

## Orkney NHS Board

Minute of meeting of the **Audit and Risk Committee** of **Orkney NHS Board** held **virtually** via **Microsoft Teams** on **Tuesday 6 September 2022** at **11:30**

**Present:** Jason Taylor, Chair  
Issy Grieve, Vice Chair  
Martha Gill, Employee Director  
Steven Heddle, Non-Executive Board Member

**In Attendance:** Michael Dickson, Interim Chief Executive  
Mark Doyle, Director of Finance  
David Eardley, Chief Audit Executive, Azets  
Keren Sommerville, Head of Finance  
Harmony Bourn, PA to Director of Finance

### A62 **Apologies**

No apologies were noted.

### A63 **Declaration of Interests**

No interests were declared in general or in relation to agenda items.

### A64 **Minutes of previous meeting held on 23 June 2022**

The minute of the Audit and Risk Committee meeting held on 23 June 2022 were approved as a true and accurate record of the meeting.

### A65 **Matters Arising**

No matters arising were raised.

### A66 **Action Log**

The Action Log was reviewed, noting that there were no outstanding actions (see Action Log for details).

### **Internal Audit**

### A67 **Internal Audit progress report – ARC2223-32**

D Eardley presented the report which provided a summary of internal audit activity since the last meeting, confirmed the reviews planned for the next quarter and identified changes to the annual plan.

Members were advised that the Clinical Governance review, scheduled for July 2022 had been postponed due to Covid related capacity issues. The planned review of lessons learnt: Service Redesign had also been reprioritised to focus on the IJB finances and related adjustments highlighted through the annual accounts process.

Members were advised that all changes had been agreed with management and the Chair of the Audit Committee, and that the service redesign audit would now take place in 2023/24. The Chair raised concerns around the

numbers of audits scheduled for completion in March 2023 and was assured that these timescales were deliverable.

### **Decision / Conclusion**

The Audit and Risk Committee received the progress report and noted the information provided in relation to scheduled changes.

### **Internal and External Audit Recommendations**

A68

#### **Internal Audit recommendations follow-up report – ARC2223-33**

Members were advised that three audit recommendations had been brought forward following the last report and remained in progress.

An extension to October 2022 was requested for items 225 and 226 in relation to the development of a Communications Strategy and Policy, which was now being finalised following completion of the Clinical Strategy. The Policy and Strategy would be considered for comment by the Executive Management Team, Communications Group and Area Partnership Forum, before formal approval routes.

Item 232 around trend analysis of emergency admissions was progressing and would form part of regular performance reporting through the Board.

D Eardley drew members attention to the Internal Audit comments around these recommendations due to previous extensions granted.

### **Decision / Conclusion**

The Audit and Risk Committee noted the status and update of the actions and approved the extensions to timescales as requested.

### **Information Governance**

A69

#### **Information Governance Chairs report and approved minute – ARC2223-34**

The Director of Finance presented the Chairs report from the recent meetings of the Information Governance Committee, highlighting the below:

- The Information Commissioner's Office would visit on the 19 September 2022 to carry out an audit of the way data was handled and processed across the organisation. The report would be by way of exception reporting and all Boards in Scotland would be audited in due course. Interviews with senior staff had been arranged and the required data supplied in advance of the visit as requested.
- The Information Governance Strategy had been presented to the Board and approved following scrutiny, this was underpinned by a framework of policies and it was important that all staff were aware of the policies and where to find them when required.

The Chair questioned the impact of increasing numbers of Freedom of Information and Subject Access requests and if additional resources would

require to be allocated to this area. The Director of Finance advised that this continued to be monitored, the team were managing the workload currently, but numbers were increasing.

#### **Decision / Conclusion**

The Audit and Risk noted the update provided and took assurance from this and the approved minutes.

#### **Fraud**

A70

#### **Counter Fraud Services Quarterly report – ARC2223-35**

Members had received the Counter Fraud Services quarterly report up to 30 June 2022, dealing with areas of prevention, detection, and investigation of fraud.

