

SHETLAND NHS BOARD

Minutes of the Meeting of the Audit and Risk Committee held at 10:00 on Tuesday 26th March 2024 via Microsoft Teams

Present	
Mr Colin Campbell [CCa]	Non-Executive Director (Chair)
Mr Lincoln Carroll [LC]	Non-Executive Director
Mrs Natasha Cornick [NC]	Non-Executive Director
Mr Joe Higgins [JH]	Non-Executive Director (Interim Chair of CGC)
In Attendance	
Mr Colin Marsland [CM]	Director of Finance
Mr Brian Chittick [BC]	Chief Executive
Ms Edna Mary Watson [EMW]	Chief Nurse, Corporate <i>[items 1-19]</i>
Ms Jo Robinson [JR]	Director of Community Health & Social Care <i>[items 1-14]</i>
Ms Elizabeth Young [EY]	Internal Audit
Ms Stephanie Hume [SH]	Internal Audit
Mr Paul Kelly [PK]	Internal Audit
Mr Stephen O'Hagan [SO]	External Audit
Ms Rachel Browne [RB]	External Audit <i>[items 1-9]</i>
Mr Martin McLaughlin [MM]	External Audit <i>[items 1- 8]</i>
Ms Naomi Ness [NN]	External Audit <i>[items 1- 8]</i>
Mrs Carolyn Hand [CH]	Corporate Services Manager <i>[item 13]</i>
Mrs Lorraine Hall [LH]	Director of HR and Support Services <i>[items 14-16]</i>
Mr Craig Chapman [CCh]	Head of Information and Digital Technology <i>[items 15 & 16]</i>
Mrs Pauline Moncrieff [PM]	Board Business Administrator (minutes)
Mrs Erin Seif	PA to Director of Finance

1. Apologies

Apologies were received from Michelle Hankin.

2. Declaration(s) of Interest

There were no declarations of interest.

7. NHS Shetland Annual Audit Plan 2023-24

(Paper AUD 23/35)

Rachel Browne introduced herself as the newly appointed Audit Director for NHS Shetland following the retirement of Brian Howarth.

RB presented the plan which sets out the audit risks identified by External Audit through their planning work and plans to address them. RB highlighted key points for members' information gave members the opportunity to draw any additional issues to RB's attention in this meeting (or at the year-end when considering the audited financial statements).

Members were invited to complete a formal survey on the quality of audit and EA welcome any informal feedback from members of the committee or the Board.

ACTION: all

Discussion

JH pointed out that financial sustainability also appeared within the board's internal audit plan so it was important that there was clear scope for content and timing between both pieces of work to make sure there is no duplication and achieved the best results. BC and SH agreed to have a conversation outwith the meeting regarding the detail of the overlap and how all the audits link with the strategic direction of the board.

ACTION: BC and Internal Audit

In response to item 201 on the committee's action tracker regarding learning from other boards potentially improving the board's chances of being successful when bidding for SGov funding, RB offered to gather any information on bids, business cases etc and share examples of good practice with members outwith the committee. **ACTION: External Audit**

DECISION: the committee noted the NHS Shetland Annual Audit Plan 2023-24.

8. Audit Scotland: NHS in Scotland 2023 Annual Report (Paper 23/36)

Martin McLauchlan, Audit, Performance and Best Value Manager at External Audit gave a presentation on the findings of the recent NHS overview conducted on behalf of the Auditor General. The report takes a relatively high level strategic focus reinforcing messages from previous years and follows a 3 part structure reflecting messages around financial pressures, performance pressures and wider reform. The recommendations from the report are primarily aimed at the Scottish Government due to the way the work was done this year, but also reflects EA's view that there is a lack of transparency in that there is a need for boards to receive greater direction from SGov.

Naomi Ness, external auditor on this year's NHS overview, gave a presentation on the third part of the report focusing on reform and redesign. One key message was around the lack of strategic vision from the Scottish Government, making it difficult for boards to plan beyond one year both in terms of financial planning and long term strategic planning. There appeared to be a better alignment of delivery and financial planning from 24/25, but key aspects remain outstanding eg. the medium term financial framework.

