

NHS Western Isles

Healthcare Governance & Audit Committee



Board Meeting 31.03.21
Agenda Item: 10.1.1
Purpose: For Assurance

Minutes of Meeting
24th June 2020

Via Microsoft Office Teams

Members Present:

Rose Bugler	Non Executive Director (Vice Chair)
Georgina Marczak	Non Executive Director
Gill McCannon	Non Executive Director (Chair)

In Attendance:

Debbie Bozkurt	Director of Finance & Procurement
William Findlay	Nurse Director
Brian Howarth	Audit Scotland
Gordon Jamieson	Chief Executive
Cheryl Martin	Secretariat
Frank McAuley	Medical Director
Michelle McPhail	Business Manager
Dana Murray	Non Executive Director / Employee Director
Dave Rigby	Non Executive Director

1. WELCOME

Mrs McCannon took the Chair and welcomed those present to the second lockdown Healthcare Governance and Audit Committee (HGAC) meeting via Microsoft Office Teams. She especially welcomed Mr Brian Howarth from Audit Scotland and also welcomed other members of the Board in attendance for the approval of the 2019/2020 Annual Accounts.

Mrs McCannon advised that due to the nature of the meeting, the attendance of Mrs MacKay and Mrs Sullivan was not required and therefore their apologies were noted but will be reported as not required in the annual report.

2. APOLOGIES

The following apologies were noted:

Ian Burgess, NHS Western Isles Chair

Avril Keen, Director of Human Resources and Workforce Development

Janice MacKay, Head of Infection Prevention & Control, Decontamination & Cleaning Services

Uisdean Robertson, Non Executive Director

Louise Sullivan, Head of Clinical Governance & Professional Practice

Maggie Watts, Director of Public Health

NHS Western Isles Healthcare Governance & Audit Committee



Minutes of Meeting
24th June 2020

3. MINUTES

3.1 Healthcare Governance and Audit Committee Minutes 20th May 2020

There were no requested amendments to the minutes presented.

Decision: The minutes of the meeting of the 20th May 2020 were approved as an accurate record.

3.2 Matters arising

There were no matters arising from the minutes of the meeting of the 20th May 2020.

3.3 Action points from 20th May 2020

All actions have been deferred to the September 2020 meeting.

4. DECLARATION OF INTERESTS

There were no declarations of interests made.

5. FINAL AUDITS AND REPORTS FOR 2019/2020

5.1 NSS IT Service / Practitioner & Counter Fraud Services Audit Reports

5.1.1 NSS IT Service Audit Full Report

5.1.2 NSS Practitioner & Counter Fraud Services Full Report

Issue: *The committee was asked to note for information the NSS IT Services / Practitioner & Counter Fraud Services audit reports presented by Ms Debbie Bozkurt, Director of Finance and Procurement*

Discussion: Ms Bozkurt advised that the attached service audit reports were presented for information purposes as part of the Annual Accounts process. The audits aim to provide user organisations with assurance on the controls in operation within Atos that meet specific control objectives in respect of the National IT Services and the Practitioner & Counter Fraud Services Contracts.

Ms Bozkurt noted that the audits were carried out by KMPG LLP for the first time and the layout of the report was slightly different to previous years. She added that there were a number of low risk improvements highlighted in the report mainly focused around evidence gathering from their legacy systems. The report states that each point raised would be addressed as part of their continuous improvement programme of work.

Mr Howarth informed the committee that Audit Scotland were content with the content of this report and noted that although the presentation of the report had changed the information presented was similar to previous years with assurances given.

Decision: The committee formally noted the audit report.

NHS Western Isles Healthcare Governance & Audit Committee

Minutes of Meeting
24th June 2020

5.2 Losses and Special Payments Report

Issue: *The committee was asked to note for information the Losses and Special Payments report presented by Ms Bozkurt.*

Discussion: Ms Bozkurt advised that in accordance with the Standing Financial Instructions (SFI) the Committee should formally approve any losses or compensation payments when approving the Annual Accounts. She added that the excess balance amount had increased from £250k in previous years to £300k for 2019/2020.

Ms Bozkurt noted that within the year ended 31st March 2020, there were no instances of losses or special payments made. She added that there were no balances in excess of £300k written off and there were no CNORIS claims greater than £300k settled within the year.

Decision: The report was formally noted.

6. ANNUAL ACCOUNTS

6.1 Audit Scotland ISA580 covering Letter including ISA260

Issue: *The committee was asked to note for information Audit Scotland's covering letter presented by Mr Brian Howarth, Audit Scotland.*

Discussion: Mr Howarth informed the committee that the main matter in the first section of this letter is in paragraph six, the requirement to check that there are no issues for the HGAC to bring to their attention. He added that the outstanding items noted in paragraph nine have been completed.

Mr Howarth noted that their independent report which is included in the annual accounts and the letter of representation are also included in this letter for member's information.

Mr Howarth advised that this was the last point that the committee could raise any issues regarding the 2019/2020 Annual Accounts. There were no issues raised.

Decision:: The committee formally noted the report.

