

NHS GREATER GLASGOW AND CLYDE

**Minutes of the Meeting of the
Audit and Risk Committee
held on Tuesday, 3 June 2025 at 9.30am
via Microsoft Teams**

PRESENT

Ms Michelle Wailes (in the Chair)

Ms Margaret Kerr	Mr Colin Neil
Dr Rebecca Metcalfe	Mr Charles Vincent

IN ATTENDANCE

Ms Denise Brown	Director of Digital Services
Mr Euan Cronin	Assistant Head of Financial Services.
Dr Scott Davidson	Medical Director
Mr William Edwards	Chief Operating Officer
Professor Jann Gardner	Chief Executive
Ms Katrina Heenan	Chief Risk Officer
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 Rachael Weir	Internal Auditor, Azets
Ms Rachel Wynne	External Auditor, Ernst and Young

			ACTION BY
21.	Welcome and Apologies		
	The Chair welcomed those present to the June meeting of the Audit and Risk Committee.		
	Apologies were noted on behalf of Mr Brian Auld and Cllr Jacqueline Cameron.		
	<u>NOTED</u>		
22.	Declaration(s) of Interest(s)		
	The Chair invited members to declare any interests in any of the matters being discussed. There were no declarations of interest.		

BOARD OFFICIAL

			ACTION BY
	<u>NOTED</u>		
23.	Minutes of Previous Meeting		
	<p>The Committee considered the minute of the Audit and Risk Committee meeting held on 18 March 2025 [ARC(M)25/01] and were content to approve the minute as a complete and accurate record pending the following minor amendment:</p> <ul style="list-style-type: none"> - Page 11, No. 19, see notes to be removed from the sentence. <p><u>APPROVED</u></p>		Secretary
24.	Matters Arising		
	a) Rolling Action List		
	<p>The Committee considered the Rolling Action List [Paper No. 25/15] and were content to accept that 5 items was closed and the following action re-opened:</p> <p><u>Minute 08 – External Audit Plan 2024/25</u></p> <p>The Committee noted a further discussion was required. A meeting would be arranged by the end of the week.</p> <p>There were no other matters arising noted.</p> <p><u>APPROVED</u></p>		Chair
25.	Urgent Items of Business		
	<p>There were no urgent items of business raised.</p> <p><u>NOTED</u></p>		
26.	Annual Fraud Report and Counter Fraud Services Update		
	<p>The Committee considered the paper ‘Annual Fraud Report and Counter Fraud Services Update’ [Paper 25/16] presented by Mr Euan Cronin, Assistant Head of Financial Services.</p> <p>The paper provided an update on current fraud cases and the actions undertaken to prevent, detect and investigate fraud in the period 1 April 2024 to 31 March 2025.</p> <p>Mr Cronin reported that 82 allegations had been received in 2024/25. He noted that the number of allegations received consistent with previous years. There had been no new cases of</p>		

BOARD OFFICIAL

			ACTION BY
	<p>fraud recorded. He noted there were 12 live cases, and 3 cases were expected to be closed.</p> <p>In relation to the live fraud case of a former employee suspected of breaches of the Code of Conduct, Mr Cronin reported that sentencing would take place on 5th June and media attention was expected. The Committee noted that shared learning would be taken forward by Counter Fraud Services in due course following sentencing. A wider piece of work would be carried out on the aspect of people being able to come forward and call out fraud. Mr Neil assured the Committee that the department continued to operate well, and control measures were in place.</p> <p>The Committee discussed the briefing on the matter, and it was acknowledged that, although training had been in place and the correct processes were in place, deliberate action had been taken by these individuals to circumvent the processes. The Committee recognised the importance of upskilling staff to be able to spot collusion and bribery. The Committee noted that Mr Brian Auld, Whistleblowing Champion, was carrying out a piece of work in relation to Speak Up to publicise the routes. The Committee also received assurance that a process was in place to review data to spot patterns.</p> <p>The internal overall structures were being reviewed and a piece of work in relation to mandatory training had been undertaken. The Committee noted that work was ongoing to develop a national training programme module for all staff. It was expected that work would be completed at the end of the calendar year. It was agreed that further detail in relation to training was required in future reports to get a fuller picture.</p> <p>In response to a question regarding phishing, the Committee received assurance that safeguards were in place, therefore a lot of phishing emails don't make it through the system due to the M365 and Swan networks in place. Any phishing emails could be forwarded to the mailbox to report, and these would be dealt with locally and reported nationally.</p> <p>The Committee observed that items on the fraud irregularities register were retained for six years, allowing reference to the original allegations when necessary, however, CFS had information stored for an extended period.</p> <p>In response to a question regarding whistleblowing, the Committee noted that although this wasn't raised through the whistleblowing process, the case had been considered through the same rigour via the processes in place.</p>		Mr Cronin

