



**NHS NC London and NHS NW London**

**Board Meeting in Common**

**24 March 2026**

<b>Report Title</b>	NC London Audit Committee Assurance Report	<b>Date of report</b>	04 March 2026	<b>Agenda Item</b>	3.5
<b>Lead Director / Manager</b>	Stephen Bloomer, Chief Finance Officer / Sarah Morgan, Chief People Officer	<b>Email / Tel</b>		<a href="mailto:stephen.bloomer@nhs.net">stephen.bloomer@nhs.net</a> <a href="mailto:sarahlouise.morgan@nhs.net">sarahlouise.morgan@nhs.net</a>	
<b>Board Member Sponsors</b>	Simon Perry, Non-Executive Member and Chair, NC London Audit Committee and NW London Audit Committee				
<b>ICB</b>	This paper applies to NC London ICB				
<b>Report Author</b>	Andrew Tillbrook Board Secretary, NC London ICB	<b>Email / Tel</b>		<a href="mailto:andrew.tillbrook@nhs.net">andrew.tillbrook@nhs.net</a>	
<b>Name of Authorising Finance Lead</b>	Not applicable.	<b>Summary of Financial Implications</b> Not applicable.			
<b>Recommendation</b>	The NCL and NWL ICB Boards are asked to <b>NOTE</b> the NC London Audit Committee Assurance Report				
<b>Report summary</b>	<p>The Chair's Assurance Report provides a summary of the key outcomes from the meeting of the NC London Audit Committee on 27 January 2026.</p> <p>It captures items that were approved, noted, or assured by the Committee, and highlights priority actions and areas requiring further attention. The report serves to support the Board's assurance processes and offers a clear record of governance oversight and decision-making.</p>				
<b>Identified risks and risk management actions</b>	NC London Audit Committee Assurance Report reviews the risks assigned to them for oversight at each Committee meeting.				
<b>Conflicts of interest</b>	Conflicts of interest are managed at NC London Audit Committee meetings in accordance with NC London ICB's Conflict of Interest Policy.				
<b>Resource implications</b>	Where applicable, potential resource implications are considered for each item.				
<b>Engagement</b>	Where applicable, engagement implications are considered for each item.				
<b>Equality impact analysis</b>	Where applicable, an Equality Impact Analysis is undertaken for each item.				



**North Central London**  
Integrated Care Board



**North West London**

<b>Report history and key decisions</b>	This assurance report summarises the discussions at the meeting of the NC London Audit Committee on 27 January 2026.
<b>Next steps</b>	The final meeting of this Committee took place on 24 March 2026. Future meetings to manage audit and risk will be overseen by a new committee, post-merger from 1 April 2026
<b>Appendices</b>	

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<b>Item 2</b>	Risk Management Update
<b>Summary of item</b>	<p>The risk report presented set out a series of elements:</p> <ul style="list-style-type: none"> <li>• Development of Risk Management – for the new ICB;</li> <li>• Horizon Scanning - which focussed on emerging risks;</li> <li>• Risk Assurance, highlighting key risk movements on the risk registers of the Board of Members and its committees since the last Audit Committee meeting;</li> <li>• Key Risk Snapshot, which provided a high-level overview of the ICB's key risks that are overseen by the ICB's Board of Members and its committees;</li> <li>• Highest Strategic Risks. This section set out the BAF report that went to the previous Board of Member meeting.</li> </ul> <p>The Committee considered the above matters, noting the completion of the first combined Board Assurance Framework (NCL and NWL), the transfer of risks to new Executive Leads, and development of a single approach for the merged ICB. The area of horizon scanning was discussed in depth, emphasising emerging strategic risks, notably weight loss drugs and youth unemployment, with implications for commissioning, CAMHS demand, and system leadership. The Committee stressed the need for forward looking strategic risk oversight as the ICB's responsibilities evolve, especially with the expected role for the ICB to manage the reduce economic inactivity across its patch.</p>
<b>Committee assured/decision</b>	Noted: the report and the assurance taken from management of the current and emerging risks, including those identified through horizon scanning.
<b>Follow-on work</b>	None recorded.
<b>Recommendation to Board</b>	To Note and to note the BAF report.

