

**Minute of NHS Ayrshire and Arran Audit & Risk Committee Meeting
held on Thursday 23 June 2022 at 1400 hours via Microsoft Teams**

Present Michael Breen, (Chair) Non-Executive Board Member
Sukhomoy Das, Non-Executive Board Member
Jean Ford, Non-Executive Board Member
Bob Martin, Non-Executive Board Member
Marc Mazzucco, Non-Executive Board Member

In attendance Bob Brown, Assistant Director of Finance (Governance and
Shared Services)
Susan Brook, Grant Thornton
Peter Clark, Grant Thornton
Hugh Currie, Assistant Director of Occupational Health, Safety and
Risk Management

Shirley Taylor (Minutes)

1. Apologies and declarations of interest

1.1 The chair welcomed everyone to the meeting. Apologies were noted from Lesley Bowie, Claire Burden and Derek Lindsay.

1.2 Declarations of interests

There were none.

2. Approval of Minutes

2.1 Minute of the meeting held on 11 May 2022
The minute was approved as an accurate record of the meeting. Proposed by Marc Mazzucco and seconded by Bob Martin.

3. Matters Arising

3.1 Action Log
All actions were noted as being complete.

Outcome: *The committee received the action log.*

3.1 Committee work plan

The committee work plan for 2022/23 was considered. Highlighted changes were noted by the Committee and it was agreed that the business of the June meeting would be separated out across 23 and 27 June meetings.

Action: Shirley Taylor

Outcome: The committee received the workplan.

4. Internal Audit

4.1 Internal Audit Progress Report

The Internal Auditor presented the progress report and provided an update on progress made since the last committee. Fieldwork has been completed for the remaining five reviews from the 2021/22 plan with four of the five being presented to the committee today.

A draft report has been produced for the Catering review however clarification is awaited regarding ownership of one of the actions contained within. It was noted this will not affect the overall opinion for the year.

Field work has commenced on the Property Transaction Monitoring review.

Discussion took place as to whether the plan for 2022/23 will be achievable given the backlog for the previous year however It is anticipated that the schedule for 2022/23 will remain.

Outcome: *The committee received the Internal Audit Progress report*

4.2 Internal Audit Report – Consultant Job Planning

The internal auditor undertook a review to evaluate the adequacy of the internal controls in place around Consultant Job Planning and the interim controls for migration to the electronic system Allocate. The review was rated partial assurance with improvement required and contained one medium rated recommendation.

The auditor reported that annual job planning was paused during covid and has not fully recommenced to date. Job plans are updated on a yearly basis and once agreed by both parties are then signed off as a contractual agreement between employer and employee. The plan is for this process to be managed through Allocate for ease of monitoring resources.

The committee agreed that it was a risk issue not to have a job plan in place in terms of patient safety however due to the process being paused by Scottish Government the recommendation could not be rated any higher than medium. The committee felt that based on the report a higher rating of risk could have been applied. However, after discussions the committee accepted the level of risk noted within the report but asked that the agreed actions be taken forward as outlined and within the dates set with an interim update on progress made at the next meeting.

In relation to management responsibilities the committee asked the internal auditors to agree with management one lead Director.

Action: Susan Brook / Peter Clark

Interim update to be provided at the next meeting on 23 November 2022 on progress made against the action.

Action: Derek Lindsay

It was agreed the review should be taken forward to the Risk and Resilience Scrutiny and Assurance Group for review of the risk level and completion of a risk assessment template.

Action: S Taylor

Outcome: *The Internal Audit Report was received and recommendations made as noted.*

4.3 Internal Audit Report – Compliance with Whistleblowing Policies and Procedures

The internal auditor advised that a review was undertaken to evaluate the adequacy of the internal controls in place around whistleblowing arrangements and assurance that these arrangements are in line with national whistleblowing standards. The review received partial assurance with improvement required and contained one medium rated recommendation around poor compliance in the completion of mandatory whistleblowing eLearning by both staff and management.

It was noted that a maximum of 24% of staff and 39% of managers have completed the mandatory training modules. Although compliance has fallen short of what would be expected it was agreed it may not be easily monitored by the electronic systems in place however should be actioned as part of the annual appraisal process. The committee felt there was an emergent strategic risk that this is currently not included as part of the mandatory/statutory training package.

Discussion took place on who the overall responsibility should sit with to ensure staff/management are aware of the new whistleblowing standards and that training is undertaken as expected. It was agreed this should be changed to the Nurse Director as the whistleblowing lead to hold overall responsibility for this action and feedback should be provided to the Corporate Management Team and Staff Governance Committee with regard to raising the importance of this training for all staff.

Action: Susan Brook / Peter Clark / Hugh Currie

Outcome: *The committee received the internal audit report and recommendations were made as noted.*

4.4 Internal Audit Report – Redesign of Unscheduled Care

The Internal Auditor presented the report and advised that the objective of the audit was to evaluate the adequacy of internal controls in place around the Unscheduled Care programme. The review contained two medium and one low rated recommendation and was given partial assurance with improvement required.

