

NHS 24

**APPROVED Minutes of the Meeting of the
NHS 24 Audit and Risk Committee
held on Thursday 6 June 2024 at 10.00am
Lumina Boardroom**

PRESENT

Ms Carol Gillie (Chair)

Committee Member Names
Mr Martin Togneri
Mr David Howe

Committee Member Names
Ms Amina Khan

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
Mr Kevin McMahon	.. Head of Risk & Resilience
Ms Rachel Weir	Azets
Mr Pat Kenny	Deloitte
Ms Geraldine Mathew	Board Secretary
Dr Jacqui Hepburn	Deputy CE & Director of Workforce
Mr Andrew Moore	Director of Nursing & Care
Ms Joanne Edwards	Director of Service Delivery
Ms Yvonne Kerr	Executive Assistant (Minutes)
Ms Julianne O'Dea	Corporate Accountant

1. WELCOME, APOLOGIES AND INTRODUCTIONS

Ms Gillie welcomed members and attendees specifically, Dr Hepburn, Mr Moore, Ms O'Dea and Ms Edwards who are not regular attendees. Ms Gillie also welcomed Ms Abeer McIntyre as an observer.

Apologies were intimated on behalf of Ms Marieke Dwarshuis, Mr David Eardley and Ms Mary-Jane Mitchell.

2. DECLARATIONS OF INTEREST

The Chair invited members to declare any interests in any of the items being discussed. There were no declarations made.

3. MINUTES OF PREVIOUS MEETING OF 15 FEBRUARY 2024

The Committee considered the minute of the previous meeting held on 15 February 2024 and were content to approve this as a complete and accurate record.
The Committee approved the minutes.

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 except for Action 858. For this action it was

noted additional information would be added to the Corporate Risk Register for the next meeting.
Mr McMahon

5. EXTERNAL AUDIT

5.1 External Audit Annual Report 2023/24

Mr Kenny presented the External Audit Annual Report to the Committee noting key highlights.

Mr Kenny confirmed the intention to issue an unmodified opinion on the Annual Report and Annual Accounts for 2023/24. It was noted that the Performance Report and Accountability Report comply with the statutory guidance and good practice and that the Annual Report and Accounts were consistent. It was also noted that although significant work has been completed there are still some outstanding matters that are currently being addressed noting these are not of any concern. Mr Kenny expressed his thanks to NHS 24 on the close working relationship. Mr Kenny noted there will be a lessons learned report presented on the conclusion of the audit.

Discussion took place on the Pension information that was still outstanding from SPPA. This was a national issue impacting on all Boards. It was agreed that as this relates to a note to the accounts that if the information is not available in time for the Board meeting, that the annual accounts and annual report be approved with the pension information added when available.
The Committee noted the report for assurance.

6. INTERNAL AUDIT

6.1 Internal Audit Report Updates

6.1.1 Financial Management and Reporting

Ms Weir presented the Financial Management and Reporting Audit to the Committee noting key highlights.

Ms Weir confirmed that the audit considered arrangements for ensuring that a robust financial management and reporting framework is in place to allow NHS 24 to demonstrate the effective and efficient use of financial resources.

The report has been rated as Effective with minor improvement actions identified to support management optimising financial performance in 2024/25 and beyond.
The Committee noted the report for assurance.

6.1.2 Clinical Workforce Staffing Levels

Ms Weir presented the Clinical Workforce Staffing Levels Audit to the Committee noting key highlights.

Ms Weir confirmed the audit was to assess the extent to which NHS 24 is able to demonstrate compliance with the requirements of the Health and Care (Staffing) (Scotland) Act 2019. In particular, they considered how “safe staffing” levels have been reflected and considered within the revised Workforce Strategy and Plan and underlying Shift Review. It was noted that the audit was completed before the Health and Care Staffing Act was implemented.

A minor grammatical error was identified and confirmed this will be corrected.

The report has been rated as Minor Improvement Required with four improvement actions identified.

The Committee noted the report for assurance.

6.2 Internal Audit Annual Report 2023/24

Ms Weir presented the Internal Audit Annual Report to the Committee noting key highlights.

