

SHETLAND NHS BOARD

**Minutes of a Meeting of the Joint Audit & Governance chairs held on
Wednesday 22nd May 2019 in the Bressay Room, Montfield, Lerwick**

PRESENT

Mrs Natasha Cornick, Non Executive Board member (Chair)
Mrs Jane Haswell, Non Executive Board member
Miss Shona Manson, Non Executive Board Member
Mr Gary Robinson, Chairman

IN ATTENDANCE

Mr Simon Bokor-Ingram, Interim Chief Executive
Mr Colin Marsland, Director of Finance
Mr James Corrigan, External Auditor, Deolitte
Mr Chris Brown, Internal Auditor, Scott Moncrieff
Mr Lincoln Carroll, Non Executive Board Member
Mrs Jenna Laurenson, Minute Taker

Mr Craig Chapman for Agenda item 7 at 1000
Mr Chris Jeffrey for Agenda item 7 at 1015 (Phone)

1. APOLOGIES

Ms Lisa Ward, Non Executive Board Member
Mr Malcolm Bell, Non Executive Board Member
Miss Edna Mary Watson, Non Executive Director
Miss Stephanie Hume, Internal Auditor, Scott Moncrieff

2. DECLARATIONS OF INTEREST

None

3. DRAFT MINUTES OF THE JOINT MEETING OF AUDIT & GOVERNANCE CHAIR MEETING HELD ON 16 MAY 2018 – THESE MINUTES WERE APPROVED IN PRINCIPAL BY THE AUDIT COMMITTEE ON 21ST JUNE 2018 Joint committee further approved with no amendments required.

4. MATTERS ARISING

None

6. INTERNAL AUDIT: FOLLOW-UP REPORT Q4 2018-19 (PAPER GCAUD 19/02)

Mr Chris Brown informed the committee that this was followed up on a quarterly basis. He clarified that actions were being completed with follow up on 38 actions, 16 not yet due for completion. He specified that in the table on page three of the report, it concludes that 7 were closed and 15 were past the due date with 9 of these having no response. 7 of these were classed as moderate risk with 5 having no response.

Mr Brown went on to highlight that the trend was going in the wrong direction with a high number of actions overdue when compared to similar organisations or even larger Boards. He pointed out that in Appendix 2, there is no need for actions to be overdue. When there is no response, the positions of actions are not known.

He emphasised the importance of IT security which carries a significant concern in case the board is exposed to significant risk due to actions not being completed.

Mr Colin Marsland added that on page 33, the Terms of Reference had been agreed and sent to Stephanie Hume.

Mr Bokor-Ingram reinforced the unacceptable situation of actions not being dealt with. He continued saying some of the actions were relatively easy and that agreed management time to deal with these could be helpful. He continued to highlight that some actions bridge departments so it seems there has been no response when there has actually been a partial response.

Mr Gary Robinson pointed out that there had been issues with log in to the system. Mr Brown explained how the system worked; advised Mr Robinson to email his response directly and it would be put into the system.

Mrs Natasha Cornick commented that briefings given to the board on this issue previously and had made no difference but that Mr Bokor-Ingram's promise to move matters forward was promising.

Mrs Jane Haswell queried how to deal with actions that were owned across services. Mr Bokor-Ingram provided an example of an action which HR dealt with and was then to be passed on to the nursing bank. He added that this issue will be discussed as a management team but it may be that a wider forum was required. He concluded that significant time must be dedicated to this. Mrs Haswell added that it was important to prevent the same happening in the future.

Mrs Cornick asked Mr Brown if he was happy with the suggested way forward - to see this cycle out and then review, or if a firmer approach had to be taken. Mr Brown detailed discussions held with other health boards around this issue and highlighted NHS Greater Glasgow & Clyde, where all directors attend audit and they had only three outstanding actions. He also explained how NHS Lothian had a few outstanding actions as all directors attend for relevant reports and all future meetings until the issue has been resolved. Mr Brown suggested looking at this route as it works well elsewhere. Mrs Cornick asked Mr Bokor-Ingram what his opinion on this suggestion was. Mr Bokor-Ingram was positive to this suggestion and answered that all diaries had been discussed this morning so that forthcoming audit meetings should be noted in the relevant action owners diaries

Action: Simon to progress with EMT and this issue would again be highlighted to the Board in the Audit Briefing

7. INTERNAL AUDIT CYBER SECURITY REPORT: – PAPER GC AUD 19/03

Mr Craig Chapman updated the committee on this report explaining that outstanding were the most difficult actions which had not been helped by a resourcing issue. He stated that four actions were outstanding and none were in his opinion presenting significant issues. Mr Chapman explained that the risk register was not on datix and it had been decided that it would be run in-house through VRISK. He added that a place keeper was being created for all in datix and that the risk profile will be available for the board to make informed decisions. He continued that IT policies sit within the regional area and therefore a specific approach must be followed.