With respect to individual boards, the recommendations focus are on the enablers to take forward reform and redesign, including workplace culture, leadership (particularly system leadership) and governance and scrutiny which is essential to support reform. EA have recommended that this roll out of the 2nd edition of the Blueprint for Good Governance is completed in 2024 and any improvements that are identified are completed in a timely manner.

MM described the proposed reporting arrangements for 2024 going forward. Prior to the Covid-19 pandemic, EA had endeavored to publish on NHS Overview in Oct/Nov ahead of any draft budget documentation. Following feedback from stakeholders including DoFs, the aim is to revert back to that in order to better align with the annual audit cycle and publish a focused financial and performance overview.

MM informed members that every year the Accounts Commission publish a financial bulletin based on the IJB. EA are looking to expand on this to widen the scope to be more performance outcomes based overview Report. The next report is due for publication in June 2024.

Discussion

Members discussed the report commenting that it was well written and provided clear recommendations on where focus on reform needs to happen including governance, workplace culture, collaborative working and prevention. It was positive to see population health and other non-acute services highlighted and areas which could benefit from better performance matrix and have a wider impact across the system.

DECISION: the committee noted the Audit Scotland: NHS in Scotland 2023 Annual Report.

3. Draft Minutes of the Meeting held on 28th November 2023

The draft notes were approved as an accurate record with one caveat that at item 17 (page 8), the identifiable information should be redacted before the minutes are shared with the Board and placed on the website.

ACTION: PM

4. Action Tracker

Members noted the action tracker.

5. Matters Arising

There were no matters raised from the draft minutes or Action Tracker and the majority of actions would be addressed in the course of the papers for discussion.

6. Access to JCAD System – Update

Jo Robinson informed members that she had provided RMG with an update on the current position around the JCAD system and understood some of the concerns the committee had around where the Directorate Risk Register should be held. It was acknowledged there were risks around having the Directorate Risk Register split across two separate systems because there were many co-dependencies across the directorate. The other options are to have all risks on either JCAD or Datix and this would also have a number of risks associated as discussed previously by the committee. The understanding is that having all risks on JCAD would be the best, if not ideal, option in terms of moving forward measuring risk across the partnership. JR acknowledged there were a number of quite significant issues to be resolved in order for this to be a safe way of working.

Discussion

CCa said that the opinion of the committee had been that with the principle of integration as a given, the accessibility to assessing the risk and managing the risk by all parties was the concern. The papers being presented are able to demonstrate that significant progress has been made by EMW and the Risk Management Group around this.

EMW gave an update on progress since the last meeting in November including training for the NHS team with Joanne Jamieson, SIC JCAD lead. The NHS team now have access to JCAD and there has subsequently been a further update to JCAD moving to a Cloud based system in April and NHS staff will be included in the associated training, support and resources. There are a number of practical aspects to be resolved in terms of ensuring the transferred NHS risks can be tracked from the Datix system over to JCAD to enable an open and transparent process for each risk. This work will be carried out within the clinical governance team and updates provided to Risk Management Group.

DECISION: the committee noted the update on the JCAD system.

9. Draft Risk Management Year End Review and 24/25 Workplan (Paper AUD 23/37)

EMW presented the report and highlighted the key points to members including:

- Work continues across the organisation to implement the move to the new Risk Management Strategy and how risks are described. All strategic and organisational risks are now in the new format and work continues with the clinical governance team and managers to ensure the directorate and departmental risks are also transferred in 2024/25.
- In 2024/25, the Clinical Governance team plan to focus on lessons learned and build on the progress already made in the previous quarter.
- Following the review in April 2023, the new approach to presentation of risks has been adopted for all of the governance committees and there has been positive feedback on the more accessible information now provided.

