

Item: 8.2.4

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

BOARD

04 JUNE 2024

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 22 April 2024 and confirmed minutes from the meeting held on 11 January 2024.

Key points

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 11 January 2024 are attached at **Appendix 1**. Please note due to the timings between the committee and board meetings, a summary of the key items was included in the previous report to the Board.

Highlights from the Meeting held on 22 April 2024

The Committee considered the following key items at the meeting held on 22 April 2024 including:

- Draft Annual Report and Accounts 2023/24
- Risk Management and Board Assurance Framework report
- Conflicts of Interest Compliance report
- Data Security and Protection Toolkit
- Annual Review of ICB Seal report
- Finance update
- Internal Audit progress report
- External Audit progress report
- Counter Fraud update report

The key points from each item are noted below:

Draft Annual Report and Accounts 2023/24

The Committee received the first draft of the Annual Report which included:

- An overview of the Performance Report, Accountability Report and Financial Statements.
- The National Audit Office (NAO) Checklist.
- Summary of Memorandum and draft Accounts

The draft Head of Internal Audit Opinion (HoIAO) report was received by the Committee. This did not contain an overall assurance level due to some core audit requiring completion, however this will be submitted as part of the final draft report in June 2024.

The final draft annual report and accounts was to be reviewed and considered by the Committee at the forthcoming meeting on 13 June 2024.

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. The risk reports set out changes during the current period with new corporate risks identified. No corporate risks were reported as closed; however work would be undertaken to ensure there would be a greater focus on closing risks more risks promptly.

Conflicts of Interest Compliance Report 2023/24

The Committee received the report for which provided an overview of the ICB's declaration of interests and register of interest process. It was noted that the ICB had a robust approach to the management of gifts and hospitality with the register published on the ICB website. The annual conflicts of interest audit had commenced and was expected to be completed in May 2024.

Data Security and Protection Toolkit

A report was presented to the Committee and provided assurance that the final submission for 30 June 2024 remained on target. AuditOne would commence the final audit in April with a further update to be provided to the Committee in May 2024.

Annual Review of ICB Seal Report

The Committee received the annual review of the ICB seal for assurance which provided details on the key areas where the ICB seal had been used in the execution of documents.

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. The ICB procurement policy was being updated to reflect the new Provider Selection Regime (PSR) regulations and the process for waivers that would only apply, where appropriate, to any goods or services outside the scope of the PSR regulations. A process for reporting tender waivers and procurement would be developed for Audit Committee.

Internal Audit Progress Report

A progress report was shared for information and assurance highlighting both planned and ongoing work. Work was underway on the development of the internal audit work programme for 2024/25, with approximately 25 audits agreed for inclusion in the plan. The plan was approved with a caveat that any further changes needed to the plan would need to be submitted to the Audit Chair for consideration and approval as appropriate.

External Audit Progress Report

A progress report was received which provided an update on external audit activity and the Audit Strategy Memorandum for the year ending 31 March 2024. It was noted that there had been an increase in fees due to the inclusion of work on the mental health investment standard and the exit packages area of work. A recommendation was raised to inform the Chair of the Remuneration Committee that the testing of exit packages was underway, and the first point of contact would be the Chief Finance Officer to deal with any queries.

Counter Fraud Progress Report

The Committee was provided with a progress report detailing the work undertaken between December 2023 - April 2024. The Counter Fraud Draft Annual Work Plan 2024/25 was also presented which highlighted the key points and the final areas of focus for the year. The Counter Fraud Bribery and Corruption Policy had been updated and recommended for approval by the Committee following the publication of the NHS Counter Fraud Authority (NHSCFA) 2023/26 strategy.

The minutes from the meeting held on 22 April 2024 will be approved at the next Audit Committee meeting on 13 June 2024 and submitted to the Board at its next meeting on 30 July 2024 for assurance.

Risks and issues						
A risk was noted due to the change in the Chair of the Quality and Safety Committee, this may have an impact in relation to business matters arising from the Quality and Safety Committee to the Audit Committee. This would be raised with the ICB Chair for consideration.						
Assurances						
<ul style="list-style-type: none"> The latest draft of the ICB Annual Report and Accounts 2023/24 had been shared and approved by the Executive Committee on 14 May 2024. The final draft ICB Annual Report and Accounts 2023/24 would be considered and recommended by the Audit Committee at its next meeting on 13 June 2024 and submitted to the Board for approval at its meeting on 25 June 2024 subject to any proposed changes. The Committee approved the proposed Annual Internal Audit Work Programme for 2024/25. The Committee approved the Counter Fraud Draft Annual Work Plan 2024-25. 						
Recommendation/action required						
The Board is asked to: <ul style="list-style-type: none"> Receive the approved minutes for the Audit Committee meeting held on 11 January 2024 for assurance (Appendix 1) Note the key highlights from the Audit Committee meeting held on 22 April 2024 for information and assurance. 						
Acronyms and abbreviations explained						
DSPT – Data Security and Protection Toolkit ICB – Integrated Care Board NAO – National Audit Opinion HoIAO – Head of Internal Audit Opinion PSR – Provider Selection Regime NHSCFA - NHS Counter Fraud Authority						
Sponsor/approving executive director	C Riley, Chief Corporate Services Officer					
Date approved by executive director	24 May 2024					
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 (please tick)	Yes		No		N/A	✓
If there is an expected impact on patient outcomes and/or experience,	Yes		No		N/A	✓

has a quality impact assessment been undertaken? (please tick)						
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					