

**NHS 24  
BOARD MEETING**

**02 MARCH 2023  
ITEM NO 12.3a  
FOR ASSURANCE**

**Approved Minutes of the Audit and Risk Committee Meeting held on  
Thursday 1 December 2022 at 10am,  
Boardroom, Lumina**

## **1. WELCOME AND APOLOGIES**

### **Committee Members**

Ms Carol Gillie	Non-Executive Director (Chair)
Mr Martin Togneri	Non-Executive Director
Mr Mike McCormick	Non-Executive Director
Ms Marieke Dwarshuis	Non-Executive Director
Mr David Howe	Non-Executive Director (Teams)

### **In Attendance**

Dr Martin Cheyne	Board Chair
Mr Jim Miller	Chief Executive
Mr John Gebbie	Director of Finance
Ms Steph Phillips (Teams)	Director of Transformation, Strategy, Planning & Performance
Ms Ann-Marie Gallacher	Chief Information Officer
Mr Peter Clark	Grant Thornton
Ms Rachel King	Grant Thornton
Mr Damien Snedden	Deputy Director of Finance
Ms Yvonne Kerr	Executive Assistant (Minutes)
Ms Geraldine Mathew	Board Secretary
Ms Mary-Jane Mitchell	Staff Side Representative
Ms Linda Robertson	Risk and Resilience Manager
Ms Michelle Sinclair	Engagement Manager (Agenda Item 7.2)
Ms Pauline Howie	Director of Service Delivery (Observer)
Ms Ann Campbell	Exec PA (Observer)

### **Apologies**

Dr Laura Ryan	Medical Director
Mr Kevin McMahon	Head of Risk Management & Resilience

Ms Gillie welcomed members and attendees noting apologies as detailed above. Ms Gillie thanked Dr Ryan on behalf of the Committee as Executive Lead for Risk as this has now transferred to Mr Gebbie.

## **2. DECLARATION OF INTERESTS**

2.1 There were no declarations of interest noted.

## **3. MINUTES OF PREVIOUS MEETING**

3.1 The Committee noted the change to wording in 3.2, date to be amended to 7 June 2022.

**Action: Ms Kerr**

3.2 Further to the amendment above the minutes of the meeting held on 11 August 2022 were approved as an accurate record of discussions.

## **4. INTERNAL AUDIT**

### **4.1 2022/23 Audit Plan Progress Update**

4.1.1 Mr Clark presented the Progress Update on the 2022/23 Audit Plan to the Committee.

4.1.2 Scoping is underway for Health and Safety Risk assessments and scoping has been agreed for Leadership, Culture and Management Decision Making, Governance and IT Recovery and Resilience including Cyber Security Arrangements. It is anticipated these audits will be concluded and presented to the next meeting.

4.1.3 The Committee noted the update for assurance.

### **4.2 Internal Audit Report Updates**

#### **4.2.1 Mandatory and Statutory Training**

Ms King presented the Audit to the Committee noting key highlights.

Ms King confirmed that the audit considered the design and operating effectiveness of the controls in relation to Mandatory and Statutory Training within NHS 24.

The report has been rated as “reasonable assurance with some improvement required” as it contains one medium, two low and two advisory related findings.

Following a question on reporting completion rates for training to the Board it was confirmed that training is being completed but was not currently reported. It was noted some improvement in record keeping is required to provide assurance. A Short Life Working Group has just completed and reported to the Executive Management Team noting significant progress has been made with improvements now in place.

It was agreed that Mandatory/Statutory Training completion rates fall under the remit of the Staff Governance Committee who would review these quarterly.

**Action: Ms Hepburn**

The Committee noted the report for assurance.

The Committee recommended this report be referred to the Staff Governance Committee for further discussion.

**Action: Ms Kerr**

#### **4.2.2 Financial Controls**

Ms King presented the Audit to the Committee noting key highlights.

Ms King confirmed that the audit considered the design and operating effectiveness of the controls in relation to the preparedness for reporting IFRS 16 and to raise practical recommendations to mitigate control deficiencies identified.

The report has been rated as “reasonable assurance with some improvement required” as it contains three low and one improvement rated findings. It was noted that currently only one person is trained on the IFRS 16 system, however it is planned to have a second person trained in time for reporting at the end of the financial year.

The Committee noted the report for assurance.

#### **4.2.3 Redesign of Urgent Care**

Ms King presented the Audit to the Committee noting key highlights.