The medium actions were noted to be in relation to planning resources and budgeting aspects of the programme. As well as this implementation of the ED capacity management guidance produced to monitor the six essential actions was found to be not up to standard. It was also found that employees had not confirmed they understood their roles and responsibilities in relation to the unscheduled care programme.

The committee were content with the recommendations made within the report.

Outcome: *The committee received the internal audit report*

4.5 Internal Audit Report – Pharmacy – Operational Controls

The objective of the audit was to review the controls in place around medicines management across the organisation. The review was given partial assurance with improvement required and contained three medium recommendations and one advisory recommendation.

In conducting the review it was discovered that daily pharmacy stock checks were not being completed consistently. The committee felt this was a risk as wards are required to ensure medication is not missing and will be available when required. It was also found there was a lack of review of staff with access to electronic pharmacy cabinets, no evidence could be obtained as to whether access reviews had been carried out and no assurance given that the correct staff have access.

The committee felt that it was difficult to see where the responsibility lies due to the number of responsible officers contained within the report and it was agreed that this would be fed back by the Internal Auditor as there requires to be someone within the pharmacy structure identified to co-ordinate responses across all departments.

Action: Susan Brook / Peter Clark

Outcome: *The committee received the internal audit report and recommendations were made as noted.*

4.6 Internal Audit Annual Report and Opinion 2021/22

The internal auditor presented the annual report which provided the summary of work undertaken throughout the year and the audit opinion. The Head of Internal Audit's Opinion in respect of 2021/22 is partial assurance with improvement required.

It was noted that this opinion was made due to the controls and pressures in place at that time. The majority of the reviews undertaken across the year

contained medium rated recommendations which resulted in the overall opinion. The audits undertaken have been of higher risk areas throughout the year. The committee accepted the annual opinion given by the Internal Auditor.

Outcome: *The committee received the annual summary of internal audit work carried out*

5. Governance and Risk

5.1 Strategic Risk Register

The Assistant Director of Occupational Health, Safety and Risk Management presented the Strategic Risk Register to the committee. This report has been circulated through all other governance committees before being presented to the Audit and Risk Committee. It was noted that a table of risks being reviewed during the period has been added to the report to provide assurance that reviews are taking place and a responsible director has been identified for each risk.

It was also noted that two of the risks contained in the report have been upgraded from operational to strategic. One risk was in relation to the failure to provide sufficiently competent Health and Safety Advisory professionals was discussed. It was noted that this would lead to gaps in meeting the legal duties in relation to the Health and Safety at Work Act 1974. Although leeway was given by the Health and Safety Executive for training during the Covid Pandemic, there is now a focus on ensuring that the organisation meets its legal duties in terms of Health and Safety.

Discussion took place with regard to a recent board workshop which was focussed on the risk appetite statement. A short life working group has been developed from that workshop to review the statement and bring different options back to the board for discussion. This will ensure that everyone has an understanding of the risk appetite for the organisation.

A question was raised around covid risks and where these are contained within the risk register. It was clarified that these still exist as part of wider infection control and vaccination risks.

Outcome: *The committee approved the Strategic Risk Register for submission to the NHS Board.*

6. Counter Fraud

6.1 Counter Fraud Update Report

The Assistant Director of Finance provided the regular Counter Fraud update to the committee. The next NFI exercise is due to commence with data to be supplied in October / November, and matches to be made available by next February.

The CFS Pilot is now being wrapped up and rolled out across all boards and a meeting will be arranged to look at the output from this which will be reported to the committee at the next meeting.

A call took place on 22 June to run through the standards and components of the self assessment process. It was agreed this would be useful as a means of reporting to the committee on progress against the standards in the future.

The committee discussed the new Whistleblowing Standards being rolled out across Scotland and how cases of fraud are reported with regard to the standards. It was felt there should be a national approach to this in terms of Counter Fraud Services and it was something that could be picked up as part of the next meeting.

Outcome: *The committee received the report*

7. Any other competent business
None noted.

8. Key issues to report to the NHS Board

The following items were agreed to be reported to the Board:

- A range of Internal Audit reports were presented to the committee
- Internal Audit Annual Report and Opinion for 2021/22
- Strategic Risk Register for submission to the NHS Board

9. Risk issues to report to the Risk and Resilience Scrutiny and Assurance Group

The committee agreed that the Internal Audit review into Consultant Job Planning should be reported back to the Medical Director followed by the Risk and Resilience Scrutiny and Assurance Group for completion of a risk assessment template and monitoring of the overall risk.

10. Date of next meetings

Monday 27th June 2022 @ 10:00am via Microsoft Teams

Approved by Chair of the Committee:

..... Date: