

## Independent auditor's report to the members of the Board of Staffordshire and Stoke-on-Trent ICB

In our auditor's report issued on 29 June 2023, we explained that we could not formally conclude the audit and issue an audit certificate for Staffordshire and Stoke-on-Trent (the 'ICB') for the period ended 31 March 2023, in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice, until we had completed our work on the ICB's arrangements for securing economy, efficiency and effectiveness in its use of resources. We have now completed this work, and the results of our work are set out below.

### Opinion on the financial statements

In our auditor's report for the period ended 31 March 2023 issued on 29 June 2023 we reported that, in our opinion the financial statements:

- give a true and fair view of the financial position of the ICB as at 31 March 2023 and of its expenditure and income for the period then ended;
- have been properly prepared in accordance with international accounting standards as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2022-23; and
- have been prepared in accordance with the requirements of the National Health Service Act 2006, as amended by the Health and Care Act 2022.

No matters have come to our attention since 29 June 2023 that would have a material impact on the financial statements on which we gave this opinion.

### Report on other legal and regulatory requirements - the ICB's arrangements for securing economy, efficiency and effectiveness in its use of resources

#### Matter on which we are required to report by exception – the ICB's arrangements for securing economy, efficiency and effectiveness in its use of resources

Under the Code of Audit Practice, we are required to report to you if, in our opinion, we have not been able to satisfy ourselves that the ICB has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the period ended 31 March 2023.

We have nothing to report of the above matter except on the 5 September 2023 we identified a significant weakness in the ICB's arrangements for delivering a balanced financial position as set out in its 2023/24 financial plan, because of the scale and risk-profile of the efficiency programme. We have made a key recommendation relating to ensuring savings and efficiency plans are realistic and achievable, and developing a medium-term plan to restore system financial balance.

We recommend the ICB continue to embed the recovery actions planned and monitor closely delivery of the ICB's and wider system's stretching savings targets for 2023/24 and be clear with regulators and system partners about the risks associated with delivery, while making progress with the medium-term financial plan.

#### Responsibilities of the Accountable Officer

The Accountable Officer of the ICB is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in the use of the ICB's resources.

#### Auditor's responsibilities for the review of the ICB's arrangements for securing economy, efficiency and effectiveness in its use of resources

We are required under Section 21(1)(c) of the Local Audit and Accountability Act 2014 to be satisfied that the ICB has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the ICB's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in January 2023. This guidance sets out the arrangements that fall within the scope of 'proper arrangements'. When reporting on these arrangements, the Code of Audit Practice requires auditors to structure their commentary on arrangements under three specified reporting criteria:

- Financial sustainability: how the ICB plans and manages its resources to ensure it can continue to deliver its services;
- Governance: how the ICB ensures that it makes informed decisions and properly manages its risks; and
- Improving economy, efficiency and effectiveness: how the ICB uses information about its costs and performance to improve the way it manages and delivers its services.

We have documented our understanding of the arrangements the ICB has in place for each of these three specified reporting criteria, gathering sufficient evidence to support our risk assessment and commentary in our Auditor's Annual Report. In undertaking our work, we have considered whether there is evidence to suggest that there are significant weaknesses in arrangements.

## Report on other legal and regulatory requirements – Audit certificate

We certify that we have completed the audit of Staffordshire and Stoke-on-Trent ICB for the period ended 31 March 2023 in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice.

### Use of our report

This report is made solely to the members of the Board of the ICB, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014. Our audit work has been undertaken so that we might state to the members of the Board of the ICB those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the ICB and the members of the Board of the ICB, as a body, for our audit work, for this report, or for the opinions we have formed.

*Avtar Sohal*

Avtar Sohal, Key Audit Partner  
for and on behalf of Grant Thornton UK LLP, Local Auditor

Birmingham

7 September 2023