Ms King confirmed that the audit considered the design and operating effectiveness of the controls in relation to urgent care within NHS 24 following its redesign. The review focused on the control measures in place around phase one of the Redesign Urgent Care programme.

The report has been rated as “reasonable assurance” as it contains one low rated finding.

It was noted it would be difficult to ensure the action is closed as Scottish Government are lead partners in Redesign of Urgent Care. Mr Clark confirmed if timetable was in place which is in the control of NHS 24, then the action could be closed.

The Committee suggested some change in the narrative contained within the report. Mr Clark confirmed this would be reviewed and advised.

**Action: Mr Clark/GT**

The Committee recommended this report be referred to Planning and Performance Committee for further discussion.

**Action: Ms Kerr**

The Committee noted the report for assurance.

#### **4.3 Internal Audit Follow Up Report**

##### **4.3.1 Mr Clark presented the Audit to the Committee noting key highlights.**

- 4.3.2 Since the previous internal audit follow up report dated June 2022, there has been movement on the implementation of internal audit recommendations: In total 29 recommendations being tracked during the period. The majority of these actions are now complete with a few outstanding which are monitored.

Mr King advised two actions were not yet due and seven actions were outstanding. It was noted that revised dates had been agreed for these actions and the report would be amended to reflect this.

**Action: Mr Clark/GT**

- 4.3.3 The Committee noted the report for assurance.

#### **4.4 Internal Tracker of Recommendations Process**

- 4.4.1 Mr Snedden presented the report to the Committee.

- 4.4.2 The Audit and Risk Committee is asked to take assurance that action is being taken to effectively monitor and proactively manage the completion of management responses that have arisen out of audit findings. Significant progress is evident with the actions reducing monthly from an initial high of 34 at the start of the process to 14. Recommendations are followed up on a monthly basis with risk owners to provide assurance progress is being made. It was confirmed actions from today's audits will be added to the tracker for next Executive Management Team meeting.

**Action: Mr Snedden**

- 4.4.3 The Committee noted the report for assurance.

#### **4.5 Internal Audit Contract**

- 4.5.1 Mr Snedden presented the report to the Committee noting key highlights.

- 4.5.2 This paper highlights the expiration of the existing Internal Audit contract with Grant Thornton in May 2023. The Internal Audit tender is being progressed as a joint procurement with NHS Greater Glasgow & Clyde (GG&C), NHS Ayrshire & Arran (A&A) & National Waiting Times Centre (NWTC). It is expected to award at the end of December 2022, with the start date by the end of January 2023.

- 4.5.3 This paper was circulated virtually to the Committee on 29 September 2022 for approval as it was out with the Committee cycle. The paper was virtually approved by the Committee in October 2022 and is presented to this meeting for formal homologation. It was noted that the process has started.

- 4.5.4 The Committee noted the report for approval.

### **5. RISK**

#### **5.1 Corporate Risk Register**

- 5.1.1 Mr Gebbie presented the Risk Register to the Committee.

- 5.1.2 Mr Gebbie noted the Risk Register has been reviewed at various meetings in the last few weeks.

5.1.3 The Risk Register provides an update on all corporate risks scoring 10 and above as at 21 November 2022 compared with previous report to the Audit & Risk Committee. Due to current reporting cycles, a significant number of the changes/updates were presented to the NHS 24 Board at its meeting on 20 October 2022. It would be recommended at Integrated Governance Committee that risk reporting is changed to four times per annum to Board in line with the Audit & Risk Committee meetings.

**Action: Mr Gebbie**

5.1.4 There are 40 corporate risks in total (12 scoring 10 and above and 28 scoring below 10). At the last Committee meeting, there were 44 corporate risks. The overall risk profile has continued to reduce, mainly due to progress in Connect 1C.

5.1.5 The closed risks have all been reviewed and approved for closure by the Operational Risk Management Group and the EMT Risks and Opportunities Group.

5.1.6 The Committee noted the Risk Register for assurance.

## **5.2 Cumulative Risk**

5.2.1 Mr Gebbie presented the report to the Committee noting key highlights.

5.2.2 Mr Gebbie confirmed the purpose of this paper is to support a discussion on the ongoing challenge on how NHS 24 manage cumulative risk.

5.2.3 The Committee considered the report on how cumulative risk is managed within NHS 24 and was reassured with the arrangements in place. This has been an area which has been highlighted at Audit and Risk, as well as several other Committees, over the last few years. The paper provided detail on the escalation process and Mr Miller confirmed that the Board would be alerted when the organisation reached the higher levels.

