

Item: 11.4

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

BOARD
28 JANUARY 2025

Report Title: **Audit Committee Highlight Report and Approved Minutes**

Purpose of report

To provide the Board with the key highlights from the Audit Committee meeting held on 09 January 2025 and the confirmed minutes from the meeting held on 10 October 2024.

Key point

The Audit Committee is chaired by David Stout, Non-Executive member of the Board, and provides oversight and assurance to the Board on the adequacy of governance, risk management and internal control processes within the ICB.

The Committee confirmed minutes for the meeting held on 10 October 2024 are attached in **Appendix 1**

Highlights from the Meeting held on 09 January 2025

The Committee considered the following key items at the meeting held on 10 October 2024 including:

- Risk Management and Board Assurance Framework report
- Interim Baseline Cyber Assurance Framework (CAF) – aligned DSP Toolkit 2025/26
- Finance Update
- ICS Financial Grip and Control Review
- Internal Audit progress report
- External Audit progress report
- Counter Fraud progress report
- ICB Freedom to Speak Up update (FSTU)
- Annual Report and Accounts 2024/25
- Annual review Audit Committee Terms of Reference

The key points from each item are noted below:

Risk Management Report and Board Assurance Framework:

The Committee received the latest risk management report, corporate risk register and board assurance framework for review and assurance for quarter 3 of 2024/25. The report included information on the BAF, Corporate Risk Register, and highlighting place risks with a residual of 12 and above.

Interim Baseline Cyber Assurance Framework (CAF) – aligned DSP Toolkit 2025/26

The DSPT framework has changed to Cyber Assurance Framework (CAF) from October 2024 for the 2025/26 assessment, the framework has a greater focus on technical security, cyber security and data protection protocols. The overall principles and evidence remains similar to previous DSPT submissions.

To ensure the ICB is successfully following the new guidance of the CAF Framework a deep dive on the CAF framework has been agreed with AuditOne, this is out of line with interim audit assessment but will allow the ICB to rectify any identified gaps or make required improvements prior to the final toolkit submission in June 2025.

Finance Update

The Committee received an update on the ICB's financial position and essential financial governance matters covering financial performance, losses and special payments, tender waivers and aged debtors and creditors. There have been no other losses or special payments agreed since the last update provide to the Committee. Any updates from the review to case manage aged debts will be provided to future Committee meetings.

Work continues on updating the medium-term financial plan across the ICS and working closely with the Provider Collaborative.

ICS Financial Grip and Control Review

An independent review of financial grip and control measures was commissioned across all organisations within the ICS, supported by internal audit and Price WaterhouseCoopers (PWC). The review has been designed to provide assurance around financial controls and processes in place across organisations and identify appropriate actions where relevant. Action plans will be submitted from each organisation to provide assurance to the Committee.

Alongside Providers the ICB will have its own action along with the wider ICS action plan. These plans will be developed and shared with Audit Committee and Finance, Performance, and Investment Committee in due course.

Internal Audit Progress Report

A progress report was shared for information and assurance highlighting the progress and outcomes from internal audit activity. Four final reports have been issued since the last audit committee meeting. Three of the final reports on Conflicts of Interest, System Workforce Planning and Management and Primary Care Delegated Commissioning Governance were assigned good assurance.

The changes to the audit plan include the updated scope of the DSPT interim review and the Primary Care Complaints audits referenced in the report.

External Audit Progress Report

A progress report was received on external audit activity for 2024-2025 containing initial planning assessment of significant risks and national publications for information. The Committee were informed of the intention to bring the Audit Strategy Memorandum to the next meeting on 10 April 2025 along with the timetable of ICB work using the draft NHSE national timetable for 2024/25 to the Audit Committee meeting on 10 April 2025.

Counter Fraud progress report

The Committee was provided with a progress report providing an update on the work undertaken for period 20 September to 03 December 2024 in line with progress against 2024/25 work plan.

A national proactive exercise - Procurement the Counter Fraud Services submitted all available information to the NHS Counter Fraud Authority (NHSCFA) by 30 September 2024. The NHSCFA has advised that a report will be issued for England in 2025/26. Any identified risks have been added to the ICB's fraud risk planning tool.

ICB Freedom to Speak Up update

The Committee received an update to the FTSU policy to reflect the minimal changes in staffing along with the review and update of the Strategy. The Guardian has joined Director meetings to raise the profile and importance of FTSU with a Champion agreement completed to support the appointment of FTSU Champions.

Speak Up Month 2024 – Theme was 'Listen Up'. The Comms was shared with ICB staff in all copies of the Pulse during the month of October 2024.

The Guardian is in the process of completing a FTSU NHSE Self Reflection Improvement Tool with the support of the Governance Team.

Annual Report and Accounts 2024/25

The Committee noted the publication of the provisional timetable for 2024/25 was circulated on 20 November 2024 by NHS England (NHSE) detailing dates for commissioners for month 9 and month 12 for the year ending 31 March 2025. The ICB will be required to submit its signed and audited annual report and accounts 2024/25 to NHSE by 23 June 2025.

Annual review of Audit Committee Terms of Reference

The committee noted the annual update of the terms of reference with some minor changes in section 2: "Authority" in incorporating a statement which is detailed in all of the ICB parent Committee terms of reference.

The minutes from the meeting held on 09 January 2025 will be approved at the next Audit Committee meeting on 10 April 2025 and submitted to the Board at its next meeting on 03 June 2025 for assurance.

Risks and issues

N/A

Assurances

- To note the changes to the DSPT framework Cyber Assurance Framework (CAF) from October 2024 for the 2025/26 assessment.
- Note the proposed changes to the FTSU policy and an update that the FSTU Guardian is raising the importance and profile across the ICB Directorates.
- The Committee to note the publication of the timetable for the annual report and accounts 2024/25 with a project plan being developed to meet NHSE deadline 23 June 2025.

Recommendation/action required

The Board is asked to:

- Receive the approved minutes for the Audit Committee meeting held on 10 October 2024 for assurance (Appendix 1)
- Note the key highlights from the Audit Committee meeting held on 09 January 2025 for information and assurance.

Acronyms and abbreviations explained

ICB – Integrated Care Board
ICS – Integrated Care System
MHIS – Mental Health Investment Standard
CAF - Cyber Assurance Framework
PWC – PricewaterhouseCoopers LLP
NHSCFA – NHS Counter Fraud Authority

Sponsor/approving executive director	C Riley, Chief Corporate Services Officer
Date approved by executive director	15 January 2025
Reviewed by	D Cornell, Director of Corporate Governance and Board Secretary
Report author	L Hutchinson, Head of Corporate Governance

Link to ICP strategy priorities (please tick all that apply)

Longer and Healthier Lives	✓
Fairer Outcomes for All	✓
Better Health and Care Services	✓
Giving Children and Young People the Best Start in Life	✓

Relevant legal/statutory issues

Note any relevant Acts, regulations, national guidelines etc

Any potential/actual conflicts of interest associated with the paper? (please tick)	Yes		No		N/A	✓
If yes, please specify						
Equality analysis completed	Yes		No		N/A	✓

(please tick)						
If there is an expected impact on patient outcomes and/or experience, has a quality impact assessment been undertaken? (please tick)	Yes		No		N/A	✓
Key implications:						
Are additional resources required?	N/A					
Has there been/does there need to be appropriate clinical involvement?	N/A					
Has there been/does there need to be any patient and public involvement?	N/A					
Has there been/does there need to be partner and/or other stakeholder engagement?	N/A					
Has there been/does there need to be appropriate finance or digital involvement?	N/A					