

BNSSG ICB Audit and Risk Committee Meeting

Minutes of the meeting held on 7th February 2023 at 10 am, MS Teams

Minutes

Present		
John Cappock	Audit Committee Chair - Non-Executive Member	JCa
Ellen Donovan	Non-Executive Member – Quality and Performance	ED
Alison Moon	Non-Executive Member – Primary Care	AM
Steve West	Non-Executive Member – Finance, Estates and Digital	SW
Apologies		
Jane Norman	Audit Committee Chair - Non-Executive Member UHBW	JN
Jo Walker	Chief Executive Officer, North Somerset Council	JW
Jaya Chakrabarti	Non-Executive Member – People	JCh
Nick Atkinson	Head of Internal Audit, RSM	NA
Gail Turner-Radcliffe	Audit Manager, Grant Thornton	GTR
In attendance		
Sarah Truelove	Chief Financial Officer and Deputy Chief Executive, BNSSG ICB	ST
Gareth Cottrell	LCFS Manager, Audit South West	GC
Sarah Smith	LCFS Manager, Audit South West	SS
Victoria Gould	Client Manager, Internal Audit RSM	VG
Jon Roberts	Partner, Audit Grant Thornton	JR
Marc Rosato	Audit Manager, Grant Thornton	MR
Catherine Cookson	Associate Chief Finance Officer	CC
Sarah Carr	Corporate Secretary, (note taker) BNSSG ICB	SC

	Item	Action
A	<p>Meeting with Auditors without the Executive</p> <p>JCa welcomed Committee members and external auditors to the meeting without the executive. JC welcomed GC and MR to the meeting. JCa noted this meeting followed on quickly from the December meeting and that future meeting dates would be reviewed to ensure an appropriate meeting pattern. JCa asked colleagues whether there were any issues to discuss. AM commented on the outstanding recommendations relating to the Internal Audit Safeguarding report. AM asked if the initial risk identified was to be revisited and the actions updated. JCa asked VG if there was sufficient traction on the</p>	



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	<p>part of the ICB to closed down the actions. VG explained there had been a positive discussion with the ICB team members. The Internal Audit Progress Report included updates to the actions and agreed timeframes for completion. AM welcomed the progress reported and observed it was important to have confidence that the actions would be completed. AM noted that some actions were not due for completion until September 2023. SW asked about the HFMA self-assessment, noting that the ICB's scores were consistently lower than other ICBs, and asked if the ICB had been more reserved in its assessment. VG noted that ICB had been open and honest in its scoring and the review had agreed with the ICB's scoring. Noting the previous discussions regarding safeguarding, ED asked about the protocol for inviting executive directors to attend the meeting to respond to questions and whether Rosi Shepherd (RS), as Senior Responsible Officer, would be invited to attend the April meeting. JCa agreed it was appropriate to request that executives attend the meeting when relevant to respond to the Committee's questions.</p>	
1	<p>Welcome and Apologies</p> <p>JCa welcomed all to the meeting and introduced GC and MR. The above apologies were noted. JR explained that GTR had been injured and would be away from work whilst she recovered. JCa asked that the Committee's best wishes were shared with her. JCa reminded members of the four aims of the ICB and that, whilst the Committee had a specific remit in relation to Value for Money and productivity, it was important to consider the matters before it in terms of all the aims.</p> <p>JCa gave an update on recent meetings he had attended. The regional meeting for Audit Chairs and Directors of Finance had been an opportunity to discuss common challenges and receive updates on Internal and External Audit. A meeting of BNSSG Audit Chairs and Directors of Finance had been convened to provide a broader system perspective. The intention was for this group to meet six monthly. The initial meeting had focused on the HFMA self-assessment. The next meeting would look at system risk management. JCa reflected on the ICB Risk Management seminar held at the beginning of January and the ongoing work to develop a system Strategic Risk Register. JCa asked members if there were other issues to raise. There were none.</p>	
2	<p>Declarations of Interest</p> <p>There were no new declarations and no existing declared interests that conflicted with agenda items.</p>	
3	<p>Minutes of the Previous Meeting and Action Log</p> <p>The minutes were agreed as a correct record. The Committee reviewed the action log.</p> <ul style="list-style-type: none"> Action 29/09/22 ref 04 item 15 SC confirmed that the CRR had been updated with the risks relating to primary care delegations. The CRR was currently under review by the executive team. SC explained the update had 	

