

NHS Gloucestershire ICB Audit Committee Part 1 Meeting

Held at 09.30 on Monday 15th June 2026
Hybrid Meeting via MS Teams and Board Room, Shire Hall, Gloucester

Members Present:		
Steven West	SW	Non-Executive Director and Chair of Audit Committee
Ayesha Janjua	AJ	Non-Executive Director
Jo Bayley	JB	Chief Executive Officer, GDoc Ltd.
Julie Soutter	JS	Non-Executive Director
Bilal Lala	BL	Non-Executive Director, GHC
Participants:		
Shofiqur Rahman	SR	Deputy Chief Finance Officer,
Shane Devlin	SD	Chief Executive Officer, BNSSG and GICB
Cath Leech	CL	Chief Finance Officer
Andrew Davies	AD	Audit Manager, Grant Thornton
Gerald Nyamhondoro	GN	Corporate Governance Officer, GICB
Justine Turner	JT	Audit Manager, BDO LLP
Lee Sheridan	LS	Head of Counter Fraud Service, GHFT
Ryan Brunson	RB	Governance Manager & Board Secretary, GICB
In Attendance:		
Anthony Dallimore	ADa	Associate Director, Communications, GICB

1.	<u>Introduction and Welcome</u>	
1.1	SW welcomed members and attendees. The meeting was declared quorate.	
1.2	<u>Apologies for Absence</u>	
1.2.1	Apologies were received from Christina Gradowski, Marie Annick Gournet and Adam Spires.	
1.3	<u>Declarations of Interests</u>	
1.3.1	AJ declared that BDO LLP who are the Internal Auditors for Gloucestershire ICB commissions Arden & Gem for consultancy support and AJ has an active interest in Arden & Gem. The Chair advised that including AJ in discussing agenda item 6 relating to Internal Audit would be prejudicial to the proceedings and the Gloucestershire Integrated Care Board. The Chair therefore directed that AJ should not be involved in the discussion relating to the Internal Audit and that she should leave the room during the discussion on agenda item 6.	
1.4.	<u>Minutes of the Audit Committee Meeting held on 12th March 2026</u>	
1.4.1	The minutes of the Audit Committee meeting held on 12th March 2026 were amended to reflect that Julie Soutter had chaired the meeting. The minutes were approved as a correct recording of the meeting.	

1.5.	<u>Action Log and Matters Arising</u>	
1.5.1	Action 66 – 11/09/25 - Critical Incident Debrief Report – June Update: Report had been recirculated to members. Action Closed.	
1.5.2	Action 70 – 11/12/25 - Audit Committee meeting dates quoracy - June Update: The meeting today was quorate. Action Closed.	
2.	<u>2025/2026 Annual Report</u>	
2.1	The Committee reviewed the 2025/2026 Annual Report, noting updates made in response to NHS England (NHSE) feedback, with outstanding assurances having been addressed. Minor amendments were discussed and subject to these being made, the Committee approved the 2025/2026 Annual Report for submission. A query was raised regarding remuneration disclosure. Action: Finance team to review and confirm accuracy of the remuneration disclosure.	SR
	<u>RESOLUTION:</u> The Audit Committee approved the 2025/2026 Annual Report subject to minor amendments.	
3.	<u>Going Concern Assessment</u>	
3.1	CL referenced a specific paper on Going Concern. This outlined the rationale for confirming the organisation as a going concern and CL confirmed that the operational functions of the organisation would continue and that there would be no issues to prevent this.	
	<u>RESOLUTION:</u> The Committee formally approved the Going Concern Assessment.	
4.	<u>2025/2026 Annual Accounts and Letter of Representation</u>	
4.1	The ICB reported a small year-end surplus of £92k and a cumulative surplus of £11.26m. All key financial targets and running costs had been met and the accounts received an unqualified (clean) audit opinion, requiring only minor amendments with no material issues having been identified.	
4.2	The Committee noted that the Letter of Representation had evidenced assurance to external auditors that the organisation had been open, honest, and fulfilled its responsibilities, having included non-material unadjusted items (e.g. technical accounting differences), which had not impacted the overall financial position.	
	<u>RESOLUTION:</u> The Audit Committee formally approved the 2025/2026 Annual Accounts and Letter of Representation.	
5.	<u>External Audit Report</u>	
5.1	The Committee received the External Audit Report, noting an unqualified audit opinion with no material issues. Minor amendments and an emphasis of matter relating to the future merger were noted. No significant weaknesses were identified, with strong governance and controls in place. Financial sustainability was rated Amber, which reflected some ongoing improvement. The Report was appreciated for its clarity and	

	deemed most acceptable. Members raised concerns relating to the issue of contract signing timescales. Action: Finance and Contracting teams to review contract signing processes and report progress.	SR
	<u>RESOLUTION:</u> The Audit Committee reviewed and accepted the External Audit Report.	
	<i>AJ left the room.</i>	
6.	<u>Internal Audit Reports</u>	
6.1	<i>Internal Audit Progress Report</i> JT explained that the report provided an overview of audit delivery, sector updates, and key publications. All planned work had been delivered, with the digital transformation report still in draft due to ongoing management response discussions. No specific actions were recorded for this section.	
6.2	<i>Procurement and Contract Management Arrangements</i> JT reported moderate assurance on design and effectiveness, mainly due to issues with contract signing. JT highlighted good practice in updated policies, governance, and documentation, but noted gaps in the contract register and delays in contract award notice publication. JT stated that a quarterly contract expiry report would be implemented to flag delays, and prioritisation of contract award notices would be introduced. There would be a need for clearer Conflict of Interest declarations and updating SFIs in line with the new Procurement Act.	
6.3	<i>Advisory Report - Transition Arrangements with BNSSG</i> JT described this as an advisory report (no formal opinion) reviewing transition arrangements with BNSSG. JT praised the rapid establishment of programme structures and pragmatic approaches, especially in HR and governance. She noted some workstreams (clinical leadership, service delivery, digital/data) lagged but were catching up. JT highlighted the value of the transition risk register and the positive impact of early executive team appointments. Members noted that there was agreement in place across the Cluster on how each Internal Audit team would work.	
6.4	<i>Draft Digital Transformation Arrangements</i> JT stated that the report remained in draft due to unclear management responsibilities, especially as digital functions were shifting to provider partnerships. JT provided the draft findings, which gave limited assurance due to concerns about resource capacity and future digital programme delivery. The final report would be issued once management responses were clarified. Action: Finalise the report once management responsibilities were agreed and bring the final version to the September Audit Committee meeting.	JT
6.5	<i>Annual Report and Head of Internal Audit Opinion</i> JT confirmed that overall opinion was "generally satisfactory with improvements required," mainly due to the limited assurance on digital transformation and delays in implementing some recommendations (only 50% delivered by original due date, though 89% were eventually completed). JT noted resource constraints, especially in IT and procurement, as root causes for delays. JT praised the finance team's work on the new ledger and highlighted the high overall implementation rate of recommendations compared to other ICBs.	

