

## NHS GREATER GLASGOW AND CLYDE

**Minutes of the Meeting of the  
Audit and Risk Committee  
held on Tuesday 17 June 2025 at 9.30am  
hybrid at JB Russell House/Microsoft Teams**

**PRESENT**

Ms Michelle Wailes (in the Chair)

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

**IN ATTENDANCE**

Ms Denise Brown	Director of Digital Services
Mr Martin Cawley	Board Member (Item 6)
Dr Scott Davidson	Medical Director
Ms Kim Donald	Corporate Services Manager - Governance
Professor Jann Gardner	Chief Executive
Mr Stephen Reid	External Auditor, Ernst and Young
Ms Rachel King	Internal Auditor, Azets
Ms Louise Russell	Secretariat Manager (Minutes)
Mr Chris Sanderson	Head of Procurement (Item 8)
Mr Michael Sheils	Head of Financial Services
Ms Natalie Smith	Interim Director of Human Resources and Organisational Development (Item 7)
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, Ernst and Young

			<b>ACTION BY</b>
<b>37.</b>	<b>Welcome and Apologies</b>		
	The Chair welcomed those present to the 17 June meeting of the Audit and Risk Committee.		
	Apologies were noted on behalf of Cllr Jacqueline Cameron.		
	<b><u>NOTED</u></b>		
<b>38.</b>	<b>Declaration(s) of Interest(s)</b>		

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			<b>ACTION BY</b>
	<p>The Chair invited members to declare any interests in any of the matters being discussed. There were no declarations of interest.</p> <p><b><u>NOTED</u></b></p>		
<b>39.</b>	<b>Minutes of Previous Meeting</b>		
	<p>The Committee considered the minute of the Audit and Risk Committee meeting held on 3 June 2025 [ARC(M)25/02] and were content to approve the minute as a complete and accurate record.</p> <p><b><u>APPROVED</u></b></p>		
<b>40.</b>	<b>Matters Arising</b>		
	<b>a) Rolling Action List</b>		
	<p>The Committee considered the Rolling Action List [Paper No. 25/25] and were content to accept that 6 items was closed. The Committee noted that 1 action remained ongoing in relation to response letters to the External Auditors regarding aspects of governance. The Committee noted that other than 1 outstanding, EY were content that they had received all letters, therefore the Committee agreed that the action could be closed.</p> <p>There were no other matters arising noted.</p> <p><b><u>APPROVED</u></b></p>		
<b>41.</b>	<b>Urgent Items of Business</b>		
	<p>There were no urgent items of business raised.</p> <p><b><u>NOTED</u></b></p>		
<b>42.</b>	<b>Update from Healthcare Charity Committee</b>		
	<p>Mr Martin Cawley, Board Member and Chair of the Healthcare Charity Committee, provided a verbal update.</p> <p>Mr Cawley reported that the Committee received the year end and audit reports for scrutiny. The Committee noted that EY were waiting on one final piece of information from BDO, however, it was expected that no adjustments would be required. The Healthcare Charity Committee were content to endorse the accounts for approval.</p> <p>The Committee were content to note the update.</p>		

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			<b>ACTION BY</b>
	<b><u>NOTED</u></b>		
<b>43.</b>	<b>Internal Audit Reports</b>		
	<p>The Committee considered the paper 'Internal Audit Reports' [Paper 25/26] presented by Azets.</p> <p>a) <u>Staff Training and Development</u></p> <p>The Committee received the final audit report on staff training and development, noting that testing and mandatory training, local training, and PDP showed a positive trajectory, with an average compliance rate of 92%. The report also highlighted the effort being made in relation to protected learning time. Areas of challenge remained, most notably attention was required on Personal Development Plan &amp; Review (PDP&amp;R) compliance. A sample of PDPs were reviewed across the organisation and differences in how these were written on TURAS was acknowledged. As at February 2025, only 56% of Agenda for Change employees has completed a PDP on the TURAS system, which was short of the national compliance rate target of 80%.</p> <p>The Committee received assurance that a management action plan had been developed to address the recommendations. This would be fed through the Staff Governance Committee, the People Committee and the Audit and Risk Committee would see the outcome through internal audit validation.</p> <p>In response to a question regarding ensuring that areas were captured appropriately, as there was a focus on Agenda for Change staff, the Committee were assured that actions would be taken away and assessed from all staff and could be reported back if required.</p> <p>b) <u>Revised Strategic and Operational Planning</u></p> <p>The Committee received the revised report, previously considered by the Committee on 3<sup>rd</sup> June.</p> <p>The management action plan had been updated regarding the estates strategy to reflect a revised title and narrative to reflect larger infrastructure.</p> <p>There had been significant update to the narrative in section 5.1 – Winter Planning to reflect the new governance structure and how it fed into the Winter Plan.</p>		

