

Approved – 19 June 2024

**Minutes of the ICB Audit Committee  
Held on Thursday, 28 March 2024  
in Lune Meeting Room, ICB Offices, County Hall, Preston**

<u>Members</u>		
Jim Birrell	Chair/Non-Executive Member	L&SC ICB
Sheena Cumiskey	Non-Executive Member	L&SC ICB
<u>Co-opted Member</u>		
Ian Cherry	Co-opted Lay Member	L&SC ICB
<u>Attendees</u>		
Sam Proffitt (Left after Item 9)	Chief Finance Officer	L&SC ICB
Dr David Levy (Item 10a)	Medical Director	L&SC ICB
Debra Atkinson (Left after Item 9)	Company Secretary/Director of Corporate Governance	L&SC ICB
Katherine Disley	Director of Operational Finance	L&SC ICB
Joe McGuigan	Director of Digital Operations and Assurance/ Deputy SIRO and SCR Strategic Lead	L&SC ICB
Liz Bateman	Head of Financial Control	L&SC ICB
Judith Williams (Item 11c)	Head of Primary Care Finance/Counter Fraud Champion	L&SC ICB
Emma McGrath (Item 13)	Associate Director, Financial Management	L&SC ICB
Louise Cobain	Executive Director of Assurance	MIAA
Lisa Warner	Senior Internal Audit Manager	MIAA
Paul McGrath	Anti-fraud Manager	MIAA
Tim Cutler (Left during Item 14)	Partner	KPMG
Louise Talbot	Board Secretary and Governance Manager	L&SC ICB

No	Item	Action
1.	<p><b><u>Welcome, Introductions and Chair's Remarks</u></b></p> <p>The Chair, Jim Birrell, welcomed everybody to the meeting and advised the following:</p> <p><b>Audit Committee Membership</b> - Roy Fisher had recently taken up the role of Acting Chair of the ICB and had, therefore, stepped back from attending the Audit Committee meetings pending the appointment of the new ICB Chair. Should there be an issue in respect of quoracy of the committee, Roy Fisher would remain as a reserve to attend a meeting if required. The committee was reminded that whilst Ian Cherry was a member of the Audit Committee, the quorum was two Non-Executive Members of the ICB Board.</p> <p><b>Private Meeting</b> – The Chair reminded the committee that private meetings are held once or twice per year with Audit Committee members and colleagues from internal audit, external audit and counter fraud. A meeting had been held prior to the committee meeting to reflect on progress made.</p> <p><b>Congratulations</b> – The Audit Committee conveyed their congratulations to Debra Chamberlain, KPMG on the recent birth of her son.</p>	
2.	<p><b><u>Apologies for Absence/Quoracy of Meeting</u></b></p> <p>Apologies for absence had been received from Asim Patel. The meeting was quorate.</p>	