6.6	Data Security 2026-2027 JT reported a moderate risk assessment but high confidence in delivery against the data security toolkit. Two findings had been identified: monitoring of the incident response action tracker and confirmation of backup processes. Management responses indicated both had been addressed, and JT said these would be followed up before the toolkit submission deadline.	
	Follow-Up of Actions from Report • JT stated that one action (business continuity plans/testing) was marked complete, with staffing arrangements downgraded to low priority, and this would be closed. • The overdue action on GP assets and cyber security had been downgraded from high to medium due to progress in decommissioning unused devices. Progress would continue on the GP asset/cyber security action.	
	RESOLUTION: The Audit Committee noted the Internal Audit reports, highlighting procurement and contract management for follow-up and progress monitoring.	
	AJ re-joined the meeting.	
7.	<u>Risk Management and Risk Management Policy</u>	
7.1	RB introduced the risk management approach and updated policy. The work was focused on: • Developing a consistent, cluster-wide approach to risk; • Aligning risk management with organisational transition and future structures; • Moving toward a Board Assurance Framework (BAF) approach.	
7.2	RB emphasised the need for a proportionate and practical framework, thus avoiding unnecessary complexity during a period of system change. The framework would need to evolve over time using a pragmatic, iterative approach.	
7.3	JS queried whether the proposed approach was clear, robust, and would support effective Board oversight, emphasising that it should be fit for purpose at Board level rather than solely operational.	
7.4	AJ challenged the need for clear policy wording, alignment with best practice and audit expectations, along with consistent application to support assurance and transparency.	
7.5	Members collectively emphasised simplicity and usability, the avoidance of an overly complex framework, clear links between risks, controls, and assurance and alignment with organisational changes and cluster arrangements.	
	RESOLUTION: The Audit Committee approved the Risk Management policy, subject to minor amendments and ongoing refinement.	
8.	<u>Managing Conflicts of Interest</u>	
8.1	JS raised concerns that Conflicts of Interest may not be consistently captured, particularly in relation to contracts. Reliance on self-declaration raised concerns that reporting focused on numbers of declarations rather than the wider risk picture, meaning potential conflicts could be missed.	

8.2	There was a need for regular, proportionate reporting to provide assurance to the Committee. Conflicts linked to direct awards and procurement activity were highlighted as an area of risk. The Chair noted risks of litigation and increasing complexity, reinforcing the need for robust controls. Concerns were raised regarding completeness of declarations and oversight. Action: Governance Team to review and clarify expectations for Declarations from Partner Board members	RB & GN
8.3	GN reported a strong compliance culture but acknowledged a drop in compliance (to ~83%), attributed to organisational change and staff movement. GN also highlighted active monitoring and public scrutiny of conflicts and provided an example of appropriate management of gifts and hospitality.	
	<u>RESOLUTION:</u> The Audit Committee noted the Management of Conflicts of Interest report.	
9.	<u>Counter Fraud Reports</u>	
9.1	LS presented the Counter Fraud reports, highlighting a complex staff fraud case where the Crown Prosecution Service (CPS) had declined prosecution despite the Team's concerns.	
9.2	Ongoing proactive work included benchmarking of single tender waivers, a national pilot on personal health budgets and strong multi-agency working (e.g. police, local authority, Home Office). Overall, there had been low investigation activity with no significant issues. The Counter Fraud annual return achieved a Green rating, consistent with previous years.	
	<u>RESOLUTION:</u> The Audit Committee noted the Counter Fraud Reports.	
10.	<u>Summaries of Procurement Decisions</u>	
10.1	The Report was noted by the Committee, with recognition that Procurement activity was being managed; there was an ask that a more detailed procurement report was developed to be presented annually in addition to the regular reporting on waivers and procurement decisions. Members re-emphasised on need to strengthen reporting on scope, process and outcomes, and the governance of procurement regime. Action: SD and the executive team to explore scope and depth of reports which go before members.	
	<u>RESOLUTION:</u> The Audit Committee noted the Summaries of Procurement Decisions.	
11.	<u>Register of Waiver of Standing Orders</u>	
11.1	The Committee received the Register of Waivers, noting the use of waivers to enable specific procurement arrangements. Some high-value or recurring waivers, including areas such as children's placements and continuing care were discussed. The rationale for waivers, including operational constraints and system processes was also addressed.	
11.2	JS queried the repeat nature of certain waivers and whether these arrangements could be regularised or improved over time. CL clarified that some waivers were due to system or partner processes (e.g. local authority payment mechanisms) and work was	

	underway to review and formalise arrangements where possible aiming to reduce reliance on waivers and strengthening processes.	
	<u>RESOLUTION:</u> The Committee noted the Register of Waiver of Standing Orders.	
12.	<u>Losses and Special Payments Register</u>	
12.1	No debt write-offs, special losses, or special payments were reported.	
	<u>RESOLUTION:</u> The Audit Committee noted that there were no debt write-offs, special losses, or special payments reported during the Quarter.	
13.	<u>Aged Debtor Report</u>	
13.1	The outstanding debt remained similar to the previously reported amount, with only a small payment received from Gloucestershire County Council since the last update. The total outstanding debt was approximately £228,000.	
	<u>RESOLUTION:</u> The Audit Committee noted the Aged Debtor Report.	
14.	<u>Forward Planner</u>	
	Opportunities were identified for improved assurance visibility.	
	<u>RESOLUTION:</u> The Audit Committee noted the information and discussion on the Forward Planner.	
15.	<u>Any Other Business</u>	
15.1	There was no further business to be discussed at the meeting.	
15.2	The meeting concluded at 11.35 hrs.	

