



NOT PROTECTIVELY MARKED

PUBLIC BOARD MEETING

30 July 2025

Item 16

THIS PAPER IS FOR NOTING

**AUDIT AND RISK COMMITTEE MINUTES OF 17 APRIL 2025 AND AGENDA
OF MEETING HELD ON 12 JUNE 2025**

Lead Director Author	Carol Sinclair, Chair of Audit and Risk Committee Julie Kerr, Governance Officer
Action required	The Board is asked to note the minutes and agenda
Key points	<p>In compliance with the Service's Standing Orders, the approved Committee minutes are submitted to the Board for information and consideration of any recommendations that have been made by the Committee.</p> <p>The minutes of the Audit and Risk Committee held on 17 April 2025 were approved by the Committee on 12 June 2025. The agenda from the meeting held on 12 June 2025 is also attached for the Boards information.</p>
Timing	Minutes are presented following approval by the Committee. The Board are also provided with the agenda of the most recent Committee meeting for information.
Corporate Risk Identification	This paper aligns to all Corporate Risks.
Link to Corporate Ambitions	The Audit and Risk Committee has responsibility on behalf of the Board to provide independent and objective review of the effectiveness of internal control systems. The Committee provides support to the Board in their responsibilities for issues of risk, control and governance and provide assurance to the Board that the governance arrangements are safe, effective and person centred.
Link to NHS Scotland's Quality Ambitions	This paper is aligned to and supports all three of NHS Scotland's quality ambitions to enable our workforce to provide safe, effective and person centred care
Benefits to Patients	—

Climate Change Impact Identification	This paper has identified no impacts on climate change.
Equality and Diversity	—



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**MINUTES OF AUDIT AND RISK COMMITTEE MEETING
10:30 AM ON THURSDAY 17 APRIL 2025
VIRTUAL, MICROSOFT TEAMS**

Present: Carol Sinclair, Non-Executive Director (Chair)
Mike McCormick, Non-Executive Director (Vice Chair)
Stuart Currie, Non-Executive Director
Thane Lawrie, Non-Executive Director
Irene Oldfather, Non-Executive Director
Madeline Smith, Non-Executive Director

In Attendance: John Baker, General Manager, ICT (*Agenda Item 16.1*)
Dave Bywater, Interim Director of Care Quality and Professional Development
Paul Bassett, Chief Operating Officer
Karen Brogan, Associate Director of Strategy, Planning and Programmes
Julie Carter, Director of Finance, Logistics and Strategy
Michael Dickson, Chief Executive
Julie Kerr, Secretariat – Minutes
Rebecca Lister, Azets – External Auditors
James Lucas, KPMG – Internal Auditors
Maria McFeat, Deputy Director of Finance
Gordon Richardson, Head of Finance
Sarah Stevenson, Risk Manager

Apologies: Syed Shah, KPMG - Internal Auditors
Katy Barclay, Head of Business Intelligence
Stephen Massetti, Director of National Operations
Tom Steele, Board Chair

ITEM 1 WELCOME AND APOLOGIES

Carol Sinclair welcomed everyone to the meeting and apologies for absence were noted as above.

ITEM 2 DECLARATIONS OF INTEREST

New declarations of interest were declared below:

- Stuart Currie who has been appointed as Vice Chair of the Independent Review of Creative Scotland.

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- Carol Sinclair, Chair of the Data Board for Health and Social Care
- Dave Bywater as Trustee of the Sandpiper Trust.

Updates were provided by Irene Oldfather who informed Committee that the NHS Greater Glasgow & Clyde Emergency Department Review has now been concluded and the report published, therefore this can now be removed from her standing declarations. Carol Sinclair also advised Committee that she is no longer the Strategic Data Adviser, Digital Health and Care, Scottish Government, therefore this can now be removed from her standing declarations.

Standing declarations of interest were noted:

- Madeline Smith in her position as-Board Member with Scottish Fire & Rescue Service
- Irene Oldfather in her position of Director, Scotland Health and Social Care Alliance and Vice Chair of Domestic Advisory Group (DAG) on the Trade and Cooperation Agreement (TCA) with the European Union.
- Carol Sinclair in her position as Trustee of Scotland's Charity Air Ambulance.
- Paul Bassett in his position as Trustee, Scotland's Charity Air Ambulance.
- Stuart Currie - Board Member of State Hospital Board and Vice Chair of the Independent Review of Inspection, Scrutiny and Regulation of Social Care in Scotland by the Scottish Government.
- Mike McCormick, member of an advisory Group on ESN which is a neutral group and a former Board member of NHS 24.

