

Audit Committee Assurance Report to Grampian NHS Board

Purpose of Report

This report is to provide assurance to the Grampian NHS Board that an appropriate system of internal control is in place to ensure that:

- 1.1 Business is conducted effectively and in accordance with the law and proper standards;
- 1.2 Public money is safeguarded and properly accounted for;
- 1.3 Financial Statements are prepared timeously, and give a true and fair view of the financial position of the Board for the period in question; and
- 1.4 Reasonable steps are taken to prevent and detect fraud and other irregularities.

Recommendation

The Board is asked to note the following key points and assurances discussed by the audit Committee at the meeting on 24 August 2021.

1. Internal Audit Annual Opinion 2020/21

The Board's internal auditors, PricewaterhouseCoopers LLP, presented their annual report for 2020/21. The Chief internal Auditor's annual opinion on the overall adequacy and effectiveness of the Board's systems of internal control was: "generally satisfactory with some improvements required. The scope of the internal audit plan was amended early in the year to accommodate three areas of emerging risk (COVID-19 governance and decision making, PPE supply chain and cross system ways of working). In total 10 reviews were completed during the year, with two reviews (Theatre Utilisation and Appointment & Monitoring of Agency employed Supplementary Staff) rated as high risk. The review on COVID-19 governance and decision making was rated as medium risk and the other seven reviews were rated as low risk.

The Committee agreed that the report represented a fair summary of the internal audit activity throughout the year and welcomed the Chief Internal Auditor's comment that management demonstrates a commitment to addressing risks and improving processes and controls and in identifying areas of specific challenge to the audit team in order to provide areas of focus for the audit work.

2. Electronic Employee Support System (eESS) Implementation

The Committee received a report from the Head of Workforce and Development regarding progress with the implementation of eESS. NHS Grampian is programmed as the last NHS Scotland Board to implement the system which will provide a single, national NHS Scotland approach to Human Resource systems enabling a high quality, standardised HR function through reduced use of paper based processes, improved connectivity and direct access to employee data. The

original 'go live' date of July 2020 was deferred due to the COVID pandemic and is now scheduled for the end of September 2021. Training will initially focus on Manager Self Service. Employee Self Service (ESS) will be adopted at a later stage once Manager Self Service is fully embedded across the organisation. Members noted that project is running to plan and welcomed the assurance that effective project management arrangements are in place with regular review of progress against critical activities and risks.

3. Compliance Group.

The Committee received a progress report on the work of the Compliance Group from the Director of Facilities and eHealth. The work of the group had continued to evolve with attendance at meetings improving and the group continuing to develop their understanding of the complexities around the range of topic areas and the management of associated risks. Work is also ongoing to adopt the "bow tie" risk model. The Committee welcomed the progress to date and made some suggestions regarding how items of concern raised at group meetings should be recorded and escalated as appropriate.

Matters referred to other Board sub-Committees

None

Conclusion

The topical governance matters considered by the Audit Committee are a key source of assurance for the Board on the effectiveness of our management processes and internal control environment.

Mr Sandy Riddell
Chair
Audit Committee

**Audit Committee Meeting
Tuesday 24 August 2021, 1100-1230
Video call using MS Teams**

*Members should be aware that their names will be listed in the Minutes
which will be publicised on the NHSG website*

Agenda

Approx Timing	No	Item	Lead	Ref	Noting/ Decision
1100	1	Apologies		#	
1101	2	Minutes of the Meeting held on 15 June 2021	SR	*	D
1103	3	Matters Arising			
	3.1	Action Log of 15 June 2021	SR	*	N
	3.2	Any other matters arising	SR	#	N
1105	4	Internal Audit			
	4.1	Annual Report and Opinion	PwC	*	N
	4.2	Progress Report/High Priority Recommendations	PwC	*	N
1130	5	2020/21 Annual Report and Accounts			
	5.1	Annual Accounts	AG	*	N
	5.2	Annual Audit Report	Audit Scotland	*	N
	5.3	Recommendation to NHSG Board for Approval of the Accounts	SR	#	D
1200	6	Patients Private Funds - Abstract of Receipts and Payments	GK	*	D
1205	7	Compliance Group Report to August 2021	PA	*	N
1215	8	eESS Implementation progress report	GL	*	N
1225	9	Report to the Board	SR	#	D
1228	10	AOCB	SR	#	
		Date of Next Meeting Tuesday 19 October 2021, 11.00-12.30			

* Paper attached; # Oral/verbal; ~ To follow

Mr Sandy Riddell
Chair NHSG Audit Committee

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