



NOT PROTECTIVELY MARKED

Public Board Meeting

**May 2019
Item 15**

THIS PAPER IS FOR NOTING

**AUDIT COMMITTEE MINUTES OF 16 JANUARY 2019 AND VERBAL
UPDATE OF 29 APRIL 2019**

Lead Director Author	Eddie Frizzell, Chair of Audit Committee Lindsey Ralph, Board Secretary
Action required	The Board is asked to note the minutes and verbal report.
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 Clinical Governance Committee held on 16 January 2019 were approved by the Committee on 29 April 2019.</p> <p>A verbal update of the meeting held on 29 April 2019 will be provided by the Chair of the Committee.</p>
Timing	A verbal update of the most recent Committee meeting will be provided to the Board. Minutes are presented following approval by the Committee.



**Scottish
Ambulance
Service**
Taking Care to the Patient



MINUTES OF AUDIT COMMITTEE

10.00 A.M. ON WEDNESDAY 16TH JANUARY 2019

MR 2.12, NHQ, GYLE SQUARE, EDINBURGH

Present: Eddie Frizzell, Non-Executive Director (Chair)
Cecil Meiklejohn, Non-Executive Director
Madeline Smith, Non-Executive Director
Irene Oldfather, Non-Executive Director

In Attendance: Tom Steele, Chair
Julie Carter, Interim Director of Finance and Logistics
Melanie Barnes, Head of Capital and Costing
Duncan Keith, Head of Finance
Pat O'Meara, Head of ACC (representing Paul Bassett)
Katy Barclay, Information Governance Manager
Chris Brown, Scott-Moncrieff
Nadia Napier, Scott-Moncrieff
John Boyd, Grant Thornton
Daniel Hunter, Grant Thornton
Sarah Stevenson, Risk Manager
Linda Douglas, Director of HR & Organisational Development (Item 4a only)
Gillian McBirnie, PA to Director of Finance & Logistics (Minutes)

Apologies: Pauline Howie, Chief Executive
Paul Bassett, Director, National Operations
Joanne Brown, Grant Thornton
Grace Scanlin, Scott-Moncrieff

WELCOME AND INTRODUCTIONS

Eddie Frizzell welcomed everyone and introduced John Boyd, Daniel Hunter and Nadia Napier to their first meeting of the Committee. Those present provided brief introductions around the table. Apologies were noted from Pauline Howie, Paul Bassett, Joanne Brown and Grace Scanlin.

ITEM 1 MINUTES OF MEETING HELD ON 25 OCTOBER 2018

The minutes were approved as an accurate record of the meeting.

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ITEM 2 MATTERS ARISING

The Committee noted the ongoing actions and completion dates and approved the removal of 3 actions.

2018-10-25/1	Internal Audit Contract - Action complete
2018-10-25/2	NHS Scotland Overview Report - Action complete
2018-10-25/3	Follow-up Report – Action Complete
2018-06-14/1	Committee Terms of Reference will be further reviewed following assurance mapping process. Action ongoing

Action 1: Committee Secretary to update matters arising paper

ITEM 3 DECLARATION OF INTEREST

Madeline Smith declared her position of Vice Chair, NHS24.

ITEM 4 INTERNAL AUDIT

a) Workforce Planning

Chris Brown and Nadia Napier introduced the report of the review of the workforce planning framework to support the implementation of the Service’s strategy Towards 2020: Taking Care to the Patient and the link to the Scottish Government’s 2020 vision. The review considered the controls in place to cascade the strategic workforce plan objectives to regions, to ensure senior management received assurance that these were included within the regional plans, and to enable national monitoring of progress in delivering the regional workforce annual plan. Nadia was pleased to present a positive report and noted that the procedures in place reflected quite a lot of good practice. The report highlighted three areas for improvement: governance structure, data analysis and succession planning which, if strengthened, would improve the control framework.

Linda Douglas was grateful for the audit and pleased with the findings. She acknowledged the areas highlighted in the improvement journey and confirmed that there would be significant effort behind succession planning. She also confirmed that the date of September 2019 to document the succession planning process, including the governance and annual review arrangements and produce a succession plan for 2019/20 was achievable.

In response to a question from Cecil Meiklejohn around the timing and frequency of future planning conversations with staff, Linda Douglas informed the Committee that these should be conducted at regional team meetings and 1:1s, although there was a lack of consistency at the moment which would form part of the next suite of improvements.