- JCAD is an area of work requiring final completion to enable transfer of risks and to be able to move forward successfully.
- Comprehensive reviews of SR01 National Standards have been conducted and actions around reviewing SR08 Workforce which included a dedicated EMT and Clinical Governance session to review this risk. This work has almost reached a conclusion after being circulated for comment with final amendments being made. Final approval is hoped for in the next few weeks.
- SR02 (Finance) is still under review, and later papers will provide an update on progress.
- Horizon Scanning was introduced this year and one issue considered was the use of WhatsApp following the sanction that was issued from the Information Commissioner's Office to another NHS board area. A Short Life Working Group was established following a local review of the board's position and to take forward some actions locally.
- Risk Management Workplan 24/25 - confirmation has been received that InPhase have been recognised on the Scottish framework as being the future provider for adverse event and incident risk management systems. NHS Shetland will be putting forward a business case to move forward with this in the next year.

Discussion

In response to a question from CCa regarding incorporation of risk appetite into the Strategic Risk Register, EMW confirmed this was detailed above the current risk level and ratings, but agreed that the terminology would be reviewed to make it clearer that both risk appetite and score are referred to in the report.

ACTION: RMG to review wording to make risk appetite more visible in the SRR

JH commented that the paper referenced one of the key risks to delivering the 2024/25 Workplan was the shortage of resources within the clinical governance team. The committee would welcome any update on progress or plans going forward.

In response to a comment from JH regarding the possibility of increasing the number of learning summaries shared from the target 10% from the baseline (given the importance financially), EMW explained that the target had been set taking the team's current staffing situation into account. The small team is under pressure but continue to strive to deliver on the things they have committed to.

In response to a comment from CCa regarding members being invited to RMG development sessions, EMT confirmed dates were yet to be scheduled for 2024/25 due to staffing pressures.

DECISION: the committee noted the Draft Risk Management Year End Review and 24/25 Workplan.

10. Strategic Risk Register review

(Paper AUD 23/38)

EMW presented the paper and highlighted the key points for member's assurance:

- There is an upward trend around 3 specific risks: SR08 Workforce, SR13 Access to Services and SR14 Estate.
- Risks which have increased: SR06 Information Governance NHS Staff – there had been no significant increase in the number of staff having undertaken the mandatory training despite various actions previously so the team are looking at the adverse events and information governance related activities. A report will be provided to the CExec in due course regarding areas to focus on in training in order to hopefully prevent further adverse events.
- A discussion was held at RMG in Nov regarding some concerns around the leadership, management and capacity within mental health services. Jo Robinson, Director CH&SC,

the Mental Health Manager, and EMW will meet in early April to draw up the risk for consideration and addition to the Strategic Risk Register. **ACTION: RMG & Jo Robinson**

- Adequacy controls: SR01 National Standards – there has been a comprehensive review and additional actions, gaps and controls identified clearly outlining some of the challenges in terms of inconsistency around the commissioning of some services with NHS partner providers. SR16 Covid Outbreak - the DPH intends to review this risk and SR19 Flu with a view to redrafting as a single overarching risk which should be approved by the next meeting of RMG in June.

Discussion

Members discussed the Workforce risk and the challenges facing the board and across the partnership in terms of recruitment and retention including internationally. Members recognised the difficulty was that the board could only control and mitigate certain risk controls and some were at a national level eg. regulatory bodies in the UK recognising international professional qualifications and therefore an individual's ability to work in the UK. This is reflected in the updated risk in that the board cannot control many of the external factors. CM added that access for those not trained in the UK has been raised at the Short Life Working Group in order to highlight this to the Dept of Health and other NHS bodies and influence the regulatory bodies.

BC reported that the team had undertaken a rapid workforce review as part of Strategic Delivery Plan, the Digital Delivery Plan and the Sustainability Plan in order to conduct a deeper dive into the board's recruitment and retention rate, where gaps lie, growth in the workforce since 2019, funded and unfunded posts etc. As a result of the conversation around risk appetite, it had been recognised that the board needed to draw together a Workforce Plan sooner than envisaged that will underpin the other delivery plans. This piece of work is underway at present but members acknowledged this was not likely to reduce the risk to an acceptable level due to all the external factors.

CM commented that the current SGov training model and the number of medical student places did not reflect the shifting lifestyle changes with a move to more part-time working in primary and secondary care.

