

NHS GREATER GLASGOW AND CLYDE

**Minutes of the Meeting of the
Audit and Risk Committee
held on Thursday 18 September 2025 at 9.30am
hybrid at JB Russell House/Microsoft Teams**

PRESENT

Ms Michelle Wailes (in the Chair)

Mr Brian Auld	Dr Rebecca Metcalfe
Cllr Jacqueline Cameron	Mr Colin Neil
Ms Margaret Kerr	Mr Charles Vincent

IN ATTENDANCE

Ms Denise Brown	Director of Digital Services
Mr Euan Cronin	Assistant Head of Financial Services
Mr William Edwards	Deputy Chief Executive
Mr Martin Gill	BDO
Ms Katrina Heenan	Chief Risk Officer
Mr Paul Kelly	Internal Auditor, Azets
Ms Rachel King	Internal Auditor, Azets
Ms Louise Russell	Secretariat Manager (Minutes)
Mr Michael Sheils	Head of Financial Services
Dr Lesley Thomson KC	NHSGGC Chair
Mr John Thomson	Assistant Director of Finance
Ms Elaine Vanhegan	Director of Corporate Services and Governance
Ms Rachel Wynne	External Auditor, EY
Ms Elizabeth Young	Internal Auditor, Azets

			ACTION BY
55.	Welcome and Apologies		
	The Chair welcomed those present to the September meeting of the Audit and Risk Committee.		
	Apologies were noted on behalf of Dr Scott Davidson, Professor Jann Gardner and Professor Tom Steele.		
	<u>NOTED</u>		

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56.	Declaration(s) of Interest(s)		
	<p>The Chair invited members to declare any interests in any of the matters being discussed. There were no declarations made.</p> <p><u>NOTED</u></p>		
57.	Minutes of Previous Meeting		
	<p>The Committee considered the minute of the Audit and Risk Committee meeting held on 17 June 2025 [ARC(M)25/03] and on the motion of Ms Margaret Kerr and Dr Becky Metcalfe the Committee were content to accept the minutes of the meeting as a complete and accurate record.</p> <p><u>APPROVED</u></p>		
58.	Matters Arising		
	<p>a) Rolling Action List</p> <p>The Committee considered the Rolling Action List [Paper No. 25/36] and were content to accept that 4 items were closed.</p> <p>There were no other matters arising and the Committee were content to approve the Rolling Action List.</p> <p><u>APPROVED</u></p>		
59.	Urgent Items of Business		
	<p>The Chair invited members to raise any urgent items of business. There were no issues raised.</p> <p><u>NOTED</u></p>		
60.	Fraud Report and Counter Fraud Services Update		
	<p>The Committee considered the Fraud Report and Counter Fraud Services Update [Paper 25/37] presented by Mr Euan Cronin, Assistant Head of Financial Services, for assurance.</p> <p>Mr Cronin advised that the paper provided an update on current fraud cases and the actions undertaken to prevent, detect and investigate fraud in the period 1 April 2025 to 31 August 2025. There were 38 allegations reported during the period which was broadly in line with the same period in the previous year.</p>		

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	<p>There was one new case of fraud recorded during the reporting period. This related to a successful bank mandate fraud perpetrated by an individual posing as an individual at a foreign supplier. Attempts to recover the funds were being pursued with the bank, with an outcome expected in September 2025. Mr Cronin reported that a case was raised with Counter Fraud Services as the fraud was discovered, after which an alert was disseminated to the Boards. The Committee received assurance that a review of internal controls within Accounts Payable had been undertaken to prevent reoccurrence. As at 31 August 2025, there were 10 open fraud cases on the Fraud Register and 26 open allegations on the Enquiries Register.</p> <p>The Committee noted the CFS Quarter 1 report and the 2025/26 annual action plan attached for information.</p> <p>The Committee discussed common themes for fraud, including undisclosed secondary employment, which accounted for a significant portion of referrals to Counter Fraud Services. The Committee noted that currently any cases raised of secondary employment were referred to the Board. Further detail would be brought back to the Committee in relation to secondary employment and how awareness was being raised about the requirement for all staff to disclose any form of secondary employment.</p> <p>The Committee noted that International Fraud Awareness week would take place from 16 to 25 November 2025 which would provide an opportunity to promote themes.</p> <p>The Committee reviewed statistics related to fraud awareness training and observed a decline in participation in recent years. It was noted that while the fraud awareness training module was currently optional, it would become mandatory in 2026 and would be implemented across the Board. The Committee noted however that this was for Agenda for Change staff only.</p> <p>In response to a question about the training matrix, including its timeline and intended recipients, the Committee noted that the training matrix was currently under consultation. Consideration would be given to determining the appropriate level, and the target rollout was by the end of the calendar year. Further detail would be provided at a future meeting in relation to the training matrix and training related to core contractors.</p> <p>In relation to Economic Crime and Corporate Transparency Act (ECCTA) which came into force on 1 September 2025, the Committee noted that the risk for the Health Board was low, however the Risk Assessment Toolkit would be brought to the</p>	<p>Mr Cronin</p> <p>Mr Cronin</p> <p>Mr Cronin</p>	