Referring to workforce data analysis, Irene Oldfather asked if training / planning sessions on how to utilise data and relatable outcomes would be provided. Linda advised that individuals had been identified and would be provided with familiarisation training on how to use the data appropriately. Julie advised that budget meetings had been arranged with finance which would provide additional data which could be combined with workforce data to provide enhanced finance and workforce reporting.

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Linda Douglas confirmed that workforce data would feed through the Staff Governance Committee (SGC). She also confirmed that progress against management actions was a standing agenda item and discussed at each meeting of the Committee.

Chris Brown summarised by stating that the Service was in a good position and more advanced compared to other Health Boards.

The Committee welcomed and noted the report.

Action 2: Copy of the final Internal Audit Report to be shared with SGC members

b) Professional Paramedic Accreditation

Chris Brown introduced the report which provided assurance that procedures reflected good practice in a number of areas; however six areas for improvement had been identified which, if addressed, would strengthen the control framework.

The Committee discussed each of the improvement actions and it was agreed by all there was a need for the Service to establish the numbers of staff who did not renew their accreditation by the due date. There was a need to raise staff awareness of the importance of renewing their accreditation as non-registration created a risk to the Service. It was agreed that, from a governance perspective, both Clinical Governance and Staff Governance Committees should be provided with assurance that processes and checks were being followed.

Julie Carter agreed to take this item forward and pull together a current status and cross checking exercise.

The Committee noted the report.

Action 3: Julie Carter to pull together action plan

c) Property Transaction

This audit had been conducted following the disposal of Falkirk Ambulance Station in December 2017. The review had been carried out in accordance with the NHS Property Transactions Handbook, but there were 2 areas for improvement, of which the main one was to ensure that a written recommendation from appointed property advisers was obtained before proceeding with a sale. The recommendations had been accepted by management.

The Committee noted the report.

d) Progress Report

Chris Brown introduced the report and advised that 3 reviews and 1 follow-up report had been completed in the period.

Referring to the planned review of Stakeholder Engagement, Chris advised that significant progress had been made with the Scottish Public Services Ombudsman in terms of the Clinical Governance Committee monitoring progress. Following discussion with management it was

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proposed to refocus the scope of work to include the Service's renewed approach to Patient Focus and Public Involvement (PFPI). The Committee reviewed the proposed assignment plan and approved the amendment.

The Committee discussed staff communications and a general communications link to the risk register. It was noted that internal audit reviews do not always align directly to the risk register but would sit within the insurance mapping process. After discussion, it was suggested that Risk 3696 Engaging Partners could be widened to support the review. Sarah Stevenson agreed to discuss at the Board meeting with a view to reviewing the pathway.

The Committee noted the report.

e) Follow-up Q3 2018/19

Internal Audit reported that 6 of the 32 outstanding actions had been closed. Ten of the remaining 26 actions were partially complete, 5 remained incomplete and 10 were considered not yet due. One further action had been closed as it was no longer applicable. It was noted that whilst good progress had been made previously, the number of outstanding actions was beginning to increase. It was agreed by all there was a need to regain control over the 'past due' actions to prevent further slippage with single figures being the preferred situation.

Eddie Frizzell referred to the outstanding cyber security actions stressing this was an exposed issue which required urgent attention. Julie Carter advised that progress reported was not an accurate reflection of the current position. She confirmed that whilst none of the actions were complete, significant progress had been made. She had reviewed the workplan with the General Manager ICT which had resulted in some reprioritisation within the team. Cecil Meiklejohn enquired if the revised completion dates of 30 June 2019 were realistic. Julie confirmed that following discussion with John Baker, she was confident that all actions would be completed before June 2019.

Julie agreed to circulate a formal assurance report outwith Committee. She also confirmed that cyber security would be built into the discussion at the February Board meeting as part of the Ehealth update.

It was agreed there was a need to send a message from the Committee advising that completion dates had to be realistic, achievable and deliverable to prevent the need for extensions.

After discussion of the management of risk and the risks the Service was bearing because of the delays, it was agreed that management's view on residual risks would be discussed at the Board risk appetite session in February.

The Committee noted the report and agreed to review further at the next meeting.

Action 4: Julie Carter to circulate cyber security assurance report outwith Committee

Item 5 External Audit

John Boyle presented the draft Audit Plan for the financial year ending 31 March 2019. He confirmed the audit would be undertaken in accordance with the Audit Scotland code of Audit Practice and reflected the wider scope of the nature of the public audit. The wider scope risks identified were financial sustainability, focus on the work of the Board in developing a sustainable

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service delivery model, the impact of EU withdrawal and the adequacy of performance management arrangements. He confirmed the fee for 2018-19 would remain as the base fee set by Audit Scotland.