In response to a question from JH regarding reflecting the findings of the audits of cyber security asset management and IT stock control in the Strategic Risk Register, EMW said she had not been aware of the recommendations in the two reports and agreed to add these to the next cycle of review for these particular risks with the relevant leads. **ACTION: RMG**

DECISION: the committee noted the Strategic Risk Register review.

11. Risk Management Group Action Note 13th November 2023 *(Paper AUD 23/26)*

EMW presented the approved minutes from the RMG meeting in November and the main points of note had been discussed in this meeting already.

Risk Management Group draft Action Note 18th March 2024 *(verbal update)*

EMW reported that this had been a short meeting which had focused on a presentation from the Head of Estates regarding the Estates risk and the change from the PIA to now being maintenance focus and those implications. The Digital Short Life Working Group had been discussed and BC would be following up with the Information Governance team and consideration of a message to go out to the organisation on the safe use of messaging apps.

Discussion

In response to a question from CCa regarding the procedure for testing of controls, EMW explained it had been decided to build that into risk reviews with the Exec lead/risk owner. This is taking place as each risk is due for review though some limited progress had been possible

since beginning this in January. EMW said it would be possible to provide a formal update at the next meeting.

ACTION: RMG

Decision: the committee noted the updates from the meetings on 13 Nov and 18 March.

Internal Audit

12. Internal Audit Follow-up Report Quarter 3 2023/24 (Paper AUD 23/40)

SH presented the paper and highlighted the main areas for members information.

- There were 12 follow-up actions on the tracker and reflects the timing of the audits for 23/24 which are due to be presented to this meeting.
- 4 actions were closed down, leaving 8 going forward (7 have been marked as partially complete where there has been evidence of ongoing work, and 1 action is incomplete).
- IA had not received updates on 7 of the outstanding actions so the last update received was used to create the assessment. A few updates had been received after the papers were issues so those will be fully reflected in the papers at the next meeting in June.
- There is a revised due date of June 2024 for the 3 outstanding Business Continuity Planning actions so IA would expect these to be closed off in the near future.
- An update was received with regard to the Bank and Agency Staff Onboarding audit and IA will provide management with guidance on how to close down the remaining actions. An update will be provided to the committee at the next meeting. **ACTION: IA**
- Of the 8 open actions, 5 are Grade 3 (high risk) and are recommend as being a priority for management to close down.

Discussion

JH commented that some actions had been outstanding for quite some time and members should consider whether these actions are still accurate and suggested it was necessary to close them out in the most effective way in order to achieve the board's recovery and sustainability plans. NC added that it was not an efficient use of time for IA to compile update reports for the committee but not have all the information required and brought into question whether there is sufficient reassurance from these reports to make them worthwhile.

BC replied that the situation was a resource issue and due to system pressures leading to the need for agile governance and the need to prioritise aspects of work on a risk basis. BC agreed to discuss priority outstanding Grade 3 risks with EMT and the responsible risk owners with a view to assessing how applicable the risks are to how the board is doing business and the residual risk the organisation is carrying in some areas following audit.

ACTION: BC to write to risk owners to agree those risks to be closed off, ascertain plans for progressing outstanding actions or where actions have become business as usual

JR added that she would add the outstanding Mental Health Services action to their directorate action tracker to ensure the team is clear around what response is needed. JR asked for the completion date to be extended by another 6 months but expected to have it fully completed within that time scale.

ACTION: JR and IA

DECISION: the committee noted the Internal Audit Follow-up Report Quarter 3 2023/24

13. Internal Audit Report 2023/24: Internal Communications (Paper AUD 23/41)

SH presented the review which looked at the Communication Strategy within the organisation to ensure that it outlined the objectives and mechanisms that were in place for engaging with internal stakeholders, that there were up-to-date policies and procedures including roles and responsibilities, effective mechanisms in place for engaging with staff, and arrangements for

staff to feed back on engagement activities. IA had identified 3 improvement actions, but these were all grade 2 (Moderate Risk) and no significant areas for action had been identified.