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	Committee at a future meeting to provide assurance that NHSGCC were complying with the Act.		
	<p>Operation Milton was progressing well, with regular meetings taking place with CFS and greater clarity expected by the end of the month. The Committee noted a counter fraud meeting with the Fiscal to nominate a KC for case review had taken place, with further feedback expected on 23 September 2025. The internal HR review concerning one staff member's conduct hearing was set to conclude by the end of the month, with the next steps pending its outcome. A meeting with Committee members and Counter Fraud Services would be set up, with a written update to be provided.</p> <p>The Committee were content to note the update.</p> <p><u>NOTED</u></p>		Mr Neil
61.	Patient Private Funds Annual Report		
	<p>The Committee considered the Patient Private Funds Annual Report [Paper 25/38] introduced by Mr John Thomson, Assistant Director of Finance, and presented by Mr Martin Gill, BDO.</p> <p>Mr Gill provided an overview of the key elements of the Patient Private Funds Annual Accounts and audit report from BDO for the financial year ended 31 March 2025.</p> <p>Mr Gill highlighted that BDO had identified that £72,250 of interest was recorded as cash at year end. However, this had not been received into the bank until April 2025 and should have been separately disclosed in the accounts as accrued interest. Therefore, this had been adjusted for.</p> <p>A sample of 17-month end bank reconciliations, spread across all hospitals was obtained, to test the control that the reconciliation should be signed as prepared and reviewed each month. Eight Hospitals were visited to complete controls testing.</p> <p>Mr Gill advised that there were no significant changes to the planned audit approach, and it was anticipated that an unmodified audit opinion on the annual accounts would be issued.</p> <p>In response to a query regarding the difference between Patient Private Funds and Health Board accounts, Mr Gill explained that Patient Private Funds sat separately from the Board accounts due to interest. The Committee agreed that the naming conventions of the accounts was required to be clarified.</p>		Mr Gill

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	<p>The Committee were content to approve the PPF annual accounts.</p> <p><u>APPROVED</u></p>		
62.	External Audit Debrief and Action Tracker		
	<p>The Committee considered the External Audit Debrief and Action Tracker [Paper 25/39] presented by Mr John Thomson, Assistant Director of Finance, for assurance.</p> <p>Mr Thomson advised that the Audit Debrief was completed with EY on 25 August 2025 to consider improvements and update actions going forward. Four new recommendations were made in their Annual Audit Report for 2024-25. Mr Thomson advised that of the 17 outstanding audit actions from previous years, 11 had been completed and 6 remained. Progress against the 10 outstanding audit actions was monitored to completion.</p> <p>The Committee discussed concerns about the timeline for the external review of the Blueprint for Good Governance self-assessment, noting recent governance changes including, for example, the formation of the People Committee and the Inquiries Oversight Sub Committee. Ms Rachel Wynne, EY, suggested the deadline could be adjusted if necessary. EY were invited to attend any Committee meetings to observe regular discussions regarding governance at Board Committee level. An update would be added to the paper to note why the due date had been extended.</p> <p>The Committee were content to note the paper.</p> <p><u>NOTED</u></p>		Mr Thomson
63.	Business Continuity Planning Overview		
	<p>The Committee considered the Business Continuity Planning Overview [Paper 25/40] presented by Dr Emilia Crighton, Director of Public Health, for assurance.</p> <p>Dr Crighton said that the paper provided an update on business continuing planning across NHSGGC noting that this was critical in ensuring that essential services could be maintained during disruptive events and was in line with statutory duties under the Civil Contingencies Act 2004 and associated Scottish Government regulations. Dr Crighton set out the key developments including the restructuring of the Strategic Resilience Group to strengthen oversight and embed local accountability and the implantation of a programme of training and scenario-based exercises.</p>		

