

Item: 11.3

| REPORT CLASSIFICATION          | ✓ | CATEGORY OF PAPER        | ✓ |
|--------------------------------|---|--------------------------|---|
| Official                       |   | Proposes specific action |   |
| Official: Sensitive Commercial | ✓ | Provides assurance       | ✓ |
| Official: Sensitive Personal   |   | For information only     |   |

| BOARD                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                            |
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| 29 July 2026                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                            |
| Committee Escalation and Assurance Report                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                            |
| Committee Name:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Audit Committee Highlight Report                           |
| Committee Chair:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | David Stout, Non-Executive Member                          |
| Dates of Committee Meeting/s:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Extraordinary Audit Committee meeting held on 11 June 2026 |
| Agenda Items Covered:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                            |
| <u>Review of Annual report and Accounts 2025-26</u> <ul style="list-style-type: none"> <li>Review of Final Annual Report</li> <li>Accounts Briefing Note and Annual Accounts</li> <li>Assurance Over Outsourced Services Report</li> <li>Head of Internal Audit Opinion (Final)</li> <li>External Audit Completion Report</li> </ul>                                                                                                                                                                                                                                                                                            |                                                            |
| <u>Other Business</u> <ul style="list-style-type: none"> <li>Internal Audit Plan 2026/27</li> <li>Senior Information Risk Owner (SIRO) Report</li> <li>Audit Committee Annual report 2025-26</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                            |
| <b>Alert:</b> <i>Matters that need the Board's attention or action e.g. area of non-compliant, safety issue, new risks identified.</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                            |
| No key risks to highlight                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                            |
| <b>Advise:</b> <i>Matters to inform the Board of - developments, opportunities or areas subject to ongoing monitoring.</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                            |
| <b>Internal Audit Plan 2026-27</b><br>The Committee received the Internal Audit Plan 2026-27. The Committee highlighted the need to closely monitor the delivery of the plan, given the timing within the financial year and the ongoing transition to new organisational arrangements, noting that further adjustments may be required as risks and priorities evolve.                                                                                                                                                                                                                                                         |                                                            |
| <b>Assure:</b> <i>Areas of assurance that the Committee has received</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                            |
| <u>Extraordinary Audit Committee Meeting 11 June 2026</u><br><br><b>Review of Final Annual Report 2025-26</b><br>The Committee received the final ICB Annual report and Accounts for 2025/26 with confirmation that the Annual Report was prepared in accordance with national guidance and structured across key components of performance report, accountability report, and the financial statement, this report includes all of the required statutory elements. Minor changes made following engagement with external stakeholders. Assurance was provided that external audit had reviewed the Annual Report and provided |                                                            |

feedback, offering an additional independent layer of assurance. The final annual report submitted for ICB Board approval on 16 June 2026.

#### **Accounts Briefing Note & Annual Accounts 2025-26**

The Committee received the draft Annual Accounts and Accounts Briefing Note, noting minor disclosure amendments and no anticipated significant changes. It recognised that year-on-year financial comparisons are complex due to material changes, including the transfer of specialised commissioning services. The final accounts submitted to the ICB Board for approval on 16 June 2026 once external audit work is complete and final audit opinions have been received.

#### **Assurance Over Outsourced Services Report**

The Committee received assurance from outsourced service audit reports, most of which gave unqualified opinions, with only minor exceptions and no material impact on the ICB's accounts or control environment. Recurring issues in primary care services and GP data extraction and processing were being addressed with providers, with additional assurance supported by internal audits, service level agreements, operational monitoring, and escalation processes where required. Assurance was provided that no significant issues were identified in the effectiveness of controls during 2025-26.

#### **Head of Internal Audit Opinion Final (Annual Report)**

The Committee received the Internal Audit Annual Report and Head of Internal Audit Opinion, which gave a good overall assurance rating for 2025/26, reflecting strong controls and improvement from the previous year. One significant issue was identified through the safeguarding audit: DBS checks were completed but not consistently recorded on ESR due to previous process arrangements. Remedial action had been taken, residual risk was low, and further HR improvements were underway to strengthen controls and assurance.

#### **External Audit Completion Report**

The Committee received the External Audit Completion Report and that the audit was progressing well and there was strong engagement from officers. No significant weaknesses were identified in relation to value-for-money arrangements and that only a small number of non-material misstatements had been identified. Assurance was provided on the timetable for Board approval, with appreciation to the quality of the external audit process and the final report.

#### **Internal Audit Plan 2026/27**

AuditOne presented the 2026-27 Internal Audit Plan, developed using a risk-based approach. The Executive Team has reviewed and prioritised the proposed audits to ensure Internal Audit activity aligned with the ICB's strategic and operational risks. Due to changes in staffing levels and responsibilities, the Committee emphasised the need for flexibility and close oversight throughout the year as new arrangements become established.

#### **Senior Information Risk Owner (SIRO) Report**

The Committee received the SIRO report, which provided substantial assurance received from internal audit on data security and protection for April 2025 to March 2026, alongside an update on system-wide digital delivery.

There were 536 Freedom of Information (FOI) responses and 85 Subject Access Requests (SARs), with no significant Information Commissioner's Office (ICO) actions required. Internal audit provided substantial assurance on DSPT compliance and confirmed ICB standards had been met.

#### **Audit Committee Annual Report 2025-26**

The Audit Committee Annual report 2025-26 was presented for information and approved for inclusion in the ICB's Annual Report.

#### **Supporting Documentation**

- Confirmed Extraordinary Audit Committee minutes 23 April 2026 – (Appendix 1)

#### **Conflicts of Interest**

**Any potential/actual conflicts of interest associated with the paper?** (please tick)

**Yes**

**No**

✓

- 1) If yes, please include details of any conflicts of interest that have been addressed as part of either the preparation of the report or the piece of work it appertains to:
- 2) Options for the management of conflicts for the meeting include the conflicted member(s):
  - *Cannot receive the report or be present for the discussion/decision, and must not receive the minutes after the meeting,*
  - *Can receive the report and attend the meeting because there is no information included in the paper that could influence or benefit any conflicted member,*
  - *Can receive the report and attend the meeting but must refrain from taking part in the discussion/decision*

### Recommendation / Action Required

The Board is asked to receive the Committee Escalation and Assurance Report and ask any questions of the Committee Chair.

- The Board is asked to receive confirmed Extraordinary Audit Committee minutes (Appendix 1) from the meeting held on 23 April 2026 for information and assurance.

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|-------------------------|-------------------------------------------------------------|
| <b>Report author</b>    | Lynda Hutchinson, Head of Complaints and Patient Experience |
| <b>Date of Approval</b> | 13 July 2026                                                |