NHS
Devon
Clinical Commissioning Group

Annual report and accounts 2019-2020

Contents

Foreword

This year saw the creation of just one, county-wide clinical commissioning group for Devon, NHS Devon Clinical Commissioning Group (CCG). In April 2019, NHS South Devon and Torbay CCG and NHS Northern, Eastern and Western Devon CCG came together in this single organisation, charged with ensuring that local people get the right high-quality health services for their area.

As we publish this report, the devastating impact of the coronavirus pandemic is still requiring our undivided attention and effort. In these unprecedented times for the NHS, the country and the world, Devon CCG has been instrumental in leading the local response, ensuring that all services are able to provide the best care they possibly can for patients with Covid-19 while remaining as accessible as possible to all patients. Among the many measures taken is the scheduled opening of a new Nightingale Hospital in Exeter, with extra beds available to help the NHS manage the increased demand.

Our response has been strengthened by working closely with partners in the Local Resilience Forum, the county's directors of public health, local authorities, carers and care homes and the voluntary and community sector to plan, share expertise and resources, and respond to issues as they arise.

I am proud of the way the NHS in Devon has risen to this challenge. We have seen nothing but dedication and courage among our frontline staff, who have worked without let-up to provide care, often at great personal cost. They have our gratitude and heartfelt thanks. Behind the scenes, many others have contributed to ensure an effective response.

It will be many more weeks before we can assess the detailed impact in Devon. This information will be published at the appropriate time. There is more information about our response on page 6.

The founding premise of clinical commissioning groups, when they were established back in 2012, was that decisions about planning the best possible care would be made by local doctors – the people best placed to know what services their patients needed. The merger of the two Devon CCGs, quite apart from the obvious economies of scale and the streamlining of organisational form, has given us the opportunity to strengthen the influence our clinicians have over the decisions made.

We acted to make sure that our leadership team, our Governing Body, now represents not just doctors and nurses but people in associated health professions, too. I am delighted that an occupational therapist now has a voice at the table. We have also appointed associate non-executive members to the Governing Body to ensure that a wider group of people can not only have their say but can develop and prepare themselves for future roles as leaders.

We maintained four localities within Devon, recognising that it has a varied demography. Each locality – northern, southern, eastern and western – has a clinical representative on the Governing Body. As General Practitioners of long standing,

these clinical representatives are embedded in their communities and we benefit from their deep understanding of their local GP practices and their determination to get services right for their own areas.

In April 2019 we assumed responsibility for commissioning primary care under powers fully delegated by NHS England. We made it a priority to collaborate more closely with our colleagues in primary care, particularly to support GP practices as providers of care since, for most people in normal times, the GP surgery is the first and often only point of contact with health services. The strains on primary care, even before the coronavirus, have been well documented – an ageing population with more complex illnesses, the retirement of senior partners, the difficulties in some cases in recruiting, and of course the sheer workload.

This year we worked with our 124 GP practices as they successfully formed 31 networks (primary care networks), each finding creative ways to ensure that, by pooling resources and expertise, they can continue to meet ever-rising demand for their services. Where there are really pressing challenges, GP practices have looked to innovate. In Plymouth, for example, Devon CCG and Plymouth City Council have worked alongside doctors on an agreed prospectus for primary care that allows for a more robust and resilient system based on new multidisciplinary and digitally enabled models of care.

In Devon, digital solutions are providing an important part of the answer, particularly given the coronavirus, and we are steaming ahead with the eConsult programme. In March 2020, more than 34,000 electronic consultations took place with Devon's GPs. This had already been at more than 15,000 in January. The NHS App now gives patients the means to go online to order repeat prescriptions, book an appointment, look at their medical record securely and choose how they want the NHS to use their data.

Neither GP nor any other services now work in isolation in Devon, where we have adopted a much more integrated, joined-up approach that has its roots in local neighbourhoods within our localities. This means health professionals collaborating with social care, mental health staff, local voluntary and third sector organisations, town councils, community groups and all others who have big parts to play in ensuring the wellbeing of local people.

This spirit of all working together has allowed a united endeavour in the face of the coronavirus pandemic. It also underpins our significant move to integration at a Devon-wide level, so that planning, designing and commissioning (or buying) services is done not in isolation by multiple organisations but by collective agreement and in consultation with the population we serve.

We are moving towards formalising this collaborative approach with the creation of a single Integrated Care System for Devon by April 2021. In the meantime, we will work in shadow form with Devon County Council, Plymouth City Council and Torbay Council as one strategic commissioner to deliver a Long Term Plan for Devon. This programme, Together for Devon, has as its vision "Equal chances for everyone in Devon to lead long, happy and healthy lives".

The plan recognises the challenges we face, coronavirus apart: rising demand, a scarcity of specialists in some disciplines, unacceptable waits for some diagnostic tests, stretched resources in social care, a paucity of some services in-county for children and adults alike and, as always, a finite budget.

But it also takes account of what the people of Devon have told us they want: more action to keep people well, with a commitment to tackle problems such as sexual abuse, domestic violence and homelessness; more support in the community for people with mental ill health; maternity and neonatal care that is tailored to the individual and their wishes; a stronger voice for young people and children so they get the best start in life and can access the services they need; better care closer to home for people with learning disabilities and autism. You can find more detail about the Long Term Plan on page 15, although publication of these plans nationwide is being inevitably delayed due to the pandemic.

With our doctors we have developed a new collaborative approach to clinical services to make them fit for purpose across the peninsula. This is about sharing access to resources such as scanners and advanced technology, and making specialist expertise available over a wider area, especially through digital platforms. I was pleased to see that consultation with our population showed people very willing to travel for some more specialist services, provided they have their everyday needs met in their own communities. We must see our hospitals continuing to provide the best acute and emergency care for those who need it, as now with the coronavirus pandemic, but we need to make sure people get the right help in the right setting so they stay away from hospital if it's not appropriate for their needs.

It remains for me, on behalf of the Governing Body, to express thanks to all those who are working with us with such commitment, and to record our great indebtedness to our staff across the NHS in Devon at this testing time.

Dr Paul Johnson
Clinical chair, NHS Devon Clinical Commissioning Group

Performance report

Overview

This overview provides general information about NHS Devon Clinical Commissioning Group (CCG), its purpose, and performance during the year. The CCG was established on 1 April 2019, from a merger of two previous CCGs, Northern, Eastern and Western Devon CCG and South Devon and Torbay CCG.

Coronavirus pandemic

The CCG has been playing a central role in leading and coordinating the response to COVID-19 across Devon, Plymouth and Torbay.

Decisions taken at national level are communicated to the CCG, which has established an Incident Management Team. This team passes on the necessary information to other parts of the NHS, including Devon's hospitals. These have their own strategic, tactical and operational structures in place.

A new NHS Nightingale Hospital is being established in Exeter, to provide extra beds. The majority of care for critically ill patients with COVID-19 has continued to be provided by the five hospitals in Devon and Cornwall, which have plans in place to increase their critical care capacity.

The CCG has played a key role in the set-up and development of the facility, which is being hosted by the Royal Devon and Exeter NHS Foundation Trust, and is designed to ensure resilience across the Devon, Cornwall and wider southwest region.

The CCG has also been coordinating the response with Devon's GP practices. This has included the new primary care networks setting up specialist hubs where patients with COVID-19 symptoms can be assessed and treated.

It also provided GP practices with hundreds of laptops to help them to carry out digital consultations with patients. More than 90% of practices were signed up to the eConsult programme by the end of the year, allowing patients to access services from their smartphone, tablet or computer. In March 2020, more than 34,000 online consultations were held by practices in Devon, up from 18,446 in February and 15,166 in January. At the end of March, about 2,200 video consultations took place in a week.

GPs have also been identifying their most vulnerable patients whom the Government has said must be "shielded" and advised to stay at home for 12 weeks.

Two testing sites run by the Department of Health and Social Care opened in Devon – at Seaton Barracks in Plymouth and Honiton Road Park and Ride in Exeter.

As part of a system-wide recruitment initiative, under the ongoing Proud to Care campaign, more than 1,400 people in Devon registered for temporary or permanent work providing vital care and support to vulnerable people at home. They were responding to an appeal for healthcare assistants, who carry out a vital role in supporting the NHS and those providing social care. Those registering included students, college leavers, retired health professionals and people who are not working. Members of the County Council's own staff have also registered, to be redeployed from non-critical services to support frontline care roles.

Highlights of the year

These are some of the many positive developments we have seen in the past year.

Devon CCG performance rating

An evaluation by the regulator, NHS England, has put Devon CCG in what is known as "segment two" in this year's Oversight Framework, where segment one means a CCG needs no support and segment four means special measures are required. Segment two is for CCGs which the regulator believes need support in only some areas.

Improvements made under the Sustainability and Transformation Partnership are reflected in NHS England's ratings.

National GP Patient Survey

GPs and local surgeries in Devon received a big vote of confidence from their patients, putting the county in the top performing sector in the 2019 NHS England GP Patient Survey. In Devon, 88% of respondents described the overall experience of their GP practice as good. Some 77 percent of patients said it was easy to get through to someone at their practice on the phone, compared with 68 percent nationally. Devon practices also scored well above the national average on a wide range of other areas, including how helpful the receptionist was, experience of their care, and with the appointment time they were offered.

Additionally, Devon patients expressed a high degree of confidence and trust in those providing services when their GP practice itself was closed.

Green Star standard for public and patient engagement

In 2019, the two clinical commissioning groups (CCGs), that merged to form Devon CCG were recognised for their approach to engagement by NHS England.

They were among only 25 CCGs nationwide, and the only ones in the South West, to be rated as outstanding and given a Green Star classification. Devon CCG is committed to continue and build upon the Green Star approach to engagement.

New health and wellbeing centre for Dartmouth

Plans for a modern £4.7million health and wellbeing centre in Dartmouth progressed rapidly during the year, with local people invited in December 2019 to an open event to see what the new facilities could look like.

The health and wellbeing centre, developed in consultation with the local community, will bring a variety of services together under one roof – housing Dartmouth Medical Practice, local services offered by Torbay and South Devon Foundation Trust, voluntary services coordinated by Dartmouth Caring and others such as a retail pharmacy.

The centre will be at the top of the town, easing parking problems in the lower town and providing more modern, suitable premises for GPs at the medical practice.

South Hams District Council will review a formal planning application for the centre, giving residents the opportunity to have their say formally.

Investments

Three of the four district hospitals in Devon have been awarded seed funding from the Government, under its Health Infrastructure Plan to improve hospital care across the country.

University Hospitals Plymouth NHS Trust, Torbay and South Devon NHS Foundation Trust and Northern Devon Healthcare NHS Trust will all receive a share of the £100million national funding to develop their plans for making significant improvements to their hospitals.

In addition, the Royal Devon and Exeter Hospital is set to benefit from a £7 million investment in sustainable energy. Installation of state-of-the-art energy technology at five sites across Exeter is forecast to save the Trust £800,000 a year through a 17 percent cut in energy costs.

The CCG allocated £2million to spend on prevention schemes. This has helped fund a range of initiatives including the diabetes prevention programme in Devon.

Autism service at Derriford Hospital

Derriford Hospital in Plymouth became the first acute hospital in Devon to launch a service for adults who have autism, to help them access hospital services more easily.

It started in September 2019, with funding from Devon County Council's Improved Better Care Fund and commissioning by Devon CCG.

The aim is to provide advice and education, and to help both staff and patients identify resources for people with autism, in order to improve outcomes. The service is primarily for adults with autism who do not have learning disabilities.

Intensive care for mental health – one year on

Devon's new Psychiatric Intensive Care Unit, the Junipers, celebrated its first birthday in January 2020, after a successful 12 months in providing care within the county for people with complex and severe mental health concerns.

Located on Devon Partnership NHS Trust's Wonford House site in Exeter, the purpose-built unit has ten beds for men and women. Depending on need, people can be on the ward from two weeks to five months. The ability for patients to receive this care locally instead of outside Devon has been welcomed, as staying close to friends and family is a crucial element in recovery.

Devon's first specialist Mother and Baby Unit (MBU), for new mothers with serious mental health needs, opened in May 2019 on the same site. Jasmine Lodge provides specialist inpatient care to mothers and babies from 32 weeks of pregnancy up to a year after birth. The purpose-built unit can accommodate eight mothers and their babies, and includes en-suite bathrooms, baby-centred spaces and landscaped gardens, as well as two apartments for visiting families.

Plymouth first in UK to get heart-lung machines

Patients in Plymouth are the first in the country to benefit from high-tech machines that will improve the safety of heart operations, following a £4 million investment in cardiothoracic surgery over 10 years.

The five new Quantum machines take over the work of the heart and lungs while surgery is being carried out. Heart surgery requires detailed adjustment to a patient’s temperature, blood pressure, blood volumes, and blood oxygen and carbon dioxide levels. With the machines, these intricate calculations can be done automatically.

Before now, a summary of what happened in theatre was written in the patient notes, but under the new system, doctors and surgeons will be able to see precise detail.

Awards

Outstanding in general practice

Devon GP practices featured in the prestigious 2019 General Practice Awards, which the organisers said received “hundreds of fantastic nominations” of an “incredibly high” calibre.

Compass House Medical Centre in Brixham saw its team carry off the national award for receptionist of the year for the work of its patient care advisors.

Martin Randall, general manager of Leatside Surgery in Totnes, was a finalist in the practice manager of the year category. Ashburton prescribing pharmacist team made it to the shortlist for pharmacist of the year.

Proud to Care

Staff from the Royal Devon and Exeter NHS Foundation Trust, Bluebird Care, Devon County Council and the University of Plymouth School of Nursing won a highly

commended and second place at the national Drum Content Awards for their Proud to Care campaign to attract apprentices and entry level staff in to health and social care. The campaign focused on a short film featuring young health and social care professionals.

CCG staff awards

More than 160 CCG staff members attended the inaugural Celebrating You Awards in June 2019. Nominations recognised staff who go the extra mile every day to improve services for the people of Devon. The awards recognised 25 individuals, teams and projects, for their fantastic contributions.

National recognition for Devon flu campaign

Devon received national recognition for the #ThumbsUpForCoby flu campaign in November 2019 at the Chartered Institute of Public Relations Pride Awards. This was a powerful campaign led by Devon STP, in partnership with the brave parents of Coby, who tragically died in 2018, to encourage uptake of the flu vaccination for small children.

The uptake rates for child flu vaccination for last winter increased by more than 12%, the biggest increase in the country. It meant an extra 1,500 2-3-year-olds in Devon got the flu vaccination last year – potentially saving young lives.

Our purpose and activities

Devon CCG is responsible for commissioning, or planning and buying, most healthcare services for the local population. We are dedicated to the principles of the NHS – a universal service, free at the point of delivery, where the quality and safety of services are the best they can be.

We work with our local communities and partner organisations to improve people's health and wellbeing and make sure they have high quality, local services. We are responsible for commissioning £1.9billion of healthcare services, including GP medical services. This does not include dentists, pharmacies or some specialist NHS services such as treatments for patients with rare cancers, genetic disorders or complex medical or surgical conditions.

Our role involves planning local healthcare and buying services from large acute hospitals, along with community services, mental health services and services provided by smaller organisations like hospices. We design systems that make the best use of valuable health resources and commission to prevent ill health, promote wellbeing and help people with long-term conditions to live well.

We are a clinically-led organisation. Our chair is a local GP, and we employ other local GPs to provide clinical leadership for key areas or to serve on the CCG's Governing Body. Full details of our Governing Body are on page 51.

Our vision, values and strategic objectives

The creation of a single CCG for Devon gave us the opportunity to review our vision and values. This was done in consultation with our staff.

Our vision:

Working together for Devon

Our mission:

Working together to commission the right services that improve the lives of those who live in Devon

Our strategic objectives:

- We will continue to commission safe, effective and accessible services
- We will work as a strategic partner in Devon
- We will improve the physical and mental health of our population
- We will make best use of our resources

Our values:

One team

- We think corporately, but act locally
- We work together with staff, partners, patients, families, carers, communities and professionals to commission the right services for our population
- We share information, skills and resources

Quality in everything we do

- We develop safe, effective and accessible services
- We make decisions that are evidence-based, cost-effective and innovative
- We recognise achievements and celebrate success
- We take pride in our work and learn when things go wrong

Respect for all

- We treat people with respect and compassion
- We listen to understand people's priorities, needs, abilities and limits
- We are open, honest and transparent
- We take our own health and wellbeing seriously

Everyone is a leader

- We lead by example
- We demonstrate leadership and expect to be held responsible for our actions and performance
- We are accountable to each other, and to our population
- We are responsive, consistent and professional

Our ambitions:

We are setting out to:

- Progress to be one of the top 10 per cent performing CCGs in the country
- Plan our resources to better meet local need
- Plan and commission joined-up and personalised care
- Be more effective by harnessing our most important asset – our staff – by considering how our staff are linked with local communities
- Be focused on quality and outcomes – namely care that is safe, cost-effective and provides a good experience for those accessing services
- Support our communities to maintain and improve their own wellbeing
- Be financially sustainable, while keeping patients at the centre of what we do

The CCG works by taking joint ownership with our partners and the public for creating sustainable health and care services. Our commitment to this is evidenced by our active role in developing Devon Integrated Care System, and by our extensive discussions with, and involvement of, people using services.

The CCG executive members take corporate and personal accountability for driving and enabling achievement of these objectives through their leadership roles.

Commissioning local services

We assess the needs and strengths of the local population and communities before designing and buying services to match those needs. We have a statutory duty to do this in an open, transparent and careful manner, ensuring patients and their families have the highest-quality experience of their health care.

To make sure our plans for local services are comprehensive and representative, we talk to clinicians and health professionals, and we canvas patients' views, working with Healthwatch in Plymouth, Torbay and Devon. Details of how we engage with our communities and how they are involved in our commissioning decisions are set out on page 32.

The CCG has a statutory responsibility to act transparently, proportionately and without discrimination, recognising the responsibilities to consult and engage. The work the CCG does is underpinned by the principles and values set out in the NHS Constitution.

Our operational structure and the business environment

The commissioning architecture introduced under the Health and Social Care Act 2012 was designed to place the responsibility for decision-making with clinicians to ensure the focus always remains patient centred.

‘Commissioning’ is the assessment of the needs (and strengths) of the local population, and the planning, designing, and buying of services to match.

Our CCG, like all others, commissions most services, including:

- Planned hospital care
- Rehabilitation care
- Urgent and emergency care (including out-of-hours care and ambulance services)
- Most community health services
- Mental health and learning disability services
- Primary care

CCGs can commission any service provider that meets NHS standards and costs. These can be NHS hospitals, social enterprises, charities or private sector providers. However, they must be assured of the quality of services they commission, taking into account National Institute for Health and Care Excellence (NICE) guidelines and the Care Quality Commission's (CQC) data about service providers.

The CCG has a statutory responsibility under the NHS Procurement, Patient Choice and Competition Regulations 2013 and the Public Contract Regulations 2015. This must be discharged in procuring healthcare services for the NHS, to secure services that meet patients’ healthcare needs and improve quality and efficiency. We continue to meet the overarching requirements to act transparently, proportionately and without discrimination, recognising the responsibilities to consult and engage, and aiming to undertake this work in accordance with the Gunning Principles.

Details of how the CCG meets its legal obligations in relation to procurement and in accordance with the Constitution can be found within the CCG’s procurement policy. Where appropriate, the procurement of services will be considered in conjunction with other NHS commissioning organisations. Opportunities for providing healthcare services are advertised on the Government Contracts Finder website.

CCGs are overseen by NHS England, which ensures that CCGs have the capacity and capability to commission services successfully and to meet their financial responsibilities. NHS England has a duty under the Act to promote the autonomy of local clinical commissioners.

NHS England and CCGs have a duty to involve their patients, carers and the public in decisions about the services they commission.

Devon CCG is composed of 124 practices across the county of Devon, which encompasses the three tier one local authority areas of Devon County Council,

Plymouth City Council and Torbay Council. Each council has approved Better Care Funds which pool health and social care budgets. We serve a population of approximately 1,239,000.

The CCG commissions its main services from the following key providers:

- Devon Doctors Ltd
- Devon Partnership NHS Trust
- Livewell Southwest Community Interest Company
- Northern Devon Healthcare NHS Trust
- Royal Devon and Exeter NHS Foundation Trust
- South Western Ambulance Service NHS Foundation Trust
- Torbay and South Devon NHS Foundation Trust
- University Hospitals Plymouth NHS Trust

NHS England oversees the health system nationally and holds the CCG to account.

We operate in an area of diversity with urban areas such as Plymouth and Torquay, and remote rural areas such as Dartmoor, so our commissioning must take account of differing needs and how easily people can access services.

The CCG therefore has four localities, each with its own clinical representative on the Governing Body: **Northern Locality** (Barnstaple, Bideford, Great Torrington, Holsworthy, Ilfracombe, South Molton); **Southern Locality** (Ashburton, Brixham, Dartmouth, Dawlish, Newton Abbot, Paignton, Teignmouth, Totnes and Torquay) **Eastern Locality** (Axminster, Budleigh Salterton, Crediton, Cullompton, Exeter, Exmouth, Honiton, Moretonhampstead, Okehampton, Ottery St Mary, Seaton, Sidmouth, Tiverton); and **Western Locality** (Ivybridge, Kingsbridge, Plymouth, Tavistock). This locality structure ensures that services can be tailored to fit local need.

People in Devon generally live longer than those elsewhere in the country, but there are still variations in life expectancy within the county, with pockets of deprivation both in the towns and cities and in deeply rural areas. People living in areas of deprivation often have shorter life expectancies. We are committed to working with our partner organisations to reduce these inequalities.

We operate in a business environment that involves managing risks – for further details, turn to the ‘Risk management arrangements and effectiveness’ section on page 62.

Review of the year

Working with partners and providers

Sustainability and Transformation Partnership

We work closely with local organisations to offer more integrated care, closer to home. Hospital doctors, nurses and care professionals, along with GPs and managers work together to develop innovative ways of improving patient care and treatment. We also work closely with our local councils and public health teams to establish a clear understanding of local demography and need.

Devon CCG has played an important role in the Devon Sustainability and Transformation Partnership (STP), and from 1 April 2020 will develop with its partners the necessary moves towards an Integrated Care System for Devon, known as Together for Devon. This is scheduled to happen by April 2021.

Three local authorities, seven NHS organisations and one Community Interest Company joined forces in October 2016 to create the single Devon STP. Since the summer of 2018, Dame Suzi Leather has been the Devon STP independent chair.

The STP mission was to achieve the triple aim of improving:

1. Our population's health and wellbeing
2. The experience of care
3. The cost effectiveness of spending per head of population

The STP has made detailed preparations for the Integrated Care System.

Long Term Plan – Better for you, Better for Devon

The STP has drawn up a draft Long Term Plan, called *Better for you, Better for Devon*, following the parameters set out in the NHS Long Term Plan and tailored to meet the needs of Devon.

This will be the blueprint for Devon as it becomes an Integrated Care System (ICS). The ICS programme, known as Together for Devon, has Philippa Slinger as its lead chief executive.

The NHS Long Term Plan is intended to meet the growing challenges of providing healthcare and social care when demand is dramatically increasing. By 2030 there will be 37 percent more people aged over 75. This is good news, but we need to act now to ensure we can meet their needs within the funding we have available.

We already know too many planned operations are being postponed at times when all the hospital beds are needed for urgent care, that people are waiting too long for diagnostic tests and that there are too many having to go outside Devon for the services they need.

After extensive engagement with the population, we worked with our partners to draft *Better for you, Better for Devon* to tackle these issues. Our vision is: “Equal chances for everyone in Devon to lead long, happy and healthy lives”.

Publication of these plans nationally has inevitably been delayed by the coronavirus pandemic and a new publication date has yet to be confirmed.

Crisis response for mental health

People in Plymouth experiencing a mental health crisis benefitted from a new joint initiative between the health service and local police, aimed at reducing the number of people detained under the Mental Health Act or unnecessarily admitted to A&E.

South Western Ambulance Service NHS Foundation Trust (SWASFT), Livewell Southwest and Devon and Cornwall Police joined forces to launch a Mental Health Joint Response Unit – the first in the South West – to support people of all ages in crisis at times when demand for emergency mental services is at its peak.

Paramedics, police officers and mental health professionals work together across the city to improve outcomes for people experiencing a crisis by offering the extra service when the system is at its busiest – on Wednesday, Thursday and Friday evenings between 5pm and 1am.

Staff also work closely with other mental health providers throughout the city including the Crisis Café and Headspace.

Help for people with crisis behaviour

Livewell Southwest Community Interest Company joined forces with the police to help people in the Plymouth community who have frequent and intensive episodes of crisis behaviour to lead safer, healthier lives.

The Serenity Integrated Mentoring pilot project identifies people with behavioural issues who are the most familiar faces at A&E or Place of Safety and works with them to help manage and change their behaviour and keep them out of the criminal justice system.

Trusts collaborate

With the support of NHS regulators, Northern Devon Healthcare NHS Trust and the Royal Devon and Exeter NHS Foundation Trust have continued to work together informally on securing the long-term sustainability of acute services for their local populations.

Boards of the two organisations agreed in December 2019 to explore working together on a more formal basis, on the premise that any new arrangement must be beneficial to people in both communities.

Northern Devon in particular has faced challenges in continuing to provide acute services, including 24-hour A&E and some specialist services. However, both organisations feel they would benefit from working together to recruit and retain the workforce needed, to improve performance against some key targets to do with

access to health services, and to transform ways of delivering services with the use of technology.

The two hospital trusts have agreed that a Collaborative Agreement, signed in June 2018, should be extended beyond June 2020 so that the necessary processes can be completed, including negotiations with NHS regulators.

The RD&E hospital has supported the delivery of acute services in Northern Devon for a number of years through clinical networking arrangements. Given this, the Board at Northern Devon reached the view that the RD&E would be the most appropriate partner with which to explore a formal arrangement to ensure the long-term sustainability of its services.

The two hospitals already share a chief executive and chair, in addition to a number of other executive positions, and have been aligning their policies.

Joint approach on suicide

A partnership approach by organisations in a Devon seaside town has drastically cut the number of suicides at a clifftop spot by planting hedges, putting up signs and training the community on how to handle people in crisis.

The town, which is not being identified for safety reasons, suffered four suicides and ten attempted suicides at the cliffs above its beach in 2014 — but after an action plan was put in place the following year there were none. The approach is now being replicated at similar areas across the southwest.

Dr Peter Aitken, who leads on the suicide prevention at Devon Partnership NHS Trust, worked closely with a wide range of agencies and community groups including the RNLI, HM Coastguard, National Trust, Maritime and Coastguard Agency, landowners, SWAST, Devon and Cornwall Police, Samaritans, the local town council, and local people.

Parking stresses eased

Health and care staff in Devon can now park on yellow lines when visiting patients at home, thanks to a new council and NHS parking permit. In a joint initiative, the scheme was developed by colleagues from Devon County Council, Devon CCG and other providers.

It enables permit holders to park on roads with single and double yellow lines for up to an hour if nearby alternative parking isn’t available – reducing stress for staff and maximising the time they can spend with patients and clients.

Help with timely discharge from hospital

Livewell Southwest’s Discharge to Assess service has been commissioned to offer a seven-day service – up from five days – enabling more people to leave hospital in a timely way and get back home. The service is the main discharge route out of Derriford Hospital in Plymouth and Livewell’s inpatient wards at the Local Care Centre. In addition, the acute care at home team and the out of hours district nursing

service have joined together, offering care to people in their own homes 24 hours a day.

Digital strategy

Our plans for integrated care are dependent on digital technology. The STP digital strategy underpins the CCG and wider community endeavour to transform care in Devon, allowing health and social care professionals access to information, and giving patients the opportunity to participate in their health and care.

During the year, partners in the STP have begun implementing the digital strategy for Devon, which envisages a fully integrated and interoperable clinical digital system. This will make vital information available across primary, secondary, community and social care as well as in hospices and care homes.

In 2019/20 we finished upgrading all CCG computers to Windows 10 to ensure they are safe and secure and continue to benefit from security upgrades released by Microsoft. We have also upgraded to Office 365 to bring many new digital tools and services to CCG staff to allow them to work in different ways, collaborate more easily within the CCG and with external partners and to enhance our video conferencing facilities. We have helped our staff adopt these technologies through running a joint programme with Devon County Council. All this has supported remote working during the coronavirus pandemic, helping our staff to stay safe by working from home.

With funding under the national Health System Led Investment in Provider Digitisation amounting to £8.8million over three years, Devon is pursuing this goal. Work is under way on a single electronic patient record (EPR) system for Devon hospices, system wide access to primary care information, and system-wide integration of the EPRs in Devon, as well as paperless working across the Torbay health and care community.

Primary care

High scores in patient survey

GPs and their services in Devon are highly valued and once again, the results of the patient survey bore testimony to patients' satisfaction (see page 7), with 88% of respondents describing the overall experience of their GP practice as good.

Primary care development

From 1 July 2019, Primary Care Networks launched in Devon - the biggest transformation in more than a generation to the way GPs work.

General practices across Devon began working together formally within local primary care networks (PCNs), typically serving patient populations of 30,000-50,000.

There are 31 PCNs in Devon. All have appointed GP clinical directors to lead work across the member practices.

The initiative comes alongside efforts to recruit more GPs as part of the NHS Long Term Plan.

PCNs support each other while offering a greater number of specialist care services to patients and taking on a wider range of health professionals, such as:

- Clinical pharmacists, who can make sure patients' medications are right
- Nurse practitioners, who can see and treat patients independently
- Physiotherapists, to help with recovery and mobility
- Paramedics, who can provide urgent care at the surgery
- Physician associates, who can, for example, take medical histories and blood pressures, complete insurance forms and explain treatments, freeing up GPs
- Social prescribing support workers, to help address non-clinical issues such as isolation and provide a more-holistic approach to care

This approach is designed to ensure that patients are treated by suitably qualified clinical staff and get the most appropriate care and advice. It also aims to create extra capacity for GPs to have greater time to manage the more complex conditions.

Many appointments at surgeries do not need to be with a GP.

GP practices are driving further action on detecting and preventing conditions such as cancer and heart disease, as well as doing more to tackle obesity, diabetes and mental ill health, and supporting older people at home and in care homes.

PCNs are a key part of the NHS Long Term Plan for improving services, published in 2019. They will bring billions of pounds in extra investment nationwide to sustain general practice in the short term and to improve access and care in the longer term.

The Plymouth Prospectus

The CCG took on delegated commissioning of general practice this year and the Western Locality is particularly challenged by workforce capacity and workload, resulting in a number of practices in Plymouth giving notice on their contracts over recent years.

In June 2019, together with Plymouth City Council, the CCG started to develop the Plymouth Prospectus, a joint piece of work pulling together a number of offers to GP practices designed to support them in a variety of ways from additional training for Heath Care Assistants to enhanced digital capacity.

The Prospectus was launched in October 2019 at the Western GP forum. There has been good take up of this support across the Western Locality, with more offers being developed. The ideas built on, and were co-designed with, the Western Primary Care Partnership, which incorporates the Western Locality GP Collaborative Board. The Devon Digital Accelerator project (see below in this section) has been one way in which practices have chosen to find innovative and alternative ways of meeting the needs of their patients.

Digital developments in primary care

Devon again made great strides with the e-Consult programme, providing patients with a way to get in touch with their GP practice 24 hours a day. By year end, more than 90% of GP practices were using eConsult, with the aim to extend this to every practice in Devon by December 2020.

Devon GPs were well placed, therefore, to make full use of digital consultations as the coronavirus pandemic required people to stay at home. In March 2020 more than 34,000 consultations took place in this way.

In normal times, online consultations free GP time to spend on the most seriously ill patients and those with complex needs.

The service has been popular with both doctors and patients, and more people in Devon are embracing digital technology in health, just as they do in many other areas of their life.

The CCG also adopted the new NHS App in 2019/20. We have helped GP practices enable the NHS App so patients can use it to order repeat prescriptions, book appointments and view their GP record as well as checking symptoms and register to be an organ donor. We currently have the second highest number of NHS App users nationally and are continuing to promote its use.

