

Date of Meeting: Friday 28 November 2025

Report Author: Thelma Stober, Non-Executive Member, Committee Chair

Report to the: Board in Public

Item 12.4.2: Committee Chair's Alert, Advise and Assure Report

Committee: Audit & Risk Committee (A&RC) – Meetings in Common

Relevant ICB: NHS Hertfordshire & West Essex ICB

Recommendation: The Board is asked to **note** the report.

Agenda items covered:
• Governance Update • Board Assurance Framework • Information Governance • ISFE2 Implementation • Procurement of External Audit, Internal Audit and Counter Fraud Services • Internal Audit, External Audit and Counter Fraud
ALERT: Matters that need the Board's attention or action, e.g. an area of non-compliance, safety or a threat to the ICS strategy
None.
ADVISE: The Board of areas subject to on-going monitoring or development or where there is insufficient assurance
Special Payment: H&WE ICB is part of an active ongoing case involving 23 ICBs. Clarification is being sought over their financial implications with the ICB being aware of the threshold trigger at which point NHS England and the Treasury are to be notified for approval to award a special payment. Integrated Single Finance Environment (ISFE2) - The new national ISFE2 finance system went live on 1 October 2025. Prior to the go live various concerns were raised nationally particularly with the planned go live date, access to training and training systems. The implementation has been very challenging time for finance teams. Following go live various issues have been identified nationally which have been or are in the process of being resolved. These issues have had a direct impact on payments to providers and could impact on all three ICBs compliance with the Better Payment Practice Code. This will be monitored closely.
ASSURE: Inform the Board where positive assurance has been received
Governance Transition: The Committee was informed that a detailed timeline of actions supported by a due diligence checklist has been issued providing the steps that need to be taken at ICB, regional and national level in order to achieve the proposed ICB boundary mergers on 1 April 2026. For H&WE ICB, there are workstreams that are taking place in relation to Central East area and those falling within the Greater Essex area. To mitigate against duplication, the checklists mirror each other with entries being entered in both. Each ICB's A&RC will be used as a point of assurance with this work with a meeting scheduled for March 2026 to provide an appropriate formal closure report and for approval to submit draft and final accounts. Conflicts of interest: The Governance Team is ensuring that the current Register is maintained and new appointments to the ICB are included as soon as possible. For Board Members and

Decision-makers, the Register of Interests is published on the ICB [website](#). An audit is scheduled for late January 2025.

Risk Management (Transition): The Committee was assured that the Risk and Governance teams across the three ICBs have commenced collaborative work to align the BAFs in preparation for the integrated operating model planned for April 2026. Current activity includes:

- a) Thematic Overlap of risks and harmonisation of existing BAF structures, scoring matrices, and assurance categories.
- b) Testing standardised templates and reporting formats to support consistent Board-level assurance.
- c) Exploring digital interoperability between DatixWeb, 4Risk, and InPhase systems.

The Committee agreed focus is needed on identifying overarching strategic risks that are then aligned through a single BAF underpinned by consistent risk assessments and agreed risk appetite.

Board Assurance Framework: The Committee was informed that the October 2025 BAF identifies six strategic risks scored 16+, covering key areas such as urgent and emergency care, workforce, digital integration, and finance. The overall assurance position remains reasonable, with positive progress in several domains.

Information Governance (Transition): The Committee was assured that the three ICBs have commenced collaborative working and are currently looking to align each ICB's IG Groups ToR to enable 'Meetings in Common.' NHS England (NHSE) have advised that current ICBs need to submit their Data Security and Protection Toolkits (DSPT) by 31 March 2026 or submit under the full scope of the new ICB on 30 June 2026. ICBs are strongly encouraged to proceed with the 31 March submission (see link to background reading below) – this will be discussed with the Senior Information Risk Owner (SIRO) for the three ICBs. The importance of Data Sharing Agreements was recognised by the Committee as a key requirement of the transition period.

Information Governance: The Committee was provided with an update on progress with the DSPT. The existing DSPT internal audit plan for March needs to be bought forward to late December or early January to ensure appropriate testing is able to be completed in time for submission, a further meeting will take place before the end of October to agree the scope and timing of audit. This will require condensed IG resource to complete DSPT activity in Q3 2025/26. In the event that HWE DSPT is not submitted as 'standards met' then a new improvement plan would be submitted by the new ICB. IG Leads are meeting with the SIRO/Deputy SIRO to decide next steps.

Internal Audit Plan: Assurance was provided that the 2025/26 plan is on track. Two audits are currently in progress. Discussions are underway regarding amendments to the plan, including cancellation of the Transformation and Finance Ledger Implementation audit to accommodate costs to complete the Primary Care Audit and Risk Management Audit, for which scopes have been extended and for Contract management audit in place of the HealthCare Partnership audit.

Counter Fraud Plan: Single tender Waiver (STW) benchmarking has been completed which has identified that the volume and value of the ICBs STWs are significantly below the sector average and lower than organisations comparable by both budget and headcount. Work continues to scope activities for local proactive exercises. A declaration of interest exercise will commence in early 2026.

External Audit: The Committee was provided with a brief verbal update - the proposed timeline for 2025/26 is being developed and audit risks identified.

Procurement of External Audit (EA), Internal Audit (IA) and Counter Fraud (CF) Services: The Committee was presented with a report which set out the proposed process to procure statutory EA, IA and CF services for Central East Integrated Care Board (ICB), with services expected to commence in April 2026. There will be three separate procurement exercises for EA, EZ and CF. The Committee:

noted the current position and risks endorsed the proposed procurement approach and the appointment of Arden & Gem (AGEM) Commissioning Support Unit (CSU) as procurement advisors approved the recommendation to sequence the procurement of audit activities to appoint an EA supplier first agreed who will support the Procurement Evaluation Process approved the draft summary evaluation criteria and weighting approved the proposed maximum financial envelopes to be used in procurement discussed the Draft specification of services.
RISK: Advise the Board which risks were discussed and any new risks identified
A new risk: 756 has been drafted relating to March 2026 DSPT submission timeframe and relative IG resource implications for consideration. Existing Risk: 750 – DSPT compliance across HWE system (Score of 12).
CELEBRATING SUCCESS: Share any practice, innovation or action that the Committee considers to be outstanding
This was the first A&RC – Meetings in Common for BLMK, C&P and H&WE ICB. As a result of the three ICBs working in collaboration the meeting was effective and productive with good governance practices applied throughout. The Committee noted their thanks to all three finance teams for their hard work to keep each organisation safe during the implementation of ISFE2 and ongoing challenges.
Forward plan issues:
A Forward Plan populated with items from the Annual Cycle of Business and Forward Plans for BLMK, C&P and H&WE ICBs for A&RC meetings in December 2025, February and March 2026 was presented and discussed. Members agreed to the addition of several items which align with the ToR and the transition period including review of Single Tender Waivers and Contracts Awarded to enable the Committee to have a sense check of Value For Money (VFM) throughout the year. It was highlighted that for H&WE ICB EPR is reported through a different Committee and the scheduled Fit and Proper Person Test item will come to A&RC as previously requested by H&WE A&RC Chair.
Date and time of next meeting:
Friday 19 December 2025

List of appendices

None

Background reading

Annex A – On the 23 September 2025 NHS England issued guidance regarding changes to ICB mergers and boundaries. [NHS England » Implementing integrated care board mergers and boundary changes to take effect in April 2026 and 2027.](#)