

SHETLAND NHS BOARD

Minutes of the Meeting of the Audit Committee held at 10:00 on Tuesday 29th September 2020 via Microsoft Teams

Present	
Mr Lincoln Carroll	Non-Executive Director (Chair till item 5)
Mr Colin Campbell	Non-Executive Director (Chair from item 6)
Mrs Natasha Cornick	Non-Executive Director
Mrs Jane Haswell (till 12:00)	Non-Executive Director
Miss Edna Mary Watson	Chair of Area Clinical Forum
In Attendance	
Ms Stephanie Hume	Azets (Internal Audit)
Mr Brian Chittick (agenda item 6)	Director Community Health and Social Care
Ms Karen Smith (agenda item 6)	Mental Health Services Business Manager
Mr Michael Dickson (from 11:00am)	Chief Executive
Mr Colin Marsland	Director of Finance
Mr Gary Robinson (from 10:50am)	Board Chair
(Mrs Pauline Moncrieff)	(Minutes from recording)

1. Apologies

Apologies were received from Shona Manson, Karl Williamson, Karlyn Watt and Conor Healy.

2. Declaration(s) of Interest

Miss Watson declared an interest in the Mental Health Follow-up paper as she had been involved in the previous redesign work and was also the professional nurse advisor for mental health nursing.

3. Draft Minutes of meeting held on 10th August 2020

The minutes from the meeting held on 10th August were approved.

4. Action Tracker

(149) Non-Executive Directors to complete checklist – paper on the agenda for today's meeting

(152) Head of Mental Health to return to Audit Committee – Karen Smith will present a paper at today's meeting.

5. Matters Arising

There were no matters arising from the previous minutes.

Mr Carroll explained to members that he was standing down as Chair of Audit Committee to concentrate on his role as Chair of Endowment Committee which had originally been expected to cease in June 2020. At the Board Meeting on 18 August 2020, Mr Colin

Campbell had been appointed as the new chair of Audit Committee commencing from today's meeting.

Internal Audit

6. Internal Audit Report: Mental Health Follow-up

Mr Chittick presented the updated recovery plan which contained the action plans which outline work to address the recommendations from the Internal Audit report and also actions around the psychological therapy service and in particular waiting times to see the Consultant Psychologist.

Members discussed the report and the praised Mr Chittick, Ms Smith and the Mental Health Team for the effort which gone into producing the detailed, comprehensive plan which had addressed all the points in the audit report.

Whilst it was acknowledged that it was not one of the Internal Audit recommendations, Mr Carroll asked that the transition of young people from the CAMHs service to the adult service should be considered in any wider review of the service.

Mr Carroll also invited Ms Smith to get in touch with Wendy Hand to discuss 3rd sector involvement and to discuss how the two services could be of mutual support.

In response to a question from Mrs Haswell regarding the risk of 'buy in' to the recovery plan, Mr Chittick said there was already support from the Executive Management Team, Director of Nursing (Community) and the Medical Director who had all met with the team to outline the expectation and direction of travel. Ms Smith added that there is a recognition within the entire team that this review is necessary, that change will be beneficial and staff will be supported to come together as a team to move the plan forward after a very busy time for the service during the pandemic.

Members extended the Board's support to the recovery plan process and invited Mr Chittick and Ms Smith to come forward in the future with any resource requirements which may be needed in order to deliver the plan.

Mr Marsland reported that the Board would be conducting a review of the Clinical Strategy as part of its constant review of acute services and as such would include mental health services. Teams will be able to review their own strategies in light of this.

Members discussed when the expected timescale for a report on progress and it was agreed that 6 months would be acceptable with the caveat that if anything challenging came up that could impede progress at any point that this was fed back to the Audit Committee. Ms Hume added that routine follow-up of all actions could be discussed in details as part of the quarterly update which could be a means of flagging any concerns. It was agreed that an update of the mental health service recovery plan would be presented at the Audit Committee meeting on 24 November with a more detailed 6 month progress report at the meeting on 30 March 2021. **ACTION: Mr Chittick/Ms Smith**

[10:40 Brian Chittick and Karen Smith leave the meeting]

7. Internal Audit Report: Progress Report Q1 2020-21

Ms Hume said that the first quarter follow-up had been completed and also the fieldwork on the financial management reporting review which would be issued to the Chief Executive today and was on track to be presented to the Audit Committee in November. Work had progressed since the papers were prepared and was on track to enable the plan to be delivered for the May meeting as usual next year.

8. Internal Audit Report: Follow-up Report Q1 2020-21

Ms Hume explained there had been 20 outstanding actions at the beginning of the review and it had been possible to close off 4, resulting in 16 to be carried forward. Of the remaining 16, 5 are partially complete, 3 incomplete, 3 not yet due and 5 did not have a management response. These final 5 were 3 grade three and 2 grade two actions. It was acknowledged that Covid-19 had had a significant impact on management's ability to deal with some of the actions as a priority which had obviously resulted in these figures.

Members discussed the outstanding actions which had received no response to date and in particular those longer term actions. It was acknowledged that the teams concerned were under considerable pressure due to the pandemic so it agreed internal audit would make contact to ascertain what the current situation is with a view to perhaps closing off these actions or moving them to the risk register if this was more appropriate.

