

**NHS 24  
AUDIT AND RISK COMMITTEE**

**17 FEBRUARY 2020  
APPROVED  
ITEM NO. 3.0**

**Approved Minutes of the Audit and Risk Committee Meeting held on  
Thursday 6 November 2019 at 10am,  
Committee Room 1, Cardonald**

## **1. WELCOME AND APOLOGIES**

### **Committee Members**

Mr Albert Tait	Non-Executive Member (Chair)
Mr Martin Togneri	Non-Executive Member
Mr Mike McCormick	Non-Executive Member

### **In Attendance**

Ms Madeline Smith	Interim Chair of NHS 24
Ms Margo McGurk	Director of Finance & Performance
Ms Steph Phillips	Director of Service Delivery
Mr David Miller	Director of Workforce
Mr Damien Snedden	Deputy Director of Finance
Mr Kevin McMahon	Head of Risk Management & Resilience
Mr John Boyd	Grant Thornton
Ms Paula Speirs	Associate Director Planning & Performance
Ms Yvonne Kerr	Executive Assistant (Minutes)
Mr Sanny Gibson	Head of Information Governance & Security (Item 6.1)
Mr John Martin	Deputy Director of ICT
Ms Elen Ivarsson	Interim Executive Assistant

### **Apologies**

Dr Juliana Butler	Non-Executive Member
Ms Angiolina Foster	Chief Executive
Mr Nick Bennet	Scott-Moncrieff
Dr Laura Ryan	Medical Director
Ms Ann-Marie Gallacher	Chief Information Officer
Mr Eddie Docherty	Director of Nursing & Care
Ms Joanne Brown	Grant Thornton

Mr Tait welcomed members and attendees to the meeting and introductions took place around the table.

## **2. DECLARATION OF INTERESTS**

- 2.1 Mr Togneri's and Ms Smith's standing declaration as a Non-Executive Board members at the Scottish Ambulance Service (SAS) was noted. Ms Smith's declaration as a Board member for Construction Scotland Innovation Centre was noted.

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

- 3.1 Amendment at 6.1.5 paragraph 4 should now read:  
Ms McGurk agreed to include any future capital investment proposals in relation to released properties where that information is known as suggested by Mr Togneri. Ms McGurk replied the notice to quit was unexpected in terms of timescale and confirmed upgrade plans were put on hold. Mr Togneri commented if agreed upgrade work had gone ahead before receiving the letter there could have been possible reputational damage for NHS 24. Ms McGurk agreed to consider this point however advised that all investment proposals are continuously assessed and that the upgrade work originally planned for the Clyde Contact Centre had already been significantly scaled back prior to the notice of termination.
- 3.2 After the amendment the minutes of the meeting held on 8 August 2019 were approved as an accurate record of discussions.

### **4. STRATEGY**

#### **4.1 Technology and Digital Enablement Programme Update**

- 4.1.1 Ms McGurk presented the report to the Committee advising as the dates for Planning & Performance were changed it has come to Audit and Risk Committee before being presented to the Board.
- 4.1.2 The name has been amended to Service Enabling Digital and Technology (SEDATe) Programme. The Business Case for Phase 1 will be presented to the Board on 14 November 2019 for approval. Mr McCormick asked if there are any concerns regarding the financial information. Ms McGurk confirmed the Business Case will fully address the financial case aspects.
- 4.1.4 It was noted the Initial Agreement covered all aspects of risk and these have been discussed within this Committee. From a governance perspective the Business Case will be fully integrated within our Strategy.
- 4.1.5 Ms McGurk is in discussion with key partners to finalise the contractual aspects of the business case.
- 4.1.6 The Committee noted the report for assurance.

### **5. INTERNAL AUDIT**

#### **5.1 Audit Plan Progress Report**

- 5.1.1 Mr Boyd, on behalf of Grant Thornton, presented the report to the Committee and provided an update on progress.

- 5.1.2 Mr Boyd confirmed there a number of reviews ongoing and noted Financial Controls, Risk Management, Cyber, Corporate Services and Mental Health Strategy will be presented to the February Committee.

Mr Boyd noted the Risk Management Review is specifically focusing on the Risk Management Framework and will set out a Maturity Assessment on arrangements.

- 5.1.3 The current plan proposed considering Waiting Times Improvement however, after discussions with Ms McGurk and Ms Foster and given that this initiative remains in the early stages of development, it was proposed to remove this and include Estates Strategy, and the SEDATe Programme. Mr Boyd asked for the approval of the Committee for the proposed changes, if approved the plan will be updated accordingly.

Mr Togneri suggested going forward a cover paper would be helpful to reflect changes to the plan with detailed rationale for changes.

**Action: Grant Thornton**

It was noted the plan was submitted to the Committee for assurance and should have been for approval.

- 5.1.5 The Committee approved the proposed changes to the current plan.

## **5.2 Audit Follow-up Report**

- 5.2.1 Mr Boyd presented the report to the Committee.

