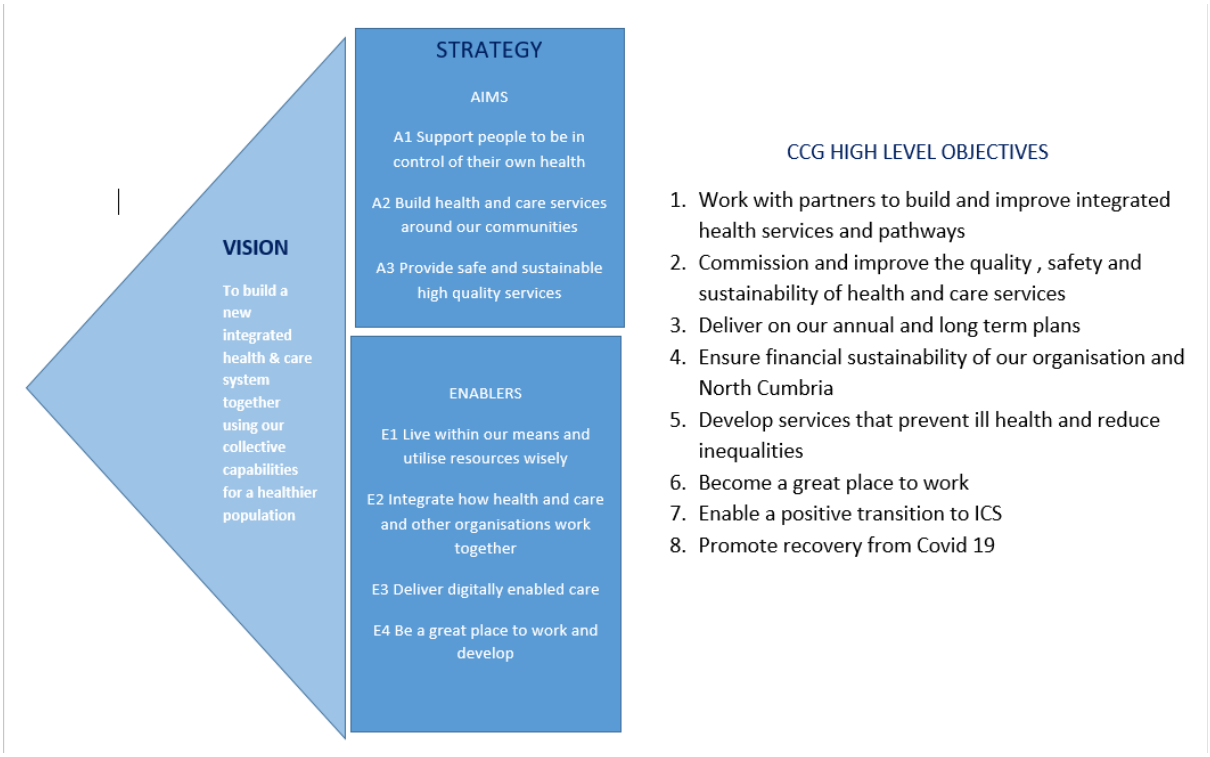
North Cumbria is served by three main NHS Trusts:

- **North Cumbria Integrated Care NHS Foundation Trust (NCIC)** is responsible for providing healthcare services in North Cumbria.
- **Cumbria, Northumberland, Tyne and Wear NHS Foundation Trust (CNTW)** provides mental health services in North Cumbria
- **North West Ambulance Service NHS Trust (NWAS)** delivers Paramedic Emergency Services, Patient Transport Services and NHS 111.

For the North Cumbria population there are significant patient flows to a number of Trusts in the North East, particularly Newcastle Hospitals NHS Foundation Trust, Northumbria Healthcare NHS Foundation Trust, Gateshead Health NHS Foundation Trust and South Tees Hospitals NHS Foundation Trust.

What we want to achieve and the risks that could affect it

The CCG's vision and purpose are shown below and continue to reflect the continuing significant change and challenge the CCG faces in line with other CCGs and NHS bodies.



During Quarter 1, 2022/23 our NHS North Cumbria CCG has continued to support our health and care partners on our collective priorities:

- **Health Inequalities and Population Health**
- **Developing our workforce**
- **Recovery from Covid**
- **Finance**
- **Patient flow**
- **Continuing development of our Integrated Care Communities**

There were a number of inherent risks identified to delivery of these priorities that have a significant impact, notably:

The underlying financial challenge for both the CCG during this period and wider NHS system in North Cumbria was very significant, although to some extent the short-term risk has been mitigated by the NHS COVID financial regime in place since 2019/20. However, this issue and consequential service impact has been recognised by the system, with collective endeavours being applied to develop a financial recovery process while acknowledging the short-term operational risk presented by COVID. It is important to recognise a key driver of the risk is the challenge of providing accessible and safe services across a geographically remote area, both within North Cumbria itself (e.g. two acute hospital sites for a population of 329,973) and the ability to mitigate risk given the distance from “nearest neighbour” services.

More detail on the CCG’s approach to assessing and managing risk is covered on page 67 of this report.

Values and Behaviours

As part of our organisation's commitment to continuous improvement we have agreed values and behaviours across the organisations covering how we act towards each other, our colleagues and the wider community. The values continue to be embedded as part of our organisational behaviours.

The CCG worked with our provider colleagues to develop the values so they reflect the ambition and behaviours across all NHS organisations in North Cumbria. These updated values were initially rolled out in 2019 and are shared with North Cumbria Integrated Care NHS Foundation Trust.

Kindness -
Kindness and compassion cost nothing, yet accomplish a great deal.
Respect -
We're respectful to everyone and are open, honest and fair.
Ambition -
We set goals to achieve the best for our patients, teams, organisation and partners.
Collaboration -
We're stronger and better working together with and for our patients.

The end of CCGs and the path to an ICB (Integrated Care Board)

All CCGs ceased to exist on 30 June 2022 and all their responsibilities transferred to the North East and North Cumbria Integrated Care Board (NENC ICB).

From a patient perspective you will still continue to have the same NHS services. The new organisation will take on the roles of the current CCGs and these changes are all part of the behind-the-scenes organisation in the region's focus on improving patient care across the North East and North Cumbria area ensuring:

- Secure, effective structures that ensure accountability, oversight and stewardship of resources.
- High quality planning arrangements to address population health needs, reduce health inequalities and improve care.
- Ensure the continuity of effective place-based working between the NHS, local authorities and partners.

As part of these changes the following **key terminology** should be a useful guide in these new structures and help to understand the new emerging organisational NHS commissioning landscape.

- **Integrated Care System (ICS)** – the geographical area – in our case the North East and North Cumbria - in which health and care organisations (including third sector, public health and community groups) work together through the following bodies

- **Integrated Care Board (ICB)** – the statutory NHS organisation that replaces the 8 CCGs currently in the North East and North Cumbria area.

- **Integrated Care Partnership (ICP)** – a joint committee of the ICB and the 13 local authorities responsible for developing an Integrated Care Strategy built up from the needs assessments from each of our 13 places that the ICB and the local authorities must 'have regard to' in planning and delivering services.

  There will be four 'sub regional ICPs' underneath this larger board. In North Cumbria this will be the North Cumbria Health and Care Partnership which you may be familiar with and is detailed in the next section.

  Health and Wellbeing Board (HWBBs) – a statutory sub-committee of each local authority responsible for developing a Joint Strategic Needs Assessment (JSNA) for their local area, and a Joint Health Wellbeing Strategy. The ICB and its place-based teams will work with HWBBs as CCGs currently do.

More on the North East and North Cumbria Integrated Care System (NENC ICS) can be found at: Home | North East and North Cumbria NHS (northeastnorthcumbria.nhs.uk) We work collaboratively across the region to ensure the best outcomes for our patients and tackle some of our shared challenges together. ICSs are systems in which NHS commissioners and providers, working closely with GP networks, local authorities and other partners, agree to take shared responsibility (in ways that are consistent with their individual legal obligations) for how they use their collective resources to improve quality of care and health outcomes.

We will also continue to build on our understanding of communities in North Cumbria including their needs, experience and aspirations. Our local relationships with key partners will also continue to build on the work that the CCG has supported, ensuring clarity to accessible public information about our vision, plans and progress to continue building understanding and trust.

Our North Cumbria Health and Care Partnership

The North Cumbria Health and Care Strategy, published in 2020, continued to guide the collaborative approach taken by our health and care partners.

The North Cumbria Integrated Care Partnership Leadership Board has continued to meet and develop more strategic links into our wider community, involving new partners including our universities, the county's Local Economic Partnership (LEP) and Active Cumbria. It is made up of health and care commissioners and providers which include NHS North Cumbria Clinical Commissioning Group, North Cumbria Integrated Care NHS Foundation Trust, Cumbria, Northumberland, Tyne and Wear NHS Foundation Trust, NHS England, NHS Improvement, North West Ambulance Service and Primary Care, working in partnership with Cumbria County Council, third sector organisations and our community.

More information can be found here: https://Northcumbriaccg.nhs.uk/about-us/North-cumbria-health-and-care-partnership/North-cumbria-integrated-care-partnership-leaders-board

These priorities were closely connected with the **North Cumbria Health and Care Strategy:**

3 Strategic Aims: We will

1) *improve the health and care outcomes of our local communities and support people of all ages to be in control of their own health*

2) *build health and care services around our local communities*

3) *provide safe and sustainable high-quality services.*

To help us achieve this we will focus on key areas – **our strategic enablers: we will**

A) *be a great place to work and develop*

B) *integrate how health and care and other organisations work together*

C) *live within our means and spend resources wisely*

D) *deliver digitally enabled care*

Performance Analysis

Measuring our performance against national and local priorities helped ensure our services were being delivered to a high-quality standard and provide value for money. NHS North Cumbria CCG has worked within the wider health and care system to oversee and monitor the performance of its local healthcare providers to ensure that:

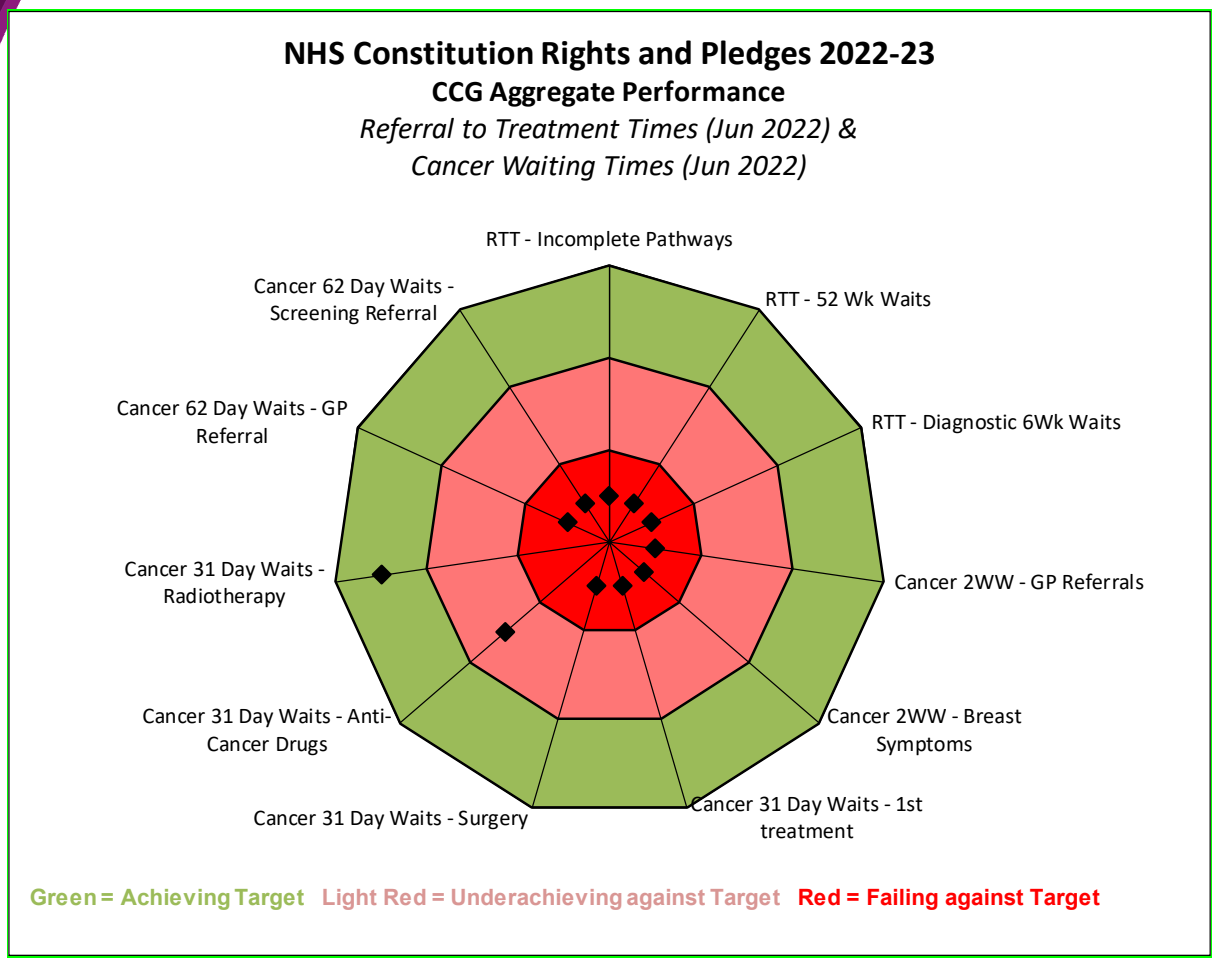
- Local people receive good quality care. There are processes in place to measure quality of care under three domains: Patient Safety (including infection prevention and control and clinical incident reporting), Patient Experience and Clinical Effectiveness (including how providers of care ensure they are providing the most clinically effective care).
- Patient rights under the NHS constitution are being promoted. These include waiting times for A&E, cancer treatment, elective surgery and ambulance calls; mixed-sex accommodation breaches and the mental health care programme approach.

As services have sought to recover during the later stages of the Covid-19 Pandemic, North Cumbria has continued to see challenges in many areas. Notable successes have been the elimination of waits of over 2 years for elective procedures and an overall improvement in waiting times for diagnostic services, though further progress is needed.

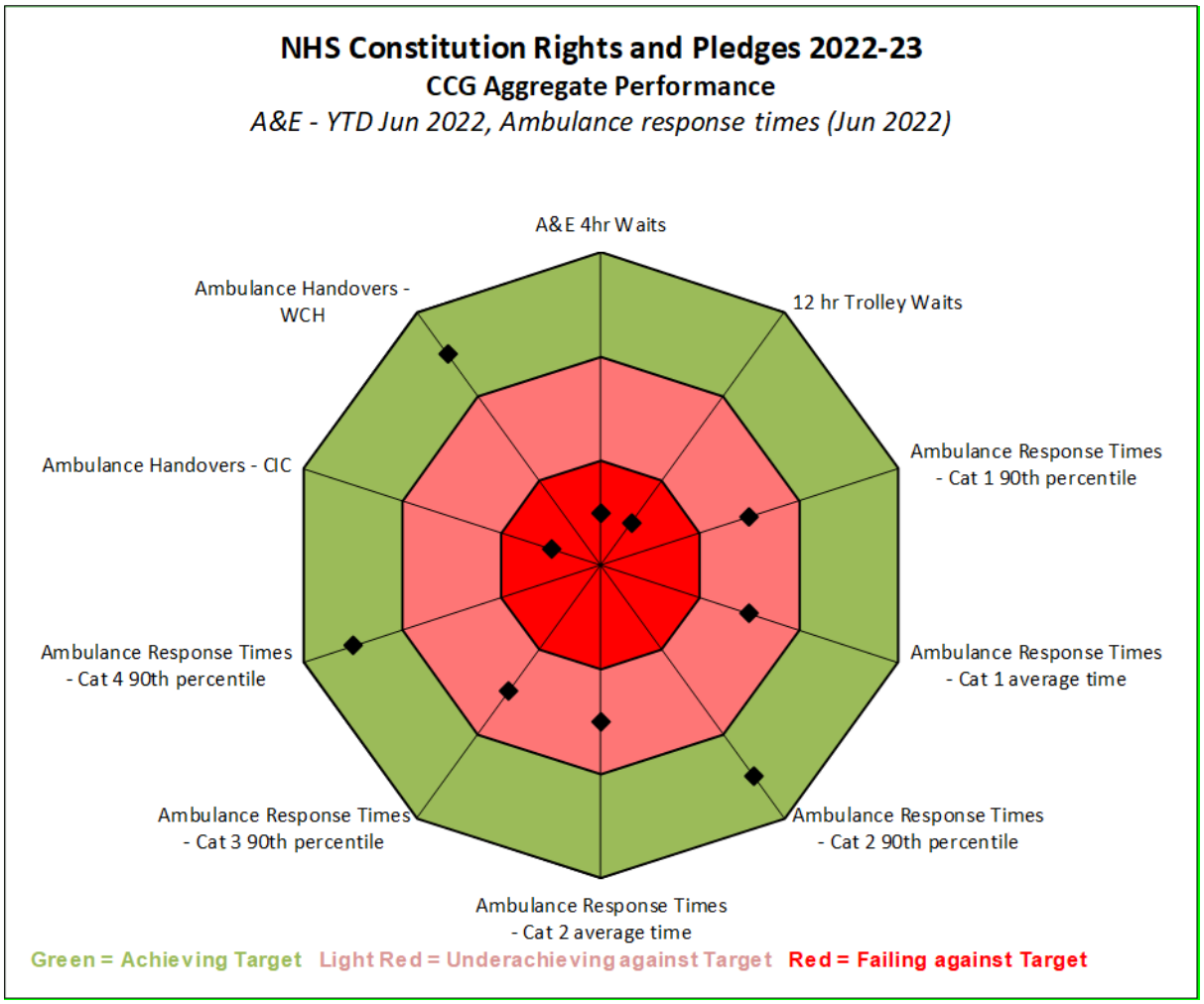
Performance Measures

One of the primary aims of the NHS Constitution, and the associated service standards, is to set out clearly what patients, the public and staff can expect from the NHS. The CCG has aimed to ensure compliance with the constitution and its standards in the services it has commissioned from providers such as hospitals, community services and ambulance services.

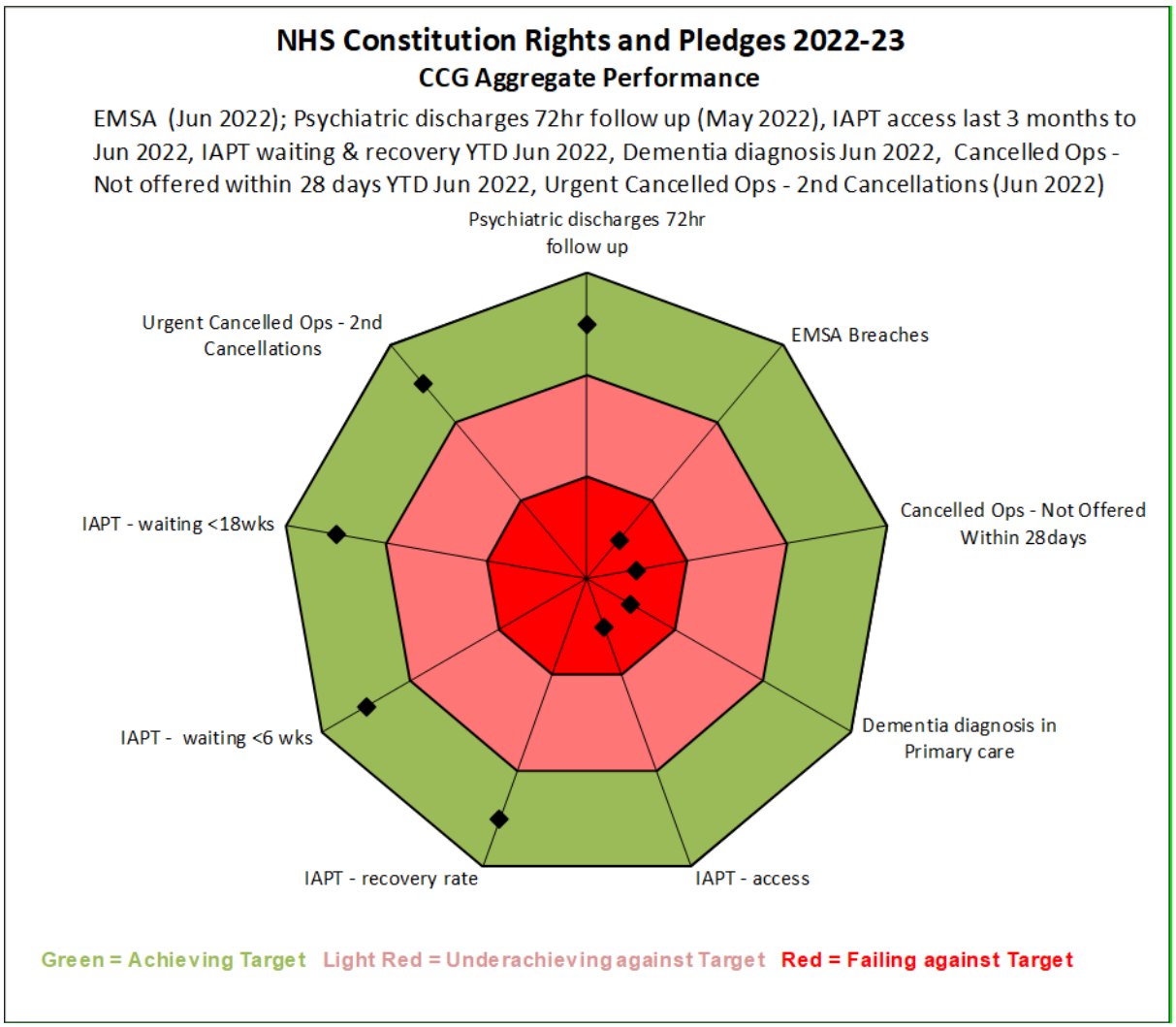
At the end of June 2022 the CCG had achieved the standards in nine of the key national measures. Many of the pressures which were experienced across the NHS nationally as a result of the Covid-19 Pandemics have impacted in North Cumbria, with specific challenges for patient access times for cancer and routine elective care. In a number of instances, the CCG and its care providers have been unable to fully deliver the constitutional standards but are working hard to secure improvements. Where necessary, specific recovery plans have been agreed with providers.



Acronyms: RTT – Referral to Treatment, 2WW – two week wait, 52 Wk – 52 week wait, 6Wk – six week wait



Acronyms: A&E – Accident and Emergency, CIC - Cumberland Infirmary Carlisle, WCH West Cumberland Hospital



Acronyms: CPA – Care Programme Approach, EMSA – Eliminating Mixed Sex Accommodation, IAPT - Improving Access to Psychological Therapies

Key areas for improvement and what the CCG was doing about them:

Cancer – the pandemic placed significant pressure on cancer services at North Cumbria Integrated Care NHS Foundation Trust (NCIC). Staff sickness, radiology challenges and a significant increase in referrals all had an impact on the Trust's ability to diagnose and treat patients within the standards. None of the waiting time targets was achieved, with the 62-day standard continuing to be very challenging. However, the Trust has made improvements in a number of areas including using innovative tests like colon capsule endoscopy and Cytosponge, introducing Teledermatology and opening a modular endoscopy unit. Looking forward, NCIC has developed a Cancer Delivery Plan with a focus on tackling the backlog, improving pathways and streamlining steps to reduce how long North Cumbria patients have to wait for diagnosis and treatment. The Trust is also receiving additional support from NHS England and the Northern Cancer Alliance.

Urgent and Emergency Care - both Emergency Departments have faced ongoing pressures from increased attendances, high admission rates and the impact of Covid absences on staffing levels. As a result, performance against the A&E four hour waiting time target has remained consistently below standard. A further issue at both sites is persistently high numbers of medically optimised patients awaiting discharge. This has created challenges for patient flow through the hospitals, leading in turn to significantly high numbers of 12-hour trolley waits. The CCG has made assurance visits to both Emergency Departments and is working with the Trust and wider partners to make continual improvements to discharge arrangements and community provision.

There has been significant challenges to ambulance response times throughout the pandemic but North West Ambulance Service's performance in North Cumbria continues to be notably better than other areas of the North West. Work continues at both hospital sites to improve ambulance handovers.

Elective Care Waiting Times - the pandemic placed significant strain on the delivery of elective services leading to longer waits for many patients and an increasing waiting list. NCIC has a plan in place to tackle the backlog of elective care and return to delivering constitutional standards in full over the medium term. The Trust has successfully removed waits in excess of 104 weeks and is focussed on reducing 78 week waits to zero in the coming year. The Trust's theatre improvement plan is a key priority and work is underway on a plan to transform and improve outpatient services.

Diagnostic Waiting Times – the position deteriorated significantly during the Covid peaks as activity reduced and social distancing requirements led to ongoing capacity issues. Performance against the 6-week waiting time standard has improved significantly, with June having the lowest level of breaches since the start of the pandemic. Additional capacity is in place in cardiology and echocardiography and FIT testing of colonoscopy patients has started. £5.7 million awarded to NCIC as part of the community diagnostic centre bid will be used to bolster capacity.

Improved Access to Psychological Services (IAPT) – performance against the access standard has been below target throughout the year reflecting the impact of the pandemic. The recovery rate however has been close to or above target and waiting times for the service have been consistently better than the minimum standard.

Dementia Diagnosis is an area where the CCG has been working hard to improve its standard. An improvement action plan is in place, a Health Pathway for the assessment and management of cognitive impairment has been developed, and recruitment is underway for Memory Link Workers. Cumbria, Northumberland, Tyne & Wear NHS Foundation Trust (CNTW) have improved the referral triage process to reduce time from referral to diagnosis and have been developing rapid diagnosis clinics.

Cancelled Operations under the 28-day rule are those cancelled by the hospital at the last minute for non-clinical reasons and where the patient has not been offered another binding date within 28 days. These have been notably high at NCIC throughout the pandemic reflecting the pressures on staffing and bed capacity.