BNSSG ICB Audit and Risk Committee Meeting – Part 1

**Minutes of the meeting held on 16th June 2026 at 14.00 via
Microsoft Teams**

DRAFT Minutes

Present		
Steve West	Audit Committee Chair Joint Non-Executive Director, Gloucestershire ICB & Bristol, North Somerset & South Gloucestershire ICB	SW
Alison Moon	Joint Non-Executive Director, Gloucestershire ICB & Bristol, North Somerset & South Gloucestershire ICB	AM
Ellen Donovan	Joint Non-Executive Director, Gloucestershire ICB & Bristol, North Somerset & South Gloucestershire ICB	ED
Apologies		
Jeff Farrar	ICB Cluster Chair, Gloucestershire ICB & Bristol, North Somerset & South Gloucestershire ICB	JF
Ellen Donovan	Joint Non-Executive Director, Gloucestershire ICB & Bristol, North Somerset & South Gloucestershire ICB	ED
In attendance		
Matt Backler	Interim Chief Finance Officer, BNSSG ICB	MB
Joss Convey	South Gloucestershire Council	JC
Rob Hayday	Chief of Staff, BNSSG ICB	RH
Sarah Smith	Local Counter Fraud Service, ASW Assurance	SS
Connor Evans	Executive PA, BNSSG ICB	CE
Emma Brown	Head of Financial Services, BNSSG ICB	EB
Nick Atkinson	Head of Internal Audit, RSM	NA
Jonathan Brown	External Audit, KPMG	JB
Alexander Middleton	External Audit, KPMG	AMi
Shane Devlin	ICB Cluster Chief Executive Officer, Gloucestershire ICB & Bristol, North Somerset & South Gloucestershire ICB	SD
Nic Saunders	Chief Strategic Commissioning Officer	NS
Sebastian Habibi	Acting Chief Digital and Transformation Officer, BNSSG ICB	SH
Cath Leech	Chief Finance & Corporate Services Officer, Gloucestershire ICB & Bristol, North Somerset & South Gloucestershire ICB	DJ
Chris Borman	Digital Lead, BNSSG ICB	CB

	Item	Action
1	Welcome and Apologies	

	Item	Action
	Steve West (SW) opened the meeting and welcomed all participants.	
2	Declarations of Interest No new declarations were raised.	
3	Minutes of the previous meeting held and Action Log The minutes were agreed as an accurate record subject to a typo change. All other open actions were closed	
4.1	Internal Audit Annual Report The Committee received the internal audit update, including the Head of Internal Audit Opinion and the final internal audit reports for 2025/26. SW introduced the item and invited Nick Atkinson (NA) to present the report. NA confirmed that the papers included the three final internal audit reports for 2025/26, the annual report containing the Head of Internal Audit Opinion, and the internal audit plan. The Committee noted that there had been no significant changes from the draft opinion previously presented. The Head of Internal Audit Opinion remained positive, while identifying some areas for improvement. It was noted that this was the same opinion as received previously and was considered a positive outcome, particularly given the level of organisational change during the year. NA reported that the three final reports covered CAREtrack, risk management, and the DSP Toolkit. In relation to CAREtrack, the Committee noted that the review had been undertaken following management request, in light of known system challenges including a previous system outage. The review had identified areas where improvement was required, although a number of controls had been working well. The report had received reasonable assurance, with actions agreed to be taken forward. The Committee noted that the risk management review had also received reasonable assurance. NA explained that processes had generally operated during the year, but there was a need to combine approaches with Gloucestershire and develop a single view of risk as the organisations moved into a new operating context. The review had focused on how this could be achieved and what would be required to support the transition. An action relating to risk appetite was highlighted, with the forthcoming Board workshop expected to support greater alignment across the two ICBs. The Committee also noted areas of inconsistent application in relation to recording controls and use of risk registers, and that risk management would need to be revisited during the year as the organisation sought to prioritise effectively and make best use of systems.	

	Item	Action
	In relation to the DSP Toolkit, NA advised that this annual review supported the ICB's submission by 30 June. The Committee noted that NHS England had specified nine standards for review, with a further three selected locally. The review had resulted in a low risk assessment and a high level of confidence in the ICB's self-assessment, which was considered reassuring. NA explained that results across clients were generally stronger this year because the mandated areas of focus were more mature than in the previous year, when there had been a stronger focus on newer cyber controls. A benchmarking report would be provided later in the year. The Committee noted that the three final reports had been appended separately rather than included in a full progress report alongside the annual report. NA confirmed that follow-up reporting would be brought to the next meeting. The annual report was noted to be similar to the draft previously presented, with additional reference included to the service auditor reports received during the year. Thanks were recorded to Robert Hayday (RH) and the team for obtaining and sharing those reports. NA advised that, although some control weaknesses had been identified within service auditor reports, the relevant organisations had action plans in place and none of the issues were considered sufficiently significant to affect the overall Head of Internal Audit Opinion. SW thanked NA for the update and invited questions and observations from Committee members. Alison Moon (AM) welcomed the three reports and commented that they were positive, particularly in the context of the organisation's current position. In relation to the risk and governance report, AM recognised the work undertaken by Shane Devlin (SD) on risk management at a corporate level but noted that the report continued to identify inconsistencies. AM emphasised the importance of a robust and consistent directorate-level process to ensure that risks were escalated appropriately and that the Committee could have confidence in the overall system, particularly during a period of significant change. AM asked how consistency could be supported and strengthened. SW supported the point raised and suggested that the forthcoming workshop should be used, where possible, to clarify risk management expectations with non-executive directors and executive colleagues. It was noted that this could support both the executive team and the Committee. SD advised that the report had not raised unexpected issues and acknowledged that directorates varied in the systematic nature of their risk registers. SD stated that reinforcement of the importance of the new risk system from a non-executive perspective would be helpful. It was confirmed that real risks were being discussed by the executive team and that action was being taken to address them. However, SD accepted that the formal paperwork, consistency and perceived value of risk recording required further attention, and that	