3.	<p><b><u>Declarations of Interest</u></b></p> <p><b>RESOLVED:</b> That there were no declarations made relating to the items on the agenda.</p> <p><b>(a) Audit Committee Register of Interests – Noted.</b></p>	
4.	<p><b><u>Minutes of the Meeting Held on 25 January 2024</u></b></p> <p><b>RESOLVED:</b> That the minutes of the meeting held on 25 January 2024 be approved as a correct record.</p>	
5.	<p><b><u>Matters Arising and Action Log</u></b></p> <p><b>Review of Current Risks by ICB Executives – Completed – action closed on the log.</b></p> <p><b>Counter Fraud Champion – Attending the meeting – action closed on the log.</b></p> <p><b>HR Provision – Controls and Process – Audit to be undertaken in Q1 of 2024/25 – action closed on the log.</b></p> <p><b>Invitation of ICB Chair to attend an Audit Committee Meeting –</b> Until such time that an appointment is been made for the ICB Chair, the action would be closed. The Secretary would retain as a separate action.</p> <p><b>Internal Audit Progress Report – CHC Adam System -</b> L Cobain and L Warner had met with S Proffitt to discuss the continuing healthcare (CHC) audit and it was subsequently agreed that the audit would go ahead to include a review on the ICB’s approach to the data cleansing exercise of the Adam system. It was anticipated that the audit would further inform any risk assessment that may be required. In terms of the work undertaken to date, the Chair sought clarification as to whether the committee should be assured and L Cobain advised that whilst there were some gaps in control, issues were being taking forward however, there was a lot of work to be undertaken. I Cherry commented that it would have been more preferable for the audit to have been completed by the end of the financial year in the event of any issues that may need to be addressed prior to year-end. As soon as the report is agreed, L Cobain would circulate it to the committee to review rather than waiting for submission to the next meeting of the Audit Committee. S Proffitt referred to a meeting to be held the following week with the NHS England Chief Financial Officer, J Kelly at which there would be a focused discussion in respect of CHC as it is an outlier in terms of costs. It was noted that MIAA would be undertaking an analytical review of 9,000 CHC cases.</p> <p><b>Deep Dives/Assurance Mapping –</b> It was noted that a session was being arranged with Executives to review strategic objective deliverables and agree the focus for addressing any gaps in assurance. In the meantime, the corporate team had been undertaking a full review of the current mapping exercise to capture any deliverables not reflected which was nearing completion. It was suggested, therefore, that discussion be held at the July meeting of the Audit Committee to agree the deep dive areas by which time, the assurance mapping exercise should be completed. D Atkinson advised that the work through the Executives would be triangulated with the work being undertaken by MIAA. She further commented that a further 18 areas had been tested through the assurance mapping. In terms of strategic objective 3 ‘Make working in Lancashire and South Cumbria an attractive and desirable option for existing and potential employees’ it was acknowledged that five-year workforce plan was not yet in place which was an area that needed to be addressed as a high priority. There were also some statutory elements that required assurance.</p>	<p><b>LJT</b> (completed)</p> <p><b>LJT</b> (completed)</p> <p><b>LJT</b> (completed)</p> <p><b>LJT</b></p> <p><b>LC</b></p> <p><b>LJT</b> (added to workplan)</p>

	<p><b>Internal Audit Progress Report - Quality Surveillance Dashboard</b> – The committee action log provided an update stating that <i>“a monitoring and reporting framework update report submitted to the Primary Care Commissioning Committee on 14 March 2024 provided assurance that the ICB was meeting its statutory duties for the commissioning and quality assurance of primary care services and has governance structures and arrangements in place to meet national requirements. The report also provided progress against actions and recommendations identified by MIAA and provided information on the next steps being taken by the ICB to develop a model to provide proactive improvement support for general practice. An update on the follow-up of recommendations would be provided at the meeting on 28 March 2024.”</i> The Chair commented that the action did not appear to answer the initial question, adding that discussion had been held at the Finance and Performance Committee regarding the proposed development of a performance dashboard for primary care. The Audit Committee was mindful that the matter was highlighted as a high priority action in a recent internal audit report, therefore, there was a need for this issue to be resolved in the foreseeable future.</p> <p><b>Internal Audit Report - Completed Audits</b> – To be covered later in the meeting under the internal audit progress report – action closed on the log.</p> <p><b>Tender waiver - Extension of 13 Intermediate Minor Oral Surgery Personal Dental Services (PDS) Agreements in Lancashire and South Cumbria</b> – K Disley advised that the tender was linked to 24-month foundation training and confirmed that there was no risk to challenge. The new intake would commence on 1 September and the whole service would be reprocurd – action closed on the log.</p> <p><b>National Fraud Initiative - Current status of creditor matches outstanding</b> – P McGrath advised that a high number of matches had been cleared. Congratulations were conveyed to those involved in the process – action closed on the log.</p> <p><b>Health Inequalities Statement</b> – The Audit Committee was reminded that NHS England had published health inequalities as a statutory duty and a statement had been drawn up from the key metrics. A Patel was reviewing how to take the matter forward along with consideration as to how health inequalities can be embedded into performance measures. J McGuigan advised it was part of ongoing areas being measured as ICBs and that the ICB’s position on health inequalities was largely historical. He further commented that consideration would need to be given as to how it is drawn together and that it would be monitored as part of performance metrics in 2024/25. The Chair was mindful of the short timescale in which health inequalities needed to be included and J McGuigan would pick up the action on behalf of A Patel, also checking if any narrative was required to be included in the ICB annual report. T Cutler advised that whilst it was not an area they would be auditing, assurances would need to be given. He further commented that it there is a requirement for health inequalities to be referenced in the ICB’s annual report, KPMG’s opinion would ask if all relevant context had been included.</p>	<p>AP</p> <p>LJT (completed)</p> <p>LJT (completed)</p> <p>LJT (completed)</p> <p>AP/ JMcG</p>
<p>6.</p>	<p><b><u>HFMA Audit Committee Review – Financial Accounts Checklist</u></b></p> <p>K Disley spoke to a circulated report which provided an update in respect of the processes supporting the production of the 2023/24 Annual Report and Accounts which was based on the HFMA checklist issued in 2022/23 in the paper ‘Year End Reminders for NHS Audit Committees’. The report aimed to highlight the arrangements currently in place to ensure accurate submissions would be delivered in line with NHS England guidance and timescales, with appropriate review mechanisms in place.</p> <p>The Chair asked if it was possible to include the answers against each statement in a bullet format which was noted.</p>	<p>EB (completed)</p>

