

NHS 24

**APPROVED Minutes of the Meeting of the
NHS 24 Audit and Risk Committee
held on Thursday 13 February 2025 at 10am
Microsoft Teams**

PRESENT

Ms Carol Gillie (in the Chair)
Mr Martin Togneri
Mr David Howe
Ms Amina Khan
Ms Abeer MacIntyre

IN ATTENDANCE

Dr Martin Cheyne
Mr Jim Miller
Mr John Gebbie
Ms Ann-Marie Gallacher
Ms Steph Phillips
Mr Kevin McMahon
Dr Jacqui Hepburn
Ms Joanne Edwards
Ms Rachael Weir
Ms Mary-Jane Mitchell
Ms Nicola Wright
Ms Geraldine Mathew
Ms Yvonne Kerr
Ms Rebbecca McConnachie
Ms Linda Robertson

1. WELCOME, APOLOGIES AND INTRODUCTIONS

Ms Gillie welcomed members and attendees to the meeting. Ms Gillie welcomed Linda Robertson and noted Mr McMahon will be leaving NHS 24 and that this would be his last meeting. On behalf of the Committee, Ms Gillie thanked Mr McMahon for his contribution to the work of Audit and Risk Committee and for all the support he has provided to the Chair.

Apologies were intimated on behalf of Mr David Eardley, Azets.

NOTED

2. DECLARATIONS OF INTEREST

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

NOTED

3. MINUTES OF PREVIOUS MEETING OF 21 NOVEMBER 2024

The Committee considered the minute of the previous meeting held on 21 November 2024. Mr Togneri noted following his comments on DSARs, information was omitted from the previous minute. The misspelling of a member's name is also to be corrected. Following the amendments to the minute the Committee were content to approve this as a complete and accurate record.

ACTION:

- **Minutes to be updated to include comments and actions under the DSAR item.**
Misspelling of member's name to be corrected: Ms Kerr.

APPROVED

4. MATTERS ARISING

4.1 Rolling Actions Log

The Committee approved the log and agreed all actions recommended for closure can be removed from the action log.

NOTED

5. EXTERNAL AUDIT

5.1 External Audit Plan 2024/25

Ms Wright presented the Audit Plan to the Committee noting key highlights.

Ms Wright confirmed the plan has been developed in collaboration with NHS 24 to ensure an effective audit and focuses on the most significant areas of importance and risk to NHS 24. Some queries were raised about materiality thresholds being high and the risk of management override. Ms Wright assured the Committee that specific procedures are in place to highlight lower level issues that arise as part of the audit. It was noted the management override risk is not specific to NHS 24 as is sector wide and there are no specific concerns for NHS 24 at present. Following questions raised regarding the statement on not performing IT testing and the wider scope audit, Ms McConnachie advised that this is no change from prior years as Deloitte do not do specific IT control work for NHS 24. This is reviewed in line with National Services Scotland (NSS) information and any issues picked up from service audits. It was noted there are no prescribed specific areas to review from Audit Scotland, hence no specific risks detailed within the plan. This year's audit also includes a focus on the Digital Transformation Programme and how the governance structure is performing and what procedures have been put in place

The timeline for audit work is completion before the Audit and Risk Committee in June 2025.

The Committee noted the report for assurance.

5.2 Reflection on Annual Accounts: Lessons Learned

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

It was noted the Audit for 2023/24 went relatively well with only minor issues identified during the audit. Of the three minor issues identified it was confirmed changes will be implemented for the 2024/25 audit to enhance what was deemed a successful audit process last year.

The Committee noted the report for assurance.

6. INTERNAL AUDIT

6.1 Internal Audit Follow Up Report

Ms Weir presented the Follow Up Report to the Committee noting key highlights.

Ms Weir advised the good progress made this quarter in implementing audit recommendations. Of the six actions followed up in this quarter, Azets confirmed three actions have been implemented within agreed timescales and three actions have not yet reached their due date. As such there are no actions currently outstanding.

The Committee noted the report for assurance.

6.2 Internal Audit Plan Progress Report

Ms Weir presented the report to the Committee.

Ms Weir noted there were no reports presented to this meeting. Patient Experience was due to be presented however it was delayed due to ongoing discussions regarding the most valuable area of focus for the audit. It was confirmed that scoping discussions have progressed for Staff Training and Development Audit, and this will be presented to the June Committee with Patient Experience. It was suggested for the forthcoming Staff Training and Development Audit if this could have a particular focus on Digital Transformation. Mr Gebbie confirmed that this audit will focus on general training for staff with Digital Transformation staff training in the new system being part of the proposed Implementation Management audit planned for 2025/26.