6.2 Audit Scotland Annual Report

Issue: *The committee was asked to note for information the proposed Audit Scotland's Annual Report presented by Mr Howarth.*

Discussion: Mr Howarth advised that NHS Western Isles has an appropriate and effective performance management framework in place and was one of the first Boards audited by Audit Scotland to finalise the annual accounts. He added that there are a number of recommendations noted in the action plan in Appendix 1 of the report and he will discuss these in greater detail with Ms Bozkurt at a later date.

Ms Bozkurt advised that conducting the accounts remotely was difficult at times for both teams and would hope that this way of working would not become the "norm" and that next year's audit would be carried out in person. However, she did agree with the electronic signing of the accounts as there is no requirement to print off the eight copies of the accounts and would be happy to see continuing.

NHS Western Isles Healthcare Governance & Audit Committee



Minutes of Meeting
24th June 2020

Mrs McCannon felt that this was a very positive report under the circumstances and noted that not having people in post had led to problems, especially with the audit recommendations tracker. She thanked Mr Howarth and his team for the report and also thanked the Executive Directors and their teams who assisting in the completion of the accounts within the original timescale given.

Decision: The committee formally noted the report.

6.3 Letter of Representation (ISA580)

Issue: *The committee was asked to note for approval the Letter of Representation presented by Mr Howarth.*

Discussion: Mr Howarth advised that this was a standard template letter provided by Audit Scotland in which, on behalf of the Board and as the Accountable Officer, Mr Jamieson gave assurances to the external auditors in specific areas such as financial statements, related party transactions and employee benefits.

He added that once approved by the committee this letter would be electronically signed by the Chief Executive.

Decision: The letter of representation was formally approved.

6.4 Annual Assurance Statement for 2019/2020

Issue: *The committee was asked to approve the Annual Assurance Statement for 2019/2020 presented by Ms Bozkurt.*

Discussion: Ms Bozkurt advised that the Annual Assurance Statement was the means by which the committee assures the Board that they can have confidence in approving the annual accounts. She added that this was a standard template although a paragraph had been included regarding the alternative assurances received from the other statutory committees' chairs as they had been unable to submit their annual reports due to the Covid-19 Pandemic. Ms Bozkurt noted that the final section of the statement notes that the committee has considered the control environment has been satisfactorily maintained. It also states that the committee was assured that an adequate framework of internal control was in place and functioning throughout NHS Western Isles during year.

Ms Bozkurt noted that the statement had been pre signed by Mrs McCannon in her role as Chair of the HGAC but would make any requested amendments before presenting to the Board following the conclusion of this meeting. There were no requested amendments.

Decision: The Annual Assurance Statement for 2019/2020 was formally approved.

NHS Western Isles Healthcare Governance & Audit Committee



Minutes of Meeting
24th June 2020

6.5 Letter to the Health & Wellbeing Audit Committee for 2019/2020

Issue: *The committee was asked to approve the Letter to the Health & Wellbeing Audit Committee (H&WAC) for 2019/2020 presented by Ms Bozkurt.*

Discussion: Ms Bozkurt advised that the purpose of this letter was to notify the Scottish Government Health and Wellbeing Audit Committee of any significant issues that were considered to be of wider interest. Ms Bozkurt informed the committee that with the exception of the noting the Board's response to the Covid-19 Pandemic there were no significant issues identified.

Again, Mrs McCannon had pre signed this letter but any requested amendments would be made before forwarded on to the H&WAC. There were no requested amendments.

Decision: The committee formally approved the Letter to the Health and Wellbeing Audit Committee for 2019/2020.

6.6 Annual Accounts 2019/2020

Issue: *The committee was asked to approve the Annual Accounts for 2019/2020 presented by Ms Bozkurt.*

Discussion: Ms Bozkurt informed the committee that there have been a number of small cosmetic changes to the Annual Accounts document from that circulated for this meeting and would take any questions. There were no questions or requested amendments to the document and the committee had no objections to the annual accounts for 2019/2020 being recommended to the Board for approval.

Mrs Marczak commented that the document was informative and gave her, as a new Executive Director a good insight into the work done by the Board during the year. Ms Bozkurt thanked Mrs Marczak for her comments and noted that she would be willing to review the document with anyone wishing a more in depth discussion.

Mrs McCannon commended all staff on behalf of the Healthcare Governance and Audit Committee for once again achieving a financial balance, with special thanks to the Finance and External Audit teams for their diligence in the preparation and completion of the Annual Accounts in such extenuating circumstances.

Decision: The committee agreed that the annual accounts should be recommended to the Board for approval.

7. ANY OTHER COMPETENT BUSINESS

There was no other competent business discussed at this meeting.

NHS Western Isles Healthcare Governance & Audit Committee



Minutes of Meeting
24th June 2020

8. DATE, TIME AND VENUE OF THE NEXT MEETING

Date	Time	Venue
16 th September 2020	9.30am (members meeting 9.00am)	Tighean Innes Gall, James Street, Stornoway
2 nd December 2020	10.00am (members meeting 9.00am, members and auditors 9.30am)	Tighean Innes Gall, James Street, Stornoway

The Chair concluded the meeting at 10.38am, thanking everyone for their attendance and contribution.