Eliminating Mixed Sex Accommodation – reporting was paused for most of the year but the most recent position shows a relatively high number of breaches. Most of these are at NCIC and reflect the ongoing pressures on capacity within the Trust.

Sustainable development

As an NHS organisation, and as a spender of public funds, we had an obligation to work in a way that has a positive effect on the communities for which we commission and procure healthcare services.

Sustainability means spending public money well, the smart and efficient use of natural resources and building healthy, resilient communities. Meeting the diverse needs of people in existing and future communities, promoting personal wellbeing, social cohesion and inclusion, and creating equal opportunity is all at the heart of both our engagement and co-production work.

During the first quarter of 2022/23 our commitment in North Cumbria continued to develop. Our carbon footprint continued to be reduced considerably with CCG staff working predominately from home, meaning less traffic on roads and also reduced printing. This also extends to miles travelled to meetings, with the majority taking place 'online' using virtual tools. These virtual technologies were initially used out of business necessity, linked to the Covid-19 pandemic, but it has also created new ways of working providing structures, ideas and has expanded the CCG's options to support our sustainable development with a hybrid approach to work currently taking place.

The offices at our 'Parkhouse' location in Carlisle are more economic and environmentally sustainable than our previous offices and should again help to continue to lower our carbon footprint with reduced energy costs.

By making the most of social, environmental and economic assets we can improve health both in the immediate and long term even in the context of rising cost of natural resources.

We acknowledged this responsibility to our patients, local communities and the environment as we continued to work at minimising our footprint with our staff newsletters also running articles that provide ideas to encourage people to 'go green'.

Local developments

In this section of the Annual Report we describe some of the service developments that have taken place in North Cumbria during 1 April 2022 to .30 June 2022.

Commissioning

Weight Management Service

2021/22 had seen the successful development and implementation of a Tier 3 Weight Management Service for the population of North Cumbria. The service commenced in a pilot phase from North Cumbria Integrated Care NHS Foundation Trust (NCIC) during the last quarter of the year and opened fully to GP referrals from 1 April 2022. This is a full multi-disciplinary team, patient focused service for individuals who meet the relevant criteria for access to the service. It has been a gap in local service provision for a number of years and will mean that patients who would benefit from this intensive weight management programme will no longer have to travel to providers out of county.

Ageing Well

During Quarter 1 2022/23 the focus for the Ageing Well programme continued the expansion of the Urgent Community Response service and the roll out of the HealthCall App enabling all Care Homes in North Cumbria to make digital referrals to out of hours providers as well as in hours referrals to the ICC's. Additionally under the Ageing Well umbrella is Personalised Care including Social Prescribing and Virtual Wards.

The Urgent Community Response service went live in all 8 of the North Cumbria ICC's 7 days per week and 8 am to 8 pm in line with national timescales, by the end of 2021/22. Since then the focus has been on expanding the service and pathways with an initial focus on direct referrals from NWAS and 111 activity. A pilot has been undertaken which has identified some clear next steps to make this pathway as streamlined as possible including the proposal of a Single Point of Access for the NWAS referrals through CHoC. An Operational Lead has been appointed at NCIC who is working with the CCG/ ICB team to develop this area of the pathway. Activity for the service is steadily increasing however it is currently behind the expected trajectory. It is expected that with the expanded service for NWAS referrals and referrals through A&E and SDEC the activity will come in line with planning levels in the second half of 2022/23.

The Health Call app is now live at all of the North Cumbria Care Homes for out of hours referrals. This has been delivered with investment around training and support for the care homes and we are now seeing a steady increase in referral activity utilising this technology. The interface has been designed and developed for in hours referrals to the North Cumbria ICCs and the training and roll out will begin in Q2 and complete by the end of Q3 2022/23. Additionally under the Enhanced Health in Care Homes workstream 1 of the 2 Speech and Language Therapy roles has now been recruited to and will be delivering additional therapy support to care home residents.

Personalised Care training has been delivered through face to face and digital sessions throughout Q1 2022/23 to a variety of staffing roles but prioritising the target primary care roles. Based on the number of staff already trained the target of 200 staff to be trained by the end of October will be comfortably met. A pilot project has been developed for Green Social Prescribing in North Cumbria with a development officer role to be created and appointed to in order to push this work forward as well as a small fund to be made available to bids from third sector organisations who are delivering projects in this area.

The development of Virtual Wards also sits under the Ageing Well umbrella and outline plans have been submitted to the North East and North Cumbria regional team. Virtual Ward capacity is to be live by Winter 2022/23 in order to provide additional capacity during the expected surge in inpatient and emergency care. The initial specialty to be delivered is Respiratory with Frailty to follow. This work will be delivered with a multiagency co production approach to ensure that the service delivers the best outcomes for patients and services.

Community Urgent Eye Care Service

2021/22 also saw the successful implementation of a Covid (now called Community) Urgent Eye Care Service which has been commissioned to allow local optometry practices to see urgent eye care conditions either remotely or in person referred to them by GP practices, hospital eye service, 111 and self-referrals. This service ensures that patients are directed to the most appropriate setting for any appropriate urgent eye conditions and has the added benefit of freeing up capacity in GP surgeries and hospital eye services for other patients who require these services. Patient and GP feedback has been extremely positive. In quarter 1 in 22/23, 100% of CUES patients had their face to face or telemedicine assessment within 24 hours of contacting the service. 100% of survey returns would recommend CUES to family and friends.

Voluntary Sector

North Cumbria health and care system developed a close working relationship with third sector partners during the last 18 months to two years, providing financial support to the charitable and community sector to help people regain and maintain their independence at home and in the community once they are discharged from hospital.

The CCG funded Cumbria Voluntary Services (CVS) to provide a Health & Welfare Telephone Support Service which would assess patients referred to them at discharge and ensure that the correct voluntary sector support was provided to meet their needs. CVS now incorporates a Third Sector Referral Coordination service to support the increase in activity into voluntary sector support at discharge.

During the winter of 2021/22 the increasing challenges experienced in enabling patients to be discharged led to a further exploration of what additional support the voluntary sector might be able to offer to enable patients to be discharged home from hospital. Cumbria Community Foundation received a grant from the CCG from which to allocate funds in response to proposals from voluntary sector organisations.

As a result, the following initiatives commenced:

- Age UK provided a flexible service to prepare a patients home for their return. Support included, for example, one off tasks such as reconnecting utilities, one off initial light housework, moving furniture, prescription collection or equipment prescriptions. In the west this also included delivery of meals from Wiltshire Farm foods for those that had difficulty catering for themselves initially
- In the Carlisle area, Meals on Wheels provided a service of 3 hot meals and a tea-time sandwich per week for 4 weeks after discharge to patients that needed this support
- The British Red Cross provided an equipment provision service
- Working in partnership, Citizens Advice Allerdale, Copeland and Carlisle & Eden provided advice and support with benefits applications, housing issues and other similar challenges
- Eden Carers, Carlisle Carers and West Cumbria Carers worked in partnership to assess and administer £500 carers grants and provide support to those families. This was to enable carers to put in place initial arrangements needed to take the patient home safely.

This support was really valuable providing support to vulnerable people to meet a range of needs. The CCG encouraged the continued support to the voluntary sector with grant funding in 2022/23 to enable this work to continue and develop and to focus not just on patient discharge but also to explore how voluntary sector support might prevent admissions happening.

Learning disabilities and/or autism

The Dynamic Support Register (DSR) highlights an individual with a learning disability and/or autism who is at risk of hospital admission. This register is updated weekly and enables enhanced community support to those in crisis to prevent unnecessary admissions and support with timely discharges. Associated multi-agency meetings are chaired by North Cumbria ICB commissioners and representation includes but is not limited to children and adolescent mental health service (CAMHS), educational psychologists, forensic CAMHS, intensive positive behavioural support (IPBS), commissioners and complex case managers from children's social care and community learning disabilities teams. Current development of DSR includes co-producing and implementing a new process for family referrals in anticipation of new national guidance.

Experts-by-experience support regular oversight visits for those in inpatient facilities to ensure that they are receiving safe and effective care that is appropriate to their needs, wishes and aspirations, and that discharge planning commences from the point of admission. Despite the continuing pandemic our host commissioner visits are scheduled appropriately, regularly and in a COVID-19 secure manner. We review the care and treatment of all patients who have been admitted and provide feedback to other commissioners who may have patients in North Cumbria.

Providing keyworkers forms a NHS Long Term Plan commitment, hence North Cumbria ICB commissioners have worked with relevant partners to scope the keyworker's role and

provided representation on the North East keyworking steering group. Recruitment of keyworkers is expected in the next few months.

The Autism in Schools pilot was based on two workstreams of NHS England and NHS Improvement's (NHSEI) Autism in Schools programme:

- the design and delivery of training for whole-school communities, and support to schools to implement current good practice at operational and strategic levels; and
- the development of mini parent carer forums in each participating school which support the improvement of communications and co-production between children and young people, parents and carers, and schools.

Feedback on establishing mini parent carer forums indicates that this element of the pilot has been viewed generally as a positive and welcome development. Bringing together parent carers of children and young people with SEND (not just autism) has enabled discussion of wide-ranging topics including current issues and concerns. Initially six schools (two secondary schools and four primary 'feeder' schools) expressed interest in this pilot. Despite a number of subsequent changes, five school communities continue to be involved.

Post-diagnostic-support for adults has been commissioned with a third-sector partner: three courses have been delivered to date and regular meetings with the provider will enable gaps to be identified and addressed.

A pilot to gauge the effectiveness of weekly 'lunch clubs' (peer-support networks to assist in reducing social/geographic isolation and loneliness for people with autism) has been well-received and planning continues to broaden the reach of these networks.

Community Mental Health Transformation

Community mental health services play a crucial role in delivering mental health care for adults and older adults with severe mental health needs as close to home as possible. As part of the commitment to the NHS long term plan, the CCG was awarded £4.6million, over the next 3 years to invest in community mental health services for service users who have severe mental illness (SMI).

In 2021/22 the CCG launched this program of work and has worked alongside the Third Sector in order to fund a volunteer and work placement scheme especially for people with SMI, as we know that this can be an important step to recovery, improving self-esteem, confidence and reducing psychological distress. We have also invested in additional Employment Support Advisors in partnership with Cumbria, Northumberland, Tyne and Wear NHS Foundation Trust (CNTW) Individual Placement Service, this will bring us in line with NHS Long Term Plan.

We have also partnered with Cumbria Community Foundation to offer grants to the Third Sector in order to help deliver some of the transformation objectives such as working with service users from disadvantaged backgrounds in order to support them to engage with statutory and community services, as well as support physical health needs of people with SMI. As a result we have funded a partnership project led by Together We who run the

North Cumbria Recovery College partnered with CADAS, Every Life Matters, Mencap, Glenmore Trust, Outreach Cumbria, Happy Mums, Always Another Way, Blue Jam and Newton Rigg. The funding will enable them to extend course provision through the Recovery College, focusing on exercise provision and health education. Partners will run sessions specifically for the SMI community on smoking cessation, overeating, post-natal psychosis, and crisis safety planning. Support will also be given to SMI service users who are part of the LGBTQ+, veterans and other underserved communities. In addition, Mencap will provide support to service users to help them attend appointments and have meaningful engagement with statutory services. We have also funded a project with Cumbria Council for Voluntary Services (CVS) partnered with Carlisle Refugee Action Group, Penrith, and Eden Refugee Network and Growing Well. Their project will help to improve access to mental health services for refugees and people seeking asylum in North Cumbria. It is a collaborative approach that brings together a range of organisations for the first time to help address both the physical and mental health needs of this cohort. As well as providing support and education to the volunteers and support workers in this field. In addition in order to support this cohort of people we have funded a 1-year pilot program with CNTW to provide mental health support to asylum seekers in North Cumbria.

The CCG is currently working on expanding the eating disorders pathway, specifically focusing on early intervention. These new pathways were introduced in Jan 2023. We are launching a physical health team who will work with GPs to perform physical health checks with people who have SMI, as we know the physical health of people with SMI is poorer and many of these service users are dealing with multiple co-existing conditions. This will go live on 1st Nov and we have partnered with Cumbria Health On Call (CHOC) to deliver this. We are also partnering with CNTW on the development of a Complex Emotional Needs Hub providing dedicated pathways for people with mild, moderate and severe cases of personality disorder.

In June we delivered bespoke training for staff who work in social prescribing and connecting roles and continue to invest in developing a series of system wide workshops.

Mental Health Support Teams in Schools (MHSTs)

The CCG has continued to make progress with the development of the Mental Health Support Teams (MHSTs) that are working with designated schools in Carlisle and Allerdale.

The practitioners working in the Carlisle team have completed their training year, passing their qualification with distinction and are now working full time in schools meeting the needs of children and young people and helping to establish the team.

The Allerdale team practitioners have all started their formal training and the team is getting to know their schools and communities.

Recruitment was challenging however both teams are now fully recruited.

The next significant challenge is resolving the decision on where the third team will be working. To assist in this process an Engagement Officer was appointed by the provider,

Barnardo's, to ensure that the voices of children, young people and their families are heard throughout the decision-making process.

Primary Care

Vaccination programme

The Primary Care team continued to support the delivery of the COVID and Flu vaccination programmes with a focus during the autumn on the COVID booster and flu vaccine programme for priority groups to increase protection against respiratory viruses ahead of the winter.

Development of Primary Care Network (PCN) structures

The eight PCNs continued to develop throughout the year with the Clinical Directors, Operational Leads and Practice Managers all working closely with the CCG's Primary Care Team to deliver services as the Covid pandemic, the recovery from this, and vaccination programme continued to dominate.

Recruitment to key roles within PCNs including GPs and nursing roles continued to be a significant challenge. The CCG supported PCNs to introduce new roles via the Additional Roles Reimbursement Scheme (ARRS). This included the development of associated service specifications, ARRS induction programmes and introducing peer support networks. The aim of the scheme is to build and utilise the additional roles to help the workforce shortage in general practice including, First Contact Practitioners (Physiotherapists), Clinical Pharmacists, Pharmacy Technicians, Social Prescribing Link Workers, Physician Associates, Community Paramedics, Care Coordinators, Health and Wellbeing Coaches, Mental Health Practitioners and other Allied Health Professionals.

Dr Niall McGreevy stood down as the Chair of The General Practice Provider Collaborative (GPPC) and Dr. Robert Westgate from Carlisle Healthcare took over this position. PCNs are continuing to work together to develop a shared approach and unified voice so that general practice can be effective member of the Integrated Care System and can represent primary care in discussions with partner organisations. An Intermediary Group was created to address clinical issues arising through organisational interfaces e.g. primary and secondary care, ensuring that people are treated and supported at the right time and in the most appropriate settings.

Integrated Care Communities

The Integrated Care Communities (ICCs) worked hard to prevent people being admitted to hospital as well as offering support to enable patients to be discharged as early as possible. The Covid pandemic caused major difficulties with ongoing infections and staff absences.

The North Cumbria System Executive accepted the recommendations of a Value for Money paper and appointed a Senior Responsible Officer who led a 'diagnostic and review' of the ICCs which concluded with all stakeholders renewing commitment to the ICC vision and objectives.

Digital

In year, there were a number of 'behind the scenes' key structural projects being implemented. These included the active mail directory migration, moving mail from servers in Morecambe Bay to North Cumbria, converting e-mail addresses to nhs.net, the setting up of a virtual desktop infrastructure to support remote working for clinicians, setting up a

remote and locum hub for GPs and other clinical roles to ensure that all possible clinical capacity is utilised within the CCG area.

Professional Development

A GP and GP Nurse Fellowship programme was established with a number of Fellows now in supported in role. Practice Nurse Leadership has been identified as an area of need and funding is being used to support PCN Practice Nurse leadership as well as develop new leaders through individual projects. A robust induction and development programme has been developed for the Additional Roles Reimbursement Scheme (ARRS) posts, in addition to those currently running for practice nurses, Health Care Assistants and practice managers. Close working relationships between the primary care team, HEE Training Hub and the PCNs has enabled a joined-up response to workforce challenges and opportunities. This is reflected across the North Cumbria System through partner collaboration via the Workforce Supply and Design Group, where North Cumbria wide actions are being addressed.

Improve Quality

The CCG Nursing & Quality Team maintained a focus on Quality and Safety in the services provided to the population served during the first quarter of 2022. The Covid-19 pandemic made this another challenging period with a continued need to be innovative, creative and flexible in the way that the CCG has fulfilled its responsibilities for quality assurance of the services commissioned. The most significant impact of the Covid-19 pandemic has been on staff sickness across the whole health and social care economy and this has had direct consequences on the fragility and sustainability of services, independent agencies and individual packages of care.

The demand on health and social care services has remained high and has resulted in a large number of medically optimised patients in hospital for long periods, in Accident and Emergency Departments. The CCG has worked closely in partnership with statutory and Third Sector agencies as well as in its assurance role to support improvements in these areas.

The CCG Outcomes & Quality Assurance Committee (OQAC) continued throughout this quarter. This group reports to the CCG Governing Body on quality matters in the services the CCG commissions. This Committee, chaired by a Governing Body Lay Member (Quality & Performance), has provided appropriate challenge to ensure the most robust approaches to improving quality were being considered and implemented, and gave collective oversight of the progress towards safer patient care. The group has a focus on 'making a difference' and on what is being achieved in improving quality.

The OQAC had these general functions:

- To facilitate joint working within and across the system to address specific quality issues affecting service delivery
- To provide a mechanism for facilitating direct assurance of the quality in the health care system across North Cumbria
- To monitor and be assured around both Adult and Children Safeguarding across the system
- To share good progress and practice and build upon positive improvements in quality of care

The OQAC included in its oversight, assurance reports on quality of care to the Governing Body, updates from the Ambulance Service, the Drug and Alcohol service provider, Cumbria Health on Call (CHOC) the Out of Hours GP service, and the Hospice services, in addition to our larger Foundation Trusts. We have also worked closely in partnership with North East CCG colleagues in the quality oversight of CNTW across North East and North Cumbria.

CCG Nursing and Quality lead through formal quality review meetings, NCIC Quality Board and regular assurance meetings had oversight of progress against CQC actions plans.

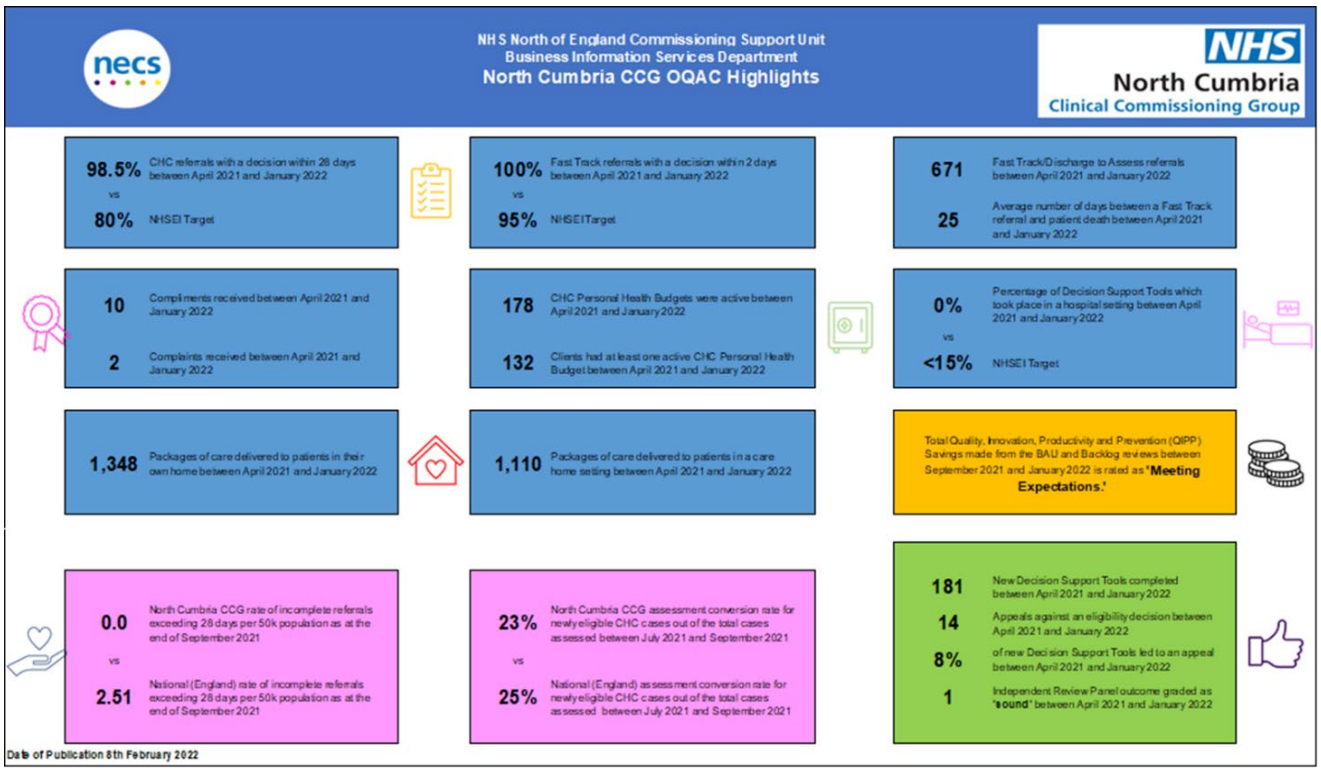
NHS Continuing Health Care

NHS Continuing Healthcare (CHC) is a package of ongoing care that is arranged and funded solely by the National Health Service (NHS) where the individual has been assessed and found to have a 'primary health need'. Such care is provided to an individual aged 18 or over, to meet health and associated social care needs that have arisen as a result of disability, accident or illness.

Continuing Health Care processes continued despite the pressures from new waves of Covid-19. The team continued to work with hospital staff to support the work on hospital discharges and to work with local providers who have also suffered major workforce pressures as a result of the pandemic.

The CHC team successfully managed to address the back log of work as a consequence of CHC work being paused, including reviews that had been deferred, to ensure that individuals were safely placed in the appropriate place. The team continued to assess people for continuing health care following their discharge from hospital within the 4-week period described in national guidance (D2A).

During the second Covid-19 wave the CHC team has continued to directly support the acute hospitals to find appropriate placements for individuals. There has also been a continued strong focus of work to support individual packages of care and to prevent the need for hospital admission, with many people receiving extra care to enable them to be able to stay at home wherever possible.



End of Life Care

The Nursing & Quality Team continued to focus our ambitions for Palliative & End of Life Care (PEOLC) including stakeholder engagement and hosting a number of workshops in which our Vision and Values for End-of-Life Care have been defined and agreed. Close links have been established with the ICS and national PEOLC clinical networks. Work is now progressing in the following areas to inform a revised co-produced 5 PEOLC year strategy:

- Mapping of provision to identify emerging themes to inform the proposed strategy.
- Refresh of a PEOLC Partnership Group with appropriate senior stakeholder and patient/family representation.
- Ongoing review of the priorities and agreeing action plans going forward.

LeDeR (Learning from lives and deaths reviews of people with a learning disability or Autism)

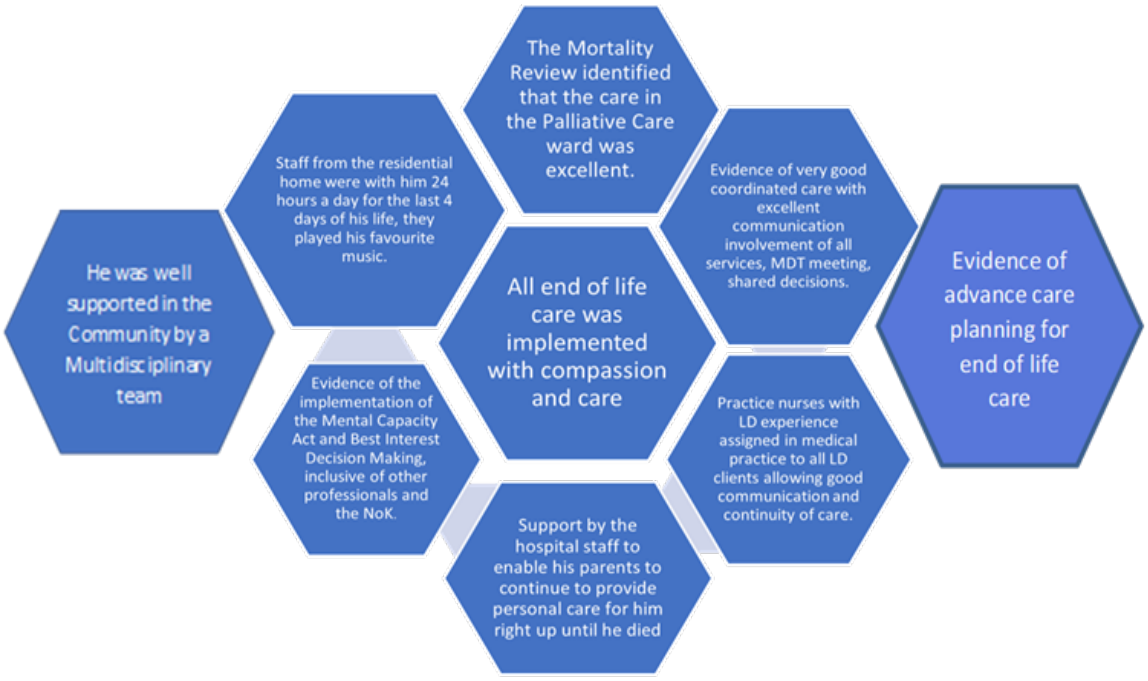
LeDeR worked focused on implementing the new national policy and extending the reviews to include people with Autism.

A new governance process was established to ensure all partner agencies share learning across the health and care system.

Responding to themes that have emerged from reviews the Action from Learning group has progressed training and development initiatives, improvements to the Hospital Passport, and improving the Health Action Plans as part of the Annual Health Check.