DECISION: the committee noted the Internal Audit Report 2023/24: Internal Communications

14. Internal Audit Report 2023/24: Retention *(Paper AUD 23/42)*

SH presented the review of retention within the organisation which looked at the different factors and whether they had been considered including key roles and responsibilities being identified in succession planning being undertaken; the roles and responsibilities of staff in promoting attendance and retention within the organisation; ensuring that there are feedback mechanisms for staff to give reactions on their experience within the organisation; and that there are key metrics to assess the performance of retention activities taking place. IA had determined that there were many different types of retention activities taking place across the organisation and 3 improvement actions were identified, 2 of which were Grade 3 (High Risk) and related to the succession planning process and exit interviews process.

Discussion

In response to a question from NC regarding the exit interview process and whether the action completion deadline of March 2025 was achievable, LH explained the current process and the types of information it is possible to determine plus the challenges around developing learning where caveats are placed on sharing an individual's comments from an exit interview. LH said it was important to develop a process in partnership with trade union colleagues, Area Partnership Forum and Staff Governance Committee and it was hoped this work could be progressed in the first quarter of 2024/25. This work was currently taking place against a hugely challenging backdrop of significant change and the board's ability to meet any audit requirements due to the Agenda for Change Reform which will take priority as indicated by the Cabinet Secretary for NHS Recovery, Health and Social Care on 1st March.

LH explained the detail provided in the management response described the changes which will see improvements including more staff undertaking the statutory mandatory training and facilitate more conversations between managers and staff around about their roles, remit and succession plans.

JH asked what the realistic ambition was for increasing the conversion rate for staff appraisals during the year given the pressures on the directorate and across the wider organisation. LH explained that a number of colleagues are already having conversations with staff and this will be evidenced for some executive directors through their performance report and end of year output presented to the Remuneration Committee. There can be confusion between having an appraisal conversation and having a performance conversation so this should be better articulated through management support and education. Progress with staff governance and management development activity will be captured in updates on the Workforce Plan which will be reported on through APF and Staff Governance Committee.

DECISION: the committee noted the Internal Audit Report 2023/24: Retention.

15. Internal Audit Report 2023/24: Cyber Security Asset Management *(Paper AUD 23/43)*

PK presented the report and explained the context of conducting the review had been recognition of the most recent NIS audit that asset management was an area identified by management for improvement in order to be compliant with the NIS Directive. The committee's previous discussion had already acknowledged that having good asset and device management from a cyber perspective was very important.

The key findings of the report include the good practice around managing devices and the team is looking to continue to improve this process and has implemented Microsoft Defender as a means of protecting devices and is also in the early stages of implementing a Microsoft iTunes solution which helps ensure that only compliant devices are allowed access to the network.

Three areas for improvement were identified in relation to the device asset management:

- to either trace the devices that have been unable to be tracked thus far, or write them off.
- updating documentation for the leavers and document decommissioning process, creating policies and procedures in relation to the provision of new hardware.
- Making sure there's an approach to monitoring hardware asset information and remediating any issues where necessary and looking to identify some KPIs around asset information.

Discussion

JH asked what the approach was to managing those devices in use across the organisation where it is believed they have not had up-to-date software patches, and given the level of risk, whether the completion deadline of Sept 2024 should be sooner. PK answered that there is an 'attack vector' through not having patched devices and being at risk of external and internal threat. The challenge for the board is the question of how many devices fall into this category so the exercise to uncover whether these devices are still in existence or not is the priority.

CCh said that across the two audits, all the recommendations were accepted and an ambitious 6 month aspirational timescale for completion had been put in place for all actions. In addition, by restructuring the department, resource had been put in place with a dedicated member of the IT team focused on this. Members were assured that devices which have not had all software updating patches installed will not be permitted to access the board's network. The recommendation around improving procedures and policies was valid and more about a cultural change across the organisation in respect of devices provided for work purposes and is the responsibility of staff to return them when they leave the NHS. CCh assured members that it would not be possible for hackers to maliciously access the board's network using another user's credentials due to NHS Shetland's use of the Scotland wide area network VPN which requires dual factor authentication by way of a PIN code.