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			<b>ACTION BY</b>
	<p>The narrative in section 7.1 had been updated to provide clarity regarding ongoing changes to governance structure and reporting.</p> <p>The Committee recognised that this was an environment moving at pace and a lot of work in this space was required, however, were assured that the work done to date offered a solid foundation to evolve.</p> <p>The Committee were content to note the report and actions to take forward.</p> <p>c) <u>Internal Audit Annual Report 2024/25</u></p> <p>The Internal Audit Report noted that the contents were in-line with the assurances provided to the Committee throughout the year. The report highlighted that NHS Greater Glasgow and Clyde had a framework of governance, risk management and controls that provided reasonable assurance regarding the effective and efficient achievement of objectives. The report also highlighted good work in eHealth department controls and processes. No significant recommendations were made.</p> <p>The Committee noted that timing of reports being submitted was an area of discussion and work would be taken forward to improve the process further.</p> <p>The Committee were content to note the reports.</p> <p><b><u>NOTED</u></b></p>		
<b>44.</b>	<b>Tender Waivers</b>		
	<p>The Committee considered the paper 'Tender Waivers' [Paper 25/27] presented by Mr Chris Sanderson, Head of Procurement, for assurance.</p> <p>Mr Sanderson provided an overview of SFI Waiver activity in financial year 2024/25 and detail of higher value waivers including actions to reduce the need for waivers over time.</p> <p>He reported that in 2024/25, a total of 438 waivers were approved through the system, with a total value of £20.89m. Mr Sanderson said that when this was set in context, the waiver spends of the percentage of trade spend was 2.3%.</p> <p>Mr Sanderson reported that, overall, tender waivers fell into two categories, extreme urgency and competition was absent. The</p>		

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			<b>ACTION BY</b>
	report provided an update on the procurement strategies to reduce the use of waivers.		
	The Committee received assurance that a robust monitoring and processes were in place.		
	The Committee discussed the frequency of reporting required. The Procurement Steering Group now get an update quarterly and a deeper dive would take place if required to bring out any other actions.		
	The Committee were content to note the update.		
	<b><u>NOTED</u></b>		
<b>45.</b>	<b>Statement of Assurance and Draft Governance Statement</b>		
	The Committee considered the paper 'Statement of Assurance and Draft Governance Statement' [Paper No. 25/28] presented by Mr John Thomson, Assistant Director of Finance, for endorsement for onward Board approval.		
	Mr Thomson provided an overview of the report following discussion at the Audit and Risk Committee on 3 <sup>rd</sup> June. A verbal update was given on outstanding service audits from NSS for Primary Care Contractors and IT Services which had been received after the Committee papers were issued. Azets provided two internal audit reports to the Committee for assurance; Medicines Governance and Strategic and Operational Planning and the Committee asked that the Strategic and Operational Planning report which had been amended following feedback.		
	The Committee also asked that the Governance Statement was updated to reflect feedback on the strengthening of governance arrangements now in place, the excellent work on risk appetite approved by the Board as part of the risk management process and to seek further assurance from Directors on material governance matters included in the governance statement. 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.		Mr Thomson
	On page 18, the qualified opinion required a sentence to be added to clarify that there was not believed to be any risk to the Board.		Mr Thomson