We have purchased a new shared intranet platform for GP practices in Devon and are currently helping practices adopt it. This will allow them to share information and documents more easily to help them work as Primary Care Networks and to provide a more efficient way for the CCG and other organisations to securely share information with them.

We have helped well over 100 care homes to obtain NHSMail email accounts to help them share information securely with the NHS.

Digital healthcare in Devon

In 2019/20, thousands of patients across Plymouth benefitted from quicker access to health care advice thanks to a collaborative approach between local GPs and health organisations.

The Devon Digital Accelerator (DDA) was established in April 2019 to reduce pressure on GP practices by making better use of the CCG-provided online consultation tool, eConsult.

The Devon scheme is one of five NHS England-funded pilots taking place across the UK. In its first year, the DDA focused on Plymouth, which is particularly affected by the UK's shortage of GPs.

Practices within four of Plymouth's primary care networks (PCNs) – Beacon Medical Group, Waterside Health Network, Drake Medical Alliance and Mayflower Medical Group – signed up in the first phase of the project.

The project helps practices increase online consultation usage by communicating benefits to patients and supporting practices to introduce more efficient ways of working, using the eConsult tool.

Each practice is provided with:

- Protected and funded time and support to plan, share, collaborate and learn away from the practice
- Support to introduce online consultation models that fit the unique needs of their staff and patients
- Regular face-to-face project management support
- Training and support in change management
- Leadership coaching
- Support to communicate with patients, staff and stakeholders

The project produced notable results from the outset, with thousands of patients submitting online consultations, and numbers increasing week on week.

From October to December 2019, 14,552 patients submitted an eConsult form from the four PCNs within scope of the DDA – up from 2,064 in the first three months of the project. In January 2020, 7,910 forms were submitted across the four PCNs.

The project, under the remit of the Devon Sustainability and Transformation Programme, is also working with numerous organisations to evaluate the impact of online consultations on practices, staff, patients and the wider system. These include Healthwatch Devon, the Academic Health Science Network and UXC Ltd – a change-management company.

The DDA also works hard to capture patient feedback and use their opinions and experiences to shape services. This enables the project to find out where online consultation can benefit patients and highlight potential barriers and areas where more support is needed. The Healthwatch Digital Health Devon initiative has been embedded in the DDA as of March 2020. This is a core tool which allows practices to help patients become more confident and competent at submitting online consultations.

As part of the response to COVID-19, the DDA project was scaled up more quickly than planned to cover the whole of Devon, and the CCG has now offered to work with all practices across the county, with many taking up the opportunity. Revised timelines for the DDA project's next steps will be developed as part of the return to business as normal.

Diabetes Prevention Programme

Launched in 2016, the NHS Diabetes Prevention Programme is an NHS England-funded programme supported in partnership by Public Health England and Diabetes UK. It provides people who are at high risk of developing type 2 diabetes a programme of tailored, personalised help including advice on healthy eating, physical exercise and managing weight, which together reduces the risk of developing the condition.

The programme is a proven way to help those with non-diabetic hyperglycaemia - that is, those at high risk of Type 2 diabetes – to reduce their risk and avoid a diagnosis of diabetes.

GP practices in Devon have been part of a project this year to proactively identify people who are likely to benefit from participating in the free Diabetes Prevention Programme and will contact them with details about how to join a session. This is due to be rolled out more widely from April 2020, although appropriate adjustment to plans will be made in light of the COVID-19 outbreak. For example, the programme can still be delivered remotely online, or participants can wait for face-to-face sessions to resume.

Winter

Every winter brings with it increased demand for the services that the NHS and social care provide. Once again, all parts of the system made detailed plans for responding to this, to enable our staff to provide the best possible care in sometimes stressful circumstances. These plans were made well before the coronavirus pandemic emerged as an additional threat.

This winter saw pressure once again on all Devon's hospitals and health and social care communities. However, the system saw improvements in comparison with previous winters thanks to better system planning, greater collaboration between health and social care, improved support for the ambulance service and greater use of NHS111 and out-of-hours services. Winter preparedness and delivery of plans has been a standing item on local and Devon A&E delivery boards to underpin strong system working across organisations.

The system-wide winter plan focused on maintaining the flow of patients through our hospitals. This requires all partners across health, social care and the voluntary sector to work together to ensure that patients can be safely discharged from hospital at the appropriate time.

The four localities were allocated additional winter pressures national funding in December 2019 to enable a number of schemes to be progressed to improve patient care and experience. The validity of each scheme was reviewed and signed off at local A&E Delivery Boards and monitored to understand the impact as each scheme progressed:

1. Western: £1.1million to press ahead with upgrading parts of the Emergency Department, in advance of a major rebuild. One of the main initiatives in the West was the development of the surgical assessment unit.
2. Eastern: £895,000 to improve the 'flow' of patients through the hospital and reduce demand on the Emergency Department. One of the main initiatives in the East was the investment in early supported discharge for respiratory patients and temporary increase in availability of social care teams.

3. Southern: £701,000 for key improvements to urgent and emergency care. One of the main initiatives in the South was the development of the surgical assessment unit.
4. Northern: £398,000 to provide increased bed capacity. One of the main initiatives in the North was the increased support to proactive management of residents in Care Homes and community teams.

In late winter, the annual plans were superseded by planning for coronavirus.

Pharmacy First

In preparation for winter, the NHS once again publicised its scheme for Devon people to get prescription medicines for a range of minor illnesses straight from a pharmacy, without the need to visit a doctor.

Under the Pharmacy First scheme, trained pharmacists in participating branches can give out medication which normally has to be prescribed by a GP. This includes medication for:

- Urinary tract infections for women aged 18-64
- Impetigo
- Nappy rash
- Conjunctivitis for one-year-olds

The scheme makes the most of pharmacists' expertise and gives local people a fast alternative to visiting a GP. An appointment with the pharmacist is not normally necessary – people can just walk in.

Looking ahead – our plans for 2020/21

Integrated Care System

The year from 1 April 2020 will be one of development for Devon CCG and its partners, as all work towards establishing the Integrated Care System.

This means that NHS organisations will work in partnership with local councils to take responsibility for managing resources, delivering NHS standards as set out in the NHS Constitution and improving the health of the population.

In this, Devon will learn from the experiences of 50 "vanguard" sites across England that have been developing this system, introducing new models of care.

The lead chief executive for the ICS is Philippa Slinger.

A focus for all partners in 2020/21 will be on delivering the first year of the operating plan that underpins the Long Term Plan for Devon.

Coronavirus pandemic

A continuing system-wide response to the coronavirus pandemic will be the foremost priority in 2020/21, with day to day operations running alongside strategic planning.

In the immediate term, a key focus will be on increasing testing, initially for NHS and social care staff but then more widely. Longer term planning will be in line with national direction and future developments in the course of the virus.

The CCG has already redeployed staff working in non-urgent areas to posts that support the coronavirus response. This will continue for as long as necessary.

Performance summary from Accountable Officer

A summary and perspective by Simon Tapley, Interim Accountable Officer for NHS Devon CCG

While we have continued to work closely with providers to make improvements against our key targets (including those set out in the NHS Constitution) 2019/20 was a mixed year for performance with progress in some areas balanced out by continued challenges in others.

The CCG continues to perform well on measures of early diagnosis of cancer and cancer survival rates, while there was also sustained good performance against the range of mental health targets. We continued to score highly inpatient experience measures and, looking at quality of care, again saw low rates of healthcare-acquired infections.

However, there were other areas that were a greater challenge. Performance against the A&E four-hour wait measure was below target although there was good progress in reducing delayed transfers of care and patients spending a long time in a hospital bed. Performance deteriorated against the 18-week referral to treatment target, but over one-year waits decreased in quarter four while the six-week diagnostic wait targets remained a particular challenge but also showed improvement in quarter four. For all targets where there are under-performances, we are working with our provider colleagues to ensure recovery plans are in place, with clear actions and impacts.

The table on the next page shows the year-end position for key national waiting times targets covering cancer, elective treatment, diagnostics and A&E:

KPI	Target	NHS Devon	RDEFT	NDHT	UHP	TSDHT	England
Patients awaiting treatment who've been waiting less than 18 weeks	92%	78.48%	79.11%	77.04%	76.03%	80.13%	84.49%
Number of over-52-week waiters (March)	0	249	102	7	126	53	n/a
Patients waiting longer than six weeks for a diagnostic test	1%	13.69%	20.44%	11.29%	12.62%	11.48%	3.49%
Patients admitted, transferred of discharged with four hours of arrival at A&E (acute only)	85%		76.49%	81.56%		70.77%	77.93%
Patients admitted, transferred of discharged with four hours of arrival at A&E and MIUs	95%		87.43%	85.34%		80.76%	85.62%
Proportion of patients referred urgently who are seen within two weeks	93%	84.17%	77.17%	93.67%	94.09%	77.77%	90.84%
62 days wait from urgent GP referral to first definitive treatments for cancer	85%	75.40%	71.26%	83.42%	72.13%	79.45%	77.16%

(n.b. *A&E 4-hour performance is monitored at acute Trust level. UHP are not reporting A&E 4-hour data whilst part of a national pilot of new A&E measures)*

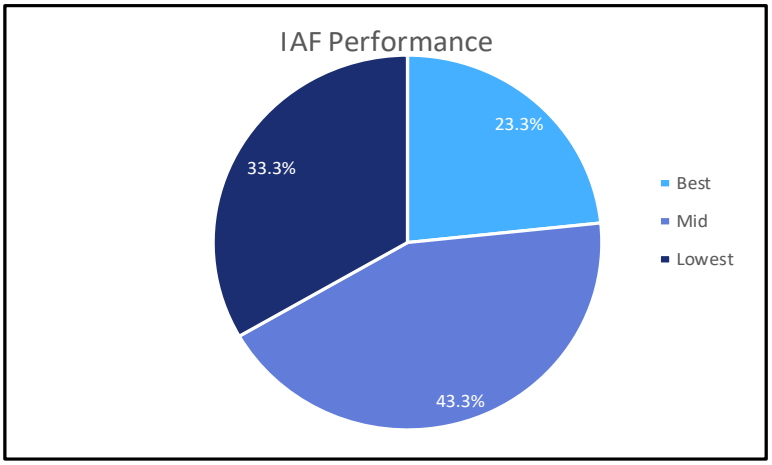
CCG Improvement and Assessment Framework

The CCG Improvement and Assessment Framework (IAF) draws together in one place NHS Constitution and other core performance and finance metrics, outcome goals and transformational challenges, to capture the multi-faceted role of CCGs.

To aid transparency for the public and to support CCG benchmarking against peers, the framework presents relative performance on metrics. The 58 indicators that underpin the CCG IAF are updated and released on a quarterly basis, with the IAF published through a range of channels including the MyNHS website

The IAF indicators are spread across the four categories of:

- Better Health
- Better Care
- Sustainability
- Well Led



The latest information available for 2019/20, where data was published for 30 of the 58 indicators, shows the CCG achieved or was above the required level for 20 of the 30 indicators (67%) with 7 (23%) being in the best performing category. This included performance in the top quartile when compared to the national position for a range of measures including low rates of childhood obesity, good availability of personal health budgets, high patient experience scores for primary care, continued good results for cancer measures such as early diagnosis, one-year survival rates and patient experience, plus high scores for staff engagement.

While performance is generally good across the IAF measures there are a small number of areas for improvement which the CCG will continue to work to address. These include mental health out-of-area placements, the dementia diagnosis rate, over 52-week referral to treatment waits and diagnostic waiting times.

Simon Tapley
Interim Accountable Officer

Sustainable development (environmental matters)

As an NHS organisation and spender of public funds, we have 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. Spending money well and considering the social and environmental impacts is enshrined in the Public Services (Social Value) Act (2012). We acknowledge this responsibility to our patients, local communities and the environment by working hard to minimise our carbon footprint.

We have an Environmental Policy approved by our Governing Body in January 2020. Along with a number of public sector organisations in Devon, the Governing Body also agreed to declare a climate emergency.

The Board Secretary is the environmental lead for the CCG. An Environmental Working Group will be established to take the action plan forward and the individuals will act as champions for their directorates. The CCG is represented at the Devon Climate Emergency Response Group.

This policy sets out our commitment to maintaining and improving the economic and social wellbeing of our staff and the health of the population by contributing towards sustainability throughout the organisation. The CCG will do all that is reasonably practicable to ensure that all staff work together to reduce corporate impacts and staff will work with providers, suppliers and the local community positively to enable the CCG to comply with statutory regulations and other guidance relating to energy, the environment and sustainability.

Devon CCG is committed to reducing its impact on the environment and moving towards an environmentally friendly way of working. This includes working closely with our partner organisations, providers and suppliers to achieve their commitment to reducing our impact on the environment.

The priority focus for action by the CCG will cover the following areas and will be further detailed in our action plan. Our actions will be linked to the objectives as stated below. The Policy action plan will guide the CCG to become more environmentally aware in all its activities.

Objectives	Action plan	Outcomes
Reduce the negative environmental impact of the organisation	Travel Corporate Governance Facilities management	Reduced carbon emissions

Increase staff and community awareness to enable them to reduce, reuse, recycle both at work and home	Workforce Community engagement	Awareness of their active involvement in environmental issues and in promoting environmental sustainability
Ensure our role as commissioners encompasses the principles of environmental awareness and compliance	Procurement Promoting sustainable development in Primary Care Models of Care	Sustainability in procurement policies and embedded sustainability targets within performance management with providers Improved medicines management and prescribing practice to reduce inefficient or wasteful use of pharmaceuticals

The CCG uses technology to allow colleagues and partners to 'meet' online by phone or video link, thereby saving time that would have been spent travelling as well as reducing carbon emissions. As well as providing the technology, the CCG is also focussed on facilitating an internal cultural shift to accompany this more environmentally friendly approach to meetings. We use smarter ways of working, making efficient use of our office space by hot desking, reducing the need for travel, to car share when attending meetings and the CCG has a travel and expenses policy. The use of passenger rate encourages car sharing and there is also a mileage rate for pedal and motorcycle use.

Exeter-based office staff are co-located with staff of Devon County Council at County Hall. This has reduced the number of CCG office bases and has brought financial and operational efficiencies by having more staff together, sharing an office with colleagues from Devon County Council and reducing the need to travel between bases. The CCG is working with colleagues at County Hall to develop environmentally friendly working practices as a member of the Devon Climate Emergency Response Group.

Climate Change Act target

In order to embed sustainability within our business it is important to explain where sustainability features in our process and procedures.

Providers are required under contract to take all reasonable steps to minimise adverse impact on the environment, to maintain a sustainable development plan and to demonstrate progress on climate change adaptation, mitigation and sustainable development, including performance against carbon reduction management plans.

The Emergency, Preparedness Resilience Response (EPRR) responsibilities require the CCG to not only assure itself that the services it has commissioned for the population of Devon have plans in place to respond to and recover from emergencies, but that it also has its own plans in place. NHS England has a process in place to check this is the case, requiring NHS commissioners and service providers to complete an annual self-assessment.

A summary of progress by the provider will form part of our assurance on the new contract for 2020/21.

Improving quality

This section explains how we have discharged our duty to improve quality under section 14R of the Health & Social Care Act 2012.

Quality Assurance and Continuous Improvement

The CCG as a system partner and leader within the Devon health and care system has set strong foundations for transition towards becoming an Integrated Care System (ICS), focussing on quality improvement to achieve the following priorities:

- Statutory safeguarding, quality and equality assurance
- Maternity implementation of Better Births through the Local Maternity System
- National priorities of cardiovascular and respiratory conditions, plus diabetes selected as an additional priority pathway for Devon
- Needs of high intensity users of services.
- Use of RightCare to identify opportunities and reduce variation.
- Further collaboration between care providers through the Care Managers Network, Care Home Partnership Board and the Collaborative Care Partnership with homecare providers and strategic quality meetings with the Care Quality Commission
- Focus on ensuring ‘reasonable adjustments’ for all vulnerable people including those with learning disabilities in all health and care settings.
- Supporting care homes and domiciliary care providers, developing shared quality surveillance pathways that support early supportive intervention.
- Focused quality improvements within the antimicrobial resistance group comprised of stakeholders from across the system in response to the five-year antimicrobial resistance strategy.
- Improving outcomes for families and identifying, embedding and assuring system learning arising from multi-agency incidents.

The Devon Quality Surveillance Group is now in place which aligns to the requirements and principles outlined in the National Quality Board guidance 2017. This group brings together different parts of the health and care system, to share intelligence about quality issues and risks and enables sharing of best practice and learning.

The Quality, Equality Impact Assessment (QEIA) process has been strengthened and now provides detailed information to support all activity across the commissioning cycle. A QEIA panel is in place to ensure the robustness of impact assessments and this panel consists of member organisations across the Devon health and care system.

Patient Experience

Devon CCG Patient Advice and Complaints Team provides the opportunity for members of the public, patients, service users and their families to feed back about their experience of using the services we commission. This enables us to ensure we understand the experiences of people using services right across Devon.

In addition, we provide Yellow Card, our health and care professionals' alerting system for raising concerns, which is now in place across Devon and Cornwall and is hugely successful.

During the last year we received 1,788 Yellow Cards, with themes ranging from communication breakdown to shift of workload. Of these Yellow Cards, 12 were identified as being serious incidents in line with the national framework.

The team handled 1,002 individual cases of informal patient feedback, and 55 formal complaints in line with the NHS complaint regulations. The rest were a combination of general enquiries, advice and support and signposting.

Themes from this feedback included incorrect expectations being set, delays and cancellations and commissioning decisions/policy.

Six of the formal complaints were taken to the parliamentary and health service ombudsman, of which three were investigated. Of these three, one was upheld.

Other key pieces of work:

- Presenting patient experience to the Quality Assurance Committee
- Sharing system learning from feedback to drive improvement
- Delivering customer service and complaints management training

Patient experience continues to be key to our intelligence to understand what care is like for the people receiving it. Key areas for focus over the next year are:

- Understanding experience of people using primary care services
- Developing and improving the delivery of the patient advice and complaints team
- Improving advice and signposting information for patients and the public
- Rebrand and develop Yellow Card to be more about system improvement and learning

Safeguarding

The CCG safeguarding team delivers the statutory functions as directed within the Care Act 2014, the Children Act 1989 and 2004, the Health of Children in Care 2015 and the counter terrorism strategy including Prevent and Mental Capacity Act 2005. Consideration is also given to other statutory legislation linked to safeguarding which includes child sexual exploitation, domestic abuse, female genital mutilation and modern slavery. The CCG also works to the Safeguarding Children, Young People and Adults at Risk in the NHS: Safeguarding Accountability and Assurance Framework 2019

Safeguarding is a high priority for the organisation. The CCG ensures it has robust arrangements in place to provide strong leadership, vision and direction for safeguarding. The CCG has clear, accessible policies and procedures in line with relevant legislation, statutory guidance and best practice. The CCG has a clear line of accountability for safeguarding in that an Accountable Officer and Executive Lead for Safeguarding is in place.

Designated health professional roles are in place as outlined in the Intercollegiate Guidance and additional safeguarding nurse capacity has been implemented to support the CCG in its role as a delegated commissioner for primary care medical services.

The integrated safeguarding team supports both health providers and multi-agency partners working at a local, strategic and national level on safeguarding issues that have an impact on the health and wellbeing of children, young people and adults.

In line with Working Together to Safeguard Children 2018 the CCG works in partnership with the police and local authorities to ensure an equal duty and shared responsibility for arrangements that safeguard and promote the welfare of all children in Devon, acting as a strategic leadership group in supporting and engaging others; and implementing local and national learning, including from serious child safeguarding incidents.

The safeguarding team works in collaboration with commissioned providers to gain assurances regarding statutory responsibilities. There is regular reporting and assurance regarding safeguarding workstreams through the Safeguarding Steering Group and quarterly reports to the Quality Assurance Committee.

Countering fraud, bribery and corruption

We acknowledge we have a responsibility to ensure that public money is spent appropriately, and we have policies in place to counter fraud, bribery, and corruption.

We have standing financial instructions, standing orders, NHSCFA-compliant standards of business conduct policy and a counter fraud, bribery, and corruption policy to ensure probity.

We have support from an experienced independent Local Counter Fraud Specialist (LCFS) to ensure risks are mitigated and systems are resilient to fraud and corruption. The Audit Committee receives and approves the counter fraud annual work plan and annual report, monitors counter fraud arrangements and reports on progress to the Governing Body. During 2018/19 a total of 80 days were provided. All circulars received from NHS Counter Fraud Authority (previously NHS Protect) are reviewed by the LCFS and when required recommendations are made to the CCG to ensure there are adequate processes in place.

The Director of Finance is responsible for overseeing and providing strategic management and support for all counter fraud, bribery and corruption work within the

organisation. The LCFS has direct contact with the Director of Finance for approval of proactive pieces of work and to inform them of any high risks that require immediate action.

We raise awareness of fraud in staff communications through regular newsletters, displays in public and staff areas, new employee induction and individual department awareness presentations from the LCFS.

Engaging people and communities

Introduction

The two Devon CCGs were recognised for their approach to engagement by NHS England in 2019. They appeared among 25 CCGs who were rated as outstanding and given a Green Star classification (the only CCGs in the South West region). This section shows how the CCG has discharged its duty to involve the public, as set out in section 14Z2 of the Health and Social Care Act 2012.

Since this time, the two CCGs merged in April 2019 to become Devon CCG which is committed to continue and build upon the green star approach to engagement.

Our strategic approach to communications and engagement is to:

- Involve people in planning and listening before we make decisions that have an impact on them
- Communicate about the decisions we make as effectively as we can
- Work in partnership on the way services are developed and planned on a day-to-day basis, and on the way in which care is commissioned to continue to drive engagement for quality improvement.

Over the last 12 months, more than 7,000 people have participated in local engagement opportunities to help inform and shape our plans for the commissioning of local services.

Engaging on the Long Term Plan – *Better for you, Better for Devon*

As the Devon system worked on producing a Long Term Plan for Devon, more than 5,700 people contributed their views during an eight-week period of engagement from 11 July to 5 September 2019. You can download the full engagement feedback report directly from the CCG website. The table below shows a summary of the outcomes.

Feedback key themes	Headline actions
Outpatient appointments	We are undertaking further investigation into the development of community-based resources and the infrastructure required to support alternative out of hospital clinical care as a key part of the Long Term Plan for Devon.

Travel	Devon STP is working collaboratively with the Heart of the South West Local Enterprise Partnership and the Community and Voluntary Sector to establish a Devon travel working group to review and explore investment to increase community and alternative transport services across Devon.
Where services are best provided	We are undertaking clearer communication about what alternative services there are to A&E for urgent medical treatment. We are building public awareness and confidence by developing a primary care campaign that promotes digital services, for example online GP consultations, NHS App, NHS 111.
Supporting parents around childbirth and new babies	We are working with the Devon Maternity Voices Partnership through co-creation with parents in local communities to understand what services they want and where

Holsworthy Community Involvement Group

2019 saw the culmination of more than two years of engagement work with the community in Holsworthy, where more than 1,200 people directly influenced recommendations about local health and care services. These were published to the community in February 2020.

As a direct result of this engagement, eight areas of focus and 28 recommendations are being adopted. Read more about the group on the CCG website along with the full detail on all the recommendations.

Key theme area	Headline Recommendation
Carers	Improve joining up of carer support services through a carer advocate role.
Healthier lifestyles	Actively support the creation of a safe recreational trial/ cycle path from Holsworthy to Bude
Loneliness and isolation	Promote and maintain a Holsworthy directory of services
NHS beds and the use of Holsworthy Hospital	Open local NHS beds for people
Services in your home	Joining up patient records
Support at end of life	A local out-of-hours community nursing service
Travel and transport	More consideration to be given to the geographical location of Holsworthy when booking outpatient appointments
Young People	Further explore the needs of younger people in Holsworthy

Teignmouth and Dawlish

The CCG has been developing a proposal to modernise health and care services in the Teignmouth and Dawlish area. This centres on a proposal to relocate services from the old Teignmouth Community Hospital into more modern, environmentally friendly accommodation in Teignmouth or Dawlish. Part of the proposal is to continue with the successful model of care in place since 2015 and formally reverse a 2015 decision to implement 12 rehabilitation beds at Teignmouth Community Hospital. A planned consultation process, that was approved by the CCG's Governing Body in February 2020, was postponed due to the coronavirus outbreak.

Dartmouth

Devon CCG is working with Torbay and South Devon NHS Foundation Trust in partnership with a broad range of community organisations to progress new ways of delivering health and care in Dartmouth, including building a £4.8 million new Health and Wellbeing Centre in the town.

Local people from several key organisations are influencing NHS plans as part of the Dartmouth Health and Wellbeing Centre Working Group. Part of the group's work is to influence the delivery of a purpose-built new Health and Wellbeing Centre to help deliver integrated healthcare and a sustainable GP practice for people in Dartmouth.

Local Maternity Services

To involve people more in local maternity services, a series of roadshows were undertaken in clinical areas, giving opportunities to hear from staff involved in the delivery of maternity services.

This was followed by a further event with professionals to hear their ideas and views about improving community maternity services. A cross section of professionals from across Devon were invited to this event including commissioners, midwifery staff, health visiting staff, local authority staff, drug and alcohol staff and sexual health staff.

In January 2020 a similar event was run with people who had recent experience of using maternity services. The event was promoted locally on social media and at local events with parents.

Findings from these events will be fed back to the Devon Local Maternity Services Board for action and recommendation.

Devon Maternity Voices Partnership and Parent Carer Forums

Devon Maternity Voices Partnership (MVP) is a collective of parents and providers of maternity services working together to improve local maternity care across Devon. This is funded by the CCG.

Over the last year the MVP group has grown and developed a sound membership, working to an agreed set of priorities. This approach gives the CCG and the MVP the

opportunity to co-produce Devon's maternity strategy. Recent work has seen Devon MVP working with Devon CCG on:

- Development of a personalisation journal
- Antenatal education
- GP engagement on the commissioning strategy of children's health and wellbeing
- The design of the Long Term Plan engagement with 16-25-year olds in relation to mental health and emotional wellbeing (supporting the commission of Living Options Devon who undertook the engagement)

The CCG continues to support the valuable contribution to engagement from Torbay Parent Carer Forum and is currently in the process of supporting the development of a Devon wide Parent Carer Forum.

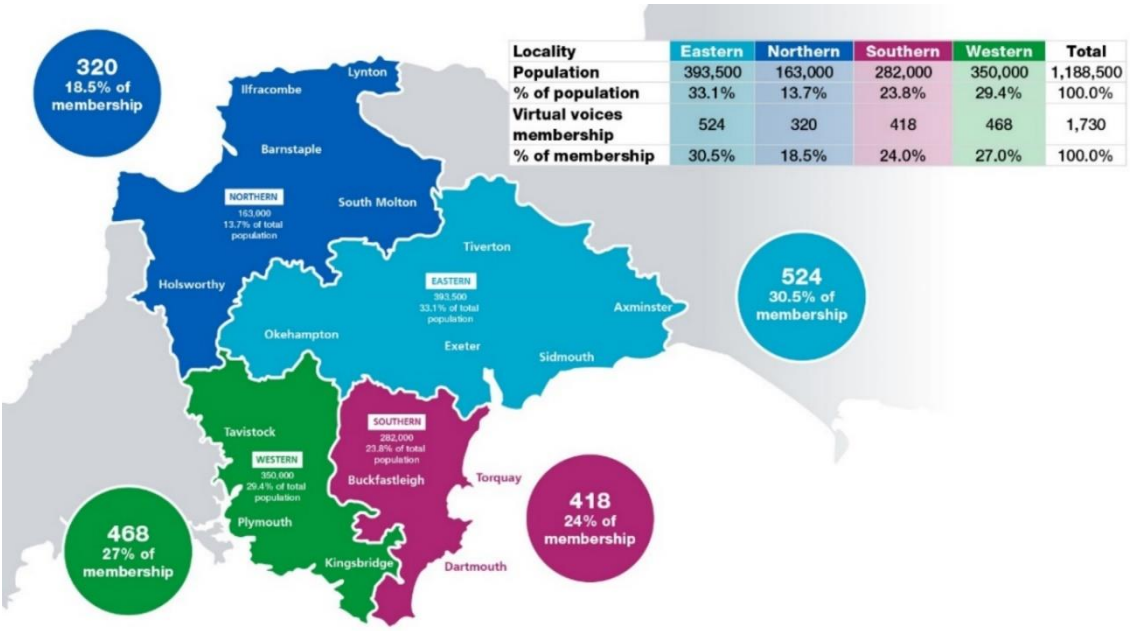
As part of the CCG's involvement in the Devon Special Educational Needs and Disabilities Programme, Devon CCG brought together parents of children and young people with autism spectrum disorder to hear their views and suggestions on the services and ways in which the support available in Devon could be improved.

Our engagement platforms

Devon Virtual Voices – our citizens panel

The CCG established an online panel in 2019. Devon Virtual Voices (DVV) is formed of more than 1,700 volunteer members to provide views and feedback on NHS services and priorities.

The panel has been formed to be fully representative of the population of Devon. This mean that the members represent all the various sectors of the community including gender, ethnicity, age, postcode (geography/deprivation), disability, carers and parent or guardian.



Locality	Eastern	Northern	Southern	Western	Total
Population	393,500	163,000	282,000	350,000	1,188,500
% of population	33.1%	13.7%	23.8%	29.4%	100.0%
Virtual voices membership	524	320	418	468	1,730
% of membership	30.5%	18.5%	24.0%	27.0%	100.0%

To ensure the panel remains representative of the population of Devon, all future recruitment of panel members will continue to be undertaken through face-to-face engagement in a targeted way. Not everyone can commit to face-to-face time, but they may be able to spare five minutes sharing their views via a survey or online discussion.

As of the end of March 2020, Devon Virtual Voices have completed three surveys, totalling 11 questions, covering the Long Term Plan for Devon, mental health and wellbeing, integrated care and most recently patient behavioural insight.

Response rate sits at just below 20% which equates to approximately 1000 responses across all surveys. This insight is invaluable when it comes to informing plans, temperature checking current feeling and testing ideas and insight.

The panel will continue to grow throughout 2020/21, following the same systematic approach to member recruitment, with an aim to reach approximately 2,500 members.

The CCG has shared the work of the Devon panel nationally, presenting at NHS Expo September 2019 and at NHS England's 'community of practice' forum. Devon CCG is now as a mentor for other systems wishing to set up online panels.

Engagement Panel

The Engagement Panel has supported and reviewed some key engagement activity.

Membership includes senior commissioners, engagement and communications leads, clinicians and lay members. The panel helps those considering further involvement and engagement activity, some of which may eventually lead to formal consultation. We would like to extend our sincere thanks to our public members, Roger Trapani, Carol McCormack and June Wildman, for their continued commitment and insight.

The advice and guidance offered by the panel feeds directly into the development of the engagement and consultation work undertaken by the CCG.

Key stakeholders and partners

Healthwatch

Healthwatch organisations from Torbay, Plymouth and Devon have worked closely with us – and with each other - through the year at a strategic and operational level.

Over the last year, Healthwatch has:

- Met regularly with the CCG communications and engagement team
- Been integral members of the CCG's Public Engagement Panel
- Provided the CCG with findings from their "have your say" health and care engagement
- Collated, analysed and produced a recommendation report for the engagement in Holsworthy
- Collated, analysed and produced a recommendation report for the Better for you, Better for Devon engagement
- Been appointed as the independent partner for the Teignmouth and Dawlish consultation process, including running and evaluating public engagement events

Patient Participation Groups (PPGs)

The CCG is committed to supporting a Devon-wide PPG network, and values the contribution of PPG members.

2019/20 saw the creation of the Devon PPG network, hosted by the CCG but run by PPG representatives. The CCG has worked closely with the PPG network to:

- Meet regularly with a representative from each of the 10 PPG forums from across Devon to share information and best practice
- Host the first annual PPG network conference, with over 150 attendees from across Devon and Cornwall
- Support them to engage better locally on Better for you, Better for Devon by facilitating online access to members and providing paper versions of the survey in practices for public and patients
- Ask the PPG network to actively promote current messaging direct to their practices, such as the CCG's Stay Well communications, GP consultations, NHS App, NHS 111

Joint Engagement Forum (JEF)

The JEF is chaired by Devon County Council's adult social care team. The group is multi-agency and brings together a number of community leaders who cover a diverse section of Devon. The CCG has worked alongside the group to:

- Carry out focus group discussion with members on key areas of the Long Term Plan; outpatient appointments, digital health and young people's mental health
- To develop opportunities to further engage with seldom heard groups, such as the gypsy and travelling community and those with learning disabilities and autism.
- Attend quarterly meetings to give an update on the CCG's plans and approaches to engagement with partners.