The team again co-produced the LeDeR Annual report with our local ‘Confirm & Challenge group’ and have benefited from working closely with people with lived experience and their families to improve the reviews and learn from the findings. This excellent piece of co-production work was been shared at the CCG Governing Body and Adult Safeguarding Board.

Themes and Trends from the LeDeR Reviews– Positive Practice



Care Providers Educational Webinars

The CCG collaborated with Cumbria County Council to develop and roll out educational webinars for North Cumbria Care Providers.

Independent Care Sector (Nursing & Residential Homes and Domiciliary Care) contract compliance

The CCG commissioned Continuing Healthcare for adults from local Independent Nursing & Residential Homes and Domiciliary Care. The CCG had an NHS Standard Contract with every Care Provider it commissions care from.

The Nursing & Quality Team (N&Q) liaised closely with the Contracts Team to monitor and gain assurance against the contracts standards. A Care Provider Dashboard was developed to collate and provide regular oversight of all providers. The N&Q Team offer support as required where areas of improvements are required including signposting to training, educational webinars or individual assistance as required. There has been a programme of Commissioning Assurance Visits to review and validate quality and safety of care within the independent sector. Visits have been undertaken to domiciliary commissioned services against the Care Quality Commission Fundamental Standards. The main challenges highlighted by the Domiciliary Providers during these reviews were the recruitment and retention of care staff into their services. During the pandemic many staff left the care sector to work in the retail and hospitality sector for more competitive wages and better working conditions. The Domiciliary Providers have highlighted their sustainability challenges in this economic climate.

Registered Care Sector – Enhanced Health in Care Homes

Through this quarter the Nursing & Quality Team worked with the primary care teams to support the work of the Ageing Well Programme, which is in place to increase the NHS support to the Independent Sector Nursing & Residential Care Homes.

Key service improvements:

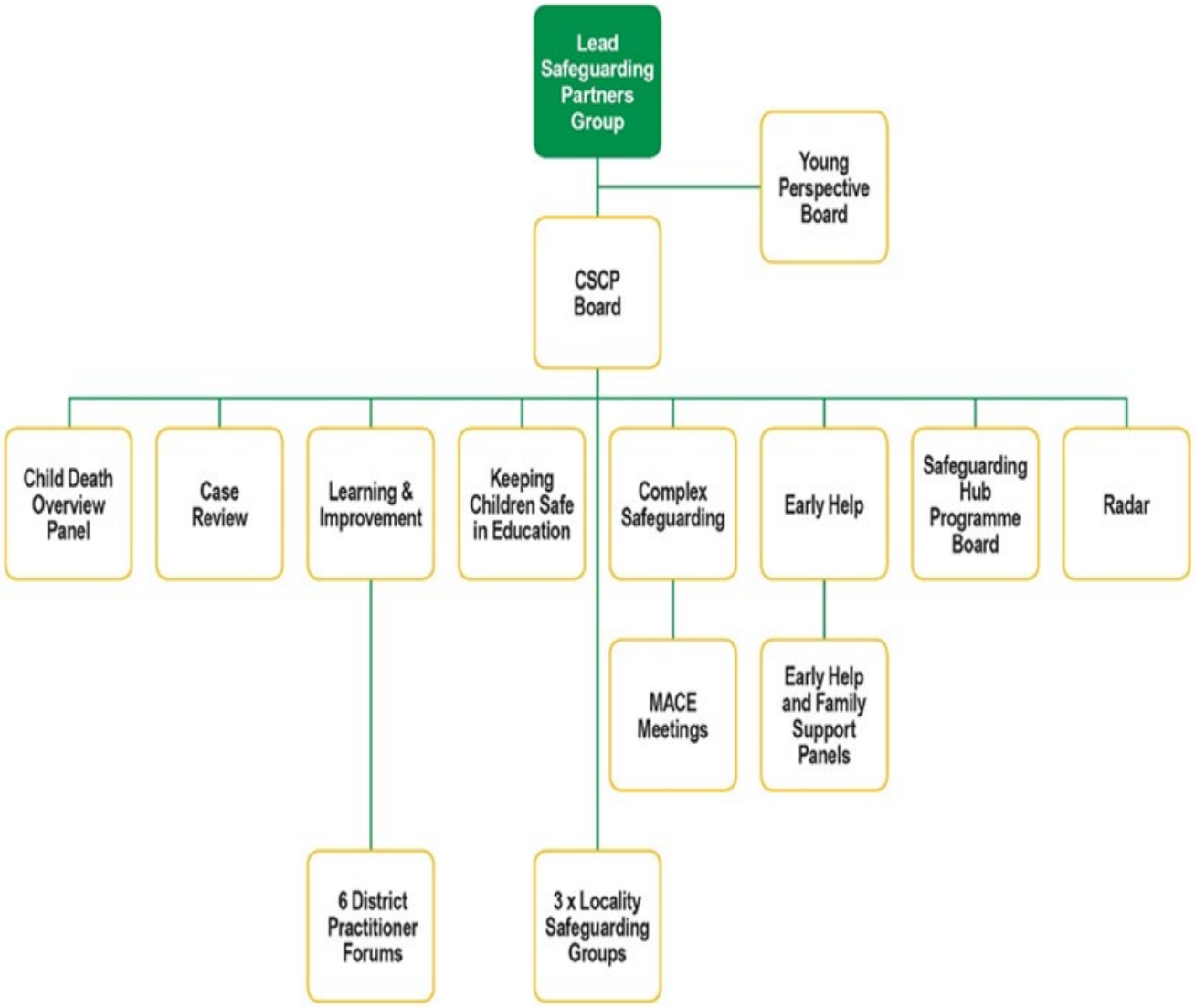
- Provision of specialist respiratory support, and providing equipment for the homes managing residents with Covid-19.
- Supported the 'flow' of patients from the acute hospitals by providing guidance on safe discharge, and helping to remove obstacles and blockages to reduce delays.
- The CCG made an arrangement with the mental health care provider to give psychological support to care home staff who had been affected by the difficulties experienced in caring for older people through the pandemic.

During the period the registered care sector, including domiciliary care, had significant difficulties due to the pandemic, with a large number of homes in 'outbreak' with significant numbers of staff absent because of the virus and consequently closed to admissions. Pressure in these services had an impact on acute and community care, and the 'flow' through the hospitals, with people being unable to be discharged. This pressure was particularly marked in A&E departments with patients not being able to be admitted promptly. In common with the national picture, whilst the elective recovery programme has commenced there remains a large number of people waiting for elective (non-emergency) care. The CCG has announced its intention to undertake an assurance review into the management of waiting lists in NCIC.

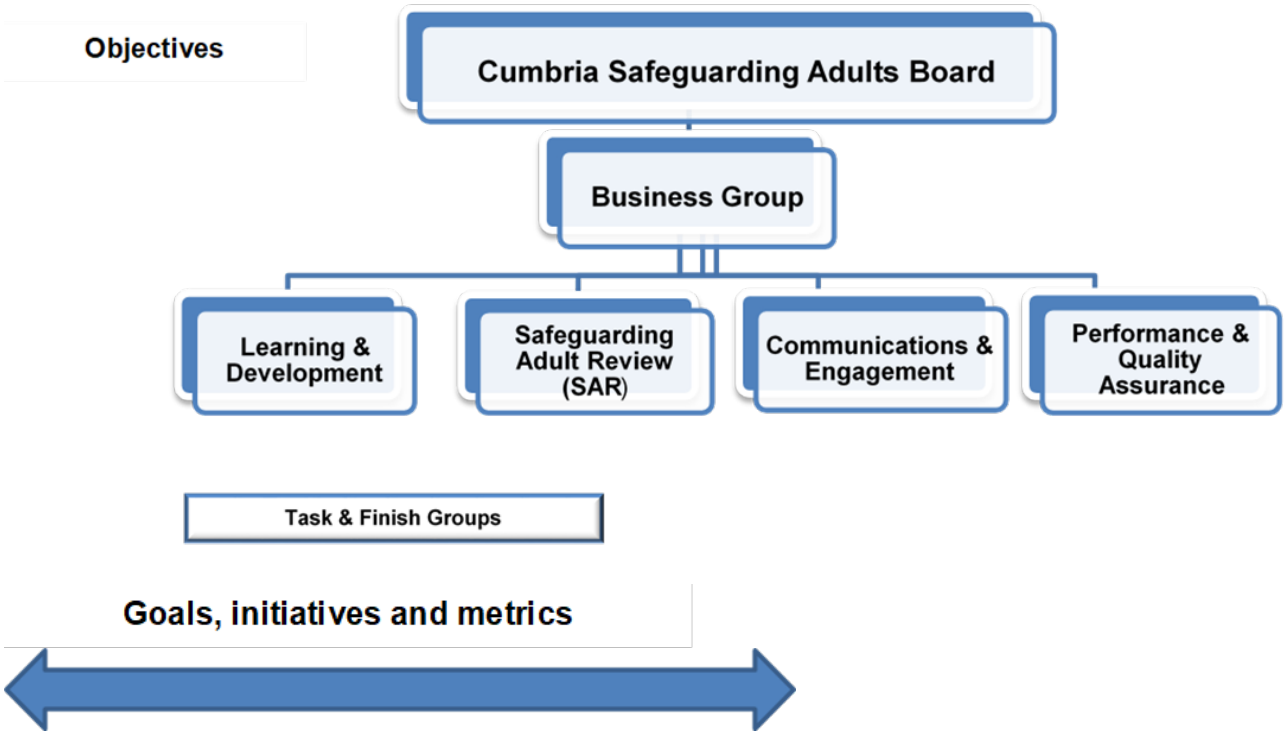
Safeguarding

The CCG continued to have effective arrangements to ensure the statutory requirements in respect of governance and accountability are in place. The Integrated safeguarding team work collaboratively in partnership with the following two Boards/ Partnerships;

Cumbria Safeguarding Children Partnership Structure



Vision & Strategies



Partnership arrangements extend to the Safer Cumbria Board, the Cumbria PREVENT Board and the Cumbria Corporate Parenting Board. The collective memberships of the aforementioned Boards ensure that all statutory elements of the safeguarding portfolio are covered. Local Authority and Police are also statutory partners and local NHS Provider organisations are central to these arrangements. The wider partners include Fire Service, Probation and voluntary partners.

The CCG Safeguarding team continued to provide leadership and share expertise to effectively respond to early warning signs and manage any risks as a system. Identifying early learning is central to what we do, utilising support systems developed to cascade and ultimately embed that learning into services that we commission.

As the CCG moves from pandemic response through to recovery it was vital to maintain the locality based safeguarding work groups. This included work testing out what the impact of neglect has had on families and our communities. Domestic Abuse has emerged as a recurring feature during the pandemic and this is reflected in prevalence of Home Office Domestic Homicides. There were fifteen open cases across Cumbria, eleven of which were within North Cumbria at 31 March 2022.

Other statutory reviews include Safeguarding Adult reviews, Child Safeguarding practice reviews and Child Death Overview systems for which the CCG provides expertise and leadership.

The associated working frameworks of the five Boards collectively tackle the NHS Safeguarding Portfolio. Specific sub groups focus upon areas such as Domestic Abuse, exploitation and missing children, Modern Slavery, harmful practices such as Female

Genital Mutilation (FGM), so called honour-based violence, Forced Marriage, Counter Terrorism and Self Neglect as examples.

The CCG Safeguarding Designated Professionals collectively lead and participate in all aspects of the Boards work. They also work closely internally with the Communications team and Primary Care team. Some aspects of the portfolio involve joint work such as assurance in partnership with the wider CCG Quality team in terms of emerging concerns within Care Homes and complex cases across all ages.

The CCG had effective arrangements to receive assurance from commissioned services and this has been enhanced during this quarter with face-to-face visits to service areas which have proven helpful and will be built upon during the next year.

The Designate professionals were well positioned to adapt to the new Integrated Care Board arrangements. Currently the CCG has agreed to act as one of three Professionals representing our NENC ICB with both the Looked After Children and Safeguarding regional groups. In addition to these arrangements the team attend the ICB Safeguarding network and National Safeguarding networks.

The reach of the safeguarding team was extended during this quarter to strengthen relationships and support across the CCG into Provider Organisations and Primary Care. The provision of supervision was refreshed and professional advice and support continued.

Training provision was revisited with an extensive consistent offer to Primary Care and internally to CCG staff. The aim is that this will continue to be further strengthened as we move forward into the ICB .

Special Educational Needs & Disabilities (SEND) Improvement Programme

The SEND Improvement programme continued throughout this quarter. As Covid-19 restrictions have eased access to CYP in schools and settings has gradually improved although this had fluctuated more with the impact of Omicron. Technology has certainly helped the partners in the programme to stay connected and plan for the expected Local Area SEND re-visit following the OFSTED/CQC inspection. Preparations for anticipated re-visit included thoroughly updating the self-evaluation (SEF) and highlighted 3 areas which would benefit from an Accelerated Progress Plan (APP)

1. Educational Healthcare Plan (EHCP) quality & data
2. Transition to Adulthood (particularly health and social care)
3. Autism Assessment pathway

These Accelerated Progress Plans are monitored monthly.

The Designated Clinical Officer (DCO) leadership role continued to support in a number of areas including:

- Support to the provider trusts to implement a quality assurance process before submitting health advice to the local authority for an Education Health and Clare Plan.
- Bi-monthly meetings with the Deputy Designated Nurse for Safeguarding and Children Looked after Designated Nurse (local provider) to highlight and discuss vulnerable young people who have SEND and are Children Looked After.
- Work with Primary Care Teams in both North and South Cumbria to improve the number of eligible children and young people who are flagged on their GP system for an Annual Health Check.
- Produced guidance in conjunction with Lead GPs in both North and South Cumbria and the Local Authority Inclusion Team (Cumbria County Council) about the use of 'sick-notes/fit-notes' for children and young people (e.g. unfit to attend school full-time but able to attend part-time/not fit to attend school today).
- Work closely with the Special Education Needs and Disabilities Information, Advice and Support Service (SENDIAS) to unblock health issues and signpost where needed in the work that SENDIAS do with families.

Education Health and Care Plan numbers this year:

	Allerdale & Copeland	Carlisle & Eden	Furness & South Lakes	Grand Total
EHCP Assessments completed April 22 – June 22				
Final EHCPs issued April 22 – June 22	16	25	24	65
Total EHCPs to end June 22				

The system by which the CCG monitors and administers Education Health and Care Plans requires improvement and increased automation due to loss of administrative support. Discussions with the NECS CQ team who will support the improvements are ongoing and should lead to improved data quality.

Maternity

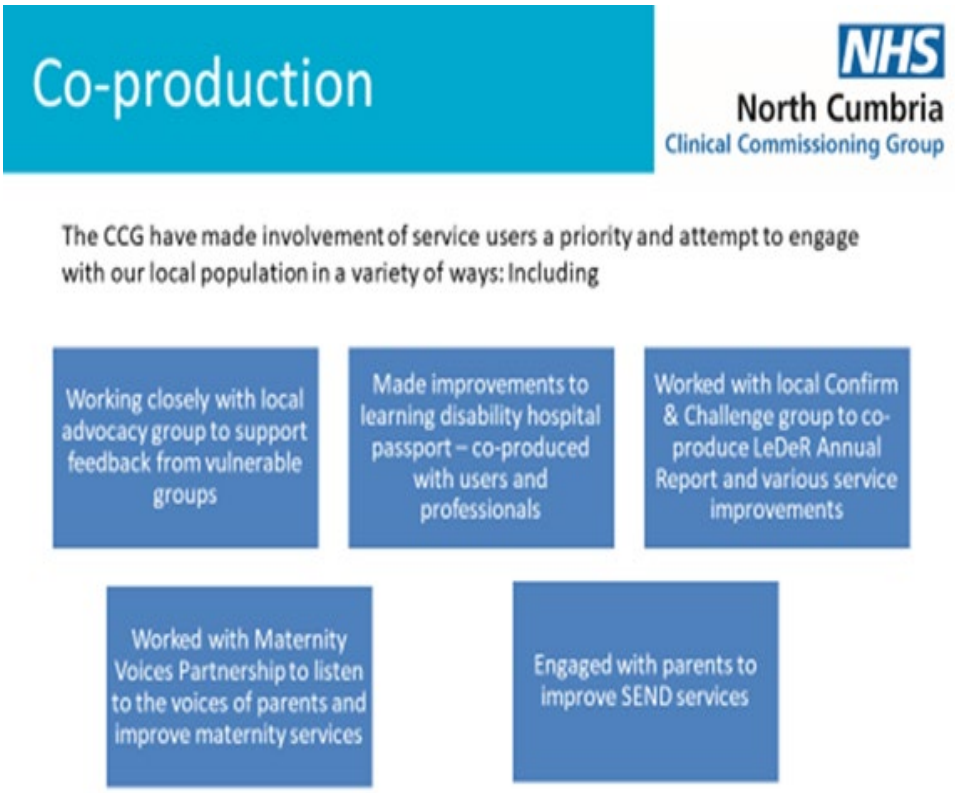
The CCG worked closely with NCIC in support of its maternity improvement programme. There has been regular reporting of the Trusts response to the initial Ockenden Reports including the essential and immediate actions. The Trust has been actively engaged in the delivery of the Local Maternity Neonatal System (LMNS) and in working to achieve the Maternity Transformation deliverables. Assurance and improvement in maternity care in North Cumbria has been affected by the pandemic period and subsequent staffing shortages.

Maternity Voices Partnership

Work continued from both the West and Carlisle Partnership groups to support the continued improvement of maternity services locally.

The Carlisle & Eden MVP covers Cumberland Infirmary and Penrith Birth Centre, while the West Cumbria MVP covers West Cumberland Hospital. Both MVPs work tirelessly to continually improve the quality of maternity care, and as a part of that:

- Have a focus on closing inequality gaps
- Listen to and seek out the voices of women, families, and carers using maternity service, even when that voice is so quiet that it is hard to hear
- Enabling people from our diverse communities to have a voice



Healthcare Acquired Infections (HCAI) Performance Trajectories

NHS organisations are monitored against the following NHS England performance targets:

- Clostridium Difficile Infection (CDI)
- Methicillin-resistant Staphylococcus Aureus (MRSA)
- Escherichia Coli (E.coli) Blood Stream Infection (BSI)

MRSA

The trajectory for MRSA Blood Stream Infections (BSI) in England is zero as it is deemed no Healthcare-acquired MRSA is acceptable due to the potential harm it may cause.

One MRSA Blood stream infection was reported in May 2022. A post infection review concluded that no lapses of care were identified.

CDI

To-date, this year, there have been a total of 14 CDI cases remaining below trajectory. The number of cases is significantly lower than in the same period of time last year (37).

E.coli BSI

The E.Coli trajectory for North Cumbria is 299 cases for 2022-23 to date.
To-date, this year, there had been a total of 63 cases.

Patient Safety Strategy

The NHS Patient Strategy 2020/21 (2019) objective is to help NHS organisations improve patient safety. The CCG continues to progress work in support of core components of this strategy including:

- The implementation of the 'Patient Safety Incident Response Framework' in order to encourage system learning from incidents: The CCG and NCIC have reviewed the implementation of this framework together and are now awaiting further guidance from NHS England to take this forward locally.
- The implementation of the 'Framework for involving patients in their own safety'; the Patient Safety Lead is a member of a national task group that is reviewing how to involve patients in their own safety. The CCG is developing a plan, based on national strategies, with its partners to encourage patients to be become more involved in their own safety journey both in the community and hospital. Patient Stories have also been undertaken in order to learn from experience and thus improve safety.
- The recruitment of Patient Safety Partners: A local project group is currently being established to take this recruitment plan forward.
- The development of the role of Patient Safety Specialists: The CCG named Patient Specialist has actively engaged in the local, regional and national patient safety agenda and is currently evaluating local improvement priorities with their partners.
- The Patient Safety Syllabus training will be completed by all NHS staff. 68 % of staff have completed the Patient Safety Syllabus level 1 training and are awaiting national direction on the next steps.

Reducing health inequality

In this section of the Report we summarise some of the work the CCG has undertaken with partners to reduce health inequalities.
Patient Participation Groups (PPGs)

PPGs involve patients working in partnership with practice staff and GPs who meet at regular intervals to discuss a variety of issues effecting patients and the Practice. Unfortunately the Covid pandemic made meeting difficult and a lot of PPGs haven't met during the last 12 months. Some practices are taking this time to review their PPG and look at future development options.

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Equality

NHS North Cumbria Clinical Commissioning Group continued to be committed to ensuring an equitable, responsive and appropriate service to all communities in North Cumbria, encouraging and supporting the appropriate use of services and promotion of health and wellbeing and creating a culture where all staff feel valued and where people want to come and work in an inclusive and supportive working environment that encourages development and retention of staff.

Engaging people and communities

The CCG continued to be committed to involving our community in shaping, developing and improving services. The NHS in north Cumbria encourage people to work with us and share ideas.

Information detailing how people can get involved with their local NHS can be found on our north Cumbria website here: https://www.nenc-northcumbria.icb.nhs.uk/get-involved It also provide some examples and case studies that have taken place in north Cumbria over recent years.

Many ways for you to get involved

We continued to want people that use and work in our services to be the ones helping to shape them for the future.

We encouraged our community to:
• Provide feedback on your experience of health services
• Receive information and take part in completing surveys and questionnaires
• Join your GP practice Patient Participation Group (PPG)
• Attend public meetings and take part in consultations
• Join forums and workshops looking and contributing to shaping service development
• Join our co-production projects
• Become a member of our local Foundation Trusts.

This will continue as the CCG transitions into part of the Integrated Care Board for the North East and North Cumbria

Communications and Engagement

The CCG's communication and engagement activities have continued to have a key focus on:

- Keeping people informed
- Keeping people involved
- Keeping people safe

This was in both relation to the Covid-19 pandemic but also with other services, resources and information. This year has seen us continue to update and focus on the rollout of the

vaccination programme, as well as promoting key health messages, managing service expectation and providing timely updates on local and national developments.

Keeping People Informed

The CCG dealt with various enquiries from the community and in terms of some of our statutory requirements between **2 April 2021 and 30 June 2022** the CCG has dealt with:

- **48 FOI requests**
- **11 MP enquiries**

Anonymised copies of FOI responses are available to the public through a Disclosure Log on the CCG website.

Social media continued to be a key communication channel to highlight important information to the people of North Cumbria and media enquiries were also responded to accordingly with the number of our followers continuing to increase.

Engagement remained a priority and the CCG continued to use virtual platforms where required.

- Connecting people with the vaccine roll-out in their own community has continued to be one of our most important pieces of work throughout 2021 – 2022 largely through primary care and increasingly through our community pharmacy colleagues.

- The CCG has worked with Multicultural Cumbria to highlight important Covid information to diverse communities and different languages. Multicultural Cumbria is an organisation working with minority communities to share their culture and connect with their neighbours and their community.

- The CCG has continued to support and play a vital role in the West Cumbria Community Forum and the East Cumbria Community Forum which has been meeting jointly on Zoom.

- Members of our Working Together Group have been provided with updates and smaller focused co-production sessions took place around primary care developments helping us develop our ‘Why is primary care working differently’ posters shared in practices and on social media

- Virtual sessions have also continued to be held with our Patient Participation Group (PPG) Leads around changes to General Practice during the Covid-19 pandemic.

- Our Copeland Community Stroke Prevention Project has continued to work throughout the pandemic with its own Facebook page sharing stroke prevention advice and health improvement tips. It also went ‘old tech’ with banners and leaflets being provided in supermarkets.

- The CCG has supported the SEND Special Educational Needs and Disability improvement programme supporting a co-production approach

- Our close work with Healthwatch Cumbria and Cumbria Voluntary Service continued to share vital information through their networks and respond to issues being raised has never been more important.

Health and wellbeing strategy

The Health and Wellbeing Board exists to provide a mechanism for partners to work better together so that everyone in Cumbria is able to benefit from improvements in health and wellbeing. The Board is formally a committee of Cumbria County Council, and is chaired by the Leader of the Council. The Chairs of NHS North Cumbria CCG and NHS Morecambe Bay CCG are the joint Vice Chairs of the Board.

During 2021/22 the Board inevitably focused significantly on the supporting the response to the Covid-19 pandemic in Cumbria, and in beginning the collective work for the longer-term recovery phase. This has included regular, full update discussions from the Director of Public Health and the two CCGs across all of the issues associated with the pandemic. As a consequence of the pandemic, the Board reviewed and revised its key objectives to incorporate not just improving health and reducing inequalities, but also specifically the additional challenges from Covid-19.

In addition to supporting the challenges from Covid-19, the Board continued to focus on other important areas, for example:

- Improving services for children, young people and their families relating to SEND (Special Education Needs and Disabilities) with regular reports on progress against the areas identified for improvement following inspection
- Improving integration, for example through the Better Care Fund and Improved Better Care Fund
- Improving population health approaches and ensuring that health inequalities are addressed as part of the recovery and restart programmes. The Health and Wellbeing Board has established a working group to review its priorities and actions through the prism of inequality The Health and Wellbeing Board has also worked with the Health Equity Commission chaired by Professor Sir Michael Marmot and the findings are intended to inform the work of the Board going forward.
- Improving the longer-term sustainability and quality of health and care services, for example the residential and nursing home sector.

Financial review

As with previous years, 2022-23 continued to be challenging as a result of continued pressures on both health and social care funding along with the operational impact of Covid-19. From a financial planning perspective for 2022-23 North Cumbria CCG's plans were prepared in conjunction with the wider North East and North Cumbria Integrated Care System (ICS) for the full financial year in anticipation of the formation of the North East and North Cumbria Integrated Care Board (ICB). These plans demonstrated a break-even position for the ICB for 2022-2023 including a break-even plan for North Cumbria CCG for period April to March in line with national guidance.