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	<p>been shared with AM. It was agreed that the action would remain open until the executive review had been completed.</p> <ul style="list-style-type: none"> • Action 09/12/22 ref 09 and 10 item 5. JCa noted that VG had provided an update on the outstanding actions relating to the safeguarding audit in the private pre-meeting. The Committee continue to voice concerns about the delay in responding the actions and requested that these were taken forward with a degree of urgency. RS, Senior Responsible Officer, would be invited to the April meeting to provide the Committee with assurance regarding progress. It was requested that the Committee’s concerns were shared with RS and an invitation to the meeting be made. • Action 09/12/22 ref 11 item 6 the additions requested were included in the Counter Fraud Report. This action was closed • Action 09/12/22 ref 12 and 13 item 7 would be covered in the External Audit update. These actions were closed • Action 09/12/22 ref 14 item 10 it was agreed this action was closed <p>All other due actions were closed.</p>	SC
4	<p>Internal Audit 2022/23 Progress Report</p> <p>It was agreed to take item 7.3 HFMA Checklist – implementation of improvement plan with this report. VG explained the report described progress against the 2022/23 audit plan. Discussions regarding the 2023/24 audit plan were being held with management. Highlighting the report, VG explained the Key Financial Controls audit had been concluded and the report was in draft. This would come to the April meeting. Audit work underway included the system performance management and risk management audits. The latter had included the Risk Management Seminar referred to previously and the review of the new risk management framework. There would be a review of governance and risk management since the establishment of the ICB. The governance at place audit had been deferred as this was an emerging development.</p> <p>Attention was drawn to the management actions. Since the last meeting four actions had been closed. The updates to the safeguarding actions were highlighted. These would continue to be monitored and reported. The actions relating to the Key Financial Controls audit were ongoing and due for completion in September 2023.</p> <p>JCa noted the position with the audit plan for 2023/24. JCa would meet with NA and ST prior to the April meeting to discuss the draft audit plan and this would be shared with the Committee in advance to ensure that it reflected the Committee’s comments and priorities.</p> <p>ED noted the comment regarding the development of governance at place and asked what were the risks to the ICB and how the organisation compared to others. It was important that the ICB had in place appropriate controls. ED</p>	ST

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	<p>commented on the Committee's concerns regarding safeguarding and asked if it would be appropriate to carry out a 'deep dive' at either the Outcomes Performance and Quality Committee or Audit and Risk Committee. VG commented on the deferred audit of governance at place. This had been delayed until the final quarter of 2022/23 to allow time for governance at a place level to develop. The structures for a place-based approach were in development however no formal structure was in place for audit purposes. The ICB position was similar to other systems where place-based structures were being developed. ST explained that the formal locality structure would be informed by the ongoing internal reorganisation. JCa asked if there was an emerging trend with audits being delayed. VG commented that 2022/23 had been an unusual year with systems and processes embedding as the organisation established. If the trend continued in 2023/24 this would be reported to the Committee. AM asked about the revised timing for the deferred audit. VG explained this would be discussed with ICB management to understand the most appropriate timetable. AM observed that the Committee needed to be informed about the timing of the audit noting a delay until the final quarter of 23/34 would be an issue. ST confirmed that the audit plan would be discussed at the executive team meeting and a proposed timetable for audits would come back to the Committee. The Committee would have the opportunity to review the proposed audit plan. JCa commented that it was important for the Committee to review the proposed plan as soon as possible.</p> <p>There was a discussion about the suggested deep dive into safeguarding arrangements. JCa observed that this was an area of potential risk for both members of the public and the organisation and endorsed more detailed scrutiny of the issues. The consideration was whether this was more appropriately conducted at a different committee and reported back to the Audit and Risk Committee. AM noted there two issues, the effectiveness of the systems and process in place to deliver safeguarding arrangements and the outcomes experienced by people within BNSSG. It would be appropriate for a deep dive regarding outcomes to be conducted at the Outcomes, Performance and Quality Committee, whilst the Audit and Risk Committee considered the systems of control in place. SW agreed and noted it was important that this was taken forward quickly. ED welcomed a deep dive by the Committee into the controls in place and commented that it would be helpful to use this to inform any further deep dive on the part of the Outcomes, Performance and Quality Committee. JCa observed that committee chairs would discuss committee workplans with the ICB Chair and this would be a matter for that discussion.</p> <p>JCa asked VG if a deep dive by the committee would replicate the work of the auditors. VG noted there was potential to include a new safeguarding audit in the 2023/24 audit plan and involve the Committee in setting its scope to ensure that it extended beyond training matters. ED welcomed this approach and</p>	

