



# ENFIELD CLINICAL COMMISSIONING GROUP

**Head of internal audit opinion 2015/2016**

15 April 2016

# 1 HEAD OF INTERNAL AUDIT OPINION

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

This document provides our annual internal audit opinion for 2015/16 as at 15 April 2016. The final opinion will be set out in our annual internal audit report after year end. Our list of opinions is provided in Appendix A.

## 1.1 The head of internal audit opinion

Our opinion, based on work undertaken up to 15 April 2016, is set out as follows:

### Head of internal audit opinion 2015/2016

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

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

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## 1.2 Factors and findings which have informed our opinion

We provided substantial assurance (GREEN) opinions in our reviews of Clinical Governance and Public and Patient Engagement.

We provided reasonable assurance (AMBER/GREEN0) opinions in our work on the Board Assurance Framework, Conflicts of Interest and Continuing Care.

We have issued one partial assurance AMBER/RED rated report on Quality, Innovation, Productivity and Prevention (QIPP).

Our review of QIPP highlighted that during 2015/16, the CCG had a late start in the development of the QIPP plan and some projects did not have quality impact assessments undertaken. We recognise that the CCG has taken big strides in year to improve the processes for the development of cost improvements both looking forward and in the current year and whilst at the time of our review there remained some risk of failing to deliver the plan, this was considerably reduced due to the work undertaken. Furthermore, the appointment of the Turnaround Director should also hold the CCG in better stead moving forwards.

We also considered the findings of the interim Service Auditor report carried out by the internal auditors of NHS England at the CSU, on behalf of the CSU customers, including NHS Enfield CCG. Whilst we note some minor exceptions have been identified, we have liaised with the CSU and do not believe that there is anything significant requiring inclusion within the Annual Governance Statement. .

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

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

### **1.4 Scope of the opinion**

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

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

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# APPENDIX A: ANNUAL OPINIONS

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

## Annual opinions

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

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The organisation has an adequate and effective framework for risk management, governance and internal control. However, improvements are required to enhance the framework of risk management, governance and internal control to ensure that it remains adequate and effective.

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

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

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# FOR FURTHER INFORMATION CONTACT

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