He went on to address Leavers, explaining that there are arrangements in place to manage these but that being challenged to do more would use significant resources..

Mr Chapman went on to inform the committee that if USB encryption was to be done, clinical systems would break. He continued to say that this risk had been highlighted all the way through and that many departments offer encrypted USBs already.

Mrs Cornick questioned why the up to date position was not presented in the boardpack. Mr Chapman replied that it would be dealt with. Mrs Cornick went on to comment that it seemed that there were a number of actions which did not have a feasible way forward to meet the actual action but it seems that the risk could be managed by another route. Mr Brown was open to discussion around these actions and amended where the outcome could be met in a different way. Mr Chapman replied that there had never been push back from audit when they have suggested alternatives and. Mrs Cornick concluded that there was now an open conversation between Craig and internal audit with a view to moving these actions forward.

Mr Chris Jeffrey was dialled into the meeting and gave a detailed overview of the cyber security undertaken. Mr Chapman responded, agreeing with the recommendations with two points, one being that the cyber branch of IT in its own right needs to be teased out, and that operationally, the department is extremely good having never had an incident. He added that the network was tight and they had complete control over it whilst still needing to work on policies and strategies. The committee were content with the approach to moving this issue forward

13. GOVERNANCE COMMITTEE REPORTS – PAPER CG AUD 19/09

Mr Marsland informed the committee that all non executive and executive members met and discussed the submission of Best Value statements. These are the first reports since then in which members are to forward their replies to the chair from which the chair summarises and adds their own views. He added that this had raised the issue of management action. He continued that it had raised the issue of Staff Governance difficulties with quoracy and number of meetings.

Mrs Haswell noted that she had further amended the CCPGC report from what was in the Boardpack to include a date and a comment had been removed and point four added. These changes were agreed at the last CCPG meeting.

Mrs Cornick stated that the audit report had been presented at the last committee. Auditor attendance had been added alongside a paragraph regarding officers attending to discuss actions. She pointed out that there was no Staff Governance attendance so asked Mr Robinson as Board Chair if he wished comment on attendance issues. Mr Robinson replied that he was aware attendance is an issue. He added that a number of steps are ongoing to address this issue, make improvements and ensure that members are engaged with the committees. He highlighted that the June meetings would bring the potential of reshuffle and positions. He emphasised that the wider issue of commitment needs to be addressed when folk are available, stressing that this key issue and was on the radar.

Miss Manson asked who took responsibility for performance reviews and appraisals. Mr Robinson replied that he did and hoped to complete them by

next week. Mr Robinson said that he was dealing with ongoing issues before beginning them and plans to use the Turas which he added was a learning curve but a good system.

Miss Manson commented that folk are aware of the reshuffle, for example with Mrs Cornick's with the workload of the IJB Chair and Audit Committee Chair. She stated that the reshuffle would help as soon as possible. Mrs Haswell recognised that there has been attendance issues and this had to be looked at carefully. She highlighted that new non exec directors take time to get caught up with process. Mrs Cornick asked the committee to note these points.

8. CHIEF INTERNAL AUDIT ANNUAL REPORT – PAPER CG AUD 19/04

Mrs Cornick commented that there were no substantial changes and the plan was approved by the audit committee and 70 days had been completed with no restrictions from either resources or management. He highlighted two areas, cyber security which is being covered, and corporate governance with topical issues which were not concerning areas of risk..

9. INTERNAL AUDIT DRAFT INTERNAL AUDIT PLAN 2019-20 – PAPER GC AUD 19/05

Mr Brown informed the committee that the annual opinion was the only new thing in the report. He added that there was never absolute assurance annually, only reasonably. He added that he could give a clear opinion of assurance with the exception of cyber security.

10. ANNUAL AUDIT PLAN – PAPER CG AUD 19/06

Mr Corrigan gave a brief update as the paper had been presented in November. He told the committee that the wider scope work had all been completed by Conor Healy and that this will be compiled and added to the final plan for presentation in June. He commented that progress is on track, the final report is being drafted and that it will be shared with Mr Marsland next week, ready for finalising on the 4th of June.

Mrs Cornick commented that the committee were expecting a number of recommendations in the wider scope work and were prepared to deal with these as they were used to inform for Performance Accountability Report.

11. CHANGES TO ANNUAL ACCOUNTS MANUAL – PAPER CG AUD 19/07

Mr Colin Marsland updated the committee on the changes to the account manual, he stated that most changes were cosmetic in their nature and no material issues to note. The committee noted these changes and the paper.

12. BEST VALUE STATEMENT – PAPER CG AUD 19/08

The committee noted this paper was on the agenda to inform the performance report and all were familiar with its content.