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	<p>The Committee were content to endorse the report for onward Board approval subject to the minor amendments requested.</p> <p><b><u>ENDORSED</u></b></p>		
<b>46.</b>	<b>Best Value Statement</b>		
	<p>The Committee considered the paper 'Best Value Statement' [Paper No. 25/29] presented by Ms Elaine Vanhegan, Director of Corporate Services and Governance, for approval.</p> <p>Ms Vanhegan provided an overview of the annual report on the Best Value Framework and supporting evidence for NHS Greater Glasgow and Clyde (NHSGGC).</p> <p>Ms Vanhegan highlighted that board role was to embrace opportunities of transformation nationally. In relation to leaders demonstrating behaviours and working relationships that foster a culture of cooperation, and a commitment to continuous improvement and innovation, Ms Vanhegan highlighted the development and introduction of the People Committee overseeing equality, diversity, inclusion and culture approved at April Board. The paper had been updated to reflect the activity and work underway regarding the People Committee</p> <p>The Committee were content to approve the paper.</p> <p><b><u>APPROVED</u></b></p>		
<b>47.</b>	<b>Annual Review of Governance – Operational Requirements</b>		
	<p>The Committee considered the paper 'Annual Review of Governance – Operational Requirements' [Paper No. 25/29] presented by Ms Elaine Vanhegan, Director of Corporate Services and Governance, for endorsement for onward Board approval.</p> <p>The paper pulled together aspects core to governance processes. Activity remained underway to ensure that the Board's governance programme continued to reflect the guidelines within the Blueprint for Good Governance (2<sup>nd</sup> edition).</p> <p>Ms Vanhegan noted that the Standing Financial Instructions had been reviewed, and amendments made, where required and linked to the Scheme of Delegation.</p> <p>The Scheme of Delegation (SoD) was explicit regarding the role of the Board and the culture of the organisation. The SoD had been updated to acknowledge the role of the Deputy Chief Executive, no longer in a Chief Operating Officer role. In addition, the SoD</p>		

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	<p>reflected the introduction and delegation in respect of Inquiries and Regulation, Transformation and Reform and the transitional year in regard to culture, equality, diversity and inclusion. The SoD noted the establishment of the Inquiries Oversight Sub-Committee, the People Committee and the Executive Oversight Groups.</p> <p>Ms Vanhegan reported that all Committees had reviewed their Terms of Reference and Committee Annual Reports.</p> <p>The Committee were content to endorse the paper for onward Board approval.</p> <p><b><u>ENDORSED</u></b></p>		
<b>48.</b>	<b>Legal Update Annual Report</b>		
	<p>The Committee considered the paper 'Legal Update Annual Report' [Paper No. 25/31] presented by Ms Elaine Vanhegan, Director of Corporate Services and Governance, for assurance.</p> <p>Ms Vanhegan provided an overview of the report, which advised the Committee on the 2024/25 Q4/year end position regarding legal claims within the Board and an update on the Board's legal processes, including FAls, ongoing Public Inquiries and other litigation activity.</p> <p>As at Q4 of 2024/25, NHSGGC was responding to 521 claims, and 165 claims were settled by the end of Q4 2024/25. The estimated value of claims relating to Obstetrics and Gynaecology accounted for almost two-thirds of the total estimated value of claims raised against the Board.</p> <p>Other legal activity included Operation Koper' was launched in 2022 to examine the circumstances of some COVID-related deaths that the Crown had already been routinely investigating</p> <p>The Scottish Hospitals Inquiry (SHI) Glasgow IV Part 1 Hearing concluded on 30th May 2025, Part 2 commences on 19th August 2025 for a period of two weeks with expert reports and with Part 3 commencing on 16th September 2025 for five weeks for colleagues and ex members of staff. NHSGGC requires to submit a supplementary closing statement on the evidence heard at the Glasgow III Hearing by end of June 2025 and a meeting was scheduled with Council next week to review.</p> <p>Oral evidence was heard at the Phase 9 Hearings of the Scottish Child Abuse Inquiry (SCAI) between 30th April and 9th May 2025. The SCAI sought further evidence on Lennox Castle Hospital from NHSGGC and this was presented by Dr Scott Davidson on behalf of the Board.</p>		

