



NHS GREATER GLASGOW AND CLYDE

**Minutes of the Meeting of the
Audit and Risk Committee
held on Tuesday, 12 December at 9.30 am
via Microsoft Teams**

PRESENT

Ms Michelle Wailes (in the Chair)

Mr Alan Cowan	Cllr Martin McCluskey
Ms Jacqueline Forbes	Ms Rona Sweeney
Ms Margaret Kerr (Vice Chair)	Mr Charles Vincent

IN ATTENDANCE

Ms Denise Brown	Director of Digital Services
Dr Scott Davidson	Deputy Medical Director - Acute
Ms Sandra Devine	Director Infection Prevention and Control
Ms Kim Donald	Corporate Services Manager - Governance
Ms Katrina Heenan	Chief Risk Officer
Ms Christine Lavery	Chief Officer - HSCP
Ms Becky Metcalfe	Non-Executive Board Member (Observing)
Mr Colin Neil	Director of Finance
Mr Iain Paterson	Corporate Services Manager - Compliance
Mr Stephen Reid	External Auditor, Ernst & Young
Ms Janet Richardson	Head of Financial Governance
Ms Elaine Vanhegan	Director of Corporate Services and Governance
Ms Angela Wallace	Executive Director of Nursing
Ms Rachael Weir	Internal Auditor, Azets
Mr Scott Wilson	Business Manager
Ms Rachel Wynne	External Auditor, Ernst & Young
Ms Elizabeth Young	Internal Auditor, Azets

			ACTION BY
59.	Welcome and Apologies		
	The Chair welcomed those present. Apologies were noted on behalf of Dr Lesley Thomson KC. <u>NOTED</u>		
60.	Declaration(s) of Interest(s)		

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	The Chair invited members to declare any interests in any of the matters being discussed. There were no declarations of interest.	
	<u>NOTED</u>	
61.	Minutes of Previous Meeting	
	The Committee considered the minute of the Audit and Risk Committee meeting held on 12 September 2023 [Paper No. ARC(M)23/05] and were content to approve the minute as a complete and accurate record subject to the following amendment:	
	<u>Amendment to Minute 23/03</u> Minute 23/03 [Paper No. ARC(M)23/05]: Action 52 Fraud Report – P4 _Para 2_ 5 th Line – should be ‘future’ and not ‘further’, ‘scheduled’ not ‘schedules’	Secretariat
	<u>APPROVED</u>	
62.	Matters Arising	
	a) Rolling Action List	
	The Committee considered the Rolling Action List [Paper No. 23/38] and were content that all actions were closed.	
63.	Minutes of Sub Committees	
	a) Information Governance Steering Group	
	The Committee considered the paper ‘Information Governance Steering Group – Approved Minutes of the meeting held on 16 August 2023’ Paper presented by Mr Colin Neil, Director of Finance.	
	Mr Neil highlighted the Information Asset Register progress report, noting strong compliance and working with asset owners where information was outstanding.	
	Mr Neil noted that there had been an increase in requests for information governance advice since the previous quarter, with the majority being in relation to sharing and disclosure of data.	
	Mr Neil reported training compliance, highlighting that although the performance is in the high 80s, the overall target remains 90%.	
	In response to a query regarding the reporting of data breaches, Ms Brown highlighted that management colleagues are subject to	

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		ACTION BY
	<p>'fair warning' notifications which flag when a record has been potentially breached. HR are also involved in this process, and an ongoing 'lessons learned' process has been adopted.</p> <p>In response to a query regarding subject access requests from prisoners, it was recognised that the prison service process is complex and can result in delays; however, the work was underway to mitigate unnecessary delays in releasing information with a review in this area concluding at the end of December. The outcome of the review would be reviewed at the IGSG in 2024.</p> <p>It was agreed that future iterations of the minutes would include a cover paper with key highlights for the committee to consider.</p> <p>The Committee were assured by the update.</p> <p><u>ASSURED</u></p>	<p>Mr Neil</p>
64.	Fraud Report	
	<p>The Committee considered the paper 'Fraud Report' [Paper No. 23/45] presented by Mr Colin Neil, Director of Finance.</p> <p>Mr Neil reported the data from August-October 2023, confirming there were no new cases of fraud reported during the period. Mr Neil also highlighted that the Counter Fraud Services report and the Fraud Action Plan had been appended for information.</p> <p>In response to a query regarding communication of fraudulent activity, Mr Neil reflected on the case where an individual had been arrested for impersonating a nurse in July noting the constrictions in place as a result of the ongoing police inquiry. Mr Neil advised that lessons had been learned and there has been reinforcement of wearing badges as well as circulation of process if there are any concerns regarding fraud. The Committee were keen to receive an update on the local system failure, and the actions taken to rectify this issue.</p> <p>With regards to the module available to staff regarding Fraud Awareness, Mr Neil advised that this was part of employee induction and the action plan focussed on areas of key challenge. The Committee queried whether this was included in the statutory and mandatory training reports reviewed by the Staff Governance Committee. Mr Neil agreed to review and verbally update at the next meeting.</p> <p>The Committee were assured by the update.</p> <p><u>ASSURED</u></p>	<p>Mr Neil</p> <p>Mr Neil</p>