The CCG had a range of statutory and administrative duties and the CCG's performance against these are shown below:

Statutory Financial Duties

There are the following statutory (legal) financial duties for CCGs, as follows:

a) **Revenue resource use does not exceed the allocation (Break-even duty)**
This duty requires the CCG to report a surplus or break-even position (i.e. to not spend more ~~less~~ than the allocated funding). The CCG achieved a break-even position for the 3 months ended 30 June 2022 fully spending its revenue resource funding of £171.8m.

b) **Revenue administration resource use does not exceed the amount specified in Directions**
The allocation for the 3 months ended 30 June 2022 was £1.4m which the CCG spent fully on running costs.

c) **Capital resource use does not exceed the amount specified in Directions**
The CCG received no capital resource for the 3 months ended 30 June 2022

Administrative Financial Duties

There are the following administrative financial duties applied to all CCGs in the same way as all other NHS organisations. Although these are not statutory duties, they are important in determining the performance and financial health of the CCG. Therefore performance is monitored internally and externally.

d) **Manage cash within 1.25% of monthly drawdown**

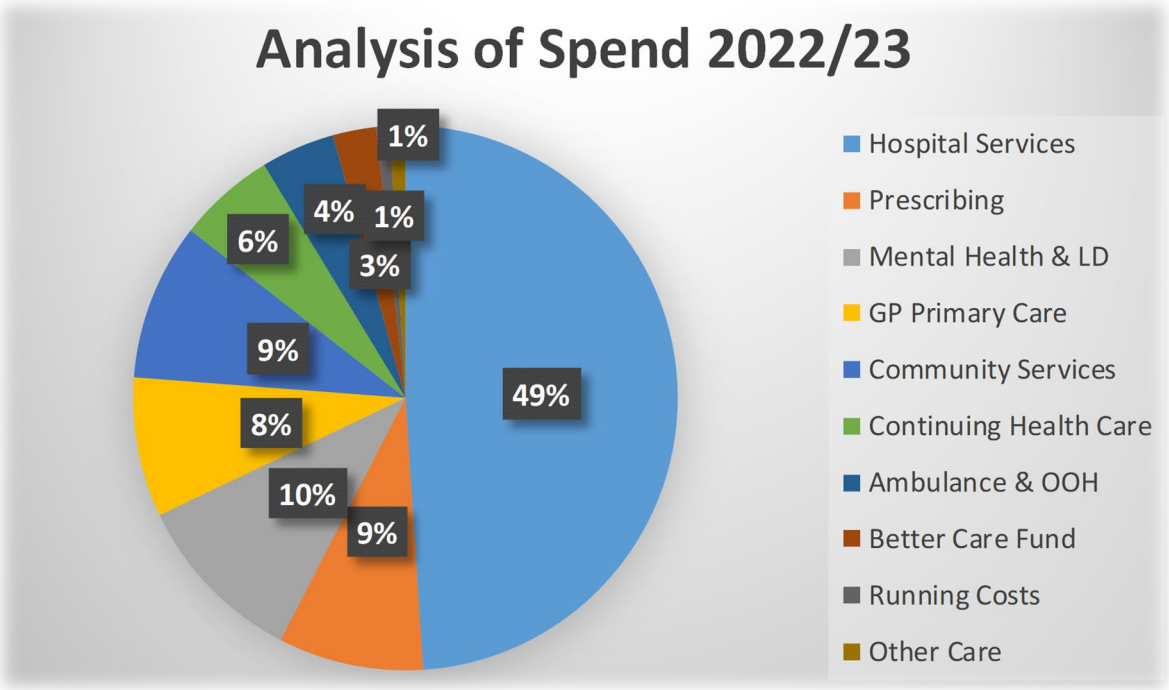
The CCG aims to have a cash balance at the end of the period no greater than 1.25% of the June 2022 cash drawdown. The CCG met this requirement.

e) **Better Payment Practice Code (BPPC)**
The BPPC states that 95% of invoices should be paid within 30 days of receipt of goods or a valid invoice (whichever is later). Performance is measured in terms of both numbers of invoices and value of invoices. For the 3 months ended 30 June 2022 the CCG, on average, paid over 99% of invoices by both number and value in compliance with the code.

How was the money spent in Quarter 1, 2022/23?

The CCG worked hard to ensure that the revenue allocation it receives is spent wisely, and that it supports the aim of commissioning high quality healthcare whilst ensuring effectiveness and value for money.

The chart below shows how the CCG's expenditure of £171.8m was spent:



The accounts have been prepared under a Direction issued by NHS England under the National Health Service Act 2006 (as amended).

A full breakdown of our accounts for the 3 months ended 30 June 2022 is included as **Part 3**.

Statement of Going Concern

The CCG's accounts have been prepared on the going concern basis.

Conclusion

While the financial environment in North Cumbria remained very challenging, the CCG worked closely with partners in the North Cumbria and across the wider North East and North Cumbria system to deliver a balanced position for period. This work also generates the foundation for the wider system working to deliver the financial objectives for the newly created North East & North Cumbria Integrated Care Board for the remainder of the financial year 2022/23.

ACCOUNTABILITY REPORT

Samantha Allen

Chief Executive for the North East and North Cumbria Integrated Care Board

Accountable Officer

26th June 2023

The ICB Chief Executive was not the Accountable Officer of the CCG, however as per the NHS England annual report and accounts guidance, is the required signatory for this report.

The Accountability Report describes how we meet key accountability requirements and embody best practice to comply with corporate governance norms and regulations.

It comprises three sections:

The **Corporate Governance Report** sets out how we have governed the organisation during the period 1 April to 30 June 2022, including membership and organisation of our governance structures and how they supported the achievement of our objectives.

The **Remuneration and Staff Report** describes our remuneration polices for executive and non-executive directors, including salary and pension liability information. It also provides further information on our workforce, remuneration and staff policies.

The **Parliamentary Accountability and Audit Report** brings together key information to support accountability, including a summary of fees and charges, remote contingent liabilities, and an audit report and certificate.

ACCOUNTABILITY REPORT

Corporate Governance Report

Directors' and Members' Report

The Directors and Members' Report was provided by the Governing Body and provides an overview of GP practices which were members of the CCG, the composition of the Governing Body, the Director Team, GP Leadership and Lay Representatives. It includes a biography of members of the Governing Body, Directors and Lead GP's working with the CCG and other key points of interest. It also details who the Primary Care Networks (PCN) Clinical Directors were for Quarter 1 (1 April to 30 June 2022), 2022/23.

Each individual, who was a member of the Governing Body at the time this Report is approved, confirms so far as the member is aware that there is no relevant audit information of which the CCG's external auditor is unaware and that, as Accountable Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the CCG's auditors are aware of that information.

The Annual Report and Accounts as a whole is fair, balanced and understandable and I take personal responsibility [for the Annual Report and Accounts and the judgments required for determining that it is fair, balanced and understandable] to ensure that those requirements are met.

The table below provides details of the Chair and Accountable Officers during Quarter 1, 2021/22 and up to the signing of the Annual Report & Accounts.

Name	Designate	Commencement date
Jon Rush	Lay Chair	1 April 2017
Mark Adams	Accountable Officer	1 April 2020

Member profiles

Our Member Practices

NHS North Cumbria CCG was a clinically led organisation which brings together 35 local GP Practices and other health professionals to plan and design services to meet local patients' needs. Our member practices were:

Practice Name	Practice Code	Address
Alston Medical Practice	A82004	The Surgery Cottage Hospital Alston Cumbria CA9 3QX
Appleby Medical Practice	A82006	The Riverside Building Chapel Street Appleby Cumbria CA16 6QR
Aspatria Medical Group	A82055	Aspatria Medical Group West Street Aspatria Cumbria CA7 3HH
Birbeck Medical Group	A82035	Penrith Health Centre Bridge Lane Penrith Cumbria CA11 8HW
Brampton Medical Practice	A82012	4 Market Place Brampton Cumbria CA8 1NL
Caldbeck Surgery	A82014	Friar Row Caldbeck Wigton Cumbria CA7 8DS
Carlisle Healthcare	A82016	Carlisle Healthcare Spencer House St Paul's Square Carlisle CA1 1DG

Practice Name	Practice Code	Address
Castlegate & Derwent Surgery	A82021	Cockermouth Community Hospital & Health Centre Isel Road Cockermouth Cumbria CA13 9HT
Castlehead Medical Centre	A82028	Ambleside Road Keswick Cumbria CA12 4DB
Court Thorn Surgery	A82631	Low Hesket Carlisle Cumbria CA4 0HP
Dalston Medical Group	A82022	Townhead Road Dalston Cumbria CA5 7PZ
Distington Surgery	A82023	Hinnings Road Distington Cumbria CA14 5UR
Eden Medical Group	A82020	Port Road Carlisle Cumbria CA2 7AJ
Fellview Healthcare Ltd	A82044	Cleator Moor Health Centre Birks Road Cleator Moor CA25 5HP
Fusehill Medical Practice	A82019	Fusehill Medical Centre Fusehill Street Carlisle Cumbria CA1 2HE
Glenridding Health Centre	A82620	Greenside Road Glenridding Cumbria CA11 0PD
James Street Group Practice	A82047	James Street Workington Cumbria CA14 2DL

Practice Name	Practice Code	Address
Kirkoswald Surgery	A82617	Ravenghyll Kirkoswald Cumbria CA10 1DQ
Longtown Medical Practice	A82646	Longtown Medical Centre Moor Road Longtown Cumbria CA6 5XA
Lowther Medical Centre	A82041	1 Castle Meadows Whitehaven Cumbria CA28 7RG
Mansion House Surgery	A82075	19/20 Irish Street Whitehaven Cumbria CA28 7BU
Maryport Group Practice	A82032	Alneburgh House Ewanrigg Road Maryport Cumbria CA15 8EL
Queen Street Medical Practice	A82058	Richard Benedict House 149 Queen Street Whitehaven Cumbria CA28 7BA
Seascale Health Centre	A82024	Gosforth Road Seascale Cumbria CA20 1PN
Shap Medical Practice	A82031	Shap Health Centre Peggy Nut Croft Shap Cumbria CA10 3LW
Silloth Group Medical	A82037	Lawn Terrace Silloth-on-Solway Cumbria CA7 4AH

Practice Name	Practice Code	Address
Spencer Street Surgery	A82018	10 Spencer Street Carlisle Cumbria CA1 1BP
Temple Sowerby Medical Practice	A82038	Linden Park Temple Sowerby Cumbria CA10 1RW
The Croft Surgery	A82029	Kirkbride Cumbria CA7 5JH
The Lakes Medical Practice	A82036	Penrith Health Centre Bridge Lane Penrith Cumbria CA11 8HW
Upper Eden Medical Practice	A82013	The Health Centre Silver Street Kirkby Stephen Cumbria CA17 4RB
Warwick Road Surgery	A82015	65 Warwick Road Carlisle Cumbria CA1 1EB
Warwick Square Group Practice	A82654	Warwick Square Carlisle Cumbria CA1 1LB
Westcroft House	A82064	66 Main Street Egremont Cumbria CA22 2DB
Wigton Group Medical Practice	A82045	Southend Wigton Cumbria CA7 9QD

There have been no changes in the number of practices in Quarter 1, 2022/23.

Governing Body, GP Leads, Clinical Leaders and Lay Representative profiles

The Governing Body was responsible for ensuring that the CCG has appropriate arrangements in place to exercise its functions efficiently and economically and in accordance with the principles of good governance. It is made up of a membership that includes doctors and healthcare professionals, clinical and lay members.

Full details of the CCG's committee structures, roles and responsibilities and an overview of the year's work coverage can be found in the Annual Governance Statement contained in this document.

The CCG's produced a Register of Interests for Quarter 1, 2022/23 for all decision makers.

Governing Body Members

During Quarter 1, 2022/23 there has not been a review of the Membership of the Governing Body. This decision was taken in light of the Government White Paper to transfer CCGs responsibilities to the North East and North Cumbria Integrated Care Board from 1 July 2022.

Name & Biography	Position	Governing Body and Wider System Committees
Mark Adams – is also the Chief Officer of NHS Newcastle Gateshead, North Tyneside and Northumberland Clinical Commissioning Groups.	Accountable Officer	Executive Committee North Cumbria Integrated Care Partnership (ICP) Leaders Board ICP Executive Group Northern CCG Joint Committee
Dr Amanda Boardman - supports GPs to enable effective safeguarding and provides clinical leadership in developing children's services.	GP Lead for Safeguarding, Maternity, Children, Mental Health and Learning Disability	Executive Committee
Dr Gareth Coakley – is a GP at Longtown Medical Centre.	Chief Clinical Information Officer	Executive Committee
Carole Green – has almost 30 years of health management experience.	Lay Member for Quality and Performance	Audit Committee Auditor Panel Finance & Performance Committee Outcomes & Quality Assurance Committee (Chair) Primary Care Commissioning Committee Remuneration Committee
Dr Helen Horton – is partner of Distington	GP Lead for Commissioning	Executive Committee

Name & Biography	Position	Governing Body and Wider System Committees
Surgery.		
Dr Deb Lee – is a former paediatrician who worked at the West Cumberland Hospital and following retirement has continued to be North Cumbria's designated doctor for reviewing child death.	Secondary Care Doctor	Finance & Performance Committee Outcomes & Quality Assurance Committee Remuneration Committee
Denise Leslie – is a former teacher and has been involved in community healthcare delivery in Greater Manchester for the last 10 years.	Lay Member for Patient and Public Engagement	Audit Committee Auditor Panel Finance & Performance Committee Outcomes & Quality Assurance Committee Primary Care Commissioning Committee Remuneration Committee
Louise Mason Lodge – is a registered nurse and has worked in a variety of clinical, partnership and leadership roles.	Director of Nursing & Quality and Registered Nurse on the Governing Body	Outcomes & Quality Assurance Committee Executive Committee ICP Executive Group
Dr Colin Patterson – was previously a GP at the Carlisle Healthcare and has a special interest in cancer services and primary care.	Clinical Lead/Acting Medical Director & Deputy Chair	Executive Committee Primary Care Commissioning Committee – Non-Voting Member ICP Executive Group
Peter Rooney – is responsible for ensuring the effective functioning of the CCG.	Chief Operating Officer	Executive Committee Finance & Performance Committee ICP Executive Group ICP Leaders Board
Jon Rush – previously Chief Superintendent with Greater Manchester Police. Initially he was the Lay Member for Public Engagement and then became the Lay Chair.	Lay Chair	Full Council of Members (Non-voting Chair) Finance & Performance Committee (Chair) Primary Care Commissioning Committee (Chair) Northern Joint CCG Committee (Chair) ICP Leaders Board (Chair)
Ed Tallis – has been involved with the NHS for over 30 years.	Director of Primary Care	Primary Care Commissioning Committee Executive Committee ICP Executive Group

Name & Biography	Position	Governing Body and Wider System Committees
Charles Welbourn – was previously Deputy Director of Finance in the former NHS Primary Care Trust.	Chief Finance Officer	Executive Committee Finance & Performance Committee Primary Care Commissioning Committee ICP Executive Group
John Whitehouse – is a qualified public finance accountant.	Lay Member Finance and Governance & Conflict of Interest Guardian	Audit Committee (Chair) Auditor Panel (Chair) Finance & Performance Committee Remuneration Committee (Chair) ICP Leaders Board

Lead GPs

All the CCG's Lead GPs were Members of our Governing Body and their details are provided in the Governing Body Membership table above.

Integrated Care Communities (ICCs) GP Leads – Primary Care Network Clinical Directors

In 2019 Primary Care Networks (PCNs) were established to work together to focus on local patient care. This expanded on the work that the CCG's had been doing with its ICC GP Leads and this work has been ongoing throughout Quarter 1, 2022/23. The PCN Clinical Directors for this period were as follows:

Name	PCN
Mark Alban	Carlisle Rural
Alex Docton	Carlisle Network
Alan Edwards	Carlisle Healthcare
Robert Westgate	Carlisle Healthcare
Cherryl Timothy-Antoine	Workington
Celia Heasman	Copeland
Eve Miles	Copeland
Richard Massey	Keswick & Solway
Mark Kinghan	Cockermouth & Maryport
Helen Jervis	Eden

Clinical Leaders

Name & Biography	Position	Governing
Dr Nicola Cleghorn – is an experienced Community Paediatrician with special interest in Safeguarding Children and Young People in Forensic Paediatrics.	Designated Doctor for Safeguarding Children	None
Helena Gregory – supporting primary care clinicians with quality, safety and cost-effectiveness of prescribing.	Medicines Lead	None

Senior Management Arrangements

Mark Adams, Louise Mason Lodge, Peter Rooney, Ed Tallis and Charles Welbourn are also part of the Senior Management Team and their details are provided in the Governing

Body Membership table above.

Name & Biography	Position	Governing Body Committees
Anita Barker – Anita has a General Practice background before moving into a commissioning role. Anita currently leads the wider commissioning team as well as working on a number of county wide and regional work-streams.	Deputy Director of Commissioning	None
Suzanne Hamilton – an experienced Organisational Development leader and coach who manages the Cumbria Learning and Improvement Collaborative	Head of Improvement and Development	None

Register of Interests

The CCG updates its Decision Makers Register of Interests in line with the latest statutory guidance from NHS England and can be viewed at https://northcumbriaccg.nhs.uk/about-us/declarations-interest . The Lay Member for Finance & Governance and Audit Committee Chair, John Whitehouse, is the CCG's Conflicts of Interest Guardian.

Additional Disclosures

Personal data related incidents

The Information Governance (IG) Team has not recorded any IG incidents between 1 April 2022 and 30 June 2022.

Modern Slavery Act

The Modern Slavery Act 2015 has introduced changes in UK law focused on increasing transparency in supply chains, to ensure our supply chains are free from modern slavery (that is, slavery, servitude, forced and compulsory labour and human trafficking). As both a local leader in commissioning health care services for the population of North Cumbria and as an employer the CCG fully supports the Government's objectives to eradicate modern slavery and human trafficking and has produced a statement in respect of its commitment to, and efforts in, preventing slavery and human trafficking practices in the supply chain and employment practices.

The statement was reviewed and the Governing Body approved it on 17 March 2022 and the revised version can be found on the CCG's website.

Statement of Accountable Officer's Responsibilities

The National Health Service Act 2006 (as amended) states that each Clinical Commissioning Group shall have an Accountable Officer and that Officer shall be appointed by the NHS Commissioning Board (NHS England). Mark Adams was appointed as the Interim Accountable Officer on 1 April 2020 after the retirement of his predecessor. After a formal appointment process NHS England confirmed his permanent appointment as Accountable Officer on 1 June 2020.

The responsibilities of an Accountable Officer are set out under the National Health Service Act 2006 (as amended), Managing Public Money and in the Clinical Commissioning Group Accountable Officer Appointment Letter. They include responsibilities for:

- The propriety and regularity of the public finances for which the Accountable Officer is answerable,
- For keeping proper accounting records (which disclose with reasonable accuracy at any time the financial position of the Clinical Commissioning Group and enable them to ensure that the accounts comply with the requirements of the Accounts Direction),
- For safeguarding the Clinical Commissioning Group's assets (and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities).
- The relevant responsibilities of accounting officers under Managing Public Money,
- Ensuring the CCG exercises its functions effectively, efficiently and economically (in accordance with Section 14Q of the National Health Service Act 2006 (as amended)) and with a view to securing continuous improvement in the quality of services (in accordance with Section14R of the National Health Service Act 2006 (as amended)),
- Ensuring that the CCG complies with its financial duties under Sections 223H to 223J of the National Health Service Act 2006 (as amended).

Under the National Health Service Act 2006 (as amended), NHS England has directed each Clinical Commissioning Group to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Clinical Commissioning Group and of its income and expenditure, Statement of Financial Position and cash flows for the financial year.

In preparing the accounts, the Accountable Officer is required to comply with the requirements of the Group Accounting Manual issued by the Department of Health and Social Care and in particular to:

- Observe the Accounts Direction issued by NHS England, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- Make judgements and estimates on a reasonable basis;

- State whether applicable accounting standards as set out in the Group Accounting Manual issued by the Department of Health and Social Care have been followed, and disclose and explain any material departures in the accounts; and,
- Prepare the accounts on a going concern basis; and
- Confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

As the Accountable Officer, I confirm that there was adequate and sufficient handover from the previous Accounting Officer to provide me with the assurances required to make these statements. I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the CCG's auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

Governance Statement

Introduction and context

CCG's became corporate bodies established by NHS England on 1 April 2013 under the National Health Service Act 2006 (as amended). NHS North Cumbria CCG came into being on the 1 April 2017 following a boundary change which saw the southern part of the previous NHS Cumbria CCG, join with NHS North Lancashire CCG, to create NHS Morecambe Bay CCG. NHS North Cumbria CCG covers the areas of Allerdale, Eden, Carlisle and most of Copeland.

The CCG's statutory functions are set out under the National Health Service Act 2006 (as amended). The CCG's general function is arranging the provision of services for persons for the purposes of the health service in England. The CCG is, in particular, required to arrange for the provision of certain health services to such extent as it considers necessary to meet the reasonable requirements of its local population.

Between 1 April 2022 and 30 June 2022, the clinical commissioning group was not subject to any directions from NHS England issued under Section 14Z21 of the National Health Service Act 2006.

Scope of responsibility

As Accountable Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the North Cumbria CCG's policies, aims and objectives, whilst safeguarding the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Managing Public Money. I also acknowledge my responsibilities as set out under the National Health Service Act 2006 (as amended) and in my CCG Accountable Officer appointment letter.

I am responsible for ensuring that the CCG is administered prudently and economically and that resources are applied efficiently and effectively, safeguarding financial propriety and regularity. I also have responsibility for reviewing the effectiveness of the system of internal control within the CCG as set out in this governance statement.

Governance arrangements and effectiveness

The main function of the Governing Body was to ensure that the CCG made appropriate arrangements for ensuring that it exercises its functions effectively, efficiently and economically and complies with such generally accepted principles of good governance as are relevant to it.

Compliance with UK Corporate Governance Code

Whilst the detailed provisions of the UK Corporate Governance Code are not mandatory for public sector bodies, the CCG considers that compliance is good practice and strives through its leadership and governance arrangements to ensure it meets the main principles of the Code.

This has been demonstrated by:

- Leadership – the CCG has worked across the system to ensure that effective leadership was in place up until 30 June 2022, especially in light of returning to "business as usual" whilst "living with" Covid-19 and other extreme pressures in the system. It has also worked closely with the CCG's partnership organisations across North Cumbria and the North East to ensure that the Integrated Care Board (ICB) had all measures in place to become operational from 1 July 2022. The CCG's Accountable Officer attends the Integrated Care System (ICS) Management Group and the Health Strategy Group in the North East. The CCG's Chair and Chief Operating Officer attend the Cumbria Health & Wellbeing Board and the CCG's Chair, Accountable Officer, Chief Operating Officer and Lay Member for Finance & Governance are also members on the North Cumbria Integrated Care Partnership (ICP) Leaders Board.

- Effectiveness – During Quarter 1, 2022/23 the CCG has continued to ensure it had effective resources in place to support the development of both the ICB and ICP. Working with its partners across the health system it reviews the requirements across the ICP and where possible, provides resources to support improvements or to cover for staff vacancies. There has also been pooled resources during the peak of the pandemic and this has continued to be provided across the ICS to ensure hospital flows and discharges were managed.

- Accountability – The Governing Body receives regular updates and assurance from its committees to enable it to have an understandable assessment of the CCG's position and prospects. This has included bi-monthly updates on Performance & Quality. Alongside of this, the CCG's risk assurance framework had continued to be updated and was handed over to the ICB as part of the CCG's due diligence process on 30 June 2022.

- Remuneration - The CCG works within the Agenda for Change framework for the remuneration of its employees. For Very Senior Officers (VSM's) the Remuneration Committee ensures it has a formal and transparent process

for determining the remuneration packages of these officers. This includes evaluating the requirements of the post and undertaking comparisons with like for like organisations to ensure that the CCG retains professional, high-quality officers.

- Relations with Stakeholders – Up to the 30 June 2022 the CCG continued to work closely with its stakeholders to ensure they were aware of the CCG's responsibilities were transferring to the ICB from 1 July 2022. This work will be ongoing through the ICB's place based arrangements and to ensure that the effective working relationships developed by the CCG are transitioned into "new world".

Through the narrative within this Annual Governance Statement, the Annual Report and Accounts, the CCG has described how it has fulfilled the main principles of the Code specifically in relation to leadership, effectiveness, accountability, remuneration and its relationship with stakeholders up to 30 June 2022.

The CCG's Constitution

The CCG had a Constitution which was agreed by its Member Practices. It sets out, in detail, the arrangements it has in place to enable the CCG to undertake its responsibilities for commissioning care for the people for whom it is responsible.

It describes the governing principles, rules and procedures that ensure probity and accountability in the day to day running of the CCG to ensure that decisions are taken in an open and transparent way and that the interests of patients and the public remain central to its goals.

In accordance with section 14L (2) (b) of the 2006 Act (as amended), section 4.4.3 of the CCG's Constitution reflects that, throughout each year, the Governing Body has had an ongoing role in reviewing the CCG's governance arrangements to ensure that the CCG continues to reflect the principles of good governance. These include:

- The highest standards of propriety involving impartiality, integrity and objectivity in relation to the stewardship of public funds, the management of the organisation and the conduct of its business;
- The Good Governance Standard for Public Service
- The standards of behaviour published by the Committee on Standards in Public Life (1995) known as the 'Nolan Principles';
- The Seven Key principles of the NHS Constitution;
- The Equality Act 2010
- The Bribery Act 2010
- NHS Counter Fraud Authority Requirements

The CCG's Constitution was a living document but was not reviewed during Quarter 1, 2022/23 in light of the fact that that the CCG would cease to exist on 30 June 2022 and its responsibilities would be transferred to the ICB.

Members Information

The Membership information was updated regularly. The CCG had 35 Member Practices and the details have been included in the Corporate Governance Report above.