Living Options Devon

Living Options Devon is a specialist engagement organisation that enables the CCG to ensure those with seldom heard voices are given an opportunity to contribute to the development of the CCG's commissioning plans and decisions. As part of the Better for you, Better for Devon engagement work in the summer 2019, Devon CCG commissioned Living Options Devon to undertake engagement with young adults aged 16 – 25 years old about their mental health and emotional wellbeing, all of which fed directly into the Long Term Plan for Devon.

Ensuring people have a voice

Reaching seldom heard groups

The CCG is committed to hearing from a diverse range of people and recognises that for those groups of people that can be excluded or are disadvantaged it can be hard to get their voice heard. The CCG adopts an approach of 'go to' rather than 'come to us' wherever it can as this helps provide a trusted space in which people can share their views.

We continue to work with groups that help us ensure that those seldom heard groups are able to have a voice in the development of plans for health and care services. Groups such as:

- Hikmat Devon CIC
- Devon Parent Carer Voice
- Devon Senior Voice
- Intercom Trust
- Proud 2 Be
- The Carers Forum
- The Autism Involvement Group

We also work closely with:

- local authority partners on the Special Educational Needs and Disability (SEND) agenda
- our providers who work specifically with disadvantaged groups, eg Devon Partnership NHS Trust, Shekinah Mission (homeless outreach services)

Reducing health inequality

How the CCG has discharged its duty under Section 14 T

The CCG is continuing to work with partners in Devon to tackle health inequalities, drawing on local intelligence and NHS Right Care data packs for equality and health inequality. The ongoing development of interventions to address inequalities has used the tools and processes in the PHE tool 'Health Inequalities: place-based approaches to reduce health inequalities', alongside the PHE menu of interventions and local intelligence. Allied to prevention, new care model and population health management work, the STP has established a Health Inequalities Programme Group, involving the CCG, public health, providers, finance, and academic partners. This group is tasked with describing the pattern of health inequalities in Devon at a neighbourhood level, comparing this with local healthcare resources, identifying gaps, and targeting existing and additional funding to address areas experiencing greater levels of health inequalities.

In addition to the work being led directly by the Health Inequalities Programme Group, the CCG, along with public health partners, is leading the system's Population Health Management (PHM) programme. By developing a systematic approach to population health management, in future, we will be in a better position to identify and expose health inequalities across our population and support the development of new models of care (for example, the Integrated Care Model, Primary Care Networks and Networked Acute Care) to address them. After submitting a bid in late 2019, we have been accepted on to Wave 2 of NHS England's Population Health Management (PMH) Development Programme. Our involvement in this programme will be used to develop the technical capabilities and infrastructure needed to deliver a PHM approach and increase the pace of delivery in line with the priorities for Devon and national Long Term Plan commitments.

Five primary care networks have been selected to be part of the Wave 2 programme. They are WEB in the East locality, Newton West in the South, Barnstaple Alliance in the North, West Devon and Pathfields in the West.

A core analytical group has been established to coordinate the development of population health intelligence in Devon. This includes representatives of local authorities, NHS organisations, the South West Academic Health Science Network and the Peninsula Collaboration for Health Operational Research and Development.

As well as our focus on developing the infrastructure and capability we need to identify and tackle inequalities more systematically, action to reduce health inequalities is embedded in many of our key work programmes, for example:

- the implementation of Annual Health Checks for people with serious mental health disorders and learning disabilities
- the roll out of the Learning Disability Mortality Review programme
- the introduction of learning disability quality checkers

Delivering these, and other, initiatives in 2019/20 demonstrates the CCG's ongoing commitment to reducing inequalities at system, place and neighbourhood level in Devon. However, to ensure that our plans and activity are having the desired effect, it is necessary to monitor the impact. At an operational level, impacts on equality are monitored through existing quality assurance mechanisms:

- The application of the Quality and Equality Impact Assessment on specific service change
- Use of The Equality Delivery System tool to measure CCG performance on equality issues
- Feedback from patients through our CCG mechanisms, social media, and media
- The Devon-wide Equality Co-operative, a forum set up to ensure a system-wide oversight of equality issues
- Regular reporting to the Quality Assurance Committee of the CCG (patient and public equality, diversity and inclusion information)
- Regular reporting to the Remuneration Committee of the CCG (workforce equality and diversity information)
- The CCG's Quality Assurance Framework
- CCG presence at Devon County Council's Joint Engagement Forum where representatives of people with protected characteristics share experience and inform commissioning developments
- Access to Devon County Council's Equality Reference Group (which includes members with specific protected characteristics) as a source of user experience information

The CCG's annual equality report will present findings on the impacts on equality arising from delivery of the 2019-20 Operating Plan, the implementation of the Long Term Plan and specific projects supporting this.

Finally, by monitoring outcomes, and needs assessment and population health management processes, health needs and outcomes will be broken down according to equality and inequality criteria, including protected characteristics, socio-economic status and area deprivation to identify and address differential outcomes and access to services by groups. These new processes will provide an additional mechanism for promoting equality and addressing inequalities.

The CCG contribution to the delivery of Joint Health and Wellbeing Strategy

The CCG has contributed to the delivery of three joint health and wellbeing strategies, in line with section 116B(1)(b) of the Local Government and Public Involvement in Health Act 2007.

The Devon, Plymouth and Torbay Health and Wellbeing Boards bring leaders from the local health and care systems together to work with other partners to improve the health and wellbeing of the local population. The boards' members include councillors and local authority officers along with representatives from other organisations such as Healthwatch, Devon CCG, Devon and Cornwall Police, Devon Partnership NHS Trust and NHS trusts and foundation trusts. The three Joint Health and Wellbeing Strategies include a focus on prevention and early intervention across the health, care and wellbeing system. They recognise and support the growing contribution and needs of voluntary, community and social enterprise organisations to improving health and wellbeing, and the role of the public in the continuing development of services.

In line with this new way of working, the three Devon Health and Wellbeing Boards, supported by the local authorities' public health teams, are working together more closely to identify common themes in their Health and Wellbeing strategies. The development of the Long Term Plan has been a catalyst for further strengthening system-level collaboration. This is making it easier to identify issues of shared concern which can be tackled through a system-wide approach while enabling work at more local levels. The aim of health and wellbeing boards is to improve integration between practitioners in local health care, social care, public health and related public services so that patients and other service-users experience more joined-up care, particularly in transitions between healthcare and social care.

The boards are also responsible for leading locally on reducing health inequalities. At a strategic level, the Devon health and wellbeing boards will play a key role in advancing equality and reducing inequality as we implement the Long Term Plan. Although the three health and wellbeing boards currently have their own individual priorities, there are a number of very strong common themes, and these have been used to frame the joint health and wellbeing strategy for the system feeding through to our draft Long Term Plan.

Common themes/areas of priority across health and wellbeing strategies

- Mental health across the life course
- A focus on communities, housing and the built environment
- Giving children the best start in life
- A focus on living well, encouraging health lifestyles and prevention
- Maintaining independence and good health into older age

How the CCG has contributed to the joint health and wellbeing strategy

The prevention programme is based on the health needs of the population with a focus on impacting on health inequalities by targeted issues and areas where need is greatest. In 2019-20 the CCG took steps to address the financial inequities in our system as well as health inequalities across Devon. In October 2019 the CCG's Governing Body took a significant step towards this by agreeing a new funding policy to address the historic financial inequities in our health economy. The NHS Long Term Plan challenges us to go further, faster, in relation to tackling inequalities. In response we are increasing the focus on prevention and have already been targeting some specific population groups which we know have poorer outcomes. For example, we know that the physical health of some people with mental illness, learning disabilities, and/or autism is significantly worse than the health of Devon's population as a whole. We have therefore been focusing on the implementation of Annual Health Checks and the roll out of the Learning Disability Mortality Review programme which will help to reduce the inequalities faced by these groups in our population.

Mental health across the life course

The CCG has been leading work to improve outcomes for people with severe mental illness. We have increased access to Annual Health Checks in primary care and this will help reduce smoking rates and the gap in life expectancy for people with severe mental illness and increase positive lifestyle behaviours. Alongside this, the CCG has been supporting primary care clinicians to use diagnostic tools to enable indicative diagnosis of dementia in primary care so that people with dementia can get quicker access to evidence-based intervention.

A focus on communities, housing and the built environment

In 2019/20 the CCG has continued to support the development and launch of health and wellbeing hubs with models that fit each local area. This provision has helped to integrate support, increase prevention, bolster early help and reduce reliance of primary medical services and urgent care.

Giving children the best start in life

The CCG has been leading work to support the emotional health and wellbeing of children and young people in Devon. The CCG has recently secured funding to roll out Mental Health Support teams in schools and is now planning to implement this initiative which strengthen the mental health support offer in schools. Furthermore, CCG commissioners and partners have been working with Anna Freud Centre to generate a whole system approach to supporting emotional health and wellbeing. Children and young people experiencing emotional distress will be better supported and the project aims to reduce self-harming behaviour. A number of workshops have been delivered by the Anna Freud Centre and the outputs are currently being shared across the system to inform commissioning and practice.

A focus on living well, encouraging healthy lifestyles and prevention

The Devon health and care system has had prevention at the heart of its priorities for several years and, building on this, in 2019/20 the CCG has invested £2million, alongside the three local authorities' public health funding, in a prioritised prevention programme to build on progress so far and to further increase the pace, scale, and scope of delivery. One example of how the additional funding has been deployed in 2019/20 is extra investment in the Making Every Contact Count initiative. Thanks to the extra investment, the CCG now has a fully trained trainer in place to lead the wider roll out of training across the CCG and wider system.

On top of further investment in prevention, the CCG has been working with partners to develop a new approach to reduce variations in outcomes, gaps in life expectancy and health inequalities across Devon. The emerging 'Devon Deal' will be a new shared way of working with people and communities to identify priorities and tackle the root causes of problems such as substance misuse, domestic abuse and sexual violence, homelessness and mental ill-health.

Equality, diversity and inclusion

This section makes use of hyperlinks to supporting documents. If you do not have a computer or access to the internet and would like to see these, please contact our Patient Advice and Complaints Team for a paper copy: call 0300 123 1672 or email D-CCG.PatientExperience@nhs.net

In line with its agreed equality, diversity and inclusion (EDI) strategy, the CCG publishes a separate report on its progress, which will be available on our website. Consequently, this section provides headline statements in relation to the CCG's performance.

Legal duties and national standards

The CCG has a responsibility to meet a range of legal duties and standards that support equality for people who are identified as having a particular protected characteristic under the Equality Act. In addition, the CCG has identified the following groups of people with characteristics that contribute towards inequality in health:

- Rough sleepers (especially in relation to mental health services)
- Rural populations
- People in contact with the justice system
- Veterans and the armed forces and their families
- People affected by specific conditions or risk factors: cancer; smoking; learning disabilities and autism; diabetes; respiratory disease; obesity; drug and alcohol use

The duties and responsibilities include:

- The Equality Act 2010
- The Public Sector Equality Duty (PSED)
- Human Rights Act
- The Children Act
- The Workforce Race Equality Standard (WRES)
- Equality Delivery System 2 (EDS2)
- Internal equality reporting requirements

In addition, the CCG has to assure itself and the public that the organisations it commissions are meeting these requirements, plus the following additional standards imposed on the acute trusts:

- The Sexual Orientation Monitoring Standard (SOMS)
- The Workforce Disability Equality Standard (WDES)
- The Accessible Information Standard (AIS)

This year we have introduced a process for self-assessment of compliance with these duties and standards, the report on compliance can be found on individual organisations' websites.

Equality, diversity and inclusion in 2019/2020

In 2019/2020, the focus was on developing and implementing the infrastructure and tools needed to support the CCG and its partners in addressing EDI issues as they move towards more integrated commissioning and provision.

In Devon, much of this work has been done in collaboration with the Devon-wide Equality Co-operative which includes members from health and social care organisations from across the county. In 2018 the Equality Co-operative identified five workstreams that shaped its work and to which individual organisations including the CCG aligned their work plans:

1. Improving outcomes and experiences

Our main goal as a CCG is to see improved outcomes for all patients and positive experiences of care for all. During 2019/2020 the CCG has supported and been involved in:

Age

- Supporting the implementation of the national framework for enhanced health in care homes, which has seen the introduction of initiatives such as the red bag scheme to support more effective transfer to hospital and improved communications between health and care providers

Ethnicity

- Working with NHS England to identify a new provider of translation and interpretation services for primary care across Cornwall, Devon and Somerset. There are also plans to produce key web-based documents in other languages.

Disability

- The identification of a new provider of wheelchair services in Plymouth, with the CCG supporting the involvement of service users in the procurement of this service, including in drafting the specification and in evaluating bids.
- The introduction of the Quality Checker initiative in which people with learning disabilities and/or autism are employed to carry out and report on quality checks of provider organisations.
- Work on the national “Ask, listen, do” initiative to ensure people with learning disabilities are able to make a comment on, or complain about, services as easily as other people.
- Inclusion of a “browse aloud” function on the CCG website and plans to produce key web-based documents in easy read format.
- A pilot scheme for making reasonable adjustments for people with learning disability within the summary care record, with three GP surgeries, Devon Partnership NHS Trust, Royal Devon and Exeter NHS Foundation Trust and NHS Digital all taking part.
- Commissioning of crisis cafés for people with mental health difficulties.
- CCG staff attending autism awareness training offered by University Hospitals Plymouth NHS Trust.
- Initiating an autism liaison nursing pilot at University Hospitals Plymouth
- Commissioning positive behaviour training coaches
- Training in autism spectrum disorder across Devon

Sexual orientation and gender reassignment

- Feeding back issues to the national teams, in particular about the lack of gender-neutral title options on record systems and requesting further national guidance on mixed sex accommodation in hospitals for people who are transitioning or have transitioned.

Multiple characteristics

- The CCG has jointly supported the introduction of the Help Overcoming Problems Effectively (HOPE) programme.

2. Understanding our population

To better understand the diversity of both the population and those who work for us, we have:

- Linked in with our public health teams
- Audited the sources of EDI information.
- Identified the preferred source of diversity data as being Public Health data
- Been aligning the descriptors used on our Equality Impact Assessment (EIA) with those used in public health
- Explored current recording practice of CCG teams in terms of protected characteristics to inform any improvements needed
- Worked with the Patient Advice and Complaints Team to strengthen protected characteristic reporting in a new form used by service providers

3. Governance of EDI in Devon

To support the need for clear lines of reporting between the various groups working on EDI related projects within the CCG and across the system, the CCG has

- Approved an EDI strategy and policy
- Led a collaborative audit of the forums, groups and committees with an EDI element in their remit.
- Requested and undergone an external audit of EDI arrangements within the CCG. The audit generated a number of recommendations all of which have now been completed.

Public scrutiny of the CCG's EDI work is through this report and the more comprehensive Equality Report that has been produced and publicised on our CCG website.

4. Promotion and engagement to support EDI

The main engagement activity for the Equality Cooperative has been the completion of the Equality Delivery System (EDS2). Cooperative partners worked together to apply the equality delivery assessment system tool. Each organisation produces its own report and grade which can be found on their websites and the CCG grade can be found here. The information gathered for this activity will be used to inform the CCG EDI priorities [LINK]. In terms of engagement with service users, CCG staff have:

- Attended and presented at Devon Blue Light Day
- Run an engagement targeted at hard to reach groups, in partnership with Devon County Council's Joint Engagement Forum
- Worked on a shared EDI calendar which aims to help the system plan future engagement more effectively

5. Sharing knowledge and good practice

To make the most of local expertise, the Equality Co-operative has introduced an online sharing platform where members can share resources and experiences.

System working

The CCG works on EDI for itself and as a key member of the Equality Co-operative. This enables the health and care system in Devon to address issues common to all members of the health and social care community. Many members of the co-operative also attend the South West Inclusion Network which enables them to learn from and share with EDI leads beyond Devon. Furthermore, the CCG EDI Lead currently represents Southern England's EDI leads at the National Equality and Diversity Council.

During this year the equality co-operative has widened its membership to make sure there is representation from a variety of service providers.

EDI and the CCG workforce

This year we have undertaken work to better understand the diversity of our workforce using the staff survey data. An overview of the staff demography and ethnicity can be found in the CCG's annual Equality, Diversity and Inclusion report.

The human resources (HR) team has undertaken a review of the CCG's HR policies and ensured that equality underpins this work.

For more information on how our HR team supports EDI in the workforce please see page 104.

As an organisation, the CCG is required to complete a Workforce Race Equality Standard report and a Gender pay Gap report. These can be found on the CCG website.

Simon Tapley
Interim Accountable Officer
NHS Devon Clinical Commissioning Group
19 June 2020

Accountability report

This section includes information on how we ensure that our organisation runs safely and effectively and that we make the best use of the resources available to us. It includes

- A Corporate Governance Report which explains how our governance structures operate and how they support the achievement of the CCG's objectives
- A Remuneration and Staff Report which gives information about our staff and how they are paid
- A Parliamentary Accountability and Audit Report which some organisations are required to produce to give disclosures on statutory requirements.

Corporate governance report

Members Report

CCGs are clinically-led membership organisations made up of general practice. The members of the CCG are responsible for determining the governing arrangements for the CCG, including arrangements for clinical leadership which are set out in the CCG's constitution. Devon CCG comprises 124 member practices across our identified localities. Each member practice has a nominated healthcare professional who represents the practice in dealings with the CCG. Each locality (Northern, Southern, Eastern and Western) also selects a Locality Clinical Representative who is a member of the Governing Body.

By locality, the 124 member practices are:

Northern locality

Bideford Medical Centre
Black Torrington Surgery
Bradworthy Surgery
Brannams Medical Centre
Caen Medical Centre
Castle Gardens Surgery
Combe Coastal Practice
Fremington Medical Centre
Hartland Surgery
Litchdon Medical Centre
Lynton Health Centre
Northam Surgery
Queens Medical Centre
Holsworthy Medical Centre
South Molton Medical Centre
Torrington Health Centre
Wooda Surgery

Southern locality

Albany Surgery
Ashburton Surgery
Barton Surgery
Bovey Tracey and Chudleigh Practice
Brunel Medical Practice
Buckfastleigh Medical Centre
Buckland Surgery
Catherine House Surgery
Channel View Surgery
Chelston Hall Surgery
Chilcote Surgery
Chillington Health Centre
Compass House Surgery
Corner Place Surgery
Cricketfield Surgery
Croft House Medical Practice
Dartmouth Medical Practice
Devon Square Surgery
Kingskerswell and Ipplepen Health Centres
Kingsteignton Medical Practice
Leatside Surgery
Mayfield Medical Centre
Old Farm Surgery
Parkhill Medical Practice
Pembroke House Surgery
Southover Medical Practice
Teign Estuary Medical Group
Teignmouth Medical Practice

Western locality

Abbey Surgery
Adelaide Street Surgery
Beacon Medical Group
Beaumont Villa Surgery
Budshead Medical Practice
Church View Surgery
Dean Cross Surgery
Devonport Health Centre
Elm Surgery
Estover Surgery
Friary House Surgery
Knowle House Surgery
Lisson Grove Medical Centre
Mayflower Medical Group
Modbury Health Centre
North Road West Medical Centre
Norton Brook Medical Centre
Yelverton Surgery
Oakside Surgery
Pathfields Practice
Peverell Park Surgery
Redfern Health Centre
Roborough Surgery
South Brent Health Centre
Southway Surgery
St Levan Surgery
St Neots Surgery
Stoke Surgery
Tavyside Health Centre
Wembury Surgery
West Hoe Surgery
Wycliffe Surgery
Yealm Medical Centre

Eastern locality

Amicus Health
Axminster Medical Practice
Barnfield Hill Surgery
Blackdown Practice
Bow Medical Practice
Bramblehaies Surgery
Budleigh Salterton Medical Practice
Castle Place Practice
Chagford Health Centre
Cheriton Bishop Surgery
Chiddenbrook Surgery
Claremont Medical Practice
Clock Tower Surgery
Coleridge Medical Centre
College Surgery Partnership
Cranbrook Medical Practice
Foxhayes Practice
Haldon House Surgery
Heavitree Practice
Hill Barton Surgery
Honiton Surgery
Ide Lane Surgery
Imperial Surgery
Isca Medical Practice
Mid Devon Medical Practice
Moretonhampstead Health Centre
Mount Pleasant Health Centre
New Valley Practice
Okehampton Medical Centre
Pinhoe Surgery
Raleigh Surgery
Rolle Medical Partnership
Sampford Peverell Surgery
Seaton and Colyton Medical Practice
Sid Valley Practice
South Lawn Medical Practice
Southernhay House Surgery
St Leonards Practice
St Thomas Medical Group
Topsham Surgery
Townsend House Medical Centre
Wallingbrook Health Centre
Westbank Practice
Whipton Surgery
Wonford Green Surgery
Woodbury Surgery
Wyndham House Surgery

<u>The following mergers and closures took place in 2019/20:</u>

Pembroke House Surgery and Parkhill Medical Practice merged on 1 April 2019.
Pathfields Medical Group, Crownhill Surgery and Armada Surgery in Plymouth merged on 1 April 2019.
St Luke's and Greenswood Medical merged with Mayfield Medical Centre on 27 June 2019.
Park View Surgery closed on 31 December 2019
Barton Surgery (Plymstock) closed on 31 December 2019
Mannamead Surgery merged with Mayflower on 1 February 2020.

Our Governing Body

The Governing Body ensures that the CCG operates effectively and efficiently, with good governance. The Governing Body, in line with the CCG constitution, currently has 18 voting members, of which 10 are men and eight are women. Our lay members have a clear statutory role in acting as an independent and expert voice on the board.

Dr Paul Johnson
Clinical chair

Simon Tapley
Interim accountable officer

Nick Ball**
Vice chair; Lay member,
Governance and probity

Dr Shelagh McCormick
Clinical representative, western locality

Dr Simon Kerr
Clinical representative, eastern locality

Dr John Womersley
Clinical representative, northern locality

Dr David Greenwell
Clinical representative, southern locality

John Dowell
Chief finance officer

Andrew Millward
Director of communications and HR

Jo Turl
Director of commissioning (Western)

Lorraine Webber**
Interim director of nursing

Sonja Manton
Interim director of commissioning (Northern, Eastern and Southern)

Dr Nick Kennedy**
Secondary care doctor

Gaynor Appleby
Non-executive lay member,
Allied healthcare

Graham Turner**
Non-executive lay member,
finance and remuneration

Judy Hargadon**
Non-executive lay member,
primary care and prevention

Glynis Atherton
Non-executive lay member,
quality assurance

Charlotte Burrows
Non-executive lay member,
patient and public involvement

Alison Davis*
Associate non-executive lay member,
Independent social worker

James Wooldridge*
Associate non-executive lay member
Recovery Devon/mental health

*non-voting member
**member of Audit Committee

The above represents the membership of the Governing Body as at 31 March 2020.

The CCG Governing Body will regularly invite the following individuals to attend any or all of its meetings as attendees who are non-voting:

- Local authority representatives, specifically Public Health in accordance with Section 14W of the NHS Act. Within the CCG local geography, this representation would be from Devon County Council, Plymouth City Council and Torbay Council as described in section 2.2 of the CCG's constitution.

Biographies for our Governing Body members are available on our website: https://devonccg.nhs.uk/about-us/governing-body-and-committees/governing-body-members

The Governing Body follows the Nolan principles of 'standards of board behaviour' in all that it does, and has a declaration of interests register, which is scrupulously maintained and shared openly. Governing Body meetings are held in public and the CCG endeavours to manage the majority of its clinical commissioning decision-making in public. From the start, the Governing Body has put the patient at the centre of its decision making. Its meetings begin with a patient story, usually presented by one of our clinical members, and at the end of most meetings members reflect on the difference their decision making might have made to that patient.

Governing Body disclosures

The declaration of interests register includes all interests declared by Governing Body members, employees and members of committees or subcommittees (including committees and subcommittees of the Governing Body). It is published on our website: https://devonccg.nhs.uk/about-us/governing-body-and-committees

In accordance with the CCG's constitution and section 140 of The National Health Service Act 2006, the CCG's accountable officer must be informed of any interest which may lead to a conflict with the interests of the CCG and the public in relation to a decision to be made by the CCG, and that needs to be included in the Register within 28 days of the individual becoming aware of the potential for a conflict. If required, the register is updated regularly (at no more than three-monthly intervals).

Interests that must be declared (whether such interests are those of the individual themselves or of a family member, close friend or other acquaintance of the individual) include:

- Roles and responsibilities held within member practices
- Directorships, including non-executive directorships, held in private companies or PLCs
- Ownership or part-ownership of private companies, businesses or consultancies likely or possibly seeking to do business with the CCG
- Shareholdings (more than five percent) of companies in the field of health and social care
- A position of authority in an organisation (eg, charity or voluntary organisation) in the field of health and social care
- Any connection with a voluntary or other organisation contracting for NHS services
- Research funding/grants that may be received by the individual or any organisation in which they have an interest or role
- Any other role or relationship which the public could perceive would impair or otherwise influence the individual's judgement or actions in their role within the CCG.

Personal data related incidents

During the year 51 incidents were reported relating to security breaches. Of these, three were found to be near misses, with the remainder being rated as green. There were no incidents reported to the Information Commissioner.

Statement of disclosure to auditors

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

- So far as the member is aware, there is no relevant audit information of which the CCG's auditor is unaware that would be relevant for the purposes of their audit report
- The member has taken all the steps that they ought to have taken in order to make him or herself aware of any relevant audit information and to establish that the CCG's auditor is aware of it.

Modern Slavery Act

Devon CCG fully supports the Government's objectives to eradicate modern slavery and human trafficking but does not meet the requirements for producing an annual Slavery and Human Trafficking Statement as set out in the Modern Slavery Act 2015.

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). NHS England has appointed Simon Tapley to be the Interim Accountable Officer of NHS Northern, Eastern and Western Devon CCG, and he has maintained that role after its merger with South Devon and Torbay CCG, forming NHS Devon CCG. 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 net 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 Government Financial Reporting Manual 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 judgments and estimates on a reasonable basis;
- State whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements; and,
- Prepare the financial statements 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 judgments required for determining that it is fair, balanced and understandable.

To the best of my knowledge and belief, and subject to the disclosure set out below, I have properly discharged the responsibilities set out under the National Health Service Act 2006 (as amended), Managing Public Money and in my Clinical Commissioning Group Accountable Officer Appointment Letter.

- under Section 30(a) of the Local Audit and Accountability Act 2014 NHS Devon CCG is expected to breach its breakeven duty and revenue resource limit for the year ending 31 March 2020 and this has been reported, formally in writing, to the Secretary of State and NHSE/Improvement during April 2020 by the CCGs external auditors Grant Thornton UK LLP.

I also confirm that:

- As far as I am aware, there is no relevant audit information of which the CCG's auditors are 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.

Simon Tapley
Interim Accountable Officer
NHS Devon Clinical Commissioning Group
19 June 2020

Annual governance statement

Introduction and context

NHS Devon Clinical Commissioning Group is a body corporate established by NHS England on 01 April 2019 under the National Health Service Act 2006 (as amended). Prior to establishment of Devon CCG there were two separate legal entities, known as NHS South Devon and Torbay CCG and NHS Northern, Eastern and Western Devon CCG.

The clinical commissioning group'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. This report highlights how the CCG has discharged its duty to involve the public, as set out in section 14Z2 of the Health and Social Care Act 2012.

As at 31 March 2020, the clinical commissioning group is not subject to any directions from NHS England issued under either Section 14Z21 of the National Health Service Act 2006. However, under Section 30(a) of the Local Audit and Accountability Act 2014 NHS Devon CCG is expected to breach its breakeven duty and revenue resource limit for the year ending 31 March 2020 and this has been reported, formally in writing, to the Secretary of State and NHS England/Improvement during April 2020 by the CCGs external auditors Grant Thornton UK LLP. Detail of this breach is outlined in the financial performance section of the annual report (page 70).

Scope of responsibility

As Accountable Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the clinical commissioning group's policies, aims and objectives, while 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 Clinical Commissioning Group Accountable Officer Appointment Letter.

I am responsible for ensuring that the clinical commissioning group 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 clinical commissioning group as set out in this governance statement.

Governance arrangements and effectiveness

The main function of the Governing Body is to ensure that the group has 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.

The CCG's membership comprises 124 member practices, working together within 31 primary care networks across Devon. A full list of member practices is included in the Members Report on pages 51-52.

The membership and attendance record for the Governing Body and its committees are detailed in appendix 1. The Governing Body met 12 times in public during 2019/20.

The Governing Body has five committees reporting to it. Below are details of the three statutory committees of the Governing Body, as outlined in the constitution, and the additional two committees, namely Quality Committee and Finance and Performance Committee. The Governing Body and its committees have each undertaken an annual effectiveness review during Q4 2019/20, the results of these effectiveness reviews were planned to of been presented at each committee during the first quarter of 2020/21, however, following agreement with each Chair and due to Covid-19, have been postponed for presentation until Q2/3

Audit Committee – Statutory Requirement	
Chair	Chair Nick Ball, Non-Executive Director/Lay Member, Conflict of Interests Guardian
Terms of Reference	Approved: July 2019
Purpose	The purpose of the Audit Committee is to assist the CCG in delivering its responsibilities for the conduct of public business, and the stewardship of funds under its control. In particular, the Committee will seek to provide evidence-based assurance to the Governing Body that an appropriate system of internal control is in place to ensure that: • Business is conducted in accordance with the law and proper standards • Public money is safeguarded and properly accounted for • Financial statements are prepared in a timely fashion, and give a true and fair view of the financial position of the CCG for the period in question • Affairs are managed to secure economic, efficient and effective use of resources • Reasonable steps are taken to prevent and detect fraud and other irregularities Governing bodies can – if they choose – nominate a 'subset' of the Audit Committee to act as the Auditor Panel. If a subset is used, there must be at least three Members with a majority who are independent and non-

	executive Members of the Governing Body. (HFMA briefing December 2015)

Remuneration and Strategic Workforce Committee – Statutory Requirement	
Chair	Chair Graham Turner, Non-Executive Director/Lay Member, Chair Finance and Performance Committee
Terms of Reference	Approved: August 2019
Purpose	The purposes of the Remuneration and Strategic Workforce Committee are to: Part 1 - Make recommendations to the Governing Body on determinations about pay and remuneration for Very Senior Manager (VSM) employees of the clinical commissioning group and people who provide services to the clinical commissioning group and allowances under any pension scheme it might establish as an alternative to the NHS pension scheme. Part 2 - Provide assurance and oversight of strategic people management and organisational development identifying key issues and risks requiring discussion or decision by the Governing Body. The Remuneration and Strategic Workforce Committee has clear delegations for decision making which are set out in the Scheme of Reservation and Delegation.

Finance and Performance Committee	
Chair	Graham Turner, Non-Executive Director/Lay Member, Chair Finance and Performance Committee
Terms of Reference	Approved: April 2019
Purpose	The Finance and Performance Committee is the overarching finance assurance committee. Ensuring that there are robust and functioning systems in place to commission safe, economical and effective treatment and care for patients, and that the experiences of patients are cost effective and positive. To provide assurance that the commissioning of services is; evidence based, in line with the strategic objectives of the CCG, and inclusive of national and local requirements. Oversee CCG performance against statutory duties and legislation for financial governance, escalating any issues considered to impact on

	the commissioning of services. To provide assurance to the Governing Body and Audit Committee that the CCG is achieving the commissioning, financial and performance elements of its plan. This is to be achieved through judgement, scrutiny, and independent and objective review. To have oversight of budget, financial plans and any financial recovery plans. Review and approve finance and performance reports prior to submission to the Governing Body. To objectively assess and assure the Governing Body that the internal business support services are operating effectively, are responsive to the business need and offer value for money. Oversee care pathways and services that support the financial plans and vision of the CCG. Consider clinical quality and safety in all commissioned services and make recommendations to the Quality and Assurance Committee or Governing Body as appropriate

Quality Assurance Committee	
Chair	Glynis Atherton, Non-Executive Director/Lay Member, Chair Quality Assurance Committee
Terms of Reference	Approved: May 2019
Purpose	To quality assure in an oversight role, the delivery of quality standards within commissioned services and to influence prioritisation of those services commissioned within the context of Devon's strategic plan and NHS long term plan. The Quality Assurance Committee will oversee performance against constitutional standards and statutory duties as well as legislation for clinical governance and escalate to the Governing Body, through the Committee Chair, any issues of concern considered to impact on the commissioning of high quality, safe care. It is the responsibility of the committee to make recommendations to the Governing Body of the CCG on determinations about the assurances received surrounding quality issues for the CCG.