Ms Weir confirmed that the overall opinion for the 2023/24 financial year is based on the scope of reviews undertaken and the sample tests completed during the period. The audit opinion is that NHS24 has a framework of governance and internal control that provides reasonable assurance regarding the effective and efficient achievement of objectives. Ms Weir advised this is the highest level of assurance that can be given.

The Committee noted the report for assurance.

6.3 Internal Audit Follow Up Report

Ms Weir presented the Audit Report to the Committee noting key highlights.

Ms Weir advised that since the last meeting four actions have carried over and six actions have been added to the tracker. Of those 10 actions three have been closed with seven actions currently open. It was noted six actions are not yet due at the time of the report and one action has been assessed as partially complete. Work is ongoing to progress these actions and further updates will be provided at the next meeting.

The Committee noted the report for assurance.

6.4 Internal Audit Progress Report 2024/25

Ms Weir presented the report to the Committee.

The Committee noted the Financial Management and Reporting and Clinical Workforce Staffing Levels have been completed and discussed at today's meeting. This concludes the audit plan for 2023/24.

Fieldwork is complete on the first two substantive audits for 2024/25 and will be presented to the August meeting. These are Performance Monitoring – Annual Delivery Plan and Public Protection. Scoping discussion has taken place for the upcoming Property and Transaction Monitoring audit which will also be presented to the August meeting.

The Committee noted the report for assurance.

6.5 Internal Audit Plan 2024/25

Ms Weir presented the plan to the Committee.

It was noted the Internal Audit Plan 2024/25, which was originally discussed at the February meeting, was approved virtually by Committee Members on 26 March 2024 after members had time to feed back any comments. The plan is presented today for homologation.

The Committee approved the plan for 2024/25.

07. ANNUAL GOVERNANCE COMMITTEE REPORTS

7.1 Audit and Risk Committee Annual Report 2023/24

Ms Gillie presented the Annual Report to the Committee and opened discussion.

Ms Gillie noted the summary of activities in 2023/24 and is content that Audit and Risk has fulfilled their remit for the Board.

Dr Cheyne thanked all Committee members for their good records of attendance at the Committee recognising the commitment to governance of the Board.

The Committee approved the annual report.

7.2 Planning and Performance Committee Annual Report 2023/24

Mr Howe presented the Annual Report to the Committee and opened discussion to the Committee.

Mr Howe noted that significant work has been undertaken in 2023/24 with a change of Committee Chair in November 2023 and is content the Committee fulfilled its remit for the Board.

Dr Cheyne thanked all Committee members for their good records of attendance at the Committee recognising the commitment to governance of the Board.

The Committee noted the report for assurance.

7.3 Clinical Governance Committee Annual Report 2023/24

Mr Togneri presented the Annual Report to the Committee and opened discussion to the Committee.

Mr Togneri noted good progress within the Executive Team with recent changes of Directors and the improving quality of information provided. Mr Togneri is content the Committee has fulfilled its remit for the Board.

Dr Cheyne thanked all Committee members for their good records of attendance at the Committee recognising the commitment to governance of the Board.

It was noted that there was differing formats within the attendance section across the annual reports, this table will be standardised across all Committees.

The Committee were content and noted the report for assurance.

7.4 Staff Governance Committee Annual Report 2023/24

Dr Hepburn presented the Annual Report to the Committee and opened discussion to the Committee.

Dr Hepburn noted the wide range of areas under staff governance that are aligned with the Workforce Strategy and Plan. Dr Hepburn is content that the Committee has fulfilled its remit for the Board.

Dr Cheyne thanked all Committee members for their good records of attendance at the Committee recognising the commitment to governance of the Board.

The Committee were content and noted the report for assurance.

7.5 Integrated Governance Committee Annual Report 2023/24

The Board Chair presented the Annual Report to the Committee and opened for discussion.

Dr Cheyne noted that the integrated Governance Committee has now completed their workplan and matured over time to recognise gaps and overlaps within the organisation.

