

Subject to approval

**Minutes of a Meeting of an Extraordinary Meeting of  
the Lancashire and South Cumbria Integrated Care Board  
Held on Monday, 16 June 2025 at 10.45am, MS Teams**

	Name	Job Title
<b>Members</b>	Emma Woollett	Chair
	Jim Birrell	Non-Executive Member
	Roy Fisher	Non-Executive Member
	Professor Jane O'Brien	Non-Executive Member
	Samantha Proffitt	Acting Chief Executive
	Professor Sarah O'Brien	Chief Nursing Officer
	Stephen Downs	Acting Chief Finance Officer
	Steve Igoe	Non-Executive Member
	Dr Julie Colclough	Partner Member – Primary Care
	Denise Park	Partner Member – Local Authorities
<b>Participants</b>	Professor Craig Harris	Chief Operating Officer
	Asim Patel	Chief Digital Officer
	Debie Eyitayo	Chief people Officer
	Steve Spill	Associate Non-Executive
	Debra Atkinson	Company Secretary/Director of Corporate Governance
<b>In attendance</b>	Kirsty Hollis	Associate Director and Business Partner to the Chief Executive
	Davina Upson	Board Secretary and Governance Manager

Item	Note
<b>77/25</b>	<p><b><u>Welcome and Introductions</u></b></p> <p>The Chair welcomed members to the extraordinary meeting of the Lancashire and South Cumbria Integrated Care Board which had been convened to approve the annual report and audited accounts. She advised that all NHS bodies were required to prepare their 2024/25 annual report and accounts in accordance with the Group Accounting Manual (GAM) issued by the Department of Health and Social Care (DHSC) and were responsible for submitting their annual report and audited accounts to NHS England by 9am 23 June 2025.</p> <p>The Chair conveyed her thanks on behalf of the Board to J Birrell, Chair of the Audit Committee for the work which had been undertaken over the last 12 months by the Audit Committee and for his contributions and collaboration with both the internal and external auditors, which had been helpful and supportive to the Board.</p>

78/25	<p><b><u>Apologies for Absence/Quoracy of Meeting</u></b></p> <p>Apologies for absence had been received from Non-Executive Members S Cumiskey and D Corcoran, Dr A Knox, Acting Medical Director and Partner Members C Oliver and A Cummins.</p> <p>The meeting was quorate.</p>
79/25	<p><b><u>Declarations of Interest</u></b></p> <p><b>RESOLVED:</b>      <b>That there were no declarations of interest relating to the items on the agenda.</b></p> <p><b>Should any other conflicts arising during the meeting, the Acting Chair should be advised accordingly.</b></p> <p><b>Board Register of Interests - Noted.</b></p>
80/25	<p><b><u>Recommendations from the Audit Committee</u></b></p> <p>The chair asked Jim to provide a report from AC.</p> <p><b>(a) Annual Report of the Audit Committee for the Period 1 April 2024 to 31 March 2025</b></p> <p>J Birrell, Chair of the Audit Committee spoke to a circulated report which was the Annual Report of the Audit Committee 2024/25 and summarised the work undertaken between 1 April 2024 and 31 March 2025. The report was structured along the lines of the format recommended in the NHS Audit Committee Handbook and aimed to both summarise the work of the year and highlight the key issues which the committee felt should be brought to the attention of the Board.</p> <p>It was commented that the report highlighted the same issues/concerns as identified by the auditors and reflected a mainly positive year, with attention being drawn to the discussions related to All Age Continuing Care (AACC). It was noted that at least one MIAA audit or interim/final briefing report was presented to each Committee meeting with an in-house deep dive being commissioned and presented to the September 2024 meeting, noting that the ICB was an outlier in terms of the number of approved packages and had significant risks associated with delivery of the CIP target which was underlined in the final MIAA report that contained 19 High Priority recommendations.</p> <p><b>RESOLVED:</b>      <b>That the ICB Board note the Annual Report of the Audit Committee 2023/24.</b></p> <p><b>(b) Internal Audit Annual Report and Head of Internal Audit Opinion (HoIAO) 2023/24 – Final</b></p> <p>The final 2024/25 HoIAO and Annual report was presented to the ICB Board which provided for 2024/25 a split opinion. This was due to the significance of the internal control weaknesses identified as part of the continuous internal audit work undertaken by MIAA on AACC throughout 2024/25, together with the outcomes from the other elements of the internal audit coverage during the year which had focused upon internal controls, risk management and governance (excluding AACC).</p> <p>J Birrell advised that Moderate Assurance was given that there was an adequate system of internal control, however, in some areas weaknesses in design and/or inconsistent application of controls put the achievement of some of the organisation's objectives at risk. This opinion</p>

rating related to the outcomes from the internal audit coverage focusing upon internal controls, risk management and governance and excluding AACC.