5.2.4 The cumulative risk paper will be shared with the Integrated Governance Committee

**Action Mr Gebbie**

5.2.5 The Committee noted the report for assurance

## **6. CORPORATE GOVERNANCE**

### **6.1 Financial Assurance Summary Report**

6.1.1 Mr Gebbie presented the report to the Committee.

6.1.2 Mr Gebbie noted that the 2022/23 Finance Plan is currently a work in progress until the national pay award negotiations are concluded. There have been some risks highlighted that could impact on the finance plan during the year. It was confirmed mitigations are in place in order to combat these risks.

6.1.3 Some allocations are still awaited relating to Mental Health funding. Although confirmation received this will be forthcoming there are no timelines at present.

6.1.4 The Committee noted and welcomed the section on future savings but values require to be worked through.

6.1.5 The Committee noted the report for assurance.

## **6.2 Corporate Governance Activity Report**

6.2.1 Mr Snedden presented the report to the Committee.

6.2.2 It was noted since the last Audit Committee there has been one new waiver of tender awarded to extend a current supplier procured via a Government Framework Contract. Nine new contracts were awarded and there was one Service Level Agreement processed since the last meeting. There have been four offers of gifts and hospitality recorded since the last meeting. Mr Gebbie noted although legal claims are reported to Audit and Risk Committee, the updated Corporate Governance Framework states these should also be reported to the Board. It was agreed this would be discussed out with the meeting and a report presented to clarify the position.

**Action: Mr Gebbie/Ms Docherty**

6.2.3 Mr McCormick requested more information on the recent Welsh Benchmarking visit by two Executive Directors. It was agreed this an update would be provided at the next Planning and Performance Committee.

**Action: Ms Phillips**

6.2.4 The Committee noted the report for assurance.

## **6.3 Corporate Governance Framework**

6.3.1 Mr Gebbie presented the report to the Committee noting key highlights.

6.3.2 The Committee were content with the updated Corporate Governance Framework. The update is based on the draft Blueprint for Good Governance, internal changes within NHS 24 since the last version, national directives where available and a limited number of amendments to the SFIs. The Committee noted the framework may need further updates once the Blueprint for Good Governance has been approved nationally.

6.3.3 Committee members provided comments virtually and also at the meeting. These amendments will be made prior to the Board meeting and a full note of comments will be shared virtually with members.

**Action: Ms Mathew**

6.3.4 The Committee recommended that the Board approve the revised framework.

## **6.4 Reflection of Annual Accounts: Timetable and Processes**

6.4.1 Mr Gebbie presented the report to the Committee noting key highlights.

6.4.2 Following feedback received at the Audit and Risk Committee meeting of 7 June 2022 and the Board Reserve Meeting of 16 June, at which the Board considered and approved the Annual Report and Accounts for 2021/22, a review of arrangements for

the preparation of the Annual Report and Accounts was undertaken and key actions are underway to address the issues raised. In order to reduce duplication at subsequent Board meetings, consideration has been given to the Annual Report and Accounts requirements by Audit and Risk Committee and the NHS 24 Board. It was suggested that the Annual Report be shared in draft in the first instance to allow sufficient time for review and comments. It was agreed this would be discussed at the Executive Management Team Meeting to determine how this would align with the timetable and present to Board Members.

**Action: Mr Gebbie**

- 6.4.3 The Committee noted the report for assurance and recommended it should be considered for approval by the Integrated Governance Committee

**Action Mr Gebbie**

## **6.5 Information Governance and Security Report**

- 6.5.1 Ms Gallacher presented the report to the Committee.

6.5.2 The paper provides an overview of the key areas of activity for Q2 2022/23 for the Information Governance and Security team in ensuring compliance with all legislative requirements. Included in the report, are a number of key points, including the final review by the Health Competent authority of the 2021 NIS-R audit against the current Security Policy Framework. Also, the continuing positive trend in the completion of the mandatory Information Governance and Information Security training.

6.5.3 Mandatory training across the organisation has been a focus for all Directorates. To ensure compliance to the relevant Data Protection and Information Security legislation all staff must complete the mandatory Data Protection and Information Security eLearning training at least once every two years. Since the report was written there has been some improvement on completion. There is a target of 95% compliance for the organisation and work is ongoing with Directorates to achieve this. It was confirmed a there would be further communication to staff to raise awareness for compliance. The ICO audit is due to be carried out in February 2023.

**Action: Ms Gallacher**

- 6.5.4 The Committee noted the report for assurance.