<b>Item 3</b>	External Audit - Audit plan and strategy for the year ending 31 March 2026
<b>Summary of item</b>	<p>The Committee was apprised of the auditors planning and risk assessment, with regard to the 2025/26 Statutory Audit setting out the approach to:</p> <ul style="list-style-type: none"> <li>• Materiality (noting increased materiality thresholds and revised NAO misstatement thresholds)</li> <li>• Audit risks which included fraud, override of controls, migration and system implementation to the new finance system ISFE2, the ICB as a going concern as part of the merger of two ICBs and delegation of specialised commissioning from NHS England to ICBs</li> <li>• Value for Money assessment</li> </ul>

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	<p>In addition, the Committee noted the:</p> <ul style="list-style-type: none"> <li>• Internal compliance process over the mental health investment standard expenditure for the year to 31 March 2025 would be completed before the deadline of 17 April 2026</li> <li>• Planning activities for our 2025/26 financial statements audit work</li> <li>• Auditors' independence and Audit fees.</li> </ul> <p>The Committee discussed and agreed that whilst there were potential risks in merging two organisations (as would be the case in any sector), this exercise was largely orchestrated by NHS England.</p> <p>Timelines for submission and approval of the Annual Report and Accounts were highlighted, reinforcing the importance of audit committee oversight during transition.</p>
<b>Committee assured/decision</b>	Noted: the audit plan, criteria, and auditor rationale, with scrutiny of how these applied to NCL ICB
<b>Follow-on work</b>	None recorded
<b>Recommendation to Board</b>	To note

<b>Item 4.1</b>	Internal Audit - Progress Report
<b>Summary of item</b>	<p>The Committee received assurance on internal audit delivery, about remaining audit areas prior to year end, namely:</p> <ul style="list-style-type: none"> <li>• Key financial systems,</li> <li>• Prescribing,</li> <li>• Digital maturity,</li> <li>• Data protection and security toolkit and</li> <li>• Governance.</li> </ul> <p>These reports were expected to be presented to the next meeting of this Committee in March which would complete the internal audit plan for the year.</p>
<b>Committee assured/decision</b>	Assurance that work would be completed before 31 March 2026.
<b>Follow-on work</b>	None
<b>Recommendation to Board</b>	To note

<b>Item 4.1a</b>	Internal Audit - Continuing Health Care and Complex Care
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<b>Summary of item</b>	<p>Overall, the ICB has made vast progress since the prior audit completed by the predecessor internal auditor which concluded Nil Assurance. A CHC Improvement Plan was implemented to streamline processes and address the root causes behind delays to the assessment process and significant steps have been taken to improve the design of controls in place. Detailed Cost Improvements Plans have been established against which the delivery of savings and efficiencies are monitored. Governance is established with thorough documentation in place relating to the oversight of CHC activities.</p> <p>While significant progress was acknowledged (with a new operating model, better documented processes, improved governance), material concerns remained regarding delays against the 28-day assessment target, reliance on manual processes, variable local authority performance, and weaknesses in historic contracting arrangements. Digitisation and streamlining processes were being adopted to increase service efficiencies. The Committee emphasised the importance of embedding learning to inform merger-related decisions and future outsourcing, while recognising that the ICB would have continuing accountability until legislative change, likely to be October 2027.</p>
<b>Committee assured/decision</b>	<p>Noted: The Internal Audit Progress Report and the CHC and Complex Care Report. Assurance was provided with the continuing drive to improve targets residual risks and variable challenges across boroughs.</p>
<b>Follow-on work</b>	<p>Governance, Risk and Legal Services Team to support the CHC Team (training and peer support) to strengthen risk descriptions and actions in relevant risk registers</p>
<b>Recommendation to Board</b>	<p>To note</p>