	Item	Action
	directors and directorates needed to value and use the process properly. It was noted that failure to do so would itself create risk. SW commented that the issue was not unique to the organisation and was likely to apply equally to Gloucestershire and other organisations. It was noted that the key issue was ensuring appropriate flow, discipline from senior accountable officers, engagement with risk management processes, and completion of the associated audit trail. NA added that, while the seminar would assist with risk management, it was likely to focus more on the top-down aspects, including the Board's view of risk, risk appetite, committee roles and individual responsibilities. It was suggested that directorate-level consistency would require further training, encouragement and support to ensure that the right language was used and that risks were able to feed upwards effectively. NA cautioned against creating an expectation that the seminar alone would resolve all operational consistency issues. SW proposed that the minutes should record the point and encourage improved ways of working at directorate level to address the necessary improvements. It was agreed that this would provide a marker for SD to take forward as Chief Executive and would allow the Committee to monitor progress. Catherine Leech (CL) noted that risk management appeared later on the agenda and that one of the papers described the proposed approach to rolling out risk management across the cluster through a revised framework developed by RH and Tracey Cox. It was noted that this would provide an opportunity to explain the expected approach and how risk management should operate across the cluster. SW observed that the approach should be effective and supportive, with more emphasis on encouragement than enforcement. AM confirmed that the later risk management agenda item had been in mind when raising the audit findings and agreed that the proposed approach was sensible. AM also commented on the annual report, stating that it was a good report and that there had been no surprises from the perspective of a Committee member. AM raised a legacy point regarding two outstanding actions from 2024/25 and asked whether these could be closed before moving into the new organisational arrangements. AM further asked what level of ambition should be set for the following year's Head of Internal Audit Opinion, including whether maintaining the current opinion would represent success or whether the organisation should aspire to move one step higher while managing expectations during the year ahead.	

	Item	Action
	NA advised that the details of the two outstanding 2024/25 actions were not immediately available and agreed to circulate a note on them. In relation to the Head of Internal Audit Opinion, NA welcomed ambition but advised that this should be balanced with realism. It was noted that the current opinion was positive and that the highest opinion was rarely achieved in practice. NA emphasised that internal audit should continue to be used in areas where challenges were known or expected, as that was where assurance and improvement support were most valuable. The Committee noted that maintaining the current positive opinion in the following year would be a strong outcome, provided that the underlying position was also positive. Nick Atkinson advised that the Committee should focus not only on the headline opinion but also on the number and nature of outstanding actions and whether progress was being made beneath the surface. SW thanked NA for the response. No further comments were made. Actions: 1. Nick Atkinson to circulate a note setting out the two outstanding 2024/25 internal audit actions. 2. Risk management expectations and ways of working at directorate level to be reinforced through the forthcoming risk management discussions, workshop and rollout of the revised cluster risk management framework. 3. Internal audit follow-up reporting to be brought to the next Committee meeting. The Audit and Risk Committee received the Internal Audit Annual Report	
4.2	Annual Internal Audit Plan The Committee received the internal audit plan for 2026/27. NA thanked the Committee for the opportunity to return and present the plan for another year. It was noted that 2026/27 would be a different type of year, with the plan initially developed while executive teams were changing and coming together to form a new team. NA explained that the ICB had also come together into the cluster during the development of the plan. NA reported that a meeting had taken place to consider views from all sides. As a result, a combined plan had been developed between BDO and RSM to make best use of the available assurance resource and to provide assurance across the cluster. It was noted that some areas would be reviewed once across both ICBs, while others might need to be reviewed separately where different systems or operating arrangements were in place. Some work might also be undertaken in only one ICB, depending on risk and relevance. The Committee	

	Item	Action
	noted that this approach had been designed to bring together the assurances needed to support the Head of Internal Audit Opinion for both ICBs. NA advised that the plan was aligned to risk and that there would be a need to remain agile during the year. It was noted that risks could change as discussions continued around activities transferring into or out of the organisation, and that this could affect the audit plan as the year progressed. NA confirmed that, although the plan had not yet been formally approved, some early work had already begun to avoid delays and ensure that the plan did not become retrospective. The plan was therefore presented to the Committee for approval, with members invited to raise any questions or comments. SW invited questions for NA and referred to the read-across from the Gloucestershire discussion held the previous day, seeking confirmation from CL. Steven West noted that the Committee was asked, under items 4.1 and 4.2, to approve the internal audit annual report and the audit plan. The Committee indicated approval through silence and nods, and SW confirmed that both items were approved. SW thanked NA for the update. The Audit and Risk Committee received the Annual Internal Audit Plan	
4.3/4.4	Internal Audit Reports/ Internal Audit Action Tracker NA advised that a summary of the reports had been provided earlier in the meeting and confirmed that any further questions could be taken. SW noted that the documentation had been clear and thanked NA for the clarity of the papers. No further questions were raised on the internal audit reports. The Committee then considered the internal audit action tracker. SW explained that access to the paper had not been available due to an issue with NHS email access and apologised to colleagues. Nic Saunders (NS) advised that the access issue appeared to relate to use of the BNSSG email account and confirmed that this would be noted for future meetings to ensure that a copy was available. SW confirmed that the NHS helpdesk had been supporting the password issue. NS offered support to help resolve the matter if required. NS presented the internal audit action tracker and explained that the tracker captured open actions and any actions requiring escalation. It was noted that BNSSG maintained an action tracker, while Gloucestershire did not use the same approach, and that there may therefore need to be some rationalisation and alignment of approaches in future. NS reported that two actions from previous audit years were marked red, as they were both outstanding and overdue. NS advised that liaison had taken place with those tasked with leading the actions, but responses had not been received in time for the meeting. It was confirmed that these actions would	