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65.	External Audit Update	
	<p>The Committee considered the paper ‘External Audit Plan’ [Paper No. 23/46] presented by Mr Stephen Reid, Ernst and Young (EY).</p> <p>Mr Reid highlighted that 2023/24 audit planning discussions had been held and the context of the plan was to set out scope for Audit Scotland to take into account local risk factors, including the QEUH Inquiry.</p> <p>Mr Reid continued to discuss the Materiality Assessment, noting the calculations and value, noting these were comparable to the previous year:</p> <ul style="list-style-type: none"> • Planning Materiality £31.5m • Performance Materiality £15.75m <p style="padding-left: 40px;">assessed at 50% lower end of the range.</p> <p>Mr Reid highlighted changes to the reporting threshold which had been removed by Audit Scotland allowing auditors to set their own; indicating an increase from £250k to £1.5 million, which is comparable to other Health Boards. Mr Reid explained the flat rate of £250k had been in place for 10 years and did not allow for proportionate reporting. It was agreed that this would come back to the Committee for further discussion.</p> <p>Mr Neil confirmed he was comfortable with the timelines in place, and also highlighted that the new Assistant Director of Finance would be taking up post in 2024.</p> <p>The Committee were assured by the update.</p> <p><u>ASSURED</u></p>	Mr Neil
66.	2022-23 External Audit Actions Progress update	
	<p>The Committee considered the paper ‘2022-23 External Audit Actions Progress update’ [Paper No. 23/47] presented by Mr Colin Neil Director of Finance.</p> <p>Mr Neil explained that the report was an interim update on the 15 recommendations made by EY, highlighting that some were unable to be concluded until the year end. Mr Neil assured the Committee that the recommendations were monitored closely by the management team.</p>	

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	<p>With regards to recommendation 8, PFI, Mr Neil confirmed that these files were held centrally but the contract with the store was due to conclude in 2025. To minimise risk to the Board, a group has been set up to oversee this transition. With regards to recommendation 15, remuneration, Mr Neil highlighted that quality checks against SPPA data are now in place.</p> <p>In response to a query regarding a status paper highlighting significant judgements, it was agreed that this would be picked up through the annual cycle of business and future agendas.</p> <p>The Committee were assured by the update.</p> <p><u>ASSURED</u></p>	
67.	NIS Audit Report	
	<p>The Committee considered the paper ‘Internal Audit Reports’ [Paper No. 23/48] presented Ms Denise Brown, Director of Digital Services.</p> <p>Ms Brown advised that the report was part of a 3-year cycle and this was the second report received by the Board. Ms Brown highlighted that the final 2023 audit report had shown improvement, noting compliance at 93%.</p> <p>Ms Brown acknowledged it was a positive report but reinforced the importance of not being complacent and as such any area of development will be overseen by the IGSG.</p> <p>In response to a query regarding evidence of improvement work, Ms Brown explained that actions had been followed through from the previous audit, alongside better quality evidence being submitted.</p> <p>The Committee were assured by the update.</p> <p><u>ASSURED</u></p>	
68.	Internal Audit	
	<p>The Committee considered the paper ‘Internal Audit Reports’ [Paper No. 23/49] presented by, Ms Rachael Weir, Azets and Ms Elizabeth Young, Azets.</p> <p><u>Internal Audit Progress Report</u> Ms Young highlighted that good progress was being made in this regard, with one of two audit reports being concluded.</p>	