- 5.2.2 Mr Boyd advised the report is presented to the Committee every 6 months. There are 10 outstanding actions, with three of them now overdue, two medium and one low risk however. Mr Boyd confirmed a good level progress is being made.

- 5.2.3 The completed closed actions have yet to be validated however, Internal Audit are satisfied with the updates from management.

- 5.2.4 The Committee noted the report for assurance.

## **6. RISK MANAGEMENT**

### **6.1 Corporate Risk Register**

- 6.1.1 Mr McMahon presented the report to the Committee noting key highlights.

- 6.1.2 Mr McMahon advised that the Internal Audit Review will set out progress against our Risk Management Framework in the shape of a Risk Maturity Matrix. Mr McMahon asked the Committee if they are content with this planned approach. The Committee agreed it would be useful to have sight of the maturity matrix when this is available.

**Action: Mr McMahon**

6.1.3 Mr McMahon reported that since the last meeting no new risks have been identified, one risk has increased, four risks have reduced and no risks have been closed. The Committee agreed to discuss risks in detail.

6.1.4 Increased Risk:

RPND/031009: Mr Miller advised recruitment is still underway and significant work is ongoing to implement the new service model. The agreed recruitment trajectory runs to March 2020 to ensure the agreed staffing level is reached and progress on this will be reported to EMT and the Board.

Mr Miller noted staff numbers have increased and due to recruitment NHS 24 is in a better position than this time last year. Recruitment and a focus on managing absence remains a priority. Ms Smith noted this was discussed in detail at the Staff Governance Committee.

6.1.5 Reduced Risks:

RPND/036354: Ms McGurk confirmed the Board have now agreed to take a phased approach to this programme. This will be discussed in detail at the Board Meeting on 14<sup>th</sup> November 2019.

Ms Smith queried if the risk as defined remains correct? Ms McGurk agreed to review the risk in detail in the context of the impact the Phase 1 business case will have.

RPND/025466: It was noted there are processes in place to support this risk however it is not known if they are fully embedded. Mr McCormick agreed in principle to the reduced score however, going forward suggested risks where scores are reduced remain on the Risk Register to be endorsed by the Committee and confirming they can be reduced/removed.

**Action: Mr McMahon**

RPND/028862: it was noted there is now an ICT on call arrangement that provides an acceptable working level of assurance within Service Delivery. It does not eliminate the risk although it is now managed more effectively.

RPND/025797: Mr Gibson confirmed all Information Asset Owners are responsible for their own assets, this is supported through the Declaration of Responsibility statements which have been signed by all Asset Owners. The effectiveness of the application of these responsibilities operationally will continue to be reviewed and monitored. Mr McCormick suggested the arrangements now in place provide greater assurance. Ms McGurk suggested as well as the Annual Report from Information Governance a quarterly review would be helpful for the Committee to receive perhaps quarterly assurance reports on progress.

**Action: Mr Gibson**

6.1.6 Risk Register:

RPND/021544: Mr Miller noted this was discussed in detail at the Staff Governance Committee and an improvement plan is in place to address the issues. The pilot held in the East has been successful and will be applied across other centres. As the policy is applied we should see a reduction on short-term absence.

RPND/032338: This risk will be discussed in detail at the Clinical Governance Committee.

RPND/025796: Mr Gibson advised the introduction of Zscaler has addressed issues with the internet however, email systems remain a challenge. Controls are in place to reduce the threat of phishing and we are working with NHS Ayrshire and Arran on shared learning. Mr Gibson noted the risk will not be eliminated it will only be reduced. The Committee requested an update for the next meeting and also for full discussion at the next Planning and Performance Committee.

**Action: Mr McMahon**

RPND/036117: This risk will be influenced by the decision from the Board to the phased approach of SEDATE.

RPND/030229: This risk will reduce in time as the Shift Review is embedded.

RPND/024449: Ms McGurk confirmed this was raised with Scottish Government in Quarter 1 and as we have not fully achieved recruitment levels this was confirmed in the Mid-Year Review. This will be discussed in detail at the Board Development Session on 14 November 2019.

6.1.6 The Committee are assured that Committees with relevant responsibility to risks are discussing them in detail and feedback from them is very useful.

6.1.7 The Committee noted the report for assurance.

## **7. CORPORATE GOVERNANCE**

### **7.1 Auditor General Report 2019**

7.1.1 Ms McGurk presented the report to the Committee noting the importance to be seen by this Committee in relation to a number of positive references to the work being carried out by NHS 24.

7.1.2 Ms McGurk advised the supplementary annex for Non-Executive Directors has been shared. It was noted the key messages contained within the report should be aligned and incorporated as part of the Strategy Review. Ms Smith and Ms McGurk agreed to discuss this further after the meeting. Ms Smith confirmed this is an important discussion to be held at Board level.

**Action: Ms McGurk**

Mr Tait acknowledged the work completed and the Committee are content to support the findings of the report.

- 7.1.3 Mr Tait requested that the supplementary annex be distributed to all Non-Executive Directors.

**Action: Ms McGurk**

- 7.1.4 The Committee noted the report for assurance.