Referring to financial sustainability, Madeline asked what would be included in the audit scope. John confirmed that work carried out by the Board on financial modelling, how financial plans were set, and their implementation would be included in the audit, as would the Service's reliance on non-recurring savings to deliver financial balance. Members were pleased to see that the changing landscape of health and social care and longer term financial planning would also be included within the audit.

The Committee noted the report.

Item 6 Information Governance

a) Information Governance Update

Katy reported progress against audit recommendations, breaches of the Data Protection Act and progress towards the submission and implementation of the Service's Records Management Plan.

Referring to action AR1, Katy advised that interviews for the post of Records Manager would be held week commencing 21 January and was confident this action could be closed. She advised that discussions would be held with Claire Pearce, SIRO regarding project management support for the information asset register. Once in place, it was anticipated the work could be completed within 6 months.

Katy advised there had been 6 information security incidents raised and investigated since the last Audit Committee meeting. She was encouraged by the increase in reporting of breaches which was thought to be due to the increased understanding of what constituted a data breach. She confirmed the breaches were mainly minor but warranted investigation. The Committee discussed the breaches in turn.

Madeline Smith referred to the Service's compliance in relation to the EU directive on security of network and information systems which came into force during 2018. Julie Carter advised that a staff member would be appointed to undertake a gap analysis and areas to focus on would fall out of this review.

Tom Steele referred to an incident which had been reported in the press on 26th December and asked Katy to provide further information. Katy advised the initial incident had occurred in 2017 and referred to third party storage of patient records. A recent Freedom of Information (FOI) request had highlighted the incident. She confirmed that the initial incident had been reported to the Information Commissioner and was resolved following an assurance meeting with the supplier. There had been no further enquiries since 26th December.

The Committee noted the report.

Item 7 Fraud

Melanie Barnes noted that there had been no new allegations received in the reporting period.

Referring to the outstanding allegation from the previous period, Melanie advised that an internal investigation was running in tandem with CFS which would be concluded shortly.

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The Committee noted the report.

Item 8 Risk Management

a) Risk Management Update

Sarah Stevenson introduced the paper which included updates on the Corporate Risk Register, Adverse Event reporting statistics, adverse event framework measures and risk management key performance indicators.

Sarah advised members that road traffic accidents, ACC and equipment failures continued to be the most commonly reported events. She outlined the key high level actions completed to address some of the areas identified; confirming that enhanced reviews had taken place for all major/extreme events.

It was noted that as regards the adverse event framework measures there had been an improvement in reporting and timing of management responses, but there was a need for improvement in the percentage of Category 3 events completed within 10 days of the date reported. Sarah confirmed there was a plan in place to address this and engagement with local management continued. She said also that 35 of the Service's 46 risk registers were currently policy compliant; these would be split in the new strategy refresh.

Irene Oldfather referred to the automatic conveyance for children under 2 under the new clinical response model and enquired if a similar protocol applied to the elderly. Sarah Stevenson and Pat O'Meara said that these were different pathways but age would be taken into account as part of the triage process. Pat O'Meara extended an invitation to members to visit ACC to see the triage system in operation.

Madeline Smith enquired as to the source of the Duty of Candour actions. Sarah advised these were both complaints and staff. She explained the process for dealing with adverse events and the involvement of other agencies.

Tom Steele referred to the adverse event framework measures and asked if the Category 1 events completed within 3 months could be in future split to identify rationale for delay.

The Committee noted the report.

Action 5: Sarah Stevenson to amend reporting format

b) Corporate Risk Register

Sarah Stevenson introduced the register drawing members' attention to the amendments in red and the addition of 8 new risks. She confirmed that the register had been approved by the Board at its meeting in November and would be further reviewed in January.

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Item 9 Best Value Group update

Julie Carter provided the Committee with a brief update on progress to date. In discussion of the reporting format, it was agreed that future reports to Committee would include financial targets and deadlines in line with the longer term 3 year plan.

The Committee was pleased to note the information provided and looked forward to future revised reports.

Action 6: Julie Carter to adjust format of report as indicated

Item 10 Date of Next Meeting

The next meeting would be held on 29th April 2019 at 10.00am.

Following the meeting SAS members of the Committee received a report on the recent internal auditor procurement led by NSS and including SAS and NES. It was reported that new internal auditors would be in place from 1 April 2019, but that there would be an extended handover to reflect the completion of and reporting on work carried out in respect of the 2018-19 internal audit Plan.

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