ITEM 3 MINUTES OF PREVIOUS MEETING

The minutes of 23 January 2025 were reviewed for accuracy, agreed as a true and accurate reflection of the meeting and were subsequently approved by Committee.

ITEM 4 MATTERS ARISING

Committee noted the following items as completed and approved their removal from the Audit and Risk Committee Matters Arising paper.

2025/01/05.1-05.3 (1)	Quarterly Update and Corporate Risk Register
2025/01/05.1-05.3 (2)	Quarterly Update and Corporate Risk Register
2025/01/05.1-05.3 (3)	Quarterly Update and Corporate Risk Register
2025/01/11 (1)	Fraud Quarterly Report

Following discussions, updates were provided to the Actions below and Committee agreed that these items can now be closed and removed from the Audit and Risk Committee Matters Arising paper.

2025/01/05.1-05.3 (4)	Quarterly Update and Corporate Risk Register
2025/01/11 (2)	Fraud Quarterly Report

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ITEM 5 RISK MANAGEMENT

Item 5.1-5.3 Quarterly Update and Corporate Risk Register

Sarah Stevenson presented the Committee with the quarterly Risk Update and Corporate Risk Register which was taken as read. The Corporate Risk Register presented to Committee was approved by the SAS Board at its meeting at the end of November 2024. Audit and Risk Committee were asked to:

- Discuss and note the update provided.
- Note the Corporate Risk Register which was approved by the SAS Board in March 2025 and further reviewed by the Performance and Planning Steering Group in April 2025.
- Note the attached PPSG papers which show the review of the Service Risk Registers highlighted in section 4.8.
- Note the implementation of the new Risk Management System, InPhase which went live on 11th March 2025, with the exception of the subject access request and claims apps which will be worked through over the coming months. Work progresses with the project closure documentation, benefits realisation etc.

Sarah highlighted that further engagement is taking place with managers in relation to InPhase training and training videos and guides have been developed for the reporting and managing of adverse events along with guides for the reporting and management of risks. Dedicated engagement sessions have taken place, and these will continue throughout 2025 to gather feedback on the new system. Really positive feedback has been received in relation to surveys which are being conducted on frontline staff to see how they are finding the system. Carol Sinclair highlighted that it would be good to hear how the system has been received across the entire workforce, not just from a clinical perspective.

Carol thanked Sarah for the overview and before opening to Committee for reflections referred to the Risk Key Performance Indicators, in particular the reference to 61 of 134 high risks which have not been reviewed within timescales and sought assurance that improvement in that performance would be forthcoming. Sarah advised that managers are now receiving automatic updates from the new InPhase system and it is anticipated that this will improve compliance going forward.

A very lengthy discussion then took place in relation to Rest Breaks and whilst Madeline Smith acknowledged the extra detail contained within the report, she also recognised that this is a very live issue and asked if there was any further update available post festive break in terms of changes across January, February and March as opposed to looking across the quarter. Paul Bassett provided Committee with an update and Committee were asked to note that in December a reduced number of rest breaks were recorded, but this has now shown an increase across all Regions. Concerns remain with staff side colleagues and work is ongoing to re-negotiate rest break windows. Sarah Stevenson added that the rest break data reported on InPhase is dependent on the member of staff actually reporting this. The accurate data in relation to rest break compliance is reported through the Rest Break Programme Board and Sarah assured members that when she writes the Risk Management Annual Report the data presented will not only be the data from the staff who report it but also the real time data reported through the Rest Break Programme Board who see and monitor compliance across all rest breaks. Madeline highlighted the importance of not only monitoring rest breaks, but also noted that there may be a broader risk around the risk to the organisation of industrial action and questioned whether we need to have something around this particularly as we approach

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the election year. Michael Dickson noted that we are in a highly politically charged setting as we approach Scottish parliamentary elections but suggested holding a watch and wait point of view rather than changing our risk profile in this particular issue. Julie Carter highlighted that, Scottish Elections and therefore the highly politically charged setting is a good example of a future risk and noted that it would be worthwhile for herself and Sarah to pick this up without formally reporting it and doing a re-assessment about that future risk. In particular focusing on consequences, and are we mitigating that as much as we possibly can, but very much under the future risk space.