## **7.2 Scottish Government Ministerial Review Draft Briefing**

- 7.2.1 Ms McGurk presented the briefing to the Committee.

- 7.2.2 Ms McGurk informed the Committee that the briefing has been submitted to Scottish Government ahead of the meeting to be held on 15<sup>th</sup> November 2019. It was noted that no further amendments can be made at this time but asked for comments from the Committee to aid the discussion at the meeting.

- 7.2.3 Mr Tait asked why there was no reference to the Blueprint for Good Governance within the briefing. Ms McGurk advised that the Scottish Government set out the areas the briefing should cover, these were focused mainly on service performance.

- 7.2.4 Mr McCormick noted although the content of the briefing is factually accurate, it does not reflect the vast amount of work completed to date to reflect the positive changes that have been made.

Ms McGurk thanked the Committee for their comments.

- 7.2.5 The Committee noted the briefing for assurance.

## **7.3 External Report: University of Edinburgh**

- 7.3.1 Ms McGurk provided a verbal update on the External Report.

- 7.3.2 Ms McGurk advised the Committee the report has not yet been received. Several dates for submission have been given, however they have all now lapsed. The researcher has been in contact with Ms Foster and Dr Ryan to request some assistance to complete the exercise and this is currently under review.

- 7.3.3 The information held poses a risk for NHS 24 as it is confidential and personal. The Committee agreed the EMT should continue to press for delivery of the report. Mr Tait suggested to advise a new submission date and if this is not met request for data to be returned to NHS 24. It was noted there has been no financial cost to NHS 24 to this point.

- 7.3.4 The Committee noted the update for assurance.

#### **7.4 Update on BT Contractual Position**

7.4.1 This item was discussed above within 6.1 of the agenda.

7.4.2 The Committee noted the update for assurance.

#### **7.5 Integrated Governance Chairs Group**

7.5.1 It was noted the next meeting of the Integrated Governance Chairs Group would be held this afternoon.

7.5.2 The Committee noted the update for assurance.

#### **7.6 Non-Executive Director Forum: Scott-Moncrieff**

7.6.1 There was no representation from External Audit at today's meeting due to the event being hosted by Scott-Moncrieff. It was noted no Non-Executive Directors were able to attend the event on this occasion.

7.6.2 The Committee noted the update for assurance.

#### **7.7 Corporate Governance Activity Report August 2019**

7.7.1 Mr Snedden presented the report to the Committee noting key highlights.

7.7.3 It was noted the Contract Award process issue referred to in the report is under internal review to ensure the tender process and delegated limits are well understood across the organisation.

7.7.4 Mr Snedden highlighted two legal claims have been settled.

7.7.5 Mr Snedden advised the Committee as apologies had been received from Ms Foster and Mr Bennet there would be no private meeting today. Both of these meetings will be scheduled for the next Committee in February 2020 and the workplan will be amended to reflect the change.  
Action: Mr Snedden

7.7.6 The Committee noted the report for assurance.

#### **7.8 Corporate Governance Framework**

7.8.1 Mr Snedden presented the report to the Committee.

7.8.2 Mr Snedden advised there are no material changes to the report and this will become a live document and will require to be approved by the Board.

Mr Tait queried why there is no mention of Blueprint for Good Governance within the report. The Committee agreed the report should be updated to include it.

**Action: Mr Snedden**

Mr Togneri suggested it would be helpful for any changes to the framework to be clearly visible for ease of reading.

7.8.3 The Committee are content to note the report for assurance.

## **7.9 EU Exit Preparedness**

7.9.1 Mr McMahon presented the report to the Committee.

7.9.2 Mr McMahon advised assurance was requested and provided to Scottish Government to ensure response arrangements are in place.

7.9.3 The Committee noted the report for assurance.

## **7.10 Audit and Risk Committee Workplan**

7.10.1 The Committee approved the workplan.

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

### **8.1 Action Log**

8.1.1 After discussion the Committee agreed actions 588, 607, 613, 614, 616, 617, 618, 619, 620, 621, 622 and 623 recommended for closure can be removed for the action list.

The Committee agreed actions 499, 591, 592, 610 and 615 recommended for closure should remain on action list with an update for the next meeting.

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

9.1 The Committee highlights to the Board report will be produced after the meeting and sent to the Chair for approval prior to the Board Meeting due to be held on 12 December 2019.

**Action: Ms Kerr**

## **10. ANY OTHER BUSINESS**

10.1 Quality and Appropriateness of Committee Papers.

The Committee agreed the papers submitted for the meeting were of good quality.

### **10.2 Date & Location of Next Meeting**

10.2.2 The date of the next meeting of the Committee is Monday 17 February 2020 at 10am, Committee Room, Cardonald.

**11. AUDIT AND RISK COMMITTEE ANNUAL EFFECTIVENESS REVIEW**

- 11.1** A private meeting was held with Non-Executive Directors and the Director of Finance to discuss and finalise the Annual Effectiveness Review and the template will be updated to reflect the discussion.

DRAFT