	<p>I Cherry referred to the statement relating to materiality where a particular value was not considered material by KPMG. He asked if the wording could better reflect the position in terms of the difference between what KPMG consider to be material and the ICB.</p> <p><b>IFRS17 (New accounting standards for insurance contracts)</b> – It was noted that IFRS17 replaced IFRS4 for accounting periods starting on or after 1 January 2023. I Cherry commented that the accounting policies appended to the checklist contained an incorrect date for the implementation of IFRS (1 January 2021). E Bateman advised that NHS England had stated 1 January 2021.</p> <p><b>POST MEETING NOTE:</b> E Bateman referred this to NHS England and they have since corrected the date to 1 January 2023.</p> <p><b>RESOLVED:</b> That the Audit Committee note the report.</p>	<p><b>EB</b> (completed)</p> <p><b>EB</b> (completed)</p>
<p>7.</p>	<p><b><u>Draft Annual Report of the Audit Committee 2023/24</u></b></p> <p>The Chair spoke to a circulated report which was the draft Annual Report of the Committee 2023/24 and summarised the work undertaken between 1 April 2023 and 31 March 2024.</p> <p>It was noted that whilst there was an overlap with the previous report which covered the year ending 30 June 2023, the draft report covered the same period as the ICB Board's 2023/24 Annual Report and Accounts. The draft report was structured along the lines of the format recommended in the NHS Audit Committee Handbook. It was noted that the draft report contained elements of advise, assure and alert and the ICB Board would be asked to consider the contents of the report as part of the review of the 2023/24 Annual Report and Accounts of the ICB.</p> <p>The following comments were made:</p> <ul style="list-style-type: none"> <li>• With regard to the financial statement opinions, a robust audit process had been undertaken and all nine sets of accounts had received unqualified audit opinions.</li> <li>• Amendment to state 15 completed audit reports and ten final briefing notes issues on key ICB systems.</li> <li>• It was noted that two reviews in respect of the assurance framework had been undertaken and significant progress had been made.</li> <li>• Head of Internal Audit Opinion – Be more specific about building in an aspiration to move from moderate to substantial.</li> </ul> <p><i>D Levy joined the meeting.</i></p> <p>There was general agreement that the draft annual report was comprehensive, provided a fair reflection of the work undertaken during the year and it was acknowledged that a lot of progress had been made during the year in respect of governance and controls. The work of the committees of the Board demonstrated cohesion across however, it was acknowledged that there was more work to be carried out in respect of the People Board.</p> <p><b>RESOLVED:</b> That subject to the amendments to be made, the Audit Committee approve the Annual Report of the Audit Committee 2023/24 for consideration by the ICB Board prior to members reviewing the ICB's Annual Report and Accounts 2023/24.</p>	<p><b>KD</b> (completed)</p> <p><b>JB</b> (completed)</p> <p><b>JB</b> (completed)</p>