Action/s: 1. Risk Manager and Director of Finance, Logistics and Strategy to re-assess the broader risk of heightened political setting in terms of the risk to the organisation, what the actions and mitigations would be in the future risk space.

In terms of Risk 5887 in relation to Service Transformation and Change Management Madeline highlighted that given the internal audit later on today's Agenda and the fact that Benefits Realisation wasn't put in place in a timely fashion, Madeline asked and it was agreed that this was an aspect which could be included in the Service Transformation and Change Management Risk.

Action/s: 2. Risk Manager to include Benefits Realisation in the Service Transformation and Change Management Risk.

Thane Lawrie referred to the Public Protection Team and how they are actively considering missed referral opportunities and the quality of referrals and made reference to the high percentage rates of underreporting and asked if we are actually reporting cases, but just underreporting. Sarah Stevenson advised that she received an updated narrative from Rhona Robb which was too late to be included in the paper, but it does mention that there is under reporting of adults at risk and children at harm, but they do use that data and undertake awareness raising activities with those members of staff. Work is also ongoing in relation to a public protection data dashboard and audits are continually undertaken around all of the information.

Irene Oldfather asked how we determine what future risks are, making particular reference to the inclusion of a Pandemic being on there. Sarah advised that this sits on the UK National Risk Register, therefore it is important for the Service not to lose sight of any future pandemics. Irene also made reference to the Employment Legislation risk and asked for some assurance around the forward planning around this risk. Sarah agreed that she would pick this up offline with Graeme Ferguson to see if this needs to be escalated to Staff Governance Committee.

Committee noted an update provided by Michael Dickson in respect of hospital handover delays in NHS Grampian. Joint meetings continue and there is a commitment from each organisation for joint meaningful collaboration to progress this issue and close the gaps.

Committee approved the Risk Register presented.

Item 5.4 Approved Decision Log from Latest PPSG Meeting

Committee noted the PPSG Approved Decision Log from the meeting held on 10th April 2025 presented for information.

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ITEM 6 AUDIT AND RISK COMMITTEE WORKPLAN 24/25

Item 6.1 Review of Standing Orders

Julie Carter presented the annual review of Board Standing Orders which Committee were asked to review and recommend to the Board for approval at its meeting in May 2025. The Standing Orders approved by the Board in May 2024, have been reviewed and no changes are recommended.

Committee reviewed and recommended the Standing Orders to the Board for approval at its meeting in May 2025.

Item 6.2 Board Members Declarations of Interest and Gifts and Hospitality Register

Committee were asked to review and note:

- Board Members' Declaration of Interests held as at 31st March 2025.
- Board Member Registered Gifts or Hospitality Declarations between 1 April 2024 and 31 March 2025.

Julie highlighted that the Declaration of Interests and Board Gifts and Hospitality Register is made publicly available on the Service's website or by request to the Board Secretary.

The following amendments were highlighted:

- Carol Sinclair, Chair of the Data Board for Health and Social Care
- Madeline Smith stood down from the Built Environment - Smarter Transformation (BE-ST) Board at the end of May 2024.

Committee reviewed the Board Members Declarations of Interest and Gifts and Hospitality Register and subject to the above amendments these were recommended to the Board for approval at its meeting in May 2025.

ITEM 7 AUDIT AND RISK COMMITTEE

Item 7.1 Review of Terms of Reference

Julie Carter presented the Committee Terms of Reference as part of the annual governance cycle with amendments highlighted in track changes for ease and Committee were asked to review and agree the minor revisions to the current Audit and Risk Committee Terms of Reference.

Committee discussed the Terms of Reference and it was noted that Carol Sinclair should be included in the Chair and Membership section of the TOR.

Committee approved and reviewed the Terms of reference subject to the minor revision above.

Action/s: 3. Secretariat to update the Terms of Reference to include Carol Sinclair in the Chair and membership section of the TOR.