Committee Changes

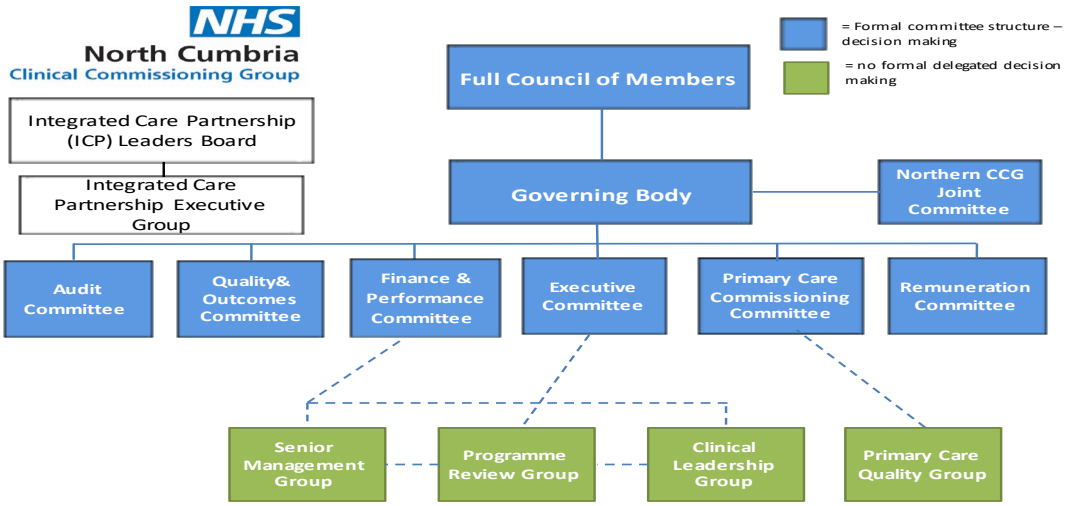
There had been no changes to any of the CCG's Committees during Quarter 1, 2022/23. This was due to the fact that the CCG ceased to exist from 30 June 2022.

Full Council of Members, Governing Body and the Committee Governance Structure

The CCGs governance meeting structure wis headed by the Full Council of Members and it has reserved a small number of functions to itself (these are outlined in Section J, 1.1. to 1.5 of the CCG's Scheme of Delegation which can be found in its Standing Orders on the CCG's website). The Governing Body had accountability to undertake the roles and responsibilities as delegated through the Constitution approved by the Member Practices which constitute the CCG.

The NHS Constitution requires NHS organisations to involve the public when considering how it provides services. Healthwatch Cumbria facilitates a local forum where Clinicians and Directors from partners in the North Cumbria Integrated Care Partnership (ICP) meet regularly with members of the public and third sector groups. These are then actively involved in working on initiatives that are supported by the Action for Health network run by the local CVS. The CCG also continued with its work on co-production, working with its communities to help shape service changes in North Cumbria. This included establishing a network within which information can be shared, feedback can be sought and new ideas can be developed together. This strengthened valuable links with the CCG's communities, and despite the pandemic it has been able to keep community leaders and networks informed and to ensure stakeholders have access to trusted and timely information.

The committee structure below supported the Governing Body in fulfilling its functions:



The Membership, Attendance and Activity Summary

Full Council of Members
Role and Performance Highlights Quarter 1, 2022/23

The Full Council of Members was an arena in which all member practices have the opportunity to come together to:

- ensure that the continued development of the CCG is aligned to the principles and aspirations of the constituent practices
- shape the organisation's strategic direction
- approve the CCG's Constitution
- ensure that the Governing Body has published its Annual Reports and Accounts

The Full Council met once during this period. This was to update the Membership on the arrangements being established in relation to the North East and North Cumbria ICB and the closedown of the CCG.

Performance/highlights include:

- Close down of North Cumbria Clinical Commissioning Group
- Primary Care Networks / General Practice Provider Collaborative updates

Membership Practice	Name of Representative & Role	Attendance *(1 meetings*
Brampton Medical Practice	Dr. Mark Alban - GP Hannah Crawford - PM Dr. Marcus Rieborn - GP	**1** **1** **1**
Caldbeck Surgery	Dr. Richard Massey – GP	**1**
Carlisle Healthcare	Dr. Robert Westgate - GP	**1**
Castlegate & Derwent Surgery	Dr. Mark Kinghan - GP	**1**
Distington Surgery	Dr. Helen Horton – GP	**1**
Glenridding Health Centre	Jane Little - PM	**1**
James Street Group Practice	Dr Cheryl Timothy-Antoine - GP	**1**
Kirkoswald Surgery	Venessa Corbishley - PM	**1**
Shap Medical Practice	Dr Allister Woodstrover - GP	**1**
Westcroft House	Dr. Celia Heasman - GP	**1**
Attendees		
North Cumbria Primary Care Alliance	Joanne Percival – Corporate Programme Lead	**1**
North East & North Cumbria Integrated Care Board	Dr. Neil O'Brien – Designated Medical Director	**1**

Membership Practice	Name of Representative & Role	Attendance *(1 meetings held)*
Governing Body Members	Mark Adams – Accountable Officer	**1**
	Amanda Boardman – County Lead GP Childrens and Safeguarding	**1**
	Collin Patterson – Interim Medical Director/Clinical Lead/Deputy Chair	**1**
	Jon Rush – Lay Chair (**Chair)**	**1**
	Peter Rooney – Chief Operating Officer	**1**
	Charles Welbourn – Chief Finance Officer	**1**
CCG Team	Andrew Gosling – Primary Care Commissioner	**1**
	Heather Parker – Senior Administrator Primary Care	**1**
	Brenda Thomas – Governing Body Support Officer	**1**

Please note:

- that where there was more than one representative attending, only one representative counted towards the meeting being quorate
- PM = Practice Manager

Governing Body

Role and Performance Highlights Quarter 1, 2022/23

The Membership of the Governing Body is outlined in the Accountability section of this report.

The prime focus of the Governing Body is to ensure that the CCG had appropriate arrangements in place to exercise its functions effectively, efficiently and economically and in accordance with the CCG's principles of good governance whilst remaining true to its vision and values.

Throughout Quarter 1, 2022/23 the Governing Body continued to meet and received regular updates on the development arrangements of the ICB, the transition of the CCG to the ICB; including the closed down of the CCG and its due diligence process. This was alongside ensuring it exercised its functions, including monitoring performance and quality issues and supporting partner organisations through continued pressures, especially around the discharge process.

The Governing Body had 2 formal meetings during the said period and attendance records demonstrate that all meetings were quorate.

The Governing Body discharged its duties in full for Quarter 1, 2022/23.

Name	Role	Attendance *(2 meetings held)*
Mark Adams	Accountable Officer	**2**
Dr Amanda Boardman	GP Lead for Safeguarding, Maternity, Children, Mental Health and Learning Disability	**2**
Dr Gareth Coakley	Chief Clinical Information Officer	**0**
Carole Green	Lay Member for Quality & Performance	**2**
Dr Helen Horton	GP Lead for Commissioning	**2**
Deb Lee	Secondary Care Doctor	**0**
Denise Leslie	Lay Member for Public Engagement	**1**
Louise Mason Lodge	Director of Nursing & Quality and Registered Nurse on the Governing Body	**1**
Jon Rush	Lay Chair (Chair)	**2**
Dr Colin Patterson	Interim Medical Director/Clinical Lead/Deputy Chair	**2**
Peter Rooney	Chief Operating Officer	**2**
Ed Tallis	Director of Primary Care	**2**
Charles Welbourn	Chief Finance Officer	**2**
John Whitehouse	Lay Member for Finance & Governance	**1**
Observers at Public Meetings		
David Blacklock	Healthwatch, Cumbria	**1**
Lindsey Graham	Healthwatch, Cumbria	**1**

Audit Committee

Role and Performance Highlights Quarter 1, 2022/23

The Audit Committee was responsible for the CCG's governance and risk management process controls and internal control arrangements.

The Committee met twice during Quarter 1, 2022/23 and attendance records demonstrate that each meeting was quorate. The minutes of this Committee were presented for assurance to the Governing Body.

During this period the Committee was focussed on the assurance required for the approving of the Annual Report and Annual Account and the Counter Fraud Annual report.

Members Name	*Role*	*Attendance (2 Meetings held)*
Carole Green	Lay Member for Quality & Performance	**2**
Denise Leslie	Lay Member for Public Engagement	**1**
John Whitehouse	Lay Member for Finance & Governance (Chair)	**2**

Auditor panel

There was no requirement for the Auditor Panel to meet during Quarter 1, 2022/23 due to the CCG transitioning to the North East & North Cumbria Integrated Care Board.

The membership of this panel was the same as the Audit Committee above.

Executive Committee

Role and Performance Highlights Quarter 1, 2022/23

The Committee's key objective was to support the CCG, the Governing Body and the Accountable Officer in the discharge of their functions. It will assist the Governing Body in its duties to promote a comprehensive health service, reduce health inequalities and promote innovation. Its remit includes development and implementation of strategy, monitoring and delivery of statutory duties, operational, financial, contractual and clinical performance. It is responsible for ensuring effective clinical engagement and promoting the involvement of all member practices in the work of the CCG in securing improvements in

commissioning of care and services along with the on- going development of primary care through Primary Care Networks and the associated Integrated Care Communities.

There was only one quorate meeting of this committee during Quarter 1, 2022/23.

Performance/highlights include:

- System Discharge Policy
- Equity Choice Policy
- Better Care Fund
- Performance Report
- Integrated Care Partnership Executive Group Update
- Winter Planning

Members Name	***Role***	***Attendance (1 Meeting held)***
Mark Adams	Accountable Officer (Chair)	**1**
Dr Amanda Boardman	GP Lead for Safeguarding, Maternity, Children, Mental Health and Learning Disability	**1**
Dr Gareth Coakley	Chief Clinical Information Officer	**0**
Dr Helen Horton	GP Lead for Commissioning	**0**
Louise Mason Lodge	Director of Nursing & Quality	**1**
Dr Colin Patterson	Lead GP	**1**
Peter Rooney	Chief Operating Officer	**1**
Ed Tallis	Director of Primary Care	**1**
Charles Welbourn	Chief Finance Officer	**1**

Finance & Performance Committee

Role and Performance Highlights Quarter 1, 2022/23

The core aims and responsibilities of the Finance & Performance Committee is to provide assurance to the Governing Body on the CCG's finances and performance issues. Including:

- providing leadership in making recommendations to the Governing Body for the deployment of resources and budgets
- providing leadership in ensuring that the CCG is fulfilling its responsibilities in improving the performance of the health care system against standards, and in managing its contract activity effectively.

The Committee met three times throughout Quarter 1 of 2022/23 and attendance records demonstrate that each meeting was quorate. The minutes of this Committee were presented for assurance to the Governing Body.

Performance/highlights include:

- Planning Updates for 2022/23
- Performance Reports
- Finance Reports
- Due Diligence of Close Down of the CCG
- Risk Register
- HR Reports
- Health & Safety Reports

Members Name	Role	Attendance *(3 Meetings held)*
Carole Green	Lay Member for Quality & Performance	**1**
Deb Lee	Secondary Care Doctor	**0**
Denise Leslie	Lay Member for Public Engagement	**2**
Peter Rooney	Chief Operating Officer	**3**
Jon Rush	Lay Chair (Chair)	**3**
Charles Welbourn	Chief Finance Officer	**3**
John Whitehouse	Lay Member for Finance & Governance	**2**

Outcome & Quality Assurance Committee Role and Performance Highlights Quarter 1, 2022/23

The Outcomes & Quality Assurance Committee examines, in detail, the areas of concerns in the quality of care provided to patients in North Cumbria. It worked closely with the Nursing & Quality team to ensure that the assurance provided to the Governing Body is robust and demonstrates that the quality assurance systems and processes were in place.

The Committee only met once during Quarter 1, 2022/23.

Performance / highlights included:

- Quality Report
- Nursing & Quality Team Annual Review for 2021/22
- Discharge Update
- Commissioner Assurance Visits
- Personalised Health Care Packages
- Continuing Health Care Report

Members Name	Role	Attendance *(1 Meeting held)*
Amanda Boardman	Nominated Deputy for Medical Director	**1**
Carole Green	Lay Member for Quality & Performance (Chair)	**1**
Deb Lee	Secondary Care Doctor	**1**
Denise Leslie	Lay Member – Public Engagement	**1**
Louise Mason Lodge	Acting Director of Nursing & Quality, Designated Safeguarding Lead and Registered Nurse on the Governing Body	**1**
Colin Patterson	Interim Medical Director/Clinical Lead/Deputy Chair	**1**
Paula Smith	Patient Safety Lead	**1**
Nicki Trewhitt	Senior Nurse	**1**

Primary Care Commissioning Committee Role and Performance Highlights Quarter 1, 2022/23

On 1 April 2017 North Cumbria CCG was delegated authority by NHS England to review, plan and procure primary medical care services in North Cumbria. As part of that delegation the Governing Body established a Primary Care Committee which meets in public to manage those functions agreed between NHS England and the CCG, together with certain duties delegated to it by the CCG (as set out in its Scheme of Delegation). The Committee's full Terms of Reference can be found on the CCG website.

The Committee met three times throughout this period.

Performance/highlights include:

- Branch Surgery Updates
- Improvement and Integration Schemes 2022/23
- Vaccination Programme
- Primary Care Pressures
- Primary Care Quality Group
- Finance Updates

Members Name	Role	Attendance *(3 Meetings held)*
Carole Green	Lay Member for Quality & Performance	**2**
Denise Leslie	Lay Member for Public Engagement	**2**
Jon Rush (Chair)	Lay Chair	**3**
Ed Tallis	Director of Primary Care	**2**
Charles Welbourn	Chief Finance Officer	**2**

Remuneration Committee

Role and Performance Highlights Quarter 1, 2022/23

The Remuneration Committee was responsible for making recommendations to the Governing Body about appropriate remuneration and terms of service for all posts above the top threshold of the National Agenda for Change (AfC) pay-scale, including off-payroll appointments, including:

- all aspects of salary (including any performance-related elements / bonuses)
- provisions for other benefits e.g. car allowances
- advise on and oversee appropriate contractual arrangements for such staff including the proper calculation and scrutiny of termination payments taking account of such national guidance as is appropriate.

The Remuneration Committee met once during this period to consider the NHS England recommendations for 2021/22 for Very Senior Managers and the GP Leads. The recommendations from this meeting were approved by the Part 2 Governing Body on 19 May 2022.

Members Name	Role	Attendance *(1 Meeting held)*
Carole Green	Lay Member for Quality & Performance	**1**
Deb Lee	Secondary Care Doctor	**1**
Denise Lesley	Lay Member for Public Engagement	**1**
John Whitehouse	Lay Member for Finance & Governance (Chair)	**1**
In Attendance		
Kirstin Blundell	HR Business Support, North of England Commissioning Support (NECS)	**1**
Amber Minton	HR Business Support, North of England Commissioning Support (NECS)	**1**
Jon Rush	Lay Chair	**1**

North Cumbria Integrated Health and Care Partnership

These arrangements consist of two mutually related groups, namely, the Integrated Care Partnerships (ICP) Leaders Board which is supported by the ICP Executive Group. Both groups consist of all NHS Partners, Cumbria County Council and Third Sector representatives that service the North Cumbria geographical area. The main remit of the arrangements is to co-ordinate the partnership working of the local health and care system; set an agreed strategy that dovetails into the Cumbria Health and Well Being Strategy and supports the Integrated Care System work streams for the North East and North Cumbria; manage and monitor partnership performance.

During this period the Leaders Board did not meet formally. However, development and discussions sessions were held to consider future requirements for this forum once the North East & North Cumbria Integrated Care Board (ICB) had been established on 1 July 2022. The outcomes of these discussions were shared with the ICB.

The ICP Leaders Executive Group continues to meet on a monthly basis to consider North Cumbria system wide issues.

The CCG was represented on the Leaders Board by the Chair, Jon Rush; the Accountable Officer, Mark Adams; the Chief Operating Officer, Peter Rooney and the Lay Member for Finance and Governance, John Whitehouse. Jon Rush is also the Chair of the Board.

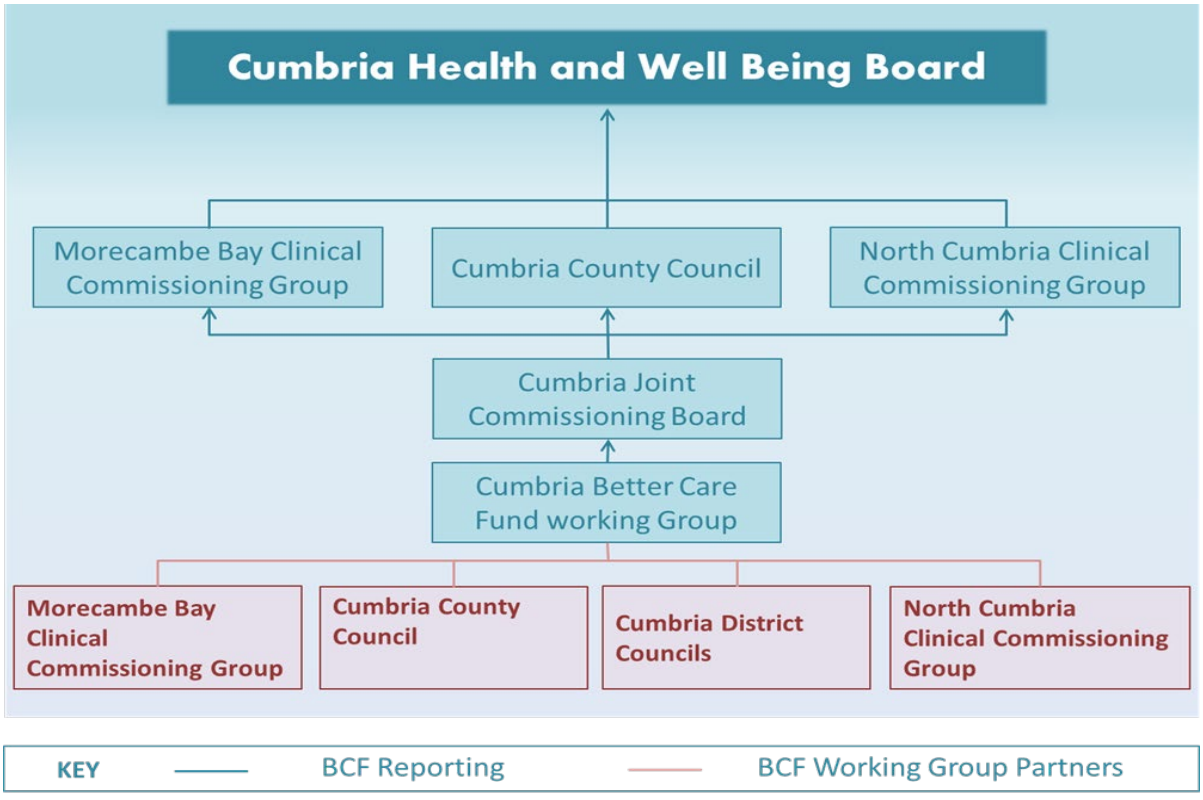
Better Care Fund Governance Arrangements

The Better Care Fund (BCF) is a single pooled budget, managed through a Section 75 Agreement, which began in 2014/15. It was introduced to further encourage joint commissioning of integrated health and social care services and brings together a portion of existing NHS and Local Government resources.

Whilst, at a local level, NHS North Cumbria CCG, NHS Morecambe Bay CCG and Cumbria County Council are the accountable bodies for their respective elements of the BCF, the Cumbria Joint Commissioning Board, established as a working group of the Cumbria Health and Well Being Board, leads the performance management and provides the co-ordination role for the delivery of the Better Care Fund.

The NHS England Policy Framework for the Better Care Fund requires the Health and Wellbeing Board to receive and sign off the final plan and quarterly progress reports to ensure oversight of the strategic direction and delivery of better integrated care. This helps to fulfil their statutory duty to encourage integrated working between commissioners.

In North Cumbria the schemes identified within the BCF plan are all closely aligned to the on-going development of Integrated Care Communities, being a key element of delivering the objectives identified in the North Cumbria strategy launched during 2020/21.



Discharge of Statutory Functions

In accordance with the recommendations of the 1983 Harris Review, the CCG reviewed all of the statutory duties and powers conferred on it by the National Health Service Act 2006 (as amended) and other associated legislative and regulations. As a result, I can confirm that the CCG is clear about the legislative requirements associated with each of the statutory functions for which it is responsible, including any restrictions on delegation of those functions.

Responsibility for each duty and power was clearly allocated to a lead Director. Directorates have confirmed that their structures provide the necessary capability and capacity to undertake all of the CCG's statutory duties. In line with the NHS England/Improvement guidance (C0113) around reducing the burden and releasing capacity dated 28 March 2020 the CCG reviewed its "business as usual" arrangements to release capacity from across the CCG to support the system with the Covid-19 pandemic. This included providing staff to support in other areas such as:

- Testing centre bookings systems
- Discharges from Hospitals
- Care & Residential Homes
- Infection Control
- Supporting the establishment of vaccination Hubs/Centres and the roll out of the vaccination programme

During Quarter 1, 2022/23, the CCG returned to its "business as usual" arrangements. Alongside of this the CCG undertook a due diligence process to close down the CCG by 30 June 2022 as it transitioned into the North East and North Cumbria Integrated Care Board.

Risk management arrangements and effectiveness

The CCG's Risk Management Framework set out the approach and arrangements for the management of risk. The CCG ensures a common and systematic approach to risk management to ensure it is embedded across all directorates which enables risks to be identified and managed effectively in the most appropriate place. These principles are consistent with those within the NHS England's Risk Management Policy and Process Guide issued in January 2015.

Throughout Quarter 1, 2022/23 the CCG continued to monitor and update its Governing Body Assurance Framework and its Risk Register and these were approved by the Governing Body on 15 June 2022. These were subsequently submitted to the ICB as part of the due diligence process and the close down of the CCG.

Capacity to Handle Risk

The CCG's Governing Body had overall responsibility for governance, assurance and management of risk until 30 June 2022. On 1 July 2022 these responsibilities transferred to the North East and North Cumbria Integrated Care Board (ICB). During Quarter 1, 2022/23 the Governing Body had a duty to assure itself that the organisation had properly

identified the risks that it faced, and that it had processes and controls in place to mitigate those risks and the impact they may have had on the organisation and its stakeholders. The tools used by the Governing Body to gain this assurance is the Governing Body Assurance Framework (GBAF).

This was achieved with a further review of the GBAF and the CCG's Risk Register and as described above these were approved and formed part of the due diligence process. This enabled the CCG to continue to demonstrate the following through Quarter 1, 2022/23:-

- Good governance
- A framework to ensure the organisation retained focus on the key strategic aims during the transition process
- A robust due diligence process and a good handover to the North East and North Cumbria ICB

During Quarter 1, 2022/23 the CCG continued to concentrate upon strategic risks, which by definition will be risks to achieving the CCG's strategic aims, as set out in the North Cumbria Health & Care Strategy 2020-24 previously approved by the CCG Governing Body in January 2020 and noted below:

Strategic Objectives: we will

- improve the health and care outcomes of our local communities and support people of all ages to be in control of their own health.
- build health and care services around our local communities.
- provide safe and sustainable high-quality services

To help us achieve this we will focus on key areas – our strategic enablers: we will

- be a great place to work and develop
- integrate how health and care and other organisations work together
- live within our means and spend resources wisely
- deliver digitally enabled care

Risk Assessment

The CCG's Audit Committee had developed, implemented and monitored a risk management review process. This had resulted in the Finance and Performance Committee and Governing Body being assured that there were robust, sound and safe risk escalation and management processes in place across the organisation until it handed over these responsivities to the ICB on 1 July 2022.

During Quarter 1, 2022/23 the CCG faced significant risks in terms of providers failing to meet key NHS Constitution targets, adversely impacting on patient care and potentially resulting in additional costs to the CCG. The most material issue related to the backlog of elective care as a result of non-urgent hospital planned care being suspended for long periods of the 2020/21 financial year.

Similarly, there have also been major challenges in addressing cancer waiting times. Each of these areas has been the subject of significant joint working between the CCG and its partners and in particular its main local secondary care provider, North Cumbria Integrated Care NHS Foundation Trust (NCIC) and Cumbria County Council (CCC) and there was sign of improvements during quarter 1 of this financial year.

Other sources of assurance

Internal Control Framework

A system of internal control is the set of processes and procedures in place in the CCG to ensure it delivers its policies, aims and objectives. It is designed to identify and prioritise the risks, to evaluate the likelihood of those risks being realised, the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control allows risk to be managed to a reasonable level rather than eliminating all risk; it can therefore only provide reasonable and not absolute assurance of effectiveness.

As specified above the CCG's Internal Auditors, Auditone, have provided a Head of Internal Audit Opinion and this can be found on page 74 .

Conflicts of Interest management

The revised statutory guidance on managing conflicts of interest for CCGs (published June 2016) requires CCGs to undertake an annual internal audit of conflicts of interest management. To support CCGs to undertake this task, NHS England has published a template audit framework.

An internal audit was not undertaken during the period April – June 2022 however one was undertaken during quarter four of 2021/22.

The CCG continued to maintain a Register of Interests throughout 1 April 2022 to 30 June 2022. All the CCG's "decision makers" were required to check and confirm their interests as at the 30 June 2022 and a revised register was published on the CCG website.

Data Quality

The Governing Body relies on the data quality elements in its contracts with providers. This includes both the requirement that providers quality assure their data prior to submission, and the active monitoring and management of the data quality improvement plans are included within the contracts. In addition, the CCG commissions the North of England Commissioning Support (NECS) services to manage all local and national information flows on behalf of the CCG, including quality assurance, analysis and reporting. Therefore, the CCG's contract with NECS outlines our expectations with respect to data quality and reporting.