<p>8.</p>	<p><b><u>Draft Audit Committee Business Plan 2024/25</u></b></p> <p>The draft Audit Committee business plan for 2024/25 had been drawn up via the committee’s terms of reference, in line with statutory responsibilities and the Audit Committee Handbook’s recommendations for template workplans. It has also been built on from the previous year’s workplan 2023/24.</p> <p>Members were asked to review and discuss the content of the draft Audit Committee business plan for 2024/25.</p> <p>L Cobain advised that the ICB would be required to submit the interim Head of Internal Audit Opinion to the Audit Committee in early March following which, it would be updated and sent to NHS England in April. The scheduling of Audit Committee meetings did not allow for consideration in early March, therefore, it had been considered outside of the meeting.</p> <p>It was noted that the Audit Committee may wish to consider assurance on ICB robust processes in relation to specialist commissioning which could be undertaken later in the year. The item would need to be included in the 2025/26 committee business plan and would, therefore, be added under the forward plan section but would also be picked up via the internal audit plan/work.</p> <p>Other amendments to the committee business plan were:</p> <ul style="list-style-type: none"> <li>• IG oversight update – 26 September 2024 and 27 March 2025 meetings. Any matters that may arise would be brought to the attention of the Audit Committee during the year.</li> <li>• Internal Audit Charter – 27 March 2025</li> <li>• Assurance mapping would inform where deep dives may need to be undertaken to address gaps in assurance - 25 July 2024 meeting onwards.</li> </ul> <p><b>RESOLVED: That subject to the amendments to be made, the Audit Committee approved its business plan for 2024/25.</b></p>	<p><b>LJT</b> (completed)</p> <p><b>LJT</b> (completed)</p>
<p>9.</p>	<p><b><u>External Audit</u></b></p> <p><b>(a) Draft External Audit Plan 2023/24</b> – T Cutler conveyed his thanks to everybody involved with the work undertaken and the progress made to date. Appended with the papers was a report which provided information in respect of the draft external audit plan for the audit of the financial statements of the ICB as at and for the year ending 31 March 2024.</p> <p>T Cutler advised that there was strong rich evidence in respect of the value for money assessment. It was noted that given the ICB’s projected 2023/24 financial outturn, it was likely that KPMG would highlight significant risks in terms of the organisation’s financial sustainability and its approach to improving economy, efficiency and effectiveness. They may also identify the significant risk regarding the 2024/25 financial plan as it was currently not forecasting a balanced position and was dependent on mitigations that in some cases required further development.</p> <p>S Proffitt referred to the year-end position advising that initially the ICB was planning a £59m deficit commenting however, that there was always a risk of a further £30m deficit. Although a very robust and honest approach was taken, it had not been possible to achieve this, therefore, the ICB was forecasting an £89m deficit.</p> <p>The Chair commented that the ICB was in a better position than the previous year however, it was acknowledged that more work would need to take place in terms of delivery. He</p>	

	<p>also acknowledged the open and transparent process undertaken with NHS England in terms of a situation that was extremely challenging.</p> <p>S Proffitt commented that key processes continued to be embedded across the organisation. In respect of key programmes, S Proffitt would provide further detail to T Cutler on the high cost areas. The Chair also extended an offer for T Cutler to observe the ICB Finance and Performance Committee if required.</p> <p><b>RESOLVED: That the Audit Committee note the report and that work was underway to address the 2024/25 position.</b></p> <p><b>Health Technical Update</b> – I Cherry referred to Appendix 1 in the report relating to KPMG insights and in particular, empowering analysts to unlock the potential of NHS data for integrated care. He sought clarification as to how the Audit Committee could look at this in more detail. The Chair commented that work was taking place in moving towards an integrated performance report. It was suggested that the subject matter be submitted to the July meeting of the committee as a deep dive discussion.</p> <p><b>RESOLVED: That the Audit Committee note the report.</b></p> <p><b>(b) Secretary of State Referral</b> – A copy of the Secretary of State Referral letter relating to 2023/24 from KPMG was included with the papers. The committee was advised that NHS England was fully aware of the ICB’s financial position. KPMG awaited further information.</p> <p><b>RESOLVED: That the Audit Committee note the letter.</b></p> <p><i>Due to an urgent matter, S Proffitt and D Atkinson left the meeting.</i></p>	<b>AP</b>
10.	<p><b><u>Internal Audit</u></b></p> <p><b>(a) Progress Report</b> - The Audit Committee was provided with an update on progress made against the internal audit plan for 2023/24 as well as providing an update on the implementation status of previous internal audit recommendations. Since the previous meeting, the following reports had been finalised:</p> <ul style="list-style-type: none"> <li>● Key Financial Systems – Substantial assurance</li> <li>● Payroll – Moderate assurance</li> <li>● Assurance Framework phase 2 – assurance rating not applicable</li> <li>● Freedom to Speak Up – Substantial assurance</li> </ul> <p>With regard to the follow up of previous audit recommendations, there were a total of 109 recommendations made and of those, 46 had been actioned, 17 were in progress and 46 recommendations were not due for follow up. There were six high priority recommendations outstanding in relation to the reviews of Serious Incidents, Board Reporting, QIPP, Primary Care Contracts and HR payroll which were either not due (four recommendations relating to QIPP, Primary Care Contracts and HR/Payroll) or had revised dates for implementation (two recommendations relating to Data Reporting and Serious Incidents).</p> <p><b>Freedom to Speak Up</b> – The Chair quoted the Audit Committee’s responsibility as referenced in its Terms of Reference:</p> <p><i>To review the adequacy and security of the ICB’s arrangements for its employees, contractors and external parties to raise concerns, in confidence, in relation to financial, clinical management, or other matters. The Committee shall ensure that these arrangements allow proportionate and independent investigation of such matters and appropriate follow up action.</i></p>	