## **6.6 Terms of Reference**

- 6.6.1 Mr Gebbie presented the Terms of Reference to the Committee.

6.6.2 The Audit and Risk Committee is asked to note the update to the current Terms of Reference following Board approval on 18 August. The following statement “The Audit and Risk Committee will monitor the effectiveness of the Board’s arrangements for whistleblowing” will now be removed from Audit and Risk Committee.

6.6.3 Ms Gillie confirmed that Ms Dwarshuis has agreed to become Vice Chair of the Committee. The Terms of Reference will be updated to reflect this change.

**Action: Ms Mathew**

- 6.6.4 The Committee approved the amendments to the Terms of Reference.

## **6.7 Audit Committee Chairs Network Update**

6.7.1 Ms Gillie provided a verbal update to the Committee.

6.7.2 Ms Gillie noted she continues to engage with the Network. It was noted there were a number of presentations at the recent meeting that may be of interest to members. It was agreed these would be shared following the meeting.

**Action: Ms Gillie**

## **7. AUDIT SCOTLAND REPORTS**

### **7.1 National Fraud Initiative in Scotland 2022 (including NFI Checklist)**

7.1.1 Mr Snedden presented the report to the Committee.

7.1.2 The Committee is asked to note for assurance this paper in respect of Audit Scotland's National Fraud Initiative (NFI) in Scotland 2022 Report. The NFI Self-Appraisal Checklist was included as an appendix to this report and shows NHS 24 is compliant with the expectations where applicable.

7.1.3 The report, published by Audit Scotland contains the three recommendations, Maximise the benefits, Self-Appraisal and Take improvement action.

7.1.4 NFI is a UK wide counter fraud process completed over 2 year periods. NHS 24 participates, and regular updates are provided via the Corporate Governance Activity Report.

7.1.5 The Committee discussed if NHS 24 highlighted any counter fraud cases to the organisation. This is not the process at the moment although it was noted that NHS Scotland wide cases could be reported to deter future fraud however there must be complete anonymity.

**Action: Mr Snedden**

7.1.6 The Committee noted the report for assurance.

### **7.2 Audit Scotland: Tackling Child Poverty**

7.2.1 Ms Sinclair presented the report to the Committee.

7.2.2 NHS 24 are committed to ensuring services for children and young people are tailored in a way that supports Getting it Right For Every Child (GIRFEC), keeping The Promise, and fulfilling our duty across several elements of legislation and statutory duties which includes our corporate parenting responsibilities and upholding children's rights. A Children's Rights Wellbeing Impact Assessment is being scoped out for inclusion into NHS 24 Equality and Diversity Impact Assessment.

7.2.3 NHS 24 has undertaken and is progressing a range of activities intended to improve the socio-economic circumstances for people in poverty and to reduce health inequalities. NHS 24 is currently developing its corporate strategy and is seeking to provide opportunities to engage with and involve the broadest range of stakeholders.

7.2.4 NHS 24 strategic intent is focussed on supporting the six target groups identified within the "Bright Start Bright Futures" and through engagement with key partners



they will create meaningful opportunities that aim to address and prevent future widening of health inequalities.

7.2.5 The Committee noted the report for assurance.

## **8 AUDIT AND RISK COMMITTEE WORKPLAN**

8.1 The Committee noted the work plan for the meeting in February 2022/23. It was noted the workplan for 2023/24 will be presented to the February Committee.

8.2 The Committee noted the workplan for assurance.

## **9. MATTERS ARISING FROM PREVIOUS MEETINGS**

9.1 Review of Action Log

9.1.1 Following discussion the Committee agreed all actions recommended for closure can be removed from the action log including action 774 which was confirmed as complete.

## **10 INTEGRATED GOVERNANCE: KEY POINTS ARISING**

10.1 The Committee is assured that where relevant key points discussed at this meeting have been referred to other Committees.

## **11. AGREED COMMITTEE HIGHLIGHTS TO THE BOARD**

11.1 The Committee highlights will be produced after the meeting and reviewed by the Chair prior to the Board Meeting due to be held on 8 December 2022.

**Action: Ms Kerr**

## **12. ANY OTHER BUSINESS**

There was no other business noted.

## **13. DATE & LOCATION OF NEXT MEETING**

The date of the next meeting of the Committee is Thursday 23 February 2023 on Teams.

## **14. PRIVATE MEETING OF THE AUDIT AND RISK COMMITTEE**

14.1 A private meeting with Grant Thornton was held with members of the Committee following the meeting.