

ARC (M) 21/04
Minutes: 49 - 60

NHS GREATER GLASGOW AND CLYDE

Minutes of the Meeting of the Audit and Risk Committee held via Microsoft Teams on Tuesday, 14 December 2021

PRESENT

Ms. M Kerr (in the Chair)

Ms. S Brimelow	Mr. C Vincent
Ms. J Forbes	Ms. M Wailes
Ms. K Miles	Mr. M White
Cllr. J McColl	

IN ATTENDANCE

Prof. J Brown	..	Chairman
Mrs. J Grant	..	Chief Executive
Ms. L Aird	..	Assistant Director of Finance
Ms. J Haynes	..	Corporate Service Manager for Governance
Mr. P Kelly	..	Azets
Ms. R Weir	..	Azets
Ms. E Young	..	Azets
Ms. L Duthie	..	Audit Scotland
Ms. L Maconachie	..	Audit Scotland
Mr. S Whyte	..	Information Governance Manager (Item 55.8)
Mr. C Sanderson	..	Head of Procurement (Item 55.3)
Dr. P Ryan	..	Non-Executive Board Member
Mr. Z Barlow	..	Secretariat (Minutes)

		ACTION BY
49.	WELCOME AND APOLOGIES	
	<p>The Chair welcomed those present, and apologies were noted from Cllr. J Clocherty and Mr J Cornett.</p> <p>The Chair welcomed guest Dr Paul Ryan, Non-Executive Board Member to the Committee, who was present to observe.</p> <p>NOTED</p>	

		ACTION BY
50.	DECLARATIONS OF INTEREST	
	The Chair invited members to declare interest in any of the agenda items being discussed. There were no declarations of interest. <u>NOTED</u>	
51.1	MINUTES OF THE MEETING HELD ON 14 SEPTEMBER 2021	
	<p>The Committee considered the minute of the meeting held on Tuesday 14th September 2021 [Paper No AR (M)21/03] and were content to approve them as an accurate record subject to the following changes:</p> <p><u>Item 37 - NHSGGC Annual Report and Accounts</u></p> <p><u>Original</u> Ms Forbes suggested including reference in the report to prevention of delayed discharges within IJBs.</p> <p><u>Update</u> Ms Forbes suggested including reference in the report to the work IJB's were carrying out in health prevention, in particular around preventing admission to hospital as well as delayed discharges.</p> <p><u>Item 43.2 - Corporate Risk Register</u></p> <p><u>Original</u> Prof Brown suggested that the Audit & Risk Committee had a role to continually review the register to ensure there were no risks missing from the register, and that risks should be grouped according to their objective. Prof Brown suggested that the risk register should also consider explaining the impact a risk may have.</p> <p><u>Update</u> Prof Brown suggested that the Audit & Risk Committee had a role to continually review the register to ensure there were no risks missing from the register and that risks should be grouped according to their objective. Prof Brown suggested that the risk register should also consider including a description of the cause for each risk as well as an explanation of the impact a risk may have.</p> <p><u>APPROVED</u></p>	

		ACTION BY
51.2	ROLLING ACTION LIST	
	<p>The Committee reviewed the Rolling Action List and were content to accept the recommendation to close 6 actions.</p> <p>It was noted that at item 43.2 Corporate Risk Register, risk 2735 discussed had changed to risk 1330.</p> <p>There was one ongoing item which asked that the Internal Audit Plan included reference to the Board's Corporate Risk Register. Ms Weir advised that management had since been provided with an updated plan, which was cross referenced to the risks, as well as an updated audit universe. Ms Weir confirmed that Azets were confident that the Plan provided an appropriate mix of coverage over the corporate risks and a draft Plan for 2022/23 would be provided at the next meeting in March 2022. The Committee were happy to accept that the action was now closed.</p> <p><u>APPROVED</u></p>	
52.	MINUTES OF MEETINGS	
52.1	RISK MANAGEMENT STEERING GROUP HELD ON 1st DECEMBER 2021	
	<p>The Committee were content to note the minutes of the Risk Management Steering Group meeting held on 1st December 2021.</p> <p>It was also noted that a new Chief Risk Officer had been appointed, and would be joining NHSGGC in January 2022.</p> <p><u>NOTED</u></p>	
52.2	INFORMATION GOVERNANCE STEERING GROUP HELD ON 24th NOVEMBER 2021	
	<p>The Committee were content to note the minutes of the Information Governance Steering Group meeting held on 24th November 2021.</p> <p>Ms Forbes highlighted from item 6e of the report that there had been a discrepancy in the total number of assets for East Dunbartonshire in comparison with similar sized services and asked for further details. Mr White advised that he did not have the details to hand, however, he would look to follow up with Ms Forbes.</p> <p>It was noted that there was an upcoming ICO audit. Mr White noted that the final draft NIS Audit report had been received which had a positive</p>	Mr White