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	<p>The UK Covid-19 Inquiry was still underway, with the care sector providing significant input.</p> <p>In response to a question regarding the change in governance due to establishment of the Inquiries Oversight Sub-Committee, the Committee noted that the next report would outline which governance committee was against each particular item. It was agreed that this would be monitored to ensure no duplication, however, it would still need to come to the Committee for oversight. It was agreed that the report would come to the Committee bi-annually.</p> <p>The Committee were content to note the report.</p> <p><b><u>NOTED</u></b></p>		Mr Paterson
<b>49.</b>	<b>Freedom of Information Annual Report</b>		
	<p>The Committee considered the paper 'Freedom of Information Annual Report' [Paper No. 25/32] presented by Ms Elaine Vanhegan, Director of Corporate Services and Governance, for assurance.</p> <p>The paper provided a summary of FOI performance covering the financial year 2024/25.</p> <p>The Committee noted the positive report, noting significant improvement in each quarter. Following NHSGGC being placed into Level 3 Intervention by the Scottish Information Commissioner, action plans were developed, and temporary resources were provided to the FOI function. This resulted in significant improved performance evidenced in Q2, Q3 and Q4 of 2024/25. The Committee noted that the volume of FOI's was still high and an increase in an election year was expected.</p> <p>In response to a question regarding the trajectory for getting out of Level 3, the Committee agreed that another meeting with the Commissioner was required to discuss the position. This would be arranged as a matter of urgency. It was agreed that further work could be done in relation to improving performance, including more publicising, making information accessible and timely in responses.</p> <p>In response to a question regarding whether the actions in section 5.1 had been agreed, the Committee noted that information had been published, however, further internal work was required. Raising the profile and embedding process was continual, and the Committee recognised their role to reinforce the work that was ongoing.</p>		Ms Vanhegan/Mr Paterson



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	<p>The Committee were content to note the report.</p> <p><b><u>NOTED</u></b></p>		
<b>50.</b>	<b>Information Governance Steering Group Annual Report</b>		
	<p>The Committee considered the paper 'Information Governance Steering Group Annual Report' [Paper No. 25/33] presented by Mr Colin Neil, Director of Finance, for assurance.</p> <p>Mr Neil reported that the Information Governance Steering Group approved the Annual Report at the meeting on 14<sup>th</sup> May 2025.</p> <p>The annual report outlined that the staff completion rates for statutory and mandatory training remained positive. The volume of subject access requests remained similar to previous years. The Board received 11827 requests for personal data in 2024/2025 and of these requests.</p> <p>The Board's Information Asset Register continued to be kept up to date with quarterly reviews carried out at the IG Steering Group and the work plan for 2024/2025 included development of a new online Information Asset Register.</p> <p>The Information Governance Knowledge Hub was launched in October 2023 which had greatly improved access to all IG information, training and guidance that was available.</p> <p>In response to a question representation, assurance was given that HSCP Chief Officers were currently providing a level of coverage, however, this had been picked up and was actively being reviewed.</p> <p>The Committee were content to note the report</p> <p><b><u>NOTED</u></b></p>		
<b>51.</b>	<b>Annual Audit and Consolidated Accounts for 2024/25</b>		
	<p>The Committee considered the paper 'Annual Audit and Consolidated Accounts for 2024/25' [Paper No. 25/34] presented by Mr Colin Neil, Director of Finance, for approval.</p> <p>Mr Neil reported that the Board achieved its 3 key financial targets Revenue Resource Limit, Capital Resource Limit and Cash Requirement in 2024-25.</p> <p>The annual performance report provided a comprehensive overview of KPIs, and the assurance information framework formed part of the year-round governance. The Committee noted</p>		