<p>Whilst initially, the Chair had concerns in respect of the arrangements in place across the ICB and reporting to the Board and committees, work had since progressed which had resulted in substantial assurance following the audit.</p>	
<p>D Levy was mindful of the initial issues however, significant progress had been made and was still a 'work in progress'. He reminded the Audit Committee of the roles of the three FTSU Guardians (in addition to their substantive role) advising that consideration was being given on future support. National guidance was also awaited from NHS England with regard to the expectations of the ICB in relation to concerns raised in primary care. D Levy further advised that work continued in respect of FTSU in relation to the response to the staff survey and part of the action plan was to ensure staff are comfortable and feel safe at work when considering any FTSU matters.</p>	
<p>S Cumiskey welcomed the work undertaken to date and stressed the importance of people having the confidence about being able to speak up. She was also pleased and assured in respect of the work relating to the staff survey.</p>	
<p>It was acknowledged that in terms of development during 2024/25, there needed to be more oversight of FTSU by the People Board.</p>	
<p>The Chair expressed concern on the potential impact from primary care however, he acknowledged that national guidance was awaited. He sought clarification that the Audit Committee was discharging its role in line with the committee's terms of reference and asked whether assurance and progress on the development of FTSU would be included in the 2024/25 internal audit plan. L Cobain advised that it had not been included in the 2024/25 plan however, a report would be submitted to the July meeting of the Audit Committee as an update on assurance. S Proffitt referred to the three-year plan commenting that consideration would need to be given as to how FTSU dovetails into other areas and where it might be relevant in other audits.</p>	
<p><i>Thanks were conveyed to D Levy and he left the meeting.</i></p>	
<p>L Warner highlighted pertinent areas within the progress report. The Chair requested that an update report on the outstanding high priority recommendations be provided at the next meeting. L Cobain and L Warner would action accordingly. S Proffitt advised that there would be a specific focus on the high priority recommendations via the Executives.</p>	<p>LC/LW</p>
<p>Reference was made to the audit relating to HR/Payroll, particularly in respect of overpayments due to duplicate submission of expense claims. P McGrath advised that claims had been submitted twice through different channels and then processed twice. The Chair asked that more detailed information be provided at the next meeting.</p>	<p>LW/KD</p>
<p>It was noted that a review of the Budget Virement Policy would be undertaken to ensure it continued to be fit for purpose given that the ICB could reflect on a full year of operation. It would be taken through the required ICB governance process with a view to the action being completed by 30 June 2024. There was a request that it should also be submitted to the Audit Committee.</p>	<p>KD</p>
<p><b>Appendix E – Assurance Update on Key Areas</b> – It was agreed that there was no further requirement for the report to be included in future progress reports.</p>	<p>LC/LW (completed)</p>
<p><b>RESOLVED: That the Audit Committee note the progress report.</b></p>	
<p><b>(b) Final Draft Internal Audit Plan 2024/25</b> – L Warner spoke to a circulated report which was the draft internal audit plan for 2024/25. It had been constructed taking into account</p>	

all core/mandated reviews required to be completed in order to be able to issue a Head of Internal Audit Opinion for the year and to comply with the Public Sector Internal Audit Standards. The draft plan had also been informed through a review of the Board Assurance Framework and through discussions with the ICB Executives. It was noted that the draft plan would be reviewed in-year to ensure it continued to reflect the key risks and priorities of the ICB. Any changes to the plan would be initially discussed with the Chief Finance Officer prior to approval being sought from the Audit Committee. It was noted that there was also scope for unplanned days and contingency to be built in accordingly.

S Proffitt referred to QIPP advising that given that finance was the highest risk, consideration may need to be given to having a broader heading than just QIPP. L Cobain would amend the plan to reflect the comments made.