		ACTION BY
	<p>outcome. It was noted that the NHSGGC website had recently been compromised and reviews were underway to understand and resolve the situation. The Committee were assured that the situation was stable and under control.</p> <p>Following a question from the Chair regarding the Board's position on patient confidential health data which was discussed in the Scottish Parliament, the Committee was advised that the Board was in discussion with and taking advice from the Scottish Government. Following discussion it was agreed that management, in conjunction with Scottish Government advice, would consider whether to formally report the breach to the ICO.</p> <p>The Committee noted assurance that the appropriate action would be taken with the ICO, and there was a suggestion that the Board receive confirmation of advice in writing from the Scottish Government in this regard.</p> <p><u>NOTED</u></p>	Mr White
53.	FRAUD REPORTS	
	<p>The Committee considered the paper "Fraud Reports" presented by Mr M White, Director of Finance.</p> <p>The Committee were presented with 4 reports: Fraud Report; CFS Quarterly Report; and Patient Exemption Checking Statistics Q2 2021.</p> <p>Mr White advised that the papers provided analysis of the level and types of enquires received during the period August – October 2021, as well as the ongoing fraud cases and progress on the National Fraud Initiative.</p> <p>There were 26 allegations received during the period August – October 2021, an increase of 5 compared to the previous year, as well as 1 new fraud case.</p> <p>Mr Vincent noted that no cases had been noted as whistleblowing. Ms Aird advised Mr Vincent that a check had taken place while the report was being made to ensure that there were no whistleblowing cases. Mr Vincent suggested that some cases may not be categorised as whistleblowing, despite actually being whistleblowing cases. It was agreed that Mr Vincent would look to discuss these potential cases with Ms Aird following the meeting.</p> <p>Following a question from Ms Wailes regarding the reason for fewer fraud allegations in comparison to pre-COVID-19 numbers, it was advised that it was unclear on the reasons why there were a reduced</p>	Mr Vincent / Ms Aird

		ACTION BY
	<p>number of allegations, but that it provided assurance that the correct controls and processes were in place.</p> <p>The Audit & Risk Committee were content to accept the recommendation that the level and nature of detected fraud which had occurred within NHSGGC did not indicate that there were deficiencies within counter fraud arrangements, nor significant weakness in the overall system of internal control within the organisation.</p> <p><u>NOTED</u></p>	
54.	EXTERNAL AUDIT UPDATE	
	<p>The Committee received a verbal update by Ms L Maconachie, Audit Scotland.</p> <p>Ms Maconachie advised that audit planning would begin in January 2022 and that the date for certification had been brought forward one month to 31st August 2021.</p> <p>Committee members noted that clarity around the Board's reporting timetable was needed to ensure that the appropriate meetings and assurances were in place, in order for the Committee to recommend the 2022 accounts to the Board.</p> <p>The Audit and Risk Committee were content to note the report and updated certification date.</p> <p><u>NOTED</u></p>	Audit Scotland
55.	INTERNAL AUDIT	
	<p>Before receiving the reports, Ms Young advised that there had been a change in the Internal Audit Team in that Mr Chris Brown had taken up a secondment post until 1st April 2022. Ms Young advised that she had taken over Mr Brown's portfolio until his return, and assured the Committee that a detailed handover had taken place, and that the same level of resource and support would be provided as per the contract to NHSGGC.</p> <p><u>NOTED</u></p>	
55.1	INTERNAL AUDIT PROGRESS REPORT – DECEMBER 2021	
	<p>The Committee considered the paper "Internal Audit Progress Report – December 2021" presented by Ms E Young, Azets.</p>	

		ACTION BY
	<p>Ms Young advised that despite the constraints brought by the pandemic, good progress had been made. She advised that the Internal Audit Plan had been reviewed however no changes to it had yet been required. Following question from Ms Wailes around the prioritisation of audits, Ms Young advised that audits planned for March were already substantially underway however also noted that upcoming clinical audits may need reviewed to ensure there would be no impact on the clinical teams while already under pressure.</p> <p>Prof Brown highlighted reference to the 'IJB Strategic Planning and Commissioning' review discussed within the progress report and advised that strategic planning and commissioning should not just be taking place in IJB's, but across the whole system. Ms Weir assured Prof Brown that there was more coverage in the report linking to the whole system, in particular noting Moving Forward Together and Remobilisation Planning. The Chair noted that there had been a request from management that the first presentation of the report would be to the Finance, Planning and Performance Committee in February 2022, before coming to the ARC. It was agreed the audit would be removed from the Internal Audit Plan and be presented to the Audit & Risk Committee as an advisory piece of work in March 2022, following presentation to the Finance, Planning and Performance Committee.</p> <p>Ms Brimelow advised that safety of medicines was a key risk within the Clinical Risk Register for the Clinical Governance Committee and was pleased to note that within the HEPMA Project Governance report it was noted as minor improvements required.</p> <p>Mr Kelly noted the high level of engagement from different stakeholders throughout the HEPMA Project Governance report, noting the good governance from all the key governance groups.</p> <p><u>AGREED</u></p>	
55.2	INTERNAL AUDIT FOLLOW UP REPORT – Q3 2021/22	
	<p>The Committee considered the paper "Internal Audit Follow Up Report – Q3 2021/22" presented by Ms R Weir, Azets.</p> <p>Ms Weir reported that the total actions for follow-up were 22, with 16 closed off and 6 being carried forward into the next quarter. Good progress continued to be made, 3 actions remained partially complete with only one deemed as high risk.</p> <p>Following concern from Prof Brown around the outstanding recommendations from the 2019/20, Ms Weir noted that recently there had been good progress on the actions that were overdue, however, of the 3 remaining, 2 were from the QEUH Deanery Report from 2019/20</p>	

		ACTION BY
	<p>and 1 around statutory and mandatory training. All 3 were noted as low grade recommendations, with no significant risk expected. Prof Brown advised that he was concerned that the Board has been red flagged for 5 years and ever since had been addressing continuous new actions following the review of previous actions. Prof Brown advised that he had asked Dr Armstrong, Medical Director to feedback his concern to NES that the audit process was failing to deliver its purpose of providing assurance. Mrs Grant advised that the majority of the two enhanced monitoring requirement recommendations were now complete. Mrs Grant agreed to review the actions following the meeting with Mr White and Dr Armstrong and circulate an update in the coming weeks.</p> <p>Prof Brown also noted that statutory and mandatory training was a longstanding issue and advised that assurance was not being provided that the system was fit for purpose. Mrs Grant advised that the recommendations with this action were also near completion despite remaining non-compliance issues. Mrs Grant agreed to review and update it alongside the other two recommendations.</p> <p>Ms Brimelow advised that a new risk had been added to the Clinical and Care Governance Committee around the risk to patient care where departments are not meeting the GMC standards of training and was up for discussion with the Medical Director at an upcoming meeting.</p> <p>The Committee noted good progress against actions on the Follow Up Report and would look to receive an update on the outstanding recommendations in the coming weeks.</p> <p><u>NOTED</u></p>	<p>Mrs Grant</p> <p>Mrs Grant</p>
55.3	INTERNAL AUDIT PROCUREMENT AND TENDERING REPORT	
	<p>The Committee considered the paper “Internal Audit Procurement and Tendering Report” presented by Ms R Weir, Azets.</p> <p>Ms Weir noted several issues highlighted within the report around the application of procurement processes. In particular that arrangements for ensuring the completeness and accuracy of the contracts register were inadequate, and that documentation confirming approval for a number of non-competitive contracts procured during the COVID-19 pandemic could not be located. It was also noted that that insufficient management oversight and scrutiny of procurement and tendering activity had been identified. As such, NHSGGC risked non-compliance with both the Standing Financial Instructions and relevant legislation.</p> <p>Ms Forbes raised concern that there were instances where a £50,000 expenditure limit had been exceeded on 3 occasions. Mr Sanderson</p>	

		ACTION BY
	<p>advised that it was an issue across all health boards and explained that disaggregation was difficult to detect and was mostly only achievable through spend analysis. Mr Sanderson advised that he was looking to review spend analysis to make it as robust as possible to ensure these instances do not occur in the future.</p> <p>The Committee noted that significant improvement was required, however, acknowledged that the COVID-19 pandemic had put significant pressure on the Procurement Teams through the increased volumes of activity with PPE and kit for test sites and vaccination centres. The Committee took assurance from Mr Sanderson that a restructure of the department had taken place and that there had been reinstatement of the Procurement Steering Group to oversee activity across both Central Procurement and devolved 'Board Lead' areas. The Procurement Strategy was due to be refreshed for 2022, providing a strong basis upon which to take forward the necessary improvement actions. With these steps, the Committee were assured that improvement would be seen going forward.</p> <p><u>NOTED</u></p>	
56.	RISK MANAGEMENT	
56.1	ANNUAL REPORT	
	<p>The Committee received the Risk Management Steering Group Annual Report presented by Mr M White, Director of Finance.</p> <p>Mr White advised that the purpose of the report was to provide the Committee with assurance that adequate and effective risk management arrangements were in place to ensure continued compliance with relevant legislation and guidance. Mr White advised that due to the timing of the report, it covered a 17 month period from April 2020 to August 2021 where a total of 5 meetings had taken place.</p> <p>The Committee discussed whether a Non-Executive Board Member should be part of the Group following the departure of Mr MacLeod, however, it was agreed that there would be a conflict of interest and that there was no longer a need now that the Group was fully established.</p> <p>The Committee thanked Mr White and the Risk Management Steering Group for providing assurance, noting that there had been a noticeable difference in the way risk was identified and managed.</p> <p><u>NOTED</u></p>	