Ms Weir provided an update on Global Internal Audit Standards that became mandatory from 9 January 2025. These standards supersede the current Public Sector Internal Audit Standards, and the UK Public Sector Internal Audit Standards Advisory Board have intimated an adoption date of 1 April 2025 for all public bodies. It was confirmed Azets are currently in the process of finalising updates to working practices to capture all new requirements and work is expected to be completed by end of February 2025.

A client facing webinar will be held on 21 February 2025. For those not able to attend a recording will be available shortly after the session.

The Committee noted the report for assurance.

6.3 Internal Audit Plan 2025/26

Ms Weir presented the Plan to the Committee.

Ms Weir confirmed the plan had been developed following meetings with the Director of Finance, his Deputy and the Head of Risk & Resilience with input provided by the Chief Executive and the Chair of the Audit and Risk Committee. The resulting updated draft was subsequently considered by the Executive Management Team in January 2025 and the plan has been further refined to reflect their feedback. It was noted that the plan should be considered draft and is not for approval at this stage until further work on the Global Audit Standards has been completed. The final plan will be presented to the June meeting. Following a question on the focus of value for money Ms Weir confirmed although this is not specific in the plan as it is commented on as part of the individual audits. Mr Gebbie confirmed that this had been highlighted previously and a benefits realisation process is being developed. External Audit confirmed this, and best value would be considered as part of the 2024/25 plan. Ms Gillie requested that both Internal and External Audit arrange to discuss this to ensure there is no duplication and this issue is considered as part of the wider scope. Some issues on the dates within the plan and the timing of the audits were highlighted and if required these will be updated for the final version of the plan.

Ms Gillie noted the plan was only for one year and asked for clarity on future years. Ms Weir confirmed some detail is included in the plan and advised the 2025/26 plan will inform the plan for future years.

The Committee noted the draft Internal Audit Plan for 2025/26 and approved the progression of the audits planned for the first quarter.

ACTIONS:

- **Further discussion on reporting value for money within NHS 24 and as part of audits: Mr Gebbie/Ms Weir**
- **Further consideration of value for money/best value/benefits realisation as part of the audit plans to avoid duplication: Ms Weir/Ms Wright**
- **A finalised Internal Audit Plan for 2025/6 to be presented to the June meeting for approval: Ms Weir**

7. RISK MANAGEMENT

7.1 Risk Management Update

Ms Robertson presented the Risk Register to the Committee.

Ms Robertson presented the Risk Management update and asked the Committee to consider, provide feedback and endorse for presentation to the next Board meeting on 27 February 2025. Ms Robertson highlighted that the paper presented represented the year end position and that work was already underway to ensure the corporate risk register was aligned to the newly developed 2025/27 Corporate Delivery Plan and Financial Plan.

Since the last meeting held in November 2024 key changes were noted. There are currently 28 corporate risks compared to 35 reported in previous meeting. Eleven risks have closed, four new risks have been identified, and six risks have reduced in score. The appropriate Committees prior to Audit and Risk Committee have discussed the risks under their remit and endorsed for presenting to the next Board Meeting.

Ms Robertson highlighted that as part of the ongoing development of risk reporting, in discussion with Mr Togneri, she had included in the risk register reference to the organisational risk appetite for each risk type. Mr Togneri provided an overview of the discussion held at Clinical Governance Committee outlining potential actions for dealing with any risks outwith the risk appetite. It had been agreed with the Chairs of the Committees to have this discussion in full and agree a way forward at the Audit and Risk August meeting when the risk appetite was due for review in line with the Committee Work Plan. Members could share any thoughts on this issue with Ms Robertson prior to the meeting in August. Ms Hepburn reported that the Staff Governance action which is currently outwith the risk appetite level would be considered in more detail. Mr Togneri confirmed he was content with this approach.

Ms MacIntyre referred to risks RI-0003956 and RI-0012497 and advised that she had previously requested further information to gain a better understanding of these risks. It was noted that a meeting had been arranged with Executive colleagues following the Committee meeting and an update would be provided for the next meeting in June 2025.

Ms MacIntyre also queried whether a flag could be added to the risk report when a risk goes outwith the risk appetite. Ms Robertson confirmed that all risks on the risk register start outwith the risk appetite, and it is the mitigating actions and the target score that bring them in the main within the parameters of the risk appetite. It was agreed that Ms Robertson would discuss this outwith the meeting and provide Ms MacIntyre with an overview of the risk management processes.

Ms Robertson confirmed that the Digital Transformation Programme (DTP) risk log was included for overview and additional assurance, however, it was noted there are a number of acronyms within this which can be difficult to understand. Dr Hepburn confirmed this was for noting however would update the Digital Transformation Risk Log for any future presentation.