Information Governance (IG) (including Cyber Incidents and Business Critical Models)

Information Governance is to do with the way the CCG processes and handles information. It covers personal information (relating to patients/service users and employees) and also corporate information (for example financial and accounting records). By embedding Information Governance in the culture of the CCG, we can provide assurance to the public and our regulators that the CCG complies with relevant legislation and central guidance and that information is handled appropriately, lawfully and securely. The Information Governing vision is that we "Enable high quality care by facilitating the ethical, legal, effective & appropriate use of accurate & reliable information that maintains confidentiality, integrity & availability".

The 2021/22 Data Security and Protection Toolkit Report, which was submitted in June 2022, confirmed compliance with 'Standards Met'.

The CCG takes its responsibilities for the protection of patient and staff information seriously. Breaches of confidentiality or loss of personal data are reported and investigated through the Trust's Incident Reporting procedure and assurance processes. During the reporting period, the Information Governance Team has not recorded any IG incidents between 1 April 2022 and 31 March 2023.

Third party assurances

As a result of the support service arrangements provided by the North of England Commissioning Support (NECS) under a signed services level agreement, the CCG will receive a number of assurance reports covering Quarter 1, 2022/23 (from the 1 April 2022 to 30 June 2022).

Control Issues

In seeking to ensure that the CCG has a robust system of internal control that is implemented effectively, the CCG Audit Committee has established a cyclical, risk-based programme of internal audit work. At the time of writing this report no issues of significant risk have arisen from this work. A similar approach has been taken to manage the risk of fraud and/or misuse of resources and again no significant issues have been reported.

Review of economy, efficiency & effectiveness of the use of resources

As part of the transition process the North East and North Cumbria ICB introduced processes for recruitment during 1 April 2022 to 30 June 2022 across the ICB. This required line managers to produce a business case for any post(s) that they may wish to recruit to and submit them to the ICB Workforce review panel.

As part of the CCG's Organisational Development Programme continuous improvement continued to be embedded into the organisation and training was available from Cumbria Learning and Improvement Collaborative.

An internal audit work plan was agreed for the period 1 April 2022 to 30 June 2022. Auditone has been involved in the transition and close down processes during this period. Internal Audit coverage in Quarter 1 2022/23 focused on:

- Assurance Framework & supporting processes
- Transition Programme
- Outstanding Audit Recommendations and Risks

The outcomes of these audits are reported through the Head of Internal Audit Opinion.

In addition to all of the above the Finance & Performance Committee gives detailed consideration to the CCG's financial and performance issues to provide the Governing Body with assurance that all issues are being appropriately managed and escalated where necessary.

The Governing Body also receives a quality, performance and finance report at each meeting.

Delegation of functions

The CCG currently contracts with a number of external organisations for the provision of back-office services and functions. These external services include:

- The provision of Oracle financial system and financial accounting support from NHS Shared Business Services. The use of NHS Shared Business Services is mandated by NHS England for all CCGs.
- The provision of financial accounting services from the North of England Commissioning Support Unit (NECS)
- The provision of payroll services from Northumbria Healthcare NHS Foundation Trust

Assurance on the effectiveness of the controls is received in part from annual service audit reports and internal audit assurance reports from the relevant service providers. The outcomes from these audits are reported to the Audit Committee.

Freedom to Speak Up: Raising Concerns (Whistleblowing)

The CCG is committed to an open and honest culture whereby all staff feel able and are supported to raise concerns at work. In June 2021 we appointed out first standalone Freedom to Speak Up (FTSU) Guardian, Kate Holliday, who is currently supported in her role by the CCG's FTSU, Louise Mason-Lodge, Executive Lead and Denise Leslie, Lay Member for Patient & Public Engagement.

Actions taken following appointment to this role have included:

- Formal training of the guardian with the National Guardian Office, as well as formal training of the FTSU Exec Lead and Lay Member for Public & Patient Engagement,
- Development of a CCG Freedom to Speak Up Vision and Strategy for 2021/22. This was agreed on 16 September 2021 Governing Body and was presented to staff at the September CCG staff briefing.
- Review of and making appropriate changes to current CCG Freedom to Speak Up/ Whistleblowing Policy.
- Development of a raising concern form for CCG staff to complete and submit to a confidential FTSU contact email address.
- Development of a template to support managers in structuring their response to colleagues speaking up through the guardian route.
- Developed an MS Teams background to promote the FTSU role at every Teams meeting.
- Developed a CCG FTSU intranet page and communication resources to raise awareness of the role.
- Presentation by the Guardian (autumn 2021) to all CCG staff outlining the role of the FTSU and raising awareness of the whole FTSU movement across the CCG.
- On a monthly basis the Guardian has linked into wider networks regarding FTSU locally, regionally and nationally.
- The Guardian, CCG FTSU Executive Lead and Lay Member for Patient & Public Engagement meet formally on a monthly basis.

Counter Fraud Arrangements

The CCG's counter fraud activity plays a key part in deterring risks to the organisation's financial viability and probity. An annual counter fraud plan is agreed by the Audit Committee, which focuses on the deterrence, prevention, detection and investigation of fraud.

Through the contract with AuditOne, the CCG has counter fraud arrangements in place that comply with the NHS Counter Fraud Authority Requirements for Fraud, Bribery and Corruption including:

- An accredited counter fraud specialist who is contracted to undertake counter fraud work proportionate to identified risks.
- Well established and documented reporting routes for staff, contractors and members of the public to report incidents of fraud, bribery and corruption.
- A report against each of the NHS Counter Fraud Authority Requirements for Fraud, Bribery and Corruption received by the Audit Committee at least annually.
- Executive support and direction for a proportionate proactive work plan to address identified risks.
- The Chief Finance Officer, as a member of the Governing Body, is proactively and demonstrably responsible for tackling fraud, bribery and corruption.
- Appropriate action is taken regarding any NHS Counter Fraud Authority quality assurance recommendations.

The CCG also has a Counter Fraud page on the CCG's website which promotes how to recognise what fraud looks like and how to report it and also has the CCG's relevant policies around this in place.

Head of Internal Audit Opinion

Following completion of the planned audit work for the period 1st Aril 2022 – 30 th June 2022 for the CCG, the Head of Internal Audit issued an independent and objective opinion on the adequacy and effectiveness of the CCG's system of risk management, governance and internal control. The Head of Internal Audit concluded that:

Overall Opinion

From my review of your systems of internal control, I am providing substantial assurance that there is a sound system of internal control, governance and risk management designed to meet the organisation's objectives and that controls are being consistently applied.

Opinion Area	Commentary
Audit Coverage	Internal Audit coverage in Quarter 1 2022/23 focused on: • Assurance Framework & supporting processes • Transition Programme • Outstanding Audit Recommendations and Risks
Design and operation of the Assurance Framework and supporting processes	The Governing Body Assurance Framework was presented to the Governing Body on 16th June 2022. Background information included in the report notes that as part of the CCG's work to improve governance and establish an appropriate handover to the ICB, a refresh has been undertaken of the risk register and a review undertaken of the assurance framework. This is consistent with an audit recommendation from 2021-22 that a final review of the assurance framework and corporate risk register is carried out by the CCG to ensure that they are up to date and reflect the current position prior to handover to the new organisation.
Transition Programme	AuditOne continued to have involvement during the transition period through: • Attendance at two weekly ICS steering group meetings and liaison with NECS who provided project support. • Attendance at a checkpoint meeting with lead officers at the CCG (7th February 2022) and a further, more formal check and challenge session covering North Cumbria and the North places which was held on 10th May 2022. Through attendance and receipt of supporting papers, it was observed that risks and issues were being reported through the project groups supported by NECS. No concerns were raised around completion of the activities required to sign off on due diligence process.

Opinion Area	Commentary
	• It could be confirmed that an update on the CCG Closedown Due Diligence process was reported to the Governing Body on the 16th of June 2022, including confirmation of the sign-off by the Accountable Officer of the relevant declarations to confirm completion of the due diligence requirements.
Brought forward Internal Audit assurances	The Head of Internal Audit Opinion given for the year ended 31st March 2022 gave a level of assurance of 'substantial'. There were no material issues identified to be brought forward for consideration in this opinion statement.
Response to Internal Audit recommendations	The implementation of internal audit recommendations is a key indicator of the organisation's engagement with ourselves and the importance it places on the recommendations we have made and have been agreed to be implemented. The Audit Committee receives updates on the progress of agreed actions for all high and medium issues raised, but it does not require updates in relation to low priority issues, so these are not subject follow-up by AuditOne. At 30th June 2022, there were six outstanding audit recommendations, three medium and three high priority. None of these had passed the original or revised target date for implementation at the 30th of June 2022. Two of the medium priority recommendations relate to management of conflicts of interest in recruitment and procurement processes and upon the conclusion of the CCG will be superseded. All other recommendations remain pertinent and will be shared with the ICB as part of the due diligence process.
Significant factors outside the work of internal audit	While the Head of Internal Audit Opinion provides the CCG with assurances in relation to the areas covered by the internal audit plan, it is only one of the sources of assurance available to the CCG. As the CCG outsourced many of its functions, assurances from third parties are equally as important when the CCG draws up its Governance Statement. Assurances are provided on an annual basis therefore nothing is available at this time for the Q1 period.

Carl Best
Associate Director of Audit, AuditOne
Date: 26th September 2022

Review of the effectiveness of governance, risk management and internal control

My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, executive managers and clinical leads within the CCG who have responsibility for the development and maintenance of the internal control framework. I have drawn on performance information available to me. My review is also informed by Head of Internal Audit Opinion for Quarter 1, 2022/23.

The CCG's assurance framework provides me with evidence that the effectiveness of controls that manage risks to the clinical commissioning group achieving its principles objectives have been reviewed. The CCG also has strong connections not only in the North Cumbria Health System but across the Integrated Care Systems in the North East and the North West.

I have been advised on the implications of the result of this review by:

- the Governing Body;
- the Audit committee;
- the Finance & Performance committee;
- the Quality and Outcomes Assurance Committee; and
- Internal audit

As Accountable Officer I work closely with the Chief Finance Officer who is the Senior Information Risk Owner (SIRO) and leads on the CCG Assurance Framework. This framework details the principal risks to the CCG achieving its objectives. During Quarter 1, 2022/23 a review of these arrangements have been undertaken as part of the due diligence and close down programme and was presented to the Governing Body at its meeting on 15 June 2022. The Head of Audit Opinion dated 26 September 2022 has also informed my opinion.

Conclusion

At the time of writing this report a system of internal control has been maintained throughout Quarter 1, 2022/23 which included a due diligence submission to the North East and North Cumbria ICB and a substantial assurance has been provided by the Head of Internal Audit for this period and that there was a generally sound system of internal control, designed to meet the CCG's objectives, and that the controls were generally being consistently applied. No significant issues have been identified.

REMUNERATION AND STAFF REPORT

Remuneration Report

Remuneration Committee

The Remuneration Committee is a non-executive committee of the Governing Body and was established in accordance with the CCG's Constitution.

The Remuneration Committee is responsible making recommendations to the Governing Body about appropriate remuneration and terms of service for all posts above the top threshold of the National Agenda for Change (AfC) pay-scale, including off-payroll appointments, including:

- all aspects of salary (including any performance-related elements / bonuses);
- provisions for other benefits e.g. car allowances
- advise on and oversee appropriate contractual arrangements for such staff including the proper calculation and scrutiny of termination payments taking account of such national guidance as is appropriate.

The membership consists of:

Members Name	Role
Carole Green	**Lay Member for Quality & Performance**
Denise Lesley	**Lay Member for Public**
John Whitehouse	**Lay Member for Finance & Governance (Chair)**
Deb Lee	**Secondary Care Doctor**

North Cumbria CCG's Remuneration Committee met on 19 April 2022 to consider the annual pay increase for 2021/22 for very senior managers (VSMs) issued on 8 September 2021 and their recommendations were approved at the Part 2 Governing Body meeting on 19 May 2022.

Policy on the remuneration of senior managers

The CCG remains committed to the principles it adopted to ensure that it is in a position to attract and retain high quality senior officers. This includes maintaining salaries at a competitive level, whilst taking into account the previous level of experience of post holders; application of appropriate promotional increases to new appointees and application of relevant percentage increases (as determined at national level), all whilst recognising the restraint on the public purse.

As part of the steps the CCG takes to satisfy itself the remuneration is reasonable, the Remuneration Committee also takes cognisance of the following reference and policy documents:

- NHS Commissioning Board (NHSCB) Clinical Commissioning Groups: Remuneration Guidance for Chief Officers (where the senior manager also undertakes the Accountable Officer role) and Chief Finance Officer
- The Hay Group CCG Remuneration Guidance on GPs Remuneration in CCGs in North West England
- Tenon Technical Employment Status Guidance – tax, national insurance and superannuation implications for GPs involved in Clinical Commissioning Group roles
- Agenda for Change and VSM pay frameworks
- Equal pay for equal work
- The Seven Principles of Public Life, referred to as the Nolan Principles
- Standards of Governing Body Members
- Hutton Fair Pay principles

Remuneration of Very Senior Managers

The CCG has 4 posts which receive remuneration in excess of £150,000 pro-rata per annum; all except 1 are part time.

These posts are all clinical roles (Doctor level) and are broken down as follows:

- Governing Body x 4 posts (1 full time)

Remuneration for these posts was approved by the Remuneration Committee as per the steps outlined above.

Senior Manager Remuneration (including salary and pension entitlements) subject to Audit

Name	Title	Note	3 months ended 30 June 2022				12 Months ended 31 March 2022			
			Salary (bands of £5,000)	Expense payments (taxable) (Note 4) (rounded to the nearest £100)	All pension-related benefits (Notes 5,6) (bands of £2,500)	TOTAL (bands of £5,000)	Salary (bands of £5,000)	Expense payments (taxable) (Note 4) (rounded to the nearest £100)	All pension-related benefits (Notes 5,6) (bands of £2,500)	TOTAL (bands of £5,000)
			£000	£	£000	£000	£000	£	£000	£000
Governing Body Members										
Jon Rush	Lay Chair	1	10-15	-	-	10-15	45-50	-	-	45-50
Mark Adams	Accountable Officer	2	5-10	-	-	5-10	40-45	-	-	40-45
Louise Mason-Lodge	Acting Director of Quality & Nursing / Designated Nurse- Safeguarding Children and Adults		20-25	1,100	-	20-25	90-95	4,600	-	95-100
Dr Deb Lee	Clinical Member: Secondary Care Clinician	3	5-10	-	-	5-10	25-30	-	-	25-30
Carole Green	Lay Member: Quality & Performance	3	0-5	-	-	0-5	10-15	-	-	10-15
John Whitehouse	Lay Member: Finance & Governance	3	0-5	-	-	0-5	10-15	-	-	10-15
Denise Leslie	Lay Member: Patient & Public Engagement	3	0-5	-	-	0-5	10-15	-	-	10-15
Charles Welbourn	Chief Finance Officer		25-30	900	7.5-10	35-40	115-120	6,400	32.5-35	155-160
Peter Rooney	Chief Operating Officer		25-30	200	7.5-10	35-40	115-120	1,200	32.5-35	150-155
Dr Colin Patterson	Clinical Lead: Primary Care & ICC development / Deputy Chair / Interim Medical Director		30-35	-	320-322.5	350-355	130-135	-	45-47.5	175-180
Dr Amanda Boardman	Clinical Lead: Safeguarding, Maternity, Children, Mental Health & Learning Disability		35-40	-	0-2.5	40-45	155-160	-	40-42.5	195-200
Ed Tallis	Director of Primary Care		25-30	-	7.5-10	35-40	105-110	-	25-27.5	130-135
Dr Helen Horton	GP Lead: Commissioning & Specialised Commissioning		15-20	-	0-2.5	15-20	60-65	-	15-17.5	75-80
Dr Gareth Coakley	Chief Clinical Information Officer		15-20	-	0	15-20	75-80	-	17.5-20	95-100

Note:

1 Jon Rush's tenure as Chair was extended to 30 June 2022 when the CCG closed down following the passage and approval of the Health and Care Bill which included the establishment of Integrated Care Boards.

2 Mark Adams was appointed as Acting Accountable Officer by NHS England effective 1 April 2020 and confirmed as Accountable Officer from 1 June 2020. Mark was employed as Accountable Officer by NHS Newcastle Gateshead CCG and worked for NHS North Tyneside CCG, NHS Northumberland CCG and NHS North Cumbria CCG as part of a staff sharing arrangement. The salary disclosed above relates to North Cumbria CCG's share of remuneration of 25%. Pension benefits are reported in full by Newcastle Gateshead CCG.

3 Lay members received a flat daily rate and thus remuneration received reflects the number of days worked. The Lay members' tenure was extended to 30 June 2022 when the CCG closed down following the passage and approval of the Health and Care Bill which included the establishment of Integrated Care Boards. Deborah Lee's remuneration includes £3-5k relating to a non-managerial role.

4 Expense payments relate to taxable benefits of lease cars.

5 All pensions related benefits information is provided by NHS Pensions. The value of pensions benefits accrued during the year is calculated as the real increase in pension multiplied by 20, less the contributions made by the individual and then have been proportioned for time in post to 30 June 2022. The real increase excludes increases due to inflation or any increase or decrease due to a transfer of pensions rights. This value does not represent an amount that will be received by the individual. It is a calculation that is intended to convey to the reader of the accounts an estimation of the benefit that being a member of the pension scheme could provide. The pension benefit table provides further information on the pension benefits accruing to the individual.

6 Louise Mason-Lodge chose not to be covered by the pension arrangements during the reporting period. As Non-Executive members do not receive pensionable remuneration, there are no entries in respect of pensions for Non-Executive members. Colin Patterson left the scheme on 27 October 2022.

Staff sharing arrangements for senior manager remuneration Quarter 1, 2022-23

Mark Adams was employed by Newcastle Gateshead CCG and worked for North Cumbria CCG, North Tyneside CCG and NHS Northumberland CCG as part of a staff sharing arrangement. No other post-holder is shared under joint management arrangements with any other CCG. The total remuneration earned for all work across the four CCGs is shown below:

Name	Title	3 months ended 30 June 2022			2021-22		
		Salary (bands of £5,000)	Expense payments (taxable) (Note 4) (rounded to the nearest £100)	TOTAL (bands of £5,000)	Salary (bands of £5,000)	Expense payments (taxable) (Note 4) (rounded to the nearest £100)	TOTAL (bands of £5,000)
		£000	£	£000	£000	£	£000
Mark Adams	Accountable Officer	35-40	-	35-40	170-175	-	170-175

No performance pay and bonuses were paid during the 3 months ended 30 June 2022 (2021-22 £nil).

No long-term performance pay and bonuses were paid during the 3 months ended 30 June 2022 (2021-22 £nil).

Pension benefits (subject to Audit)

The pension disclosure figures for the period of 1 April 2022 to 30 June 2022

Name		Note	Real increase in pension at pension age (bands of £2,500) £000	Real increase in pension lump sum at pension age (bands of £2,500) £000	Total accrued pension at pension age at 30 June 2022 (bands of £5,000) £000	Lump sum at pension age related to accrued pension at 30 June 2022 (bands of £5,000) £000	Cash Equivalent Transfer Value at 1 April 2022 £000	Real increase in Cash Equivalent Transfer Value £000	Cash Equivalent Transfer Value at 30 June 2022 £000
Amanda Boardman	Clinical Lead: Children's Commissioning, Mental Health, Learning Disability & Safeguarding		0-2.5	0	35-40	40-45	609	0	619
Gareth Coakley	Chief Information Officer		0-2.5	0	15-20	30-35	223	0	225
Helen Horton	Commissioning GP: Specialised Commissioning & Pathway development, Map of Medicine & IFR		0-2.5	0	15-20	25-30	230	1	234
Colin Patterson	Clinical Lead: Primary Care & ICC development / Deputy Chair	1	12.5-15	42.5-45	30-35	90-95	459	0	345
Peter Rooney	Chief Operating Officer		0-2.5	0	35-40	60-65	555	7	569
Ed Tallis	Director of Primary Care		0-2.5	0-2.5	20-25	60-65	504	9	521
Charles Welbourn	Chief Finance Officer		0-2.5	0	45-50	95-100	966	10	987

Note: 1 Colin Patterson opted in on 1 Dec 2019 and left 27 October 2022

Pension related benefits information is provided by NHS Pensions for the 12 months to 31 March 2023 and excludes general practitioner pension contributions. Real increases are a proportion for time in post to 30 June 2022.

There were no contributions to stakeholder pensions.

The pension figures shown relate to the benefits that individuals have accrued as a consequence of their total membership of the scheme.

The benefits and related CETVs do not allow for a potential future adjustment for some eligible employees aring from the McCloud judgement.

Cash equivalent transfer values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's (or other allowable beneficiary's) pension payable from the scheme. CETVs are calculated in accordance with SI 2008 No.1050 Occupational Pension Schemes (Transfer Values) Regulations 2008.

Real increase in CETV

This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation or contributions paid by the employee (including the value of any benefits transferred from another scheme or arrangement).

Compensation on early retirement for loss of office

There were no payments made for compensation for loss of office or to past senior managers.

Payments to past directors

No payments have been made to past members in quarter 1 of 2022/23

Fair pay disclosures (subject to Audit)

Percentage change in remuneration of highest paid director	Salary and allowances	Performance pay and bonuses
The percentage change from the previous financial year in respect of the highest paid director	0%	N/A
The average percentage change from the previous financial year in respect of employees of the entity, taken as a whole	2.3%	N/A

The average remuneration has increased year-on-year as a result of the average of starters being higher than average pay of leavers.

Percentage change in remuneration of highest paid director 2021-22	Salary and allowances	Performance pay and bonuses
The percentage change from the previous financial year in respect of the highest paid director	0%	N/A
The average percentage change from the previous financial year in respect of employees of the entity, taken as a whole	-7.1%	N/A

The average remuneration has reduced year-on-year as a result of a reduction in the number of higher paid directors who left during 2020-21.

Pay ratio information

Reporting bodies are required to disclose the relationship between the total remuneration of the highest paid member of the Governing Body against the 25th percentile, median and 75th percentile of remuneration of the organisation's workforce. Total remuneration is further broken down to show the salary component.

The banded remuneration of the highest paid member of the Governing Body of the Clinical Commissioning Group in the 3 months ended 30 June 2022 was £162.5k (2021-22, £162.5k). The relationship to the remuneration of the organisation's workforce is disclosed in the below table.

Pay ratio information table	25th percentile	Median	75th percentile
3 months ended 30 June 2022			
Total Remuneration (£)	31,534	40,057	75,874
Salary Component of total remuneration (£)	31,534	40,057	75,874
Pay ratio information	5.15	4.06	2.14
2021-22			
Total Remuneration (£)	29,294	41,378	65,707
Salary Component of total remuneration (£)	29,294	40,057	65,664
Pay ratio information	5.55	3.93	2.47

In the 3 months ended 30 June 2022 1 employee (2021-22, 1 employee) received remuneration in excess of the highest paid member of the Governing Body. Remuneration packages ranged from £13k to £162k (2021-22 £13k to £162k).

Total remuneration includes salary, non-consolidated performance-related pay and benefits in kind but not severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

Staff Report

Number of Senior Managers

The CCG has a total of:

- Two Directors at Very Senior Managers (VSM) pay
- Two Directors at Agenda for Change band 9 pay
- Four Clinical Leads at Clinical/Medical pay

Staff number and costs

Total CCG Employee benefits (subject to audit)

Employee Benefits	Admin Permanent Employees £'000	Admin Other £'000	Admin Total £'000	Programme Permanent Employees £'000	Programme Other £'000	Programme Total £'000	3 months ended 30 June 2022 Permanent Employees £'000	3 months ended 30 June 2022 Other £'000	3 months ended 30 June 2022 Total £'000
Salaries and wages	613	14	627	211	1	212	824	15	839
Social security costs	80	1	81	24	-	24	104	1	105
Employer contributions to the NHS Pension Scheme	133	0	133	26	-	26	159	0	159
Other pension costs	-	-	-	1	-	1	1	-	1
Apprenticeship Levy	1	-	1	-	-	-	1	-	1
Employee benefits expenditure	827	15	842	262	1	263	1,089	16	1,105

Employee Benefits	Admin Permanent Employees £'000	Admin Other £'000	Admin Total £'000	Programme Permanent Employees £'000	Programme Other £'000	Programme Total £'000	2021-22 Permanent Employees £'000	2021-22 Other £'000	2021-22 Total £'000
Salaries and wages	2,704	55	2,759	852	16	868	3,556	71	3,627
Social security costs	306	6	312	90	0	90	396	6	402
Employer contributions to the NHS Pension Scheme	553	6	559	100	-	100	653	6	659
Other pension costs	-	-	-	2	-	2	2	-	2
Apprenticeship Levy	4	-	4	-	-	-	4	-	4
Employee benefits expenditure	3,567	67	3,634	1,044	16	1,060	4,611	83	4,694

Average number of people employed (subject to audit)

	3 months ended 30 June 2022 Permanent Employees Number	3 months ended 30 June 2022 Other Number	3 months ended 30 June 2022 Total Number	2021-22 Permanent Employees Number	2021-22 Other Number	2021-22 Total Number
Medical and dental	2.4	-	2.4	3.3	-	3.3
Administration and estates	62.1	0.4	62.5	56.3	0.7	57.0
Nursing, midwifery and health visiting staff	1.0	-	1.0	3.6	-	3.6
Total	65.5	0.4	65.9	63.3	0.7	64.0

Staff composition

The table below provides an analysis of gender distribution for CCG Governing Body members, other senior managers not included in Governing Body and all other employees not included in either of the previous two categories:

	MALE	FEMALE
Governing Body Members	**8**	**6**
All other senior managers, including all managers at grade VSM, not included above	**0**	**0**
All other employees not included in either of the previous 2 categories	**4**	**71**
TOTAL	**12**	**77**

Sickness absence data

All sickness absence at the CCG is managed in line with the sickness absence policy. This policy enables managers to address sickness absence issues, both short and long-term, in a fair, consistent and equitable manner. It is recognised however that all cases must be dealt with on an individual basis because of differing circumstances. Managers and staff have access to the Occupational Health Service as appropriate.