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	<p>noted it was important to consider whether there were sufficient resources as part of the audit.</p> <p>ST highlighted that, as part of the organisational change process, the resources available for safeguarding had been increased as this was recognised as an important matter. JCa welcomed this information and asked for a new audit focused on safeguarding to help inform further work by other committees to be added to the plan given the concerns voiced by Committee members. AM noted that the new audit would take into account system working. VG asked members to share further inputs for the 2023/24 plan with SC who would forward them to the auditors.</p> <p>The Committee considered the Financial Sustainability Benchmarking Report. VG explained the ICB had had scored its self as below average across the statements. The audit review had supported this assessment as an accurate reflection of the position. The action plan in response looked at addressing areas of weakness, and progress reports would be presented to the committee to provide assurance. There was the potential to conduct a follow up review as part of the 2023/24 plan. SW noted the ICB scores demonstrated a level of self-awareness and asked if other organisations had been less self-critical in their assessments. VG commented that the ICB had been particularly open and transparent and had been clear as to where improvements were needed. ST noted that the internal auditors had found two areas where they had considered the ICB self-assessment to be too low.</p> <p>AM observed that the self -assessment had been mandatory and asked ST if it had been a valuable exercise. ST commented that it had been a worthwhile exercise and had required organisations to revisit arrangements and controls. ST observed there was now work to take forward to ensure that organisations engaged culturally with financial controls and the assessment had been a helpful starting point.</p> <p>The Committee took item 7.3 at this point. CC explained the paper provided an update on the implementation the improvement plan. The ICB identified 35 actions of which 8 had been completed, 6 were in progress, one action require continues improvement and the remaining were to be finished by March 2023. The checklist would be revisited in the autumn to identify further improvements to be taken forward for the 2024/25 financial cycle. It was possible that this would become an annual action.</p> <p>JCa asked about the culture and training aspects and asked what actions were being taken to address this issue. JCa noted the increased ICB focus on development. ST explained the initial stages involved clearly identifying budget holders and ensuring that appropriate training was in place with clarity</p>	<p>ST</p> <p>SC</p>

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	<p>regarding individual responsibility. CC added that personal objectives would be developed for budget holders to add to annual appraisals. Finance training for non-finance staff was being offered to develop a wider understand of financial matters. There were no further questions on this item.</p> <p>VG drew attention to the Healthcare review of 2021/22 internal audit high priority management actions which was an analysis of the high priority actions identified across RSM's healthcare clients. The main themes related to Human Resources and staffing, governance and risk, risk management, financial management and data security. For CCGs the key issues related to governance and risk, data security and data quality. This would be used to help inform future audit plans. SW noted these were risk areas across all sectors and welcomed the report. JCa thanked VG for the updates</p> <p>The Committee received the reports</p>	
5	<p>Counter Fraud and Security Management progress report</p> <p>GC informed members that the recruitment process for the vacant post of LCFS lead had started. GC drew attention to the report and highlighted the increase in cyber enabled fraud. Engagement with staff focused on safeguards when using IT, issues related to emails and social engineering techniques used by fraudsters to get past technical safeguards. The upcoming Counter Fraud Champions Network meeting would focus on fraud risk assessment. The NHSCFA was undertaking a 'thematic engagement exercise' reviewing a sample of organisations approaches and this would be presented by Tim Barlow of the NHSCFA at the meeting. GC explained that the ASW Counter Fraud service use the same approach to risk assessment across its clients and an acute services client had been selected as part of the sample. As part of the exercise ASW had met with the NHSCFA and it had been confirmed that the approach to risk assessment taken was regarded as an example of good practice.</p> <p>The counter fraud work plan for 2022/24 had been delivered due to an unusual amount of reactive work. A process to manage this going forward had been agreed with the ICB management to ensure a counter fraud service continued to be available. Attention was drawn to the additional papers covering Bank Mandate Fraud and a seasonal tips to avoid fraud. GC explained that the Professional Briefing on Bank Mandate Fraud set out the steps finance teams should take to prevent this type of fraud.</p> <p>AM noted the increase in cyber based fraud and commented on the reported training compliance levels of 80%. AM asked ST what steps would be taken to increase the level of compliance to help staff protect themselves both professionally and personally. ST explained that mandator training compliance had been discussed at the ICB People Committee and agreed to take this back to the Committee to understand what further actions could be taken. SC</p>	