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Item 7.2 Annual Report 24/25

Julie Carter presented the Draft Annual Report for 2024/25 which Committee were asked to approve for submission to the Board as part of the annual governance and assurance cycle.

Committee discussed the Annual Report 2024/25 and it was noted that Thane Lawrie had been omitted from the membership section of the report.

Committee approved the Annual Report subject to the minor revision above.

Action/s: 4. *Secretariat to add Thane Lawrie to the membership section of the Annual Report 2024/25.*

Item 7.3 Audit and Risk Committee Self-Assessment

Julie Carter presented the Audit and Risk Committee Self-Assessment Checklist and Committee were asked to approve the process and note the completion timelines and next steps. As part of continuous improvement of the Audit and Risk Committee effectiveness, the Audit and Assurance Committee handbook describes good practice notes to which the Scottish Public Finance Manual is applicable. Questions have been taken from the Audit Committee handbook and the checklist will be sent to Audit and Risk Committee members for completion, due to be returned by Friday 16th May 2025. Responses will be collated and if required an improvement action plan will be presented, with the responses, to the June 2025 Audit and Risk Committee meeting.

Committee approved the self-assessment process and noted the completion timelines and next steps.

ITEM 8 INTERNAL AUDIT

Item 8.1a Infection Prevention Control

James Lucas introduced the Infection Prevention Control Internal Audit Report and Committee were asked to discuss and approve the report presented which was taken as read. James advised that an internal audit was undertaken which focussed on a review of the processes and controls across the Service to ensure there is effective oversight, scrutiny and governance arrangements in place to ensure compliance with the National Infection Prevention and Control Manual (NIPCM). The scope also looked at the support and training that is in place to allow staff to fully understand and apply those standards. An overall rating of 'significant assurance with minor improvement opportunities' was provided which is higher than the management's anticipated assurance rating. The report raised a total of 3 medium and 2 low risk findings and James highlighted that pragmatic management actions have been agreed with the IPC Team. Committee noted that IPCC meeting dates have been realigned to fit Clinical Governance Committee dates which will in turn ensure more up to date reporting to the Board going forward.

Carol thanked James for the overview and opened to Committee for reflections and questions. James provided assurance to Committee that peer audit reviews are being undertaken, but not necessarily documented or monitoring put in place around them. James also provided assurance to Committee in terms of overdue actions in relation to national cleaning services and advised that actions are being done, but perhaps not tracked on the system. Actions have

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been set to tighten up controls around this whilst ensuring action owners are updating the system in real time to provide an accurate overview of how many are overdue. Mike McCormick highlighted the fact that the Service are in the process of moving from one data capture system to another in the move from Rivo to Evotix and also currently in the changeover from Datix to InPhase and asked if this information could also be on our InPhase system as well. A lengthy conversation ensued in relation to the interoperability of various different systems and Committee acknowledged that whilst staff may input data to one system these are not necessarily linked, raising challenges with anomalies.

Committee discussed, noted and approved the Infection Prevention Control Internal Audit Report presented.

Item 8.1b GRS Timecards – Implementation Readiness

James Lucas introduced the GRS Timecards – Implementation Readiness Internal Audit Report and Committee were asked to discuss and approve the report presented which was taken as read. James advised that an internal audit which focussed on assessing the progress and effectiveness of the GRS Timecard module project was undertaken. An overall rating of 'significant assurance with minor improvement opportunities' was provided which is in line with the level of assurance anticipated by management. The report raised a total of 2 medium and 2 low risk findings and pragmatic management actions have been agreed which should support a smoother transition towards the national rollout of the module later this year. James highlighted the findings and management actions to Committee.

A conversation ensued in relation to measuring the benefits of the Programme and defining those and an action has been raised that prior to the full national roll out later this year a Benefits Measurement Plan will be developed in line with the Project Mandate. The plan will outline how benefits will be monitored and reported and include baselines to compare against. Committee noted the strong Project Management Office (PMO) support across the Service and took assurance that actions will be progressed in a timely manner and improvements put in place as required. Madeline Smith asked and Julie Carter agreed that it would be useful as part of the future plan to have an internal audit on the PMO process.

Committee discussed, noted and approved the GRS Timecards Implementation Readiness Internal Audit Report presented.