BOARD OFFICIAL

			ACTION BY
	An action plan and quarter 4 update were included in the report. The Committee were content to note the update. <u>NOTED</u>		
27.	NHSGGC Annual Accounts		
	a) Governance Statement		
	<p>The Committee considered the paper 'Governance Statement' [Paper 25/17] presented by Mr Colin Neil, Director of Finance and Mr John Thomson, Assistant Director of Finance.</p> <p>Mr Thomson provided an overview of the governance statement and highlighted the outstanding sources of assurance that would be required for Audit and Risk Committee to conclude on its review of internal controls.</p> <p>Mr Thomson reported that at this stage, two key sources of assurance remained outstanding to support the conclusion, which were 2 NSS Service Audits and an overall audit opinion from Internal Audit. On the basis that appropriate assurances will be obtained from these sources, the report currently concludes that, overall, a satisfactory system of internal control was in place within NHS Greater Glasgow and Clyde throughout 2024/25. The statement of assurance included in the papers highlighted the current investigation.</p> <p>The paper detailed the principles that underpinned NHSGGC's approach to risk management. The paper provided information on material matters, including an update on activity within the Board supporting and responding to the Scottish Hospitals Inquiry into the QEUH, RHC and the Children and Young Peoples Hospital in Edinburgh, the case with Multiplex, the internal review of the quality of care at Skye House, the HIS inspections and procurement irregularities. The Committee considered whether further detail was required within the risk management, and it was agreed that further detail should be added to the report in relation to the transformation work.</p> <p>It was agreed that further detail would be added to the report in relation to complaints regarding where they sit for completeness. The report would also be updated to reflect that the Finance, Planning and Performance Committee met seven times during the year due to special requirements.</p> <p>The Committee were content to note the paper, and the feedback provided.</p> <p><u>NOTED</u></p>		<p>Mr Thomson/ Ms Vanhegan</p> <p>Mr Thomson</p>

BOARD OFFICIAL

			ACTION BY
	b) Losses and Compensation Payments		
	<p>The Committee considered the paper Losses and Compensation Payments [Paper 25/18] presented by Mr John Thomson, Assistant Director of Finance.</p> <p>The report detailed the losses, compensations and special payments incurred by the Board during 2024/25, as included on the Board's SFR 18. The Committee noted that 95.6% of the losses related to Compensation Payments made under legal obligation. Losses were at a similar level as previous years.</p> <p>A report on tender waivers would be provided at the meeting on 17th June.</p> <p>The Committee were content to note the paper.</p> <p><u>NOTED</u></p>		
28.	External Auditor Update		
	<p>The Committee considered the verbal update provided by Ms Rachel Wynne, External Auditor.</p> <p>Ms Wynne reported that work was ongoing to provide a report to the Committee on 17th June for consideration. She noted that key material included procurement irregularities information on IJB key issues had provisionally been added, however no concerns had been noted at the moment.</p> <p>The Committee were content to note the update.</p> <p><u>NOTED</u></p>		
29.	Internal Audit Reports		
	<p>The Committee considered the paper 'Internal Audit Reports' [Paper No. 25/19] presented by, Azets.</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 Committee noted that the audit in relation to Staff Training and Development was in progress and would be presented at the next meeting and the Significant Adverse Events Management audit would be presented at the September meeting. Work had commenced on the audit plan for 2025/26, with 3 reviews</p>		