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	<p>encouraged members to ensure that they were compliant with their statutory and mandatory training. JCa noted it was important to set the cultural expectation that all people required to complete mandatory training did so.</p> <p>JCa commented that he attended the Counter Fraud Champions network on behalf of the ICB. The geographical range of the network was notable and it was practical and helpful. JCa thanked GC for organising these events.</p> <p>The Committee received the report</p>	
6	<p>External Audit Plan and Report</p> <p>JR noted that a planning statement for the first quarter of 2022/23 for the CCG had been made and a more detailed formal plan for the three month period from April to July 2022 would come to the Committee. A detailed plan for the ICB nine-month period would be produced and both plans would be presented to the April Committee meeting. JR set out the background to the audit process, highlighting the slippage of Local Authority audits which affected the timetable for NHS audits. This was a concern for auditors, regulators and audited bodies. JR commented that the external auditors were fully committed to the ICB audit and this was a priority. To mitigate the effects of the slippage on local authority audits the areas for testing had been prioritised. The external auditors had invested in additional capacity. The requirement for a three month and nine month audit also affected the audit process. The three month audit entailed an offsite approach in mitigation. JR observed that communications with the ICB had been an issue and that a helpful catch up had recently taken place with the ICB team and weekly communications were now in place. JR acknowledged that more focus was needed on regular communications. JR explained that if the adopted approach with offsite audits was teams rather than individual audits proved successful it would be taken forward. JR explained that MR was a 'protected resource' for the audit. The Value for Money element had been allocated to a specialist NHS audit team within Grant Thornton. The audit would be delivered within the required timescales</p> <p>JCa thanked JR for the update and noted that the ICB was considering holding an AGM in July. JCa invited comments from the Committee. ST noted that one of the lessons identified previously was the importance of planning work early. ST commented it would be helpful to have visibility of the planning and work underway so that teams understood the key issues and were able to make preparations for the audit. JR commented that Autumn period had been focused on agreeing the contractual framework for the audit and the resources had been mobilised from the new year. MR explained that more planning time was allocated than in previous years and a plan would be developed in February for the next meeting. JCa asked for the plan to be circulated to the Committee before the April meeting and that in future the expectation was that plans would be presented to the Committee for scrutiny and approval. JR</p>	

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	<p>explained that a detailed project plan was in place and a summary of this would be shared with the ICB.</p> <p>ED asked for more specific detail on the timetable of the audit, and commented that it was surprising that the key dates had not been shared with the ICB as yet noting it was nearing the end of the financial year. MR explained the ICB planning had started and the plan for the final accounts would be ready at the end of February. The deadline for the submission of the accounts by the ICB to NHS E and to the external auditors was 24th April and the audit period would begin. ED asked if this was sufficient. ST explained the challenge was that the Committee had not received the plan and the next meeting would be held after the submission of the accounts to the auditors. It was important that the Committee had sight of the audit plan before the April 28th meeting. There was a discussion about establishing an additional meeting of the Audit and Risk Committee to review the External Audit Plan. It was agreed that an additional meeting would be held in March and the plan would be shared in advance with the ICB at the beginning of March. It was noted that the date of the June meeting to receive and approve the final accounts was to be confirmed.</p> <p>The Committee received the update</p>	<p>SC</p> <p>JR</p> <p>SC</p>
7	<p>Annual Accounts Process and year end plan</p> <p>CC explained the paper was intended to provide the Committee with assurance that the ICB finance team had in place plans for the delivery of the 2022/23 three month and nine month accounts and audit. The team continued to attend NHSE workshop on the process and also focused workshops provided by Grant Thornton. It was explained that some of the national guidance had been delayed and previous years guidance was being substituted for planning purposes. Guidance specific to 2022/23 would be followed on its publication. SC explained that the Annual Report Template for the nine month annual report was delayed and this had delayed the development of the annual governance statement. Once available the statement would be drafted and shared virtually with the Committee for comment. SC apologised, noting the statement would normally be presented to the Committee. ED asked why the governance statement was delayed. It was explained that the publication was delayed centrally.</p> <p>The Committee received the report</p>	<p>SC</p>
8	<p>Strategic Risk Register</p> <p>ST explained that the outputs of the January seminar were being used to inform the development of the ICB Strategic Risk Register. A number of common themes across the causes of risks had been identified and the SRR would be structured to show the risks, controls and mitigations and assurances. Work was progressing on the system risk management framework which described the oversight of risk and responsibility for mitigating actions. In parallel the ICB specific risk register was undergoing review by the executive team to ensure</p>	