Item 8.2 Internal Audit Progress Report

James Lucas presented the Internal Audit Progress Report which provided Committee with an update on the Internal Audit Plan 2024-25 and highlighted that 6 internal audit reviews were planned for the year 2024/25 of which five have been completed. The final internal audit (Integrated Clinical Hub) will be presented to Committee in June 2025. Presented to Committee this month are the GRS Timecards Implementation Readiness Audit and Infection Prevention Control Audit.

In terms of the Management Action Tracker James reported that there are currently 12 overdue actions, where due dates have been revised, with 4 actions closed off within the current reporting period.

Carol thanked James for the update and acknowledged the work of Julie Carter, the Executive Team and the significant work undertaken by the Information Governance Team to close off their respective actions.

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Committee noted the summary position, took assurance from the update provided and approved the Internal Audit Progress Report presented.

Item 8.3 Global Internal Audit Standards

James Lucas advised Committee that on 1st January 2024 the Institute of Internal Auditors revised the Global Internal Audit Standards providing 12 months notice advising that these would go live from 1st January 2025 for the public sector. James brought to Committees attention the area which will have the largest impact on most public sector bodies will be the requirement to issue an annual opinion. This will be replaced with an annual conclusion which will include governance, risk management and control. James highlighted that KPMG will still provide an opinion throughout the year.

Committee discussed, noted and approved the Global Internal Audit Standards.

Item 8.4 Internal Audit 2025/26 Draft Plan and Audit Charter

James Lucas presented the draft Internal Audit 2025/26 Plan and the proposed schedule for delivery which is aligned with the planned dates of the Audit and Risk Committee meetings to ensure an even flow of reporting throughout the year. James reported that the internal audit plan was presented to Committee in January 2025 where it was approved subject to a further discussion around the inclusion of the audit on Rest Break Compliance. This was taken back to the Executive Team and given ongoing discussions a decision was taken to leave this item on the 2025/26 Audit Plan. The plan provided Committee with the rationale and indicative scope for the reviews included in the Internal Audit Plan 2025-26 namely:

- Statutory and Mandatory Training
- Core Financial Controls – Best Value Programmes
- Rostering Ambulance Control Centre (ACC)
- Culture and Staff Engagement
- Rest Break Compliance
- ICT Infrastructure
- Follow-Up Reporting

Carol thanked James for the overview and opened to Committee for questions. Madeline Smith highlighted that the 2025/26 Plan includes an audit on Culture and Staff Engagement and on the next years plan 2026 onwards there is another audit in relation to Staff Governance Standards with a focus on partnership working. Madeline asked that thought is given to what parts we will be looking at in the 2 separate audits to ensure we are looking at different aspects. Madeline also asked that the Project Management Office is added to the long list of items that we would like to see reviewed. Similarly, Mike McCormick referred to the upcoming audit for Ambulance Control Centres and asked if there would be an opportunity to look at the ability of the rosters to allow teams to be briefed and debriefed at the start and end of shifts. Likewise, in the ICT Infrastructure Audit as part of the scope we could look to get views on whether we could think about our infrastructure and or our software being cloud based. Julie Carter advised that the Project Management Office will be added to the longer list. Julie made Committee aware that whilst we have the 3-year plan, focus is given on the year ahead with more detail. Meetings will take place with Governance Chairs and Executive Team to work through and agree the scope of the audits and these documents are shared with Executive Team and the relevant Governance Committee Chairs and Vice Chairs in advance.

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James advised Committee that the Project Management Office has now been added to the longer list and has been added to the notes for planning for next year. In terms of shortlisted reviews, these are shortlisted for discussions as part of the planning for next year, but not necessarily the audits which will be undertaken. When the annual planning takes place, some will be prioritised and others will be held back for the following year. At this point in time audits which are planned for 2026 are high level areas which may be looked at prior to the indicative scoping exercises taking place. All points raised will be highlighted at scoping meetings.

James went on to present the draft Internal Audit Charter for 2025/26 which largely remains unchanged from last year and sets out the roles and responsibilities, ways of working, methodology and approach. This is a requirement under the Public Sector Internal Audit Standards and will continue to be a requirement under the new Global Internal Audit Standards, albeit some of the references may change.

Committee approved the draft Internal Audit Plan and the draft Internal Audit Charter.