BOARD OFFICIAL

			ACTION BY
	at fieldwork stage and planning was underway on number of other reviews.		
	<p>b) <u>Strategic and Operational Planning</u></p> <p>The Committee noted that overall good planning arrangements were in place. A whole system approach including HSCPs continued to be taken, however collaboration with HSCPs remained challenging as HSCP strategies were developed at different times and cover varying periods, therefore agreeing shared and achievable priorities was challenging.</p> <p>A number of minor recommendations had been made in relation to estates planning.</p> <p>The Committee provided feedback on the report, noting some suggested amendments to the winter planning section in particular. It was agreed that further discussion would take place with the auditors to discuss the recommendations and provide information on the new structure. The report would be considered at the next meeting.</p> <p>c) <u>Medicines Governance</u></p> <p>The Committee noted the new format of the report which now included route cause analysis. The paper highlighted that policies and Terms of Reference were available on the website, however a number of policies were out of date due to absence within the team. The Committee noted that a management action plan had been put in place to resolve this.</p> <p>A recommendation had been made to standardize staff training methods, as currently training was provided through various methods.</p> <p>A recommendation was made for the indicative service cost for bringing medicines into use to be considered at the point at which the Horizon report was received. Mr Neil highlighted that that this had been raised with the Scottish Government to ensure that the SMC process captures the additional infrastructure cost.</p> <p>d) <u>Procurement Investigation – Summary Report</u></p> <p>The Committee noted the report.</p>		

BOARD OFFICIAL

			ACTION BY
	<p>e) <u>Management Action Follow Up Q1 2025/26</u></p> <p>The Committee noted there were 29 total actions to follow-up, 13 open actions were carried forward, and the remaining 4 actions were partially completed. 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 assured by the reports provided.</p> <p><u>ASSURED</u></p>		
30.	Risk Management Annual Report		
	<p>The Committee considered the paper 'Risk Management Annual Report' [Paper No. 25/20] presented by Mr Colin Neil, Director of Finance and Ms Katrina Heenan, Chief Risk Officer.</p> <p>The report provided an overview of annual performance for risk management in NHSGGC. This included analysis of the changes in risk scores across the Corporate Risk Register, as well as an overview of new risks added, and risks de-escalated. Ms Heenan highlighted that the number of risks on the Corporate Risk Register had increased from 20 to 23, 1 risk had been escalated, and 2 new risks had been added to the CRR in the period.</p> <p>Ms Heenan highlighted that NHSGGC had significantly contributed to the review of the NHS Risk Impact Matrix. Significant work had also been carried out to review the Risk Appetite Statement. A review of the Risk Management Structure within DATIX (Risk Management System) had commenced. The second phase would be completed this year.</p> <p>As part of the 2025/26 objectives, targeted training had taken place with Directors and General Managers. The next phase was to identify the next level to target. Training was in a variety of formats, including videos and quick reference guides.</p> <p>It was agreed that a statement would be added to the report to reflect that there were no de-escalated and closed Corporate Risks from Dec 23 to Mar 25.</p> <p>The Committee were content to note the report.</p> <p><u>NOTED</u></p>		Ms Heenan
31.	Corporate Risk Register		