Ms Robertson reminded Committee members that DTP programme risks scoring 10+ do not automatically result in an escalation to the Corporate Risk Register but would be considered at the appropriate Programme Board or Strategic Delivery Group and only escalated if the Programme or Delivery Group considered the mitigation of that risk outwith their control and required wider organisational input.

ACTIONS:

- **Update on risks RI-0003956 and RI-0012497 to be provided at the next meeting. Mr Moore.**
- **Meeting to be arranged to discuss further the risk register, risk management and risk appetite: Ms Robertson/Ms MacIntyre.**
- **It was agreed a full discussion on all risks outwith the risk appetite would take place at the ARC meeting in August where processes for this situation would be considered. In addition, Dr Hepburn highlighted discussion would take place at the SGC prior to ARC. Ms Robertson**
- **DTP Risk log terminology to be reviewed: Dr Hepburn**

Subject to any feedback, the Committee were content that the Corporate Risk Register be presented to the next Board meeting on 27 February 2025.

The Committee noted the report for assurance.

7.2 Strategic Risk Register

Ms Robertson presented the Risk Register to the Committee and asked the Committee to consider, provide feedback and endorse for presentation to the next Board meeting on 27 February 2025.

Ms Robertson advised the Risk Register is reviewed quarterly at the Risks and Opportunities Group. The overarching strategic risks are supported by several corporate plans and associated risks that align to key priorities within the organisation.

Since previously presented to the Committee, the key changes for consideration are as follows:

- There are currently 7 Strategic risks in total, which is the same number presented to the Committee back in August 2024.
- Of the 7 risks presented, 4 scores remain the same, 2 have reduced and 1 has increased.

Ms Robertson noted work is developing to map the draft Corporate Delivery Plan, Finance Plan and Workforce Strategy to the Strategic Risk Register now that these have been discussed at the Board Workshop and the Planning and Performance Committee. Ms Robertson explained risks and mitigations on the Strategic Risk Register are at a higher/broader level than the Corporate Risk Register, which provides more detailed risks and mitigations at an operational level.

Subject to any feedback, the Committee were content that the Strategic Risk Register be presented to the next Board meeting on 27 February 2025.

The Committee noted the report for assurance.

8. CORPORATE GOVERNANCE

8.1 Corporate Delivery Plan/Finance Plan: Risks

Mr Gebbie presented the report to the Committee.

The document is intended to provide assurance from the processes in place to manage the risks associated with the Corporate Delivery Plan and the Finance Plan. It was noted the risks outlined in the paper will be considered through risk management processes and reported thereafter through corporate

risk reporting. It was queried if we are at a higher risk level overall for the finance than last year and what action will be taken as a result. Mr Gebbie assured the Committee the risk feels higher this year, due to uncertainty around the impact of the reduced working week and the National Insurance changes. A close review of financial risks was ongoing. In the case of reliance on nonrecurring funding as a significant risk, Mr Gebbie felt funding the non recurring implementation costs of the Digital Transformation Programme is in line with this year's position in terms of using non recurring vacancy factor funding.

The Committee noted the report for assurance.

8.2 Corporate Governance Activity Report Q3 (October to December)

Mr Snedden presented the report to the Committee.

It was noted since the last Audit Committee there had been one variation of contract. Seven new contracts were awarded and there were no Service Level Agreements processed since the Q2 report. There have been eight offers of gifts and hospitality recorded since the last meeting. There has also been an increase in legal claim costs. The Committee asked for assurance that the newly identified claims relating to 2021 had been considered at the CGC. The action has been closed as Mr Moore confirmed that was indeed the case. Concerns about currently unknown claims remain as individuals have an extensive timeline to log a claim

The Committee noted the report for assurance.

8.3 Financial Assurance Summary Report

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

Mr Gebbie noted that the 2024/25 Finance Plan was approved by the Board in April 2024 and is on track in terms of meeting our financial obligations in year and mitigations are in place to combat risks. It was noted savings are progressing well and ahead of target. Mr Gebbie confirmed a number of risks have been closed. Mr Gebbie advised allocations for Redesign of Urgent Care are still outstanding although has had confirmation they will be received.

The Committee noted the report for assurance.

8.4 Information Governance and Security Report Q3

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

The paper provides an overview of the key areas of activity for Q3 2024/25 for the Information Governance and Security (IG&S) team in ensuring compliance with all legislative requirements. Included in the report are a number of key points:

- The Board workshop on Cyber Security.
- The closure of an information risk relating to retained data.
- An increase in both the number of Data Subject Access Requests and Freedom of Information requests received through this quarter.

Ms Gallacher noted concern for the increasing number of DSAR and FOI requests being received. A full review of processes has been undertaken and included redirecting people to the right places to obtain the right information. This exercise also included streamlining current processes and implementing changes to improve efficiency. Ms Gallacher requested this is discussed again at the August meeting to demonstrate the impact of the changes put in place.