	Item	Action
	continue to be chased. The Committee noted that all other actions remained open but had not yet reached their due dates, although some were due by the end of the month. Recent audit actions had also been added to the tracker as new actions, with updates to follow at future meetings. SW asked for further explanation in relation to the two overdue actions concerning population health management and the digital strategy, including whether the delay related to workload. NS explained that the delay was likely to be a combination of workload and the absence of responses. In relation to population health management, the action concerned publicising the system-wide dataset. Although clarity had been received on the intended approach, the relevant posts were not yet in place to enable the required discussions, decisions and progress. NS further advised that the digital strategy action had not progressed because it had not been appropriate to update the digital strategy while restructuring was ongoing. It was anticipated that clarity on the new structure would be available shortly and that the actions would therefore be rolled forward and extended once the position had been confirmed. AM commented that the explanation had been helpful and suggested that, where there were valid reasons for delay, agreed extensions should be applied to the relevant actions. AM stated that extending the dates to realistic timescales, and then delivering against those revised dates, would be preferable to retaining overdue actions marked in red when progress was not currently possible. NS confirmed that action owners had been asked to provide the next anticipated completion date, but that conclusions had not been received in time for the meeting. SW supported the proposed approach and noted that, where delivery was not currently possible, it would not be helpful to retain actions as overdue without an agreed revised date. NA advised that a wider rationalisation exercise would be required across all open actions for BNSSG and Gloucestershire. It was noted that some actions might no longer be the right actions in the new operating context, and that there may be duplicate or overlapping actions across the two organisations. NA confirmed that discussions were taking place with Justine from BDO and proposed a joint review of all open actions across both ICBs. The purpose of the exercise would be to determine whether actions remained relevant, whether	

	Item	Action
	they should be combined, and whether they continued to matter in the new context. It was proposed that the outcome should provide a clear view of the actions that still needed to be taken forward. NA added that the exercise would provide assurance that no actions had fallen through the transition while avoiding continued focus on matters that were no longer priorities. NA agreed to take the work forward with BDO across the full set of actions. SW asked that the relevant senior responsible owners be engaged to ensure that they were aligned with the actions identified and that their input was reflected. NA confirmed that this would be done and noted that the actions would be taken back through the senior responsible owners and the executive to ensure collective agreement on the right actions to take forward. Actions: 1. NS to continue to chase responses for the two overdue actions relating to population health management and the digital strategy. 2. Action owners to provide revised anticipated completion dates for overdue actions where there were valid reasons for delay. The Audit and Risk Committee received the Internal Audit Reports	
5.1	External Audit Annual Report The Committee considered the external audit update. SW introduced the item and invited Jonathan Brown (JB) to present the external audit reports. JB advised that the external audit was complete and ready for signing. The Committee noted that this was a positive position given the timing in mid-June and the fact that the auditors were new to the Audit Committee during the year. JB acknowledged the significant amount of work involved in preparing the accounts and annual report and praised the good working relationship with Matt Backler (MB), Emma Brown (EB) and the wider team. It was noted that the ability to reach the point of signing ahead of some other ICB audits demonstrated strong grip and effective joint working. JB explained that the meeting pack included the external auditors' annual report, the accounts findings report and the letter of representation. It was noted that the agenda order was slightly different from the sequence in which the reports would be discussed, but that the approach remained workable.	

	Item	Action
	The Committee noted that the external auditors' annual report provided a public-facing summary of the work undertaken and the audit findings for the year. JB reported that the accounts had received an unqualified opinion. An emphasis of matter had been included in the audit opinion, aligned with wording agreed with Grant Thornton in Gloucestershire, relating to clustering and organisational changes. The annual report had been found to be consistent with expectations, with required disclosures included and no undue selective presentation identified. No value for money issues, regularity issues or other reporting issues had been identified. JB described the audit as clean, straightforward and well controlled. JB paused for questions and indicated that Alex Middleton (AMi) could take the Committee through the audit findings report in more detail if required. SW thanked JB and the teams for the considerable work undertaken to prepare the papers and complete the audit. Steven West commented that the level of effort was remarkable given the wider organisational context and noted that the same point had been made at the Gloucestershire meeting. It was further noted that positive joint working had enabled the audit to be completed successfully. SW invited observations, questions and comments from Committee members. AM agreed with the comments made by SW and stated that she had not previously heard such a positive year-end summary from an external auditor while serving in the role. AM described the outcome as healthy and positive, congratulated the team, and commented that the report had been clear and clean. AM further noted that, in addition to the strength of the content, the process appeared to have worked very well. SW endorsed the feedback and stated that positive feedback should be shared with the teams, given the amount of work undertaken and the positive outcome achieved. SW invited any further observations or comments and noted that SD should be proud of the team's work. SD stated that the point had been intended for the end of the meeting but agreed with the comments made. SD described the work as extraordinary, particularly given the transition period and the number of moving parts affecting the organisation. SD recognised the work of MB, EB and the team, and the stewardship of CL, in bringing the accounts and audit work together within a very tight timescale. SD noted that providing the external auditors with everything required in the circumstances had been remarkable and provided reassurance.	

	Item	Action
	SW added that the wider team also wanted to do the best possible job and had achieved that outcome. A further thank you was recorded to all involved.	
	The Audit and Risk Committee received the External Audit Annual Report	
5.2/5.3	External Auditor Annual Account Findings Report The Committee considered the external audit year-end report and ISA 260 audit findings. AMi presented the report and noted that JB had already covered some of the key highlights. The Committee was advised that the audit plan presented in February had identified two significant risks to the financial statements: fraudulent expenditure recognition and management override of control. AM reported that no issues had been identified in relation to expenditure recognition. In relation to management override of control, journal testing had been completed and a small number of journals had been identified, which related to immaterial reclassifications within the ledger and were not indicative of fraud or management override of control. It was confirmed that these did not result in a reportable audit adjustment. AMi advised that there were no specific findings to note in relation to the other audit risks, including regularity, restructuring provisions and the ISFE2 migration. In relation to system migration, the Committee noted that the auditors had considered both the national approach, including national controls and service organisation reports, and the local processes put in place by the ICB to monitor and mitigate risks. AMi noted that, although the migration had been challenging and far from ideal, local controls had helped mitigate central risks, including procurement controls and the identification and retrospective approval of issues relating to approval limits. The auditors concluded that the ICB had mitigated the risk appropriately in the absence of national guidance and in the context of wider migration challenges. AMi confirmed that an emphasis of matter had been included in the audit opinion to reflect the clustering arrangements with Gloucestershire and to confirm that the accounts had been correctly prepared on a going concern basis. The Committee also noted two unadjusted audit differences. The first related to a balance sheet reclassification between prepayments and receivables, which was not material and had been discussed with MB and EB. The second related to a minor agency worker adjustment within the fair pay disclosure. It was noted that agency workers had been correctly included in the calculation, but that estimating commission paid to agencies was difficult. The auditors were content for the matter to remain uncorrected, given the very small proportion of agency workers within the overall headcount and the lack of significant impact on the fair pay multiples. In relation to corrected audit differences, AMi reported that the remuneration report had required adjustment, particularly because of the complexity created by clustering arrangements and joint roles. It was confirmed that the auditors had worked with EB and the team and were satisfied that the required adjustments had been made. AMi also highlighted the schedule of agreement of balances variances within the report, noting that one counterparty had agreed to	