Dr Cheyne thanked all Committee members for their good records of attendance at the Committee recognising the commitment to governance of the Board.

The Committee were content and noted the report for assurance.

08. NATIONAL AUDIT SERVICE REPORTS

8.1 NSI Finance System Annual Report 2023/24

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

Mr Snedden confirmed NHS Ayrshire & Arran provide third party assurance to Boards for the services they provide. The most appropriate way of providing these

assurances is through the appointment of service auditors to undertake third party service audit reviews and report on the findings.

A clean opinion has been provided, with no risk findings on the NSI services provided by NHS Ayrshire & Arran on behalf of NHS 24 and other Boards. It was noted there is a process in place with NHS Ayrshire & Arran who provide statistics on their performance against agreed target levels on a quarterly basis to all Boards including NHS 24.

The Committee noted the report for assurance.

9 GOVERNANCE STATEMENTS

9.1 Assurance from the Chief Executive

Mr Miller presented the report to the Committee.

Mr Miller noted this is a statutory requirement for the Chief Executive, as Accountable Officer, to prepare a Governance Statement. As Accountable Officer, he has responsibility for maintaining an adequate and effective system of internal control that supports compliance with the organisation's policies and promotes achievement of the organisation's aims and objectives, including those set by Scottish Ministers. Mr Miller is also responsible for safeguarding the public funds and assets assigned to the organisation and for ensuring that the organisation is administered prudently and economically and that resources are applied efficiently and effectively.

The draft NHS 24 Governance Statement is included in the Annual Report and Accounts and takes account of all the sections included in the Scottish Government guidance.

Assurance is received through various levels of internal control. Executive Directors each provided a certificate of assurance specific to their area. These have been developed and informed by operational activity as well as reflecting NHS 24's capacity to identify, describe, manage, and mitigate risk.

NHS 24 risk management processes form another layer of internal control assurance. Additionally, assurance is provided by our internal governance and committee structure, operating in line with the Blueprint for Good Governance

The assurance framework alongside the Integrated Governance approach enables Mr Miller as accountable officer to provide this statement for the period 2023-24.

The Committee noted the report for assurance.

9.2 Executive Directors Annual Certificates of Assurance

Mr Miller presented the Certificates of Assurance to the Committee.

Mr Togneri noted a small amendment to the Nursing and Care Certificate of Assurance. This will be amended before presentation to the Board.

The Committee noted the new standardised format and agreed this was more user friendly. The Committee noted the certificates for assurance.

10 STATUTORY ACCOUNTS

10.1 Draft Statutory Annual Report and Annual Accounts 2023/24

Ms Gillie proposed section by section review of the Annual Performance Report and the Accountability Report. As the report had been sighted early by the Committee with a chance to make comments and was circulated to all Board members to allow them to comment.

Mr Gebbie advised the Annual Accounts is a statutory obligation for all NHS Boards showing stewardship of resources received and the financial performance in the use of those resources.

Mr Gebbie expressed his thanks to Mr Logan, Mr Snedden and Ms O’Dea for leading on the Annual Accounts. He also thanked Ms Aspley and the wider Communications Team leading the Performance Report. Mrs Gillie echoed this and thanked Mr Gebbie for leading the production of the accounts.

Some changes were still to be incorporated before presentation to the Board. The final version will be circulated to Committee members prior to the Board meeting. It was agreed a summary report would be prepared to highlight changes made since the Committee prior to the Board meeting. Subject to the final changes the Committee agreed to recommend the Annual Report and Annual Accounts are approved by the Board.

11 ANNUAL REPORTS

11.1 Information Governance and Security Annual Report 2023/24

Ms Gallacher presented the report to the Committee noting key highlights.

The paper provides an overview of the key areas of activity for 2023/24 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;

- Completion through the year of all open ICO audit actions.
- The achievement of a LOW cyber exposure score rating.
- The improvement in the Network and Information Systems Regulations audit compliance from 51% in 2022 to 78% in 2023.