Primary Care Commissioning Committee	
Chair	Judy Hargadon, Non- Executive Director/Lay Member, Chair Primary Care Commissioning Committee
Terms of Reference	Approved: February 2020
Purpose	The Committee has been established to enable the members to make decisions on the review, planning and procurement of primary care services in Devon, under delegated authority from NHS England. In performing its role the Committee will exercise its management of the functions in accordance with the agreement entered into between NHS England and NHS Devon CCG, which will sit alongside the delegation and terms of reference. The role of the Committee shall be to carry out the functions relating to the commissioning of primary medical services under section 83 of the NHS Act. The specific obligations of the CCG with respect to the delegated functions are set out in section 6 and schedule 2 of the Delegation Agreement and include: Decisions in relation to the commissioning, procurement and management of GMS, PMS and APMS contract including: a) the design of PMS and APMS contracts, monitoring of contracts, taking contractual action such as issuing breach / remedial notices, and removing a contract); b) Newly designed enhanced services ("Local Enhanced Services" and "Directed Enhanced Services"); c) Local incentive schemes as an alternative to the national Quality Outcomes Framework (QOF) (including the design of such schemes); d) 'Discretionary' payments (e.g., returner/retainer schemes); e) Commissioning urgent care for out of area registered patients. Planning the primary medical services provider landscape in Devon, including considering and taking decisions in relation to: f) The establishment of new GP practices (including branch surgeries) in the area, and the closure of GP Practices; g) Approving practice mergers; h) Managing GP practices providing inadequate standards of patient care, ensuring patients receive appropriate care; i) The procurement of new Primary Medical Services Contracts; j) Dispersing the lists of GP practices; k) Agreeing variations to the boundaries of GP practices; and

	l) Co-ordinating and carrying out the process of list cleansing in relation to GP practices. Decisions in relation to the management of poorly performing GP practices including, without limitation, decisions and liaison with the CQC where the CQC has reported non-compliance with standards (but excluding any decisions in relation to the performers list). Decisions in relation to the Premises Costs Directions Functions. The CCG will also carry out the following activities: • To plan, including needs assessment, primary care services in Devon; • To undertake reviews of primary care services in Devon; • To co-ordinate a common approach to the commissioning of primary care services generally; • To manage the budget for commissioning of primary care services in Devon.

UK Corporate Governance Code

NHS Bodies are not required to comply with the UK Code of Corporate Governance. We report our corporate governance arrangements by drawing on best practice available, including those aspects of the UK Corporate Governance Code we consider to be relevant to the CCG and best practice.

This governance statement is therefore intended to demonstrate the CCG's compliance with the principles set out in the Code.

Discharge of Statutory Functions

In light of the recommendations of the 1983 Harris Review, the CCG has reviewed all of the statutory duties and powers conferred on it by the National Health Service Act 2006 (as amended) and other associated legislature 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 is clearly outlined in the CCG's scheme of reservation and delegation, within the financial limits policy delegations are 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.

The financial risks in relation to financial sustainability are clearly visible on the assurance framework and corporate risk register. Controls and assurances are reviewed and updated at each monthly Finance and Performance Committee and reported through to the Governing Body no less than four times a year.

Risk management arrangements and effectiveness

The CCG is committed to a strategy that minimises risks to the organisation, staff and patients and stakeholders through a comprehensive system of internal controls, while providing maximum potential for flexibility, innovation and best practice in delivery of its strategic objectives.

The CCG works to all applicable legislation and NHS guidance, and where risk forms a part of the CCG's work, this is assessed and recorded on the risk register.

The CCG has a comprehensive approach to risk management which has been assessed by internal audit as satisfactory. The CCG maintains a risk register for all identified risks which are linked to the relevant element of the CCG's Corporate Objectives. A 5 x 5 risk scoring matrix is consistently applied to all risks, and the impact and likelihood of all risks are regularly assessed. This ensures that risks across different functions (e.g. finance, patient safety, data security) are objectively rated and compared on a single register.

All risks recorded on the register are assigned to one of the CCG's directors, a risk owner who is a senior officer within the CCG and are supported by a directorate risk coordinator. A risk assurance checklist is used to ensure that all identified risks are consistently scored in terms of likelihood and impact, and that the controls, assurances and action plans are recorded. All risks are reviewed at least quarterly, and the length of time a risk has remained at its current risk score is reported. The CCG risk register is reviewed by each of the CCG's committees, either in full or as relevant to the remit of that committee.

During the year the CCG has revised the risk assurance framework at Governing Body and this has been embedded throughout the CCG.

The Governing Body has discussed and agreed the CCG's risk appetite. The CCG will ensure high quality, with very limited tolerance of risk regarding patient and public safety. The CCG is eager to be innovative and to choose options offering potentially higher business rewards regarding finance, capacity and capability risks. The CCG is willing to consider all potential delivery options regarding patient and public safety risks.

The CCG's risk appetite can be summarised as follows:

- The Governing Body of NHS Devon CCG recognises that risk is a natural part of health and social care provision. The CCG will manage and mitigate risk whenever possible, to optimise patient safety. Whenever possible, we will look to take calculated risks where the potential results outweigh the costs.

Risk management is thoroughly embedded in the activity of the CCG, with members of staff engaged as risk owners or risk coordinators.

Risk is an agenda item on all Governing Body assurance committees, any new risk identified through these committees is recorded and appropriate action taken.

Quality and equality impact assessments are integrated into the CCG's core business and form a part of all policies and reports presented to CGG committees and the Governing Body for approval.

The CCG has an incident reporting module through the nursing and quality team and the governance team, where all staff are encouraged to record any incidents arising within the CCG or that relate to the CCG's commissioning work.

ASW Assurance provides an independent counter-fraud service to the CCG. No significant matters of concern have been identified and no investigations have been undertaken.

Capacity to handle risk

All CCG staff are involved in risk management – the Executive Director with accountability has responsibility to approve risks onto the CCG corporate risk register and assurance framework, senior managers as risk-owners with responsibility for ensuring that risks are operationally managed, and administrative staff as risk-coordinators with responsibility for recording and updating controls, assurances and action plans.

Guidance on risk management is contained in the CCG's risk management framework policy. The CCG has a risk and governance manager to support the Board Secretary and to provide support to the executive team, training and guidance to the risk coordinators and all other staff members.

The Governing Body is assured risk management is effective within the CCG by the Audit Committee. The Audit Committee receives regular reports on risk and the Audit Committee Chair includes the discussion and papers in the chairs report to Governing Body

Risk Assessment

Risks may be identified at all levels across the CCG, with each being assigned a risk-owner to oversee day-to-day activities, and an executive director to oversee effective management of the risk. Risks are aligned with the CCG's corporate objectives, with an expectation that all parts of the plan will have some element of risk associated with them. Risks are graded according to a standard scoring 5 x 5 matrix, taking account of the CCG's risk appetite. Risks are presented to the relevant committee, the assurance framework is presented and discussed by the Audit Committee and approved by the Governing Body and included in reports to the executive team. All relevant risks and their controls are considered during internal audits.

The CCG identified 15 new risks and closed a total of 41 risks during the 2019/20 year, to give a total of 27 open risks remaining as at 31 March 2020. All these risks are reported regularly to the Accountable Officer's Strategic Leadership Team and assurance sought from the Audit Committee prior to a summary being presented to the Governing Body through the Audit Chair's report. Each risk is assigned to a committee of the Governing Body where these committees discuss those risks at

each meeting and present findings to the Governing Body through each committee chair's reports. The CCG's Governing Body papers can be found on the CCG's website. The risks opened during the 2019/20 year are described in Appendix 2.

Risks contained within the assurance framework at 31 March 2020 and will be carried forward into the new financial year.

Corporate Objective	Risk Number	*There is a risk that……..*
We will continue to commission safe, effective and accessible services by:		
• Being in the top 10% of CCGs by improving performance against core NHS standards • Meeting all statutory requirements • Improving our populations health, their experience of care and the cost-effectiveness • Increasing the use of technology	1	We do not have sufficient, credible plans to deliver improved performance within agreed timescales
	2	The CCG does not meet its statutory requirements and corporate objectives because it does not have effective mechanisms for monitoring progress.
	3	The pace of change for roll out of ICM is too slow and therefore does not achieve planned outcomes
	4	We do not commission mental health services which meet local need or national expectation
	5	We do not develop commissioning plans which incorporate best practice in the use of technology
We will work as a strategic partner in Devon by:		
• Working as one system to support the delivery of all objectives • Working more closely with local communities to plan local services • Developing evidence-based services • Empowering, motivating and developing our staff	6	We do not have full commitment from all system partners to deliver operational system plan so change is not delivered.
	7	The system does not have robust mechanisms for identifying and responding to emerging risks
	8	Our plans do not reflect the views of patients and the public as there has not been sufficient engagement.
	9	We do not develop evidence-based commissioning plans due to lack of capacity and capability within the CCG
	10	We have not addressed the issues raised in the 2018 staff survey so staff leave or do not perform to their full potential
We will improve the physical and mental health of our population by:		
• Integrating and personalising care • Addressing issues that cause ill health • Reducing health inequalities	11	We have not evolved our integrated strategic commissioning arrangements sufficiently to develop plans to deliver improvements in population outcomes
	12	We have not invested sufficiently in prevention so we do not achieve improvements in population health
	13	We are not targetting our resources at the areas that most need them so health inequalities are exacerbated.
We will make best use of resources by:		
• Using population health management approaches to target resources where they are needed most • Improving efficiency, productivity and sustainability • Achieving financial balance across the whole health and care system in Devon • Increasing investment in services to meet identified need	13	We are not targetting our resources at the areas that most need them so health inequalities are exacerbated.
	2	The CCG does not meet its statutory requirements and corporate objectives because it does not have effective mechanisms for monitoring progress.
	6	We do not have full commitment from all system partners to deliver operational system plan so change is not delivered.
	14	There is insufficient workforce capacity and capability in Primary Care (GPs, nurses and pharmacists) to meet demand

Other sources of assurance

Internal Control Framework

A system of internal control is the set of processes and procedures in place in the clinical commissioning group 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 and the impact should they be realised, and to manage them efficiently, effectively and economically.

The CCG allocates all risks to a named executive director, and a risk owner (who is a senior manager), both of which are supported by a directorate risk coordinator. In addition, a member of the governance team holds a CCG wide overview and co-ordinates compliance with the Risk Management Framework Policy. All risks are reviewed at least quarterly, with high risks being reviewed no less than monthly. The CCG's risk register is reviewed by each of the CCG's Governing Body committees, either in full or as relevant to the remit of that committee. An annual audit of the risk

management process is completed by the CCG's internal auditors, who undertake a review of the CCG's Risk Management arrangements and ensure controls are robustly designed and, in the main, are operating as intended.

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.

The control environment is monitored by the governance team to ensure regular reviews of risk are carried out and reporting any breaches should they occur. The risk reports for Governing Body, Audit Committee, Quality Committee, Finance and Performance Committee, Strategic Leadership Team and Primary Care Committee are produced by the governance team. During 2019/20 no breaches have been identified.

Annual audit of conflicts of interest management

The statutory guidance on managing conflicts of interest for CCGs (published June 2016 and revised in June 2017) 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.

The overall objective of this audit was to evaluate the design and operation of the CCG's arrangements and controls for managing conflicts of interest and gifts and hospitality, ensuring compliance with NHS England's statutory guidance on managing conflicts of interest for CCGs.
The following specific objectives were covered by this audit:

- The CCG has clear governance arrangements in place to manage conflicts of interest.
- Conflicts of interest/gift and hospitality registers are appropriately maintained.
- Clear decisions are made and appropriately documented where senior staff and GB / committee members declare any conflicts.
- Clear provisions have been put in place to manage conflicts and gifts and hospitality received by CCG staff.
- Robust procedures are in place to manage breaches of the conflict of interest policy.
- The CCG's gifts and hospitality register reconciles against the Association of the British Pharmaceutical Industries (ABPI) datasets.

Based on the findings of this audit the arrangements and controls established by the CCG to manage conflicts of interest, and gifts and hospitality, are appropriately designed and are operating effectively. The CCG's arrangements comply with NHS England's updated statutory guidance for managing conflicts of interest and were given an assurance level of significant during Q3/4 2019/2020.

Data quality

The Governing Body, in addition to its committees and sub-committees (working groups), receives information provided by the CCG business intelligence team that is sourced from national mandatory returns and NHS Digital information. This data is subject to data quality checks from providers prior to submission, from NHS Digital as part of the national collation process and from the CCG as part of its data management processes. Information is also sourced directly from local providers and this is validated by the CCG business intelligence team on receipt, as well as against national information/guidance when that becomes available. The effectiveness reviews undertaken during Q4 2019/20 do not raise any concerns around quality of data, only length of papers which will be discussed at relevant committees during Q2/3.

Information Governance

The NHS Information Governance Framework sets the processes and procedures by which the NHS handles information about patients and employees, in particular personal identifiable information. The NHS Information Governance Framework is supported by the National Data Security and Protection Toolkit (DSPT). The annual submission of the DSPT process provides assurances to the clinical commissioning group, other organisations and to individuals that personal information is dealt with legally, securely, efficiently and effectively.

In 2018, NHS Digital's Information Governance Toolkit was renamed the Data Security and Protection Toolkit (DSPT). The level two (66%) compliance target was removed and replaced with a set of mandatory assertions against the ten National Data Guardian Data Security Standards.

For 2019/20 an increase from 70 to 106 mandatory assertions was implemented by NHS Digital for the CCG to achieve. This submission will be published by the Data Protection Officer with approval in writing to do so received from the Senior Information Risk Owner (SIRO) and Caldicott Guardian respectively. Due to the coronavirus pandemic, the deadline for this was moved, as agreed through a formal briefing from NHSE/I and NHS Digital, from 31 March 2020 to September 2020. NHS organisations will be submitting toolkit compliance on or before this date. By mid-March the training figure was at 95% once all adjustments had been made (ie long term absences, leavers etc which is highlighted in the toolkit for transparency).

The CCG records all risks relating to data security on a risk register and has taken steps to ensure that all data is held securely, as mandated by the Data Protection Act and NHS requirements.

As a result of continued improvements for safer working, the CCG has further embedded staff training, within and outside of the organisation, and offers advice to its member practices, as required, via their dedicated Data Protection Officer(s).

The CCG has reviewed its processes in relation to fair processing, subject access requests and incident reporting and investigation and updated its Privacy Notice/Fair Processing Notice to comply with the new Regulation. During 2019, the CCG continued to use the NHS Digital IG training modules via the Electronic Staff Record

portal and this forms part of the mandatory training for all staff. The CCG also reviews the incident reporting process to ensure that it is in line with guidance issued by the NHS Digital, the IG Alliance and Information Commissioner's Office. These ongoing reviews and staff engagement ensure that there is robust awareness surrounding information risk culture throughout the organisation.

The Health and Social Care Act 2012 provides NHS Digital with powers to collect personal confidential information. However, the Act does not provide for onward disclosure of identifiable data from NHS Digital. Nationally, a solution was agreed – through a network of Data Services for Commissioners Regional Offices (DSCRO) and supported locally by in-house Safe Havens and Controlled Environment for Finance (CEfF) – where only named staff can access identifiable data in line with S251. During October 2015, the Health and Social Care (Safety and Quality) Act 2015: Duty to Share Information introduced a new legal duty in which health and adult social care bodies share information where this will facilitate the care of an individual. The CCG has been working with all appropriate bodies to ensure that this is in place and that:

- Processing of personal data will only take place where there is a legal basis for the use of such data
- Personal data will only be used if necessary
- When necessary to process personal data, the minimum amount of personal data will be used
- Access to personal data will only be provided on a strict need to know basis.

Data security and adherence to national NHS England guidance is further supported by the fact that the organisation has achieved Accredited Safe Haven status S251 and is on the national register of Accredited Safe Havens. The organisation is also compliant as a Controlled Environment for Finance (CEfF) and has policies and processes in place to support this.
The CCG routinely reports any untoward incidents involving personal data to its Data Security and Protection Steering Group and reports are produced for the CCG's Audit Committee. No level 2 incidents were reported to the ICO during the year 2019/2020.

Business Critical Models

An appropriate framework and environment are in place to provide quality assurance of business-critical models – including service planning and provision, budget-setting and allocations – in line with the recommendations in the Macpherson report. This framework is informed by the role of the Audit Committee and the internal audit programme to review systems of internal control to identify areas for improvement.

Third party assurances

As part of its annual plan, the Audit Committee has a rolling programme to gain assurance in respect of the third party providers to which CCG functions are outsourced.

During 2019/20 it reviewed the effectiveness of the controls in relation to our locally outsourced functions, which are Delt (IT services); SW Commissioning Support Unit;

and Electronic Staff Records (ESR), these assurances are summarised in the Head of Internal Audit Opinion on page 75.

NHS Devon CCG is aware that there is an outstanding report for Capita Primary Care Support England (PCSE) 19/20. The CCG became responsible for delegated commissioning on 01 April 2019.

The CCGs contracting team seek assurance from providers in relation to all contractual requirements, annually or more often, as required.

Control Issues

A review of the CCG's financial position has been undertaken, in conjunction with NHSE, and a decision taken to include £39.5m unmitigated risks to the planned forecast deficit of £27m resulting in an overall forecast deficit position of £66.5m. This is non-compliant with NHSE Business Rules. At month 9 any additional risks were assessed to be fully mitigated.. However, as a result of this non compliance and in line with Section 30(a) of the Local Audit and Accountability Act 2014, NHS Devon CCG is expected to breach its breakeven duty and revenue resource limit for the year ending 31 March 2020. Also, since this time the occurrence of COVID-19 pandemic has significantly impacted on the operations of the CCG with a shift of resource to incident management.

The CCG has reviewed its objectives and temporarily realigned priorities. This is in line with national guidance.

Where appropriate, staff (especially clinical staff) have been redeployed. The scheme of delegation has been reviewed and only minor changes to operational financial limits have been made where required. Arrangements for the management of potential fraud and for Information Governance have been reviewed to ensure that they are robust.

The CCG continues to maintain its governance processes with the monthly Governing Body taking on some of the activities of the assurance committees. Agendas have been reviewed and reprioritised where appropriate.

An incident risk register has been developed to ensure that the focus is on the current risks and that the approach to risk management is in line with the rapidly changing environment.

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

The Governing Body ensures that the CCG operates within the corporate governance framework (i.e. its standing orders, scheme of delegations and standing financial instructions) and has established an Audit Committee to assist the Governing Body in delivering its responsibilities for the conduct of public business, and the stewardship of funds under its control, and a Finance and Performance Committee to provide a performance framework that proactively manages the CCG's

financial, performance and quality, innovation, productivity and prevention (QIPP) agendas. The Quality Assurance Committee have in place a quality dashboard which outlines compliance with Darzi 3, Quality, equality, inclusion assessments (QEIA) and local key performance indicators in relation to quality and performance.

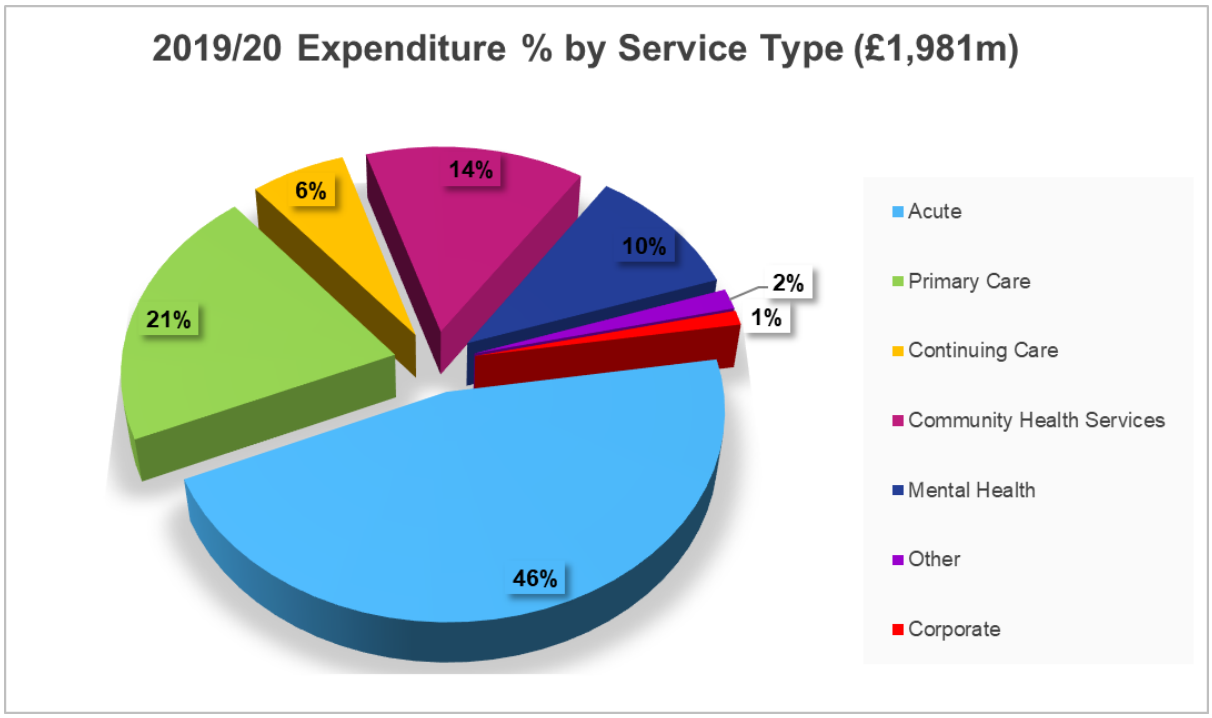
The Audit Committee provides assurance to the Governing Body that an appropriate system of internal control is in place to ensure that:

- Business is conducted in accordance with the law and proper standards
- Public money is safeguarded and properly accounted for
- Affairs are managed to secure economic, efficient and effective use of resources
- Reasonable steps are taken to prevent and detect fraud and other irregularities

2019/20 Use of CCG Resources

The CCG is responsible to its members and the public in relation to how it allocates and spends taxpayers' money in each financial year.

In 2019/20 the CCG budget spend was allocated in the following proportions, which largely reflects historical levels of expenditure, trend in current demand and agreed system savings plans. The following pie chart shows the annual expenditure by service type which includes contract and non-contractual expenditure with NHS providers, independent providers, local authorities and the voluntary sector, and shows the running costs for the CCG:



Financial performance

The CCG reported a £66.5m deficit position in 2019/20 against its revenue resource limit as set out below:

Financial Summary	2019/20 £ million
Revenue resource limit	1,914.5
Total net operating cost for the financial year	1,981.0
(Overspend) / Underspend	(66.5)
Brought forward deficit	(185.0)

The CCG had purchased capital items totalling £294k in 2019/20, in line with its capital resource limit.

The CCG was required to manage its arrangements regarding the following:

- Running costs contained within the agreed allocation – for the CCG this was achieved with reported expenditure of £22.2 million against £26.6 million allocated
- Cash against a forecast within the maximum cash drawdown as agreed with NHS England
- Comply with the Prompt Payment Code

Explanation of going-concern basis

The Governing Body is required to assess, at the time of preparing the financial statements, whether the entity is a going concern. In other words, will the entity continue to operate for the foreseeable future?

Indicators of an uncertain future would include the failure to achieve one or more statutory financial duties – for example, the breach of the resource limit, or operating with negative cash flows. In 2019/20 the CCG's overspend is £66.5million, a breach of its revenue resource limit, which resulted in a referral by External Audit to the Secretary of State, under section 30 of the Local Audit and Accountability Act 2014.

Furthermore, to ensure that health services continue to meet the needs of the population and to support the achievement of national performance targets, the CCG plans indicate a very challenging 2020/21 year for the CCG with an overspend, breaching its resource limit.

This deficit budget plan will have an impact on the cash flow of the CCG. However, overall cash is managed at an NHS England level. Therefore, as long as the total cash used by NHS England does not breach its cash limit, set by Treasury and the Department of Health, NHS England will have the flexibility to provide cash support to CCGs when needed.

Despite the uncertainties and the Section 30 referral mentioned above, for the CCG to be dissolved would require parliamentary intervention, and there is no indication of this at present. Even if the organisation was dissolved by Parliament, its functions would be transferred to various new or existing public sector entities. The Secretary of State has directed that, where Parliamentary funding continues to be voted to permit the relevant services to be carried out elsewhere in the public sector, this is normally sufficient evidence of going concern.

With the above in mind, the Governing Body of Devon CCG has prepared these financial statements on a going concern basis. This is effectively in relation to its intention to continue its operations for the foreseeable future and the awareness of any circumstances affecting this in its preparation of these financial statements.

Name of external auditor, plus costs

The CCG uses the services of Grant Thornton UK LLP as its external auditor, with the statutory audit fees for the financial year of £85,000 (£102,000 including VAT). The CCG paid Grant Thornton an additional £23,000 (£27,600 including VAT) for the Mental Health Investment Standard review for 2017/18 and 2018/19, £20,000 (£24,000 including VAT) of which was included in last year's legacy CCGs accounts.

Prompt Payment Code

The CCG has signed up to the Government-led initiative called The Prompt Payment Code, through which approved signatories undertake to:

- Pay suppliers on time
- Give clear guidance to suppliers
- Encourage good practice

The CCG has signed up to the initiative to help increase supplier confidence that invoices will be paid within clearly defined terms and demonstrate the commitment to support local and small businesses as a result. More information on the Prompt Payment Code can be viewed on the following website: www.promptpaymentcode.org.uk.

Basis of accounting

The financial statements contained within this report have been prepared in accordance with the direction given by NHS England under the National Health Service Act 2006 (as amended) and in a format instructed by the Department of Health with the approval of HM Treasury.

The accounts present our results for, and financial position to, the year ended 31 March 2020. They have been prepared under International Financial Reporting Standards (IFRS) using the accounting policies shown in the notes to the accounts, in accordance with the 2019/20 Government Financial Reporting Manual (FReM). They comprise a Statement of Financial Position, Statement of Comprehensive Net Expenditure, a Statement of Cash Flows and a Statement of Changes in Taxpayers' Equity, all with related notes.

Losses and Special Payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments, and special notation in the accounts to draw them to the attention of Parliament. They are divided into different categories including cash losses, bad debts, extracontractual payments and compensation.

During 2019/20 there was one ex gratia payment of £5,500.

2020/21 Financial Outlook

Devon CCG has considered and agreed its draft annual operational plan and detailed operational budgets for 2020/21. These are based on the outcome of capacity and service planning reviews, together with the prioritisation of investments and disinvestments in accordance with the strategic plan for Devon CCG, as well as the wider Sustainability and Transformational Partnership (STP) plans. While the planning process is on hold the plan remains draft but is being used for monitoring purposes.

The CCG carries forward an accumulated deficit of £251.5m prior to the application of any assumptions in relation to 2020-21 planning and the application of additional growth funding.

The NHS England CCG allocation announcements set the resource funding available for the population at £1.95bn. It set out the CCG's medium-term financial planning horizon with 2020/21 overall growth funding available of 4.05%. This equates to £75m of general growth. For organisational running costs, the allocation was reduced by 11.79% due to the ongoing efficiency requirement. This equates to a circa £3m reduction in funding for running costs.

Overall, Devon CCG is judged to be receiving an allocation that is within 0.1% of its target share of the national budget set for the NHS meaning that we are receiving the correct amount of funding based on an assessment of the needs of our population relative to the rest of England.

To ensure the appropriate healthcare services continue to meet the needs of the local population in 2020/21 the CCG is forecasting a draft deficit position of £47m. This is indicative of the financial position of the community as a whole.

Over the period of the current planning horizon if no remedial action is taken the funding gap will continue to widen. This means responding to what people need through reallocating resources to better meet the greatest needs of the population by reducing the amount spent on expensive bed-based care, improving efficiency, and reinvesting in less expensive, more innovative, integrated care models.

Managing our financial risks

The financial position of the CCG needs to be assured through the continued development of safe and deliverable savings programmes across the health community.

The CCG will need to manage the residual risk in its plan and delivery against a challenging efficiency plan of £32m. The efficiency plan is a necessary measure to ensure the financial sustainability of services for patients in Devon and to ensure that resources are spent in areas of greatest need.

The Devon Health and Social Care community is committed to working collaboratively, both as a local system and as part of the wider Devon STP. The 2020/21 CCG plan carries a level of risk, some of which has been contained with STP partners, through the approach to financial principles and collaborative working but importantly the translation of the financial framework set as part of national planning assumptions.

The plan is dependent on the on-going evaluation and mitigation of a number of broad financial risks through 2020/21:

- Funding provider contracts and commitments into 2020/21 and managing in-year financial risk. This will be particularly challenging given the level of system savings and the scale of transformational change required.
- Managing the Better Care Fund pool. Investment has been made into the Better Care Fund in 2020/21 which will require on-going scrutiny, working with partners to identify and mitigate risks that arise.
- Managing within the reduced running costs allowance. Although there is a risk of unforeseen staffing pressures, plans are in place to ensure that the running costs allowance is adequate to meet our workforce requirements.

The CCG must also play an active role in the mitigation of risk to the overall system position, supporting providers in the delivery of their challenging cost reduction plans through delivering a level of demand management which will support a step change and support a transformational approach to the capacity within the provision sector.

The parties further recognise that the scale of the financial challenge in the local system will no longer be fully resolved by the savings programme identified in the STP. While work continues to develop further recovery plans with realistic delivery timescales further discussions are required with the combined Regulation system of NHS Improvement and NHS England.

The CCG will only achieve its objectives through effective collaboration with its partners. It continues to work closely with local authorities, primary care services and local hospitals in order to improve the outcomes and experience of patients. The organisation seeks the involvement of service-users and members of the public to enhance its understanding of the health needs and experience of the local population.

In addition to those outlined above, there are other risks as a result of the environment the CCG operates in, with NHS funding principally voted by Parliament. As such, it is reliant on the elected government for its income largely dependent on priorities at the time of voting.

In light of the coronavirus pandemic the arrangements for exiting the emergency response period and returning to business as usual presents both challenge and opportunity from a financial management perspective. We must ensure the system receives adequate resources to cover the additional costs of the crisis in line with the additional resource commitments for the NHS made by the Government. As we exit the emergency response period, we will fully assess changes to the cost of commissioned services, both positive and negative, as a result of the changes to service delivery models required through the pandemic that can and should be retained for the foreseeable future.

It is not possible for the CCG to mitigate all the risks it faces. Risk is managed within the organisation using a risk register. Risks are scored against the likelihood of occurrence, the potential impact, and the strength of the risk controls in place. Responsibility for managing each risk is assigned to an appropriate individual. The risk register is reviewed periodically by the Audit Committee, the Senior Leadership Team and the Governing Body to ensure that appropriate controls are in place.

Delegation of functions

During establishment, the arrangements put in place by the CCG and explained within the Corporate Governance Framework were developed with extensive expert external legal input, to ensure compliance with the all relevant legislation. That legal advice also informed the matters reserved for Membership Body and Governing Body decision and the scheme of delegation.

Responsibility for each duty and power has been 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.

The CCG's Governing Body may also have functions delegated to it by the membership of the CCG. These will be set out in the articles of the constitution or set out in the scheme of reservation and delegation and the standing orders of the CCG to which we adhere.