ACTION: Ms Hume to present feedback at the November meeting

It was also agreed that a review of these actions should be written into the plan for next year to allow any historic recommendations to be refreshed and give members a more accurate up-to-date picture.

ACTION: Internal Audit

Members also agreed that the Audit Committee should write to the Chief Executive to inform him of the committee's approach regarding these long term outstanding actions.

ACTION: Mr Campbell

Audit Scotland Report

9. Audit Scotland Covid-19 Guide for Audit Committees

Mr Marsland explained that as part of Audit ongoing work during the pandemic, Audit Scotland had looked at the implications for the public sector. As a result of that work they have issued guidance to audit committees highlighting to members the risks they should be looking at and considering during Covid-19. The board has been reporting frequently to Stove during the pandemic and it was expected to find out during Oct what additional funding to expect to receive in respect of Q1 and also in respect of the mobilisation plan.

In response to a question from Mr Campbell regarding adjusting audit process to take account of the potential risks posed by people working from home, Ms Hume said internal audit would be expecting boards to consider this as part of their Business Continuity Plans and expectations of IT to manage risks.

Members acknowledged that all IT safeguards possible were currently in place (eg. Encrypted laptops and VPNs to ensure secure network access) and the key concern was enabling staff to stay connected to the organisation and not feel isolated.

Members noted the Audit Scotland report and guidance.

External Audit

10. No Submission

Standing Items

11. Local Fraud Update Annual Report 2020/21

Mr Marsland reported that at 31st Aug, the uptake on staff completing the on-line course was higher than last year. Counter Fraud Services are issuing information weekly which is circulated to all staff via the weekly Staff Bulletin to emphasise the importance of security to staff working from home.

12. Counter Fraud Services Q1 Report 2020/21

Counter Fraud Services have issued a Q1 report which covers their current areas of work but does not present the information at board level with regard to issues such as dental or optician fraud by individuals claiming for services and treatment they are not entitled to.

13. NSS Payment Verifications Medical Services Report

NSS are not scheduled to issue the board with this report in Q1 and have moved to a 6 monthly report from NSS so the committee should receive this later in the year.

14. NSS Payment Verifications Pharmacy Services Report Q1

There were no major issues identified in the report received to the board which required to be highlighted to the Audit Committee.

In response to a question from Mrs Cornick regarding the necessity for these reports (items 12,13, and 14) to be on the agenda when there were never any issues to discuss, Mr Marsland explained it had been a requirement of previous auditors (Audit Scotland) to evidence that these reports were routinely sighted by the committee. This issue would also be discussed as part of the Audit Committee Business Plan paper.

15. Audit Committee Business Plan and Self-Assessment Criteria for 2020-21

Mr Marsland reported that prior to this meeting, he and Mr Campbell had met with the internal auditors regarding the training needs of the Audit Committee. The proposal for members to consider is having dedicated stand-alone 1 hour sessions instead of including training as part of committee meeting days.

Members agreed this would be beneficial and after discussion it was agreed that Ms Hume would come up with a training proposal with suggested topics (including some previously suggested) plus any which members wish to put forward after today. The format of the sessions should include scenarios and breakout rooms.

The first training was envisaged to take place in November 2020 with another in the New Year possibly to discuss governance committee responsibilities. It was also agreed that NHS Orkney's Audit Committee should be invited to participate in any training as they share Azets as their internal auditors. **ACTION: Ms Hume**

Members agreed that Counter Fraud Services Q1 Report 2020/21, NSS Payment Verifications Medical Services Report and NSS Payment Verifications Pharmacy Services Report Q1 would be received by the committee annually by an exception basis rather than quarterly and the business plan should be updated accordingly.

Other Items

16. National Fraud Initiative

Mr Marsland explained that every 2 years the National Audit Office is responsible for conducting a National Fraud Initiative exercise using data matching techniques to identify any potential fraud that the organisation may have been exposed to. Karl Williamson will be responsible for conducting the necessary work for NHS Shetland in relation to the exercise and the committee will be kept informed on progress.

The committee noted the report and associated timetable for completion of the NFI exercise 2020-21.

17. Audit Scotland NHS Scotland Review, Non-Executive Directors 2019 Checklist Feedback Report

Mr Robinson explained he had collated the responses but as it was 2 years since the last report, it was not possible to compare any emerging trends in the answers.

Members discussed the ambiguous nature of some of the questions and possible reasons for the mix of responses. It was agreed that it would be helpful to have a discussion at an informal NED meeting to better understand members training needs.

ACTION: Mr Campbell to raise at the next Non Execs informal session

Mr Marsland agreed to hold a series of seminars to work through with NEDs what their info requirements were from the board report with specific regard to finance.

ACTION: Mr Marsland

In response to a question from Mrs Haswell regarding NED appraisal (when training needs could be discussed), Mr Robinson said he was close to completing this year's cycle which had been put on hold due to the pandemic. It was hoped to have the next cycle completed by the end of March.

18. AOCB

There was no other competent business.

Date of next meeting: Tuesday 24th November 2020 at 10:00am virtually through Microsoft Teams platform if social distancing measures are still in place.