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	<p>the challenges; however, were assured that progress had been made in a number of areas. Financially, the Board managed to break even despite an overall financial challenge of £226.9 million.</p> <p>Further detail had been included regarding sustainability and environmental reporting, capturing the additional reporting requirement. The report also acknowledged the Board's new strategic frameworks; the GGC Way Forward and Reform 25 Transforming Together.</p> <p>The Committee were assured that it was the opinion of the Chief Internal Auditor that NHS GGC had a framework of governance, risk management and controls that provided reasonable assurance regarding the effective and efficient achievement of objectives. The Committee noted that this was the highest level of assurance that was offered.</p> <p>Mr Neil took the opportunity to thank the internal and external auditors for their collaboration.</p> <p>The Committee were content to approve the paper.</p> <p><b><u>APPROVED</u></b></p>		
<b>52.</b>	<b>2024/25 Annual Audit Report from Ernst and Young</b>		
	<p>The Committee considered the paper '2024/25 Annual Audit Reprt from Ernst and Young' [Paper No. 25/3] presented by Mr Stephen Reid, for assurance.</p> <p>The Committee noted that the report fell into two elements, financial statements and wider scope aspects.</p> <p>The draft financial statements and supporting working papers were provided within a reasonable timeline, with the exception of the remuneration and staff report. The Committee noted that 8 adjustments had been made to the financial statements and a further 5 adjustments were unadjusted. A further 3 disclosure adjustments were made.</p> <p>The Committee were advised that there were 4 new recommendations as a result of the annual audit, of which 1 was graded as high priority (Grade 1) and 3 graded moderate priority (Grade 2). Progress in addressing prior year recommendations was assessed, with 10 recommendations assessed as being partially complete, 6 complete and 1 closed.</p> <p>In relation to the wider scope audit, the Committee noted that the Code of Audit Practice set out the four dimensions that comprise</p>		

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	<p>the wider scope audit and the auditor judgements were RAG rated based on our assessment of the adequacy of the Board's arrangements throughout the year. There had been one change to the RAG rating from green to amber due to the procurement irregularities. The report acknowledged that the Board had progressed well in the achievement of financial break-even position.</p> <p>The report highlighted that the 3-year financial plan included a balanced position in relation to sustainability, mainly due to additional sustainability funding. This was a key area required to deliver recurring savings, and the challenge to deliver was recognised.</p> <p>The Committee were advised that leadership had been rated as amber, however, significant plans were underway to address culture and a number of governance changes were underway in response to the reform agenda.</p> <p>Financial pressures had been acknowledged, and efforts were being made to balance these with delivering performance amidst general increases in pressure and demand. Improvement action included additional funding that has been reviewed, with work underway at both local and national levels. A clear performance framework for new approaches was being developed to demonstrate improvement.</p> <p>The Committee discussed the Remuneration section of the report, noting the complex process in relation to pensions, however the Committee received assurance that the figures had been cross checked and were current. It was agreed it would be helpful to include a generic statement explaining the overall pension benefits for context. The Committee noted a typo, there were 28 Non-Executive Directors and not 26 as stated in the report. The Committee agreed to submit any further minor amendments to Mr Neil and Mr Thomson.</p> <p>The Committee acknowledged the approach EY had taken in a challenging situation. The Committee suggested that some consideration should be given to the shift in management change. Mr Neil reported that he was comfortable with the position as it stands and not to adjust the accounts, however, the suggestions would be taken forward into the new financial year.</p> <p>The Committee recognised the positive progress that had been made, noting that only 4 recommendations was a significant achievement. The Board were on track to meet all deadlines and had closed a large proportion of outstanding actions from previous years.</p>		Mr Thomson

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	The Committee were content to note the paper. <b><u>NOTED</u></b>		
<b>53.</b>	<b>Closing Remarks and Key Messages for the Board</b>		
	The Chair thanked those present for attending the meeting. <b><u>NOTED</u></b>		
<b>54.</b>	<b>Date and Time of Next Scheduled Meeting</b>		
	The next meeting would be held on Thursday 18 September 2025 at 2.30 am via MS Teams.		