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	<p>The Committee were content to note the paper.</p> <p><u>NOTED</u></p>		
64.	Corporate Risk Register		
	<p>The Committee considered the Corporate Risk Register [Paper 25/41] presented by Ms Katrina Heenan, Chief Risk Officer, for approval.</p> <p>Ms Heenan provided an overview of the current Corporate Risk Register and changes that had been made since the last meeting. She noted that 96%-100% of the risks had been reviewed since the last meeting. There were 20 new actions, 22 had been completed and 35 were overdue. Actions continued to be progressed with the risk owners and monitored by the Corporate Management Team.</p> <p>Mr Heenan highlighted that the risk score for Risk 3036 – Financial Sustainability Revenue, had been increased to 25 in July 2025. A deep dive of the Corporate Risk Register had been carried out and 4 of the actions in relation to Risk 3052 – Regulatory Body Compliance had been closed following agreement to report the status in a compliance report rather than tracking through this action. The score had not changed.</p> <p>In response to a question regarding risk scoring, the Committee noted that a new policy for the whole risk register had been proposed. The scoring matrix was included in the proposal and there would be updated to reflect different impacts. The work on this was starting through the Director's Group and updates would be provided in due course.</p> <p>The Committee were content to note the update provided.</p> <p><u>NOTED</u></p>		Ms Heenan
65.	Risk Management		
	<p>The Committee considered the Risk Management Policy, Strategy and Procedure presented by Mr Colin Neil, Director of Finance, for endorsement and approval.</p> <p>Ms Heenan advised that, to align with the new NHSGGC Policy Framework and Template, the Risk Management Policy and Guidance for Managers document along with the Risk Management Strategy had now been revised into three documents – the Risk Management Policy, Risk Management Strategy and Risk Management Procedure. To align with the NHSGGC Policy Framework, the guidance information had been</p>		

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	<p>removed from the Policy and incorporated into a separate procedure. The procedure provided a step-by-step approach to risk management and incorporated the new NHS Scotland Risk Scoring Matrix which would require risks to be re-scored to this new matrix. This would then allow the Boards Risk Appetite and Tolerance levels to be applied to risks.</p> <p>The Committee were content to approve the Risk Management Procedure and to endorse the Risk Management Policy and Strategy which would now be presented to the Board for onward approval.</p> <p><u>ENDORSED AND APPROVED</u></p>		
66.	Freedom of Information Quarter 1 Report		
	<p>The Committee considered the Freedom of Information Quarter 1 Report [Paper 25/43] presented by Mr Iain Paterson, Corporate Services Manager – Compliance, for assurance.</p> <p>Mr Paterson advised that between 1 April and 30 June 2025, NHSGGC received 395 FOI/EIR requests which was comparable to the demand recorded in the previous quarter and an increase of 15% on Quarter 1 in 2024/25. 88% of requests were responded to within statutory timescales during the quarter which was comparable to the 89% recorded in the previous quarter and a significant improvement on the 39% recorded at the same stage last year. Only 5 requests for review were received during the quarter and all reviews upheld the original decision on the information disclosed.</p> <p>The Committee were content to note the report.</p> <p><u>NOTED</u></p>		
67.	Whistleblowing Quarter 1 Report		
	<p>The Committee considered the Whistleblowing Quarter 1 Report [Paper 25/44] presented by Ms Elaine Vanhegan, Director of Corporate Services and Governance.</p> <p>Ms Vanhegan advised that there was one Stage 2 case taken forward in the quarter and there were no Stage 1 cases closed in the quarter. Stage 2 performance was 50% against the target of 20 working days to respond. The Speak Up 2025/26 Action Plan had been included in the paper to provide assurance of the ongoing work around implementing the Standards and increasing colleague confidence in the process.</p> <p>The Committee were content to note the report.</p>		