BOARD OFFICIAL

			ACTION BY
	<p>The Committee considered the paper 'Corporate Risk Register' [Paper No. 25/21] presented by Ms Katrina Heenan, Chief Risk Officer.</p> <p>Ms Heenan provided an overview of the current Corporate Risk Register, noting that 96% of the risks had been reviewed since the last meeting. There were 2 new actions, 28 had been completed and 16 were overdue greater than 3 months and 21 less than 3 months, however, work continued, and an update was included in the paper. The Committee received assurance that deep dives and reviews of each one of the risks had taken place.</p> <p>In response to a question regarding the formal reporting route for cyber threats, the Committee noted that risks should have a standing committee owner.</p> <p>The Committee were content to approve the paper.</p> <p><u>APPROVED</u></p>		
32.	Information Governance Steering Group Update		
	<p>The Committee considered the paper 'Information Governance Steering Group Update [Paper No. 25/22] presented by Mr Colin Neil, Director of Finance.</p> <p>Mr Neil provided a summary of the key discussions and decisions at the meeting held on Wednesday 14th May 2025.</p> <p>In addition to the standard performance reports considered in relation to Information Governance and IT Cyber Security, other business of the group included approval of 2 updated Information Security Policies, review of the draft Information Governance Annual Report which would be submitted to the Corporate Management Team. Other reports considered included development of a dedicated Corporate Records Function and Corporate Records Manager Role, proposals for the wider Board roll-out of Sensitivity Labelling, update on development and roll-out of the new NHSGGC Information Asset Register and an update on recent ICO Action against NHSGGC supplier One Advanced following a cyber-attack on their system.</p> <p>The Committee were assured that business continuity planning had been implemented to ensure that patient care was not affected due to the cyber-attack. The Committee received assurance was that following a cyber-attack, suppliers would change processes as a result.</p> <p>The Committee were content to note the paper.</p> <p><u>NOTED</u></p>		

BOARD OFFICIAL

			ACTION BY
33.	Whistleblowing Quarter 4 and Annual Report 2024/25		
	<p>The Committee considered the paper 'Whistleblowing Quarter 4 and Annual Report 2024/25' [Paper No. 25/23] presented by Ms Elaine Vanhegan, Director of Corporate Services and Governance.</p> <p>Ms Vanhegan provided an overview of whistleblowing activity across Quarter 4 of 2024/25. She reported that there 8 concerns received in the reporting period, 3 Stage 1s and 5 Stage 2s.</p> <p>Ms Vanhegan reported that Mr Brian Auld, Whistleblowing Champion, and Ms Kim Donald, Corporate Services Manager – Governance), had been carrying out whistleblowing sessions.</p> <p>The report included a summary of the concerns received and the recommendations and learning following investigation. The Committee noted that responses to the anonymous survey had minimal response. This was being discussed nationally at the Whistleblowing Practitioners Forum and was not unique to NHSGGC. The report detailed all closed cases within the quarter and includes where learning from recommendations has been identified and acted upon.</p> <p>In response to a question regarding the number of cases received in other health boards, the Committee noted that there was a slight differential. The importance of the Speak Up work was acknowledged.</p> <p>The Committee were assured by the report provided.</p> <p>NOTED</p>		
34.	Committee Governance		
	a) Terms of Reference		
	b) Committee Annual Report		
	<p>The Committee considered the paper 'Committee Governance [Paper No. 25/24] presented by Ms Elaine Vanhegan, Director of Corporate Services and Governance.</p> <p>The Committee noted the Terms of Reference and noted that they would be cross checked against the Scheme of Delegation when it was finalised.</p> <p>The Committee considered the Committee Annual Report and noted minor amendments to be made to the membership section. It was agreed that section 4.1, 2023-24 Annual Consolidated Accounts, would be updated to note that under the Scheme of</p>		<p>Ms Vanhegan</p> <p>Secretary</p>

BOARD OFFICIAL

			ACTION BY
	<p>Delegation the Finance, Planning and Performance Committee monitored and scrutinised the financial position throughout the year. Section 4.12, Risk Appetite Statement would be updated to note that the Committee endorsed the Risk Appetite Statement, noting that the Statement would be approved by the Board. Under section 4.17, D&G Cyber Incident, it was noted that that the Digital Strategy implementation was overseen by the Finance, Planning & Performance Committee.</p> <p>The Committee were content to approve the paper.</p> <p><u>APPROVED</u></p>		
35.	Closing Remarks and Key Messages for the Board		
	<p>The Chair thanked those present for attending the meeting.</p> <p><u>NOTED</u></p>		
36.	Date and Time of Next Scheduled Meeting		
	<p>The next meeting would be held on Tuesday 17 June 2025 at 2.30 am via MS Teams.</p>		