The Governing Body undertakes some of its work through its committees. Each committee has terms of reference, which have been formally approved by the Governing Body. Committee chairs present summaries, through their Chair's report, of the key business conducted at their meetings at subsequent meetings of the Governing Body held in public.

Value for money is assured through procurements which follow national and NHS guidelines. The appropriate legal and professional procurement advice is sought at all times which keeps the appropriate focus on value for money.

Led by the Audit Committee, a risk-based audit plan is developed and detailed scrutiny and checking of systems and procedures are undertaken by internal audit and counter fraud services. At a more strategic level external audit also check and provide assurance on a number of key areas as well as the annual accounts.

The Governing Body receive reports from the finance team at each meeting and have devolved detailed scrutiny of all finance issues through the commissioning and finance committee.

Compliance with NHS England Core Standards for Emergency Preparedness, Resilience and Response (EPRR)

NHS Devon CCG reported their compliance against the NHS England Core Standards for EPRR to the Governing Body during Q3 on 31 October 2019. The outcome for NHS Devon CCG was significant assurance. Papers can be found here for full details: https://devonccg.nhs.uk/documents?wpdmc=meeting-papers-and-minutes

Counter fraud arrangements

ASW Assurance provides an independent counter-fraud service to the CCG. No significant matters of concern have been identified and no investigations have been undertaken.

The Audit Committee provides assurance to the Governing Body that an appropriate system of internal control is in place to ensure reasonable steps are taken to prevent and detect fraud and other irregularities.

Head of Internal Audit Opinion

Following completion of the planned audit work for the financial year for the clinical commissioning group, the Head of Internal Audit issued an independent and objective opinion on the adequacy and effectiveness of the clinical commissioning group's system of risk management, governance and internal control.

Roles and responsibilities of the organisation

The whole Governing Body is collectively accountable for maintaining a sound system of internal control and is responsible for putting in place arrangements for gaining assurance about the effectiveness of that overall system.

The Annual Governance Statement is an annual statement by the Accountable Officer, on behalf of the Governing Body, setting out:

- How the individual responsibilities of the Accountable Officer are discharged with regards to maintaining a sound system of internal control that achieves policies and aims and objectives.
- The governance framework of the organisation including the committee structure, the structure and use of the Assurance Framework, as assessment of the Governing Body's effectiveness and its compliance with the Corporate Governance Code.
- How risk is assessed and managed including a description of the risk management and review processes.
- The conduct and results of the review of the effectiveness of the system of internal control including any disclosures of significant control deficiencies together with assurances that actions are or will be taken where appropriate to address issues arising.

The organisation's Assurance Framework should bring together all of the evidence required to support the Annual Governance Statement requirements.

Roles and responsibilities of Internal Audit

In conformance with the Internal Audit Charter, Public Sector Internal Audit Standards and the Core Principles for the Professional Practice of Internal Auditing, 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 (i.e. the organisation's system of internal control).

The purpose of the Head of Internal Audit Opinion

The purpose of my annual opinion is to contribute to the assurances available to the Accountable Officer and the Governing Body which underpin the organisation's own assessment of the effectiveness of the organisation's system of internal control. This opinion will in turn assist the Governing Body in the completion of its Annual Governance Statement. The opinion does not imply that Internal Audit has reviewed all risks and assurances relating to the organisation.

The opinion is substantially derived from a risk-based plan generated from an organisation-led Assurance Framework that takes into consideration the strategies, objectives and risks of the organisation, the expectations of senior management, the Board and other stakeholders, that has been agreed by management and approved by the Audit Committee. The Opinion includes appropriate context and oversight of the organisation, including reference to the governance and control environment during COVID-19. This approach provides a reasonable level of assurance, subject to the inherent limitations described in the Opinion.
As such, it is one component that the Governing Body takes into account in making its Annual Governance Statement.

This opinion is provided by Internal Audit, externally assessed as compliant with Public Sector Internal Audit Standards.

Context of opinion

The predecessor CCGs, NEW Devon CCG and South Devon and Torbay CCG, merged to form Devon CCG on the 1st April 2019.

Our work in Devon CCG's first year provides assurance that in general the CCG maintained the systems of internal control inherited from the predecessor CCGs, and that considerable effort has been directed towards developing and strengthening those systems since the new organisation was formed, the most notable example of this being the establishment of a robust Assurance Framework.

COVID-19 governance arrangements

The CCG responded rapidly to the global COVID-19 pandemic and the guidance issued by NHSE/I in March 2020. CCG staff were promptly redeployed to the COVID-19 response, business as usual activity was reduced to a minimum, and governance arrangements were reviewed and streamlined.

The streamlined arrangements described below should allow appropriate governance processes to remain in place that comply with regulators' requirements and support the CCG in the delivery of plans, achievement of objectives and effective management of risks throughout this period.

The following changes to the governance arrangements were approved by the Governing Body on 26th March 2020:

- Once monthly Governing Body/Governance meeting (to be held virtually).
- Any urgent committee business reported through the monthly Governing Body meeting.
- Exception to this is the Primary Care Committee which may meet virtually for issues if required (This is in recognition of the fact that a number of changes (permanent and temporary) have been required in primary care services.
- Decisions needing urgent action will be agreed by the Accountable Officer, Chair, 2 Clinical Reps, and 1 Non-Executive Director. This should be supported by consultation with the wider Governing Body whenever possible.
- Any decisions being made outside of normal process to be logged with Governance Team and either a) ratified at Governance meeting or b) picked up by a committee when business and usual resumes.

Risks relating to COVID-19 were promptly recorded on the CCG's Corporate Risk Register and the need for a separate COVID-19 Risk Register was identified. A separate risk register is now in place and was presented to the Audit Committee in May 2020. The COVID-19 Risk Register was robustly scrutinised and challenged by members and assurance provided that actions would be taken forward as necessary.

The Governing Body agreed that the Chief Financial Officer could make changes to the Scheme of Delegation if required for operational purposes. The only changes required to date have been minor changes to the financial limits in the Nursing and Quality Directorate in relation to Individual Packages of Care.

Reporting and approval processes for capital and revenue COVID-19 expenditure were also agreed by the Governing Body to ensure transparency, prompt procurement and documentation for subsequent re-imbursement.

In 2020/2021 we will review the effectiveness of core governance processes during COVID-19.

Financial targets and performance

Devon CCG's Financial Plan for 2019/20 was produced in conjunction with its main providers within the wider System Transformation Plan (STP) footprint.

As reported to the CCG's Finance and Performance Committee at the start of 2019/20, the planning round for 2019/20 was particularly challenging for the Devon System with the balance between performance, growth in activity and finance difficult to square. The Devon System submitted a combined plan that maintained current performance standards within an environment where activity was increasing. The resulting financial impact led to a projected deficit of £115m against a deficit control total of £43m for the Devon System.

Following submission of Devon CCG's first financial plan, the Devon System went through an intensive review programme with NHSE&I, to reach an acceptable position in relation to financial performance and targets compared to control total. This resulted in the planned gross system deficit moving from £115m to £70m (a distance of £27m from control total). This relied on significantly increasing the level of ambition in the plan and accelerating the pace of change in the transformation programmes the Devon System was undertaking.

The CCG's Financial Plan sits within the overall plan for the Devon STP which has a planned deficit target of £70m and a savings plan target of £166m. The plan is based on an agreed set of block contracts but with a large proportion of the savings target predicated on joint working to reduce cost within those contracts through the accelerated transformation programme.

The CCG's Financial Plan for 2019/20 forecasted a deficit to 31st March 2020 of £27m. Within this was a savings target of £81m which included the £45m anticipated improvement through accelerating transformation programmes.

All parties in the system recognised the challenge the plans represented and a risk sharing mechanism was agreed between NHS partners to enable all parties to recognise individual contributions to the shared risk of delivery.

Delivery of the £81m savings plan remained the main financial risk and challenge to the CCG in 2019/20.

CCG and system financial targets for 2019/20

CCG Planned Target	CCG Savings Target in Plan	System Planned Target	System Savings Target
£27m deficit	• £36m – CCG savings • £45m - System savings • **£81m – Total savings**	£70m deficit	£166m

After allowing for a modest level of mitigation identified through the planning round the overall unmitigated risk to delivery of the CCG's plan was assessed as £39.5m at Month 6. Actions to improve the financial position through a set of recovery actions were pursued with the assumption that these would reduce the unmitigated risk to £35m. In year pressures in respect of continuing healthcare, prescribing and independent sector contracts led the CCG to conclude that it was unable to move from the original assessment of unmitigated risk of £39.5m.

At Month 7 a review of the CCG's financial position was undertaken in conjunction with NHSE resulting in the decision to include the £39.5m unmitigated risk into the forecast outturn, moving the forecast deficit position from £27m to £66.5m.

The Month 12 position reported to the Governing Body in April 2020, reported delivery of the planned year-end deficit of £66.5m.

Overall opinion

The basis for forming my opinion, taking into consideration the context and oversight of the organisation set out above, was as follows:

1. An assessment of the design and operation of the underpinning Assurance Framework and supporting processes.
2. An assessment of the range of individual opinions arising from risk-based audit assignments contained within the internal audit risk-based plan that have been reported throughout the year. This assessment has taken account of the relative scope and materiality of these areas and management's progress in respect of addressing control weaknesses.
3. Any reliance that is being placed upon third party assurances.

My overall opinion is that:

Significant assurance can be given that there is a generally sound system of internal control, designed to meet the organisation's objectives, and that controls are generally being applied consistently. Some weaknesses in the design and/or inconsistent application of controls put the achievement of particular objectives at risk. Weaknesses in the design and/or inconsistent application of controls, which put the achievement of particular objectives at risk, are appropriately managed.

The assurances provided from the work undertaken, which together support this opinion, are set out below.

Corporate Governance - risk management and assurance framework

The table below details the audit and assurance work completed relating to the CCG's Corporate Governance arrangements.

Audit	Assurance Rating
Assurance Framework	Significant
Risk Management Arrangements – Corporate Risks Risk Management Arrangements – Other Risks	Satisfactory Limited
Managing Conflicts of Interest	Significant
Business Continuity Arrangements	Significant

Corporate governance: risk management and assurance Framework – February 2020

The overarching objective of this audit was to provide assurance that the CCG's Assurance Framework and Risk Management Arrangements are robust. More specifically we sought to provide the following assurances:

- The new Assurance Framework is robust and embedded and there is evidence of regular scrutiny and discussion around strategic level risks at Committee and Governing Body meetings.
- The CCG's Corporate Risk Register is robust, up to date, and is regularly reported at Committee level and to the Governing Body.
- Risks are appropriately and regularly reviewed and are only closed and/or transferred following a formal and evidenced process.
- Risk management training requirements have been assessed and training is delivered as planned.
- The CCG's Risk Management Framework Policy is robust and is regularly reviewed and appropriately approved.

We concluded that the CCG's risk management arrangements are appropriately designed and are operating as intended in respect of the management and monitoring of strategic and corporate level risks.

We were pleased to report that the management of strategic level risks had greatly improved since the previous audit of this area, with the introduction of the CCG's new Assurance Framework. This provides the CCG with a clear and structured method for the focused management of risks that may threaten achievement of the CCG's corporate objectives.

The CCG worked hard in the year to strengthen and improve the Corporate Risk Register and the information held on it, ensuring that strategic level risks are more fully captured and risks, controls and assurances are more clearly described.

Only limited assurance was provided in respect of the closure, transfer and management, of 'other' risks ie operational and provider performance risks and issues. In respect of these risks we concluded that there is a need to strengthen control and to improve the visibility of where such risks sit and how they should be monitored and managed. We considered that this is an area the CCG should focus on in the development of its risk management systems moving forward.

Managing conflicts of interest – November 2019

The overall objective of this audit was to evaluate the design and operation of the CCGs' arrangements and controls for managing conflicts of interest and gifts and hospitality, ensuring compliance with NHS England's statutory guidance on managing conflicts of interest for CCGs.

We reported that the CCG had updated its policies and arrangements for managing conflicts of interests following the merger of the predecessor organisations to form Devon CCG. Based on the findings of our work, we concluded that the arrangements and controls established by the CCG to manage conflicts of interest, and gifts and hospitality, are appropriately designed and are operating as intended.

We recommended that staff who undertake private work are reminded that such work is not associated with the CCG, and that they must not use the CCG's name or address in the course of such work.

Business continuity - December 2019

The overarching objective of this audit was to provide assurance that the Governing Body has a clear understanding of the state of the CCG's business continuity arrangements, as measured against the ISO standard for Business Continuity Management, and that the CCG meets the specific business continuity assurance requirements of NHS England's Core Standards for Emergency Preparedness, Response and Resilience (ERPP).

An annual audit of Business Continuity Arrangements is required by NHS England. The key focus of our work in 2019/20 was an evaluation of the robustness of the CCG's BCMS Framework Policy and Plan.

We concluded that the CCG has robust business continuity policies, plans and arrangements in place for managing internal incidents and returning functions and services back to normal as soon as possible. In September 2019, the CCG completed a self-assessment against the EPRR Core Standards and was found to be fully compliant by NHS England. This outcome was reported to the Governing Body in October 2019.

We recommended enhancing the BCMS Framework and Plan further to ensure they more clearly demonstrate compliance with EPRR Core Standards.

Financial management assurance

The table below details the audit and assurance work completed on the CCG's Financial Management Systems.

Audit	Assurance Rating
Financial Systems Controls	Significant
Financial Management: **Governance Arrangements for Delivery of Savings Plans and PMO Arrangements**	Satisfactory

Financial systems controls – December 2019

This audit evaluated the robustness of the CCG's key financial controls in respect of:

- Scheme of Delegation
- Financial policies and procedures
- Financial ledger
- Access to Oracle
- Creditors
- Debtors
- Cash and bank

Robust financial controls were found to be in operation within all of the key financial systems reviewed, thus ensuring the integrity of those systems. We identified only one area that required further strengthening, that being the need for the CCG to consolidate financial policies and procedures from the predecessor CCGs into an appropriate set for Devon CCG.

Financial management: governance arrangements for delivery of savings plans and PMO arrangements – May 2020

The overarching objective of this audit was to provide assurance that the CCG's governance arrangements in respect of the delivery of savings plans, and Programme Management Office arrangements, are well designed and operated as intended throughout 2019/20. We evaluated the following areas as part of our work:

- The adequacy of project plans and project documentation for all elements of the CCG's savings plan.
- The robustness of reporting of progress against savings plans and projects to Executive, the Senior Leadership Team, and the Finance and Performance Committee.
- The robustness of the CCG's PMO arrangements and controls.

We also reviewed the CCG's arrangements with reference to Grant Thornton's 'What makes a good savings plan' checklist.

Overall, we concluded that the CCG's governance arrangements for promoting good financial management and facilitating the delivery of savings plans had been strengthened during 2019/20 including through entering into financial recovery within the Devon System.

CCG priority areas, including financial recovery plans in the areas of CHC, Medicines Optimisation and Demand Management, were agreed in year, in support of the System and CCG Operational Plan for 2019/20, and the CCG PMO subsequently commenced formal monitoring and reporting on these priority areas in September 2019.

Reporting of the position against the CCG's financial plan, savings plan and recovery plans, to the Executive, Senior Leadership Team, Finance and Performance Committee and Governing Body in the year was clear, consistent and timely.

Additional resource was brought into the PMO in year to ensure it has adequate capacity and resilience to support both the CCG and the Devon System and their role will be key in supporting the CCG and the System in financial delivery moving forward. Whilst formal project planning and management controls were adopted in year for some elements of the CCG's savings and recovery plans, in other areas there was a lack of formal plans to monitor delivery against savings targets. We recommended that the CCG ensures that all savings plans and targets are supported by formal project plans; according to significance and risk, and that all plans and projects are monitored and reported through the CCG's PMO function.

We found that the CCG's arrangements and controls, and plans for further improvements in 2020/21 generally compared well to the best practice examples in the Grant Thornton's 'What makes a good savings plan' checklist. Some areas could be further enhanced however, for example conducting post implementation reviews of savings schemes to consider lessons learned etc. We recommended that the CCG considers these areas as it continues to develop and strengthen its financial management arrangements going forward.

Corporate assurance

The table below details the audit and assurance work completed relating to the CCG's Corporate Assurance areas.

Audit	Assurance Rating
Review of Clinical Governance Risk Areas	N/A
Transforming Care Partnership	Satisfactory
Equality, Diversity and Inclusion	Limited
Primary Care Commissioning and Contracting: Finance and Governance	Satisfactory
Delt, IM&T and DSP Accountability Arrangements	Satisfactory
Primary Care Quality Assurance Arrangements	Limited

Review of clinical governance risk areas - August 2019

The overall objective of this review was to provide assurance that:

- High risk findings and recommendations arising from our previous work on clinical governance systems (including Safeguarding, Patient and Public Experience and Engagement, Looked After Children, High Cost Panel and Individual Patient Placements) had been addressed in line with agreed action plans and no longer presented a risk.
- Other potential clinical governance risk areas, in the period of transition to a single CCG, and following the merger, were being effectively managed. These included Complaints and Duty of Candour responsibilities.

We reported that in general, controls were operating as intended for the majority of the areas reviewed and that the CCG's clinical governance teams had worked hard to maintain controls in preparation for and following the merger.

We did however note a number of areas where there was a need to strengthen control. We reported that the CCG should focus attention on the following highest priority areas:

- Assessing potential risks associated with gaps and shortfalls in Safeguarding and LAC team designated posts and resource.
- Assessing and recording risks associated with delays in the completion of Initial and Review Health Assessments, for Children in Care in Devon.
- The need for routine reporting of review data to the IPP Control Centre for all placements and care packages, including Livewell Section 117s and LD/OMPH clients, and Devon LD/OPMH clients, and also the need for providers to be complete more timely reviews.

Based on our follow-up findings, appropriate action has been taken by the CCG in response to the recommendations arising from this review.

Transforming Care Partnership - August 2019

This review considered the overall effectiveness of the Devon Transforming Care Partnership (TCP) and robustness of overall governance and management arrangements and processes in support of the partnership's aim of moving patients closer to home, out of long-term inpatient settings and into the community in which they wish to live, supported by appropriate health and social care services. Our work focused on:

- Robustness of strategic TCP plans and annual operational and Financial Plans.
- Effectiveness of TCP governance arrangements, including oversight of the programme by the STP and the remit, membership and operation of the TCP Steering Group.
- How clearly the financial implications of the programme, on both health and social care, are reflected in the TCP Financial Plan.
- Effectiveness of monitoring and reporting of progress against strategic, operational and Financial Plans.
- Robustness of TCP risk management and risk escalation controls.

Overall, we concluded that the Devon TCP is effective and continues to make progress in delivering on its ambition to reduce the net number of patients in inpatient settings, shift resources from inpatient to community based care, and to identify local service improvements that will benefit the TCP cohort of patients.

We reported that the TCP governance and management arrangements are generally adequate however they required strengthening in order to evidence and better demonstrate robust control, and to ensure the continued effectiveness of the programme.

Our follow-up findings show that all recommendations are being addressed in line with the agreed action plan.

Equality, diversity and inclusion - August 2019

The objective of the review was to provide assurance in respect of the CCG's Equality Diversity and Inclusion (EDI) Arrangements focusing on:

Governance and management arrangements, including a high level review of the EDI Strategy, Policy, work-plans, and internal and system-wide reporting of progress against plans.
Processes in place to monitor providers' compliance with EDI legal obligations.
Availability and use of data to inform QEIA processes and commissioning decisions.

We concluded that although some progress had been made by the CCG to establish EDI arrangements and controls, at the time of our audit controls in the following areas required strengthening:

- Reporting EDI compliance
- Publishing equality information
- Understanding the population through Equality data
- Use of equality information to inform commissioning decisions and QEIAs
- Training for staff with specific EDI responsibilities

Our follow-up of the recommendations arising from this audit provides assurance that recommendations are being addressed in line with the agreed action plan.

Primary medical care commissioning and contracting: primary care finance and governance – May 2020

The Primary Medical Care Commissioning and Contracting: Internal Audit Framework for Delegated CCGs, published by NHSE in August 2018, provides the audit framework that should be delivered as a 3-4 year programme of work. This review focused on primary care finance and related governance arrangements. In line with the requirements of the Audit Framework, the adequacy of control in the following specific areas was evaluated:

- Overall management of delegated funds – processes for forecasting, monitoring and reporting budgets.
- A review of financial controls and processes for approving payments to practices, including discretionary payments.
- A review of compliance with coding guidance.
- The implementation of the Premises Costs Directions (PCDs).
- The operation and oversight of the Primary Care Committee (PCC) in relation to primary care finance (but not in relation to the management of Conflicts of Interest).

In addition to the above areas, we were asked to consider the overall role and effectiveness of both the PCC and the Primary Care Operational Group (PCOG).

Although we were able to document and evaluate the design of the payment approval processes operated by the Primary Care Team, we were unable to complete detailed testing of these processes due to resource pressures within the Primary Care Team during the ongoing COVID-19 pandemic.

We concluded that in general the CCG operated appropriate processes for the management of delegated funds, and exercise of its delegated functions and responsibilities, in relation to primary care finance in 2019/20. Related governance arrangements were also found to be appropriately designed and operated as intended throughout 2019/20. We highlighted some areas where control could be strengthened further and recommended that the CCG considers these areas as part of the development of its primary care processes and management controls following its first full year as a ‘delegated CCG’.

Delt Shared Services and information management and technology and data security and protection accountability arrangements – May 2020

The overarching objective of this audit was to assess accountability arrangements, responsibilities and controls surrounding:

- The CCG's contractual arrangements with Delt.
- IM&T and DSP in general within the CCG.

As part of our evaluation the following areas were considered:

- Accountability arrangements surrounding the contract and service framework with Delt.
- Arrangements in place to monitor Delt's performance and compliance with the contract and service framework, including Teckal requirements.
- Clarity and appropriateness of governance structures, and accountability arrangements and responsibilities in respect of IM&T and DSP, across the CCG.
- The IM&T and DSP project management controls (for IM&T projects and involvement in non-IT projects) are clearly defined, documented and appropriate.
- Overall we concluded that the governance arrangements for the management of the Delt contract, and associated operational performance, are satisfactory and operated as intended throughout the year.

The CCG has in the main a good baseline Information Governance (IG) control framework and IM&T and DSP arrangements within the CCG are satisfactory. There are however opportunities to strengthen the CCG's arrangements, especially in respect of DSP.

The changes within the IG organisational structure including the operational level changes to the Director of Communications and HR's portfolio will strengthen governance. Removing the Data Protection Officer (DPO) role from IM&T, will allow closer compliance with data protection legislation as well as creating potential administrative benefits.

In order for the CCG to embed a 'culture' of intuitive good practice, closer and more frequent interaction between the Senior Leadership Team and the IG processes and structures, including those for DSP, was recommended.

Primary care quality assurance arrangements – June 2020

The overall objective of this review was to evaluate the progress made by the CCG in establishing robust quality monitoring arrangements for the primary care services it commissions, focusing on:

- The clarity of the roles and responsibilities of the Quality Assurance Committee (QAC) and the Primary Care Committee (PCC), in respect of monitoring the quality of primary care services and provision of assurance to the Governing Body.
- The clarity and appropriateness of the role of the commissioning, finance and nursing and quality teams, in respect of this area.
- Progress made to establish an effective primary care quality monitoring framework and related control arrangements.
- Development of early warning processes and indicators.
- Business continuity arrangements and controls where serious quality and/or safety concerns have been identified and/or reported to the CCG.
- Arrangements for learning from serious issues and incidents.

No additional funding was allocated to the CCG, by NHS England, to monitor the quality of primary care services as part of the delegation of commissioning arrangements for primary care, and the Nursing and Quality team have limited resources to undertake this task. The CCG therefore relies on a limited range of indicators and information to monitor primary care services and, under existing contract arrangements, the CCG does not have the authority to request access to additional practice information, or to visit a practice, in the same way as the CQC, when concerns are identified.

Based on the audit work undertaken we considered that were limited arrangements in place to monitor the quality of primary care services and therefore identify practices that may be providing poor quality and/or unsafe services. The risks in this area were fully recognised and appreciated by the CCG and it was evident that there had been learning from the Barton Surgery issue and plans were in place to strengthen arrangements, including development of early warning systems.

We raised a number of high risk recommendations in support of the CCG's plans to strengthen its primary care quality assurance arrangements. All teams responded positively to the recommendations and a robust action plan is in place which be followed up in 2020/21 as recommendations and actions become due for completion. Our follow-up findings will continue to be reported to the Audit Committee at each of its meetings.

Third party assurances

We highlight the following 3rd party assurances for which we have received reports for 2019/2020.

ISAE3402 third party assurance report in respect of Shared Business Services (SBS) – finance and accounting services

The CCG purchases certain Finance and Accounting Services from Shared Business Services Ltd.

The 2019/20 Independent Service Auditor's report provided by PWC, dated 1st May 2020, places certain caveats on the intended users and purpose of their report. Subject to this, the assurance report provides reasonable assurance in respect of the services provided by NHS Shared Business Services.

PWC did not identify any exceptions in respect of the control objectives tested, however, due to COVID-19 and the closure of PWC's India offices, PWC were unable to test a small number of controls for the period February 2020 to March 2020 and, as a result a qualified opinion has been issued. Although the testing could not be completed for February 2020 and March 2020 assurance was provided that all controls remained in place and fully operational.

The key messages in the Independent Service Auditor's section of the report are as follows:

In all material respects, except for the possible effect of the matters described above:

- The accompanying description in the report fairly presents the Finance and Accounting services as designed and implemented throughout the period 1 April 2019 to 31 March 2020.
- The controls related to the control objectives stated in the description were suitably designed to provide reasonable assurance that the control objectives would be achieved if the controls operated effectively throughout the period 1 April 2019 to 31 March 2020 and customers applied complementary user entity controls.
- The controls tested operated effectively throughout the period from 1 April 2019 to 31 March 2020.

ISAE3402 Third Party Assurance Report in respect of NHS Digital control system for GP payments

The CCG relies upon systems and controls operated by NHS Digital to ensure payments to providers of general practice services are accurate and timely.

The 2019/20 Independent Service Auditor's report provided by PWC, places certain caveats on the intended users and purpose of their report.
Subject to this, the assurance report provides reasonable assurance in respect of the GP payments system operated by NHS Digital.

The key messages in the Independent Service Auditor section of the report were that in all material respects:

- The accompanying description in the report fairly presents the General Practitioners Payments system, as designed and implemented throughout the period 1 April 2019 to 31 March 2020.
- The controls related to the control objectives stated in the description were suitably designed to provide reasonable assurance that the control objectives would be achieved if the controls operated effectively throughout the period 1

April 2019 to 31 March 2020 and customers applied complementary user entity controls.
- The controls tested operated effectively throughout the period from 1 April 2019 to 31 March 2020.

One exception to the above was noted giving rise to a qualified opinion. This was in respect of the operation of controls regarding authorisation of system changes to GPES/CQRS. In two of nine instances evidence of approval of changes was not provided.

ISAE3402 third party assurance report in respect of NHS Business Services Authority: prescription payments

The CCG relies on systems and controls operated by NHS Business Services Authority (NHSBSA) in respect of Prescription Payments Process.

The 2019/20 Independent Service Auditor's report provided by PWC, places certain caveats on the intended users and purpose of their report.
Subject to this, the assurance report provides reasonable assurance in respect of the Prescription Payments Process operated by NHSBSA.

The key messages in the Independent Service Auditor section of the report were that in all material respects:

- The accompanying description in the report fairly presents the Prescription Payments Process as designed and implemented throughout the period 1 April 2019 to 31 March 2020.
- The controls related to the control objectives stated in the description were suitably designed to provide reasonable assurance that the control objectives would be achieved if the controls operated effectively throughout the period 1 April 2019 to 31 March 2020 and customers applied complementary user entity controls.
- The controls tested operated effectively throughout the period from 1 April 2019 to 31 March 2020.

ISAE3000 third party assurance report in respect of IT general controls in respect of the Electronic Staff Record (ESR)

In common with all NHS bodies, the CCG utilises the Electronic Staff Record (ESR) for its HR and payroll functions. This third party assurance report covers the IT general controls operated by IBM UK in relation to the ESR. Additionally there are certain controls related to the NHS General Ledger Interface, which are the responsibility of the NHS Systems Integration Team.

The 2019/20 Independent Service Auditor's report provided by PWC, dated 15th May 2020, provides reasonable assurance in respect of the IT general controls in relation to the national Electronic Staff Record and the NHS General Ledger Interface.

The audit work conducted by PWC covered the following six areas:

1. Change Management
2. Logical Security
3. Performance and Capacity Planning
4. Physical Security and Environmental Controls
5. Computer Operations
6. Payslip Distribution

The key messages in the overall audit opinion of the Report of the Independent Service Auditor are as follows:

- The accompanying description in the report fairly presents the provision of IT activities and systems for the ESR Service, as designed and implemented throughout the period from 1 April 2019 to 31 March 2020.
- The controls described in the report were suitably designed to provide reasonable assurance that the related control objectives would be achieved if the described controls operated effectively throughout the period from 1 April 2019 to 31 March 2020 and customers applied the complementary customer controls contemplated in the design of NHS ESR Programme.
- The controls tested, which were those necessary to provide reasonable assurance that the related control objectives were achieved, operated effectively throughout the period from 1 April 2019 to 31 March 2020.

No exceptions were noted during testing.

Other work

Data security and protection toolkit (DSPT) - March 2020

We undertook a high level review of all assertions and evidence available, and provided to us, in support of the mandated evidence items within the DSPT, and provided an assessment on the compliance status and confirmed that the governance processes within the CCG surrounding the review and submission of the toolkit were found to be well managed.

Payroll service operated by Torbay and South Devon NHS Foundation Trust - June 2020

The CCG outsources its payroll function to Torbay and South Devon NHS Foundation Trust (TSDFT). ASW Assurance undertakes an annual audit of TSDFT's payroll arrangements and controls. Whilst the 2019/20 audit did not specifically test CCG-related transactions, the general payroll controls operating across the payroll function were evaluated as part of the audit. These included controls in respect of:

- starters and leavers
- change in circumstances
- payroll processing and validation processes
- statutory deductions
- travel and subsistence claims

Based on the work undertaken, we concluded that arrangements in place for the effective operation of TSDFT's payroll systems were working effectively and were appropriately documented, and our overall assurance opinion on the design and operation of controls was Significant.

Follow-up of recommendations

In respect of the work undertaken during the year, recommendations have been agreed with management to address gaps in controls and/or assurance. We have monitored the status of these recommendations throughout the year, reporting directly to the Audit Committee on recommendations which remain outstanding.

No significant matters have been reported to the Audit Committee in the year, in respect of the follow-up of recommendations.

Jenny McCall, Director of Audit and Assurance Services, ASW Assurance

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 clinical commissioning group 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 comments made by the external auditors in their annual audit letter and other reports.

Our 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.

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

- The Governing Body
- The Audit Committee
- If relevant, the risk / clinical governance / quality committee
- Internal audit
- Other explicit review/assurance mechanisms.

Conclusion

In line with the Head of Internal Audit Opinion I can confirm that no significant internal control issues have been identified and that the CCG's risk management arrangements are appropriately designed and are operating as intended in respect of the management and monitoring of strategic and corporate level risks.

However, as Accountable Officer I must bring to your attention that NHS Devon CCG set a deficit budget for the year of £27 million and is currently anticipating an overspend of £66.5 million against its revenue resource limit. It is important, therefore, for me to confirm that our external auditors have referred the CCG under section 30(a) of the Local Audit and Accountability Act 2014 accordingly for breaching its revenue resource limit for the year ending 31 March 2020.

Looking ahead to 20/21 the draft operational plan indicates a likely deficit of £46.8m, which, whilst an improvement on 2019/20 outturn, reflects the ongoing pressure on resources and need for transformation in the wider Devon Health and Care system.

As a result of further working across the Devon geography, and in light of Covid-19, we will be reviewing our committee structures and ways of working, through effectiveness reviews, and revising our operating model during 2020/21, to strengthen the ways in which the CCG is effectively discharging and delivering our constitutional responsibilities.

As the accountable officer, I am satisfied that, other than the described deficit, the CCG has discharged its statutory duties in accordance with the Health and Social Care Act 2012, and that the CCG has a generally sound system of internal control that otherwise supports the achievement of its policies, aims and objectives.