All members of staff also have access to the Employee Assistance Programme which is an online/telephony service with the ability for self-referrals and self-help.

FTE Days Lost	Headcount	FTE	Average FTE Days lost / Headcount	Average FTE Days lost / fte
782.95	86	68.62	9.10	11.41

There were no ill-health retirements in Quarter 1 of 2022/23.

Staff policies

The CCG is committed to equality of opportunity for all employees and is committed to employment practices, policies and procedures which ensure that no employee, or potential employee, receives less favourable treatment on the grounds of any protected characteristics.

The promotion of equality, diversity and inclusion will be actively pursued through policies and the CCG will ensure that employees receive fair, equitable and consistent treatment and ensure that employees, and potential employees, are not subject to direct or indirect discrimination. Equality Impact Assessments are also carried out on any developed policies to ensure there is no impact.

The CCG has a suite of policies in place including;

- Sickness Absence
- Management of Organisational Change
- Flexible Working
- Other Leave
- Performance Management
- Disciplinary
- Grievance
- Raising Concerns (Whistleblowing)
- Pay progression

Trade Union (Facility Time Publication Requirements) Regulations 2017
NHS North Cumbria CCG Report for Quarter 1 of 2022/23

In compliance with the above Regulations the following information is provided:

Relevant union officials

The total number of employees who were relevant union officials during Quarter 1 of 2022/23

Number of employees who were relevant union officials during the relevant period	Full time equivalent number
0	0

Percentage of time spent on facility time

The number of employees who were relevant union officials employed during 1 April 2022 to 30 June 2022 spent their working hours on facility time as follows:

Percentage of time	Number of employees
0%	0
1-50%	0
51-99%	0
100%	0

Percentage of pay bill spent on facility time

The percentage of the total pay bill spent on paying employees who were relevant union officials for facility time during 1 April 2022 to 30 June 2022 is:

Total cost of facility time	Nil
Total pay bill	£4,964,000
Percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time/total pay bill)x100	0%

Paid trade union activities

As a percentage of total paid facility time hours, the number of hours that was spent by employees who were relevant union officials during 1 April 2021 to 31 March 2022 on paid trade union activities was:

Time spent on paid trade union activities as a percentage of total paid facility time hours, calculated as: (total hours spent on paid trade union activities by relevant union officials during relevant period / total paid facility time hours)x100	0%

Expenditure on consultancy

There was nil consultancy expenditure in quarter 1 of 2022/23 (2021/22 £127,000)

Losses and special payments

The Clinical Commissioning Group made no special payments in quarter 1 2022-23 (2021-22: nil).

Off-payroll engagements

Table 1: Length of all highly paid off-payroll engagements

For all off-payroll engagements as of 30 June 2022, for more than £245 per day:

	Number
Number of existing arrangements as of 30 June 2022	2
Of which, the number that have existed:	
for less than one year at the time of reporting	1
for between one and two years at the time of reporting	-
for between 2 and 3 years at the time of reporting	1
for between 3 and 4 years at the time of reporting	-
for 4 or more years at the time of reporting	-

Table 2: Off-payroll workers engaged at any point during the financial year

For all off-payroll engagements between 1 April 2022 and 30 June 2022, for more than £245 per day:

	Number
Number of temporary off-payroll workers engaged between 1 April 2022 and 30 June 2022	2
Of which:	
number not subject to off-payroll legislation[1]	1
number subject to off-payroll legislation and determined as in scope of IR35[2]	1
number subject to off-payroll legislation and determined as out of scope of IR35	-
number of engagements reassessed for compliance or assurance purposes during the year	-
Of which : number of engagements that saw a change to IR35 status following the consistency review	-

[1]see table below

[2]The temporary workers in scope of IR35 are paid via the CCG's payroll.

Table 3: Off-payroll engagements / senior official engagements

For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2022 and 30 June 2022:

Number of off-payroll engagements of board members, and/or senior officers with significant financial responsibility, during the financial year	1
Total number of individuals on payroll and off-payroll that have been deemed "board members, and/or senior officers with significant financial responsibility" during the financial year. This figure includes both off-payroll and on-payroll engagements	14

Mark Adams joined the CCG on 1 April 2020 and was employed as Accountable Officer by NHS Newcastle Gateshead CCG and also worked for NHS North Tyneside CCG, NHS Northumberland CCG and NHS North Cumbria CCG as part of a staff sharing arrangement. The CCG was recharged for his gross costs via invoice.

Exit Packages (subject to Audit)

There were no exit packages in Quarter 1, 2022-23.

PARLIAMENTARY ACCOUNTABILITY AND AUDIT REPORT

NHS North Cumbria CCG is not required to produce a Parliamentary Accountability and Audit Report. Disclosures on remote contingent liabilities, losses and special payments, gifts, and fees and charges are included as notes in the Financial Statements of this report.

An audit certificate and report is also included in this Annual Report from page 112.

ANNUAL ACCOUNTS

NHS North Cumbria CCG Annual Accounts for the period ended 30th June 2022

CONTENTS **Page Number**

The Primary Statements:

Statement of Comprehensive Net Expenditure for the 3 months ended 30 June 2022

	Note	**April-June 2022 £'000**	April 2021-March 2022 £'000
Income from sale of goods and services	3	**-**	(157)
Other operating income	3	**(51)**	(411)
Total operating income		**(51)**	(568)
Staff costs	4	**1,105**	4,694
Purchase of goods and services	5	**170,643**	741,143
Depreciation	5	**60**	-
Other Operating Expenditure	5	**28**	111
Total operating expenditure		**171,836**	745,948
Net Operating Expenditure		**171,785**	745,380
Finance expense	7	**6**	-
Comprehensive Expenditure for the year		**171,791**	745,380

Statement of Financial Position as at 30 June 2022

	Note	30 June 2022 £'000	31-March-2022 £'000
Non-current assets:			
Right-of-use assets	8.1	**2,540**	-
Total non-current assets		**2,540**	-
Current assets:			
Trade and other receivables	10	**2,940**	2,207
Cash	11	**2**	105
Total current assets		**2,942**	2,312
Total assets		**5,482**	2,312
Current liabilities:			
Trade and other payables	12	**(35,053)**	(36,298)
Lease liabilities	8.3	**(232)**	-
Total current liabilities		**(35,285)**	(36,298)
Non-Current Assets plus/less Net Current Assets/Liabilities		**(29,803)**	(33,986)
Non-current liabilities:			
Lease liabilities	8.3	**(2,311)**	-
Total non-current liabilities		**(2,311)**	-
Assets less Liabilities		**(32,114)**	(33,986)
Financed by Taxpayers' Equity:			
General fund		**(32,114)**	(33,986)
Total taxpayers' equity		**(32,114)**	(33,986)

The notes 8 to 12 on pages 106 to 109 form part of this statement

The financial statements on pages 94 to 111 were approved by the Board on 22 June 2023 and signed on its behalf by:

Samantha Allen
Chief Executive for the North East and North Cumbria Integrated Care Board
Accountable Officer
26th June 2023

The ICB Chief Executive was not the Accountable Officer of the CCG, however as per the NHS England annual report and accounts guidance, is the required signatory for this report.

Statement of Changes In Taxpayers Equity for the 3 months ended 30 June 2022

	April-June 2022	April 2021-March 2022
	General fund £'000	General fund £'000
Balance at 01 April	**(33,986)**	(21,740)
Changes in taxpayers' equity for April-June 2022		
Net operating expenditure for the financial year	**(171,791)**	(745,380)
Net Recognised Expenditure for the Financial year	**(171,791)**	(745,380)
Net funding	**173,663**	733,134
Balance at 30 June 2022 / 31 March 2022	**(32,114)**	(33,986)

Statement of Cash Flows for the 3 months ended 30 June 2022

	Note	**April-June 2022 £'000**	April 2021-March 2022 £'000
Cashflows from operating activities			
Net operating expenditure for the financial period		**(171,791)**	(745,380)
Depreciation	5, 8.1	**60**	-
(Increase)/decrease in trade & other receivables	10	**(733)**	3,498
Increase/(decrease) in trade & other payables	12	**(1,245)**	8,837
Provisions utilised	13	**-**	(3)
Net cash outflow from operating activities		**(173,709)**	(733,048)
Cash flows from investing activities			
Interest received	7, 8.2	**6**	-
Net cash inflow from investing activities		**6**	-
Net cash outflow before financing		**(173,703)**	(733,048)
Cash flows from financing activities			
Net funding received		**173,663**	733,134
Repayment of lease liabilities	8.2	**(63)**	-
Net cash inflow from financing activities		**173,600**	733,134
Net increase/(decrease) in cash	11	**(103)**	86
Cash at the beginning of the financial period		**105**	19
Cash at the end of the financial period		**2**	105

The notes 5 to 13 on pages 105 to 109 form part of this statement

DRAFT NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

NHS England has directed that the financial statements of clinical commissioning groups shall meet the accounting requirements of the Group Accounting Manual issued by the Department of Health and Social Care. Consequently, the following financial statements have been prepared in accordance with the Group Accounting Manual 2022-23 issued by the Department of Health and Social Care. The accounting policies contained in the Group Accounting Manual follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to clinical commissioning groups, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the Group Accounting Manual permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the clinical commissioning group for the purpose of giving a true and fair view has been selected. The particular policies adopted by the clinical commissioning group are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

1.1 Going Concern

These accounts have been prepared on a going concern basis.

The Health and Care Act 2022 received Royal Assent on 28 April 2022. The Act allowed for the establishment of Integrated Care Boards (ICB) on 1 July 2022 across England and abolished Clinical Commissioning Groups (CCG) on 30 June 2022. ICBs took on the commissioning functions of CCGs including all assets and liabilities which transferred to the North East and North Cumbria ICB on 1 July 2022.

Public sector bodies are assumed to be going concerns where the continuation of the provision of a service in the future is anticipated, as evidenced by inclusion of financial provision for that service in published documents.

Where a Clinical Commissioning Group ceases to exist, it considers whether or not its services will continue to be provided (using the same assets, by another public sector entity) in determining whether to use the concept of going concern for the final set of Financial Statements. If services will continue to be provided the Financial Statements are prepared on the going concern basis. The statement of financial position has therefore been drawn up at 30 June 2022 on a going concern basis.

1.2 Accounting Convention

These accounts have been prepared under the historical cost convention.

1.3 Movement of Assets within the Department of Health Group

As Public Sector Bodies are deemed to operate under common control, business reconfigurations within the Department of Health and Social Care Group are outside the scope of IFRS 3 Business Combinations. Where functions transfer between two public sector bodies, the Department of Health and Social Care Group Accounting Manual requires the application of absorption accounting. Absorption accounting requires that entities account for their transactions in the period in which they took place, with no restatement of performance required when functions transfer within the public sector. Where assets and liabilities transfer, the gain or loss resulting is recognised in the Statement of Comprehensive Net Expenditure and is disclosed separately from operating costs.

Other transfers of assets and liabilities within the Department of Health Group are accounted for in line with IAS 20 and similarly give rise to income and expenditure entries.

1.4 Joint Arrangements

Arrangements over which the Clinical Commissioning Group has joint control with one or more other entities are classified as joint arrangements. Joint control is the contractually agreed sharing of control of an arrangement.

A joint operation exists where the parties that have joint control have rights to the assets and obligations for the liabilities relating to the arrangement. Where the Clinical Commissioning Group is a joint operator it recognises its share of assets, liabilities, income and expenses in its own accounts.

The Clinical Commissioning Group has entered into a pooled budget arrangement with Cumbria County Council and NHS Morecambe Bay Clinical Commissioning Group under Section 75 of the National Health Service Act 2006 (as amended). Under the arrangement, funds are pooled for developing an integrated approach between health and social care. Note 18 provides details of the income and expenditure

The pooled budget is hosted by Cumbria County Council. The Clinical Commissioning Group accounts for its share of the assets, liabilities, income and expenditure arising from the activities of the pooled budget, identified in accordance with the pooled budget agreement.

1.5 Operating Segments

Income and expenditure are analysed in the Operating Segments note and are reported in line with management information used within the Clinical Commissioning Group. The Clinical Commissioning Group considers it has only one segment: commissioning of healthcare services.

1. Accounting policies (continued)

1.6 Revenue

In the application of IFRS 15 a number of practical expedients offered in the Standard have been employed. These are as follows;

- As per paragraph 121 of the Standard the Clinical Commissioning Group will not disclose information regarding performance obligations part of a contract that has an original expected duration of one year or less.
- The Clinical Commissioning Group is to similarly not disclose information where revenue is recognised in line with the practical expedient offered in paragraph B16 of the Standard where the right to consideration corresponds directly with value of the performance completed to date.
- The FReM has mandated the exercise of the practical expedient offered in C7(a) of the Standard that requires the Clinical Commissioning Group to reflect the aggregate effect of all contracts modified before the date of initial application.

The main source of funding for the Clinical Commissioning Group is from NHS England. This is drawn down and credited to the general fund. Funding is recognised in the period in which it is received.

Revenue in respect of services provided is recognised when (or as) performance obligations are satisfied by transferring promised services to the customer, and is measured at the amount of the transaction price allocated to that performance obligation.

Where income is received for a specific performance obligation that is to be satisfied in the following year, that income is deferred.

1.7 Employee Benefits

1.7.1 Short-term employee benefits

Salaries, wages and employment-related payments, including payments arising from the apprenticeship levy, are recognised in the period in which the service is received from employees, including non-consolidated performance pay earned but not yet paid.

The cost of leave earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry forward leave into the following period.

1.7.2 Retirement benefit costs

Past and present employees are covered by the provisions of the NHS Pensions Schemes. These schemes are unfunded, defined benefit schemes that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The schemes are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the schemes are accounted for as though they were defined contribution schemes: the cost to the Clinical Commissioning Group of participating in a scheme is taken as equal to the contributions payable to the scheme for the accounting period.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to expenditure at the time the Clinical Commissioning Group commits itself to the retirement, regardless of the method of payment.

The schemes are subject to a full actuarial valuation every four years and an accounting valuation every year.

1.8 Other expenses

Purchases of goods and services and other operating expenses are recognised when, and to the extent that, the goods or services have been received. They are measured at the fair value of the consideration payable.

1.9 The Clinical Commissioning Group as Lessee

A right-of-use asset and a corresponding lease liability are recognised at commencement of the lease.

The lease liability is initially measured at the present value of the future lease payments, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the prescribed HM Treasury discount rates are used as the incremental borrowing rate to discount future lease payments.

The HM Treasury incremental borrowing rate of 0.95% is applied for leases commencing, transitioning or being remeasured in the 2022 calendar year under IFRS 16.

Lease payments included in the measurement of the lease liability comprise:

- Fixed payments;
- Variable lease payments dependent on an index or rate, initially measured using the index or rate at commencement;
- The amount expected to be payable under residual value guarantees;
- The exercise price of purchase options, if it is reasonably certain the option will be exercised; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and are recognised as an expense in the period in which the event or condition that triggers those payments occurs.

The lease liability is subsequently measured by increasing the carrying amount for interest incurred using the effective interest method and decreasing the carrying amount to reflect the lease payments made. The lease liability is remeasured, with a corresponding adjustment to the right-of-use asset, to reflect any reassessment of or modification made to the lease.

1. Accounting policies (continued)

1.9 The Clinical Commissioning Group as Lessee continued

The right-of-use asset is initially measured at an amount equal to the initial lease liability adjusted for any lease prepayments or incentives, initial direct costs or an estimate of any dismantling, removal or restoring costs relating to either restoring the location of the asset or restoring the underlying asset itself, unless costs are incurred to produce inventories.

The subsequent measurement of the right-of-use asset is consistent with the principles for subsequent measurement of property, plant and equipment. Accordingly, right-of-use assets that are held for their service potential and are in use are subsequently measured at their current value in existing use.

Right-of-use assets for leases that are low value or short term and for which current value in use is not expected to fluctuate significantly due to changes in market prices and conditions are valued at depreciated historical cost as a proxy for current value in existing use.

Other than leases for assets under construction and investment property, the right-of-use asset is subsequently depreciated on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset. The right-of-use asset is tested for impairment if there are any indicators of impairment and impairment losses are accounted for as described in the 'Depreciation, amortisation and impairments' policy.

Peppercorn leases are defined as leases for which the consideration paid is nil or nominal (that is, significantly below market value). Peppercorn leases are in the scope of IFRS 16 if they meet the definition of a lease in all aspects apart from containing consideration.

For peppercorn leases a right-of-use asset is recognised and initially measured at current value in existing use. The lease liability is measured in accordance with the above policy. Any difference between the carrying amount of the right-of-use asset and the lease liability is recognised as income as required by IAS 20 as interpreted by the FReM.

Leases of low value assets (value when new less than £5,000) and short-term leases of 12 months or less are recognised as an expense on a straight-line basis over the term of the lease.

1.10 Cash

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours.

In the Statement of Cash Flows, cash is shown net of bank overdrafts that are repayable on demand and that form an integral part of the Clinical Commissioning Group's cash management.

1.11 Clinical Negligence Costs

NHS Resolution operates a risk pooling scheme under which the Clinical Commissioning Group pays an annual contribution to NHS Resolution which in return settles all clinical negligence claims. The contribution is charged to expenditure. Although NHS Resolution is administratively responsible for all clinical negligence cases the legal liability remains with the Clinical Commissioning Group.

1.12 Non-clinical Risk Pooling

The Clinical Commissioning Group participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Clinical Commissioning Group pays an annual contribution to NHS Resolution and, in return, receives assistance with the costs of claims arising. The annual membership contributions, and any excesses payable in respect of particular claims, are charged to operating expenses as and when they become due.

1.13 Financial Assets

Financial assets are recognised when the Clinical Commissioning Group becomes party to the financial instrument contract or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are derecognised when the contractual rights have expired or the asset has been transferred.

Financial assets are classified into the following categories:

- Financial assets at amortised cost;
- Financial assets at fair value through other comprehensive income and;
- Financial assets at fair value through profit and loss.

The classification is determined by the cash flow and business model characteristics of the financial assets, as set out in IFRS 9, and is determined at the time of initial recognition.

1.13.1 Financial Assets at Amortised cost

Financial assets measured at amortised cost are those held within a business model whose objective is achieved by collecting contractual cash flows and where the cash flows are solely payments of principal and interest. This includes most trade receivables and other simple debt instruments. After initial recognition these financial assets are measured at amortised cost using the effective interest method less any impairment. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the life of the financial asset to the gross carrying amount of the financial asset.

1. Accounting policies (continued)

1.13 Financial Assets continued

1.13.2 Impairment

For all financial assets measured at amortised cost, the Clinical Commissioning Group recognises a loss allowance representing the expected credit losses on the financial asset.

The Clinical Commissioning Group adopts the simplified approach to impairment in accordance with IFRS 9, and measures the loss allowance for trade receivables at an amount equal to lifetime expected credit losses. For other financial assets, the loss allowance is measured at an amount equal to lifetime expected credit losses if the credit risk on the financial instrument has increased significantly since initial recognition (stage 2) and otherwise at an amount equal to 12 month expected credit losses (stage 1).

HM Treasury has ruled that central government bodies may not recognise stage 1 or stage 2 impairments against other government departments, their executive agencies, the Bank of England, Exchequer Funds and Exchequer Funds assets where repayment is ensured by primary legislation. The Clinical Commissioning Group therefore does not recognise loss allowances for stage 1 or stage 2 impairments against these bodies. Additionally DHSC provides a guarantee of last resort against the debts of its arm's lengths bodies and NHS bodies and the Clinical Commissioning Group does not recognise allowances for stage 1 or stage 2 impairments against these bodies.

measured as the difference between the asset's gross carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment is recognised in profit or loss as an impairment gain or loss.

1.14 Financial Liabilities

Financial liabilities are recognised on the Statement of Financial Position when the Clinical Commissioning Group becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are de-recognised when the liability has been discharged, that is, the liability has been paid or has expired.

After initial recognition, financial liabilities are measured at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the life of the asset, to the net carrying amount of the financial liability. Interest is recognised using the effective interest method.

1.15 Value Added Tax

Most of the activities of the Clinical Commissioning Group are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.16 Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the Clinical Commissioning Group's accounting policies, management is required to make various judgements, estimates and assumptions. These are regularly reviewed.

1.16.1 Critical Judgements in Applying Accounting Policies

The following are the judgements, apart from those involving estimations (see below) that management has made in the process of applying the Clinical Commissioning Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

- None.

1.16.2 Key Sources of Estimation Uncertainty

There are considered to be no sources of estimation uncertainty that are likely to have a material effect on the amounts recognised in the Clinical Commissioning Group's financial statements.

- Estimates are inherent in a number of operational areas including accruals for prescribing costs, and expenditure dependent on secondary, tertiary and independent sector activity information. This is because the outturn information is not available at the time of preparation of the financial statements. Such estimates are informed by underlying data and trends and therefore are not expected to be significantly mis-stated.

1.17 Adoption of new standards

On 1 April 2022, the clinical commissioning group adopted IFRS 16 'Leases'. The new standard introduces a single, on statement of financial position lease accounting model for lessees and removes the distinction between operating and finance leases.

Under IFRS 16 the clinical commissioning group will recognise a right-of-use asset representing the group's right to use the underlying asset and a lease liability representing its obligation to make lease payments for any operating leases assessed to fall under IFRS 16. There are recognition exemptions for short term leases and leases of low value items.

In addition, the clinical commissioning group will no longer charge provisions for operating leases that it assesses to be onerous to the statement of comprehensive net expenditure. Instead, the clinical commissioning group will include the payments due under the lease with any appropriate assessment for impairments in the right-of-use asset.

1. Accounting policies (continued)

1.17 Adoption of new standards continued

Impact assessment

The clinical commissioning group has applied the modified retrospective approach and will recognise the cumulative effect of adopting the standard at the date of initial application as an adjustment to the opening retained earnings with no restatement of comparative balances. IFRS 16 does not require entities to reassess whether a contract is, or contains, a lease at the date of initial application. HM Treasury has interpreted this to mandate this practical expedient and therefore the group has applied IFRS 16 to contracts identified as a lease under IAS 17 or IFRIC 4 at 1 April 2022.

The group has utilised three further practical expedients under the transition approach adopted:

- The election to not make an adjustment for leases for which the underlying asset is of low value
- The election to not make an adjustment to leases where the lease terms ends within 12 months of the date of application.
- The election to use hindsight in determining the lease term if the contract contains options to extend or terminate the lease.

The most significant impact of the adoption of IFRS 16 has been the need to recognise right-of-use assets and lease liabilities for any buildings previously treated as operating leases that meet the recognition criteria in IFRS 16. Expenditure on operating leases has been replaced by interest on lease liabilities and depreciation on right-of-use assets in the statement of comprehensive net expenditure.

As of 1 April 2022, the group recognised £2,600k of right-of-use assets and lease liabilities of £2,600k. The weighted average incremental borrowing rate applied at 1 April 2022 is 0.95% and on adoption of IFRS 16 there was nil impact to tax payers' equity. The clinical commissioning group has assessed that there is no significant impact on its current finance leases due to the immaterial value on the statement of financial position.

The following table reconciles the group's operating lease obligations at 31 March 2022, disclosed in the group's 21/22 financial statements, to the lease liabilities recognised on initial application of IFRS 16 at 1 April 2022.

	Total £000
Operating lease commitments at 31 March 2022	-
Add: Finance lease liabilities at 31 March 2022	(2,600)
Lease liability at 1 April 2022	**(2,600)**

1.18 New and revised IFRS Standards in issue but not yet effective

- IFRS 17 Insurance Contracts – Application required for accounting periods beginning on or after 1 January 2021. Standard is not yet adopted by the FReM which is expected to be April 2023: early adoption is not therefore permitted.

2. Financial performance targets

NHS Clinical Commissioning Group have a number of financial duties under the NHS Act 2006 (as amended).

NHS Clinical Commissioning Group performance against those duties was as follows:

NHS Act section	Duty	April-June 2022 Target £'000	April-June 2022 Performance £'000	April-June 2022 Duty Achieved	April 2021-March 2022 Target £'000	April 2021-March 2022 Performance £'000	April 2021-March 2022 Duty Achieved
223H (1)	Expenditure not to exceed income	**171,842**	**171,842**	**Yes**	731,252	745,948	No
223I (2)	Capital resource use does not exceed the amount specified in Directions	**-**	**-**	**Yes**	-	-	Yes
223I (3)	Revenue resource use does not exceed the amount specified in Directions	**171,791**	**171,791**	**Yes**	730,684	745,380	No
223J (1)	Capital resource use on specified matter(s) does not exceed the amount specified in Directions	**-**	**-**	**Yes**	-	-	Yes
223J (2)	Revenue resource use on specified matter(s) does not exceed the amount specified in Directions	**-**	**-**	**Yes**	-	-	Yes
223J (3)	Revenue administration resource use does not exceed the amount specified in Directions	**1,358**	**1,358**	**Yes**	6,295	5,944	Yes

The Clinical Commissioning Group received no capital resource during April to June 2022 and incurred no capital expenditure (2021-22: £nil)

3. Other operating revenue

	April-June 2022 Total £'000	April 2021-March 2022 Total £'000
Income from sale of goods and services (contracts)		
Education, training and research[1]	**-**	157
Total Income from sale of goods and services	**-**	157
Other operating income		
Other non contract revenue[2]	**51**	411
Total Other operating income	**51**	411
Total Operating Income	**51**	568

Notes:

[1] 21/22 Health Education England funding

[2] £107k lower Primary Care Rebate Scheme monies ; 21/22 £254k non-recurrent funding: £124k Local authority funding ; £39k refugee income ; £30k flexible pools funds.

Revenue in this note does not include cash received from NHS England, which is drawn down directly into the bank account of the Clinical Commissioning Group and credited to the General Fund.

The Clinical Commissioning Group has received no revenue from the sale of goods during April to June 2022 nor 2021-22.