For AACC specifically, a Limited Assurance was given, reflecting weaknesses in the design and/or inconsistent application of controls that impacted on the overall system of internal control.

J Birrell reflected on the internal audit activity over the past year, noting that it had been a productive period with a significant volume of audit work undertaken and acknowledged the number of positive reports received. As a result of the 19 high-priority recommendations being made related to AACC a split opinion was issued. He noted that one outstanding issue was highlighted regarding the ADAM system with agreement for a report on this matter to be presented to the next meeting of the Audit Committee.

The Chair commented that receiving a split opinion was a fair assessment given the significant issues identified within AACC and expressed a desire to see a consistent Moderate Assurance rating across all areas by next year.

**RESOLVED: That the ICB Board note the final 2024/25 Head of Internal Audit Opinion and Internal Audit Annual Report and the overall level of a split opinion.**

**(c) ICB Annual Report and Audited Accounts 2024/25**

The ICB Board received the Annual Report and Audited Accounts 2024/25. J Birrell advised the document was structured in two parts: general information and the Governance Statement. He confirmed that minor amendments had been proposed to some wording in the annual report, which were accepted by the Audit Committee, and had been shared with the Director of Governance for incorporation to ensure the ICBs governance position was accurately reflected. He confirmed the external auditors were satisfied with the content from their perspective and requirements.

J Birrell advised that the final accounts were consistent with the month 12 figures which were reported to Board.

**RESOLVED: That the Board approve the ICB Annual Report and Accounts 2024/25 subject to the required minor amendments.**

**(d) ISA 260 Report/Auditor's Annual Report 2024/25**

J Birrell referred to the external auditor's annual report and advised that whilst an unqualified opinion on the ICB's accounts had been issued there were significant weaknesses in respect of value for money linked to governance and financial sustainability. These related to the challenges in controlling All Age Continuing Care (AACC) expenditure in year as well as the undertakings received from NHSE which highlighted weaknesses in financial governance relating to oversight of the local Integrated Care System.

S Igoe emphasised the importance of focusing on strengthening the control environment across the ICB in the coming year for AACC, to ensure a robust basis for achieving a stronger overall assurance opinion in future.

The Chair noted that, going forward, there should be a clear focus on the ICB's role in holding providers to account as this responsibility was expected to evolve in the coming year, and it was essential that KPMG were fully appraised of any changes. She highlighted that NHS

	<p>England had been clear and therefore this raised the question of how the ICB would fulfil the role while continuing to hold providers to account through contractual mechanisms. Members recognised the importance that KPMG understood the context to assess the ICB against the correct control environment.</p> <p>S Proffitt commented that the Value for Money audit and associated ratings had drawn heavily on external information, highlighting that the ICB status as being under a NOF4 rating and subject to undertakings was a significant driver. She noted that she was encouraged to report that improvements were already being seen in the financial programme, and that actions were in place to support progress out of the undertakings, which linked to the broader improvement work being undertaken.</p> <p><b>RESOLVED: That the Board note the ISA 260 Report and Annual Auditor's Report 2024/25.</b></p> <p><b>(e) Management Representation Letter</b>  The management representation letter was presented to the Board for approval. J Birrell advised there was nothing controversial contained within the letter and the auditors were content.</p> <p><b>RESOLVED: That the Board approve the final management representation letter for sign-off.</b></p> <p>The Chair conveyed her thanks to J Birrell and all the teams involved and the Audit Committee for the work undertaken throughout the year.</p>
81/25	<p><b><u>Any Other Business</u></b></p> <p>There were no issues raised.</p>
82/25	<p><b><u>Items for the Risk Register</u></b></p> <p>There were no items identified.</p>
83/25	<p><b><u>Closing Remarks</u></b></p> <p>The Chair closed the meeting.</p>
84/25	<p><b><u>Date, Time and Venue of the Next Regular Meeting</u></b></p> <p>The next regular meeting would be held on Thursday, 24 July 2024 at 1pm in the Lune Room, ICB Offices, Level 3 Christ Church Precinct, County Hall, Preston, PR1 8XB.</p>