Ms Gallacher noted the significant work completed on Freedom of Information request (FOIs) and Data Subject Access Requests (DSARs) and the impact this has on the department and other colleagues. It was noted the NSR and ICO audits outcomes were exemplary. Overall Information Governance and Security has had a positive year. Ms Gallacher noted underlying trends are being investigated along with the DSAR process to avoid duplication.

Ms Gillie referred to the training levels within the report noting a decrease. Dr Hepburn confirmed all essential training is monitored on a monthly basis across all directorates with action taken where appropriate.

The Committee noted the report for assurance.

11.2 Procurement Annual Report 2023/24

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

This report is submitted annually to SGHSCD to advise on regulated procurement and the report is for the financial year 2023/24. In addition to providing details of previous regulated procurements, there is a requirement to provide information on any future requirements within the next 24 months. Whilst the report reflected on current requirements, these may change over this period dependent on funding and service

requirements.

An updated Procurement Strategy was last presented to the August 2023 Planning and Performance Committee for formal approval prior to publication. The revised Procurement Strategy is currently in draft format with the intention of presenting this to the August 2024 Planning and Performance Committee.

The Committee noted the report for assurance.

11.3 Risk Management Annual Report 2023/24

Mr McMahon presented the Annual Report to the Committee and opened discussion to the Committee.

Mr McMahon advised NHS 24 continue to implement the framework demonstrating the integration of risk management. The planning process is more structured with clear objectives however noted the need to continue to adapt and assess risk which is reflected in the risk profile. Reporting will continue to be developed into 2024/25.

The Committee noted the report for assurance.

12 RISK

12.1 Corporate Risk Management Update

Mr McMahon presented the Risk Register to the Committee.

Mr McMahon noted the Risk Register has been reviewed several times in the last few months. Since previously presented to the Committee on 15 February 2024, the key changes are as follows:

- There are currently 36 corporate risks on the corporate risk register in total, compared to 31 previously reported.
- 6 risks have been closed.
- 11 new risks identified.
- 2 risks have reduced in score.
- 1 risk has increased.

The Committee noted the Risk Register for assurance.

13 CORPORATE GOVERNANCE

13.1 Corporate Governance Activity Report Q4

Mr Snedden presented the report to the Committee.

It was noted for the period 1 January 2024 to 31 March 2024 there have been two new waivers of tenders awarded, twelve new contracts were awarded and there were no Service Level Agreements processed since the last report. For the same period there has been one offer of gifts and hospitality recorded.

The National Fraud Initiative is now closed for the last cycle. NHS 24 have been awarded a green rating.

Mr Howe queried the You Tube income and where the contract was based. It was noted that this would be identified, and further information will be included within the August report.

Mr Gebbie advised an annual update on legal claims/CNORIS will be presented to the Board Reserved meeting in June.

The Committee noted the report for assurance.

13.2 Counter Fraud Standards Update

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

The Committee were asked to note the progress to date in respect of the 12 Nationally agreed Functional Standards. The NHS in Scotland is working to have these standards in place in the next 2 - 3 years. In relation to the 12 standards, NHS 24 have completed seven, with five partially complete. This updated progress report provides rationale and expected dates for completion. There is a plan in place to enable NHS 24 to reach the 75% required compliance level by end of the financial year.

It was noted Mr Young will attend the August meeting and the Committee requested he provides a view on NHS 24's compliance with the standards.

The Committee noted the report for assurance.

13.3 Audit Scotland: NHS in Scotland 2023

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

The Committee were asked to note the key messages and recommendations contained within Audit Scotland's report entitled NHS in Scotland 2023 and take assurance from the work in NHS 24 to manage this. Mr Snedden confirmed NHS 24 has reviewed Audit Scotland's report on NHS in Scotland 2023, which highlights issues facing the sector. This report covers a wide range of issues and concerns and recognises the need for short, medium, and long-term investment and reform to ensure the future sustainability of the NHS in Scotland.

Ms Gillie queried the recommendation on Realistic Medicine and effects for NHS 24. Mr Moore confirmed this is picked up at Clinical Governance Committee. Mr Gebbie noted funding is received for Realistic Medicine with reporting in place.