<b>Item 4.2</b>	<p>Internal Audit - Local Counter Fraud Specialist (LCFS): progress report.</p>
<b>Summary of item</b>	<p>The Committee reviewed the counter fraud update, noting the evolving fraud risk environment during organisational merger, completion of the fraud and bribery framework review, resolution of most overdue actions, and steady progress in referral cases set out in the summary report.</p>
<b>Committee assured/decision</b>	<p>Noted: the contents of the report and assurance regarding fraud and bribery controls in support of the merger. This provided assurance that fraud risks were being actively managed during a period of structural change.</p>
<b>Follow-on work</b>	<p>None recorded.</p>

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<b>Recommendation to Board</b>	To note
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<b>Item 5.1</b>	Internal and External Controls – Draft NHS West and North London ICB Constitution
<b>Summary of item</b>	The Committee reviewed the draft Constitution ahead of the Board meeting, noting its alignment with the national model, incorporating the best practice from both ICBs, whilst anticipating future revisions after expected changes to the legislation in October 2027. The discussion focused on public involvement, conflicts of interest, and clarity of system roles in the new operating model, underscoring the Committee's role in strengthening constitutional governance ahead of merger.
<b>Committee assured/decision</b>	Noted: The Draft Constitution and endorsed it to the Board meeting on 28 January 2026.
<b>Follow-on work</b>	Action AUD145: Matt Elmer / Sarah Morgan to ensure the PWC Governance Advisory Review addresses management of conflicts of interest at Board and Committee level in the new ICB.
<b>Recommendation to Board</b>	

<b>Item 5.2</b>	Internal and External Controls – IFSE2 implementation progress on roll out 01/10/25
<b>Summary of item</b>	The Committee received an oral update on the implementation of the new financial system, noting the continuing challenges of achieving financial reconciliations, ongoing reliance on manual controls and unresolved system issues, as well as managing capacity pressures associated with the ICB's own reorganisation and merger with NWL ICB.
<b>Committee assured/decision</b>	Noted: the update and assurances on maintaining financial system integrity during transition. The Committee acknowledged the heightened year end risk, but assurance was provided that mitigations were in place to ensure financial integrity.
<b>Follow-on work</b>	None recorded
<b>Recommendation to Board</b>	

<b>Item 5.3</b>	Internal and External Controls – Emergency Planning Assurance – Annual Report
<b>Summary of item</b>	The Committee reviewed the annual assurance EPRR, noting full compliance for the first time, strong trust level compliance, key system risks (cyber, infectious disease, extreme weather,

# Audit Committee Chair's Assurance Report

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	industrial action), and preparedness for expanded responsibilities post-merger. The Committee commended the team and took assurance from the robustness of arrangements
<b>Committee assured/decision</b>	Noted: The Annual Report and assured by the full compliance rating and cross-ICB support arrangements
<b>Follow-on work</b>	None recorded
<b>Recommendation to Board</b>	To Note

## Attendance

Simon Perry	NWL / NCL ICB Board Member, Non-Executive Member (and Committee Chair)
Liz Sayce	NCL ICB Board Member, Non-Executive Member
Dr Simon Caplan	NCL ICB Board Member, Primary Care Representative
Stephen Bloomer	NCL / NWL ICB Board Member, Chief Finance Officer
Sarah Morgan	NCL / NWL ICB Chief People Officer
Becky Booker	NCL ICB Director of Financial Management
Richard Dale	NCL / NWL ICB, Chief Strategy Officer
Helena Ndlovu	NCL ICB Deputy Director of Financial Management
Andrew Spicer	NCL ICB Assistant Director of Governance, Risk and Legal Services
Lynsey Robertson	NCL ICB Deputy Director Complex Care – Strategic Commissioning
Claudia Hobden	NCL ICB Assistant Director of Complex Care - Professional Lead CHC
Karl Thompson	NCL ICB Director of Business Services
Nathan Welch	NCL ICB Head of EPRR
Christopher Hanson	NCL ICB Deputy Head of Governance, Risk and Legal Services
Jessica Hargreaves	Director and Engagement Lead (KPMG)
Susan McNally	Director, Internal Audit (PWC)
Matthew Elmer	Senior Internal Audit Manager (PWC)
Matt Wilson	Associate Director (RSM)
Kirsty Clarke	Assistant Manager (RSM)
Andrew Tillbrook	NCL ICB Board Secretary