**LC**  
(completed)

**RESOLVED: That subject to the amendment to be made as highlighted above, the Audit Committee approved the internal audit plan for 2024/25.**

**(c) Interim Head of Internal Audit Opinion** – L Cobain spoke to a circulated report which was the interim Head of Internal Audit Opinion (HoIAO) which provided an overall moderate level of assurance. MIAA had provided the interim HoIA opinion to the ICB on 29 February 2024 to meet NHSE submission timescale. The interim HoIAO provided on 29 February was the same position as was reported to the Audit Committee in January 2024. L Cobain advised that since 29 February, the following four final reports had been issued:

- ESR Payroll – Moderate assurance
- Key Financial Systems – Substantial assurance
- Freedom to Speak Up – Substantial assurance
- Assurance Framework – assurance rating not applicable

The interim HoIAO had been updated to take account of the reports and taking the outcomes of these reports into account, MIAA's interim HoIAO was still that of moderate assurance. The full document would be available during the first week of April and would be circulated to the Audit Committee along with the reports once concluded. She would also circulate the submission timetable.

**LC/  
LJT**

The Chair sought guidance as to how the ICB could achieve substantial assurance in going forward. L Cobain advised that assurances in respect of the People Board and the implementation of the high-risk recommendations would close the link on assurance along with embeddedness and significant, consistent application of the control framework.

**RESOLVED: That the Audit Committee note that the latest interim Head of Internal Audit Opinion remained as moderate assurance which was unlikely to change and would only become final when the ICB submits its final Annual Report and Accounts. It was also noted that the opinion would also be referenced in the Annual Governance Statement.**

**(d) The Internal Audit Network (TIAN) Insight Report – March 2024** – The Audit Committee received the monthly insight report which highlighted key publications and was intended as a useful update and reference tool. This report was produced by TIAN and shared by MIAA.

**RESOLVED: That the Audit Committee note the insight report for March 2024.**

**Latest Edition Audit Committee Handbook** – L Cobain advised that the new handbook was available to every NHS organisation (five free paper copies/available digitally). Copies would be obtained and circulated. S Proffitt referred to a document relating to the

**LC/LJT**  
(completed)



	<p>recovery programme which she had shared with the team and linked to the King's Fund. She would circulate it to the Audit Committee.</p> <p><b>(e) Internal Audit Charter</b> – It was noted that the Internal Audit Charter is mandated through the Public Sector Internal Audit Standards (2017) and is a formal document that defines the internal audit activity's purpose, authority and responsibility. The internal audit charter establishes the internal audit activity's position within the organisation; authorises access to records, personnel and physical properties relevant to the performance of engagements; and defines the scope of internal audit activities. The Charter was structured around the Public Sector Internal Audit Standards (2017) and aligned to the Core Principles for the Professional Practice of Internal Auditing.</p> <p><b>RESOLVED: That the Audit Committee note the Internal Audit Charter.</b></p>	<b>SP</b>
<p><b>11.</b></p>	<p><b><u>Anti-fraud</u></b></p> <p><b>(a) Progress Report</b> – P McGrath spoke to a circulated report which provided an update on the work undertaken during the period 1 January 2024 to 29 February 2024. He also provided detail relating to two live investigations. In respect of fraud awareness training, it was noted that there needed to be improvements in ensuring this particular training is undertaken by staff however, it was unlikely that the compliance target of 80% would be met.</p> <p><b>RESOLVED: That the Audit Committee note the report.</b></p> <p><b>(b) Anti-fraud Workplan 2024/25</b> – P McGrath presented the draft Anti-fraud workplan for 2024/25 which provided details of the anti-fraud work to be undertaken within the financial year, with the plan being risk based.</p> <p><b>RESOLVED: That the Audit Committee approve the Anti-fraud plan 2024/25.</b></p> <p><b>(c) Update from the Counter Fraud Champion</b> – Judith Williams, Head of Primary Care Finance and Counter Fraud Champion provided a verbal outline of her role including liaison with the Anti-fraud Specialist, ICB colleagues and external organisations. The Audit Committee welcomed the update, noted the varied work of the role of the Counter Fraud Champion and thanked Judith for her contribution. An open invitation was extended to J Williams to attend Audit Committee meetings.</p> <p><b>RESOLVED: That the Audit Committee note the update from the Counter Fraud Champion.</b></p>	
<p><b>12.</b></p>	<p><b><u>Information Governance Oversight Update</u></b></p> <p>J McGuigan spoke to a circulated report which provided oversight and assurance to the Audit Committee on information governance risks together with an understanding of the actions to date and plan for remainder of 2023/24. It was noted that the Information Governance Oversight group aimed to meet on a quarterly basis, supported by a monthly information governance oversight meeting, chaired by the ICB deputy senior information risk owner to provide the best possible assurance against risks on Information Governance and Cyber Security and maintains the integrity of patient data, ensures systems security and meets business continuity requirements.</p> <p>During the period up to end of February 2024 the ICB:</p> <ul style="list-style-type: none"> <li>• Submitted the baseline submission data security and protection toolkit due by 29 February 2024.</li> </ul>	

