

# **SHETLAND NHS BOARD**

**Minutes of a Meeting of the Audit Committee held on Tuesday 26<sup>th</sup> November 2019 in the Bressay Room, Montfield, Lerwick**

## **Present**

Mr. Lincoln Carroll (Chair)  
Miss Edna Mary Watson, Non-Executive Director

## **In Attendance:**

Mr. Simon Bokor-Ingram, Interim Chief Executive  
Mr. Colin Marsland, Director of Finance  
Mr. Chris Brown, Scott-Moncrieff  
Ms. Stephanie Hume, Scott-Moncrieff  
Ms. Karlyn Watt, Deloitte  
Mrs. Jenna Laurenson, Minute taker

### **1. Apologies:**

Apologies were received from Mrs. Jane Haswell, Mrs. Natasha Cornick, Ms. Lisa Ward and Miss Shona Manson

While discussing apologies, the issue of quoracy was raised. Mr. Lincoln Carroll voiced his concern that Miss Edna Mary Watson was being relied upon to allow the meeting to go ahead yet there were also four other Non-Executive Directors. It was noted that attendance at Audit Committee has not been satisfactory for some time.

### **2. Declaration(s) of Interest**

No declarations of interest

### **3. Draft Minutes of meeting held on 24<sup>th</sup> September 2019**

Mr. Chris Brown highlighted that in section 6 of the minutes, it recorded himself as presenting the follow-up report when it was Ms. Stephanie Hume.

Action: Name to be changed.

### **4. Action Tracker**

Action 122 - Mr. Colin Marsland will check if this action can be closed

Action 134 - Mr. Marsland shared that new guidance had been issued and would be implemented. The responsibility for monitoring this management action would sit with Staff Governance Committee.

Action 147 has been completed.

Action 148 Mr. Marsland confirmed that the business plan had been agreed in October and would be on the agenda at the next Audit Committee.

Mr. Brown input that several audit actions were now quite old, from March 2018, and others did not have enough information to remind members what was required. He emphasised that action was not clear as it was simply a request to find out if the workforce plan would be updated annually yet the action was over a year old. Mr. Simon Bokor-Ingram confirmed that the workforce plan would be updated annually. Mr. Brown replied that this could now be closed off.

Mr. Bokor-Ingram stated that Action 148 could now be closed and this issue would fall to Mr. Marsland in the future.

**5. Internal Audit Report: Progress Report Q2 2019-20**

Mr. Brown brought this report before the Committee. He shared that work was on track. Mr. Brown added that there would be several reviews brought before the Committee in March.

**6. Internal Audit Report: Follow-up Report Q2 2019-20**

Mr. Brown shared this report, emphasising that the position was much improved after a good discussion at the last Audit Committee as this has escalated the importance of the issue. 14 of the actions had now been closed with 11 complete and 3 no longer applicable. He added that 16 actions were still outstanding which was still quite high, as 13 were passed their due date of which 7 were high risk. Mr. Brown highlighted that this put the Committee on track to achieve the 70% achievement target. However, he conveyed his concern that despite this big push, people would slide back into the habit of not providing a response to outstanding actions.

**7. Internal Audit Report: Draft Internal Audit Plan 2020/21**

Mr. Brown brought this report to the Committee. He stressed that, as there were only two Non-Executive Directors present, it would be beneficial to circulate and request the views of those not present. He explained that it was not necessary, or possible, to review all those that were over three years since the last review, but that it was important to include areas which members felt could be improved or they would benefit from reassurance in.

The Committee spoke through the suggested areas.

Miss Watson offered to share positive feedback with Mr. Brown which had been received from the Scottish Health Council regarding PFPI.

It was suggested that service redesign be an area to review. Mr. Bokor-Ingram suggested exploration be done in to reviewing in conjunction with the SIC/IJB. Ms. Hume highlighted that an audit could be done without touching on the IJB.

Mr. Brown commented that operational planning had not been reviewed for a while. Mr. Bokor-Ingram added that from the next financial year, a 3 year plan would be introduced and that suggested this was worth looking at.

It was proposed that infection control be reviewed and to tie it in to clinical audit. Ms. Hume added that this would require discussion with the clinical team.

Mr. Brown recommended reviewing delayed discharges in 2021/22. Mr. Bokor-Ingram highlighted that this was a potential area for conflict with acute and community services. Mr. Brown responded in depth and suggested that it was worth looking at the discharge process. Miss Watson and Mr. Bokor-Ingram agreed with this.

The Committee discussed recruitment and retention at length. Miss Watson suggested this was ever important in the workforce. Mr. Brown commented that there was a potential case to consider succession planning.

#### **8. Audit Scotland Report: NHS in Scotland 2019**

Mr. Marsland introduced this report. He highlighted that the annual questionnaire will be at the next Non-Executive Directors meeting and brought to the Audit Committee in March 2020.

**Action:** Non-Executive Directors to review Audit Scotland Questionnaire

#### **9. External Audit Annual Accounts Audit Plan 2018/19**

Ms. Watt brought this report to the Committee, highlighting recommendations throughout. She emphasised that the significant risks were consistent with previous years.

#### **10. Local Fraud Update Quarter 2 Report 2019-20**

Mr. Marsland highlighted that he had not attended the most recent meeting on the mainland due to travel difficulties. He commented that there had been 2 cases of fraud which were now being investigated:

1 - There had been 3 attempts of fraud on NHS Shetland credit cards. The Board's bank are investigating this.

2 - An invoice for Bixter Health Centre had been received yet no goods had been delivered. Counter Fraud Services (CFS) are now looking into this.

Mr. Marsland added that the annual review with CFS would be on 27th November 2019.

#### **11. CFS Fraud Update Quarter 2 Report 2019-20**

Mr. Marsland introduced this report to the Committee. He highlighted that there had been a Cybercrime video released which could be accessed via link on the Board's website.

#### **12. NSS Payment Verification Medical Services Report**

No report has been received for 2019-20. The two independent health centres are currently considering their verification processes.

#### **13. NSS Payment Verification Pharmacy Services Report**

No major issues were highlighted.

#### **14. Scheme of Delegation Review**

Mr. Marsland shared that the Board Reviews the Scheme of Delegation. The only major change to the core Board was the removal of the post of Head of Planning and Modernisation. The Scheme of Delegation was approved by the Committee.

#### **15. Standing Financial Instruction (SFI's) Review**

Mr. Marsland brought this before the Committee for review and approval. The Standing Financial Instruction were approved by the Committee.

#### **16. Risk Management Review of terms of Reference**

Mr. Marsland stated that this consisted of EMT essentially reviewing the Terms of Reference. The revised Risk Management Review of terms of Reference were approved by the Committee.

#### **17. Risk Management**

Mr. Marsland informed the Committee that the annual report would be presented to the Committee in May which would highlight priorities for 2019-20. Mr. Brown

commented on the fact that it was unusual for Boards to have a Risk Management Group which was separate from other management. Mr. Bokor-Ingram replied that it provided a time to focus specifically on Risk Management.

**18. Review Business Plan**

The current business plan was noted.

**19. Internal Audit Development Session on Scottish Government Audit and Assurance Committee Handbook**

Consideration was given to the Audit Training event for the beginning of 2020, potentially March. Mr. Carroll emphasised the importance of this being prioritised by attendees.

**Date of net meeting:** Audit Committee Meeting is 24 March 2020 at 10:00 in the Bressay Room, Upper Floor, Montfield, Burgh Road, Lerwick