

NHS 24

**Approved Minutes of the Meeting of the
NHS 24 Audit and Risk Committee
held on Thursday 30 November 2023 at 10am
Boardroom, Lumina Building**

PRESENT

Ms Carol Gillie (Chair)

Committee Member Names	Committee Member Names
Ms Marieke Dwarshuis	Mr David Howe

IN ATTENDANCE

Name	..	Job Title
Dr Martin Cheyne	..	Board Chair
Mr Jim Miller	..	Chief Executive
Mr John Gebbie	..	Director of Finance
Ms Ann-Marie Gallacher	..	Chief Information Officer
Ms Steph Phillips	..	Director of Transformation, Strategy, Planning & Performance
Mr Damien Snedden	..	Deputy Director of Finance
Ms Linda Robertson	..	Risk & Resilience Manager (Item 6.1)
Ms Rachel Weir		Azets
Ms Mary-Jane Mitchell		Staff Side Representative
Ms Geraldine Mathew		Board Secretary
Ms Yvonne Kerr		Executive Assistant (Minutes)

		ACTION BY
1.	WELCOME, APOLOGIES AND INTRODUCTIONS	
	Ms Gillie welcomed members and attendees to the meeting. Apologies were intimated on behalf of Mr Martin Togneri. Apologies were also noted from Mr David Eardley from Azets, and Mr Pat Kenny and Ms Kirsty Hair from Deloitte.	
2.	DECLARATIONS OF INTEREST	
	The Chair invited members to declare any interests in any of the items being discussed. There were no declarations made.	

		ACTION BY
3.	MINUTES OF PREVIOUS MEETING OF 17 AUGUST 2023	
	The Committee considered the minute of the previous meeting held on 17 August 2023 and were content to approve this as a complete and accurate record.	
4.	MATTERS ARISING	
4.1	Review of Action Log	
	After discussion the Committee agreed all actions recommended for closure can be removed from the action log.	
5.	INTERNAL AUDIT	
5.1	Internal Audit Reports	
5.1.1	Strategic Staff Review Capacity and Capability	
	<p>Ms Weir presented the audit to the Committee noting key highlights.</p> <p>The audit reviewed the extent to which NHS 24 has in place an appropriate balance of capacity and capability to support attainment of strategic priorities in the short, medium and longer term, particularly in the context of the Digital Transformation element of the overarching Strategic Portfolio. Ms Phillips confirmed progress is ongoing to implement the infrastructure requirements over the next six months. Mr Gebbie advised the audit had been brought forward and provides a fair account of the position at that time. The Committee requested an update to actions for the audit be presented at the February Committee, noting not all actions may be closed at that time.</p> <p>The audit was rated as Substantial Improvement Required, with two amber findings, one yellow, and one green.</p> <p>The committee noted the report for assurance.</p>	Mr Gebbie
5.1.2	Core Financial Systems – Non Pay Expenditure	
	<p>Ms Weir presented the audit to the Committee noting key highlights.</p> <p>The audit reviewed key controls and procedures in place for non-pay expenditure and management of payables. This involved a particular focus on authorisation of payments and postings and segregation of duties. Mr Snedden advised one minor action regarding documentation.</p> <p>The audit was rated as Effective. The Committee were assured that there is a robust process in place.</p> <p>The Committee noted the report for assurance.</p>	
5.2	Internal Audit Follow Up Report	
	<p>Ms Weir presented the Follow Up Report to the Committee noting key highlights.</p> <p>Ms Weir advised that good progress was made this quarter in implementing audit recommendations. There were eight open actions with four proposed for closure. It was confirmed that three actions have been implemented by management in the</p>	