Simon Tapley
Interim Accountable Officer
19 June 2020

Remuneration and staff report

Remuneration report

Remuneration committee

The remuneration committee fulfils the remuneration committee functions required by statute, principally to determine remuneration, fees and allowances payable to CCG staff, and make recommendations to the Governing Body. As well as this, the committee deals with remuneration and terms of service in relation to the Governing Body and the executive team.

The remuneration committee consists of both executive members and lay members of the Governing Body. The quorum constitutes both lay members of the Governing Body, responsible for patient and public engagement, and governance, finance and probity. The committee is advised by the associate director of human resources and organisational development and, where required, the chair and the accountable officer of the CCG.

Statement on policy for remuneration, now and future

Some senior managers are on the NHS Agenda for Change framework, while others are in line with the Department of Health Pay Framework for very senior managers framework.

The remuneration of senior managers is reviewed annually in conjunction with advice and guidance received from NHS Partners and the Department of Health and Social Care and will include review of the assessment of performance during the relevant financial period including achievement of specific performance targets.

All Governing Body members have contracts with the CCG in line with guidance received from the Department of Health and Social Care and HM Revenue and Customs.

Redundancy clauses in each contract match the provisions in the Agenda for Change contract of employment.

Senior managers' performance related pay

Devon CCG does not have performance-related pay.

Senior manager remuneration (including salary and pension entitlements) 2019/20 (audited)

Name	Note	Salary and Allowances 2019/20					
		(a) Salary (bands of £5,000)	(b) Expense payments (taxable) to nearest £100	(c) Performance pay and bonuses (bands of £5,000)	(d) Long term performance pay and bonuses (bands of £5,000)	(e) All pension related benefits (bands of £2,500)	(f) TOTAL (a to e) (bands of £5,000)
		£000	£	£000	£000	£000	£000
Gaynor Appleby – Lay Member, Allied Healthcare	1	5 - 10					5 - 10
Glynis Atherton – Lay Member, Assuring Quality of Services		10 – 15	100				10 - 15
Nick Ball – Lay Member, Audit and Assurance		25 – 30	400				25 - 30
Charlotte Burrows – Lay Member, Patient and Public Involvement		10 – 15	200				10 - 15
Lorna Collingwood-Burke Chief Nursing Officer	2	40 – 45	100				40 - 45
Alison Davis – Lay Member	3	0 – 5					0 - 5
John Dowell – Chief Finance Officer		135 - 140	200			42.5 – 45	180 - 185
Dr David Greenwell – Clinical Representative (Southern)		25 - 30				5 – 7.5	30 - 35
Judith Hargadon – Lay Member, Primary Care and Prevention		10 - 15					10 – 15
Dr Paul Johnson – NHS Devon CCG Chair	4	100 - 105	400			50 – 52.5	155 – 160
Dr Nick Kennedy – Secondary Care Doctor		45 - 50	400				45 - 50
Dr Simon Kerr – Clinical Representative (Eastern)	5	60 – 65				12.5 - 15	75 - 80
Brian Mackness – Lay Member, Finance and Remuneration	6	0 - 5					0 - 5

Dr Sonja Manton – Director of Strategy / Interim Director of Commissioning (Northern, Eastern and Southern)		115 – 120	500			12.5 – 15	130 - 135
Dr Shelagh McCormick – Clinical Representative (Western)	7	90 – 95	300			17.5 – 20	100 - 115
Andrew Millward – Director of Communications and HR	8	65 – 70	200			7.5 – 10	75 - 80
Simon Polak – Interim Director of Quality Assurance	9	75 – 80	400			25 – 27.5	105 - 110
Simon Tapley – Accountable Officer		145 – 150	600			42.5 – 45	190 - 195
Sarah F Thompson – Chief Operating Officer	10	15 – 20	300			27.5 – 30	40 - 45
Jo Turl – Director of Commissioning (Western)		120 – 125	600			0	120 - 125
Graham Turner – Lay Member, Finance and Remuneration	11	5 – 10	100				5 - 10
Lorraine Webber – Interim Director of Nursing	12	100 – 105	500			190 – 192.5	290 - 295
Dr John Womersley – Clinical Representative (Northern)	13	85 - 90	500				85 - 90
James Wooldridge – Lay Member	14	0 – 5	100				0 - 5

1 Gaynor Appleby began role on 4th November 2019
2 Lorna Collingwood-Burke retired on 12th July 2019
3 Alison Davis began role on 4th November 2019
4 Dr Paul Johnson - 0.6 wte until 31st August 2019, 0.8 wte from 1st September 2019
5 Dr Simon Kerr has additional duties within the CCG, the salary band as clinical representative is 50 - 55
6 Brian Mackness left role 30th June 2019
7 Dr Shelagh McCormick has additional duties within the CCG, the salary band as clinical representative is 50 - 55
8 Andrew Millward is also Systems Director of Communications & Engagement, only CCG Director of Communications and HR salary disclosed which is 50% of the total
9 Simon Polak began role 15 July 2019, Retired 5th January 2020
10 Sarah F Thompson began role on 11th February 2020, pension figures also relate to prior NHS roles
11 Graham Turner began role on 4th November 2019
12 Lorraine Webber began role 15 July 2019
13 Dr John Womersley has additional duties within the CCG, the salary band as clinical representative is 50 - 55
14 James Wooldridge began role on 25th November 2019

Pension benefits relate to the total employment with Devon CCG even if the member has a split role.

Additional Governing Body members and attendees not receiving remuneration from Devon CCG
Dr Virginia Pearson is a director of Public Health for Devon County Council and is a co-opted member. No payments are made for attendance
Ruth Harrell is a Director of Public Health for Plymouth and is a co-opted member. No payments are made for attendance
Caroline Diamond is a director of Public Health for Torbay and is a co-opted member. No payments are made for attendance

Pension benefits – 2019/20 (audited)

Name	(a) Real increase in pension at pension age (bands of £2,500)	(b) Real increase in pension lump sum at pension age (bands of £2,500)	(c) Total accrued pension at pension age at 31 March 2020 (bands of £5,000)	(d) Lump sum at pension age related to accrued pension at 31 March 2020 (bands of £5,000)	(e) Cash Equivalent Transfer Value at 1 April 2019	(f) Real Increase in Cash Equivalent Transfer Value	(g) Cash Equivalent Transfer Value at 31 March 2020	(h) Employers Contribution to partnership pension
	£000	£000	£000	£000	£000	£000	£000	£000
John Dowell – Chief Finance Officer	2.5 - 5	0 - 2.5	60 - 65	100 - 105	957	49	1047	0
Dr David Greenwell – Clinical Representative (Southern)	0 - 2.5	0 - 2.5	5 - 10	20 - 25	167	8	183	0
Dr Paul Johnson – NHS Devon CCG Chair	2.5 - 5	2.5 - 5	30 - 35	75 - 80	473	41	544	0
Dr Simon Kerr Clinical Representative (Eastern)	0 - 2.5	0	15 - 20	45 - 50	375	16	409	0
Dr Sonja Manton – Director of Strategy / Interim Director of Commissioning (Northern, Eastern, Southern)	0 - 2.5	0	20 - 25	35 - 40	277	1	301	0
Dr Shelagh McCormick Clinical Representative (Western)	0 - 2.5	0	10 - 15	35 - 40	284	16	320	0
Andrew Millward Director of Communications and HR	0 - 2.5	0	45 - 50	120 - 125	963	16	1021	0
Simon Tapley – Accountable Officer	2.5 - 5	0 - 2.5	45 - 50	105 - 110	756	38	832	0
Sarah F Thompson – Chief Operating Officer	0 - 2.5	2.5 - 5	35 - 40	115 - 120	N/A	N/A	N/A	0
Jo Turl – Director of Commissioning (Western)	0	10 - 12.5	20 - 25	60 - 65	321	8	353	0
Lorraine Webber – Interim Director of Nursing	5 - 10	20 - 22.5	35 - 40	95 - 100	517	166	708	0

- Lay members do not receive pensionable remuneration; there are no entries in respect of pensions for lay members.
- Only members with an NHS pension have been included.
- Pension benefits have not been included for off-payroll members as not applicable.

Taxable expenses

No expenses, other than reimbursement of those actually incurred and in support of training and development of Senior Managers, have been paid.

Expenses, all of which relate to mileage claims, give rise to a tax liability and have been disclosed separately as benefits in kind. The tax liability arises as the rate per mile reimbursed by the CCG exceeds that allowed as a tax-free amount by HMRC.

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 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.

A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures and the other pension details include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

Real increase in CETV

This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation (2.4%), contributions paid by the employee (including the value of any benefits transferred from another scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Payments on early retirement or for loss of office

There was no early retirement through ill health during 2019/20.

Payments to past senior managers

There were no awards made to past senior managers in-year.

Pay multiples (audited)

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director/Member in their organisation and the median remuneration of the organisation's workforce.

The banded annualised remuneration of the highest paid member of the Governing Body in Devon CCG in the financial year 2019/20 was £140,000-£145,000. This was 3.79 times the median remuneration of the workforce, which was £37,570.

Remuneration, annualised and adjusted to full-time equivalent, ranged from £17,652 to £144,075.

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

Staff report

The CCG takes pride in the strength and commitment of its workforce which demonstrates an effective range of skills, abilities and experience across all of our functions. It continues to support and develop its workforce to ensure we are responsive and adaptable to the changing political environment and the continued need to work more closely with system partners across Devon.

Staff numbers and costs

As of 31 March 2020, the CCG employed 564 individuals in a full-time equivalent of 486.31 posts.

The following tables describe the staff composition in terms of banding, contract type and gender.

Governing Body

As of 31 March 2020, the governing body had a total of 26 members, of which 50 per cent are men (13), and 50 per cent are women (13).

Directors and Senior CCG managers

Pay grade	Contract	Female	Male	Headcount	FTE
VSM	Permanent	2	3	5	5
	Other	1	1	2	1.8
Band 9	Permanent	3	8	11	11
	Other	2	0	2	2
Total		**8**	**12**	**20**	**19.8**

**Note: Figures above do not include those staff hosted by the CCG who are employed as part of the Devon Sustainability and Transformation Plan (STP)*

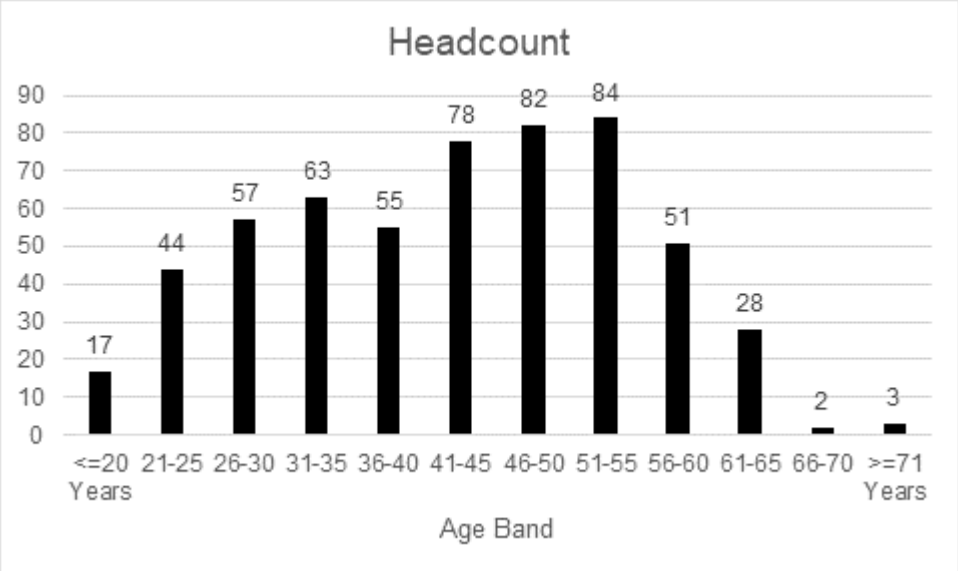
All staff

Pay grade	Contract	Female	Male	Headcount	FTE
Band 2	Permanent	4	1	5	4
	Other	15	3	18	17.33
Band 3	Permanent	76	12	88	78.89
	Other	1	0	1	1
Band 4	Permanent	46	7	53	50.75
	Other	1	0	1	0.8
Band 5	Permanent	57	12	69	63.56
	Other	2	0	2	2
Band 6	Permanent	23	9	32	29.1
	Other	2	0	2	1.2
Band 7	Permanent	52	20	72	67.55
	Other	6	4	10	9
Band 8 - Range A	Permanent	41	22	63	56.83
	Other	5	1	6	4.84
Band 8 - Range B	Permanent	25	10	35	31.33
	Other	0	0	0	0
Band 8 - Range C	Permanent	17	7	24	23.52
	Other	0	1	1	0.4
Band 8 - Range D	Permanent	5	4	9	9
	Other	0	0	0	0
Band 9	Permanent	3	10	13	12.8
	Other	3	0	3	2.6
Other Non AFC	Permanent	22	9	31	11.41
	Other	7	19	26	8.4
Grand Total		**413**	**151**	**564**	**486.31**

** Note: Where staff have more than one role across different bands or categories their headcount is duplicated. Figures exclude Non-Executive Directors/ Lay Governing Body Members but include data for all staff including VSM, Non AfC and those hosted by the CCG.*

The tables and charts below illustrate our employee distribution relating to age and gender as of 31 March 2020.

Age Band	Headcount	FTE
<=20 Years	17	16.73
21-25	44	43.00
26-30	57	53.45
31-35	63	56.98
36-40	55	47.96
41-45	78	61.07
46-50	82	67.15
51-55	84	73.17
56-60	51	42.35
61-65	28	21.25
66-70	2	1.4
>=71 Years	3	1.80
Grand Total	**564**	**486.31**



Gender	Headcount	FTE
Female	413	355.87
Male	151	130.44
Grand Total	564	486.31

The table below illustrates our employee distribution relating to staff group as of 31 March 2020.

Staff Group	Headcount	FTE
Add Prof Scientific and Technic	45	39.24
Administrative and Clerical	427	396.11
Allied Health Professionals	7	6.20
Medical and Dental	45	9.41
Nursing and Midwifery Registered	40	35.35

Staff costs (audited)

The table below sets out the breakdown of employee benefits for 2019/20.

2019/20	Total			Admin			Programme		
	Total £000	Permanent Employees £000	Other £000	Total £000	Permanent Employees £000	Other £000	Total £000	Permanent Employees £000	Other £000
Salaries and wages	20,129	19,370	759	12,353	11,994	359	7,776	7,376	400
Social security costs	2,101	2,101	-	1,394	1,394	-	707	707	-
Employer Contributions to NHS Pension scheme	3,948	3,948	-	2,924	2,924	-	1,024	1,024	-
Other pension costs	4	4	-	4	4	-	0	-	-
Apprenticeship Levy	85	85	-	85	85	-	0	-	-
Other post-employment benefits									
Other employment benefits									
Termination benefits	143	143	0	23	23	0	120	120	0
Gross employee benefits expenditure	**26,410**	**25,651**	**759**	**16,783**	**16,424**	**359**	**9,627**	**9,227**	**400**

Less recoveries in respect of employee benefits									
Net admin employee benefits including capitalised costs	**26,410**	**25,651**	**759**	**16,783**	**16,424**	**359**	**9,627**	**9,227**	**400**
Less: employee costs capitalised									
Net employee benefits excluding capitalised costs	**26,410**	**25,651**	**759**	**16,783**	**16,424**	**359**	**9,627**	**9,227**	**400**

Staff policies (in respect of disabled staff)

The CCG has a range of human resources policies in place to ensure clear, fair and transparent practices that cover all aspects of the CCG. All policies are approved by the Staff Partnership Forum and Executive and are available to all staff on our intranet.

Equalities issues are incorporated into policies covering all aspects of human resources to ensure that individuals are treated equally and fairly, and that decisions on recruitment, selection, training, promotion and career management are based solely on objectives and job-related criteria. The CCG's aims are to promote diversity and equality of opportunity and provide an inclusive working environment in which all staff feel valued and supported.

We are an accredited "Disability Confident" employer, which ensures all declared disabled applicants are guaranteed an interview if they meet the essential requirements of the person specification of a role. The Recruitment policy and process outlines the requirements for recruiting managers to make reasonable adjustments for disabled candidates and this is reinforced through recruitment training courses run for all staff who are required to sit on recruitment panels.
All staff with a declared disability or who become disabled during their employment will have access to appropriate training courses, and career development opportunities, and access to promotional opportunities. Reasonable adjustments are made to support these people with accessing and benefitting from these opportunities.

All our policies that relate to the continued employment and training of disabled staff have been equality impact assessed to ensure they are not detrimental to any staff with protected characteristics, including disabled persons. All policies are developed in line with Agenda for Change Terms and Conditions where applicable.

In addition, the CCG continues to monitor providers compliance with the Workforce Race Equality Standard, The Accessible Information Standard and the new Sexual Orientation Monitoring Standard.

Trade Union Facility Time Reporting Requirements

The Trade Union (Facility Time Publication Requirements) Regulations 2017 The Trade Union (Facility Time Publication Requirements) Regulations 2017 took effect on 1 April 2017, this means that NHS employers are now required to publish certain information on trade union officials and facility time on their website and within annual reports.

The information provided below is for the relevant period of 1 April 2019 to 31 March 2020. It captures details of employees' time spent on duties carried out for a trade union or as a union learning representative, for example, attending meetings, accompanying an employee to disciplinary or grievance hearing etc. It also applies to, if applicable, training received, and duties carried out under the Health and Safety at Work Act 1974.

It is important to note that the CCG's formal consultation mechanism is through the Staff Partnership Forum. Representatives of the forum are staff members who are not required to be part of a Trade Union or indeed be a representative of a Trade Union and therefore this information does not reflect staff time spent on forum duties.

Table 1: the number of trade union representatives in your organisation

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

Table 2: the percentage of time spent on facility time

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

Table 3: the amount spent on facility time

First column	**Figures**
Provide the total cost of facility time	0
Provide the total pay bill	0
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time/total pay bill) x 100	0

Table 4: the percentage of paid facility time spent on paid trade union activities

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 the relevant period/total paid facility time hours) x 100	0

Other employee matters

Staff health and wellbeing

We are committed to the health and wellbeing of our staff and in addition to the work we do to support absence management. In early 2020 we launched our health and wellbeing programme. Our aims are to:

- raise awareness and provide useful information and resources
- organise events that encourage colleagues to improve their health and wellbeing
- link initiatives back to our own colleagues and values by sharing personal and team stories

Staff policies

The CCG has policies in place to provide guidance to all employees. All HR policies have been written to ensure equality and diversity is upheld in the workplace. All policies align to Agenda for Change terms and conditions, statutory guidance and HR best practice.

Employee engagement

The CCG is committed to involving and communicating with staff across a range of matters. This is through a variety of channels such as our weekly staff bulletin and monthly briefings, as well as:

- Introduction of an annual staff awards event
- Promotion of health and wellbeing, including a monthly newsletter
- Staff Partnership Forum
- Conducting a review on exit interviews
- Gender pay focus groups
- New and improved induction programme

Development of our staff

The Organisational Development Team work closely with managers and staff to ensure the right development is in place to support them to deliver in their roles. In 2019/20 we have:

- Co-designed the CCG Transformation Strategy and supporting work plan
- Developed and implemented a talent approach across the CCG
- Supported the development of Governing Body following the launch of the Devon CCG in April 2019
- Started the implementation of a new CCG Operating Model
- Developed a process to ensure access to coaching and mentoring and action learning sets
- Developed our appraisal system with a current completion rate of 70.84%
- Supported 11 apprentices across the last 12 months

The CCG is also committed to ensuring all staff have completed their statutory and mandatory training. The completion rate is currently 85.63%.

Expenditure on consultancy

During 2019/20 the CCG spent £1.368 million on external consultancy costs.

Off-payroll engagements

Table 1: Off-payroll engagements longer than 6 months

For all off-payroll engagements as at 31 March 2020 for more than £245 per day and that last longer than six months:

	Number
Number of existing engagements as of 31 March 2020	4
Of which, the number that have existed:	
for less than one year at the time of reporting	3
for between one and two years at the time of reporting	0
for between 2 and 3 years at the time of reporting	1
for between 3 and 4 years at the time of reporting	0
for 4 or more years at the time of reporting	0

The CCG confirms that all existing off-payroll engagements have at some point been subject to a risk based assessment as to whether assurance is required that the individual is paying the right amount of tax and, where necessary, that assurance has been sought.

Table 2: New off-payroll engagements

Where the reformed public sector rules apply, entities must complete Table 2 for all new off-payroll engagements, or those that reached six months in duration, between 1 April 2019 and 31 March 2020, for more than £245 per day and that last for longer than 6 months:

	Number
Number of new engagements, or those that reached six months in duration, between 1 April 2019 and 31 March 2020	3
Of which:	
Number assessed as caught by IR35	0
Number assessed as not caught by IR35	3
Number engaged directly (via PSC contracted to department) and are on the departmental payroll	0
Number of engagements reassessed for consistency / assurance purposes during the year	0
Number of engagements that saw a change to IR35 status following the consistency review	0

Table 3: Off-payroll engagements / senior official engagements

For any off-payroll engagements of Governing Body members and / or senior officials with significant financial responsibility, between 1 April 2019 and 31 March 2020

Number of off-payroll engagements of board members, and/or senior officers with significant financial responsibility, during the financial year (1)	0
Total number of individuals on payroll and off-payroll that have been deemed “Governing Body members, and/or, senior officials with significant financial responsibility”, during the financial year. This figure should include both on payroll and off-payroll engagements. (2)	15

Exit packages, including special (non-contractual) payments (audited)

Table 1: Exit Packages

Exit package cost band (inc. any special payment element	Number of compulsory redundancies	Cost of compulsory redundancies	Number of other departures agreed	Cost of other departures agreed	Total number of exit packages	Total cost of exit packages	Number of departures where special payments have been made	Cost of special payment element included in exit packages
		£s		£s		£s		£s
Less than £10,000	0	0	2	£8,000	2	£8,000	0	0
£10,000 - £25,000	0	0	1	£18,149	1	£18,149	0	0
£25,001 - £50,000	0	0	0	0	0	0	0	0
£50,001 - £100,000	0	0	0	0	0	0	0	0
£100,001 - £150,000	1	£116,883	0	0	1	£116,883	0	0
£150,001 – £200,000	0	0	0	0	0	0	0	0
>£200,000	0	0	0	0	0	0	0	0
TOTALS	1	£116,883	3	£26,149	4	£143,032	0	0

Redundancy and other departure cost have been paid in accordance with the provisions of Agenda for Change. Exit costs in this note are accounted for in full in the year of departure. Where Devon CCG has agreed early retirements, the additional costs are met by the Devon CCG and not by the NHS Pension Scheme. Ill-health retirement costs are met by the NHS Pension Scheme and are not included in the table.

Table 2: Analysis of Other Departures

	Agreements	Total Value of agreements
	Number	£000s
Voluntary redundancies including early retirement contractual costs	**0**	
Mutually agreed resignations (MARS) contractual costs	**0**	
Early retirements in the efficiency of the service contractual costs	**0**	
Contractual payments in lieu of notice*	**3**	**£26,149**
Exit payments following Employment Tribunals or court orders	**0**	
Non-contractual payments requiring HMT approval**	**0**	
TOTAL	**3**	**£26,149**

As a single exit package can be made up of several components each of which will be counted separately in this Note, the total number above will not necessarily match the total numbers in table 1 above which will be the number of individuals.

*any non-contractual payments in lieu of notice are disclosed under “non-contracted payments requiring HMT approval” below.

**includes any non-contractual severance payment made following judicial mediation, and amounts relating to non-contractual payments in lieu of notice.

0 non-contractual payments were made to individuals where the payment value was more than 12 months of their annual salary.

The Remuneration Report includes disclosure of exit packages payable to individuals named in that report.

Parliamentary accountability and audit report

NHS Devon CCG is not required to produce a Parliamentary Accountability and Audit Report. An audit certificate and report are included on page 145.

Financial statements

Statement of Comprehensive Net Expenditure for the year ended 31 March 2020

	Note	2019-20 £'000
Income from sale of goods and services	2	-
Other operating income	2	(21,628)
Total operating income		**(21,628)**
Staff costs	4	26,409
Purchase of goods and services	5	1,974,518
Depreciation and impairment charges	5	1,254
Provision expense	5	(231)
Other Operating Expenditure	5	626
Total operating expenditure		**2,002,576**
Net Operating Expenditure		**1,980,948**
Net (Gain)/Loss on Transfer by Absorption	8	98,450
Total Net Expenditure for the Financial Year		**2,079,398**
Comprehensive Net Expenditure for the year ended 31 March 2020		**2,079,398**

The notes on the following pages form part of this statement

Statement of Financial Position as at 31 March 2020

	Note	2019-20 £'000	1 April 2019 £'000
Non-current assets:			
Property, plant and equipment	10	2,166	3,119
Intangible assets	11	3	10
Other financial assets	14	-	-
Total non-current assets		2,169	3,129
Current assets:			
Inventories	12	655	400
Trade and other receivables	13	9,475	13,970
Cash and cash equivalents	15	(1,778)	(207)
Total current assets		8,352	14,163
Total current assets		**8,352**	14,163
Total assets		**10,521**	17,292
Current liabilities			
Trade and other payables	16	(130,313)	(115,416)
Other financial liabilities	17	-	-
Provisions	18	-	(231)
Total current liabilities		**(130,313)**	(115,647)
Non-Current Assets plus/less Net Current Assets/Liabilities		**(119,792)**	(98,355)
Non-current liabilities			
Trade and other payables	16	-	-
Other financial liabilities	17	(88)	(95)
Provisions	18	-	-
Total non-current liabilities		**(88)**	(95)
Assets less Liabilities		**(119,880)**	(98,450)
Financed by Taxpayers' Equity			
General fund		(119,880)	(98,450)
Total taxpayers' equity:		**(119,880)**	(98,450)

The balances as at 1 April 2019 relate to those transferred by absorption (note 8)

The notes on the following pages form part of this statement

The financial statements on the following pages were approved by the Governing Body on 18 June 2020 and signed on its behalf by:

Simon Tapley
Accountable Officer

Statement of Changes In Taxpayers Equity for the year ended 31 March 2020

	General fund £'000	Total reserves £'000
Changes in taxpayers' equity for 2019-20		
Balance at 01 April 2019	-	-
Opening transfers by absorption	(98,450)	**(98,450)**
Adjusted NHS Clinical Commissioning Group balance at 1 April 2019	**(98,450)**	**(98,450)**
Changes in NHS Clinical Commissioning Group taxpayers' equity for 2019-20		
Net operating expenditure for the financial year	(1,980,948)	**(1,980,948)**
Year	**(1,980,948)**	**(1,980,948)**
Net funding	1,959,518	**1,959,518**
Balance at 31 March 2020	**(119,880)**	**(119,880)**

The notes on the following pages form part of this statement

Statement of Cash Flows for the year ended 31 March 2020

	Note	2019-20 £'000
Cash Flows from Operating Activities		
Net operating expenditure for the financial year		(1,980,948)
Depreciation and amortisation	5	1,254
(Increase)/decrease in inventories	12	(255)
(Increase)/decrease in trade & other receivables	13	4,496
Increase/(decrease) in trade & other payables	16	14,889
Increase/(decrease) in provisions	18	(231)
Net Cash Inflow (Outflow) from Operating Activities		**(1,960,795)**
Cash Flows from Investing Activities		
(Payments) for property, plant and equipment	10	(294)
Net Cash Inflow (Outflow) from Investing Activities		**(294)**
Net Cash Inflow (Outflow) before Financing		**(1,961,089)**
Cash Flows from Financing Activities		
Net Funding Received		1,959,518
Net Cash Inflow (Outflow) from Financing Activities		**1,959,518**
Net Increase (Decrease) in Cash & Cash Equivalents	15	**(1,571)**
Cash & Cash Equivalents at the Beginning of the Financial Year		
Transfer from other public bodies under absorption		**(207)**
Cash & Cash Equivalents (including bank overdrafts) at the End of the Financial Year		**(1,778)**

The notes on the following pages form part of this statement

Notes to the financial statements

1 Accounting Policies

NHS England has directed that the financial statements of clinical commissioning groups (CCGs) 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 2019-20 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

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 CCG 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.
Management are required to assess, at the time of preparing the financial statements, whether the entity is a going concern. In other words will the entity continue to operate for the foreseeable future.
Indicators of an uncertain future would include the failure to achieve one or more statutory financial duties, for example, the breach of the resource limit, or operating with negative cash flows. In 2019/20 the CCG had an overspend of £66.5 million, a breach of its revenue resource limit, which resulted in a referral by External Audit to the Secretary of State, under section 30 of the Local Audit and Accountability Act 2014.
All known guidance and policy is reflected within the 2020/21 plan. The exception being that the CCG has submitted a plan that does not fully achieve the financial planning rules as set out, for example, 1% minimum cumulative historic underspend. The CCG has submitted a plan that delivers a £46.8m deficit.
The plan is challenging and does require £31.7m of efficiency savings which represents 1.6% of the total recurrent baseline resource. It includes an unmitigation level of risk at £1.3m, which is not considered to be a material level of risk to the plan.

This deficit budget plan will have a significant impact on the cash flow of the CCG. However, overall cash is managed at an NHS England level. Therefore as long as the total cash used by NHS England does not breach its cash limit, set by Treasury and the Department of Health, NHS England will have the flexibility to provide cash support to CCGs when needed. While the financial circumstances of the CCG in 2020/21 will be demanding the deficit budget plan and the cash flow forecast has been considered, and whilst not formally signed off, has been incorporated into NHS England's overarching plans within the overall resources available to it.
For the CCG to be dissolved would require parliamentary intervention and there is no indication of this currently. Even if the organisation was dissolved by Parliament its functions would be transferred to various new or existing public sector entities. The Secretary of State has directed that, where Parliamentary funding continues to be voted to permit the relevant services to be carried out elsewhere in the public sector and as evidenced by inclusion of financial provision for that service in published documents, this is normally sufficient evidence of going concern.
With the above in mind the Governing Body of Devon CCG has prepared these financial statements on a going-concern basis. This is effectively in relation to its intention to continue its operations for the foreseeable future and the awareness of any circumstances affecting this in its preparation of these financial statements.

1.2 Accounting Convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets, inventories and certain financial assets and financial liabilities.

1.3 Movement of Assets within the Department of Health and Social Care 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 GAM 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 and Social Care Group are accounted for in line with IAS 20 and similarly give rise to income and expenditure entries.
NHS Northern, Eastern and Western Devon CCG (NEW Devon CCG) and NHS South Devon and Torbay CCG (SDT CCG) merged 1 April 2019 to form NHS Devon CCG.

1.4 Joint arrangements

Arrangements over which the CCG 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 arrangement is either a joint operation or a joint venture.
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 CCG has entered into five arrangements, four of which has been assessed as joint operations.
The first of which is a joint operation under a Section 75 agreement with Plymouth City Council (PCC) to form the Plymouth Integrated Fund to manage Health and Social Care spending for the population of Plymouth. There are two elements to the integrated fund being 1) pooled funds (including the Plymouth Better Care Fund) and 2) aligned funds where they cannot be managed within the pool but can be aligned for inclusion in the risk share arrangements. Under the section 75 agreement the CCG is the host to the pooled element of the fund however PCC remain lead commissioner for their element of spend within the pool. Under a joint operation each entity accounts for its share of the arrangement.

The second of which is a joint operation under a Section 75 agreement with Devon County Council (DCC) to form the Devon Better Care Fund (BCF). DCC are host to the fund and the CCG is lead commissioner to some of the funds elements. The net cost of the Devon BCF is reported within other programme costs. Under a joint operation each entity accounts for its share of the arrangement. The third arrangement is with Torbay Council for the Joint Community Equipment Store and the fourth concerns the Better Care Fund with Torbay Council.

The arrangement for Torbay is hosted by the CCG. The CCG accounts for its share of the income and expenditure arising from the activities of the arrangements, identified in accordance with the pooled budget agreements.