ITEM 9 EXTERNAL AUDIT

Item 9.1 External Audit 2024/25 Draft Plan

Rebecca Lister provided Committee with a verbal update in relation to the External Audit 2024/25 Draft Plan and highlighted that since the Audit Plan was issued in January interim work has been undertaken which focussed on documenting and understanding the key business processes and conducting walkthroughs of significant audit risks to gain assurance over the design and implementation of key controls which feed into the year end audit. In advance of production of the annual report, work was undertaken on a number of areas with no significant issues identified. Work now continues in preparation for the final year end audit with regular meetings with the finance team to discuss the preparedness for audit as well as any emerging issues. Rebecca assured Committee that things are currently on track for delivery of the Audit with no major issues identified.

Committee discussed and noted the External Audit 2024/25 Draft Plan update provided.

Item 9.2 Audit Scotland External Audit Fees 2024/25

Rebecca Lister presented Committee with a paper which detailed the expected fee set by Audit Scotland for the 2024/25 External Audit Fees which Committee were asked to approve. At the time of issuing the plan the Audit fees hadn't been provided by Audit Scotland, but Rebecca confirmed that the expected fee for 2024/25 is based on applying a 1.9% increase to the 2023/24 audit fee.

Committee noted and approved the Audit fees for 2024/25.

ITEM 10 REVIEW OF STANDING FINANCIAL INSTRUCTIONS AND SCHEME OF DELEGATION

Gordon Richardson presented Committee with the Standing Financial Instructions (SFIs) and Committee were asked to approve the revised sections including the Scheme of Delegation as per the Committee Workplan.

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Gordon highlighted that minor amendments have been made to:

- Section 16 Non Exchequer Funds – Endowments
- Section 17 Non Public Funds – Benevolent Fund

No changes were recommended other than the very minor change from Chairman to Chair for Section 17.

Committee discussed and approved the revised Sections of the SFIs as detailed above and noted no changes to the Scheme of Delegation since last review in October 2024.

ITEM 11 ACCOUNTING ESTIMATES

Gordon Richardson presented the Accounting Estimates paper and Committee were asked to note the rationale and methodology of the material accounting estimates to be reflected within the annual accounts. The annual accounts include values of assets or liabilities that are impacted by judgements or estimates and relevant disclosures must be included where these may be considered to have a significant risk of resulting in a material adjustment within the next financial year. The higher value amounts that will be considered for disclosure include

- Clinical and Medical Negligence Provision
- Pension Liabilities Provisions
- Land and Buildings Valuations
- Accrual for Untaken Annual Leave and accrued hours as a result of the reduced working week

Gordon reflected that there is no change from prior years with regards the methodology of calculation for these amounts.

Committee discussed and approved the annual accounting estimates.

Item 11.1 Medical Gas Holdings

Julie Carter provided Committee with a verbal update in relation to Medical Gas Holdings and reminded Committee that last year when the annual accounts were prepared there was a proposal to write off a fairly substantial sum for gas and medical gas cylinders which have been lost over a number of years across the Service. A detailed piece of work was undertaken looking at a further audit and more importantly to put our tracking system in place. The audit has just been completed and the app tested with plans to roll this out. An assurance paper is being prepared to submit to Michael Dickson as accountable officer which will then be presented to Scottish Government.

Committee noted the update provided.

ITEM 12 INFORMATION GOVERNANCE QUARTERLY REPORT

Item 12.1 Information Governance Quarterly Report

In the absence of Katy Barclay, Paul Bassett provided a quarterly update on Information Governance, which outlined progress against audit recommendations, breaches of the Data

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Protection Act and progress towards the implementation of the actions from the Records Management Plan which Committee were asked to note. The report was taken as read and Paul made reference to ongoing work in relation to Information Commissioner Office actions, Information Governance Risks, Information Security breaches none of which reached the threshold for reporting and Freedom of Information requests where compliance has consistently been 100% since October 2024.

Carol thanked Paul for the overview and in relation to statutory training asked for an improvement plan to understand the aim goal and for future reports to include assurance statements on how this can be mitigated. Similarly, in terms of staff establishment within the team, Carol acknowledged how not being able to access the full establishment of the team can add significant pressure to the work programme and asked that the report includes some assurances from the Executive Team on how we are seeking to mitigate or control the impact of this position.