		ACTION BY
56.2	CORPORATE RISK REGISTER	
	<p>The Committee considered the paper “Corporate Risk Register” presented by Mr M White, Director of Finance.</p> <p>Ms Forbes highlighted that under section 3053 point 2 of the mitigating actions, the last sentence referenced plans for 2020/21 however suggested this was changed to 21/22. Mr White agreed to review the suggestion and make the relevant change.</p> <p>The Committee were content to note the update to the Corporate Risk Register and took assurance that an appropriate system of risk review was in place with the subcommittees.</p> <p><u>APPROVED</u></p>	Mr White
57.	WHISTLEBLOWING REPORT 2021/22 Q2	
	<p>The Audit & Risk Committee considered the paper Whistleblowing Report – 2021/22 Quarter 2 presented by Ms J Haynes, Corporate Services Manager.</p> <p>Ms Haynes advised that there were 7 new whistleblowing cases received in the quarter, as well as 7 cases closed. There were also 4 cases not taken forward via the whistleblowing process, as they did not meet the criteria. The average number of days to close a whistleblowing case remained high as a result of legacy cases which pre-dated the new National Whistleblowing Standards (which came into effect on 1 April 2021), however, all historical cases were now closed. It was noted that performance for Quarter 3 was so far 100% across both Stage 1 and 2 cases.</p> <p>Following question from Prof Brown, Ms Haynes confirmed that there had been no cases where bullying had been identified. Following a question from the Chair, Ms Haynes confirmed there were no cases involving infection, prevention and control. The Audit & Risk Committee were assured that the correct whistleblowing procedures were in place, and noted in particular that there had been no cases indicating a culture of bullying within the Board.</p> <p>It was agreed that Ms Haynes would look at whether additional support was required for staff, managers and services who were part of a whistleblowing allegation or investigation.</p>	Ms Haynes

		ACTION BY
	The Committee noted thanked to Ms Haynes for the report and were assured that it would be presented to the ARC on a quarterly basis. <u>NOTED</u>	
58.	INFORMATION GOVERNANCE ANNUAL REPORT	
	<p>The Committee considered the paper “Information Governance Annual Report 2020/21” presented by Mr S Whyte, Information Governance Manager.</p> <p>The report detailed the work carried out by the Information Governance and Security Teams throughout the year 2020/21. It was noted that both Data Protection and the Security & Threat mandatory training modules showed staff completion rates of 92.4% and 92.3% respectively. There were 7 confidentiality breaches to the Information Commissioner’s Office and in addition the ICO received 6 complaints from members of the public.</p> <p>In follow up to previously raised question from Mrs Forbes regarding a discrepancy in the total number of assets for East Dunbartonshire in comparison with similar sized services, Mr Whyte advised that the Information Governance Team were still liaising with East Dunbartonshire to clarify the position.</p> <p>The Audit & Risk Committee were content to note assurance from the activity which took place across 2020/21, noting the quantity of good work undertaken and how the system has been improved. The Committee recommended to Mr Whyte that the Information Governance Group should look to promote good information governance through a communications strategy.</p> <p><u>NOTED</u></p>	Mr Whyte
59.	CLOSING REMARKS AND KEY MESSAGES TO THE BOARD	
	<p>The Chair concluded the formal business of the meeting and noted the following points to be highlighted to the Board:</p> <ul style="list-style-type: none"> • Board’s position to the Health Data Breach • External Audit Update • Internal Audit Procurement Report • Risk Management Annual Report • Whistleblowing Report Q2 • Information Governance Annual Report 	

		ACTION BY
	The Committee also noted thanks to Ms Haynes who would be leaving to take up a new role in the New Year. Mr Vincent noted particular thanks to Ms Haynes for her significant input into whistleblowing, noting that a large part of its success was down to her.	
	<u>NOTED</u>	
60.	DATE AND TIME OF NEXT MEETING	
	Tuesday 15 March 2022, 09.30am, Microsoft Teams	
61.	PRIVATE MEETING WITH INTERNAL AUDIT	
	Following the meeting, a private meeting between Non-Executive Board Members and Azets took place.	