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68.	Information Governance Steering Group Update		
	<p>The Committee considered the Information Governance Steering Group Update [Paper 25/45] presented by Mr Colin Neil, Director of Finance, for assurance.</p> <p>Mr Neil provided a high level summary of the key discussions and decisions from the Information Governance Steering Group (IGSG) that had been held on 27 August 2025. The IGSG had considered the standard performance reports in relation to Information Governance and IT Cyber Security and had also considered other business including the review and endorsement of new NHSGGC AI guidance; approval of a new AI section for the NHSGGC Privacy Notice; proposals for the review period for the new Once for Scotland Safe Information Handling mandatory training module; an update on the new NHSGGC Information Asset Register; and proposals for a Core Brief to remind staff of the process to follow if an NHSGGC device is lost or stolen.</p> <p>The Committee were content to note the update.</p> <p><u>NOTED</u></p>		
69.	Committee Annual Cycle of Business 2025/26		
	<p>The Committee considered the Committee Annual Cycle of Business 2025/26 [Paper 25/46] presented by Ms Elaine Vanhegan, Director of Corporate Services and Governance, for approval.</p> <p>Ms Vanhegan said that the paper was presented to ensure awareness of the Committee's Annual Cycle of Business which was aligned to NHSGGC's Corporate Aims and Corporate Objectives. It was important to note that this was a dynamic process and if items required to be added or moved this would be notified to the Committee and the Annual Cycle of Business annotated to ensure transparency.</p> <p>The Committee were content to approve the Annual Cycle of Business.</p> <p><u>APPROVED</u></p>		
70.	Internal Audit Reports		

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	<p>The Committee considered the paper Internal Audit Reports [Paper 25/47] presented by Azets for assurance.</p> <p>a) <u>Internal Audit Progress Report</u></p> <p>The paper provided a summary of internal audit activity since the last meeting and there were no issues highlighted. The draft audit of whistleblowing had been issued to management for comment. The reviews of risk management and waiting list management were in progress, with the remaining audits at planning stages. Discussions were taking place with senior management to ensure the audit plan remained relevant and aligned to priorities noting that any proposed amendments would be agreed with the Committee prior to going forward. A number of changes had been made to the timing of audits in the year and these changes and the rationale for each were documented within the paper.</p> <p>b) <u>Environmental Sustainability</u></p> <p>The Committee were advised that NHSGGC had developed a Climate Emergency and Sustainability Strategy which closely aligned with the NHS Scotland Strategy Climate Emergency and Sustainability Strategy 2022-26. However, while it was clear that there was considerable work being undertaken in environmental sustainability and there was a particular focus on the Annual Delivery Plan targets, there was a need to improve tracking of progress against the aims set out in the Strategy to be able to better evidence progress. Risks related to the achievement of the Strategy had not been fully identified, documented and monitored at an operational level and, additionally, environmental sustainability risks to NHSGGC more generally had not been identified or appropriately overseen through the Directorate level risk management processes. The recommendations made in the report would support a more robust control framework.</p> <p>The Committee were content to note the report.</p> <p>c) <u>Freedom of Information (FOI)</u></p> <p>The Committee were advised that NHSGGC had responded to being placed into Level 3 intervention by the Scottish Information Commissioner in June 2024 and noted that there was regular dialogue with Commissioner staff to report on progress. It was noted that while performance had improved significantly since June 2024, the 90% compliance rate set by the Commissioner had not yet been met and it would be important to review options on how responses could be processed more efficiently to meet this target which may</p>		

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	include allocating time and resources within the FOI team to continuous improvement activity and reduce the risk of negative impact on performance. The current systems to support the management of FOI requests were not suitable for the volume and complexity of requests received and it was recommended that as a medium to longer term objective a case management system should be implemented to enable better recording, tracking and management of FOI requests.		
	<p>d) <u>Property Transaction Monitoring</u></p> <p>The Committee were advised that generally there were robust arrangements in place to ensure that property transactions were managed in line with the requirements of the NHS Scotland Property Transaction Handbook. These procedures had been consistently applied for the two property transactions concluded in the financial year 2024/25. Three minor improvement actions were identified which would provide the opportunity to strengthen existing controls and processes in this area,</p> <p>e) <u>Management Action Follow Up – Q2 2025/26</u></p> <p>The Committee noted that in the period to August 2025 there had been 45 total actions to follow-up which were 32 actions that had been added to the tracker and 13 open actions that had been brought forward. 8 actions had been closed and there was a total of 37 open actions carried forward. The Committee noted that none of the actions were high risk. A summary of the status of actions was included in the report.</p> <p>The Committee were content to note the reports.</p> <p><u>NOTED</u></p>		
71.	Closing Remarks and Key Messages for the Board		
	<p>The Chair thanked colleagues for attending and closed the meeting. A report on the key items of discussion would be prepared for the next meeting of the NHS Board.</p> <p><u>NOTED</u></p>		
72.	Date and Time of Next Scheduled Meeting		
	<p>The next meeting would be held on Tuesday 2 December 2025 at 9.30 am via MS Teams.</p>		