The report outlined the number of cases by Board; NHS Orkney had reported no cases in the period. The number of cases nationally had increased significantly on the previous year, and the themes and status of investigations were included.

#### **Decision / Conclusion**

The Audit and Risk committee noted the quarterly report.

A71

#### **Patient Exemption Checking – Annual Reporting Package 2021/22 – ARC2223-36**

Members had received the reports which detailed the outcomes of the Patient Exemption Checking Programme undertaken by the NHS Scotland Counter Fraud Services Patient Claims Teams during 2021/22.

NHS Orkney had a total of 11 cases, amounting to a value of £704.28, one case with a value of £97.76 had been written off due to a Tax Credit exemption.

#### **Decision / Conclusion**

The Audit and Risk noted the summary of case recoveries and write-offs made in 2021/22.

#### **Risk**

A72

#### **Risk and Assurance Report – ARC2223-37**

The Director of Finance presented the report which gave an overview and update on risk management across NHS Orkney. Members were advised that the report was also viewed by the Executive Management Team and Risk Management Forum to ensure managers were aware and reviews and updates had taken place.

I Grieve noted the reduction in the number of corporate risks since March 2022, she sought further information behind this and questioned if benchmarking took place. The Director of Finance advised that risks were

reviewed monthly using the scoring matrix and would move across categories as the risk increased or was mitigated. The risks were not benchmarked with other Boards as they were individual to NHS Orkney and reviewed internally across the organisation.

S Heddle queried if there would be a change in risk status of risk 923 relating to data security following the recent event on Stronsay. The Director of Finance advised that this would be discussed with relevant staff across the organisation, as was current process, and if a change in status was required it would be actioned. The Interim Chief Executive noted that learning would be taken from the incident but there was always an inherent risk from the human aspect of data handling.

The Director of Finance agreed to review risk 902, NHS INOC Medical Cover further and discuss with S Heddle out with the meeting to provide further information.

### **Decision / Conclusion**

The Audit and Risk noted the information provided, noting that there were no specific issues to bring to the Committee at this time.

#### **A73 Risks escalated from other Governance Committees**

No risks had been escalated

### **Governance**

#### **A74 6 Monthly Litigation Report – ARC2223-38**

The Director of Finance presented the report updating members on current litigation cases overseen and managed by the Central Legal Office.

Members were advised that three claims had been registered since April 2022, two claims were patient related while the third was a claim by NHS Orkney for damages. The paper contained further details and estimated settlement costs.

NHS Orkney were members of the Clinical Negligence and Other Risks Indemnity Scheme (CNORIS) which allowed the Board to claim for costs above the threshold of £25,000.

### **Decision / Conclusion**

The Audit and Risk noted the information provided in relation to current litigation cases.

#### **A75 Property Transaction Monitoring Annual Compliance Report – ARC2223-39**

The Director of Finance presented the report advising that NHS bodies were required to conduct property transactions in accordance with guidance in the NHS Scotland Property Transactions Handbook. The manual stated that an annual internal audit was to take place and assurance was provided that this review has been carried out and the Scottish Government notified in terms of the requirement.

## **Decision / Conclusion**

The Audit and Risk noted the information provided.

### **A76 Agree items to be brought to the attention of the Board or other Governance Committees**

#### **Board**

- Members noted that attendance at meetings of the Information Governance Committee had improved
- It was agreed that the amendments to Internal audit plan and reasoning behind these would be reported to the Board

### **A77 Any Other Competent Business**

#### **External Auditors**

Members were advised that the new external auditors for NHS Orkney were KMPG, contact had not yet been made by the auditors to confirm contacts for 2022/23.

#### **Items for Information and Noting only**

### **A78 Audit Scotland Reports**

- Technical Bulletin 2022-02
- Fraud and Irregularity 2021/22

### **A79 Counter Fraud Services (CFS) Reports**

- Intelligence alerts

### **A80 Reporting Timetable for 2022/23**

Members noted the schedule of meetings for 2022/23.

### **A81 Record of Attendance**

The Committee noted the record of attendance.

*Meeting closed at 12:04*