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	that it was fit for purpose. The intention was that the risk framework and SRR would be shared with the board in March for comment. The Committee received the update	
9	Matters for Information The Committee received the following matters for information: <ul style="list-style-type: none"> • Losses and Compensation Payments • Waiver of Standing Financial Instructions • 2022/23 Q3 Information Rights Report • Committee Workplan There were no comments or questions	
12	Review of Meeting Effectiveness GC provided the review of meeting effectiveness and commented: <ul style="list-style-type: none"> • Highlighting the four aims at the beginning of the meeting had been a helpful focus and set the tone of the meeting. • Those present had sought clarity when required and expectations with regard deadlines and information required had been clearly set. • Those present had made contributions • The highlighting of the importance of mandatory training was welcomed. • Overall, the meeting had been effective. 1JCa thanked GC	
13	Date of Next Meeting Single item meeting March 2023, MS Teams Full meeting 28 th April 2023, MS Teams	
B	Meeting with the Executive without Auditors JCa shared with members information about the audit position received at the regional meeting. A number of other organisations had significant audit issues and had been unable to secure an external auditor. JCa noted the BNSSG audit position and that ICB management were actively pursuing concerns with the auditors. Concerns about the audit approach had been shared with the auditors. Given the regional and national position the ICB was unlike to secure significant traction with the auditors. The members discussed the responses made by the external auditors and the audit situation. It was noted this was a national issue and that it required a central response. The Committee noted the potential to review audit lead arrangements once the 2022/23 audit was completed. ED asked if the ICB could increase its profile with the auditors. CC explained that the ICB was ahead of other ICBs in its audit approach and there was a risk that as other organisations began their audits the auditors would have more queries from clients to respond to. It was agreed that ST would write to the external auditors expressing the concerns of the committee regarding the planning for the audit and ask for more detail on the timescales and actions for completion. It was agreed to hold the additional meeting on the 10 th March.	

Sarah Carr, Corporate Secretary, February 2023

BNSSG ICB Audit and Risk Committee Meeting

Minutes of the meeting held on 10th March 2023 at 10 am, MS Teams

Minutes

Present		
John Cappock	ICB Audit Committee Chair - Non-Executive Member	JCa
Ellen Donovan	ICB Non-Executive Member – Quality and Performance	ED
Loran Harrison	Sirona Non-Executive Member, Audit and Assurance Committee Chair	LH
Alison Moon	ICB Non-Executive Member – Primary Care	AM
Jane Norman	UHBW Non-Executive Member, Audit Committee Chair	JN
Jo Walker	Chief Executive Officer, North Somerset Council	JW
Steve West*	ICB Non-Executive Member – Finance, Estates and Digital	SW
Apologies		
Jaya Chakrabarti	ICB Non-Executive Member – People	JCh
Gail Turner-Radcliffe	Audit Manager, Grant Thornton	GTR
In attendance		
Sarah Truelove	Chief Financial Officer and Deputy Chief Executive, BNSSG ICB	ST
Jon Roberts	Partner, Audit Grant Thornton	JR
David Bray	Audit Manager, Grant Thornton	DB
Emily Mayne	Director Grant Thornton	EM
Marc Rosato	Audit In charge, Grant Thornton	MR
Catherine Cookson	Associate Chief Finance Officer	CC
Sarah Carr	Corporate Secretary, (note taker) BNSSG ICB	SC

	Item	Action
1	<p>Welcome and Apologies</p> <p>JCa thanked all for attending* [SW attended the part B meeting] this additional meeting of the committee and introduced LH, Audit and Assurance Committee Chair at Sirona. The above apologies were noted. JCa noted this was a single agenda item as the paper had not been available for the February meeting.</p>	