		ACTION BY
	<p>period to November 2023. It was noted that since the date of report three of the outstanding actions relating to the Cyber Resilience and Recovery Audit have now been implemented. Ms Weir confirmed that when the further detail is received, Azets will review and feedback if these can now be closed.</p> <p>The Committee noted the report for assurance.</p>	
5.3	Internal Audit Plan Progress Report	
	<p>Ms Weir presented the report to the Committee.</p> <p>Ms Weir noted that the scope and timing of the remaining 2023/24 audits, Financial Management and Reporting, Clinical Workforce Staffing Levels and Frontline Applications IT Audit scopes have been agreed with management.</p> <p>Fieldwork has also been completed for Primary Care Pathways and Resilience. This audit was due to be presented at this meeting however, in agreement with management, the decision was made to extend the timeline for report finalisation to allow time for provision of supplementary information and a formal audit close-out discussion. The audits due to be presented to the February 2024 Committee will be Primary Care Pathways and Resilience and Frontline Applications IT. Ms Weir confirmed to the Committee that Azets remain on track to deliver the plan in line with the agreed timetable. It was confirmed the four spare days from property transactions can be reallocated into next year if not required this year.</p> <p>The Committee noted the report for assurance.</p>	
6.	RISK MANAGEMENT	
6.1	Corporate Risk Management Update	
	<p>Mr Gebbie presented the Risk Register to the Committee. Ms Robertson joined for this agenda item.</p> <p>Mr Gebbie noted the Risk Register has gone through a significant review in the past few months. The appropriate Committees prior to Audit and Risk Committee have discussed all risks. There are currently 30 corporate risks in total compared to 31 previously reported, with 12 risks scoring 10 and above. The following key changes were noted: 2 risks have been closed, 1 new risk has been identified and 2 risks have reduced in score.</p> <p>The Information Governance and Security (IGSG) Team has developed a Cyber Security Risk Register to ensure appropriate scrutiny of cyber risks at an operational level. Many of the Technology related risks are now reflected in Cyber Security Risk Register. In addition to this, the programme risks also cover many of the technology risks.</p> <p>It was noted that target dates for risks were being reviewed to ensure they were realistic.</p> <p>It had been agreed with the Chair of Clinical Governance Committee to develop a new risk register format for the Committee. This was presented to the Committee at</p>	

		ACTION BY
	<p>its meeting on 16 November and it was agreed that the risk register would be presented in both the original and new format. Dr Cheyne confirmed this would be discussed at the upcoming Integrated Governance Committee to agree the most appropriate format to be presented to all Committees. An update will be provided at the next meeting.</p> <p>The Committee noted the Risk Register for assurance and endorsed it being submitted to the December Board meeting for approval.</p>	Mr Gebbie
6.2	Cyber Risk Register	
	<p>Ms Gallacher presented the Risk Register to the Committee, previously presented to EMT Risks & Opportunities Group, EMT Business Meeting, Information Governance and Security Group and the Planning and Performance Committee.</p> <p>The Audit and Risk Committee are asked to note this paper which provides assurance that NHS 24 operate an Information and Cyber Risk Register (ICRR), detailing the current information and cyber risks which face NHS 24 and that the content of the register and management controls in place are appropriate to manage this operational risk register. It was noted the Risk Register will be presented to the Performance and Planning and the Audit and Risk Committees annually for assurance. The option to have an overarching cyber risk on the corporate risk register was raised. Following discussion, it was agreed to map the Cyber Risk Register through the assurance framework before decision on reporting is made. This will be discussed at the Integrated Governance Committee in December.</p> <p>The Committee noted the Risk Register for assurance.</p>	Mr Gebbie/ Ms Mathew/ Ms Robertson
7.	CORPORATE GOVERNANCE	
7.1	Corporate Governance Activity Report Q2	
	<p>Mr Snedden presented the report to the Committee.</p> <p>It was noted since the last Audit Committee there has been one new waiver of tender awarded. One new contract was awarded and there were no Service Level Agreements processed since the last report. There has been two offers of gifts and hospitality recorded since the last report. The National Fraud Initiative opened in February 2023 and to date NHS 24 have completed 95% of matches at this quarter.</p> <p>The YouTube contract that will generate external funding was discussed in detail. The Committee were assured NHS 24 will have full editorial control of the content posted and Mr Gebbie explained how the funding will be allocated. It is proposed some of the funding will be used to create an endowment fund, which NHS 24 does not have apart from the Breathing Space fund. Mr Howe requested detail of the governance process for the new fund. Mr Gebbie confirmed details as still being worked through and would provide and update on the process for the next meeting.</p> <p>Ms Dwarshuis asked for clarification on the non clinical claims and if they are included in CNORIS. Clinical claims have an excess of £25k to be funded by Boards however Ms Dwarshuis asked for clarity on the financial impact of non clinical claims and how these claims would be funded.</p> <p>The Committee noted the report for assurance.</p>	Mr Gebbie Mr Snedden

		ACTION BY
<p>7.2</p>	<p>Financial Assurance Summary Report</p> <p>Mr Gebbie presented the report to the Committee noting key highlights.</p> <p>Mr Gebbie noted that the 2023/24 Finance Plan is on track in terms of meeting our financial obligations in year and mitigations are in place to combat any risks. However, this is reliant on anticipated allocations being received, though this is deemed low risk due to being included in the finance returns all year.</p> <p>RPI is currently higher than this year’s finance plan assumption which has resulted in an additional recurring pressure. Mr Snedden has worked hard with suppliers and successfully reduced the impact of indexation. Although still a pressure it is less than it could have been. This pressure has been included in yearend forecasting and is funded non recurringly while work takes place to identify a recurring solution.</p> <p>Mr Howe asked if contracts must use RPI. It was confirmed it could also be CPI but this would need to be agreed at the negotiation stage of the new contracts.</p> <p>Mr Gebbie updated Committee members on a letter received from Scottish Government this week on the financial pressures across the NHS. Although focussed on territorial boards it would be prudent to consider the impact on NHS 24 too.</p> <p>The Committee noted the report for assurance.</p>	
<p>7.3</p>	<p>Information Governance and Security Report Q2</p> <p>Ms Gallacher presented the report to the Committee noting key highlights.</p> <p>Ms Gallacher provided an overview of key areas for activity for Q2 2023/24. It was noted there has been a small decrease in the number of Data Access Requests and also an increase in the number of FOI requests received. Three out of the six recommendations from the Information Commissioners Office audit have now been closed with the remaining three due to be closed in Q3. Mandatory Training for information governance is now sitting at 90%. It was noted there was one reportable incident in the quarter however, no further action is required. Ms Gallacher confirmed delivery of the Interim Report of the Network and Information Systems Regulations 2023 Audit.</p> <p>The Committee noted the report for assurance.</p>	
<p>7.4</p>	<p>NIS-R Framework Update</p> <p>Ms Gallacher presented the update to the Committee noting key points.</p> <p>This paper is to update the Audit and Risk Committee on the outcome of the Scottish Health Competent Authority Network (SHCA) Information Systems Regulations 2018 (NIS) Audit Programme 2023. This report details the outcome of the first audit of the second three-year cycle of audits against the updated Public Sector Cyber Resilience Framework (CRF). The Committee are asked to note this paper which is presented for their assurance and to actively support the continued implementation and use of the controls detailed in the CRF across the organisation. The NIS Audit Programme 2023 Final Report for NHS 24 is provided to the Committee as part of this paper. It was confirmed this report is official sensitive therefore is not for wider sharing. Ms Gallacher noted two of the findings had been closed before the release of the report however were not documented as the audit is a point in time. It was</p>	<p>Ms Phillips</p>

		ACTION BY
	<p>agreed audit updates would be shared with Planning and Performance Committee for assurance of the process going forward.</p> <p>The Committee noted the update for assurance.</p>	
7.5	Cyber Resilience & Recovery Internal Audit Update	
	<p>Ms Gallacher presented the update to the Committee noting key highlights.</p> <p>The Audit and Risk Committee are asked to note this report which provides assurance on the status of the recommendations and responses which were detailed in the Cyber Resilience and Recovery Internal Audit. The corresponding report listed a number of recommendations which NHS 24 considered and provided responses to. The recommendations and the associated responses have been progressed by the IG&S team and others through the intervening period.</p> <p>There were five recommendations raised as output from the audit:</p> <p>Four Medium recommendations – 2 Proposed to Close and 2 In Progress (to be reviewed by audit) and 1 Low recommendation – In Progress</p> <p>The Committee noted the report for assurance.</p>	
7.6	Corporate Governance Framework	
	<p>Ms Mathews presented the Corporate Governance Framework to the Committee noting key highlights.</p> <p>The Committee is asked to review and approve endorsement for presentation to the NHS 24 Board for approval.</p> <p>The Corporate Governance Framework was last updated and approved by the NHS 24 Board on 8 December 2022. The Blueprint for Good Governance, Second Edition was published on 23 December 2022 and a mapping exercise was undertaken to map the approved Corporate Governance Framework against this. A paper detailing the outcome of the mapping exercise was presented to the Audit and Risk Committee on 23 February 2023, which highlighted that no material changes were required to the Corporate Governance Framework at that time, and minor amendments would be incorporated into the review of the Corporate Governance Framework in December 2023. The key amendments and activities advised have been included in the version presented to the Committee today. Ms Mathew noted an attempt was made to reduce duplication however as this is made up of standalone documents it was not feasible to materially change much. Once approved by the Board Ms Mathew will work with the Communications team on the design of the report in line with the corporate reporting format and communicate across the organisation.</p> <p>The Committee are content to endorse for Board approval.</p>	<p>Ms Mathew</p>
7.7	NHS 24 Assurance Framework and Map	
	<p>Ms Mathew presented the framework to the Committee noting key highlights.</p> <p>The Committee is asked to note the updated NHS 24 Assurance Framework and Map Update 2023, which has been presented to the governance Committees for noting during the November Committee cycle and will be presented to the NHS 24</p>	

		ACTION BY
	<p>Board as part of the Corporate Governance Framework in December 2023 for approval and will be monitored going forward. Following discussion, the Committee proposed the following comments for consideration:</p> <ul style="list-style-type: none"> • Areas in the third line of assurance to be reviewed to identify any gaps or overlaps and take forward as required. • Review if this can be dovetailed into the Annual Accounts and Report as part of the Directors assurance statement. • To review the lead for each line of assurance to ensure this is only one lead. • Consider how this framework will be used going forward. <p>Dr Cheyne advised this will be discussed further at the Integrated Governance Committee in December.</p> <p>The Committee noted the report for assurance.</p>	Ms Mathew
08.	AUDIT SCOTLAND REPORTS	
8.1	The Scottish Government’s Workforce Challenge	
	<p>Mr Snedden presented the report to the Committee noting key highlights.</p> <p>The Audit and Risk Committee are asked to note the key messages and recommendations contained within Audit Scotland’s report entitled ‘The Scottish Government’s Workforce Challenges’ and take assurance from the work within NHS 24 to manage this.</p> <p>As part of this process NHS 24 has reviewed Audit Scotland’s report on The Scottish Government’s Workforce Challenges, which highlights issues facing Scottish Government and all public bodies, providing insight where Scottish Government/NHS Boards/public bodies should focus on to address the budget shortfalls of over £1 billion over the coming years.</p> <p>NHS 24 recognises the challenges facing the Public Sector, including the expectation that NHS 24 (and the NHS as a whole) will submit workforce plans and projections that are affordable. The NHS 24 workforce and Finance Plans will be produced in tandem to ensure that the plans are credible and affordable and reflect known constraints and opportunities. This report re-iterates the focus that Scottish Government will have on workforce and need for good medium-long-term planning.</p> <p>Ms Gillie recommended this report be referred to the Staff Governance Committee members for information.</p> <p>The Committee noted the report for assurance.</p>	Ms Kerr
9	WORKPLAN	
9.1	Audit and Risk Committee Workplan	
	The Committee discussed and approved the Workplan for the remainder of 2023/24.	
10	COMMITTEE EFFECTIVENESS	
10.1	Annual Committee Effectiveness Review: Action Plan	

		ACTION BY
	<p>Ms Mathew presented the Effectiveness Review Action Plan to the Committee.</p> <p>All Committees undertook a self-effectiveness assessment during the month of July 2023, and the results of these were presented to each Committee for consideration during the month of August 2023.</p> <p>This paper provides the Audit and Risk Committee with the draft Action Plan developed to address the areas requiring improvement. The Committee discussed the Action Plan in detail and are content with the recommendations.</p>	
11	GENERAL	
11.1	Audit Committee Draft Dates 2024/25	
	<p>Ms Gillie asked the Committee to approve the Committee Schedule of Meetings for 2024/25.</p> <p>Following feedback regarding the cycle of Audit and Risk Committee, consideration has been given to the timing of meetings throughout the year. It was noted that the Audit and Risk Committee meetings will continue to take place two weeks before the Board Meetings, to allow sufficient time to make any recommended adjustments to papers presented to the Audit and Risk Committee, prior to their presentation to Board.</p> <p>The Committee approved the dates for 2024/25.</p>	
11.2	Integrated Governance (Key Points Arising)	
	The Committee is assured that key points discussed at this meeting are referred and will be discussed at other Committees.	
12	AGREED COMMITTEE HIGHLIGHTS TO THE BOARD	
12.1	The Committee highlights will be produced after the meeting and sent to the Chair for approval prior to the Board Meeting due to be held on 21 December 2023.	
13	ANY OTHER BUSINESS	
	There was no other business of the Committee to be discussed.	
14.	DATE OF NEXT SCHEDULED MEETING	
14.1	The date of the next meeting of the Committee is Thursday 15 February 2024, 10am, Microsoft Teams.	
15.	PRIVATE MEETING OF THE AUDIT AND RISK COMMITTEE	
	A private meeting with the Director of Finance was held with members of the Committee following the meeting.	
	The meeting concluded at 11.50am	