	Item	Action
	adjust to the ICB's position. It was confirmed that the variance would be updated in the final version of the ISA 260 report. AMi concluded by echoing JB's earlier comments and thanked MB, EB and the wider team for their work. It was noted that first-year audits could be challenging and that the challenge had been increased by shared roles, remuneration reporting complexities and the data migration. AM stated that the audit had been valuable and that it had been a positive experience working with the team. SW thanked AMi and invited questions. No questions were raised. The Committee noted the report and recognised the successful outcome achieved following the work undertaken. SW recorded thanks to all involved and invited the Committee to move on to the letter of representation. The Audit and Risk Committee received the External Audit Annual Account Findings Report	
5.3	Letter of Representation AMi presented the management representation letter and advised that it was a standard letter of management representation. The Committee was informed that no specific representations were being requested, other than the unadjusted numerical difference highlighted in appendix 1. AMi confirmed that there was nothing significant to report. SW noted that the letter was standard and invited observations or questions. SW asked whether the Committee was making a recommendation to the Chair or Board, or whether the Committee had authority to approve the letter. SD confirmed that, as far as he was aware, the Committee had delegated responsibility for the matter. SW acknowledged the clarification and confirmed that, on that basis, the Committee could approve the letter of representation. CL confirmed agreement and supported approval. The Audit and Risk Committee received the Letter of Representation	
6.1	Annual Accounts MB advised that the report would largely be taken as read, noting that a number of Committee members had seen a similar format through Gloucestershire. The Committee's attention was drawn to a modest surplus of £134,000 in the accounts, with all key targets achieved, including the cumulative surplus and running costs targets.	

	Item	Action
	The accounts had been prepared on a going concern basis, with an emphasis of matter included in relation to the proposed merger. It was noted that this was appropriate and did not change the fundamentals of the accounts or the going concern position. Employee benefits included approximately £3 million of termination benefits associated with the transition. Operating expenditure had increased by around 9% compared with 2024/25, with a significant proportion attributed to inflation of approximately 4.5% to 5%, and the remainder largely driven by national surge funding relating to industrial action and wider NHS pressures. MB confirmed that the accounts represented a reasonable position and that no unusual issues had been identified. The Chair noted that, having been involved in another committee earlier, there were no surprises in the accounts and thanked MB and the team for their work. Members were invited to ask questions, and no questions were raised. The Committee approved the annual accounts. The Audit and Risk Committee received the Annual Accounts	
6.2	Annual Report incl. Remuneration Report, Governance Statement and Statement of CAO Responsibilities The Committee considered the Annual Report, including the Remuneration Report, Governance Statements and Statement of Responsibilities. The Chair introduced the item and confirmed that RH would present the report. RH thanked all those who had contributed to the production of the report, noting that at least 30 people had been involved, including lead officers, Executive PAs and colleagues from SCW. Particular thanks were given to EB for her support throughout the process. It was noted that maintaining version control across the volume of information had been challenging, but that the necessary changes had been incorporated. RH reminded the Committee that the Board had delegated authority to the Committee to approve the Annual Report and Accounts at the end of May. It was noted that, when a draft had been presented to the Board, Jane Cummings had commented on terminology relating to ethnic minority communities. The Committee was assured that this comment had been taken into account and that the BNSSG and Gloucestershire annual reports aligned with Government	

	Item	Action
	guidance. It was also noted that a reference to BAME remained in the report because it formed part of the title of an existing programme of work. RH advised that the Annual Governance Statement had been updated to reflect new committees and included the Chief Executive Officer's responsibilities. It was confirmed that, subject to approval, electronic signatures could be used on the relevant documents before they were combined and submitted to NHS England by the required deadline. A minor but important amendment was highlighted in the foreword from the Chair and Chief Executive Officer, where "ICB" had been amended to "ICBs" to ensure the wording appropriately reflected both organisations. The Chair thanked RH and all those involved in bringing the report together, recognising the significant work required to consolidate the material into a single document. Members were invited to raise questions. AM commented that the report had changed considerably since it had been seen at Board and recognised the substantial amount of work that had been undertaken in a short period of time. Alison Moon noted that, while some formatting and further refinement remained, the report represented a comprehensive piece of work and exceeded the previous aspiration of being "good enough" rather than "platinum". The Chair agreed and acknowledged the positive feedback. AM added that the work was particularly impressive given the context and thanked everyone involved for the changes made since the Board discussion. The Chair observed that the use of smiley, sad and other face indicators was helpful, as they drew attention to performance elements and made the report easier to navigate. SD noted that Ellen Donovan had previously raised concerns that annual reports could be difficult to understand. SD advised that the use of green indicators and symbols responded to that feedback by making it clearer where performance was strong and where improvement was required. The Chair agreed that the changes had made the report more understandable.	

