

Integrated Care Board

Date of meeting	14 May 2026			
Title of paper	Audit Committee Escalation and Assurance Report – 18 March 2026			
Presented by	Steve Spill, Audit Committee Chair			
Author	Head of Governance and Committee Officers			
Agenda item	16			
Confidential	No			
Executive summary				
<p>This report highlights key matters, issues, and risks discussed at the ICB Audit Committee meeting held since the last verbal report to the Board on 19 March 2026 to alert, advise and assure the Board.</p> <p>The summary report also highlights any issues, items referred or escalated to other committees or to the Board.</p> <p>Minutes approved by the committee to date are presented to the Board to provide assurance that they have met in accordance with their terms of reference and to advise the Board of business transacted at their meetings.</p>				
Public and Stakeholder Engagement				
N/A				
Recommendations				
<p>The Board is asked to:</p> <ul style="list-style-type: none"> • Note the Alert, Advise and Assure and approve any recommendations as listed. • Note any summary of items or issues referred to other committees of the Board over the reporting period. • Note the ratified minutes of the committee meetings. 				
Which Strategic Objective/s does the report relate to:				Tick
SO1	Improve quality, including safety, clinical outcomes, and patient experience			✓
SO2	To equalise opportunities and clinical outcomes across the area			✓
SO3	Make working in Lancashire and South Cumbria an attractive and desirable option for existing and potential employees			✓
SO4	Meet financial targets and deliver improved productivity			✓
SO5	Meet national and locally determined performance standards and targets			✓
SO6	To develop and implement ambitious, deliverable strategies			✓
Implications				
	Yes	No	N/A	Comments
Associated risks		✓		
Are associated risks detailed on the ICB Risk Register?			✓	
Financial Implications			✓	
Where paper has been discussed (list other committees/forums that have discussed this paper)				
Meeting	Date		Outcomes	

ICB Audit Committee	18 March 2026	To provide the Board of committee business during this period.		
Conflicts of interest associated with this report				
Not applicable.				
Impact assessments				
	Yes	No	N/A	Comments
Quality impact assessment completed			✓	
Equality impact assessment completed			✓	
Data privacy impact assessment completed			✓	

Report authorised by:	ICB Committee Chair
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Integrated Care Board – 14 May 2026

Audit Committee Escalation and Assurance Report

1. Introduction

1. This report highlights key matters, issues, and risks discussed at ICB Audit committee held since the last verbal report to the Board on 19 March 2026 to alert, advise and assure the Board.
- 1.2 The summary report also highlights any issues, items referred or escalated to other committees or to the Board.
2. Minutes approved by the committee to date are presented to the Board to provide assurance that they have met in accordance with their terms of reference and to advise the Board of business transacted at their meetings.

2. Audit Committee Report and Approved Minutes

Date: 18 March 2026		Chair: Steve Spill
Key Items Discussed		
Item	Issue	Action
Alert		
Internal Audit: MIAA Internal Audit Progress Report	Two limited assurance reviews were highlighted, the first, relating to financial governance, noted subsequent improvements in financial reporting processes, despite capacity challenges during the year. The second concerned business continuity and IT service continuity, identifying incomplete overarching arrangements and a lack of directorate-level plans at the time of review. Concern was also raised regarding the volume of actions not yet cleared, given capacity pressures and the pace of delivery.	Ongoing mitigations were in place and colleagues continued to work constructively with internal audit.
Update on ISFE2	Year-end testing would include high-risk journals and that three service auditor reports covering ISFE1, ISFE2 and data migration were awaited, with potential implications for the audit timetable.	Continue to monitor.
Advise		
Internal Audit: a. MIAA Internal Audit Charter	The committee received the report, which outlined the operation of the internal audit service and the standards applied, including the	The recent external quality assessment undertaken by CIPFA had awarded the highest possible rating, confirming the service as high-performing. In response to a

	transition in 2025/26 to the Global Internal Audit Standards.	query from the Chair, it was confirmed that the assessment had been conducted independently and included surveys, file reviews and interviews with audit chairs. A summary of the assessment would be shared with Audit committees for information.
Internal Audit: MIAA Interim Head of Internal Audit Opinion	The report gave a position statement required by NHS England but did not provide an assurance rating as it did not reflect the full year's work.	The report informed the areas to be reflected in the draft Head of Internal Audit Opinion, which would be submitted by 9.00am on 24 April.
Internal Audit: MIAA Draft 2026-27 Internal Audit Plan	The Committee considered and approved the 2026/27 internal audit plan.	The plan would be kept under review, with any changes discussed with the Chief Finance Officer before being brought to the committee for approval
Annual Governance Statement: Early Assessment	The report provided an early assessment of the Annual Governance Statement against its core requirements, setting out progress and key achievements to date.	The timetable released by NHSE with key actions for ICBs would be follows to ensure submissions in line with the deadlines.
Audit Committee Business Plan 2026/27	The Committee approved the committee business plan for 2026/27.	The plan would retain flexibility to accommodate additional meetings, or deep dives should emerging risks require further scrutiny.
External Audit: KPMG Draft Audit Plan 25/26 including Value for Money Risk Assessment	The committee were advised of the significant risks, including the mandatory risk relating to management override of controls and the higher assessed risk associated with the ISFE2 implementation and ledger migration.	Ongoing mitigations were in place and colleagues continued to work constructively with external audit.
Anti-fraud: Anti-fraud progress report	The committee were advised that anti-fraud activity was nearing completion with one local proactive exercise to be carried forward into 2026/27 following receipt of PCSE information.	Fraud prevention activity remained ongoing including progress on local proactive exercises including a gap analysis on new fraud legislation.
Anti-fraud: Anti-Fraud Workplan 2026/27	The Committee approved the plan.	There was ongoing fraud awareness activity, a three-year programme to fraud-proof key policies, and arrangements to ensure appropriate follow-up of actions arising from investigations and fraud prevention notices.
Assure		
Committees of the Board: Assurance	The report provided assurance on committee focus and activity for	It was agreed that the report could be used to support discussions on

of: Key Focus and Escalation of Issues July 2025 – December 2025	July to December 2025, including an overview of committee priorities and an appendix summarising cross-committee referrals.	committee effectiveness and to inform the annual Board effectiveness review.
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- **Appendix A** – Approved minutes of the Audit Committee held on 10 December 2025. [Item 19 - Appx A - Approved - ICB Audit Committee Minutes - 10 December 2025 v1.0.pdf](#)

3. Summary of items or issues referred to other committees or the Board over the reporting period.

Committee	Item or Issue	Referred to
N/A		

4. Conclusion

4.1 The committee has conducted their business in line with their terms of reference and associated business plans.

5. Recommendations

5.1 The Board is requested to:

- Note the Alert, Advise and Assure within the committee report and approve any recommendations as listed.
- Note the summary of items or issues referred to other committees of the Board over the reporting period
- Note the ratified minutes of the committee meetings.

**Committee Chair
April 2026**