A suggestion was made to discuss with Information Commissioners Office regarding the parameters for such requests. Ms Gallacher confirmed that work is ongoing in this area including the Heads of Information Governance across the NHS Scotland who are working collectively on this issue.

ACTION:

- **Update paper on DSAR and FOI requests to be presented to the Committee at the August meeting: Ms Gallacher**

The Committee noted the report for assurance.

8.5 DSARs Process/Guidelines

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

Ms Gallacher noted that the Information Governance & Security (IG&S) team manage and co-ordinate requests to access personal data held by NHS 24 in accordance with the Data Protection Act 2018 and UK General Data Protection Regulation. The legislation also makes provision for some third parties to access the personal data of individuals in certain circumstances. It should be noted that NHS 24 will only disclose personal data where there is a legal requirement to do so, and the processes in place are designed to ensure that each request is dealt with on a case-by-case basis. Ms Gallacher confirmed the processes have been reviewed. Working with the Communications team, refresher sessions for members of staff will be arranged to help provide reminders on responsibilities and the processes that are in place.

The Committee noted the report for assurance.

8.6 Counter Fraud Services: 12 Functional Standards

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 implementation of the 12 Functional Standards and planned completion dates. In relation to the 12 standards, NHS 24 have completed nine, with three partially complete, with a plan in place to reach 100% compliance by March 2026. Counter Fraud Services are content that NHS 24 is currently on course and making good progress.

The Committee noted the report for assurance.

8.7 NHS in Scotland 2024: Finance and Performance

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 2024: Finance and Performance and take assurance from the work within NHS 24 to manage this. Mr Snedden confirmed NHS 24 has reviewed Audit Scotland's report on NHS in Scotland 2024, which highlights issues facing the sector. This report covers a wide range of issues and concerns and recognises the need for an increased focus on immediate financial challenges, rising demand and operational pressures underlining the need for significant service reforms. The NHS in Scotland is currently not able to keep up with increasing demand across the Health and Social Care System.

It was confirmed that NHS 24 recognise the challenges outlined in the paper, in particular the focus on financial sustainability. It is important that NHS 24 understands the challenges and works collaboratively in seeking solutions. This is done via the various networks NHS 24 participates, and the issues highlighted in this report have already informed our strategy and planning processes. This includes a focus to achieve efficiencies and improve performance through digital and service transformation programmes. The report will be presented to the Board at the February meeting.

The Committee noted the report for assurance.

9. WORKPLAN

9.1 Audit and Risk Committee Workplan 2025/26

The Audit and Risk Committee were asked to approve the 2025/26 Committee Workplan noting that this will continue to be developed throughout the year and consider any items which should be added to the Workplan. Mr Gebbie requested the NFI Counter Fraud Standards due to come to June meeting be delayed until August to provide time for Counter Fraud Services to review the work undertaken.

ACTION:

- **Counter Fraud Standards to be moved to August meeting. Workplan to be updated: Ms Kerr**

The Committee approved the Workplan for 2025/26.

10. COMMITTEE EFFECTIVENESS

10.1 Audit Committee Effectiveness Review: Action Plan Update

Ms Mathew presented the Effectiveness Review Action Plan to the Committee.

The Committee Self Effectiveness Survey Action Plan was presented to the Committee at its meeting on 21 November 2024. Following the November 2024 Committee meeting, Committee members then held a private session. During this meeting, members deliberated on any further activities, training, and other actions that could be undertaken as part of the Action Plan to enhance the Committee's effectiveness and governance processes. All information is included within the appendices of the report.

The Committee noted the update for assurance.

11. COMMITTEE BUSINESS

11.1 Terms of Reference

Ms Mathew presented the Terms of Reference to the Committee.

The Committee were asked to review and approve the Terms of Reference. It was noted these were last approved at the meeting held on 15 February 2024, some minor amendments were proposed and detailed within the report. These include the removal of reference to the Executive Director for Risk and Resilience and the amendment to 3.13 that the Committee Chair is involved in the Annual Audit Planning Session.

The Committee approved the Terms of Reference with changes noted.

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.

11.3 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 27 February 2025.

12 ANY OTHER BUSINESS

12.1 There was no further business noted.

DATE OF NEXT SCHEDULED MEETING

The date of the next meeting of the Committee is Thursday 5 June 2025 at 10am, Boardroom, Lumina Building.

13 PRIVATE MEETING OF THE AUDIT AND RISK COMMITTEE

A private meeting with the External Auditors, Deloitte was held with members of the Committee following the meeting.

The meeting concluded at 11.55am.