	Item	Action
	SD added that, by taking Ellen's points into account, the performance section now presented clearly what was working well and what was not. It was noted that the public did not need extensive graphs, but needed to understand whether the health service was doing the right thing for them. SD considered that the report presented this more clearly than had been achieved previously. The Chair commented, from the perspective of working across two organisations, that the Gloucestershire annual report included strong storytelling alongside the other content. It was suggested that, as the new organisation developed, good practice from both organisations could be taken forward. The Chair agreed with AM that the report represented a significant step forward and reiterated that the visual indicators helped to draw attention to key areas. The Committee was asked to approve the report. RH confirmed that the Committee was asked to approve the report. RH noted that the draft Annual Report contained some areas marked as "subject to audit" and asked external audit colleagues to confirm whether these references could be removed once the matters had been audited, particularly in relation to the Remuneration Report. JB acknowledged the query. AM advised that, although the sections were marked as subject to audit, the wording should remain, or equivalent wording should remain, to make clear to users which content had been audited and was subject to external audit procedures. It was therefore not expected that the wording would be removed from the final published version. RH thanked AM for the clarification. The Chair asked whether JB had anything further to add. JB confirmed that AM clarification reflected the point that would have been made. The Chair asked whether members were content. The Committee approved the Annual Report, including the Remuneration Report, Governance Statements and Statement of Responsibilities, and agreed to move on to the next item. The Audit and Risk Committee received the Annual Report incl. Remuneration Report, Governance Statement and Statement of CAO Responsibilities	
7.1	Counter Fraud Annual Report	

	Item	Action
	Sarah Smith (SS) presented the BNSSG ICB 2025/26 annual counter fraud report SS advised that the papers would be taken as read and provided a broad overview. The Committee was informed that, for governance purposes, the information within the report complied with the NHS Counter Fraud Authority annual report model template and required signature by the Chief Finance Officer if approved by the Committee. SS noted that regular reports had been provided to the Committee throughout the year against the same components as those included within the annual report, and therefore no surprises were expected. SW invited questions from the Committee. AM thanked SS and commented that there had been no surprises in the report, as the Committee had been well briefed throughout the year. AM thanked SS for the regular updates and stated that both the content of the report and the working relationship were very good. AM confirmed that there were no further comments other than positive observations. SS thanked AM for the feedback and confirmed that it was appreciated. The committee approved the Counter Fraud annual report. The Audit and Risk Committee received the Counter Fraud Annual Report	
8.1	Cluster Risk Management Framework RH introduced the Risk Management Framework and advised that the Joint Transition Committee had agreed an approach to policies, including those requiring prioritisation, review and harmonisation in quarters one and two. It was noted that the Risk Management Framework had been identified as one of those priority areas. RH explained that the framework harmonised the Gloucestershire and BNSSG approaches into a single framework to be used across both sovereign organisations and across the cluster. It was noted that the content was not expected to be surprising to either the BNSSG Audit Committee or the Gloucestershire Audit Committee. The framework set out roles, responsibilities and structures, including the Board Assurance Framework, and linked to risk management audit actions for BNSSG. RH advised that the paper had been read and was presented for approval, after which the framework would be launched across the organisation.	

	Item	Action
	RH confirmed that the framework included the Board Assurance Framework and set out the approach to implementation across the organisation following approval. SW thanked RH and advised that the framework had been approved by Gloucestershire the previous day. It was noted that no significant amendments were believed to have been made. Members were invited to ask questions or raise comments. AM confirmed support for the framework and commented that the detail would be important. It was noted that the framework provided a useful prelude to Board thinking time on risk. SW noted that both Gloucestershire and BNSSG were aligned and that both had approved the framework. The Audit and Risk Committee received the Cluster Risk Management Framework	
8.2	Cluster, BAF & Risk Management Arrangements RH introduced the cluster Board Assurance Framework and risk management arrangements. It was noted that BNSSG and Gloucestershire had slightly different arrangements, although both had similar approaches to risk registers. RH explained that BNSSG had struggled with uptake and support for agreed processes, which had also been reflected in the recent risk management audit report. The Committee was advised that, as the organisations moved into cluster arrangements and developed a single workforce, it was important to ensure that the future approach was appropriate for both organisations and picked up the audit actions. RH advised that BNSSG had previously used an ICS strategic risk register rather than a Board Assurance Framework, and that this approach had previously been supported by the Audit and Risk Committee. It was suggested that the time was now right to develop a Board Assurance Framework, building on Gloucestershire's previous arrangements. The proposed approach had been	

	Item	Action
	supported by the Executive Team and brought to both the BNSSG and Gloucestershire Audit Committees. It was further noted that directorate risk registers were lengthy and may contain lower-level risks that were not routinely seen by committees. A new template had therefore been agreed with the Executive Management Team, including risk appetite, to support directorates in reviewing current risks and ensuring that risk registers contained risks that were current, meaningful and appropriate. RH explained that the risk appetite approach would help support the closure of risks where appropriate, reduce unnecessary administrative burden and ensure that risk management arrangements were fit for the future. The extended leadership team had already been briefed on the proposed changes, and it was recognised that the work was necessary given the ICB's responsibility to identify and manage risk. SW thanked RH and commented that it was positive to use the opportunity to refresh and rethink the approach to risk management going forward. Members were invited to comment. SD commented that both organisations' plans were centred on three core strategic ambitions: healthy lives, health equity and best value. It was noted that, although the organisations were different, these ambitions had already been established as central to the plans and should therefore also sit at the heart of the risk management approach. SD explained that the approach was not simply to combine the two organisations' risk registers, but to return to the core objectives and build the risk architecture around them. SD confirmed support for the proposed approach. SW agreed and commented that the approach was the right thing to do at the right time. It was noted that the work had been done well and that the important element was having the courage to take the opportunity to reshape the approach. AM confirmed support and commented that risk management was one of the pillars of the culture being created. It was noted that risk management should	

	Item	Action
	not be viewed as a monthly task, but should be embedded as part of the way the organisation worked. Alison Moon supported adopting learning from Gloucestershire's Board Assurance Framework and emphasised the importance of a cultural approach to risk as a dynamic part of business. SW agreed and noted that there was learning to bring across from Gloucestershire. It was observed that the approach provided a good way of identifying core risks, considering mitigations and challenging whether some risks sat within the organisation's control or should be managed elsewhere. It was further noted that transparency would be helpful during a period of change and that the approach would support clarity on the organisation's primary focus and assurance against that focus. The Committee was asked to note and discuss the arrangements. NA commented that the proposed approach built on and picked up the elements identified through the audit, which was helpful. It was noted that there had previously been debate about whether the approach should be described as a strategic risk register or a Board Assurance Framework, and that the timing was now right to bring the arrangements together across the cluster. NA advised that an early review had taken place and that Aled from his team had been in discussions with RH as the approach developed. It was confirmed that the proposal was aligned with the audit findings and represented a positive way forward. SW confirmed that the arrangements would be kept under review during the first phase and could be adjusted if required. The Committee noted and discussed the cluster Board Assurance Framework and risk management arrangements and supported the approach as part of future risk management arrangements. The Audit and Risk Committee received the Cluster, BAF & Risk Management Arrangements	
9	Matters for Information The Committee received the following matters for information: • <u>Information Rights Report – Q3 Report</u> RH advised that the individual rights report had been prepared for the Audit Committee originally planned for April. Thanks were recorded to Lucy Powell	