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	<p>JCa commented that the committee did not want to be in this position in future years. The committee had a schedule of meetings published in advance and it was incumbent on contributors to ensure papers were prepared in a timely manner for meetings. So that members of the committee were in a position to take stock and confirm that they were comfortable with arrangements.</p>	
2	<p>Declarations of Interest</p> <p>There were no new declarations and no existing declared interests that conflicted with the agenda item. JCa informed members that he made met with Grant Thornton previously as part of a newly instigated regular audit meeting cycle. JCa reported he had shared details of the ICB counter Fraud service with Grant Thornton. JCa noted that the report at item 3 referred to the transition from CCG to ICB. JCa informed members that he had been the Chair of the CCG Strategic Finance Committee which had and the committee had been comfortable that the transition process was robust and completed.</p>	
3	<p>External Audit Plan</p> <p>JCa noted that the objectives and challenges faced by the ICB were highlighted in the paper. JCa drew attention to the need for grip and focus on the financial position, the importance of high clinical standards and focus on productivity, and the impact of cost pressures, particularly on the wider population.</p> <p>JR introduced the Grant Thornton audit team, DB was providing support in the absence of Gail Turner-Radcliffe, MR, Auditor in Charge and EM, Grant Thornton Director, national Value for Money Team. EM and her team would deliver the Value for Money (VfM) element of the audit.</p> <p>JR noted it was an unusual audit year. Under normal circumstances the ICB External Auditors would be appointed prior to the start of the audit year. That was not the case for this year with the transition from CCG to ICBs. The procurement schedule for External Audit delayed establishing the audit cycle. The additional complication of the requirement for part year accounts up to the demise of the CCG on the 30th June was noted.</p> <p>DB explained that he was leading the ICB audit 9-month audit and the South West CCGs' 3-month audits providing consistency of approach across the two. DB drew attention to page 6 of the paper which provided a summary of the audit plan. This set out the significant risks requiring audit consideration. The risk identified concerning management override of controls was a non-rebuttal risk for all organisations across private and public sectors. This would be the main focus of the audit work and would include an audit of journal entries and the review of changes to accounting policies or unusual one-off accounting transactions. The planning materiality was highlighted. This had been determined to £22 million for the ICB which equated to 1.5% of the budgeted gross operating costs for the 9-month period. DB noted due to the 9-month</p>	

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	<p>reporting period the level of materiality was lower than usual, whilst the balance sheet remained relatively unchanged. Other risks were set out at page 7 of the paper. The two risks described had been rebutted as they were not felt to be a significant risk in terms of the ICB's financial statements. DB invited questions. There were none.</p> <p>EM took the committee through the VfM element of the audit plan. This work was driven by the National Audit Office (NAO) guidance which set out three areas; financial sustainability, improving economy, efficiency and effectiveness and governance. In addition to being compliant with the NAO code this was an opportunity to add value and look at areas that were particularly relevant within the sector. Attention was drawn to the three areas of potential significant weakness identified at this stage: development of governance arrangements, system financial deficit and health inequalities. EM noted these risks were not specific to BNSSG ICB. Grant Thornton had been appointed to 16 ICBs nationally. The VfM governance work would look across a range of areas including quality governance. The team included a registered nurse to support this specific work. EM explained all bodies at this stage had a risk of system financial deficit. The work would look at the impact of financial pressures on systems and the arrangements in place to address risks, particularly cost improvement plans. The NAO code enabled the VfM work to focus on specific issues that were pertinent to individual systems. The review of arrangements and plans in place regarding health inequalities had been identified as an area of specific benefit for the ICB. It was recognised that the ICB had only been established for 9 months. Whilst the requirement was to report to the public regarding areas of significant weakness or potential significant weakness the team was mindful that the position was evolving.</p> <p>JCa asked for more detail about the VfM team and how Grant Thornton would use its position as External Auditor for one third of ICBs to develop and share best practice. EM explained that Grant Thornton was the only firm to have establish a national VfM team. This team included members with clinical, NHS finance and governance backgrounds. The intention was to have a team that understood the issues and the strategies that organisations developed and used. This was in addition to members with extensive audit experience. The substantive team was supported by a bank of subject matter experts. EM noted that reports would include a contextual narrative.</p> <p>JW asked about the scope of the VfM work focused on health inequalities and noted the system was wider than health partners and included local authorities. EM explained that the national team delivered the VfM audit across both local government and the health sector. EM would work closely with the local Government VfM lead. The intention was to understand the specifics of a particular area and also obtain the wider perspective in term of health</p>	