If the CCG is involved in a joint venture, the parties that have joint control have rights to the net assets of the arrangement. This must involve a separate vehicle and will need to account for their interest as an investment. Joint ventures are accounted for using the equity method.

Joint ventures that are classified as 'held for sale' are measured at the lower of their carrying amount or 'fair value less costs to sell'.

The CCG has entered into a joint venture with Plymouth City Council for the provision of IT services through the company DELT Shared Services (DELT). DELT commenced providing services on 1 September 2014. No IT assets transferred from the CCG to DELT. Existing IT assets remain on the CCG's fixed asset register with the exception of GPIT assets which remain on the NHS England's fixed asset register.

The CCG holds a shareholding interest in DELT in respect of 1 A ordinary Share with a nominal total value of £1 being 50% of the total shareholding and 30 B ordinary shares with a total nominal value of £30 being 30% of the total shareholding. This shareholding is held within the CCG's fixed asset register but due to the immaterial value is not visible in the annual accounts.

The CCG has considered the materiality of DELT as an entity and has concluded that the value falls below a materiality threshold and therefore group accounts have not been prepared.

1.5 **Revenue**

The CCG receives its main funding through a resource allocation from NHS England. This is drawn down and credited to the general

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 CCG will not disclose information regarding performance obligations part of a contract that has an original expected duration of one year or less,

• The CCG 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.

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. Payment terms are standard reflecting cross government principles.

The majority of the income the CCG receives is pass-through funds from organisations, for example from NHS England, as well as refunds for drugs the CCG purchased during the year.

The value of the benefit received when the CCG accesses funds from the Government's apprenticeship service are recognised as income in accordance with IAS 20, Accounting for Government Grants. Where these funds are paid directly to an accredited training provider, non-cash income and a corresponding non-cash training expense are recognised, both equal to the cost of the training

1.6 **Employee Benefits**

1.6.1 **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 bonuses earned but not yet taken.

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.

1.6.2 **Retirement Benefit Costs**

Past and present employees are covered by the provisions of the NHS Pension Schemes. These schemes are unfunded, defined benefit schemes that cover 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 CCG 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 CCG commits itself to the retirement, regardless of the method of payment.

Some employees have joined the National Employment Savings Trust (NEST) pension scheme which is a defined contribution scheme and was set up by the government. The contributions the employee makes, along with the level of growth from the investments, will determine the size of the pension available on retirement.

1.7 **Other Expenses**

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.

1.8 **Grants Payable**

Where grant funding is not intended to be directly related to activity undertaken by a grant recipient in a specific period, the CCG recognises the expenditure in the period in which the grant is paid. All other grants are accounted for on an accruals basis.

1.9 **Property, Plant & Equipment**

1.9.1 **Recognition**

Property, plant and equipment is capitalised if:

- It is held for use in delivering services or for administrative purposes;
- It is probable that future economic benefits will flow to, or service potential will be supplied to the CCG;
- It is expected to be used for more than one financial year;
- The cost of the item can be measured reliably; and,
- The item has a cost of at least £5,000; or,

- Collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or,
- Items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, the components are treated as separate assets and depreciated over their own useful economic lives.

1.9.2 **Measurement**

All property, plant and equipment is measured initially at cost, representing the cost directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management. Assets that are held for their service potential and are in use are measured subsequently at their current value in existing use. Assets that were most recently held for their service potential but are surplus are measured at fair value where there are no restrictions preventing access to the market at the reporting date.

Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. Current values in existing use are determined as follows:

- Land and non-specialised buildings – market value for existing use; and,
- Specialised buildings – depreciated replacement cost.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at fair value. Assets are re-valued and depreciation commences when they are brought into use.

IT equipment, transport equipment, furniture and fittings, and plant and machinery that are held for operational use are valued at depreciated historic cost where these assets have short useful economic lives or low values or both, as this is not considered to be materially different from current value in existing use.

An increase arising on revaluation is taken to the revaluation reserve except when it reverses an impairment for the same asset previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Impairment losses that arise from a clear consumption of economic benefit are taken to expenditure. Gains and losses recognised in the revaluation reserve are reported as other comprehensive income in the Statement of Comprehensive Net Expenditure.

1.9.3 **Subsequent Expenditure**

Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is capitalised. Where subsequent expenditure restores the asset to its original specification, the expenditure is capitalised and any existing carrying value of the item replaced is written-out and charged to operating expenses.

1.10 **Intangible Assets**

1.10.1 **Recognition**

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of the CCG's business or which arise from contractual or other legal rights. They are recognised only:

- When it is probable that future economic benefits will flow to, or service potential be provided to, the CCG;
- Where the cost of the asset can be measured reliably; and,
- Where the cost is at least £5,000.

Software that is integral to the operating of hardware, for example an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, for example application software, is capitalised as an intangible asset. Expenditure on research is not capitalised but is recognised as an operating expense in the period in which it is incurred. Internally-generated assets are recognised if, and only if, all of the following have been demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use;
- The intention to complete the intangible asset and use it;
- The ability to sell or use the intangible asset;
- How the intangible asset will generate probable future economic benefits or service potential;
- The availability of adequate technical, financial and other resources to complete the intangible asset and sell or use it;
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

1.10.2 **Measurement**

Intangible assets acquired separately are initially recognised at cost. The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the criteria above are initially met. Where no internally-generated intangible asset can be recognised, the expenditure is recognised in the period in which it is incurred.

Following initial recognition, intangible assets are carried at current value in existing use by reference to an active market, or, where no active market exists, at the lower of amortised replacement cost or the value in use where the asset is income generating . Internally-developed software is held at historic cost to reflect the opposing effects of increases in development costs and technological advances. Revaluations and impairments are treated in the same manner as for property, plant and equipment.

1.10.3 **Depreciation, Amortisation & Impairments**

Freehold land, properties under construction, and assets held for sale are not depreciated.

Otherwise, depreciation and amortisation are charged to write off the costs or valuation of property, plant and equipment and intangible non-current assets, less any residual value, over their estimated useful lives, in a manner that reflects the consumption of economic benefits or service potential of the assets. The estimated useful life of an asset is the period over which the CCG expects to obtain economic benefits or service potential from the asset. This is specific to the CCG and may be shorter than the physical life of the asset itself. Estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis. Assets held under finance leases are depreciated over the shorter of the lease term and the estimated useful life.

At each reporting period end, the CCG checks whether there is any indication that any of its property, plant and equipment assets or intangible non-current assets have suffered an impairment loss. If there is indication of an impairment loss, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount. Intangible assets not yet available for use are tested for impairment annually.
A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Impairment losses that arise from a clear consumption of economic benefit are taken to expenditure. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of the recoverable amount but capped at the amount that would have been determined had there been no initial impairment loss. The reversal of the impairment loss is credited to expenditure to the extent of the decrease previously charged there and thereafter to the revaluation reserve.

1.11 **Leases**

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

1.11.1 **The CCG as Lessee**

Property, plant and equipment held under finance leases are initially recognised, at the inception of the lease, at fair value or, if lower, at the present value of the minimum lease payments, with a matching liability for the lease obligation to the lessor. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate on interest on the remaining balance of the liability. Finance charges are recognised in calculating the CCG's surplus/deficit.
Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially as a liability and subsequently as a reduction of rentals on a straight-line basis over the lease term.
Contingent rentals are recognised as an expense in the period in which they are incurred.
Where a lease is for land and buildings, the land and building components are separated and individually assessed as to whether they are operating or finance leases.

1.12 **Inventories**

Inventories are valued at the lower of cost and net realisable value. The CCG's share of the inventory in the Better Care Fund with Devon County Council is disclosed in note 12.

1.13 **Cash & Cash Equivalents**

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

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

1.14 **Provisions**

Provisions are recognised when the CCG has a present legal or constructive obligation as a result of a past event, it is probable that the CCG will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties. Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows using HM Treasury's discount rate as follows:
Early retirement provisions are discounted using HM Treasury's pension discount rate of negative 0.50% in real terms. All general provisions are subject to four separate discount rates according to the expected timing of cashflows from the Statement of Financial Position (SoFP) date:
• A nominal short-term rate of 0.51% for inflation adjusted expected cash flows up to and including 5 years from SoFP date.
• A nominal medium-term rate of 0.55% for inflation adjusted expected cash flows over 5 years up to and including 10 years from the SoFP date.
• A nominal long-term rate of 1.99% for inflation adjusted expected cash flows over 10 years and up to and including 40 years from the SoFP date.
• A nominal very long-term rate of 1.99% for inflation adjusted expected cash flows exceeding 40 years from the SoFP date.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable

A restructuring provision is recognised when the CCG has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with on-going activities of the entity.

1.15 **Clinical Negligence Costs**

NHS Resolution operates a risk pooling scheme under which the CCG 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 CCG. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the CCG is disclosed in Note 18.

1.16 **Non-clinical Risk Pooling**

The CCG participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the CCG pays an annual contribution to the 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.

1.17 **Contingent liabilities and contingent assets**

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the CCG, or a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured sufficiently reliably. A contingent liability is disclosed unless the possibility of a payment is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the CCG. A contingent asset is disclosed where an inflow of economic benefits is probable.
Where the time value of money is material, contingent liabilities and contingent assets are disclosed at their present value.

1.18 **Financial Assets**

Financial assets are recognised when the CCG 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.

1.18.1 **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.

1.18.2 **Financial assets at fair value through other comprehensive income**

Financial assets held at fair value through other comprehensive income are those held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and where the cash flows are solely payments of principal and interest.

1.18.3 **Financial assets at fair value through profit and loss**

Financial assets measure at fair value through profit and loss are those that are not otherwise measured at amortised cost or fair value through other comprehensive income. This includes derivatives and financial assets acquired principally for the purpose of selling in the short term.
The CCG has no embedded derivatives that are required to be accounted for separately.
The CCG's only financial assets are cash, trade receivables and other trade receivables which are disclosed in note 20.2.

1.18.4 **Impairment**

For all financial assets measured at amortised cost or at fair value through other comprehensive income (except equity instruments designated at fair value through other comprehensive income), lease receivables and contract assets, the CCG recognises a loss allowance representing the expected credit losses on the financial asset.

The CCG adopts the simplified approach to impairment in accordance with IFRS 9, and measures the loss allowance for trade receivables, lease receivables and contract assets 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 CCG therefore does not recognise loss allowances for stage 1 or stage 2 impairments against these bodies. Additionally Department of Health and Social Care provides a guarantee of last resort against the debts of its arm's lengths bodies and NHS bodies and the CCG does not recognise allowances for stage 1 or stage 2 impairments against these bodies.
For financial assets that have become credit impaired since initial recognition (stage 3), expected credit losses at the reporting date are 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.

1.19 **Financial Liabilities**

Financial liabilities are recognised on the statement of financial position when the CCG 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.

1.19.1 **Financial Guarantee Contract Liabilities**

Financial guarantee contract liabilities are subsequently measured at the higher of:

- The premium received (or imputed) for entering into the guarantee less cumulative amortisation; and,
- The amount of the obligation under the contract, as determined in accordance with IAS 37: Provisions, Contingent Liabilities and Contingent Assets.

1.19.2 **Financial Liabilities at Fair Value Through Profit and Loss**

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial liabilities at fair value through profit and loss. They are held at fair value, with any resultant gain or loss recognised in the CCG's surplus/deficit. The net gain or loss incorporates any interest payable on the financial liability. The CCG has no embedded derivatives that are required to be accounted for separately.

1.19.3 **Other Financial Liabilities**

The CCG's other financial liabilities are trade payables. Trade payables are recognised at the consideration agreed at the date of the transaction. These are disclosed in note 20.3.

After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method, except for loans from Department of Health and Social Care, which are carried at historic cost. 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.

1.20 **Value Added Tax**

Most of the activities of the CCG 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 or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.21 **Foreign Currencies**

The CCG's functional currency and presentational currency is pounds sterling and amounts are presented in thousands of pounds unless expressly stated otherwise. Transactions denominated in a foreign currency are translated into sterling at the exchange rate ruling on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the spot exchange rate on 31 March. Resulting exchange gains and losses for either of these are recognised in the CCG's surplus/deficit in the period in which they arise.

1.22 **Third Party Assets**

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the CCG has no beneficial interest in them.

1.23 **Critical accounting judgements and key sources of estimation uncertainty**

In the application of the CCG's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates and the estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

1.23.1 **Critical accounting judgements in applying accounting policies**

The following are the judgements, apart from those involving estimations, that management has made in the process of applying the CCG's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.
Apart from the accounting treatment of the better care fund budgets mentioned in 1.4 above and those involving estimations (see below), management has made no other critical accounting judgements in the process of applying the CCG's accounting policies that have would have a significant effect on the amounts recognised in the financial statements:

1.23.2 **Sources of estimation uncertainty**

The following are assumptions about the future and other major sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.
Estimation techniques are used to ensure that the correct levels of income and expenditure relating to current year are included through the inclusion of accruals. These are based on known commitments and local knowledge. Historically the difference between the estimated accruals and actual cost have not been material and it is expected to follow suit this year. The accruals will be carried forward into 2020/21 and matched against the actual costs incurred within the CCG.
For the main acute contracts the year end forecasts are based on the full year effect of expected activity. This has been discussed and agreed with providers. Partially completed spells are based on an assessment of the actual patients treated at the year end.

The CCG relies on the Business Services Authority's (BSA) forecasting methodology applied to Primary Care Prescribing. An autoregressive integrated moving average (ARIMA) model is also run in parallel as a comparison, however although the ARIMA model has the advantage of being quick to adapt to trends in the system, the main source of forecast remains the national BSA model. The use of the additional model allows the CCG to assess the likelihood of a range of year end positions and can inform a more locally reflective forecast if there are local factors that fall outside of the national model. The Business Services Authority forecast resulted in a total overspend of £2,565k. Due to the timing of published data the year end position includes an estimate for both February and March's prescribing costs.
Other estimates and judgements made in applying the CCG's accounting policies relate to the valuation of Property, Plant and Equipment and Intangibles. The nature of the assumptions and carrying value of the assets and liabilities are detailed in note 10 and 11 respectively.

1.24 **Accounting Standards That Have Been Issued But Have Not Yet Been Adopted**

The Department of Health and Social Care GAM does not require the following IFRS Standard and Interpretation to be applied in 2019-20. The Standard is still subject to HM Treasury FReM adoption, with IFRS 16 implementation being delayed for a further year until 2021-22.

IFRS 16 specifies how an organisation will recognise, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. This would require the CCG to recognise the current operating leases for its headquarters as non-current assets, currently estimated at a value of £1,980k, with corresponding lease liabilities. This will result in a yearly depreciation and interest charge over the term of the lease, with an income statement expense which is higher than the straight-line rent expense typically recognised under the current standards, falling to a lower cost mid-way through the lease as the interest cost reduces. Under the current and future (IFRS 16) standard the overall cost of the transaction over the life of the lease is the same .

2 Other Operating Income

	2019-20 Total £'000
Income from sale of goods and services (contracts)	
Education, training and research	-
Non-patient care services to other bodies	-
Other Contract income	-
Recoveries in respect of employee benefits	-
Total Income from sale of goods and services	-
Other operating income	
Non cash apprenticeship training grants revenue	42
Other non contract revenue	21,586
Total Other operating income	21,628
Total Operating Income	21,628

The main CCG funding is not included in this note. Revenue received from NHS England is drawn down directly into the bank account of the CCG and credited to the General Fund.

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

The CCG receives income as part of the joint arrangements with its partner organisations. Income also includes reimbursments for cost of drugs and GP IT that the CCG purchased during the year.

4. Employee benefits and staff numbers

4.1 Employee benefits

	Total		2019-20
	Permanent Employees £'000	Other £'000	Total £'000
Employee Benefits			
Salaries and wages	19,369	759	20,128
Social security costs	2,101	-	2,101
Employer Contributions to NHS Pension scheme	3,948	-	3,948
Other pension costs	4	-	4
Apprenticeship Levy	85	-	85
Other post-employment benefits	-	-	-
Other employment benefits	-	-	-
Termination benefits	143	-	143
Gross employee benefits expenditure	25,650	759	26,409
Less recoveries in respect of employee benefits	-	-	-
Total - Net admin employee benefits including capitalised costs	25,650	759	26,409
Less: Employee costs capitalised	-	-	-
Net employee benefits excluding capitalised costs	25,650	759	26,409

4.2 Average number of people employed

	2019-20		
	Permanently employed Number	Other Number	Total Number
Total	431.53	46.79	478.32
Of the above:			
Number of whole time equivalent people engaged on capital projects	-	-	-

4.3 Exit packages agreed in the financial year

	2019-20 Compulsory redundancies		2019-20 Other agreed departures		2019-20 Total	
	Number	£	Number	£	Number	£
Less than £10,000	-	-	2	8,000	2	8,000
£10,001 to £25,000	-	-	1	18,149	1	18,149
£25,001 to £50,000	-	-	-	-	-	-
£50,001 to £100,000	-	-	-	-	-	-
£100,001 to £150,000	1	116,884	-	-	1	116,884
£150,001 to £200,000	-	-	-	-	-	-
Over £200,001	-	-	-	-	-	-
Total	1	116,884	3	26,149	4	143,033

Analysis of Other Agreed Departures

	2019-20 Other agreed departures	
	Number	£
Voluntary redundancies including early retirement contractual costs	-	-
Mutually agreed resignations (MARS) contractual costs	-	-
Early retirements in the efficiency of the service contractual costs	-	-
Contractual payments in lieu of notice	3	26,149
Exit payments following Employment Tribunals or court orders	-	-
Non-contractual payments requiring HMT approval*	-	-
Total	3	26,149

* As a single exit package can be made up of several components each of which will be counted separately in this table, the total number will not necessarily match the total number in the table above, which will be the number of individuals.

These tables report the number and value of exit packages agreed in the financial year. The expense associated with these departures may have been recognised in part or in full in a previous period.

Exit costs are accounted for in accordance with relevant accounting standards and at the latest in full in the year of departure.

No non-contractual payments were made to individuals where the payment value was more than 12 months' of their annual salary.

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/nhs-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 2020, is based on valuation data as 31 March 2019, updated to 31 March 2020 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.

4.4.2 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 increased the employer contribution rate payable from 14.38% to 20.6% from 1 April 2019, and the Scheme Regulations were amended accordingly.

The 2016 funding valuation was also expected to test the cost of the Scheme relative to the employer cost cap set following the 2012 valuation. Following a judgment from the Court of Appeal in December 2018 Government announced a pause to that part of the valuation process pending conclusion of the continuing legal process.

For 2019/20, NHS CCGs continued to pay over contributions at the former rate with the additional amount being paid by NHS England on CCGs behalf. The full cost and related funding has been recognised in these accounts within the Employer Contributions to NHS Pension scheme line in note 4.1 and chair and Non Executive Members costs in Note 5.

5. Operating expenses

	2019-20 Total £'000
Purchase of goods and services	
Services from other CCGs and NHS England	792
Services from foundation trusts	721,919
Services from other NHS trusts	513,627
Services from Other WGA bodies	3
Purchase of healthcare from non-NHS bodies	295,343
Purchase of social care	39,285
Prescribing costs	198,534
Pharmaceutical services	-
General Ophthalmic services	4
GPMS/APMS and PCTMS	186,534
Supplies and services – clinical	1,289
Supplies and services – general	3,812
Consultancy services	1,368
Establishment	6,976
Transport	57
Premises	3,733
Audit fees	102
Other non statutory audit expenditure	
· Internal audit services	-
· Other services	4
Other professional fees	575
Legal fees	215
Education, training and conferences	304
Non cash apprenticeship training grants	42
Total Purchase of goods and services	**1,974,518**
Depreciation and impairment charges	
Depreciation	1,248
Amortisation	6
Total Depreciation and impairment charges	**1,254**
Provision expense	
Change in discount rate	-
Provisions	(231)
Total Provision expense	**(231)**

Provision expense	
Change in discount rate	-
Provisions	(231)
Total Provision expense	**(231)**
Other Operating Expenditure	
Chair and Non Executive Members	223
Grants to Other bodies	394
Clinical negligence	1
Research and development (excluding staff costs)	3
Expected credit loss on receivables	(38)
Other expenditure	43
Total Other Operating Expenditure	**626**
Total operating expenditure	**1,976,167**

In accordance with SI 2008 no.489, The Companies Regulations 2008, the contract the CCG has with the external auditors, Grant Thornton UK LLP, has a limitation on their liability set at £2m.

The external audit fee, paid to Grant Thornton UK LLP, is £85,000 plus VAT totalling £102,000.

Other services obtain from Grant Thornton UK LLP is £3,000 plus VAT, totalling £3,600, for the Mental Health Investment Standard assurance work,

Internal audit services are provided by ASW Assurance. Fees for 2019-20 totalled £126,675 and are included in 'Professional fees'.

6.1 Better Payment Practice Code

Measure of compliance	2019-20 Number	2019-20 £'000
Non-NHS Payables		
Total Non-NHS Trade invoices paid in the Year	33,470	536,063
Total Non-NHS Trade Invoices paid within target	33,074	532,436
Percentage of Non-NHS Trade invoices paid within target	**98.82%**	**99.32%**
NHS Payables		
Total NHS Trade Invoices Paid in the Year	5,230	1,258,369
Total NHS Trade Invoices Paid within target	4,961	1,250,628
Percentage of NHS Trade Invoices paid within target	**94.86%**	**99.38%**

The better payment practice code requires the CCG to aim to pay all valid invoices by the due date or within 30 days of receipt of a valid invoice, whichever is later.

6.2 The Late Payment of Commercial Debts (Interest) Act 1998

	2019-20 £'000
Amounts included in finance costs from claims made under this legislation	-
Compensation paid to cover debt recovery costs under this legislation	-
Total	**-**

7 Income Generation Activities

The CCG undertakes income generation activities with an aim of achieving profit, which is then used in commissioning healthcare services. None of these activities had a full cost which exceeded £1m or was otherwise material.

8. Net gain/(loss) on transfer by absorption

NHS Northern, Eastern and Western Devon CCG (NEW Devon CCG) and NHS South Devon and Torbay CCG (SDT CCG) merged 1 April 2019 to form NHS Devon CCG.

Transfers as part of a reorganisation fall to be accounted for by use of absorption accounting in line with the Government Financial Reporting Manual, issued by HM Treasury. The Government Financial Reporting Manual does not require retrospective adoption, so prior year transactions have not been restated. 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.

The table below identifies the Statement of Financial Position at 1 April 2019 for NHS Northern, Eastern and Western Devon CCG and NHS South Devon and Torbay CCG. The corresponding net debit reflecting the loss is recognised within income and expenses as disclosed within the Statement of Comprehensive Net Expenditure, but outside of operating activities.

	Total 1 April 2019 £'000	Inter - CCG transactions Adjustment £'000	NEW Devon CCG 1 April 2019 £'000	SDT CCG 1 April 2019 £'000
Transfer of property plant and equipment	3,119	-	3,005	114
Transfer of intangibles	10	-	10	-
Transfer of inventories	400		328	72
Transfer of cash and cash equivalents	(207)	-	(240)	33
Transfer of receivables	13,970	(1,400)	13,854	1,516
Transfer of payables	(115,511)	1,400	(97,403)	(19,508)
Transfer of provisions	(231)	-	-	(231)
Net loss on transfers by absorption	**(98,450)**	**-**	**(80,446)**	**(18,004)**

9. Operating Leases

9.1 As lessee

The CCG occupies and commissions services in properties owned and managed by NHS Property Services Ltd, Devon County Council, Linsu Ltd and Plymouth County Council. The costs incurred are shown in the note below. Other leases are for printers and the car park at Pomona House.

9.1.1 Payments recognised as an Expense

	Land £'000	Buildings £'000	Other £'000	2019-20 Total £'000
Payments recognised as an expense				
Minimum lease payments	-	518	16	**534**
Contingent rents	-	-	-	**-**
Sub-lease payments	-	-	-	**-**
Total	**-**	**518**	**16**	**534**

The CCG has operating leases with terms of between 3 and 7.5 years. The building lease figure is related to a number of properties where the CCG does not have the option to purchase the buildings or lease below market rent at the expiry of the lease period.
From 1 April 2019 the CCG has delegated responsibility for primary care commissioning and has entered into certain financial arrangements involving the use of GP Premises. Under:

- IAS 17 Leases
- SIC 27 Evaluating the substance of transactions involving the legal form of a lease
- IFRIC 4 Determining whether an arrangement contains a lease

The CCG has determined that those operating leases must be recognised, but, as there is no defined term in the arrangements entered into, it is not possible to analyse the arrangements over financial years. The financial value included in the Operating Cost Statement for 2019/20 is £11.987m.

9.1.2 Future minimum lease payments

	Land £'000	Buildings £'000	Other £'000	2019-20 Total £'000
Payable:				
No later than one year	-	548	14	**562**
Between one and five years	-	1,999	55	**2,054**
After five years	-	1,411	5	**1,416**
Total	**-**	**3,958**	**74**	**4,032**

Future minimum lease payments of the property assumes that the leases will be terminated as per the current agreement terms.

Although the lease agreement for the car park at Pomona House ceases August 2020, it is likely that it will be extended and has been disclosed as such.

10 Property, plant and equipment

2019-20	Land £'000	Buildings excluding dwellings £'000	Dwellings £'000	Plant & machinery £'000	Transport equipment £'000	Information technology £'000	Furniture & fittings £'000	Total £'000
Cost or valuation at 01 April 2019	-	-	-	-	-	-	-	-
Transfer (to)/from other public sector body under absorption	-	208	-	1,861	-	8,501	674	11,244
Adjusted cost or valuation at 1 April 2019	-	208	-	1,861	-	8,501	674	11,244
Addition of assets under construction and payments on account								-
Additions purchased	-	-	-	-	-	294	-	294
Additions donated	-	-	-	-	-	-	-	-
Additions government granted	-	-	-	-	-	-	-	-
Cost/Valuation at 31 March 2020	-	208	-	1,861	-	8,795	674	11,538
Depreciation 01 April 2019	-	-	-	-	-	-	-	-
Transfer (to)/from other public sector body under absorption	-	83	-	1,290	-	6,293	458	8,124
Adjusted depreciation at 1 April 2019	-	83	-	1,290	-	6,293	458	8,124
Reversal of impairments	-	-	-	-	-	-	-	-
Charged during the year	-	12	-	182	-	1,004	50	1,248
Transfer (to)/from other public sector body	-	-	-	-	-	-	-	-
Cumulative depreciation adjustment following revaluation	-	-	-	-	-	-	-	-
Depreciation at 31 March 2020	-	95	-	1,472	-	7,297	508	9,372
Net Book Value at 31 March 2020	-	113	-	389	-	1,498	166	2,166
Purchased	-	113	-	389	-	1,498	166	2,166
Donated	-	-	-	-	-	-	-	-
Government Granted	-	-	-	-	-	-	-	-
Total at 31 March 2020	-	113	-	389	-	1,498	166	2,166
Asset financing:								
Owned	-	113	-	389	-	1,498	166	2,166
Total at 31 March 2020	-	113	-	389	-	1,498	166	2,166

Revaluation Reserve Balance for Property, Plant & Equipment

	Land £'000	Buildings £'000	Dwellings £'000	Plant & machinery £'000	Transport equipment £'000	Information technology £'000	Furniture & fittings £'000	Total £'000
Balance at 01 April 2019	-	-	-	-	-	-	-	-
Revaluation gains	-	-	-	-	-	-	-	-
Impairments	-	-	-	-	-	-	-	-
Release to general fund	-	-	-	-	-	-	-	-
Other movements	-	-	-	-	-	-	-	-
Balance at 31 March 2020	-	-	-	-	-	-	-	-

10 Property, plant and equipment cont'd

10.1 Cost or valuation of fully depreciated assets

The cost or valuation of fully depreciated assets still in use was as follows:

	2019-20 £'000
Land	-
Buildings excluding dwellings	-
Dwellings	-
Plant & machinery	585
Transport equipment	-
Information technology	5,127
Furniture & fittings	161
Total	**5,873**

10.2 Economic lives

	Minimum Life (years)	Maximum Life (Years)
Buildings excluding dwellings	5	11
Dwellings	-	-
Plant & machinery	-	6
Transport equipment	-	-
Information technology	-	5
Furniture & fittings	-	9

11 Intangible non-current assets

2019-20	Computer Software: Purchased £'000	Computer Software: Internally Generated £'000	Licences & Trademarks £'000	Patents £'000	Development Expenditure (internally generated) £'000	Total £'000
Cost or valuation at 01 April 2019	-	-	-	-	-	-
Transfer (to)/from other public sector body under absorption	322	-	-	-	67	389
Adjusted cost or valuation at 1 April 2019	322	-	-	-	67	389
Additions purchased	-	-	-	-	-	-
Reversal of impairments	-	-	-	-	-	-
Cumulative amortisation adjustment following revaluation	-	-	-	-	-	-
Cost / Valuation At 31 March 2020	322	-	-	-	67	389
Amortisation 01 April 2019	-	-	-	-	-	-
Transfer (to)/from other public sector body under absorption	322	-	-	-	58	380
Adjusted amortisation at 1 April 2019	322	-	-	-	58	380
Charged during the year	-	-	-	-	6	6
Cumulative amortisation adjustment following revaluation	-	-	-	-	-	-
Amortisation At 31 March 2020	322	-	-	-	64	386
Net Book Value at 31 March 2020	0	-	-	-	3	3
Purchased	-	-	-	-	3	3
Donated	-	-	-	-	-	-
Government Granted	-	-	-	-	-	-
Total at 31 March 2020	-	-	-	-	3	3

Revaluation Reserve Balance for intangible assets

	Computer Software: Purchased £'000	Computer Software: Internally Generated £'000	Licences & Trademarks £'000	Patents £'000	Development Expenditure (internally generated) £'000	Total £'000
Balance at 01 April 2019	-	-	-	-	-	-
Revaluation gains	-	-	-	-	-	-
Impairments	-	-	-	-	-	-
Release to general fund	-	-	-	-	-	-
Other movements	-	-	-	-	-	-
Balance at 31 March 2020	-	-	-	-	-	-

11.1 Cost or valuation of fully amortised assets

The cost or valuation of fully depreciated assets still in use was as follows:

	2019-20 £'000
Computer software: purchased	322
Development expenditure (internally generated)	58
Total	**380**

11.2 Economic lives

	Minimum Life (years)	Maximum Life (Years)
Development expenditure (internally generated)	-	2

11.3 Temporarily idle assets

There are no temporarily idle assets

12 Inventories

	Drugs	Consumables	Other	Total
	£'000	£'000	£'000	£'000
Balance at 01 April 2019	-	-		**-**
Transfer (to) from other public sector body under absorption	-	400	-	400
Adjusted balance at 1 April 2019	**-**	**400**	**-**	**400**
Additions	-	255	-	**255**
Inventories recognised as an expense in the period	-	-	-	**-**
Write-down of inventories (including losses)	-	-	-	**-**
Reversal of write-down previously taken to the statement of comprehensive net expenditure	-	-	-	**-**
Transfer (to) from -Goods for resale	-	-	-	**-**
Balance at 31 March 2020	**-**	**655**	**-**	**655**

Inventories relate to the CCG's share of inventories held within the Devon Better Care Fund managed by Devon County Council as host of the pooled fund.

13.1 Trade and other receivables	Current 2019-20 £'000	Non-current 2019-20 £'000	Current 1 April 2019 £'000	Non-current 1 April 2019 £'000
NHS receivables: Revenue	1,830	-	3,775	-
NHS receivables: Capital	-	-	-	-
NHS prepayments	3,170	-	3,224	-
NHS accrued income	182	-	387	-
NHS Contract Receivable not yet invoiced/non-invoice	-	-	-	-
NHS Non Contract trade receivable (i.e pass through funding)	-	-	-	-
NHS Contract Assets	-	-	-	-
Non-NHS and Other WGA receivables: Revenue	2,903	-	4,845	-
Non-NHS and Other WGA receivables: Capital	-	-	-	-
Non-NHS and Other WGA prepayments	1,473	-	1,602	-
Non-NHS and Other WGA accrued income	98	-	(118)	-
Non-NHS and Other WGA Contract Receivable not yet invoiced/non-invoice	-	-	-	-
Non-NHS and Other WGA Non Contract trade receivable (i.e pass through funding)	-	-	-	-
Non-NHS Contract Assets	-	-	-	-
Expected credit loss allowance-receivables	(323)	-	(361)	-
VAT	124	-	628	-
Other receivables and accruals	18	-	(12)	-
Total Trade & other receivables	**9,475**	-	**13,970**	-
Total current and non current	**9,475**		**13,970**	

As at 31 March 2020 there were no non-current trade and other receivables (none as at 1 April 2019).
There are no prepaid pensions contributions (none as at 1 April 2019).
The great majority of trade is with NHS England. As NHS England is funded by Government to provide funding to CCG's to commission services, no credit scoring of them is considered necessary.