	<ul style="list-style-type: none"> <li>• Implemented several process changes for agreement to the information governance oversight group that will improve how we deliver freedom of information requests.</li> <li>• Created plans for key programmes of work to ensure that information governance is embedded in the IG, with privacy built in as part of design and default.</li> </ul> <p>The Chair acknowledged the work undertaken to date which provided assurance to the Audit Committee of the range of work undertaken, processes strengthened and general progress made by the Information Governance Team over the last 12 months. He asked that the committee’s thanks be conveyed to the team.</p> <p><b>RESOLVED: That the Audit Committee note the report.</b></p>	
13.	<p><b><u>Mental Health Investment Standard (MHIS) 2022/23 – Presentation of CCGs and ICB Draft Audited Returns</u></b></p> <p>E McGrath spoke to a circulated report which advised the Audit Committee of the outcome of the recent independent review/audit of the 2022/23 Mental Health Investment Standard (MHIS). It was noted that the audit was for the full 12-month period ending 31 March 2023 including spend of the ICB’s predecessor CCGs for the period 1 April to 30 June 2022 (quarter one). The report also detailed the outcome of the findings of the 2022/23 MHIS audit.</p> <p>Following audit adjustments, the findings showed that the ICB met the standard for the year 2022/23 and increased its MHIS compliance on the ICB footprint from £6,780,000 over-achievement to £10,852,000 over-achievement.</p> <p>Clarification was sought as to the timescales in respect of the 2023/24 MHIS and E McGrath advised that in terms of the planning, there was a requirement to complete the MHIS plan and a breakeven position was forecast. She further advised that there were pressures within continuing healthcare (CHC) which were driving the costs up as mental health is included within CHC.</p> <p>S Cumiskey welcomed the report and the overall position. She commented that there needed to be further work in respect of cross-categorisation as a lot is put into prescribing but not all are necessarily linked to the prescribing of anti-depressants. She asked if there was a way of testing out the validity of the numbers coming through into inter-categorisation and E McGrath advised that it is driven by the ledger and that the finance team link with the mental health commissioning leads. A review of each line on the codings within the MHIS on the ledger is undertaken, a monthly meeting of a delivery assurance group is held and there was also oversight from the national team on the forecast on a category by category basis.</p> <p>Thaks were conveyed to E McGrath and the team for the work undertaken on the MHIS.</p> <p><b>RESOLVED: That the Audit Committee:</b></p> <ul style="list-style-type: none"> <li>• <b>Noted and approved the report and Letter of Representation.</b></li> <li>• <b>Endorsed the Chief Executive signature on the MHIS Compliance Statement.</b></li> </ul>	
14.	<p><b><u>Financial Management Report</u></b></p> <p>K Disley spoke to a circulated report which provided an update on the following corporate registers for the ICB:</p> <ul style="list-style-type: none"> <li>• Losses, Write-offs and Special Payments Register – 1 new entry</li> <li>• Tender Waivers Register – 7 new tender waivers approved</li> </ul>	