Whilst acknowledging where the Service were historically with Freedom of Information Request compliance, Committee acknowledged and commended the position currently where compliance has consistently been 100% since October 2024. Stuart Currie asked if any thought had been given to the fact that additional resources may be required in this area in the run up to the Elections in 2026 which will undoubtedly see an increase in requests and suggested that perhaps analysis can be done with comparative organisations within the NHS who may have had much interest in previous electoral cycles and whether they have seen an increase in the requests. Committee noted that this will be picked up as part of the future risk conversations.

Audit and Risk Committee noted the overview and update provided.

ITEM 13 FRAUD QUARTERLY REPORT

Maria McFeat presented the quarterly fraud update which was taken as read and Maria highlighted the following points:

- There have been 3 new allegations since the last Audit and Risk Committee meeting and of the allegations reported at the January 2025 meeting all are closed.
- Case C/20/0383 The accused paid off the estimated defrauded value in full before the trial date, which meant that the case was not heard. CFS have advised the accused was neither found guilty or innocent. CFS are in the process of closing this file on the basis the loss to the Service has been reimbursed. The staff member has since left the Service.
- Due to the delay in the roll out of the GRS Timecard system, the fraud risk assessment was deferred. Discussions have commenced regarding a revised timescale for the assessment.
- Payroll matches have now been released and there are 136 matches, an increase of 17 (14%) from 2022/23. These have all been investigated by the Payroll Team and have been closed. Creditor matches were released during January 2025 and there are 893 matches, an increase of 129 (17%). These have all been investigated by the Creditors Team and have been closed.

Maria highlighted that the report has been reformatted with colour coding added to the table and closed cases included which links back to HR information which may come through later.

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Carol thanked Maria for the overview and Committee noted that the reformatting of the paper was really helpful and commended the National Fraud Initiative work.

Committee noted the Fraud Quarterly Report presented.

ITEM 14 BEST VALUE PROGRAMME

Karen Brogan provided Committee with a comprehensive update on the Best Value Programme which included updates on:

- Progress against the delivery of our Best Value plan for 2024/25.
- Year to date progress against local savings plans.
- Supporting vector of measures for 2024/25.
- The Best Value Programme for 2025/26.
- Mandate completion to date for 2025/26.

Karen highlighted that the current savings figures are only up to the end of February at this stage due to year end processing and final savings figures will not be available until the end of April.

The overview provided Committee with assurance on governance and delivery of the Best Value Savings Programme which supports delivery of the Boards Financial Plan. Karen highlighted that £9.75 million savings have been delivered to date (end of February) with a break-even position forecasted at the end of the financial year. Karen provided Committee with a summary of delivery progress against the Best Value Workstreams and highlighted ongoing progress in relation to GRS Timecard, Overtime, SMS Usage, Scheduled Care and NHS 24 Emergencies. Looking forward to next year work will be undertaken focusing on sickness absence management reduction and HCP work. Sixteen project mandates are in place for next year and work is ongoing in terms of the remaining 9.

A lengthy conversation ensued and Committee noted the strong position at year end and commended the savings realised particularly in relation to overtime. Committee also noted the challenges faced to find savings and indeed recurring savings going forward. Committee discussed a range of topics including the Overtime Policy, Scheduled Care Efficiency Review, HCP Online Booking, NHS 24 Interface and Finance Delivery Unit Work.

Committee noted the overview and opportunities for improvement and took assurance that proactive anticipatory intervention measures have been invoked and achievable actions are in place.

ITEM 15 COMMITTEE WORKPLAN 2025/26

Committee reviewed and noted the workplan for 2025/26 which is presented to each meeting for information and in particular noted no changes.

ITEM 16 RESTRICTED - RESILIENCE

Item 16.1 Restricted – Cyber Resilience and NIS Audit Action Plan Update

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Invoking Standing Order 5.22 resolution to take item in private.

Item 16.2 Restricted - Resilience Committee Update

Invoking Standing Order 5.22 resolution to take item in private.

ITEM 17 ANY OTHER BUSINESS

No items of other business were raised.

Carol Sinclair closed the meeting and thanked everyone for their attendance and the robust discussions during the meeting.

Date of next meeting – 12 June 2025.



