


HIGHLAND NHS BOARD	Assynt House Beechwood Park Inverness IV2 3BW Tel: 01463 717123 Fax: 01463 235189 Textphone users can contact us via Typetalk: Tel 0800 959598 www.nhshighland.scot.nhs.uk	
MINUTE of MEETING of the NHS Board Audit Committee Board Room, Assynt House	20 January 2020 2.00pm	

Present: Mr Alasdair Christie, NHS Board Non-Executive (In the Chair)
 Mr Alexander Anderson, NHS Board Non-Executive
 Mrs Ann Clark, NHS Board Non-Executive

Also Present: Ms Gaener Rodger, NHS Board Non Executive (by video conference)

In Attendance: Mr Chris Brown, Scott Moncrieff
 Mrs Ruth Daly, Board Secretary
 Mr David Garden, Interim Director of Finance
 Miss Leah Girdwood, Board Committee Administrator
 Ms Fiona Hogg, Director of Human Resources and Organisational Development
 Miss Stephanie Hume, Scott-Moncrieff
 Mrs Mirian Morrison, Clinical Governance Development Manager
 Mrs Louise McInnes, Risk Manager
 Mrs Christine Thomson, Board Committee Administrator

1 WELCOME, APOLOGIES AND DECLARATION OF INTERESTS

Apologies for absence were submitted from Iain Addison, Ann Pascoe, Boyd Robertson and Iain Stewart.

Members were asked to consider whether they had an interest to declare in relation to any item on the Agenda for this meeting. The following declarations were made:

Mr A Christie advised that being an elected member of the Highland Council he had applied the test outlined in paragraphs 5.3 and 5.4 of the Code of conduct and concluded that this interest did not preclude his involvement in the meeting.

The Committee **Noted** that the meeting would be audio recorded for administrative purposes and that the recording would be deleted once the Minutes had been completed.

2 MINUTE OF MEETING HELD ON 17 DECEMBER 2019

The minute of meeting held on 17 December 2019 was Approved.

3 MATTERS ARISING

4 FOLLOW UP ACTIVITY

David Garden reported that some progress had been made but that there were still approximately 80 outstanding actions and it was hoped to have these reduced considerably by the next meeting of the Committee.

The Chair stressed the seriousness of the situation and considered that no assurance could presently be taken that actions would be completed.

The Chair reminded members that at the previous meeting of the Committee it had been agreed that, if there was no improvement, outstanding issues would be escalated to the Board. This was an area that was under close scrutiny by External Audit and it was noted that the issue was a management issue as opposed to Internal Audit. Management was required to own the process with internal audit having a supporting role. It was stressed that if more resource was required this had to be highlighted by managers and that if this was the case consideration could be given to removing some appropriate issues to the risk register. The outstanding actions were spread across a range of areas.

Whilst it was noted that there would always be a group of actions outstanding, it was stressed that the backlog of older outstanding actions required to be dealt with.

It was agreed that all sponsors with outstanding high level actions be instructed to attend the meeting on 25 February with all appropriate audit reports being recirculated for consideration by Committee, and that the Executive Team should also be in attendance.

The Committee:

- **Noted** the update
- **Agreed** that any audits with outstanding high level actions be considered at the Audit Committee to be held on 25 February

5 RISK MANAGEMENT

5.1 Progress Report by Louise McInnes, Risk Manager

Louise McInnes provided an update to the Committee on the review of the Risk Management Framework for NHS Highland which had been overseen by the Risk Management Steering Group (RMSG).

Comparisons with other Boards had been made and it had been agreed that the approach adopted by NHS Lanarkshire would be replicated in Highland.

Proposals for implementation of the approach within NHS Highland were presented, with key areas agreed as:

- Disbanding the Risk Management Steering Group by the end of the financial year and moving toward the corporate risk register function forming part of the corporate Senior Management Team
- Linking the corporate strategy and objectives of the risk register by ensuring that the corporate risk register was reviewed annually in March once the annual operational plan had been agreed. This would ensure that risks would be aligned with NHS Highland's objectives and support their delivery. A monthly report would be prepared by the Risk Manager for the Corporate Senior Leadership Team on the corporate risk register profile, progress with individual risks, new risks and escalation of high level risks for consideration.
- Alignment of all existing corporate risks with a governance group for assurance purposes. The last monthly report produced the Corporate Senior Leadership Team would be shared with the Audit Committee in full and edited versions sent to the appropriate governance committee highlighting any risks. The Risk Manager and the Clinical Governance Development Manager would meet with chairs of the assurance groups and Executive Directors to clarify the governance groups role within risk management. An annual report on NHS Highland's risk profile and compliance with the risk management framework, including details of the annual risk improvement plan would also be produced and shared with the Audit Committee.
- The risk hierarchy to be top down for objective and bottom up for service delivery risks
- The development of training to be provided to operational units from 1 April to help revise and update existing operational risk registers and to develop reporting mechanisms to operational assurance groups ie Health & Safety groups, Quality and Patient Safety Groups, Radiation Committees etc assurance groups carry out their role with regard to risk.

The full implementation plan, risk management policy and strategy, and corporate SLT process guide were noted and it was agreed that some of the terminology such as quality objectives required to be changed and that the revised Risk Management Strategy/Policy (Appendix C) required to be reduced in size. It was considered that the provision of a summary document would be useful. Ann Clark suggested that there was insufficient guidance on how to evaluate risk appetite and it was noted that this would be highlighted to the RSMG on 23 January 2020. In order to improve the consistency of risk registers discussion would take place at senior leadership meetings at each of the units.

With regard to training it was noted that training would be provided to the Board, Assurance Groups and Operational Management Teams. Organisationally the Risk Management Steering Group was keen to include a basic level of risk management training as part of statutory/mandatory training, which is being explored further with Health & Safety and Learning & Development.

Ann Clark queried whether this approach also applied to the IJBs in other Boards and Louise McInnes whilst confirming that HHSCC and the IJB s would have a role, advised that she would request more information on this matter. It was noted that the IJB do not employ any staff, staff being employed by NHS Highland or Highland Council and a query was raised as to whether the function of risk management should be undertaken by an IJB.

After discussion it was noted that Internal Audit were supportive of the idea to bring an assurance report to the committees and that good progress was being made in embedding the process in the management structure with the aim of having a robust risk management process in place by end March 2020. All points highlighted in the internal audit review had been addressed.

The Committee

- **Noted** the progress made to improve risk management processes in NHS Highland
- **Agreed** to request a summarised version of the implementation plan and revised Risk Management Policy and Strategy

6 ANY OTHER COMPETENT BUSINESS

There was no other competent business

7 DATE OF NEXT MEETING

The next meeting of the Committee will be held on **25 February 2020 at 2.00pm** in the Board Room, Assynt House, Beechwood Business Park, Inverness.

The meeting closed at 3pm