<ul style="list-style-type: none"> <li>• Procurement Decisions Register – 7 new entries</li> <li>• NHSE Protocol Breaches – none</li> </ul> <p>The Chair made particular reference to the tender waivers commenting that it would be beneficial if the committee had sight of the funding source. K Disley advised that some relate to research and some relate to pilots in respect of commissioning decisions.</p> <p>I Cherry commented that there continued to be a high number of single tender waivers being carried out and sought clarification as to whether a robust process was being undertaken when considering each single tender waiver. He expressed concern at the potential for challenge and the Chair asked I Cherry to consider the type of question he could convey to address this.</p> <p>K Disley advised that they were the last of the single tender waivers to come through prior to the new provider selection regime which came into force on 1 January 2024. She further commented that consideration would need to be given as to the new reporting format and that work was taking place in devising the templates. It was noted however, that single tender waivers for non-clinical contracts would continue and would be reported to the Audit Committee.</p> <p>The Chair referred to the following single tender waivers:</p> <ul style="list-style-type: none"> <li>• To extend the Personalised Care Workforce Delivery Programme for the delivery of personalised care training across Lancashire and South Cumbria from 1 April 2024 to 31 March 2025 with the option to extend for a further 6 months. <b>Further information requested in respect of in-house training.</b></li> <li>• To extend Special Care Dentistry and Unscheduled Dental Care Special Care Services from 1 April 2024 to 31 March 2026. <b>Further information requested around the detail of this waiver.</b></li> </ul> <p><i>T Cutler left the meeting.</i></p> <ul style="list-style-type: none"> <li>• To transfer a specialist learning disability service provided to four specific individuals (three, the responsibility of Lancashire and South Cumbria and one, the responsibility of Greater Manchester) to a new provider from 1 March 2024 to 31 March 2025.</li> </ul> <p>The Chair commented that the service appeared to be expensive and S Cumiskey advised that they can often be people with very complex needs and that consideration needed to be given in terms of planning ongoing needs.</p> <p>E McGrath advised that it was an interim arrangement pending review and that NHS England was leading and providing support to the ICB in respect of the four placements. Regular meetings were held with clinical teams and NHS England in respect of the current position. E McGrath further advised that it was a holding position and that a detailed review was being undertaken in relation to future pathways with a view to it being implemented in Q2 of 2024/25.</p> <p>S Cumiskey commented that as this issue has both quality and value for money aspects, it would be appropriate for both the Quality Committee and the Finance and Performance Committee to be involved in reviewing this matter. Given that S O'Brien, Chief Nursing Officer attends both committees, she would be asked to oversee the issue, including how it is reported to each of the committees. It was noted that as implementation of the review was scheduled to take place in Q2 as advised by E McGrath, it would be helpful if a progress report could be taken to the committees in or before October 2024.</p> <p><b>RESOLVED: That the Audit Committee note the report.</b></p>	<p>KD</p> <p>KD</p> <p>LJT to SO'B (completed)</p>
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	<i>Emma McGrath left the meeting.</i>	
15.	<p><b><u>Audit Insights Update</u></b></p> <p>The Audit Committee received an update report on the insights, publications and learning opportunities that are brought to the attention of the ICB's Executive leadership team each month.</p> <p>The Chair referred to the MIAA insight 'Through the Audit Committee lens series – Data quality – Board reporting' commenting that assurance had not been received. It was suggested that it might sit with information governance and A Patel would be asked to review.</p> <p><b>RESOLVED: That the Audit Committee note the update report.</b></p>	AP
16.	<p><b><u>Committee Escalation and Assurance Report to the Board</u></b></p> <p>J Birrell provided a verbal summary of the items for inclusion on the committee escalation and assurance report to the Board and would liaise with the Board Secretary to finalise the report for submission to the Board.</p> <p><b>RESOLVED: That the Audit Committee note the verbal summary provided.</b></p>	JB/LJT (completed)
17.	<p><b><u>Items Referred to Other Committees</u></b></p> <p><b>RESOLVED: That the tender waiver relating to specialist learning disability service provided to four specific individuals be referred to the Finance and Performance Committee and the Quality Committee as outlined at item 14 under financial management.</b></p>	LJT to SO'B (completed)
18.	<p><b><u>Any Other Business</u></b></p> <p><b>Draft ICB Accounts</b> - K Disley advised that the draft ICB accounts and annual report would be circulated to members outside of the meeting. I Cherry offered to undertake a review on behalf of the Audit Committee and would feed back any questions or matters of clarification. The Chair welcomed this offer of support.</p> <p>K Disley would provide a presentation summarising the reconciliation of the month 12 reported position to the statutory financial statements.</p>	KD/IC  KD
19.	<p><b><u>Items for the Risk Register</u></b></p> <p><b>RESOLVED: That there were no new items identified.</b></p>	
20.	<p><b><u>Reflections from the Meeting</u></b></p> <p>There were no comments made.</p>	
21.	<p><b><u>Date, Time and Venue of Next Meeting</u></b></p> <p><b>Extraordinary Meeting of the Audit Committee - Annual Report and Accounts</b> Wednesday, 19 June 2024 at 9.30am-10.00am, Rivington Room, ICB Offices, County Hall, Preston</p> <p><b>Regular Audit Committee</b> Thursday, 25 July 2024 at 10.00m-12noon, Coniston Room, ICB Offices, County Hall, Preston</p>	