13.2 Receivables past their due date but not impaired

	2019-20 DHSC Group Bodies £'000	2019-20 Non DHSC Group Bodies £'000
By up to three months	39	437
By three to six months	384	82
By more than six months	18	1,619
Total	**441**	**2,138**

£389k of the amount above has subsequently been recovered post year end as at 22 April 2020.
The CCG did not hold any collateral against receivables outstanding at 31 March 2020.
Receivables past their due date are stated at the consideration agreed at the date of the transaction and the carrying amount and terms have not been renegotiated.

13.3 Loss allowance on asset classes	Trade and £'000	Other financial £'000	Total £'000
Balance at 01 April 2019	(361)	-	**(361)**
Lifetime expected credit loss on credit impaired financial assets	-	-	-
Lifetime expected credit losses on trade and other receivables-Stage 2	38	-	**38**
Total	**(323)**	-	**(323)**

14 Other financial assets

14.1 Non-Current: capital analysis

The CCG holds a shareholding interest in DELT in respect of 1 A ordinary Share with a nominal total value of £1 being 50% of the total shareholding and 30 B ordinary shares with a total nominal value of £30 being 30% of the total shareholding. Due to the immaterial value it is not visible in the annual accounts.

15 Cash and cash equivalents

	2019-20 £'000
Balance at 01 April 2019	-
Transfer from other public bodies under absorption	(207)
Net change in year	(1,571)
Balance at 31 March 2020	**(1,778)**
Made up of:	
Cash with the Government Banking Service	(1,779)
Cash with Commercial banks	-
Cash in hand	1
Current investments	-
Cash and cash equivalents as in statement of financial position	**(1,778)**
Bank overdraft: Government Banking Service	-
Bank overdraft: Commercial banks	-
Total bank overdrafts	**-**
Balance at 31 March 2020	**(1,778)**
Patients' money held by the clinical commissioning group, not included above	-

The (£1,779k) is made up of a cash balance of £255k in its Government Banking Service bank account with £2,034k of payments to clear in April 2020.

14 Other financial assets

14.1 Non-Current: capital analysis

The CCG holds a shareholding interest in DELT in respect of 1 A ordinary Share with a nominal total value of £1 being 50% of the total shareholding and 30 B ordinary shares with a total nominal value of £30 being 30% of the total shareholding. Due to the immaterial value it is not visible in the annual accounts.

15 Cash and cash equivalents

	2019-20 £'000
Balance at 01 April 2019	-
Transfer from other public bodies under absorption	(207)
Net change in year	(1,571)
Balance at 31 March 2020	**(1,778)**
Made up of:	
Cash with the Government Banking Service	(1,779)
Cash with Commercial banks	-
Cash in hand	1
Current investments	-
Cash and cash equivalents as in statement of financial position	**(1,778)**
Bank overdraft: Government Banking Service	-
Bank overdraft: Commercial banks	-
Total bank overdrafts	**-**
Balance at 31 March 2020	**(1,778)**
Patients' money held by the clinical commissioning group, not included above	-

The (£1,779k) is made up of a cash balance of £255k in its Government Banking Service bank account with £2,034k of payments to clear in April 2020.

16 Trade and other payables	Current 2019-20 £'000	Non-current 2019-20 £'000	Current 1 April 2019 £'000	Non-current 1 April 2019 £'000
NHS payables: Revenue	11,782	-	7,967	-
NHS payables: Capital	-	-	-	-
NHS accruals	8,851	-	12,729	-
NHS deferred income	50	-	209	-
NHS Contract Liabilities	-	-	-	-
Non-NHS and Other WGA payables: Revenue	7,200	-	15,262	-
Non-NHS and Other WGA payables: Capital	-	-	-	-
Non-NHS and Other WGA accruals	48,362	-	53,345	-
Non-NHS and Other WGA deferred income	72	-	-	-
Non-NHS Contract Liabilities	-	-	-	-
Social security costs	315	-	270	-
VAT	-	-	-	-
Tax	307	-	233	-
Payments received on account	183	-	-	-
Other payables and accruals	53,191	-	25,401	-
Total Trade & Other Payables	**130,313**	**-**	**115,416**	**-**
Total current and non-current	**130,313**		**115,416**	

Other payables and accruals include those for Primary Care, Placements, Mental Health Services, Acute Care and Community Services that are not part of Whole Government Accounts (WGA).

17 Other financial liabilities	Current 2019-20	Non-current 2019-20	Current 1 April 2019	Non-current 1 April 2019
Amortised cost	-	88	-	95
Total	**-**	**88**	**-**	**95**
Total current and non-current	**88**		**95**	

Amortised cost is operating costs amortised on a straight line basis. The CCG had no other liabilities as at 31 March 2020.

18 Provisions

	Current 2019-20 £'000	Non-current 2019-20 £'000	Current 1 April 2019 £'000	Non-current 1 April 2019 £'000
Continuing care	-	-	231	-
Total	-	-	**231**	-
Total current and non-current	-		**231**	

	Pensions Relating to Former Directors £'000	Pensions Relating to Other Staff £'000	Restructuring £'000	Redundancy £'000	Agenda for Change £'000	Equal Pay £'000	Legal Claims £'000	Continuing Care £'000	Other £'000	Total £'000
Balance at 01 April 2019	-	-	-	-	-	-	-	-	-	-
Transfer (to) from other public sector body under absorption	-	-	-	-	-	-	-	231	-	231
Adjusted balance at 1 April 2019	-	-	-	-	-	-	-	**231**	-	**231**
Arising during the year	-	-	-	-	-	-	-	-	-	-
Utilised during the year	-	-	-	-	-	-	-	-	-	-
Reversed unused	-	-	-	-	-	-	-	(231)	-	**(231)**
Unwinding of discount	-	-	-	-	-	-	-	-	-	-
Change in discount rate	-	-	-	-	-	-	-	-	-	-
Transfer (to) from other public sector body	-	-	-	-	-	-	-	-	-	-
Balance at 31 March 2020	-	-	-	-	-	-	-	-	-	-
Expected timing of cash flows:										
Within one year	-	-	-	-	-	-	-	-	-	-
Between one and five years	-	-	-	-	-	-	-	-	-	-
After five years	-	-	-	-	-	-	-	-	-	-
Balance at 31 March 2020	-	-	-	-	-	-	-	-	-	-

Continuing Care

The continuing care provision is in respect of claims received from patients since 1 April 2013, who contend they are entitled to compensation for the costs of their nursing care. Once a claim is received an assessment is made of the potential cost to the CCG. The provision has been reversed during the year as Torbay and South Devon NHS Foundation Trust has taken responsibility for and holds the retrospective continuing care cases as part of the overall continuing care work the CCG commissions from the Trust.

Under the Accounts direction issued by NHS England on 12 February 2014, NHS England is responsible for accounting for liabilities relating to NHS Continuing Healthcare claims relating to periods of care before establishment of the CCG. However, the legal liability remains with the CCG. The total value of legacy NHS Continuing Healthcare accounted for by NHS England on behalf of this CCG at £ 3k is included in the provisions of NHS Resolution as at 31 March 2020 in respect of liabilities to third parties.

19 Contingencies

There are no contingent liabilities or assets to report in 2019/20

20 Financial instruments

Financial instruments are disclosed at fair value. Due to the short term nature of the transactions, fair value for cash is recognised at its sterling value; trade receivables, trade payables, other financial assets and liabilities are stated at the consideration agreed at the date of the transaction, hence the carrying value is considered to be a reasonable approximation to fair value.

20.1 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 CCG 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 CCG standing financial instructions and policies agreed by the Governing Body. Treasury activity is subject to review by the CCG

20.1.1 Currency risk

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

20.1.2 Interest rate risk

The CCG borrows from government for capital expenditure, subject to affordability as confirmed by NHS England. The borrowings are for 1 to 25 years, in line with the life of the associated assets, and interest is charged at the National Loans Fund rate, fixed for the life of the loan. The clinical commissioning group therefore has low exposure to interest rate

20.1.3 Credit risk

The majority of the CCG's revenue comes from parliamentary funding so the CCG 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

20.1.4 Liquidity risk

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

20.1.5 Financial Instruments

As the cash requirements of NHS England are met through the Estimate process, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body. The majority of financial instruments relate to contracts to buy non-financial items in line with NHS England's expected purchase and usage requirements and NHS England is therefore exposed to little credit, liquidity or market risk.

20 Financial instruments cont'd

20.2 Financial assets

	Financial Assets measured at amortised cost 2019-20 £'000	Financial Assets measured at amortised cost 1 April 2019 £'000
Trade and other receivables with NHSE bodies	1,539	5,005
Trade and other receivables with other DHSC group bodies	2,518	583
Trade and other receivables with external bodies	974	4,701
Other financial assets	0	(12)
Cash and cash equivalents	(1,778)	(207)
Total at 31 March 2020 / 1 April 2019	**3,253**	**10,070**

20.3 Financial liabilities

	Financial Liabilities measured at amortised cost 2019-20 £'000	Financial Liabilities measured at amortised cost 1 April 2019 £'000
Trade and other payables with NHSE bodies	758	1,690
Trade and other payables with other DHSC group bodies	21,904	22,342
Trade and other payables with external bodies	106,723	92,073
Other financial liabilities	88	95
Total at 31 March 2020 / 1 April 2019	**129,473**	**116,200**

20.4 Maturity of financial liabilities

	Payable to DH 2019-20 £'000	Payable to Other bodies 2019-20 £'000	Total 2019-20 £'000
In one year or less	-	129,391	**129,391**
In more than one year but not more than two years	-	7	**7**
In more than two years but not more than five years	-	40	**40**
In more than five years	-	35	**35**
Total at 31 March 2020	**-**	**129,473**	**129,473**

	Payable to DH 1 April 2019 £'000	Payable to Other bodies 1 April 2019 £'000	Total 1 April 2019 £'000
In one year or less	-	116,116	**116,116**
In more than one year but not more than two years	-	11	**11**
In more than two years but not more than five years	-	45	**45**
In more than five years	-	28	**28**
Total at 1 April 2019	**-**	**116,200**	**116,200**

21 Operating segments

The CCG consider they have only one segment, commissioning of healthcare services.

	Gross expenditure	Income	Net expenditure	Total assets	Total liabilities	Net assets
	£'000	£'000	£'000	£'000	£'000	£'000
Commissioning of Healthcare Services	2,002,576	(21,628)	**1,980,948**	10,521	(130,401)	**(119,880)**

Wherever possible the CCG manages resources and commissioning on a locality basis. Whilst this covers gross expenditure, which is reported using segmental analysis, this is not sufficient to necessitate a full reanalysis of the CCG's spend within these accounts.

22 Joint arrangements - interests in joint operations

22.1 Interests in joint operations

			Amounts recognised in Entities books ONLY 2019-20			
Name of arrangement	Parties to the arrangement	Description of principal activities	Assets	Liabilities	Income	Expenditure
			£'000	£'000	£'000	£'000
Devon Better Care Fund	Devon County Council	Provision of integrated care	655	-	25,110	55,233
Plymouth Integrated Fund	Plymouth City Council	Provision of integrated care	-	-	7,915	147,509
Joint Community Equipment Store	Torbay Council	Provision of community equipment	-	-	-	660
Better Care Fund Torbay	Torbay Council	Provision of integrated care services	-	-	-	11,218

22.2 Interests in entities not accounted for under IFRS 10 or IFRS 11

Name of entity	Description of principal activities	Basis for treatment e.g. materiality
DELT Shared Services Ltd	IT Services	Materiality

23 Related party transactions

2019/20

During the year, apart from the following transactions none of the Department of Health Ministers, leadership or members of the key management staff, or parties related to any of them, has undertaken any material transactions with Devon CCG.

Details of related party transactions are as follows:

	2019-20	2019-20	2019-20	2019-20
	Payments to Related Party £'000	Receipts from Related Party £'000	Amounts owed to Related Party £'000	Amounts due from Related Party £'000
Delt Shared Services Ltd	6,627	(128)	644	-
Devon County Council	99,302	(2,877)	-	(624)
Devon Doctors Ltd	30,563	(114)	1,316	(13)
Livewell Southwest	97,300	(80)	7,984	(78)
Plymouth City Council	48,088	(14,077)	1,485	(1,958)
Torbay Council	3,832	(1,434)	-	(38)

From 1 April 2019 the CCG has responsibility for GP primary care commissioning and therefore management of the payments made to GP surgeries payable under the Primary Medical Services (PMS) and General Medical Services (GMS) contracts. As such some of the GP Governing Body members and senior management will be partners within GP practices that receive payments from the CCG for medical services rendered. These payments have not been disclosed as the medical contract, including the financial payments are predominantly agreed at a national level.

The majority of the GP members of the Governing Body and GP senior management, who are also GP partners at practices, will have a voting share of Devon Doctors Ltd. Devon Doctors Ltd is a social enterprise organisation that provide out-of-hours GP care.

The Department of Health and Social Care is regarded as a related party. During the year, the CCG has had a significant number of material transactions with entities for which the Department is regarded as the parent Department. The most significant transactions for the CCG were with the following:

Devon Partnership NHS Trust
NHS England
NHS Property Services Ltd
North Bristol NHS Trust
Northern Devon Healthcare NHS Trust
Plymouth Hospitals NHS Trust
Royal Brompton & Harefield NHS Foundation Trust
Royal Cornwall Hospitals NHS Trust
Royal Devon and Exeter NHS Foundation Trust
South Western Ambulance NHS Foundation Trust
Taunton & Somerset NHS Foundation Trust
Torbay and South Devon NHS Foundation Trust
University College London Hospitals NHS Foundation Trust
University Hospitals Bristol NHS Foundation Trust

In addition, the CCG has had a number of material transactions with other Government Departments and other central and local Government bodies. The most significant of these transactions have been with Torbay Council, Devon County

The CCG has not made any provision for doubtful debts in relation to any of the above related parties.

24 Events after the end of the reporting period

Coronavirus (Covid-19)

Within the fourth quarter of 2019-20 a new coronavirus (Covid-19) emerged turning into a pandemic affecting countries around the world. Unprecedented measures have had to be put in place to seek to reduce the spread across the country. The virus has put considerable pressure on individuals, businesses and organisations including health and care services. The NHS has been working to put in place actions to redirect staff and resources to combat Covid-19. Financial actions are in place to ensure enough cash is flowing through to provider organisations and the Government has provided an emergency response fund to pay for the costs brought about by the virus.

There is uncertainty of the long term affect of Covid-19 on the country, however it is clear that the NHS has been and is a necessary and a vital part of the solution to keep the population healthy.

Funded Nursing Care

In April 2020 it was announced that the Government agreed to a 9% increase in the Funded Nursing Care rate, back-dated to 1 April 2019. This amounts to approximately £842k and will be paid out during 2020/21.

Financial Statements

The financial statements were approved by the Governing Body and authorised for issue on 18 June 2020.

The above mentioned post balance sheet events have no material effect on the 2019/20 financial statements of the CCG.

25 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:

	2019-20 Target £'000	2019-20 Performance £'000	Duty Achieved?
Expenditure not to exceed income	1,936,370	2,002,870	N
Capital resource use does not exceed the amount specified in Directions	294	294	Y
Revenue resource use does not exceed the amount specified in Directions	1,914,448	1,980,948	N
Capital resource use on specified matter(s) does not exceed the amount specified in Directions	-	-	n/a
Revenue resource use on specified matter(s) does not exceed the amount specified in Directions	-	-	n/a
Revenue administration resource use does not exceed the amount specified in Directions	26,577	22,237	Y

The CCG met the requirement for spend not to exceed the capital and revenue administration resources received during the year. However, the CCG's overall expenditure exceeded the income and revenue resource received during the year resulting in a deficit of £66,500k.

	2019-20 £000
Programme Expenditure	1,980,204
Administration Expenditure	22,372
Total Expenditure	**2,002,576**
Programme Income	(21,493)
Administration Income	(135)
Total Income	**(21,628)**
Total Net Expenditure for the year	**1,980,948**
Revenue Resource Limit (RRL)	**1,914,448**
Surplus/(Deficit)	**(66,500)**
Surplus/(Deficit) % of Revenue Resource Limit	**(3.47%)**

Report on the Audit of the Financial Statements

Independent auditor's report to the members of the Governing Body of NHS Devon CCG

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of NHS Devon Clinical Commissioning Group (the 'CCG') for the year ended 31 March 2020, which comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Statement of Changes in Taxpayers Equity, the Statement of Cash Flows 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 Financial Reporting Standards (IFRSs) as adopted by the European Union, and as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2019 to 2020.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the CCG as at 31 March 2020 and of its expenditure and income for the year then ended; and
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union, as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2019 to 2020; and
- have been prepared in accordance with the requirements of 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. 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.

The impact of macro-economic uncertainties on our audit

Our audit of the financial statements requires us to obtain an understanding of all relevant uncertainties, including those arising as a consequence of the effects of macro-economic uncertainties such as Covid-19 and Brexit. All audits assess and challenge the reasonableness of estimates made by the Accountable Officer and the related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the CCG's future operational arrangements.

Covid-19 and Brexit are amongst the most significant economic events currently faced by the UK, and at the date of this report their effects are subject to unprecedented levels of uncertainty, with the full range of possible outcomes and their impacts unknown. We applied a standardised firm-wide approach in response to these uncertainties when assessing the CCG's future operational arrangements. However, no audit should be expected to predict the unknowable factors or all possible future implications for an entity associated with these particular events.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Accountable Officer's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Accountable Officer has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the CCG's ability to continue to adopt the going

concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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 2019 to 2020 that the CCG's financial statements shall be prepared on a going concern basis, we considered the risks associated with the CCG's operating activities, including effects arising from macro-economic uncertainties such as Covid-19 and Brexit. We analysed how those risks might affect the CCG's financial resources or ability to continue operations over the period of at least twelve months from the date when the financial statements are authorised for issue. In accordance with the above, we have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the CCG will continue in operation.

Other information

The Accountable Officer is responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the 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 2015 on behalf of the Comptroller and Auditor General (the Code of Audit Practice) we are required to consider whether the Annual Governance Statement does not comply with the guidance issued by the NHS Commissioning Board or is misleading or inconsistent with the information of which we are aware from our audit. We are not required to consider whether the Annual 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 IFRSs as adopted by the European Union, as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2019 to 2020 and the requirements of the Health and Social Care Act 2012; and
- based on the work undertaken in the course of the audit of the financial statements and our knowledge of the CCG gained through our work in relation to the CCG's arrangements for securing economy, efficiency and effectiveness in its use of resources, the other information published together with the financial statements in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Qualified opinion on regularity required by the Code of Audit Practice

In our opinion, except for the effects of the matter described in the basis for qualified opinion on regularity section of our report, 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.

Basis for qualified opinion on regularity

The CCG reported expenditure of £2,002.9 million against income of £1,936.4 million and a deficit of £66.5 million in its financial statements for the year ending 31 March 2020. The CCG thereby breached two of its duties under the National Health Service Act 2006, as amended by paragraphs 223H and 223I of Section 27 of the Health and Social Care Act 2012, to ensure that annual expenditure does not exceed income and revenue resource use does not exceed the amount specified by direction of the NHS Commissioning Board, otherwise known as NHS England.

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 except on 6 April 2020 we referred a matter to the Secretary of State under section 30 of the Local Audit and Accountability Act 2014 in relation to NHS Devon CCG's planned breach of its revenue resource limit for the year ending 31 March 2020.

Responsibilities of the Accountable Officer and Those Charged with Governance for the financial statements

As explained more fully in the Statement of Accountable Officer's responsibilities, 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.

The Audit Committee is Those Charged with Governance. Those Charged with Governance are responsible for overseeing the CCG's financial reporting process.

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. 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.

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.

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.

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

Qualified conclusion

On the basis of our work, having regard to the guidance issued by the Comptroller & Auditor General in April 2020, except for the effects of the matter described in the basis for qualified conclusion section of our report, we are satisfied that, in all significant respects, NHS Devon CCG put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2020.

Basis for qualified conclusion

Our review of the CCG's arrangements for securing economy, efficiency and effectiveness in its use of resources identified the following matter:

The CCG set a deficit budget of £27 million in 2019/20, but its financial position deteriorated from its planned position to a deficit of £66.5 million at month 7 and it was unable to recover this position by the year-end, resulting in the CCG reporting an in-year deficit of £66.5 million. The main reason for the deterioration in the financial position was an under-delivery of planned efficiency savings. The CCG planned to make efficiency savings of £80.9 million in 2019/20, but was only able to deliver £38.6 million (48%) of these in year.

This matter identifies weaknesses in the CCG's arrangements for setting a sustainable budget with sufficient capacity to absorb emerging cost pressures. This matter is evidence of weaknesses in proper arrangements for sustainable resource deployment in planning finances effectively to support the sustainable delivery of strategic priorities and maintain statutory functions.

Responsibilities of the Accountable Officer

As explained in the Annual Governance Statement, the Accountable Officer is 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) and Schedule 13 paragraph 10(a) 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 and to report where we have not been able to satisfy ourselves that it has done so. 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 are operating effectively.

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance on the specified criterion issued by the Comptroller and Auditor General in April 2020, as to whether in all significant respects, the CCG had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. The Comptroller and Auditor General determined this criterion as that necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the CCG put in place

proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2020, and to report by exception where we are not satisfied.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to be satisfied that the CCG has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

Report on other legal and regulatory requirements – Certificate

We certify that we have completed the audit of the financial statements of NHS Devon CCG 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 the CCG, as a body, 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 the CCG those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the CCG and the members of the Governing Body of the CCG, as a body, for our audit work, for this report, or for the opinions we have formed.

Alex Walling

Alex Walling, Key Audit Partner

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

Bristol

24 June 2020

Appendices

Appendix 1

Meeting attendance and membership of NHS Devon Clinical Commissioning Group Governing Body 2019/20

Meeting attendance and membership of NHS Devon Clinical Commissioning Group Governing Body 2019/20								
			Governing Body	**Audit**	**Finance and Performance**	**Primary Care**	**Quality Assurance**	**Remuneration**
Total Number of Meetings			12	7	11	11	12	6
Voting Member Name	**Role**	**Note**	**Number of Meetings Attended**					
CCG Chair								
Paul Johnson	Clinical Chair	All attendances counted, including non-voting	**11**	**1**	**5**	**10**	**1**	**6**
Lay Members								
Alison Davis	Associate Non-Executive Director	Began role October 2019	**6**					
Brian Mackness	Non-Executive Lay Member (Finance and Remuneration)	Left role June 2019	**3**	**2**	**2**			**2**
Charlotte Burrows	Non-executive lay member (patient and public involvement)		**11**			1	**10**	**6**
Gaynor Appleby	Non-Executive Lay Member (Allied Healthcare)	Began role October 2019	**6**			**3**	**3****	**2****
Glynis Atherton	Non-executive Lay Member (assuring quality of services)		**12**			**9**	**10**	**5**

Graham Turner	Non-Executive Lay Member (Finance and Remuneration)	Began role October 2019	**6**	**2**	**3**			2
James Woolridge	Associate Non-Executive Director	Began role October 2019	**5**					
Judith Hargadon	Non-executive Lay Member (primary care and prevention)		**8**	**5**		**9**		**4**
Nick Ball	Non-executive Lay Member (audit and assurance)	Non-voting attendee of Primary Care Committee	**9**	**7**	**8**	**7**		**6**

Executives								
Andrew Millward	Director of Communications and HR		**11**	**1**				**2****
Ginny Snaith	Board Secretary		**12**	**7**	**3****	**1****	**1****	**1****
Jo Turl	Director of Commissioning (western)		**9**	**3**	**8**	**9**		
John Dowell	Chief Finance Officer		**10**	**5**	**10**	**0**		
Lorna Collingwood-Burke	Chief Nursing Officer	Left role July 2019	**2**	**0**		**0**	**4**	
Lorraine Webber	Interim Director of Nursing	Began role July 2019	**7**	**3**		**7****	**8**	
Simon Polak	Interim Director of Quality Assurance	Began role July 2019	**5**		**1****		**8**	
Simon Tapley	Interim Accountable Officer		**10**	**2**				**2**
Sonja Manton	Interim Director of Commissioning (northern, eastern and southern)		**9**		**2****		**6**	
Locality GPs								
David Greenwell	Clinical representative (southern)		**10**		**8**			
John Womersley	Clinical representative (northern)		**9**	**4**	**9**	**7**		
Shelagh McCormick	Clinical representative (western)		**11**	**2**	1	**7**	**9**	
Simon Kerr	Clinical representative (eastern)		**8**	**7**			**1**	
Secondary Care GP								
Nick Kennedy	Secondary Care Doctor		**10**	**2**		**8**	**8**	**4**
External								
Caroline Dimond	Director of Public Health for Torbay		**6**			**0**		
Ruth Harrell	Director of Public Health for Plymouth		**5**			**2**		
Virginia Pearson	Director of Public Health for Devon		**1*****			**0**		

NB ** refers to attendance at a committee in a nonvoting capacity *** Dr Pearson was represented at 6 other meetings by nominated deputy Tracey Polak

Appendix 2

Open and closed risks 2019-20

Open and closed Risks 2019 2020					
Risk Id	**Risk description**	**Date risk opened**	**Risk Score**	**Date closed**	**Reason for closure**
104	There is a risk that the CCG does not have the required resource to effectively administer Datix which is used to deliver a number of functions including statutory requirements. In addition, it has been identified that there is no governance infrastructure.	09/04/2019	High		
105	There is a risk that patient safety will be compromised and / or harm may occur due to delays in out of hours GP response times. Delays occur due to Devon Doctors being unable to fill rota slots.	30/04/2019	Significant		
106	There is a risk to the CCG delivering a medium to long-term financially sustainable plan which achieves breakeven within the Financial Recovery Plan timeframe. For NEW Devon CCG this was 2020-21 and for South Devon and Torbay CCG it was 2019-20 The long-term Financial Plan will be developed in the Autumn as a response to the NHS long-term plan. The high-level view submitted to NHS England as part of the Operational Plan for 2019-20 highlights that the CCG would maintain the pre-CSF outturn recorded for 2018-19 and then be back to its original FRP trajectory in 2020-21; return to financial balance in 2022-23 and then to the delivery of surplus in 2023-24;	08/05/2019	High		
107	There is a risk that becoming a larger CCG could lead to a reduction in the visibility of teams/individuals to members, staff and stakeholders.	15/05/2019	Medium/ Moderate	11/03/20	360 stakeholder review noted improvements across the board
108	There is a risk that due to current and forecast significant challenges, the sustainability of general practice (including workforce, demand and capacity) is severely affected.	29/05/2019	Significant		
109	There is a risk of underperformance against some key constitutional standards (including but not limited to 52 week waits, Diagnostics, 62-day cancer standard A and E 4-hour waits)	06/062019	Significant		

110	There is a risk that the CCG is unable to meet its statutory requirements to ensure that Looked after Children (LAC), are offered an initial health assessment within the statutory timescales. This is due to Torbay Local Authority not notifying the health provider within the statutory timeframes, resulting in less than 35% of Looked After Children having timely reviews.	30/06/2019	Medium / Moderate		
111	There is a risk that the CCG will not be able to deliver its agreed control total for 2019-2020 as a result of the £80m savings target held by the CCG which includes £45m of system savings primarily directed at mitigating acute activity growth and cost savings as a result of transformation of existing services/practices.	31/07/2019	Significant		
112	Risk opened in error and not reported				
113	There is a risk that there is a failure to deliver the CCGs key critical functions in an emergency which will impact on the CCGs statutory obligations	29/08/2019	Medium/ Moderate		
114	There are potential risks relating to EU Exit in the event that there is a no deal / unfavourable outcome	26/09/2019	Significant	11/03/20	Following recent parliamentary results in relation to EU Exit. The position nationally is to stand down all EU Exit preparations and return to business as usual.
115	There is a risk that Transforming Care will not meet its building the right support trajectory and NHS LTP metric to reduce the number of children with LD and or Autism in a hospital place by 2023/24.	23/01/2020	Significant		
116	There is a risk that there will be a system impact from the COVID-19 outbreak (caused by a strain of coronavirus), affecting routine business among provider organisations and the CCG.	11/03/2020	Significant		
117	There is a risk that COVID-19 outbreak could adversely affect GP practices ability to deliver business as usual services. The impact of this is that the delivery of general practice is compromised and could impact all areas of the healthcare system.	12/03/2020	High		
118	There is a risk that COVID-19 outbreak could adversely affect the primary care team's ability to deliver current workplan and business as usual tasks. The impact of this is that the delivery of general practice is compromised and could affect all areas of the healthcare system.	12/03/2020			

Appendix 2

Risks opened and closed during 2019/20

Open and closed Risks 2019 2020					
Risk Id	**Risk description**	**Date risk opened**	**Risk Score**	**Date closed**	**Reason for closure**
104	There is a risk that the CCG does not have the required resource to effectively administer Datix which is used to deliver a number of functions including statutory requirements. In addition, it has been identified that there is no governance infrastructure.	09/04/2019	High		
105	There is a risk that patient safety will be compromised and / or harm may occur due to delays in out of hours GP response times. Delays occur due to Devon Doctors being unable to fill rota slots.	30/04/2019	Significant		
106	There is a risk to the CCG delivering a medium to long-term financially sustainable plan which achieves breakeven within the Financial Recovery Plan timeframe. For NEW Devon CCG this was 2020-21 and for South Devon & Torbay CCG it was 2019-20 The long-term Financial Plan will be developed in the Autumn as a response to the NHS long-term plan. The high-level view submitted to NHS England as part of the Operational Plan for 2019-20 highlights that the CCG would maintain the pre-CSF outturn recorded for 2018-19 and then be back to its original FRP trajectory in 2020-21; return to financial balance in 2022-23 and then to the delivery of surplus in 2023-24;	08/05/2019	High		
107	There is a risk that becoming a larger CCG could lead to a reduction in the visibility of teams/individuals to members, staff and stakeholders.	15/05/2019	Medium/ Moderate	11 March 2020	360 stakeholder review noted improvements across the board

108	There is a risk that due to current and forecast significant challenges, the sustainability of general practice (including workforce, demand and capacity) is severely affected.	29/05/2019	Significant		
109	There is a risk of underperformance against some key constitutional standards (including but not limited to 52 week waits, Diagnostics, 62-day cancer standard A and E 4-hour waits)	06/062019	Significant		
110	There is a risk that the CCG is unable to meet its statutory requirements to ensure that Looked after Children (LAC), are offered an initial health assessment within the statutory timescales. This is due to Torbay Local Authority not notifying the health provider within the statutory timeframes, resulting in less than 35% of Looked After Children having timely reviews.	30/06/2019	Medium / Moderate		
111	There is a risk that the CCG will not be able to deliver its agreed control total for 2019-2020 as a result of the £80m savings target held by the CCG which includes £45m of system savings primarily directed at mitigating acute activity growth and cost savings as a result of transformation of existing services/practices.	31/07/2019	Significant		
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116	There is a risk that there will be a system impact from the COVID-19 outbreak (caused by a strain of coronavirus), affecting routine business among provider organisations and the CCG.	11/03/2020	Significant		
117	There is a risk that COVID-19 outbreak could adversely affect GP practices ability to deliver business as usual services. The impact of this is that the delivery of general practice is compromised and could impact all areas of the healthcare system.	12/03/2020	High		
118	There is a risk that COVID-19 outbreak could adversely affect the primary care team's ability to deliver current workplan and business as usual tasks. The impact of this is that the delivery of general practice is compromised and could affect all areas of the healthcare system.	12/03/2020			