CCh told members that the 6 month timescale was considered realistic and the committee would be made aware if this was not on track and what actions would be taken to remediate that. The plan was to prioritise the things deemed the most immediate risk around cyber security and the things that will cause reputational risk around asset loss will follow.

CM commended that it was a priority to trace all devices which are the property of the NHS as the data held on these is an information governance risk. Existing IT assets which are no longer required and not in use are also not being updated, and could also pose a security risk of theft. The subgroups responsible for this report into the Finance and Performance Committee and this work can be built into their business plans for next year.

CCa acknowledged the view of some members that the 6 month deadline for completion of the actions should be sooner but recognised the staffing pressures within IT, adding that the board should review the support and resources available to the department in order to deal with the issues highlighted.

DECISION: the committee noted the Internal Audit Report 2023/24: Cyber Security Asset Management.

SH presented the report which the committee had requested IA to undertake with the additional contingency days available as part of the audit plan for 23/24. The review undertaken looked at physical IT assets within the organisation from a stock perspective, the policies and procedures in place, stock management, stores security, and asset reconciliation being undertaken from the point of purchase through to assets being tagged and issued to staff.

There were 6 actions identified from the review, 3 of which were Grade 4 (Very High Risk)

- Stock procedure
- Tracking of IT equipment
- Reconciliation of IT stock

Discussion

CCa repeated the committee's call that the IT Stock Control risk should be encapsulated on the Strategic Risk Register as a strategic risk to the organisation in order to keep the board cited in terms of the risk that this presents. **ACTION: RMG to add IT Stock Control to the SRR**

CCh acknowledged the points raised in the audit and the recommendations outlined, explaining the challenges of not having dedicated staff responsible for procurement, stock management or reconciliation of assets. CCh offered to discuss the issues around payment of invoices with finance staff and also to assist with drafting the strategic risk for inclusion in the register.

DECISION: the committee noted the Internal Audit Report 2023/24: IT Stock Control.

17. Internal Audit Report 2023/24: Payroll *(Paper AUD 23/45)*

EY presented the report and highlighted the main points for member's information.

The audit had been an overarching look at payroll and because most of the processes are operated by NHS Grampian, these were also reviewed at NHS Grampian in addition to those elements carried out within NHS Shetland. The key theme that emerged from the work related to those interfaces between the two bodies and the most notable finding was around the Service Level Agreement. The recommendation of the audit is to finalise the review and the development of the SLA in as timely a manner as possible.

One lower risk observations highlighted to members related to Lack of Management Review and Authorisation of Final Payruns. The management response to this recommendation had suggested that although it had been accepted, there were substantial changes implemented as a result of the suggestion, but IA's opinion is that the recommendation stands.

Discussion

CM commented that it was unclear how to implement the management action from the recommendation, given that the final checks of all payroll transactions are carried out by NHS Grampian (as is also the case in NHS Orkney). CM will work with IA to agree the way forward.

DECISION: the committee noted the Internal Audit Report 2023/24: Payroll

18. Internal Audit Annual Report 2023-24 *(Paper AUD 23/46)*

EY presented the report and explained the 3 levels of internal audit opinion (reasonable assurance, particular assurance where there are substantial weaknesses noted, and adverse opinion). IA have awarded a reasonable audit opinion with the exception of the management of IT assets given the rating of the audit reports presented today.

DECISION: the committee noted the Internal Audit Annual Report 2023-24

19. Internal Audit Annual Report 2023-24 *(Paper AUD 23/47)*

EY presented the report which had been discussed previously at the meeting in November 2023 and subsequently with the CExec. An updated version of the plan has been circulated to EMT and comments are awaited. Members noted the significant audits planned for 2024/25:

- A2 (Financial Savings Review) – the scope of the review has been discussed widely and recognised as the biggest risk area for all NHS boards at present.
- B2 (Blueprint for Good Governance Action Plan Implementation) – this was previously a generic audit of corporate governance and has been tailored to capture the actions from the board self-assessment.
- C4 (Freedom of Information Management) – this had previously been an audit of complaints but was adjusted to look at the FOI process more generally and in particular any good practice from other boards that NHS Shetland could adopt in order to minimise the burden of managing the increase in volume of FOIs.