14. RISK MANAGEMENT ANNUAL REPORT– PAPER CG AUD 19/10

Mr Marsland informed the committee that a lot of work had gone on with this as policy was updated and datix was being used more with training given. Mr Brown queried risks linking to government committees with the two highest risks being workforce. He added that this was concerning with the Staff Governance committee not meeting. Mrs Cornick advised that this issue will be presented to the board in the annual reports. Mr Lincoln Carroll added that Brexit was affected decisions made and that it was crucial to have a proactive committee. Mr Brown replied that he understood Mr Carroll's point as risk in relation to Brexit was important.

15. COUNTER FRAUD SERVICE PATIENT EXEMPTION CHECKING ANALYSIS OF FRAUD OR ERROR IN 2018– PAPER CG AUD 19/11

Mr Marsland highlighted that this was calendar year based, and that Shetland was below the national average in relation to fraud found. Mrs Cornick commented that she asked two years ago when the figures would fall given the robust fraud training given and she said it seemed that we were now seeing the results. Mr Marsland added that staff from dental attended training this week on exemption. Mr Bokor-Ingram commented that all staff were engaged on procurement training.

16. DRAFT 2018-19 PERFORMANCE AND ACCOUNTABILITY REPORT – PAPER CG AUD 19/12

Mr Marsland gave an overview of the report highlighting that some figures will alter due to delays, key revenues and risks had been identified, the Key Performance Indicator statistics were now up to date, and that the bed statistics include a reduction of six at the Gilbert Bain Hospital. Mr Marsland added that psychological therapies are undergoing a move to a new building and that recruitment was ongoing for vacancies. He moved on to give an overview of non-clinical activities reported including that AMD had now started. Attend Anywhere at the Unst Health Centre with Gordon McFarlane and Beatrix Weber has started. Along with this is the expansion of the fall prevention scheme. Mr Marsland highlighted the high wastage of flu vaccines this year, especially at the Lerwick Health Centre. Mr Marsland moved on to state that most services were provided by visiting consultants.

Mrs Cornick highlighted the time pressures and asked Mr Marsland to highlight any issues the Committee needed to be specifically aware of. Mr Marsland input that Mr Bokor-Ingram must give a statement on issues to disclose.

Mr Robinson queried the reason for the wastage of flu vaccines and was this from over ordering or poor uptake. Mr Carroll replied that he had not received a letter for one this year. Mr Marsland informed the committee that one thousand vaccines had not been used and the reason behind this waste was still being looked into.

Mr Robinson commented that when considering A&E discharges within four hours, it would be beneficial to have reassurance of his being recorded correctly. He added that issues with air transfers, patients being stabilised and then moved to Aberdeen, and A&E sending patients for procedures such as X-Rays before being discharged all contributed. Mr Carroll added that waiting for on-call staff to come in also contributed. Mr Robinson emphasised the support of the Shetland public on social media when the GBH was accused of not meeting times. Mr Carroll added that often A&E had to deal with patients who could not be seen by a GP which was concerning. Mr Bokor-Ingram replied that A&E recordings adhered to a very specific set of instructions and felt that these were being strictly followed. He added that figures, if low, should be defended as GBH, unlike ARI or Raigmore, have no A&E sub-departments. Mr Carroll added that it is important to feed back that the board are behind the staff. Mr Marsland commented that every four hour breach at A&E is investigated and some are out of staff control, for example ambulance wait for discharge.

Mr Bokor-Ingram added that for this, NHS Shetland is at the mercy of Grampian and it would be discussed on the 6th of June with NHS Grampian. He added that each individual who misses the timescale is bad for both health boards. . The committee was happy for the draft to go to the next meeting.

17. REVIEW OF THE JOINT MEETINGS PURPOSE – PAPER CG AUD 19/13

Mrs Cornick highlighted that there was no Staff Governance representative at the meeting and in order for the joint meeting to work, a nominee must attend. Mr Carroll queried if this was an issue for the board development meeting. Mr Marsland added that all members of the board could at least give feedback. Mrs Cornick suggested opening the joint chairs meeting to all board members. As there was not a large attendance, this would be deferred to board development. Mr Bokor-Ingram voiced his hesitation over reducing the importance of ownership of actions, with which Mrs Cornick agreed. Mr Brown informed the committee that it was unusual for health boards to have joint chairs meetings and that the accounts process documents would normally be viewed by the audit committee and then by the Board but that it was good practice for Chairs to meet. Agreement was reached that the discussion of whether or not the Joint Chair Meeting was useful could be discussed in a Board Development session

Action: Discussion to be had at Board Development Session of the relevance of Joint Chairs meeting

19. ANY OTHER COMPETENT BUSINESS

Due to time constraints the meeting had to be brought to a close due to members other commitments

Mrs Cornick commented that either the length of the agenda must be looked at or members had to ensure that enough time was set aside to stay for the duration of the items.

Mrs Cornick thanked committee members for attending and closed the meeting.

Papers 5 & 18 were not discussed