3.1 Disaggregation of Income - Income from sale of good and services (contracts)

	April-June 2022 Education and training £'000	April 2021-March 2022 Education and training £'000
Source of Revenue		
Non NHS	-	157
Total	**-**	157

	Education and training £'000	Education and training £'000
Timing of Revenue		
Over time	-	157
Total	**-**	157

4. Employee benefits and staff numbers

4.1 Employee benefits

	April-June 2022			April 2021-March 2022		
	Permanent Employees £'000	**Other £'000**	**Total £'000**	Permanent Employees £'000	Other £'000	Total £'000
Employee Benefits						
Salaries and wages	**824**	**15**	**839**	3,556	71	3,627
Social security costs	**104**	**1**	**105**	395	6	401
Employer Contributions to NHS Pension schem	**159**	**0**	**159**	654	6	660
Other pension costs[2]	**1**	**-**	**1**	2	-	2
Apprenticeship Levy	**1**	**-**	**1**	4	-	4
Gross employee benefits expenditure	**1,089**	**16**	**1,105**	4,611	83	4,694

Notes:

[1] The employer contribution rate for NHS Pensions increased from 14.3% to 20.6% from 1 April 2019. For 2022, NHS Clinical Commissioning Groups continued to pay over contributions at the former rate with the additional amount being paid by NHS England on the Clinical Commissioning Groups' behalf. The full cost of £50,043 (2021-22 £203,433) and related funding has been recognised in these accounts.

[2] Contributions made to NEST workplace pension scheme.

4.2 Average number of people employed

	April-June 2022			April 2021-March 2022		
	Permanently employed Number	**Other Number**	**Total Number**	Permanentl y employed Number	Other Number	Total Number
Total	**65.5**	**0.4**	**65.9**	63.3	0.7	64.0

4.3 Exit packages agreed in the financial year

The Clincial Commissioning Group did not agree any exit packages during April-June 2022 nor 2021-22.

4.4 Pension costs

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that “the period between formal valuations shall be four years, with approximate assessments in intervening years”. An outline of these follows:

4.4.1 Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary’s Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2022, is based on valuation data as 31 March 2021, updated to 31 March 2022 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

4.5.2 Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6% of pensionable pay.

4. Employee benefits and staff numbers (continued)

4.4.2 Full actuarial (funding) valuation (continued)

The 2016 funding valuation also tested the cost of the Scheme relative to the employer cost cap that was set following the 2012 valuation. There was initially a pause to the cost control element of the 2016 valuations, due to the uncertainty around member benefits caused by the discrimination ruling relating to the McCloud case.

HMT published valuation directions dated 7 October 2021 (see Amending Directions 2021) that set out the technical detail of how the costs of remedy are included in the 2016 valuation process. Following these directions, the scheme actuary has completed the cost control element of the 2016 valuation for the NHS Pension Scheme, which concludes no changes to benefits or member contributions are required. The 2016 valuation reports can be found on the NHS Pensions website at https://www.nhsbsa.nhs.uk/nhs-pension-scheme-accounts-and-valuation-reports.

5. Operating expenses

	April-June 2022 Total £'000	April 2021-March 2022 Total £'000
Purchase of goods and services:		
Services from other CCGs and NHS England	**799**	3,172
Services from NHS Foundation Trusts	**111,677**	485,119
Services from other NHS Trusts	**6,058**	22,943
Purchase of healthcare from non-NHS bodies	**22,368**	98,859
Purchase of social care	**18**	70
Prescribing costs	**14,287**	58,858
GPMS/APMS and PCTMS	**14,936**	66,552
Supplies and services – clinical	**0**	2
Supplies and services – general	**90**	2,149
Consultancy services	**-**	127
Establishment	**236**	1,793
Transport	**0**	1
Premises	**43**	678
Audit fees[1]	**48**	65
Audit related assurance services[2]	**5**	6
Other professional fees[3]	**34**	195
Legal fees	**16**	71
Education, training and conferences	**28**	483
Total purchase of goods and services	**170,643**	741,143
Depreciation:		
Depreciation	**60**	-
Total Depreciation charges	**60**	-
Other operating expenditure:		
Chair and Non Executive Members	**28**	110
Clinical negligence	**0**	1
Total other operating expenditure	**28**	111
Total operating expenditure	**170,731**	741,254

Notes:

[1] The audit fee is inclusive of VAT (net accrual for April - June 2022 £40k plus VAT ; 2021-22 £53.3k plus VAT). The auditors were not appointed at the time of preparing the financial statements and so the audit fee was estimated - the actual audit fee is £105k plus VAT. The auditor's liability for external work carried out for the 3 month period is limited to £2,000,000.

[2] Assurance engagement £5k fee for reviewing compliance with Mental Health Investment Standard for April-June 2022; the assurance review for 2020-21 was cancelled and so the £12k accrual was released but an increased £18k fee has been accrued for the 2021-22 review.

[3] Includes internal audit and counter fraud services provided by Audit One at a cost of £9k for April to June 2022 (£36k 2021-22).

6. Better Payment Practice Code

Measure of compliance	April-June 2022		April 2021-March 2022	
	Number	**£'000**	Number	£'000
Non-NHS Payables				
Total Non-NHS Trade invoices paid in the Year	**5,581**	**42,146**	21,753	165,055
Total Non-NHS Trade Invoices paid within target	**5,559**	**41,993**	21,548	164,293
Percentage of Non-NHS Trade invoices paid within target	**99.61%**	**99.64%**	99.06%	99.54%
NHS Payables				
Total NHS Trade Invoices Paid in the Year	**78**	**117,785**	412	514,261
Total NHS Trade Invoices Paid within target	**78**	**117,785**	408	514,246
Percentage of NHS Trade Invoices paid within target	**100.00%**	**100.00%**	99.03%	100.00%

The Better Payment Practice Code requires the Clinical Commissioning Group to aim to pay all valid invoices by the due date or within 30 days of receipt of a valid invoice, whichever is later. The Clinical Commissioning Group has achieved the set target to pay 95% of invoices within this requirement.

7. Finance costs

	April-June 2022	April 2021-March 2022
	£'000	£'000
Interest		
Interest on lease liabilities	**6**	-
Total finance costs	**6**	-

8. Leases

8.1 Right-of-use assets

	30 June 2022	31-March-2022
	Buildings excluding dwellings	Buildings excluding dwellings
	£'000	£'000
Cost or valuation at 01 April 2022	**-**	-
IFRS 16 Transition Adjustment	**2,600**	-
Cost/Valuation at 30 June 2022	**2,600**	-
Depreciation 01 April 2022	**-**	-
Charged during the year	**60**	-
Depreciation at 30 June 2022	**60**	-
Net Book Value at 30 June 2022	**2,540**	-

8.2 Lease liabilities

	April-June 2022	April 2021-March 2022
	£'000	£'000
IFRS 16 Transition Adjustment	**2,600**	-
Interest expense relating to lease liabilities	**6**	-
Repayment of lease liabilities (including interest)	**(63)**	-
Lease liabilities at 30 June 2022	**2,543**	-

Following implementation of IFRS16 on 1 April 2022, the clinical commissioning group has recognised right of use assets for operating leases held with NHS Property Services and Community Health Partnerships Ltd for the utilisation of various clinical and non-clinical properties.

8. Leases continued

8.3 Lease liabilities - Maturity analysis of undiscounted future lease payments

	30 June 2022	31-March-2022
	£'000	£'000
Within one year	**(255)**	-
Between one and five years	**(1,019)**	-
After five years	**(1,401)**	-
Balance at 30 June 2022	**(2,675)**	**-**
Effect of discounting	**132**	-
Included in:		
Current lease liabilities	**(232)**	-
Non-current lease liabilities	**(2,311)**	-
Balance at 30 June 2022	**(2,543)**	**-**

8.4 Amounts recognised in Statement of Comprehensive Net Expenditure

	April-June 2022	April 2021-March 2022
	£'000	£'000
Depreciation expense on right-of-use assets	**60**	-
Interest expense on lease liabilities	**6**	-

8.5 Amounts recognised in Statement of Cash Flows

	April-June 2022	April 2021-March 2022
	£'000	£'000
Total cash outflow on leases under IFRS 16	**(63)**	-

9. Intangible non-current assets

	April-June 2022	April 2021-March 2022
	Computer Software: Purchased	Computer Software: Purchased
	£'000	£'000
Cost 01 April	**9**	9
Disposals other than by sale	**(9)**	-
Cost at 30 June 2022 / 31 March 2022	**-**	9
Amortisation 01 April	**9**	9
Disposals other than by sale	**(9)**	-
Amortisation at 30 June 2022 / 31 March 2022	**-**	9
Net Book Value at 30 June 2022 / 31 March 2022	**-**	-

10. Trade and other receivables

10.1 Trade and other receivables

	Current 30 June 2022 £'000	Current 31-March-2022 £'000
NHS receivables: Revenue	**370**	1,051
NHS accrued income	**-**	514
Non-NHS and Other WGA receivables: Revenue	**524**	222
Non-NHS and Other WGA prepayments	**1,998**	344
Expected credit loss allowance-receivables	**(1)**	(1)
VAT	**49**	75
Other receivables and accruals	**-**	2
Total Trade & other receivables	**2,940**	2,207

10.2 Receivables past their due date but not impaired

	30 June 2022 DHSC Group Bodies £'000	30 June 2022 Non DHSC Group Bodies £'000	31-March-2022 DHSC Group Bodies £'000	31-March-2022 Non DHSC Group Bodies £'000
By up to three months	**689**	**99**	1,413	92
By three to six months	**4**	**-**	99	1
By more than six months	**151**	**-**	159	98
Total	**844**	**99**	1,671	191

The Clinical Commissioning Group did not hold any collateral against receivables outstanding at 30 June 2022 nor 31 March 2022.

The great majority of trade is with other Department of Health and Social Care (DHSC) group bodies. As NHS England is funded by Government to provide funding to Clinical Commissioning Groups to commission services, no credit scoring of them is considered necessary.

10.3 Loss allowance on asset classes

	April-June 2022 Trade and other receivables - Non DHSC Group Bodies £'000	April 2021-March 2022 Trade and other receivables - Non DHSC Group Bodies £'000
Balance at 01 April	**(1)**	(10)
Amounts written off	**-**	9
Balance at 30 June 2022 / 31 March 2022	**(1)**	(1)

11. Cash

	April-June 2022 £'000	April 2021-March 2022 £'000
Balance at 01 April	**105**	19
Net change in financial period	**(103)**	86
Balance at 30 June 2022 / 31 March 2022	**2**	105
Made up of:		
Cash with the Government Banking Service	**2**	105
Cash as in statement of financial position	**2**	105

12. Trade and other payables

	Current 30 June 2022 £'000	Current 31-March-2022 £'000
NHS payables: Revenue	**182**	101
NHS accruals	**1,087**	19
Non-NHS and Other WGA payables: Revenue	**2,489**	3,786
Non-NHS and Other WGA accruals	**30,279**	31,266
Social security costs	**60**	57
Tax	**52**	56
Other payables and accruals	**904**	1,013
Total Trade & Other Payables	**35,053**	36,298

Other payables include £569,891 outstanding pension contributions at 30 June 2022 (£638,511 at 31 March 2022).

13. Provisions

	Current 30 June 2022 £'000	Current 31-March-2022 £'000
Total	**-**	-

	April-June 2022	April 2021-March 2022
	Legal Claims £'000	Legal Claims £'000
Balance at 1 April	**-**	3
Utilised during the year	**-**	(3)
Balance at 31 March	**-**	-

Legal claims are calculated from the number of claims currently lodged with the NHS Resolution and the probabilities provided by them. The value of provisions carried in the books of NHS Resolution in regard to clinical negligence claims as at 30 June 2022 is £nil (31 March 2022 £nil).

14. Contingencies

The Clinical Commissioning Group had no contingencies as at 30 June 2022 nor at 31 March 2022 which could be quantified.

The following information is supplied relating to areas where it is not possible to give a reliable cost:
Unreported incidents - in common with many other healthcare providers, it is possible that claims and litigation could arise in the future due to incidents that have already occurred. The future expenditure which may arise from such incidents cannot be determined until such time as claims are made.

15. Commitments

The Clinical Commissioning Group had no contracted capital commitments nor non-cancellable contracts (which were not leases, private finance initiative contracts or other service concession arrangements) as at 30 June 2022 nor at 31 March 2022.

16. Financial instruments

16.1 Financial risk management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities.

Because the clinical commissioning group is financed through parliamentary funding, it is not exposed to the degree of financial risk faced by business entities. Also, financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The clinical commissioning group has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the clinical commissioning group in undertaking its activities.

Treasury management operations are carried out by the finance department, within parameters defined formally within the clinical commissioning group's standing financial instructions and policies agreed by the Governing Body. Treasury activity is subject to review by the clinical commissioning group and internal auditors.

16.1.1 Currency risk

The clinical commissioning group is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and sterling based. The clinical commissioning group has no overseas operations and therefore has low exposure to currency rate fluctuations.

16.1.2 Interest rate risk

The clinical commissioning group has no borrowings and therefore has low exposure to interest rate fluctuations.

16.1.3 Credit risk

Because the majority of its revenue comes parliamentary funding, the clinical commissioning group has low exposure to credit risk. The maximum exposures as at the end of the financial year are in receivables from customers, as disclosed in the trade and other receivables note.

16.1.4 Liquidity risk

The clinical commissioning group is required to operate within revenue and capital resource limits, which are financed from resources voted annually by Parliament. The clinical commissioning group draws down cash to cover expenditure, as the need arises. The clinical commissioning group is not, therefore, exposed to significant liquidity risks.

16.2 Financial assets

	Note	**Financial Assets measured at amortised cost 30 June 2022 £'000**	Financial Assets measured at amortised cost 31-March-2022 £'000
Trade and other receivables with NHSE bodies	10	**225**	1,407
Trade and other receivables with other DHSC group bodies	10	**145**	162
Trade and other receivables with external bodies	10	**524**	220
Cash	11	**2**	105
Total at 30 June 2022 / 31 March 2022		**896**	1,894

16.3 Financial liabilities

	Note	**Financial Liabilities measured at amortised cost 30 June 2022 £'000**	Financial Liabilities measured at amortised cost 31-March-2022 £'000
Trade and other payables with NHSE bodies	12	**98**	46
Trade and other payables with other DHSC group bodies	12	**1,773**	648
Trade and other payables with external bodies	12, 8.2	**35,613**	35,491
Total at 30 June 2022 / 31 March 2022		**37,484**	36,185

17. Operating segments

The Clinical Commissioning Group considers it has only one segment: commissioning of healthcare services.

18. Joint arrangements - interests in joint operations

The Clinical Commissioning Group operates one pooled fund in partnership with NHS Morecambe Bay Clinical Commissioning Group and Cumbria County Council under section 75 of the Health Act 2006 (as amended). The Better Care Fund is hosted by Cumbria County Council and is designed to support health and social care services to deliver integrated services.

The Clinical Commissioning Group's shares of the income and expenditure (North Cumbria) handled by the pooled budget during the financial period were:

	April-June 2022	April 2021-March 2022
Expenditure	**7,019**	26,625

19. Related party transactions

Details of related party transactions with individuals are as follows:

During the financial period none of the Department of Health Ministers, Clinical Commissioning Group Governing Body members or members of the key management staff, or parties related to any of them, has undertaken any material transactions with the Clinical Commissioning Group, other than the members set out below.

April - June 2022

	Payments to Related Party £000	**Receipts from Related Party £000**	**Amounts owed to Related Party £000**	**Amounts due from Related Party £000**
Distington Surgery [Dr H Horton]	**407**	-	-	-
Longtown Medical Practice [Dr G Coakley]	**148**	-	-	-

2021-22

	Payments to Related Party £000	Receipts from Related Party £000	Amounts owed to Related Party £000	Amounts due from Related Party £000
Distington Surgery [Dr H Horton]	1,501	-	-	-
Longtown Medical Practice [Dr G Coakley]	555	-	-	-

Transactions are between the Clinical Commissioning Group and the declared organisation, not the individual, and form part of the Clinical Commissioning Group's normal activities.

The Department of Health and Social Care (DHSC) is regarded as a related party. During the year the Clinical Commissioning Group has had a significant number of material transactions with entities for which the DHSC is regarded as the parent Department. These entities are:

- Cumbria, Northumberland, Tyne & Wear NHS Foundation Trust
- North Cumbria Integrated Care NHS Foundation Trust
- NHS Business Services Authority (NHS Pension Scheme)
- NHS England (including North of England Commissioning Support Unit)
- North West Ambulance Service NHS Trust
- Northumbria Healthcare NHS Foundation Trust
- The Newcastle Upon Tyne Hospitals NHS Foundation Trust
- University Hospitals of Morecambe Bay NHS Foundation Trust
- Wrightington, Wigan & Leigh NHS Foundation Trust

In addition, the Clinical Commissioning Group has had a number of material transactions with other government departments and other central and local government bodies. Most of these transactions have been with Cumbria County Council and HMRC.

20. Events after the end of the reporting period

The Health and Care Act 2022 received Royal Assent on 28 April 2022. The Act allowed for the establishment of Integrated Care Boards (ICB) on 1 July 2022 across England and abolished Clinical Commissioning Groups (CCG) on 30 June 2022. ICBs took on the commissioning functions of CCGs including all assets and liabilities which transferred to the North East and North Cumbria ICB on 1 July 2022.

Independent auditor's report to the members of the Governing Body of NHS North East and North Cumbria Integrated Care Board in respect of NHS North Cumbria Clinical Commissioning Group

Report on the audit of the financial statements

Opinion on financial statements

We have audited the financial statements of NHS North Cumbria Clinical Commissioning Group (the 'CCG') for the period ended 30 June 2022, which comprise the Statement of Comprehensive Net Expenditure for the 3 months ended 30 June 2022, the Statement of Financial Position as at 30 June 2022, the Statement of Changes in Taxpayers Equity for the 3 months ended 30 June 2022, the Statement of Cash Flows for the 3 months ended 30 June 2022 and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and international accounting standards in conformity with the requirements of the Accounts Directions issued under Schedule 15 of the National Health Service Act 2006, as amended by the Health and Social Care Act 2012 and interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2022-23.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the CCG as at 30 June 2022 and of its expenditure and income for the period then ended;
- have been properly prepared in accordance with international accounting standards as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2022-23; and
- have been prepared in accordance with the requirements of the National Health Service Act 2006, as amended by the Health and Social Care Act 2012.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law, as required by the Code of Audit Practice (2020) ("the Code of Audit Practice") approved by the Comptroller and Auditor General. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the CCG in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – Demise of the organisation

In forming our opinion on the financial statements, which is not modified, we draw attention to note 1 to the financial statements, which indicates that the Health and Care Bill allowed for the establishment of Integrated Care Boards (ICBs) and abolished Clinical Commissioning Groups (CCGs). The functions, assets, and liabilities of NHS North Cumbria CCG transferred to NHS North East and North Cumbria ICB on 1 July 2022. When NHS North Cumbria CCG ceased to exist on 1 July 2022, its services continued to be provided by North East and North Cumbria ICB.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the Accountable Officer's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the CCG's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report.

In our evaluation of the Accountable Officer's conclusions, and in accordance with the expectation set out within the Department of Health and Social Care Group Accounting Manual 2022-23 that the CCG's financial statements shall be prepared on a going concern basis, we considered the inherent risks associated with the continuation of services provided by the CCG. In doing so we have had regard to the guidance provided in Practice Note 10 Audit of financial statements and regularity of public sector bodies in the United Kingdom (Revised 2022) on the application of ISA (UK) 570 Going

Concern to public sector entities. We assessed the reasonableness of the basis of preparation used by the CCG and the CCG's disclosures over the going concern period.

In auditing the financial statements, we have concluded that the Accountable Officer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the CCG's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Accountable Officer with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Accountable Officer is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other information we are required to report on by exception under the Code of Audit Practice

Under the Code of Audit Practice published by the National Audit Office in April 2020 on behalf of the Comptroller and Auditor General (the Code of Audit Practice) we are required to consider whether the Governance Statement does not comply with the guidance issued by NHS England or is misleading or inconsistent with the information of which we are aware from our audit. We are not required to consider whether the Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

We have nothing to report in this regard.

Opinion on other matters required by the Code of Audit Practice

In our opinion:

- the parts of the Remuneration and Staff Report to be audited have been properly prepared in accordance with the requirements of the Department of Health and Social Care Group Accounting Manual 2022-23; and
- based on the work undertaken in the course of the audit of the financial statements the other information published together with the financial statements in the annual report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Opinion on regularity of income and expenditure required by the Code of Audit Practice

In our opinion, in all material respects the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions in the financial statements conform to the authorities which govern them.

Matters on which we are required to report by exception

Under the Code of Audit Practice, we are required to report to you if:

- we issue a report in the public interest under Section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we refer a matter to the Secretary of State under Section 30 of the Local Audit and Accountability Act 2014 because we have reason to believe that the CCG, or an officer of the CCG, is about to make, or has made, a decision which

involves or would involve the body incurring unlawful expenditure, or is about to take, or has begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency; or

- we make a written recommendation to the CCG under Section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit.

We have nothing to report in respect of the above matters.

Responsibilities of the Accountable Officer

As explained more fully in the Statement of Accountable Officer's responsibilities set out on pages 53 to 54, the Accountable Officer is responsible for the preparation of the financial statements in the form and on the basis set out in the Accounts Directions, for being satisfied that they give a true and fair view, and for such internal control as the Accountable Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Accountable Officer is responsible for assessing the CCG's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they have been informed by the relevant national body of the intention to dissolve the CCG without the transfer of its services to another public sector entity.

The Accountable Officer is responsible for ensuring the regularity of expenditure and income in the financial statements.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

We are also responsible for giving an opinion on the regularity of expenditure and income in the financial statements in accordance with the Code of Audit Practice.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the CCG and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the reporting frameworks (international accounting standards and the National Health Service Act 2006, as amended by the Health and Social Care Act 2012 and interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2022-23).
- We enquired of management and the Audit Committee, concerning the CCG's policies and procedures relating to:
  - the identification, evaluation and compliance with laws and regulations;
  - the detection and response to the risks of fraud; and
  - the establishment of internal controls to mitigate risks related to fraud or non-compliance with laws and regulations.
- We enquired of management, internal audit and the Audit Committee, whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.
- We assessed the susceptibility of the CCG's financial statements to material misstatement, including how fraud might occur, by evaluating management's incentives and opportunities for manipulation of the financial statements. This included the evaluation of the risk of management override of controls. We determined that the principal risks were in relation to journal entries that improved the CCG's financial performance for the year.
- Our audit procedures involved:
  - evaluation of the design effectiveness of controls that management has in place to prevent and detect fraud; and
  - journal entry testing, with a focus on significant journals which impacted on the CCG's financial performance.

- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.
- The team communicated with management and the Audit Committee in respect of potential non-compliance with relevant laws and regulations, including the potential for fraud in revenue and/or expenditure recognition, and the significant accounting estimates related to expenditure accruals and the prescribing accrual.
- Our assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
  - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation;
  - knowledge of the health sector and economy in which the CCG operates; and
  - understanding of the legal and regulatory requirements specific to the CCG including:
    - the provisions of the applicable legislation
    - NHS England's rules and related guidance
    - the applicable statutory provisions.
- In assessing the potential risks of material misstatement, we obtained an understanding of:
  - The CCG's operations, including the nature of its other operating revenue and expenditure and its services and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement.
  - The CCG's control environment, including the policies and procedures implemented by the CCG to ensure compliance with the requirements of the financial reporting framework**.**

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities . This description forms part of our auditor's report.

Report on other legal and regulatory requirements – the CCG's arrangements for securing economy, efficiency and effectiveness in its use of resources

Matter on which we are required to report by exception – the CCG's arrangements for securing economy, efficiency and effectiveness in its use of resources

Under the Code of Audit Practice, we are required to report to you if, in our opinion, we have not been able to satisfy ourselves that the CCG made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the period ended 30 June 2022.

We have nothing to report in respect of the above matter.

Responsibilities of the Accountable Officer

As explained in the Governance Statement, the Accountable Officer was responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in the use of the CCG's resources.

Auditor's responsibilities for the review of the CCG's arrangements for securing economy, efficiency and effectiveness in its use of resources

We are required under Section 21(1)(c) of the Local Audit and Accountability Act 2014 to be satisfied that the CCG has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the CCG's arrangements for securing economy, efficiency and effectiveness in its use of resources were operating effectively during the three month period ended 30 June 2022.

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in January 2023. This guidance sets out the arrangements that fall within the scope of 'proper arrangements'. When reporting on these arrangements, the Code of Audit Practice requires auditors to structure their commentary on arrangements under three specified reporting criteria:

- Financial sustainability: how the CCG planned and managed its resources to ensure it could continue to deliver its services;
- Governance: how the CCG ensured that it made informed decisions and properly managed its risks; and
- Improving economy, efficiency and effectiveness: how the CCG used information about its costs and performance to improve the way it managed and delivered its services.

We have documented our understanding of the arrangements the CCG had in place for each of these three specified reporting criteria, gathering sufficient evidence to support our risk assessment and commentary in our Auditor's Annual Report. In undertaking our work, we have considered whether there is evidence to suggest that there were significant weaknesses in arrangements.

Report on other legal and regulatory requirements – Certificate

We certify that we have completed the audit of NHS North Cumbria Clinical Commissioning Group in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice.

Use of our report

This report is made solely to the members of the Governing Body of NHS North East and North Cumbria ICB, as a body, in respect of the CCG, in accordance with Part 5 of the Local Audit and Accountability Act 2014. Our audit work has been undertaken so that we might state to the members of the Governing Body of NHS North East and North Cumbria ICB those matters we are required to state to them in an auditor's report in respect of the CCG and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than NHS North East and North Cumbria ICB and the CCG and the members of the Governing Bodies of both entities, as bodies, for our audit work, for this report, or for the opinions we have formed.

Laurelin Griffiths

Laurelin Griffiths, Key Audit Partner

for and on behalf of Grant Thornton UK LLP, Local Auditor

Birmingham

27 June 2023