Discussion

JH suggested that the timing of the fieldwork for the financial savings review (due to start in November) was too late in the year to be able to influence the 24/25 plan. CM added that if the fieldwork is carried out earlier, it will duplicate the annual work that Audit Scotland undertakes looking at the development of the board's Financial Plan and ownership across the organisation. The months of May and June are already the busiest months for IA providing information to EA by their deadline as part of the annual accounts process. EY suggested Aug or Sept may allow management sufficient time to make progress and said that IA had been able to find time in other boards where Audit Scotland is also the EA. **ACTION: IA**

CM suggested that recruitment was a potential area for consideration in the plan for 24/25 or 25/26 given that the committee had agreed to split from retention previously. EY informed members that IA had discussed this with the CExec and it had been felt that 25/26 would be the right time to conduct this audit to reflect the fact that the audit of retention had taken place close to the end of 23/24. Members agreed that the recruitment audit should be included as part of the IA planning process for 25/26. **ACTION: IA to include Recruitment in 25/26 plan**

DECISION: the committee noted the Internal Audit Annual Report 2023-24.

Standing Items

20. Audit Committee Business Plan 2023-24 (Paper AUD 23/48)

21. Audit Committee Business Plan 2024-25 (Paper AUD 23/49)

CM explained the plan for 23/24 was being presented to the committee for the last time and members noted it had only been possible to hold one training session in the current year. The 24/25 business plan included a provisional meeting in May 2024 in case it was not possible to receive all IA reports at the March meeting. IA are yet to advise the training dates for 2024/25 so these will feed into the plan in due course. Members agreed that given all the IA reports had been received and the Chief Internal Auditor had received all the necessary information in order to give an audit opinion, there was no requirement to have a May meeting.

DECISION: the committee noted the Business Plans and agreed the date of the next meeting would be 18th June 2024.

Other Items

22. Audit Committee Self-Assessment Annual Performance Report 2023/24 (Paper AUD 23/34)

CM informed members that the main issue for the committee to consider was whether the report requires to be amended in light of the information considered by members today. PM will update the report with the note of attendance from today's meeting. **ACTION: PM**

CCa said that the significant issues paragraph should be amended to include the IT stock control audit and this should also be reflected in the Letter of Assurance to the CExec as part of the annual accounts. Members also agreed it should also be amended to recognise that there are a number of very old audits outstanding at the start of 2024/25 and remain outstanding. Members acknowledged the update and action agreed today but felt for thoroughness, it should also be referenced in the performance report. **ACTION: CCa/CM**

DECISION: the committee noted that the report with the agreed amendments/additions.

23. Audit Committee Terms of Reference

CM reported that the main change was removing the responsibility for reviewing the draft statement of the accounts as this has moved to the Finance and Performance Committee. There is no Joint Meeting of the Audit & Risk Committee with the Chairs of the governance committees as this is one of the roles and responsibilities of the Finance Performance Committee. Lastly, there is a change to the review period to be one year for the terms of reference which is in line with both the Audit Scotland Audit handbook and also the Blueprint for Governance which states these should be reviewed at least annually.

DECISION: The committee approved the Terms of Reference.

24. Annual Accounts Letter and Changes

(Paper AUD 24/52)

CM directed members to the Categories of Special Payments guidance (Appendix 2). CM would attend a meeting with SGov that afternoon to discuss the outstanding debt owed from the board's major creditor which is greater than the amount within the delegated limit.

In response to a question from JH, CM explained that the brokerage detail is covered within the guidance that accompanies the documentation on how to complete the annual accounts. CM agreed to share the guidance regarding brokerage with all members of the board as this will be relevant when considering the accounts later in the year. **ACTION: CM**

DECISION: the committee noted the Annual Accounts Letter and changes.

25. Any other Business

There was no further business.

26. Date of next meeting is Tuesday 18th June at 2.00pm by Microsoft Teams.

[The meeting concluded at 12:40]

(IN PRIVATE)

27. Private meeting between Committee Members and Internal Auditors