NOT PROTECTIVELY MARKED

AUDIT & RISK COMMITTEE MEETING 10:00 – 13:00 ON THURSDAY 12 JUNE 2025 VIA MICROSOFT TEAMS

AGENDA

The matrix below links the agenda items within the Audit and Risk Committee with the Corporate Risks (CR) in place across the Service.

Key:

CR 4638 – Very High – Hospital Handover Delays
CR 5062 – Very High – Financial Targets
CR 5519 – Very High – Statutory and Mandatory Training
CR 5602 – High - Service's Defence Against a Cyber Attack
CR 5603 – High - Maintaining required service levels (Business Continuity)
CR 4636 – High - Health and Wellbeing of staff affected
CR 5653 – High - Organisational Culture
CR 5887 – High - Service Transformation (Change Management)
CR 5888 – High - Workforce Planning
CR 5889 – High - Workforce Sustainability
CR 5890 – High - Environmental Sustainability
CR 5891 – High - Collaborative Working

		IMPACT				
		Low (1)	Minor (2)	Moderate (3)	Major (4)	Extreme (5)
LIKELIHOOD	Almost Certain (5)					
	Likely (4)				CR5062 – 2 Items	
	Possible (3)			CR4636 – 1 Item	CR5602 – 1 Item CR5603 – 1 Item CR5653 – 1 Item	
	Unlikely (2)					
	Rare (1)					

Agenda Item	Brief Type	Lead	Risk
1. Welcome and Apologies	<i>For noting</i>	C Sinclair	–
2. Declarations of Interest relevant to the Meeting	<i>For Noting</i>	C Sinclair	–
3. Minutes of meeting held on 17 April 2025	<i>For Approval</i>	C Sinclair	–
4. Matters Arising	<i>For Approval</i>	C Sinclair	–
5. Restricted - Risk Management 5.1 Quarterly Update 5.2 Corporate Risk Register 5.3 PPSG Risk Paper 5.4 Risk Management Annual Report 5.5 Approved Decision Log from latest PPSG Meeting	<i>For Discussion & Approval</i>	S Stevenson/J Carter	–
6. Governance Committees 6.1 Annual Reports and TORs 6.2 Audit and Risk Committee Self-Assessment 6.3 Self-Assessments – Clinical Governance and Staff Governance	<i>For Noting and Approval</i>	J Carter	-

Committees			
7. Restricted – Draft Annual Report and Accounts 2024/25	<i>For Discussion</i>	J Carter/G Richardson	-
8. Internal Audit 8.1 Integrated Clinical Hub Internal Audit Report 8.2 Internal Audit Annual Report	<i>For Discussion & Approval</i>	J Lucas (KPMG) S Shah (KPMG)	-
9. External Audit 9.1 External Audit Annual Report 9.2 Draft Letter of Representation	<i>For Discussion</i>	R Lister (Azets)	-
10. Third Party Audits 2024/25	<i>For Noting</i>	M McFeat	-
COMFORT BREAK			
11. Audit Scotland NHS in Scotland – Spotlight on Governance Report	<i>For Discussion</i>	J Carter	
12. Information Governance 12.1 Quarterly Report 12.2 Annual Statement of Assurance	<i>For Noting</i>	K Barclay	–
13. Fraud Quarterly Report	<i>For Noting</i>	M McFeat	CR5062 (and wider internal controls)
14. Best Value Programme	<i>For Noting</i>	J Carter/K Brogan	CR5062
15. Board Assurance Framework Update	<i>For Discussion</i>	J Carter	
16. Whistleblowing Annual Report	<i>For Noting</i>	E Stirling	CR4636; CR5653
17. Committee Workplan 2025/26	<i>For Noting</i>	J Carter	–
18. Restricted – Resilience 18.1 Cyber Resilience and NIS Audit Report 18.2 Resilience Committee Update 18.3 Resilience Committee Annual Report	<i>For Noting</i>	J Baker S Massetti	CR5602; CR5603
19. Any Other Business			

Date of Next Meeting: Thursday 16th October 2025 at 10:00 am.

RECORDING PRIVACY NOTICE

Please note this meeting will be recorded for the purposes of the minute. The audio recording will be deleted after the minute is produced and approved in line with the MS Teams Audio & Transcription Guidance.