The Committee noted the report for assurance.

13.4 Financial Assurance Summary Report

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

Mr Gebbie noted that the report is based on the 2024/25 Financial Plan assumptions and risks and is presented to the Audit and Risk Committee for assurance. The 2024/25 finance plan was approved by the Board in April 2024 and contained a number of risks in terms of delivery. This paper provides updates against each of these risks to provide the committee with assurance that risks are being considered and mitigated.

The Committee noted the report for assurance.

13.5 External Review of Board Effectiveness

Ms Mathew presented the report to the Committee noting key points.

The Committee was asked to consider and approve the proposal to utilise internal audit time to conduct an independent review of the effectiveness of NHS 24 Board's governance arrangements. The Blueprint for Good Governance second edition published on 23 December 2022, states that in order to enhance and validate the Boards self-assessment, a systematic evaluation of governance arrangements across the Board should be undertaken by an external specialist in governance. The Scottish Government are responsible for commissioning and managing a programme of structured governance reviews that includes a work plan to evaluate the NHS Boards' governance arrangements at least every three years.

Further information is expected on the format, frequency, and requirements of the Board from Scottish Government in due course. In the interim period and following discussion with the NHS 24 Board Chair

and Chief Executive, consideration has been given to utilising internal audit time to undertake an independent assessment of the NHS 24 Board's governance arrangements.

Ms Weir confirmed if scheduled now and not utilised due to guidance provided by Scottish Government, the days could be returned as a contingency within the Internal Audit Plan.

The Committee noted the update and approved.

14. WORKPLAN

14.1 Audit and Risk Committee Workplan

The Committee approved the Workplan for 2024/25.

Mr McMahon noted the Risk Strategy is due for presentation at the August meeting. It was noted the strategy runs on a 2 year cycle and was approved August 2023. It was agreed an update on progress against the strategy would be provided at the next meeting rather than an updated strategy.

The Committee approved the Workplan for 2024/25

15. COMMITTEE EFFECTIVENESS

15.1 Annual Committee Self Effectiveness Update

Ms Mathew presented the report to the Committee.

The Audit and Risk Committee is asked to note the update on the July 2023 Self- Effectiveness Survey and actions and approve the recommendation that the Committee undertakes its Self-Effectiveness Survey for 2024 during the month of July. Ms Mathew advised work is underway to transfer the survey to a digitalised platform and members will receive a link in due course for completion.

The Committee approved the proposal and timescale.

16. INTEGRATED GOVERNANCE: KEY POINTS ARISING

The Committee agreed that the Clinical Workforce Staffing Levels audit would be shared and presented to the Staff Governance Committee at the August meeting for noting as well as the Clinical Governance Committee.

17. AGREED COMMITTEE HIGHLIGHTS TO THE BOARD

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 20 June 2024.

18. ANY OTHER BUSINESS

18.1 Audit Committee Chairs Network Update

Ms Gillie attended the Audit Committee Chairs Network meeting on 27 February 2024. Ms Gillie provided an update on the following topics:

- Transport Scotland – Slides are available to be shared with members on request.
- Public Spending Outlook – Slides are available to be shared with members on request.

18.2 Scottish Government Circulars

Mr Gebbie noted that Board Members receive the publications list on a monthly basis. If any Board Member feels that a publication requires further discussion, they should raise this with the relevant Committee Chair and secretariat. The Chair of the Committee and Director of Finance review the publications as part of the agenda setting process.

18.3 Global Internal Audit Standards

Ms Weir advised the Committee on the new Global Internal Audit Standards that were published in January 2024. It was noted these will come into effect in January 2025 and compliance is mandatory. No changes are expected however this will be kept under review and updates provided as required.

19. DATE OF NEXT SCHEDULED MEETING

The date of the next meeting of the Committee is Thursday 15 August 2024 at 10am, Microsoft Teams.

20. PRIVATE MEETING OF THE AUDIT AND RISK COMMITTEE

A private meeting with the Chief Executive was held with members of the Committee following the meeting.

The meeting concluded at 11.40pm