	Item	Action
	and Sarah Nicholson for preparing the report, with RH noting Lucy Powell's contribution to the team over the previous seven years before leaving in May. The report set out activity and demand relating to individual rights requests. RH commented that demand remained unpredictable and was expected to continue in that way, even with changes to the size of the workforce. RH suggested that future reporting could be simplified by presenting the information in a table showing the key numbers. The Chair agreed that the Committee should avoid creating unnecessary work and supported presenting the information in a clear, concise table format. It was noted that the nature of the work was unpredictable and unforgiving, and that concise presentation would help the Committee receive the information efficiently. AM commented that the report was well written, high quality and prepared to a high standard. It was noted that achieving the reported 95% standard was positive, particularly given the pressures on directorate teams and the level of FOI activity relating to Dave's directorate. AM queried whether requests refused because the information would take more than 18 hours to collate might sometimes indicate information that would be useful for the organisation to routinely collect. It was clarified that the intention was not to create additional work, but to consider whether patterns in requests could support routine business intelligence or identify areas where information might usefully be captured in future. RH confirmed that the answer was not known at that stage and acknowledged that the question was pertinent. The Chair suggested that a review of patterns in requests could help identify whether particular topics were repeatedly being raised, and asked whether Gloucestershire had a similar profile. CL commented that trends or graphs would be useful to assess whether there were common requests and whether the organisation should collect some information routinely, or whether doing so would not add value.	

	Item	Action
	CL noted that some requests, including those relating to ADHD, autism and right to choose, often involved information that was difficult to obtain from providers and could take time to collect. CL suggested that, as FOI requests were processed, it would be helpful to consider whether the information being requested should be collected routinely and whether it would be valuable to the organisation. The Chair added that, where information was valuable and frequently requested, consideration should be given to publishing it in an accessible place on the website. CL agreed that regularly requested information could be published through the publication scheme as good practice. The Chair noted that publishing commonly requested information could reduce the number of FOI requests, drawing on experience that publishing senior team expenses had reduced repeated requests for that information. The Committee noted the individual rights report for information and moved on to losses and special payments. • <u>Losses and Special Payments Register</u> EB advised that the losses and special payments report included a loss relating to the conclusion of mediation over the procurement challenge for non-emergency patient transport. It was noted that provision had been made in the 2025/26 accounts and that the final settlement was lower than the provision. EB explained that discussions were taking place with audit colleagues about how the matter would need to be disclosed in the 2026/27 accounts, and that further information may be brought back as the year progressed. EB reported that there had been a small number of new salary overpayments since the previous meeting. It was noted that this was disappointing, although not unexpected given the number of staff leaving the organisation. EB explained that, while redundancy processes were clear, late submission of termination forms had led to the overpayments for staff leaving outside those processes. Teams had been reminded of the need to submit termination forms promptly, and repayment plans were in place for all cases.	

	Item	Action
	The Chair confirmed that the repayment plans had been agreed and thanked EB. No questions were raised, and the Committee moved on to consider waivers of Standing Financial Instructions. • <u>Waiver of Standing Financial Instructions</u> MB advised that the majority of the waivers related to the decision to defer the community mental health procurement, which had previously been considered by the Finance Committee and Board. It was noted that Committee members were familiar with the decision and that the waivers represented the documented consequence of that decision. No questions were raised on the waivers of Standing Financial Instructions. The Committee noted the report and moved on to the Audit and Risk Committee work plan. • <u>Audit and Risk Committee Workplan</u> NS advised that the current Audit and Risk Committee work plan had been shared and was based on BNSSG meetings for the remainder of the year. It was noted that the work plan would now be combined with the Gloucestershire work plan to support the joint meetings planned going forward. NS explained that the combined plan would draw on the best elements of both organisations' approaches and would adopt Gloucestershire's practice of having a Part 1 meeting followed by a confidential Part 2. It was noted that the current plan was shared so that members could see what would inform upcoming meetings, and that any inconsistencies between the two work plans would be addressed as part of the consolidation. NS asked members to identify any omissions, noting that inconsistencies between the two plans should be identified through the consolidation process. The Chair welcomed the intention to merge the plans and take forward best practice from both organisations. It was also noted that breaks would be planned appropriately for longer joint meetings.	
	Any Other Business SW reflected on the meeting and thanked internal audit, external audit and internal teams for their work in preparing the documentation and papers in a	

	Item	Action
	readable format, despite the volume of material. It was noted that the papers had provided a fair reflection of the organisation's work over the previous 12 months. SW thanked all staff at all levels who had contributed to ensuring that the documentation was completed, approved and progressed on time. RH confirmed that all required approvals had been completed. SW confirmed that members' views and opinions would be captured in the minutes. It was noted that the Committee had considered all the papers and that input from executive leads had been helpful. SW reflected that the development of the future approach across BNSSG and Gloucestershire involved taking the best from both organisations and creating a strong platform for the future. It was further noted that the approach was being aligned to the organisation's core purpose and core business, which would support overall risk management. SW highlighted that internal and external audit had identified further work, including in relation to procurement, conflicts of interest and ensuring that conflicts were captured clearly and appropriately. The risk management approach and policy would also be picked up through a workshop to provide an opportunity for non-executive and executive colleagues to reflect and ensure alignment. NA thanked RH personally and on behalf of RSM for the support provided to enable internal audit to undertake its work. Nick Atkinson recognised RH's continued commitment to producing work that would help shape future arrangements, despite leaving the organisation shortly. It was noted that RH had worked wholeheartedly in the interests of colleagues and the ICB, and NA described him as one of the best people he had worked with. SW echoed the thanks to RH and recognised his support to non-executive and executive colleagues and to the wider organisation. It was noted that RH would be greatly missed, and best wishes were recorded for the future. The date of the next meeting was confirmed as 18 September.	
	CLOSED	

	Item	Action
	Date of Next Meeting 18 th September 2026, Microsoft Teams	

Connor Evans, Executive PA