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<p>inequalities. EM recognised this was a challenging area and there was no expectation to identify immediate gains. The work would look at the arrangements in place to provide assurance that actions would have a positive impact. JCa asked if the narrative would include information on best practice approaches. EM explained that the narrative would include elements of the wider national context. There would be specific narrative relating to the ICB. EM noted that Grant Thornton published a range of documents and that some messages for organisations would be reported through these including comparisons across the ICB client base. JW asked if the health inequalities audit would focus on structures and processes. EM confirmed this.</p> <p>JR explained the VfM audit would comment on the adequacy of arrangements in place and not whether an organisation was delivering VfM. Health inequalities had been identified as a priority area for the ICB. The term 'risk of significant weakness' reflected the language of the NAO. JW asked if the VfM work would include the interrelationship with the ICP and localities? JR confirmed this. The initial stage would include identifying the key ICB contact at to support the scoping of the work. JCa commented that JN had asked a question in the chat function. The question was would the same approach be taken to the clinical governance audit. EM confirmed this. [EM left the meeting at this point]</p> <p>ED observed that the ICB had only been established for nine months and it felt relatively earlier to carry out the VfM work focused on health inequalities. ED asked ST for her view. ST commented that the focus on health inequities was significant for the ICB and it was understood that nationally health inequalities had widened. It was relatively early to audit the impact of the ICB on health inequalities, however it was helpful to test arrangements. The contextual narrative would be important</p> <p>JR noted that health inequalities could be part of subsequent audits to track progress. ED noted that the ICB was on a journey and this was the starting position; it would be helpful to have a Board level discussion in the future. JW commented that the scope of the VfM audit work on health inequalities would be important and offered to join conversations to develop the scope. JW noted it would be helpful to have a further focused ICB Board discussion about health inequalities given the link to the ICB's strategic intentions. JW observed that that tackling health inequalities was a system challenge and went beyond the scope of the ICB. It was difficult to identify a single first point of contact for audit questions regarding health inequalities.</p> <p>JR welcomed wider discussions about the scope of this element of the VfM work. AM supported this approach. ST agreed that a collective approach to</p>	<p>External Auditor</p> <p>ST</p>

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	<p>developing the scope of this audit would be welcomed and agreed to explore with Shane Devlin the potential for a future Board level discussion.</p> <p>JCa asked if there were national concerns regarding areas of weakness. JR explained the NAO provided guidance on the VfM audit which the External Auditors were required to follow. The External Auditors were independent organisations and there was no default position regarding areas of potential weakness. The Code of Practice had been changed to introduce a more narrative approach to the VfM audit compared to the previous default VfM conclusions for systems with historical financial pressures. JCa thanked all present for their comments.</p> <p>The Committee received the report</p>	
4	<p>Date of Next Meeting</p> <p>Single item meeting March 2023, MS Teams Full meeting 28th April 2023, MS Teams</p>	
B	<p>Meeting with the Executive without Auditors</p> <p>JCa observed the meeting had been constructive and welcomed the input from DB and EM. The VfM focus on health inequalities was potentially beneficial. JCa asked that ST and CC kept him informed regarding progress with the audit plan.</p> <p>ED noted that page 16 of the plan included a timeline. ED asked if the deadlines for the draft financial statements had been agreed with the ICB. ST agreed to continue to review the deadlines with the External Auditors. ST noted that the report did not have a confirmed date for the committee to receive the Auditor's Annual Report. It was asked if committee dates had been agreed for the year. SC confirmed this, with the exception of the June 2024 meeting and agreed to check these were in all diaries [post meeting note: dates for 203/24 had been shared with all committee members and attendees and included a meeting in September 2023]. JCa asked that meetings were added to dairies up to December 2024.</p> <p>SW joined at this point and JCa recapped the main points of the meeting.</p> <p>CC commented on timelines explaining that the audit timetable was subject to national deadlines. It was possible that the papers for the June 2023 meeting to approve the final accounts would not be ready one working week before the meeting. CC confirmed that discussions regarding final deadlines were ongoing. SC commented that the meeting date for June 2024 would not be confirmed until the 2023/24 national timetable was published.</p>	<p>ST/CC</p> <p>ST</p> <p>SC</p>

Sarah Carr, Corporate Secretary, March 2023