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	<p><u>Internal Audit Report – Consultant Job Planning</u> Ms Young reported that job planning processes were not consistently applied across the sampled areas of Cardiology, General Surgery and Mental Health, with 18% having a signed off job plan in place by 31st July 2023. Ms Young also noted there were large variations in regional analysis.</p> <p>Dr Davidson recognised the pressures across Acute services, particularly after Covid, and highlighted that this would be reviewed with the Clinical Directors. In response to a query regarding legal challenge if a job plan is not in place, Dr Davidson advised that the contract of employment was still in place and there would be no legal recourse. Dr Davidson also assured the Committee that demand and capacity was reviewed daily by the medical and nursing teams.</p> <p>The Chair highlighted concern about the timing of the management actions which fell across the winter months. Dr Davidson acknowledged pressures but confirmed that he would take this action forward in line with the deadline date. It was agreed that this would be overseen by the Staff Governance Committee.</p> <p><u>Internal Audit Report – Infection Prevention and Control</u> Ms Young noted the key findings and good practice in the paper, highlighting data infection indicators. The Committee were pleased to note the positive feedback in the report.</p> <p><u>Internal Audit Report – E-Health Application Access Management</u> Mr Kelly noted the three areas for improvement, highlighting the system security policies required to be reviewed and updated. He also highlighted the escalation processes in place for privileged user accounts, as well as auditing via fair warning. Ms Brown noted that she had spoken to the supplier re the automation process, which would actively alert proactive applications breach.</p> <p><u>Management Action Follow</u> Ms Weir highlighted that there were;</p> <ul style="list-style-type: none"> • 27 actions in the plan • 14 actions closed • 7 Completed • 2 Part completed • 4 Not due. 	<p>Secretariat</p>

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		ACTION BY
	<p>Ms Weir highlighted the open actions, noting that the Public Protection Arrangements should be closed before the next update.</p> <p>The Committee were assured by the report.</p> <p><u>NOTED</u></p>	
69.	Risk Appetite Statement	
	<p>The Committee considered the paper 'Risk Appetite' [Paper No. 23/50] presented by Mr Colin Neil, Director of Finance. Mr Neil invited Ms Katrina Heenan, Chief Risk Officer, to present the information to the Committee.</p> <p>Ms Heenan noted the Risk Appetite Statement was approved by the Board in October 2022. Due to the new Board Chair, as well as Ms Heenan recently taking up post, it was proposed that the current Risk Appetite Statement is approved for 2024.</p> <p>In response to a query regarding moderate vs cautious risk, the Committee discussed the varying requirements including legal response and reputational damage.</p> <p>The Committee were content to endorse the paper for onward approval at the Board.</p> <p><u>APPROVED</u></p>	
70.	Corporate Risk Register	
	<p>The Committee considered the paper 'Corporate Risk Register [Paper No. 23/51] presented by Ms. Heenan Chief Risk Officer.</p> <p>Ms Heenan presented the risk register and noted 4 changes to the risks, with 20 risks being recorded overall. Ms Heenan advised that as part of her role she would be performing a deep dive exercise into all of the corporate risks.</p> <p>The Committee were content to endorse the CRR to go forward, acknowledging that work was on-going.</p> <p><u>APPROVED</u></p>	
71.	Whistleblowing Quarter 3 Report	
	<p>The Committee considered the paper 'Whistleblowing Quarter 2 Report' [Paper No. 23/52] presented by Ms Kim Donald, Corporate Services Manager - Governance.</p>	

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	<p>Ms Donald highlighted the performance across Stage 1 as 100% against the target. Stage 2 performance was reported as 0%, and Ms Donald explained this was due to the complex nature of investigations, including the reliance on staff interviews as part of the investigation process. Mr Vincent advised that he had written to the INWO in this regard but highlighted the importance of maintaining an overall target in place to minimise delays. Ms Donald explained that any cases closed over 30 days would be reported separately to the Committee.</p> <p>The Committee were assured by the update.</p> <p><u>ASSURED</u></p>	
72.	Legal Claims Quarter 2 Report	
	<p>The Committee considered the paper ‘Legal Claims Quarter 2 Report’ [Paper No. 23/53] presented by Ms Iain Paterson Corporate Services Manager.</p> <p>Mr Paterson highlighted that 49 claim were settled by Q2 and there were 450 open claims. Mr Paterson discussed the detail around specialism and location and the small no of cases relating to adverse events in childbirth, which should be concluded by 2025/26.</p> <p>Mr Paterson noted that circa 50 claims had been settled, with an average award of £110k. Other legal activities include Fatal Accident Investigations and the Inquiries.</p> <p>The Committee were assured by the update.</p> <p><u>ASSURED</u></p>	
73.	Closing Remarks and Key Messages for the Board	
	<p>The Chair thanked those present for attending the meeting and advised that the key messages for the Board would be prepared from the Minute.</p> <p><u>NOTED</u></p>	
74.	Date and Time of Next Scheduled Meeting	
	<p>The next meeting would be held on Tuesday 12 March 2024 at 9.30 am via MS Teams.</p>	